JUDGE NATHAN

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

14 CV 4394

ROYAL PARK INVESTMENTS SA/NV, Individually and on Behalf of All Others Similarly Situated,

Plaintiff,

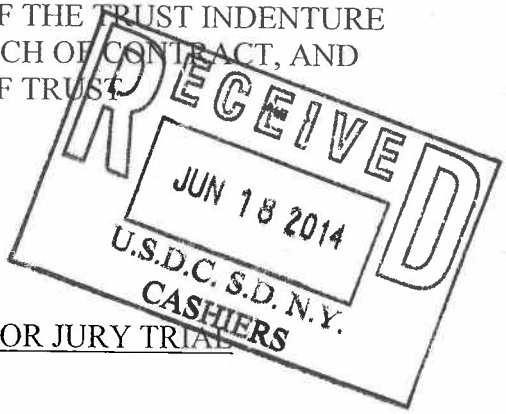
vs.

DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee,

Defendant.

Civil Action No.

CLASS ACTION COMPLAINT AND VERIFIED DERIVATIVE ACTION FOR BREACH OF THE TRUST INDENTURE ACT, BREACH OF CONTRACT, AND BREACH OF TRUST



DEMAND FOR JURY TRIAL

TABLE OF CONTENTS

Page

Page

Page

1. Plaintiff Royal Park Investments SA/NV ("plaintiff" or "RPI") alleges the following based on information and belief upon the investigation of plaintiff's counsel (except as to the allegations pertaining to plaintiff, which are based on personal knowledge), which included an investigation and review of information concerning defendant Deutsche Bank National Trust Company ("Deutsche Bank" or "defendant"), a review and analysis of information and data concerning the "Covered Trusts" at issue herein, the "Mortgage Loans" within the Covered Trusts at issue herein, the "Warrantors" and originators of the Mortgage Loans, and the "Master Servicers" and "Servicers" of the Mortgage Loans, as well as interviews and consultations with experts, consultants and others knowledgeable in the field of "residential mortgage-backed securities" ("RMBS"). Plaintiff and plaintiff's counsel believe that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

I. SUMMARY OF THE ACTION

2. Plaintiff brings this action on its own behalf and on behalf of a class of all RMBS investors in the following 10 substantially similar RMBS trusts for which defendant Deutsche Bank serves as Trustee (collectively, the "Covered Trusts"):

Covered Trust Name	**Hereinafter Referred to as:**
1. First Franklin Mortgage Loan Trust 2006-FF9	FFML 2006-FF9
2. GSR Mortgage Loan Trust 2007-AR2	GSR 2007-AR2
3. HSI Asset Securitization Corporation Trust 2007-WF1	HASC 2007-WF1
4. HarborView Mortgage Loan Trust 2006-8	HVMLT 2006-8
5. Morgan Stanley ABS Capital I Inc. Trust 2007-NC2	MSAC 2007-NC2
6. Morgan Stanley ABS Capital I Inc. Trust 2007-NC3	MSAC 2007-NC3
7. Morgan Stanley IXIS Real Estate Capital Trust 2006-1	MSIX 2006-1
8. NovaStar Mortgage Funding Trust, Series 2006-4	NHEL 2006-4
9. Saxon Asset Securities Trust 2006-2	SAST 2006-2
10. Soundview Home Loan Trust 2007-NS1	SVHE 2007-NS1

3. Alternatively, plaintiff brings this action derivatively in the right and for the benefit of the Covered Trusts against defendant Deutsche Bank.

4. Plaintiff sues Deutsche Bank for violating the Trust Indenture Act of 1939 ("TIA"), 15 U.S.C. §77aaa, *et seq.*, and for breach of contract and breach of trust, in connection with the Covered Trusts. Plaintiff and the class are beneficiaries of the Covered Trusts, which hold residential "Mortgage Loans."[1] Plaintiff and the class own RMBS "certificates" in the Covered Trusts, which are essentially bonds granting plaintiff and the class the right to receive monthly principal and interest payments generated by the Mortgage Loans.

5. As the Trustee for the Covered Trusts, Deutsche Bank owed plaintiff and the class certain contractual duties and obligations, and similar statutory duties imposed on it by the TIA. Deutsche Bank also owed plaintiff and the class the duty to avoid conflicts of interest under common law. Deutsche Bank's contractual duties and obligations are contained within the Covered Trusts' "Governing Agreements," called "Pooling and Servicing Agreements" ("PSAs"). A copy of one of the Governing Agreements, the PSA for the FFML 2006-FF9 Covered Trust (the "FFML 2006-FF9 PSA"), is attached hereto as Exhibit A. All of the Governing Agreements for the other Covered Trusts are substantially similar to the Governing Agreement for the FFML 2006-FF9 Covered Trust, and are incorporated herein by reference as if set forth fully herein.

6. The purpose of having Trustees, such as Deutsche Bank, for the Covered Trusts is to ensure that there is at least one independent party to the Governing Agreements that – unlike plaintiff and the class – does not face collective action, informational, or other limitations, thereby allowing the Trustee to effectively protect the interests of plaintiff and the class, and administer the Covered Trusts for their benefit.

[1] Each of the Covered Trusts held thousands of residential mortgage loans that were transferred to them. These mortgage loans transferred to the Covered Trusts are referred to herein as the "Mortgage Loans."

7. The Governing Agreements, as modified by the TIA and common law, effectuate this purpose by imposing certain rights, obligations and duties on Deutsche Bank as Trustee. For example, the Governing Agreements contain or reference representations and warranties ("R&Ws") from certain entities that aggregated the Mortgage Loans that were ultimately transferred to the Covered Trusts. The transferring entities were: (1) the "Sellers" or "Sponsors" of the Mortgage Loans and the Covered Trust securitizations (the "Loan Sellers/Sponsors");[2] and/or (2) the Mortgage Loans' originators or other entities that aggregated and sold Mortgage Loans that were ultimately transferred to the Covered Trusts ("Other Transferors") (the Loan Sellers/Sponsors and Other Transferors are collectively referred to herein as the "Warrantors"). The Warrantors' R&Ws attested to the credit quality and characteristics of the Mortgage Loans.[3] If it turned out that any Mortgage Loan was in breach of the Warrantors' R&Ws, the offending Warrantor was required to cure the breach, or substitute or repurchase the defective Mortgage Loan.

8. Both the Governing Agreements and the TIA require Deutsche Bank – upon discovery of a breach of any R&W – to promptly provide notice of the breach to the offending Warrantor and the other parties to the Governing Agreements. And if the breach is not timely cured, the Governing Agreements further require Deutsche Bank to enforce the breaching Warrantor's obligation to either substitute or repurchase any defective Mortgage Loans.

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[2] Typically, the Loan Sellers/Sponsors aggregated the Mortgage Loans and sold them to the Covered Trusts' "Depositors" for ultimate transfer to Deutsche Bank and the Covered Trusts.

[3] As discussed more fully *infra*, the Warrantors' R&Ws attested to the credit characteristics of the Mortgage Loans and vouched for the accuracy of the data they provided about the Mortgage Loans. Among other things, these R&Ws promised that the Mortgage Loans were originated pursuant to all applicable laws, were further originated in accordance with specific underwriting guidelines, were free of fraud and misrepresentation, and were otherwise as represented in the offering documents used to sell the Covered Trusts' RMBS to investors.

9. The veracity and accuracy of the R&Ws by the Warrantors were extremely important to both investors and the credit rating agencies because they conveyed information concerning the credit quality of the Mortgage Loans, and thus the level of risk of investing in the Covered Trusts' RMBS. The credit rating agencies relied on and assessed the quality of the Covered Trusts' Mortgage Loans and RMBS and issued the RMBS credit ratings – nearly all of which were high, "investment grade" credit ratings – based on the Warrantors' R&Ws about the Mortgage Loans. In fact, the credit rating agencies ***required*** that such R&Ws be made by the Warrantors as a pre-condition to providing credit ratings for the RMBS. Given the critical importance of the Warrantors' R&Ws, the Governing Agreements obligated the Warrantors to timely cure, substitute, or repurchase any Mortgage Loan that materially breached any of their R&Ws. In other words, the R&Ws served as insurance to plaintiff, the class and the Covered Trusts that the Mortgage Loans would be as the Warrantors represented. Importantly, if they were not, Deutsche Bank was required by the Governing Agreements to make them so, by enforcing the Warrantors' obligations to cure any breaches or substitute new, non-breaching loans for defective Mortgage Loans, or repurchase the defective Mortgage Loans.

10. As alleged more fully below, by no later than April 13, 2011, if not before, Deutsche Bank "discovered," as that term is used in the Governing Agreements, that the Warrantors had breached their R&Ws as to thousands of Mortgage Loans within the Covered Trusts. However, despite Deutsche Bank's discovery, Deutsche Bank failed to notify the breaching Warrantors and other parties to the Governing Agreements of the breaches. Nor did Deutsche Bank enforce the Warrantors' obligations to cure, substitute or repurchase the breaching Mortgage Loans, including many Mortgage Loans that were so obviously defective that they had already been foreclosed on, liquidated and written off as losses long before April 2011. Deutsche Bank's failure to comply with

its duties under the Governing Agreements to enforce the Warrantors' obligations to remedy defective Mortgage Loans has resulted in billions of dollars of damages to the plaintiff, the class and the Covered Trusts. Moreover, Deutsche Bank engaged in multiple, additional breaches of its continuing duties to enforce the Warrantor's obligations under the Governing Agreements by continuing to refuse to act after learning of the breaches, as well as new breaches, causing the claims against the Warrantors to be lost to the statutes of limitations in 2012 and 2013. Deutsche Bank's failure to act also violated the TIA, as the TIA required Deutsche Bank to perform the foregoing duties mandated by the Governing Agreements. Moreover, under the TIA, Deutsche Bank was further required to give plaintiff and the class notice of the Warrantors' defaults/breaches, which Deutsche Bank also failed to do.

11. In addition to Deutsche Bank's obligations to enforce the R&W claims against the Warrantors, Deutsche Bank also owed other critical duties to plaintiff, the class and the Covered Trusts under the Governing Agreements and the TIA. The Governing Agreements require Deutsche Bank to take steps to protect plaintiff, the class and the Covered Trusts whenever it became aware of uncured loan servicing failures by the Covered Trusts' "Master Servicers" or "Servicers" that amounted to "Master Servicer Events of Default," or "Events of Default," as defined by the Governing Agreements. To explain, the Governing Agreements designated certain entities to be the Master Servicers and/or Servicers of the Mortgage Loans within the Covered Trusts (these Master Servicers and Servicers are sometimes collectively referred to herein as "Master Servicers/Servicers"). The Master Servicers/Servicers are responsible under the Governing Agreements to ensure that the Mortgage Loans within the Covered Trusts are being properly and

legally serviced for the benefit of plaintiff and the class.[4] A "Master Servicer Event of Default" or an "Event of Default" (these will be collectively referred to hereinafter as "Event of Default" unless otherwise noted), occurs under the Governing Agreements whenever a Master Servicer or Servicer (as applicable) fails to ensure the legal and proper servicing of the Mortgage Loans. The Master Servicers/Servicers also commit an Event of Default whenever they discover breaches of the Warrantors' R&Ws and fail to promptly give notice of those breaches to Deutsche Bank.

12. Under the Governing Agreements and the TIA, Deutsche Bank is required to act whenever it becomes aware of an Event of Default by the Master Servicers/Servicers. First, Deutsche Bank is required to notify the offending Master Servicer or Servicer of its Event of Default. Moreover, Deutsche Bank is also required to demand that the offending Master Servicer or Servicer cure its Event of Default within a prescribed period of time. In addition, Deutsche Bank is also required to promptly give notice of Events of Default to plaintiff and the class. Finally, Deutsche Bank is allowed to take additional steps to protect plaintiff and the class if an Event of Default is not cured, including legal action, terminating the offending Master Servicer or Servicer, or taking over the Master Servicer's or Servicer's duties.

13. Importantly, under both the Governing Agreements and the TIA, the occurrence of an Event of Default which is known to Deutsche Bank dramatically increases its duties to plaintiff and

[4] This included, *inter alia*, ensuring the prompt collection of payments from borrowers and remittance of the same to the Covered Trusts; ensuring the proper and legal sending of statements and delinquency and other notices to borrowers who were late on their payments; ensuring the proper maintenance and reporting of accurate information regarding the Mortgage Loans; ensuring the proper and legal modification of Mortgage Loans when permitted and as necessary; ensuring the proper and legal institution and prosecution of foreclosure proceedings, when and as necessary, on behalf of Deutsche Bank as Trustee; and properly maintaining the Covered Trusts' "REO" properties (properties the Covered Trusts owned). In short, the Governing Agreements require the Master Servicers/Servicers to do whatever a prudent Master Servicer/Servicer would customarily do to ensure the proper servicing and administration of the Mortgage Loans in accordance with law, for the benefit of plaintiff and the class.

the class. The occurrence of any Event of Default ***requires Deutsche Bank to protect plaintiff and the class by exercising all of the rights and powers vested in Deutsche Bank by the Governing Agreements, as a reasonably prudent person would under the circumstances, and to act as if Deutsche Bank is protecting its own interests***. Essentially, when an Event of Default occurs, Deutsche Bank is required to act as a quasi-fiduciary for plaintiff and the class and protect them as if Deutsche Bank is protecting its own interests.

14. It was critically important that Deutsche Bank act when it became aware of Events of Default because the proper servicing of the Mortgage Loans and the reporting of Warrantor R&W breaches to Deutsche Bank was vital to: (1) the ongoing financial viability of the Covered Trusts; (2) ensuring the Covered Trusts had sufficient cash flows to pay expenses and to fund payments to plaintiff and the class; (3) avoiding and minimizing any losses to plaintiff, the class and the Covered Trusts from defaults, delinquencies or foreclosures of the Mortgage Loans or Warrantor R&W breaches; and (4) maintaining the credit ratings and market values of plaintiff's and the class's RMBS. Because of this, the Governing Agreements require Deutsche Bank to act as essentially a fiduciary for plaintiff and the class whenever it becomes aware of an Event of Default by a Master Servicer or Servicer.

15. As alleged more fully below, Deutsche Bank obtained actual knowledge of widespread, rampant Events of Default by the Covered Trusts' Master Servicers and Servicers no later than April 13, 2011, if not earlier. By April 2011, there was no doubt that Deutsche Bank had actual knowledge that the Master Servicers and Servicers were engaging in numerous, widespread, improper and/or illegal foreclosure practices with respect to the Mortgage Loans in the Covered Trusts that were multiple Events of Default. In fact, Deutsche Bank even appears to have actively participated in the misconduct, including the making of false statements, the filing of false and

illegal affidavits in foreclosure actions, and engaging in other improper or illegal loan servicing misconduct with the Master Servicers/Servicers, all of which were Events of Default. In addition, Deutsche Bank also had actual knowledge that the Master Servicers/Servicers knew of widespread breaches of the Warrantors' R&Ws but had not reported those to Deutsche Bank, which were also Events of Default. These Events of Default triggered Deutsche Bank's fiduciary-like duties under the Governing Agreements and the TIA to take action and protect plaintiff and the class as a prudent person would. However, Deutsche Bank failed to do the things required of it by the Governing Agreements and the TIA, and further allowed the Events of Default to go on unchecked, thereby engaging in multiple, additional breaches of its continuing duties under the Governing Agreements and TIA. In fact, despite its knowledge of these Events of Default, and numerous additional Events of Default, that have occurred repeatedly and continuously ***after*** April 2011, Deutsche Bank has continued to fail to act, let alone act prudently, and thus has engaged in multiple, additional breaches of its duties under the Governing Agreements and the TIA, as the Covered Trusts continue to suffer from pervasive Events of Default.

16. Deutsche Bank's multiple breaches and failures to act have resulted in defective Mortgage Loans that breached their R&Ws not being replaced or repurchased by the Warrantors, and also Mortgage Loans being improperly and illegally serviced, causing massive damages to plaintiff, the class and the Covered Trusts. Deutsche Bank's failures to properly act with respect to the Master Servicers' and Servicers' Events of Default have resulted in, *inter alia*: (1) failures to have Mortgage Loans in breach of the Warrantors' R&Ws replaced or repurchased; (2) numerous foreclosures of the Mortgage Loans being denied, invalidated and/or improperly delayed, substantially driving up the Covered Trusts' expenses and losses; (3) numerous Mortgage Loan delinquencies being allowed to stretch on interminably without payments being remitted to the Covered Trusts, while the Master

Servicers and Servicers continuously add improper and excessive fees and charges to such Mortgage Loans, which are paid to the Master Servicers and Servicers by the Covered Trusts first, before the Covered Trusts receive anything when the mortgages are eventually foreclosed; (4) numerous Mortgage Loans being modified or foreclosed, or not being modified or foreclosed, in a manner that financially benefitted the Master Servicers'/Servicers' financial interests but not plaintiff's and the class's financial interests, in violation of the Governing Agreements; (5) the Master Servicers and Servicers entering into numerous settlements with governmental regulatory authorities because of their Events of Default wherein the Master Servicers and Servicers were required to reduce the Covered Trusts' Mortgage Loan balances and provide other borrower concessions, which caused additional losses to plaintiff, the class and the Covered Trusts; and (6) various and numerous other illegal and improper servicing misconduct alleged herein amounting to Events of Default that caused millions of dollars in damages to plaintiff, the class and the Covered Trusts.

17. As previously alleged, these uncured Events of Default require Deutsche Bank to use a heightened, "prudent person" duty of care akin to that of a fiduciary, and to exercise all of its rights and powers under the Governing Agreements for the benefit of the plaintiff and the class. ***This heightened duty of care does not apply only to the Master Servicers'/Servicers' Events of Default, however; it also applies to all of the Warrantors that had breached their R&Ws***. Thus, Deutsche Bank is and was also required to enforce the R&W claims against the Warrantors as a prudent person would, and seek to fully recover for those claims as though Deutsche Bank was seeking to recover for itself.

18. Deutsche Bank, however, ignored these duties and obligations owed to plaintiff, the class and the Covered Trusts under the Governing Agreements and the TIA, and did not exercise its rights and powers under the Governing Agreements, or exercise the degree of care and skill required

of a prudent person in the conduct of his/her own affairs. As a result, Deutsche Bank breached the Governing Agreements and violated the TIA, and caused plaintiff, the class and the Covered Trusts to suffer billions of dollars in damages from the loss and non-prosecution of the R&W claims against the Warrantors (which are now time barred), and have further caused millions of dollars in additional damages resulting from the Master Servicers'/Servicers' uncured loan servicing Events of Default, which continue unabated. Plaintiff, the class and the Covered Trusts are entitled to recover damages caused by these breaches of the Governing Agreements by Deutsche Bank, and for its violations of the TIA.

19. Deutsche Bank's failure to act also breached its common law "duty of trust" owed to plaintiff and the class. Under this duty, Deutsche Bank was required to avoid conflicts of interest with plaintiff and the class. Deutsche Bank's failure to act as required under the Governing Agreements was a result of the fact that Deutsche Bank had multiple and fundamental conflicts of interest with plaintiff and the class.

20. First, Deutsche Bank had ongoing and prospective business relationships with the loan originators, Warrantors, Master Servicers and Servicers to the Covered Trusts (and the entities related to them). These were the decision-makers that selected RMBS trustees for RMBS trusts, and they had selected Deutsche Bank to be the Trustee of the Covered Trusts, as well as the Trustee for hundreds, if not thousands, of other RMBS trusts. Deutsche Bank derived significant RMBS trustee business from such relationships, and it desired to continue profiting therefrom. Thus, Deutsche Bank did not want to disrupt its business relationships with these entities, or anger them, by seeking to enforce R&W claims against the Warrantors or declaring Events of Default against the Master Servicers/Servicers as it would endanger Deutsche Bank's RMBS trustee business and the income therefrom, as well as future prospects for such financial gain.

21. Second, Deutsche Bank's related sister companies, such as DB Structured Products, Inc. ("DBSP"), DB Home (which had acquired lender Chapel Mortgage Corporation ("Chapel")) and MortgageIT, Inc. ("MortgageIT"), were loan originators and loan seller/sponsors to RMBS trusts.[5] These "Deutsche Bank" sister companies had warranted tens of thousands of loans that they sold to the Covered Trusts' Warrantors and Master Servicers/Servicers, and their related companies, for inclusion into RMBS trusts. Deutsche Bank knew that its sister companies' loans were awful and breached their R&Ws. *See infra* ¶¶111-115. Deutsche Bank further knew that if it attempted to enforce the plaintiff's, the class's and the Covered Trusts' R&W rights against the Warrantors to the Covered Trusts, those Warrantors (and their related companies) would retaliate by making similar claims against Deutsche Bank's sister companies for hundreds of millions if not billions of dollars in R&W claims for other trusts. Similarly, Deutsche Bank knew that if it declared Events of Default, or took other steps against the Covered Trusts' Master Servicers/Servicers, those Master Servicers and Servicers would also make retaliatory R&W claims against Deutsche Bank's sister companies.

22. Third, for at least two of the Covered Trusts, the HVMLT 2006-8 and MSIX 2006-1 Covered Trusts, Deutsche Bank faced an extremely obvious conflict of interest. ***One of the Warrantors to the HVMLT 2006-8 Covered Trust was Deutsche Bank's sister company, MortgageIT, and one of the loan originators to the MSIX 2006-1 Covered Trust was another of Deutsche Bank's sister companies, Chapel***. Deutsche Bank was not going to make R&W claims against its sister companies or claim that the loans of its own sister companies were defective.

23. Fourth, in eight of the 10 Covered Trusts, Deutsche Bank's Trustee fees to manage the Covered Trusts are paid by either the Master Servicers or Servicers. *See, e.g.*, FFML 2006-FF9 PSA §8.05 ("[T]he Trustee shall be paid its fee by the Master Servicer from the Master Servicer's

[5] Deutsche Bank, DBSP, DB Home, Chapel and MortgageIT were all ultimately owned and controlled by their common parent company, German investment banking giant Deutsche Bank AG.

own funds pursuant to a separate agreement."). Given that Deutsche Bank's fees are paid by these entities, Deutsche Bank was not going to "bite the hand that fed it" and put this income in jeopardy by declaring Events of Default against those Master Servicers and Servicers.

24. Because of these conflicts of interest between Deutsche Bank, plaintiff and the class, Deutsche Bank decided to refrain from discharging its duties under the Governing Agreements and TIA, and therefore refused to protect the Covered Trusts or plaintiff's and the class's interests therein. Instead, Deutsche Bank protected and advanced its own economic interests at the expense of plaintiff and the class by refusing to act.

25. By deliberately refusing to act as required by the Governing Agreements and the TIA, Deutsche Bank put its own interests ahead of plaintiff's and the class's and benefitted therefrom, breaching its common law duty of trust to plaintiff and the class. Moreover, Deutsche Bank has engaged in multiple, additional breaches of its duty of trust by continuing to put its interests ahead of those of plaintiff and the class to the present by continuing to refuse to perform its duties under the Governing Agreements.

26. Numerous media reports and RMBS experts have confirmed these conflicts of interest. For example, in December 2010, law professor Kurt Eggert appeared before the U.S. Senate's Banking, Housing and Urban Affairs Committee and testified that ***RMBS trustees like Deutsche Bank were not likely to be of "much help for investors," because "a trustee may derive much of its income from" those that set up the trusts and appoint the trustees***. In addition, an article in the *Yale Journal of Regulation* stated: "***there is often a very close relationship between the servicer and the trustee; many originators and servicers have a 'pet' or 'pocket' trustee that they use for most of their deals***." Moreover, *The New York Times* reported on June 16, 2013, that

> ***when mortgages soured, trustees declined to pursue available remedies for investors, such as pushing a [Warrantor] to buy back loans that did not meet***

> ***quality standards . . . because trustees are hired by the big banks that package and sell the securities[.] [Therefore] their allegiances are divided. Sure, investors are paying the fees, but if a trustee wants to be hired by sellers of securities in the future, being combative on problematic loan pools may be unwise***.

The article concluded that "***they [the RMBS trustees] are a dog that could have barked but didn't***."

27. As a result of Deutsche Bank's failures to enforce the R&W claims (and the Master Servicers/Servicers Events of Default by failing to notify Deutsche Bank of Warrantor R&W breaches), the Covered Trusts are full of defective Mortgage Loans and have therefore experienced historically unprecedented numbers of defaults, delinquencies, foreclosures, liquidations and losses. As a further result of Deutsche Bank's failures to act with respect to Master Servicer/Servicer loan servicing Events of Default, the Mortgage Loans have also experienced numerous illegal, invalid and improper foreclosures and lengthy and expensive delays in foreclosure proceedings, extremely long delinquencies, the imposition of excessive and improper Master Servicer/Servicer fees, and the disposition of Mortgage Loans that financially benefitted the Master Servicers/Servicers, but negatively impacted the interests of plaintiff and the class. Deutsche Bank's failures to act as required by the Governing Agreements and the TIA have caused plaintiff, the class and the Covered Trusts to suffer billions of dollars in damages, caused failures and shortages in the payment of principal and interest to plaintiff and the class, and caused steep declines in the values plaintiff's and the class's RMBS. Indeed, due to Deutsche Bank's inaction, ***the Covered Trusts have incurred losses that currently exceed $3.1 billion, and all of RPI's RMBS in the Covered Trusts are now completely worthless***. Accordingly, Deutsche Bank is liable to plaintiff and the class for damages caused by its breaches of the Governing Agreements and duty of trust, and its violations of the TIA.

II. JURISDICTION AND VENUE

28. This Court has jurisdiction over this action pursuant to 28 U.S.C. §1331 for violations of the TIA and supplemental jurisdiction over the breach of contract and breach of trust claims. The Court also has jurisdiction pursuant to 28 U.S.C. §1332(a).

29. Venue is proper in this District pursuant to 28 U.S.C. §1391(b). Indeed, in at least two of the Governing Agreements, the PSAs for the NHEL 2006-4 and SVHE 2007-NS1 Covered Trusts, Deutsche Bank consented to litigating matters arising out of such PSAs in this District.

III. PARTIES

30. Plaintiff RPI is a limited liability company incorporated under the laws of Belgium, with its principal place of business in Brussels, Belgium. RPI acquired RMBS in each of the Covered Trusts on or about the dates indicated below, and has continuously held such RMBS since then:

Covered Trusts	Tranche/Class	Initial Face Amount of Certificate	Date Acquired
FFML 2006-FF9	M4	$ 4,113,000	February 12, 2010
GSR 2007-AR2	1A2	$ 24,143,000	May 12, 2009
HASC 2007-WF1	M4	$ 7,690,000	May 12, 2009
	M5	$ 7,049,000	May 12, 2009
	M6	$ 4,806,000	May 12, 2009
HVMLT 2006-8	B1	$ 7,575,000	February 12, 2010
MSAC 2007-NC2	M4	$ 4,500,000	May 6, 2010
	M5	$ 4,806,000	May 6, 2010
MSAC 2007-NC3	M2	$ 9,000,000	May 12, 2009
MSIX 2006-1	M2	$ 25,000,000	February 12, 2010
NHEL 2006-4	M4	$ 7,500,000	February 12, 2010
SAST 2006-2	M6	$ 5,000,000	February 12, 2010
SVHE 2007-NS1	M4	$ 5,000,000	May 6, 2010

31. Because of Deutsche Bank's failures to act as alleged herein, each of the foregoing RMBS are now total losses, having been completely written down to the point that they are worthless.

32. With respect to the above RMBS which RPI acquired on or about May 12, 2009, RPI acquired such RMBS from the initial purchasers of such RMBS, and the initial purchasers acquired such RMBS at or about the time the RMBS were offered to the investing public in 2006 and 2007. These initial purchasers, when they transferred such RMBS to RPI on or about May 12, 2009, also transferred all right, title and interest in such RMBS to RPI, including all litigation rights and claims the initial purchasers had, such as the initial purchasers' claims against Deutsche Bank asserted in this action. As to the remaining RMBS that were acquired by RPI in 2010, these RMBS were originally included within collateralized debt obligations ("CDOs") in which RPI acquired interests on or about May 12, 2009 from the initial purchasers. RPI was assigned all right, title and interest (including litigation and claim rights) the initial purchasers had in the interests in these CDOs at that time. Subsequently, the CDOs were liquidated in 2010 and RPI acquired the RMBS within the CDOs along with all rights, title and interest in such RMBS. Given that the CDOs were ***liquidated in full***, and thus the CDOs were selling ***all*** rights and interests in the RMBS within them, RPI also obtained all litigation rights and claims that the CDOs and initial purchasers had in the RMBS. Furthermore, pursuant to New York General Obligations Law §13-107, RPI obtained all rights and causes of action of all previous holders against Deutsche Bank.

33. Defendant Deutsche Bank is a national banking association organized and existing under the laws of the United States with its principal place of business in California. Deutsche Bank is one of the market leaders in the RMBS trustee business, as it serves as trustee for hundreds, if not

thousands, of RMBS trusts, including the Covered Trusts. Deutsche Bank has served as the Trustee for the Covered Trusts since they were formed in 2006 and 2007.

IV. FACTUAL ALLEGATIONS

A. The Securitization Process for the Mortgage Loans

34. The Warrantors that sold the Mortgage Loans transferred into the Covered Trusts engaged in a nearly identical securitization process that was repeated thousands of times by them and others during 2006 and 2007, the time period when the Mortgage Loans were originated, warranted and transferred to the Covered Trusts. Investor demand for RMBS was skyrocketing during this period and the Warrantors and other RMBS securitizers were hard pressed to meet that demand. RMBS securitizations proliferated during 2006 and 2007 and were extremely profitable for all involved in their sale. Hundreds of billions of dollars of RMBS were packaged and sold to the investing public during this period and billions of dollars in profit were pocketed by the Warrantors, Master Servicers/Servicers and other securitizers. Deutsche Bank also profited handsomely, and continues to profit, from the explosion in RMBS trusts caused by the skyrocketing sales, as it is an RMBS Trustee to hundreds, if not thousands, of RMBS trusts, including the Covered Trusts.

35. RMBS securitizations involve the conversion of thousands of illiquid residential mortgage loans into bond-like instruments – the RMBS certificates at issue herein – which trade over the counter in capital markets.

36. The first step in creating RMBS is the "origination" of mortgage loans, that is, the lending of money to borrowers to purchase residences. The Mortgage Loans that were ultimately transferred to the Covered Trusts were usually originated by lenders and then were purchased by the Loan Sellers/Sponsors, or originated by the Loan Sellers/Sponsors themselves, or originated or purchased by the Other Transferors.

37. Typically, after aggregating the Mortgage Loans, the Loan Sellers/Sponsors and Other Transferors then grouped the Mortgage Loans into large pools, which they then transferred and sold to the Covered Trusts' "Depositors" for ultimate transfer to the Covered Trusts and Deutsche Bank as Trustee. Usually, the Depositors were shell companies related to the Loan Sellers/Sponsors. These sales from the Loan Sellers/Sponsors to the Depositors were typically accomplished via agreements called "Mortgage Loan Purchase Agreements," "Mortgage Loan Sale Agreements," or similarly titled agreements (collectively, the "MLPAs"). In the case of the Other Transferors, they entered into similar agreements with either the Loan Sellers/Sponsors or the Depositors and the Mortgage Loans were ultimately transferred to the Covered Trusts (the "Other Transfer Agreements").

38. The Governing Agreements refer to and incorporate the MLPAs and, when relevant, the Other Transfer Agreements. Generally, in the PSAs, the MLPAs and the Other Transfer Agreements, the respective Loan Sellers/Sponsors and Other Transferors: (i) make numerous R&Ws concerning the credit quality and characteristics of the Mortgage Loans and vouch for the accuracy of all data they provide about the Mortgage Loans; (ii) promise to cure, substitute or repurchase Mortgage Loans that do not comply with those R&Ws; and (iii) usually expressly state that the Trustee will ultimately have the right to enforce the R&Ws against the Loan Sellers/Sponsors and Other Transferors. The R&Ws by the Loan Sellers/Sponsors and Other Transferors (together, the "Warrantors"), and the remedies for breaches thereof, are referenced in the Governing Agreements' PSAs. The rights to enforce those R&Ws are assigned to the Trustee for the benefit of the RMBS investors, *i.e.*, plaintiff and the class.

39. After the Mortgage Loans are sold and transferred from the Warrantors to the Covered Trusts' Depositors, the Depositors then transfer the Mortgage Loans, along with the rights

to enforce the Warrantors' R&Ws, to the Trustee for the benefit of plaintiff and the class, and, in exchange, the Trustee transfers the RMBS – which are typically called RMBS "certificates" – to the Depositors.

40. The Depositors then sell the RMBS certificates to securities underwriters, typically another entity related to the Loan Sellers/Sponsors and Depositors. The Depositors remit the money from those underwriter sales to the Loan Sellers/Sponsors. Meanwhile, the securities underwriter markets and sells the RMBS certificates to investors such as plaintiff and the class and retains a portion of the purchase price as its fee.

41. After the Covered Trusts' RMBS are sold to investors, the Mortgage Loans must be serviced. Thus, the Governing Agreements designate certain entities to be the Master Servicers and/or Servicers of the Mortgage Loans, and require that they service the Mortgage Loans in accordance with law and pursuant to certain standards, usually the customary servicing practices of "***prudent***" loan servicers or the "***customary and usual standards of practice***" they use when they service their own loan portfolios. Whenever a Master Servicer/Servicer fails to ensure the service of the Mortgage Loans pursuant to these standards, an Event of Default occurs, and the Trustee is required to take certain actions to protect plaintiff and the class when it becomes aware of the default.

42. Plaintiff's and the class's RMBS certificates entitle them to the cash flows generated by the Mortgage Loans. The Covered Trusts, as with other RMBS trusts, are structured such that the risk of loss is divided among different "classes" or "tranches" of RMBS in each Covered Trust. Each class or tranche of the Covered Trusts has a different level of credit risk and reward (the interest or yield), including different levels and types of credit enhancement or protection, and different priorities to payment from the cash flows generated by the Mortgage Loans (the payment

priority and distribution is called the payment "waterfall"). Because the classes/tranches have different credit enhancements and different priorities of claim to the cash flow, they are assigned different credit ratings by the credit rating agencies and they sell at different yields or coupons. However, most of the classes/tranches of the RMBS are required to be rated as "investment grade" securities before they can be sold. As previously alleged, the credit ratings agencies require that the Warrantors make R&Ws and base their credit ratings of the RMBS on such R&Ws.

43. All of the classes/tranches of the RMBS, the plaintiff, the class, and all of the Covered Trusts, are dependent on the Trustee to act as required under the Governing Agreements in order to ensure that the Covered Trusts perform as designed and are profitable. Thus, the Trustee must act promptly and properly discharge its duties and obligations under the Governing Agreements. Here, Deutsche Bank breached important duties it agreed to undertake in the Governing Agreements and which were mandated by the TIA, and thereby breached those agreements and violated the TIA, thus entitling plaintiff and the class to damages.

B. Deutsche Bank's Duties as Trustee for the Covered Trusts

44. The Governing Agreements set forth Deutsche Bank's rights and its duties and obligations to plaintiff and the class. All of the Covered Trusts are governed by PSAs (Pooling and Service Agreements),[6] and certain related agreements such as the MLPAs (Mortgage Loan Purchase Agreements) and/or Servicing Agreements ("SAs"), which the PSAs reference and incorporate when relevant. Each of the Governing Agreements for the Covered Trusts is substantially similar to and imposes substantially similar duties on Deutsche Bank. Accordingly, the FFML 2006-FF9 PSA (Exhibit A hereto), and its related MLPA (Exhibit B hereto), are incorporated herein by reference,

[6] The GSR 2007-AR2 Covered Trust's Governing Agreement is called a "Master Servicing and Trust Agreement" as opposed to a PSA, yet serves the same function as the other Covered Trusts' PSAs.

and are used as representative examples of all of the Governing Agreements (and their related agreements) for all of the Covered Trusts.

45. While the Governing Agreements set forth certain rights and responsibilities of Deutsche Bank, the TIA supplements those agreements. The TIA was enacted in 1939 because Congress recognized that previous abuses by trustees had adversely affected investors and the national interest. In enacting the TIA, Congress desired to ensure that there were certain minimum federal protections available to investors, which are deemed to be incorporated into the Governing Agreements. Those minimum protections are discussed *infra* at ¶¶62-65.

46. When the Covered Trusts were formed, the Covered Trusts' Depositors transferred to Deutsche Bank "all the right, title and interest . . . to the Trust Fund," *i.e.*, the Mortgage Loans in each Covered Trust, and their attendant rights, "***for the benefit of the Certificateholders***," *i.e.*, plaintiff and the class. FFML 2006-FF9 PSA §2.01. Furthermore, ***Deutsche Bank "agree[d] to hold the Trust Fund and exercise the rights [conferred by the Governing Agreements] for the Holders of the Certificates***." FFML 2006-FF9 PSA §2.04. Indeed, in a memo written by Deutsche Bank to its loan servicers (including the Covered Trusts' Master Servicers and Servicers) on August 30, 2007, Deutsche Bank admitted that it is "***our legal duty to protect the interests of securities investors***" in the Covered Trusts.

1. Deutsche Bank's Duty to Enforce the Warrantors' Obligations to Cure, Substitute or Repurchase Mortgage Loans that Breached Their R&Ws

47. The PSAs (and/or the related MLPAs and Other Transfer Agreements) contained numerous R&Ws about the Mortgage Loans in the Covered Trusts made by the Warrantors. The R&Ws by the Warrantors attested to the credit quality of the Mortgage Loans conveyed to the Covered Trusts and warranted the accuracy of the data the Warrantors conveyed about such Mortgage Loans. The Warrantors also attested to other characteristics of the Mortgage Loans and

their origination. The following is an example of the R&Ws the Warrantors made: (1) that the data and other information the Warrantors conveyed concerning the Mortgage Loans in mortgage loan schedules, exhibits, and other compilations of data in connection with the transfer of the Mortgage Loans to the Covered Trusts was "complete, true and correct"; (2) that the Mortgage Loans complied with and were originated and serviced in compliance with all federal, state and local laws; (3) that the Mortgage Loans were not "high cost," "high-risk," "predatory" or "abusive" loans as defined by law; (4) that the appraisals of the properties securing the Mortgage Loans, and the appraisers who conducted them, complied with certain uniform standards and requirements and/or complied with the lender's underwriting guidelines; (5) that the Mortgage Loans were originated in accordance with the lender's underwriting guidelines; (6) that the Mortgage Loan borrowers were evaluated to confirm that they had a reasonable ability to afford the Mortgage Loans; and (7) that there was no fraud, error, omission, misrepresentation, or negligence by any person involved in the origination of the Mortgage Loans. *See, e.g.*, FFML 2006-FF9 PSA §2.03(b) and "Schedule IV" thereto at §§(1), (8), (21), (24), (26), (34), (43), (48), (56), (60), (63)-(66), (69)-(71) (Ex. A hereto); *see also* FFML 2006-FF9 MLPA §§4(a)(2), (14)-(16), 4(b)(7)-(9) (Ex. B hereto). The Warrantors made numerous other R&Ws concerning the Mortgage Loans in the Covered Trusts. *See generally* FFML 2006-FF9 PSA "Schedules III and IV"; FFML 2006-FF9 MLPA §4.

48. The Warrantors' R&Ws are specifically referenced in the Governing Agreements, along with the Warrantors' obligations to cure, substitute, and/or repurchase any defective Mortgage Loans. *See* FFML 2006-FF9 PSA §2.03.

49. Importantly, the Governing Agreements also provide that whenever Deutsche Bank discovers a breach of a Warrantor's R&Ws that materially affect plaintiff and the class, Deutsche Bank "***shall give prompt written notice to***" the breaching Warrantor and the other parties to the PSA.

FFML 2006-FF9 PSA §2.03(c), (k). Thereafter, the breaching Warrantor has a brief period of time within which to cure, substitute or repurchase the breaching Mortgage Loans. *Id*. §2.03(c) (60 days); *id*. §2.03(k) (30 days). If the Warrantor fails to cure the breach, then the Trustee is to "***enforce***" that breaching Warrantor's obligations to substitute or repurchase the defective Mortgage Loans. *Id*. §2.01 (Deutsche Bank "to enforce the [Loan Seller's/Sponsor's] obligation to repurchase or substitute defective Mortgage Loans"); *id*. §2.04 (Deutsche Bank "agrees to . . . exercise the [breach of R&W] rights referred to above [in §2.03 against the Warrantors] for the benefit of all present and future Holders of the Certificates.").[7]

50. Deutsche Bank's duties are embodied in §§2.01, 2.03 and 2.04 of the FFML 2006-FF9 PSA. First, §2.03(c) and (d) provide:

> ***Upon discovery by the . . . Trustee . . . of a breach of any of the foregoing representations and warranties [by Warrantor First Franklin Financial Corporation ("First Franklin")], the party discovering such breach shall give prompt written notice to the others[, including First Franklin]***.
>
> * * *
>
> ***[W]ithin 60 days of . . . notice to [First Franklin] of any breach of a representation or warranty . . . that materially and adversely affects the value of any Mortgage Loan or the interest of the Trustee or the Certificateholders therein, [First Franklin] shall use its best efforts to. . . cure such breach in all material respects and, if such . . . breach cannot be remedied, [First Franklin] shall . . . (i) . . . remove such Mortgage Loan . . . from the Trust Fund and substitute in its place a Substitute Mortgage Loan, . . . or (ii) repurchase such Mortgage Loan*** . . . .

Further, in §2.04, ***Deutsche Bank "agree[d] to . . . exercise the rights referred to above for the benefit of all present and future Holders of the Certificates***."

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[7] The GSR 2007-AR2 Covered Trust required Deutsche Bank to enforce certain Warrantors' breaches while that Covered Trust's "Securities Administrator" was responsible for others. *See* Exhibit C hereto (GSR 2007-AR2 "Standard Terms to Master Servicing and Trust Agreement" ("GSR Standard Terms")) §2.03. Ultimately, however, ***Deutsche Bank was assigned all of "the rights and remedies with respect to the enforcement of any and all representations, warranties and covenants under***" that Covered Trust's Governing Agreements. *Id*. at §2.01.

51. Second, with respect to the other Warrantor to the FFML 2006-FF9 Covered Trust, Loan Seller/Sponsor HSBC Bank USA, National Association ("HSBC"), the PSA similarly provides:

> ***Upon the discovery by . . . the Trustee . . . of a breach of any of [HSBC's] representations and warranties set forth in Section 4 of the [MLPA], the party discovering the breach shall give prompt written notice to the others[, including HSBC]. Within 30 days of . . . notice to [HSBC] of any breach of any of the foregoing representations or warranties that materially and adversely affects the value of any Mortgage Loan or the interest of the Trustee or the Certificateholders therein, [HSBC] shall use its best efforts to cure such breach in all material respects and, if such defect or breach cannot be remedied, [HSBC] shall . . . (i) . . . remove such Mortgage Loan from the Trust Fund and substitute in its place a Substitute Mortgage Loan . . . or (ii) repurchase such Mortgage Loan*** . . . .

Id. §2.03(k). ***Deutsche Bank "agree[d] to . . . exercise the rights," id. §2.04, "to enforce [HSBC's] obligation to repurchase or substitute defective Mortgage Loans under . . . the [MLPA]***." *Id.* §2.01.

2. Deutsche Bank's Duties upon the Occurrence of an Event of Default

52. Deutsche Bank also had obligations under the Governing Agreements and TIA whenever it learned of a "Master Servicer Event of Default" by a Master Servicer, or where there was no Master Servicer, whenever it learned of an "Event of Default" by a Servicer.[8] The Governing Agreements provide that the Master Servicers "shall monitor the performance of" the Servicers and use "reasonable good faith efforts to cause [them] to duly and punctually perform

[8] In eight of the 10 Covered Trusts, the Governing Agreements designate a "Master Servicer" and one or more "Servicers." In the other two Covered Trusts, there was no Master Servicer designated – instead a single Servicer was designated. In the eight Covered Trusts having Master Servicers, the Master Servicers are required to monitor the Servicers and ensure that they properly and legally service and administer the Mortgage Loans for the benefit of plaintiff and the class, and if the Master Servicer does not, a "Master Servicer Event of Default" occurs. In the two Covered Trusts without Master Servicers, the Servicers themselves are required to ensure the proper and legal service and administration of the Mortgage Loans for the benefit of plaintiff and the class, and if they do not, an "Event of Default" occurs. Unless otherwise specified herein, both "Master Servicer Events of Default" and "Events of Default" are collectively referred to herein as "Events of Default."

[their] duties and obligations" under the Governing Agreements. FFML 2006-FF9 PSA §9.01. Under the Governing Agreements, this means that the Master Servicers are required to ensure that the Servicers are legally, properly and prudently servicing the Mortgage Loans. In the two Covered Trusts where there is no Master Servicer designated under the Governing Agreements, the Servicer is required to ensure the legal, proper and prudent servicing of the Mortgage Loans. Either way, the Master Servicers and Servicers, and any sub-servicers they use, have the same duties under the Governing Agreements – to ensure that the Mortgage Loans are properly and prudently serviced in accordance with customary and usual loan servicing practices, and in accordance with all applicable laws.

53. The Master Servicers'/Servicers' loan servicing duties include: ensuring that the payments by borrowers are timely and properly collected and submitted to the Covered Trusts; ensuring timely, appropriate and legal statements and notices are sent to borrowers; ensuring appropriate insurance is in place when required; ensuring accurate information about the Mortgage Loans is maintained; ensuring that the Covered Trusts' "REO" properties[9] are properly and legally maintained; and otherwise doing whatever is needed to ensure that the Mortgage Loans are properly serviced. The Master Servicers/Servicers are also responsible to ensure that, when necessary or required, the Mortgage Loans are legally and properly modified or foreclosed, for the benefit of plaintiff and the class.

54. To this end, the FFML 2006-FF9 PSA provides that:

> ***For and on behalf of the Certificateholders, the Servicer shall service and administer the Mortgage Loans in accordance with the terms of this Agreement and . . . in accordance with Accepted Servicing Practices*** . . . .

[9] "REO" properties are "real estate owned" by the Covered Trusts. These properties typically have been vacated or abandoned and foreclosed on or otherwise taken back from defaulted borrowers.

FFML 2006-FF9 PSA §3.01(a). "***Accepted Servicing Practices***" are defined in the PSA as follows:

> With respect to any Mortgage Loan and the Servicer, ***the servicing and administration of such Mortgage Loan (i) in the same manner in which, and with the same care, skill, prudence and diligence with which the Servicer generally services and administers similar mortgage loans with similar mortgagors (A) for other third parties, giving due consideration to customary and usual standards of practice of prudent institutional residential mortgage lenders servicing their own mortgage loans or (B) held in the Servicer's own portfolio, whichever standard is higher, and (ii) in accordance with applicable local, state and federal laws, rules and regulations***.

Id. Art. I (definition of "Accepted Servicing Practices").

55. Since the FFML 2006-FF9 Covered Trust had a Master Servicer (as do eight of the 10 Covered Trusts), the PSA further provides:

> ***The Master Servicer, on behalf of the Trustee . . . and the Certificateholders, shall monitor the performance of the obligations of the Servicer under this Agreement, and . . . shall use its reasonable good faith efforts to cause the Servicer to duly and punctually perform its duties and obligations hereunder. Upon the occurrence of [a breach by the Servicer of any of its duties under the PSA, including a breach of Accepted Servicing Practices] of which . . . the Master Servicer has actual knowledge, the Master Servicer shall promptly notify the . . . the Trustee and shall specify in such notice the action, if any, the Master Servicer plans to take in respect of such default***.

Id. §9.01.

56. Under the Governing Agreements, a Master Servicer commits a "Master Servicer Event of Default" whenever the Master Servicer fails to "***observe or perform, in any material respect, any . . . covenants, obligations or agreements of the Master Servicer as set forth in this Agreement."*** *Id.* §9.06(b). In those two Covered Trusts where there is no Master Servicer, the Servicer commits an "Event of Default" under virtually identical circumstances – whenever it fails to "***observe or perform in any material respect any . . . covenants or agreements of the Servicer set forth in this Agreement***." NHEL 2006-4 PSA §7.01(a)(ii) (attached as Exhibit D hereto). Thus, Servicers commit an Event of Default whenever they fail to service the Mortgage Loans in accordance with Accepted Servicing Practices, and Master Servicers similarly commit a Master

Servicer Event of Default whenever they fail to take reasonable good faith efforts to ensure that Servicers do so. The Master Servicers also commit a "Master Servicer Event of Default" whenever they fail to notify Deutsche Bank of any Servicer Events of Default known to the Master Servicers and fail to specify what actions the Master Servicers plan to take regarding those defaults. FFML 2006-FF9 PSA §9.01.

57. Master Servicers and Servicers also commit an Event of Default whenever they discover breaches of the Warrantors' R&Ws but fail to promptly notify Deutsche Bank. *See id.* §2.03(c) ("Upon discovery by . . . the Trustee, ***the Master Servicer or the Servicer*** of a breach of any . . . representations and warranties [by a Warrantor], ***the party discovering such breach shall give prompt written notice to the others***."); *id.* §2.03(k) (same).

58. Because breaches of the Warrantors' R&Ws or the failure to properly service the Mortgage Loans are so harmful to plaintiff, the class and the Covered Trusts, when Deutsche Bank becomes aware of an Event of Default it is required by the Governing Agreements to act quickly. Upon becoming aware of an Event of Default, Deutsche Bank is required by the Governing Agreements and TIA: (1) to notify and demand that the offending Master Servicer or Servicer cure its Event of Default promptly (FFML 2006-FF9 PSA §9.06(b) (requiring cure within 30 days));[10] and (2) to give notice of uncured Events of Default to plaintiff and the class. *See* HVLMT 2006-8 PSA §7.04(b); NHEL 2006-4 PSA §7.04(b); SAST 2006-2 PSA §7.2(b); SVHE 2007-NS1 PSA

[10] The Governing Agreement for the GSR 2007-AR2 Covered Trust requires Wells Fargo, as Securities Administrator, to notify and demand of itself to cure the default since Wells Fargo is also the Master Servicer and Servicer to that Covered Trust, as opposed to Deutsche Bank doing so. Nonetheless, the Governing Agreement for the GSR 2007-AR2 Covered Trust gives Deutsche Bank (and not Wells Fargo) ultimate responsibility "***with respect to the enforcement of any and all . . . covenants under" the Governing Agreements***. GSR Standard Terms §2.01 (attached as Exhibit C hereto). Given Wells Fargo's obvious conflict of interest in requiring it to notify itself and demand that it cure its own Events of Default, as well as Deutsche Bank's quasi-fiduciary duty during Events of Default (*see infra* ¶¶59-60, 65), Deutsche Bank was required to ensure the notice and demand for a cure occurred (which it did not in this case).

§7.05(b); *see also* 15 U.S.C. §77ooo(b).[11] In addition, if the offending Master Servicer or Servicer does not timely cure its Event of Default, the Governing Agreements give Deutsche Bank the power to institute legal action, terminate the offending Master Servicer or Servicer, or take over its servicing duties. FFML 2006-FF9 PSA §§9.06, 9.08.

3. Deutsche Bank's Heightened Duty to Prudently Protect Plaintiff's and the Class's Interests as Though They Were Deutsche Bank's Own Interests During an Event of Default

59. Once Deutsche Bank becomes aware that a Master Servicer or a Servicer has committed an Event of Default, Deutsche Bank's duty of care to plaintiff and the class under both the Governing Agreements and the TIA is significantly increased. In the case of a known, uncured Event of Default, the Governing Agreements mandate that Deutsche Bank "***shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs***." FFML 2006-FF9 PSA §8.01.[12] In other words, when Deutsche Bank learns of an Event of Default it must act like a quasi-fiduciary for plaintiff and the class and "***shall exercise" all*** of Deutsche Bank's rights and powers as Trustee under the Governing Agreements to prudently protect plaintiff's and the class's interests as though those interests were Deutsche Bank's very own. *Id.*

60. Moreover, this heightened duty is not limited or applied only to Master Servicers'/Servicers' Events of Default. Instead, under the Governing Agreements, once an Event of

[11] While the Governing Agreement for the GSR 2007-AR2 Covered Trust makes the Securities Administrator (*i.e.*, Wells Fargo, which is also a Master Servicer and Servicer) responsible for giving plaintiff and the class notice of Events of Default, as opposed to Deutsche Bank, and several Covered Trust PSAs are silent concerning who gives notice, the TIA specifically requires that Deutsche Bank as Trustee give plaintiff and the class notice of Events of Defaults. *See infra* ¶64.

[12] As discussed *infra*, the TIA also requires the same heightened, prudent person standard of care when a default of any kind occurs. *See* 15 U.S.C. §77ooo(c).

Default exists, "***[Deutsche Bank] shall exercise" all*** of the "***rights and powers vested in it by th[e] [Governing] Agreement[s]***," not just those pertaining to the Master Servicers/Servicers. *Id.* ***Thus, Deutsche Bank's heightened duty of care also requires it to enforce the R&W claims against the Warrantors as though it is seeking to protect its own interests***.

4. Deutsche Bank's Duty of Trust to Avoid Conflicts of Interest with Plaintiff and the Class

61. Deutsche Bank also has a common law "duty of trust" to plaintiff and the class. Deutsche Bank, as '"the trustee[,] ***is at all times obligated to avoid conflicts of interest with the beneficiaries [of the Covered Trusts, i.e., plaintiff and the class***].'" *Knights of Columbus v. The Bank of New York Mellon*, No. 651442/2011, slip op. at 15 (N.Y. Sup. Ct. N.Y. Cnty. Apr. 26, 2013) (order granting in part and denying in part motion to dismiss) (quoting *AMBAC Indem. Corp. v. Bankers Trust Co.*, 573 N.Y.S. 2d 204, 206-08 (Sup. Ct. 1991)). Under this duty to avoid conflicts of interest, Deutsche Bank is prohibited from advancing its own interests at the expense of plaintiff and the class, or benefitting from such actions at any time, including ***before, during and after any default***. *Id.*

5. Deutsche Bank's Duties and Obligations Under the TIA

62. The TIA imputes certain terms into the Governing Agreements to protect investors. The TIA imposes two sets of duties and obligations on Deutsche Bank – one set "prior to default," and the other set "in case of default," much like the Governing Agreements.

63. Prior to a default, under the TIA, a Trustee must perform "such duties as are specifically set out in" the Governing Agreements. 15 U.S.C. §77ooo(a)(1). This requirement reflects the Governing Agreements' pre-default provisions that Deutsche Bank "perform such duties and only such duties as are specifically set forth in this Agreement." *E.g.*, FFML 2006-FF9 PSA

§8.01. Thus, the TIA requires Deutsche Bank to perform the duties assigned to it by the Governing Agreements.

64. In addition, under the TIA, a Trustee must "give to the indenture security holders . . . notice of all defaults known to the trustee, within ninety days after the occurrence thereof." 15 U.S.C. §77ooo(b) (citing 15 U.S.C. §77mmm(c)). Thus, Deutsche Bank is required to inform plaintiff and the class of any Master Servicer Events of Default or Servicer Events of Default ***and any other "defaults," i.e., the Warrantors' breaches of their R&Ws, within 90 days***.

65. Moreover, whenever Deutsche Bank is aware of a default, it is required under the TIA (like the Governing Agreements) to exercise a fiduciary-like duty of care toward plaintiff and the class: ***Deutsche Bank is required to exercise "such of the rights and powers vested in it by such indenture, and to use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs***." 15 U.S.C. §77ooo(c). Thus, upon the occurrence of the Master Servicer and Servicer Events of Default or the Warrantors' R&W defaults alleged herein, Deutsche Bank is obligated to exercise this quasi-fiduciary, "prudent person" standard of care to protect plaintiff and the class and exercise ***all*** of the "rights and powers vested in it by" the Governing Agreements as though Deutsche Bank is protecting its own interests.

66. As set forth herein, Deutsche Bank is liable to plaintiff and the class for failing to discharge the duties required of it by the Governing Agreements and the TIA. All of Deutsche Bank's duties mandated by the Governing Agreements, the common law, and the TIA, as alleged herein, were continuing in nature, and required Deutsche Bank to continuously discharge such duties as long as Deutsche Bank was Trustee of the Covered Trusts. When Deutsche Bank discovered R&W breaches by the Warrantors, and learned of Events of Default by the Master Servicers/Servicers, as alleged herein, Deutsche Bank was required to act prudently and

continuously to protect plaintiff and the class. Deutsche Bank utterly failed to act as required, thereby breaching the Governing Agreements and violating the TIA, and causing plaintiff, the class and the Covered Trusts to suffer damages.

C. The Covered Trusts Suffer from Serious Defects Because Deutsche Bank Failed to Perform the Duties Required of It Under the Governing Agreements, the TIA and Common Law

1. Deutsche Bank Discovered No Later than April 2011 that the Covered Trusts' Warrantors Breached Their R&Ws, Thus Triggering Deutsche Bank's Duty to Enforce the R&W Claims

67. The Warrantors (and loan originators) to the Covered Trusts are set forth below:

Covered Trusts' Warrantors

	Covered Trust	Warrantors		Loan Originators Identified in Prospectuses or by Credit Rating Agencies
		Loan Seller/Sponsor	Other Transferors	
1.	FFML 2006-FF9	▪ HSBC	▪ First Franklin	▪ First Franklin
2.	GSR 2007-AR2	▪ Goldman Sachs Mortgage Company ("Goldman Sachs")	▪ Countrywide Home Loans Inc. ("Countrywide") ▪ IndyMac Bank, FSB ("IndyMac") ▪ PHH Mortgage Corporation ("PHH") ▪ Wells Fargo Bank, N.A. ("Wells Fargo")	▪ Countrywide ▪ IndyMac ▪ PHH ▪ Wells Fargo
3.	HASC 2007-WF1	▪ HSBC	▪ Wells Fargo	▪ Wells Fargo
4.	HVMLT 2006-8	▪ Greenwich Capital Financial Products, Inc. ("Greenwich")	▪ BankUnited FSB ("BankUnited") ▪ Paul Financial, LLC ("Paul Financial") ▪ First Federal Bank of California ("First Federal") ▪ Residential Mortgage Capital ("RSC") ▪ Home Savings Mortgage ▪ Belvedere Trust Finance Corporation ▪ ComUnity Lending Inc. ▪ E-Loan, Inc. ▪ Gateway Funding Diversified Mortgage Services, LP ▪ Homefield Financial, Inc. ▪ Just Mortgage, Inc. ▪ Loan Center of California, Inc. ▪ Loan Link Financial Services ▪ Luxury Mortgage Corp.	▪ BankUnited ▪ Paul Financial ▪ First Federal ▪ RSC ▪ Washington Mutual Bank ("WaMu")

	Covered Trust	Warrantors		Loan Originators Identified in Prospectuses or by Credit Rating Agencies
		Loan Seller/Sponsor	Other Transferors	
			▪ Metrocities Mortgage LLC ▪ MortgageIT (acquired by Deutsche Bank's related sister company, DBSP in January 2007) ▪ NetBank ▪ Plaza Home Mortgage, Inc. ▪ PMC Bankcorp ▪ NL Inc. dba Residential Pacific Mortgage ▪ SCME Mortgage Bankers, Inc. ▪ Secured Bankers Mortgage Company ▪ Sierra Pacific Mortgage Co., Inc.	
5.	MSAC 2007-NC2	▪ Morgan Stanley Mortgage Capital Inc. ("Morgan Stanley")	▪ Morgan Stanley ABS Capital I Inc. (also "Morgan Stanley")	▪ NC Capital Corp. and/or New Century Mortgage ("New Century")
6.	MSAC 2007-NC3	▪ Morgan Stanley	▪ Morgan Stanley	▪ New Century
7.	MSIX 2006-1	▪ Morgan Stanley ▪ ISIX Real Estate Capital	▪ Morgan Stanley ▪ First NLC Financial Services, LLC ("First NLC") ▪ WMC Mortgage Corp. ("WMC") ▪ Decision One Mortgage Company LLC ("Decision One")	▪ Accredited Home Lenders ("Accredited") ▪ Aegis Mortgage Corporation ("Aegis") ▪ AIG Federal Savings Bank ("AIG Federal") ▪ Chapel (acquired by Deutsche Bank's sister company, DB Home, in 2006)

	Covered Trust	Warrantors		Loan Originators Identified in Prospectuses or by Credit Rating Agencies
		Loan Seller/Sponsor	Other Transferors	
				▪ Decision One ▪ Encore Credit Corp. ("Encore") ▪ First Bank Mortgage, Inc. ▪ First Horizon Home Loan Corporation ("First Horizon") ▪ First NLC ▪ FlexPoint Funding Corporation ▪ Fremont Investment & Loan ("Fremont") ▪ Funding America Mortgage Warehouse Trust, a Delaware statutory trust and a wholly owned subsidiary of Funding America, LLC ▪ Lenders Direct Capital Corp. ▪ Lime Financial Services, Ltd. ▪ Mandalay Mortgage, LLC ▪ Master Financial, Inc. ▪ Meritage Mortgage Corporation

	Covered Trust	Warrantors		Loan Originators Identified in Prospectuses or by Credit Rating Agencies
		Loan Seller/Sponsor	Other Transferors	
				("Meritage") ▪ New Century ▪ Quick Loan Funding Inc. ▪ Rose Mortgage, Inc. ▪ WMC
8.	NHEL 2006-4	▪ NovaStar Mortgage, Inc. ("NovaStar")	▪ None	▪ NovaStar
9.	SAST 2006-2	▪ Saxon Mortgage, Inc. ("Saxon") (Saxon was acquired by Morgan Stanley in 2006)	▪ None	▪ Saxon
10.	SVHE 2007-NS1	▪ Greenwich	▪ Nationstar Mortgage, LLC ("Nationstar")	▪ Nationstar

68. After the Covered Trusts were formed and settled in 2006 and 2007, the global financial collapse occurred. Later, most blamed the collapse on the residential lending industry, claiming that it had corrupted its lending standards and caused pervasive lending misconduct to occur because of Wall Street's insatiable demand for mortgage loans to securitize. ***The former Chairman of the Federal Reserve, Alan Greenspan, told Congress in October 2008 that "'[t]he evidence strongly suggests'" that "'excess demand from [Wall Street] securitizers'" and "'subprime mortgage originations'" were "'undeniably the original source of the [global financial] crisis***.'" Facts then began to publicly emerge revealing endemic misconduct within the lending industry at the time the Mortgage Loans were originated, warranted and transferred to the Covered Trusts. Many of the revelations disclosed that the Warrantors and loan originators to the Covered Trusts were involved in conduct which would have rendered their R&Ws concerning the Mortgage Loans in the Covered Trusts highly suspect.

a. Prior to April 2011, Deutsche Bank Knew that the Warrantors' R&Ws Were False

69. During the period from 2007 through 2008, numerous news stories, lawsuits, governmental actions, and congressional testimony became public and revealed that many of the Warrantors to the Covered Trusts routinely engaged in lending practices that would have likely rendered their R&Ws false. A summary of the events are set forth in Appendix 1 to this Complaint. They illustrate that many, if not most, of the Warrantors to the Covered Trusts had engaged in, or were accused of engaging in, widespread lending misconduct, such as making loans to borrowers who obviously could not afford them, not following underwriting guidelines that were supposed to be followed, making highly questionable or potentially predatory loans, charging excessive fees, using inflated appraisals, using inflated borrower incomes and understated debts, engaging in potentially illegal discriminatory lending practices, using suspect documentation to qualify borrowers for loans they otherwise would not have qualified for, and other misconduct. *See* Appendix 1.

70. By the beginning of 2009, it was clear that many of the Covered Trust Warrantors and loan originators had engaged in conduct that would have rendered at least several R&Ws by the Warrantors false, including their R&Ws: (1) that the Mortgage Loans did not involve any fraud or misrepresentation; (2) that the Mortgage Loans were originated in conformance with the lender's underwriting guidelines; (3) that the borrowers were evaluated to confirm that they had a reasonable ability to repay the Mortgage Loans; (4) that the Mortgage Loans were lawfully originated; and (5) that all of the data provided about the Mortgage Loans was complete, true and correct.

71. By the beginning of 2009, the misconduct described above, when coupled with the extremely poor performance of the Mortgage Loans in the Covered Trusts, revealed that the Covered Trusts' Warrantors had breached their R&Ws concerning the Mortgage Loans, thus causing

Deutsche Bank to have actual knowledge such breaches. Indeed, by January 2009, the Covered Trusts had shockingly high Mortgage Loan default rates.[13] These historically unprecedented default rates caused Deutsche Bank to have actual knowledge that the Warrantors' R&Ws were false. After all, if the R&Ws were accurate, the Mortgage Loans would not have defaulted at such astounding rates. All of the Covered Trusts had double-digit Mortgage Loan default rates – much, much higher than historical averages. ***All of the Covered Trusts except one had Mortgage Loan default rates in excess of 38%, with four of the Covered Trusts having default rates in excess of 50%, and at least three Covered Trusts having ridiculously high Mortgage Loan default rates approaching 60%***. The Covered Trusts had also sustained extraordinarily heavy losses by January 2009 – ***over $545 million in just a few years*** – another indicator that the Warrantors' R&Ws were breached, because if the R&Ws were true, such heavy, unprecedented losses would not have occurred. Deutsche Bank was aware of all this information because it had access to it. The chart below sets forth the Mortgage Loan default rates and the cumulative realized losses for each Covered Trust reported in January 2009:

[13] The term "default rates," as used in this Complaint, refers to the percentage of the Mortgage Loans' aggregate principal balance for each Covered Trust that is delinquent, in bankruptcy, in foreclosure or "real estate owned" ("REO") at a particular point in time.

Covered Trusts' Mortgage Loan Default Rates and Cumulative Realized Losses Reported in January 2009		
Covered Trust	**Mortgage Loan Default Rates**	**Cumulative Realized Losses**
FFML 2006-FF9	45.16%	$113,917,690.90
GSR 2007-AR2	10.58%	$2,225,999.56
HASC 2007-WF1	38.20%	$13,325,679.66
HVMLT 2006-8	42.23%	$27,297,946.11
MSAC 2007-NC2	59.35%	$55,556,754.06
MSAC 2007-NC3	51.94%	$58,217,494.57
MSIX 2006-1	59.48%	$152,267,941.43
NHEL 2006-4	58.80%	$56,311,225.87
SAST 2006-2	45.36%	$46,021,008.17
SVHE 2007-NS1	42.24%	$20,754,143.20
Covered Trusts' Total Realized Losses:		**$545,895,883.53**

72. Thus, by January 2009, Deutsche Bank knew there were massive breaches of the Warrantors' R&Ws. Even so, additional events occurred during 2009 and 2010, repeatedly re-alerting Deutsche Bank to the fact that the Warrantors' R&Ws concerning the Mortgage Loans in the Covered Trusts were breached. Those events are set forth in Appendix 2 hereto, and they revealed that many of the Warrantors to the Covered Trusts had engaged in or had been accused of engaging in, *inter alia*, the use of unlicensed loan officers in violation of law, the failure to evaluate whether borrowers could afford to repay their loans, the making of loans to borrowers who could not afford them, the use of falsified borrower incomes, the use of inflated appraisals, the massive breaching of their R&Ws, and the securitization of illegally made loans with inflated appraisals and borrower incomes which did not conform to the lender's underwriting guidelines. *See* Appendix 2 hereto. These additional events caused Deutsche Bank to know that the Warrantors to the Covered Trusts had breached their R&Ws concerning the Mortgage Loans.

b. By April 13, 2011, Deutsche Bank Absolutely Knew that the Warrantors Had Breached Their Representations and Warranties Concerning the Mortgage Loans in the Covered Trusts

73. By the beginning of 2011 there was little doubt that the Warrantors had breached their R&Ws concerning the Mortgage Loans in the Covered Trusts. And by April 2011, Deutsche Bank absolutely ***knew*** without doubt that the Warrantors had breached their R&Ws. This is so primarily because of two Government-issued reports that were released in January and April 2011, respectively – the "FCIC Report" and the "Senate Report." First, on January 27, 2011, the 633-page FCIC Report[14] was made available to the public, and between February 11 and 13, 2011, the FCIC also made public nearly 2,000 pages of supporting documentary evidence and more than 300 witness interviews. The FCIC Report was supported by voluminous evidence and confirmed in detail most if not all of the previous news accounts and events indicating that there was widespread lending

[14] The FCIC Report was authored by the Financial Crisis Inquiry Commission ("FCIC"). The FCIC was created to "examine the causes, domestic and global, of the . . . financial and economic crisis in the United States" that began in 2008. The FCIC was established as part of the Fraud Enforcement and Recovery Act (Public Law 111-21) passed by Congress and signed by the President in May 2009. The FCIC was composed of private citizens with experience in areas such as housing, economics, finance, market regulation, banking and consumer protection. The FCIC's statutory mandate set out 22 specific topics for inquiry and called for the examination of the collapse of major financial institutions that failed or would have failed if not for exceptional assistance from the government. These topics included, *inter alia*:

- fraud and abuse in the financial sector, including fraud and abuse toward consumers in the mortgage sector;
- federal and state financial regulators, including the extent to which they enforced, or failed to enforce statutory, regulatory, or supervisory requirements;
- credit rating agencies in the financial system, including reliance on credit ratings by financial institutions and federal financial regulators, the use of credit ratings in financial regulation, and the use of credit ratings in the securitization markets;
- lending practices and securitization, including the "originate-to-distribute" model for extending credit and transferring risk;
- the legal and regulatory structure of the United States housing market;
- the legal and regulatory structure governing investor and mortgagor protection; and
- the quality of due diligence undertaken by financial institutions.

abuses, as well as the fact that nearly all of the Covered Trust Warrantors had breached their R&Ws regarding the Mortgage Loans.

74. The FCIC Report confirmed the systemic breakdown in residential loan underwriting standards during the time period when the Mortgage Loans were originated, warranted and transferred to the Covered Trusts. The FCIC Report described in detail the lending abuses that emerged and that were virtually universal during that time. Significantly, ***for the first time, the FCIC Report also revealed that pervasive, deliberate and intentional fraud was being committed by RMBS securitizers with respect to RMBS trusts and the mortgage loans underlying them. The FCIC Report specifically identified many of the Covered Trusts' Warrantors and loan originators as being active participants in this fraud. The conclusion from the FCIC Report was that most of the Warrantors to the Covered Trusts had systematically breached their R&Ws concerning the Mortgage Loans in the Covered Trusts***.

75. First, the FCIC confirmed the extraordinary numbers of R&W breaches that had occurred with respect to mortgage loans that were originated at the same time the Covered Trusts' Mortgage Loans were originated. The FCIC found, in light of the pervasive lending abuses that occurred during the period the Mortgage Loans were originated, warranted and transferred to the Covered Trusts (2005-2007), that "***in the years [thereafter], [loan] representations and warranties would prove to be inaccurate***." FCIC Report at 77.

76. The FCIC Report supported its findings by citing to evidence of massive R&W breaches by many of the very Warrantors to the Covered Trusts. The FCIC reported that these Warrantors had breached their R&Ws concerning billions of dollars of mortgage loans they sold to government-sponsored entities Fannie Mae and Freddie Mac (sometimes collectively referred to herein as the "GSEs"). The FCIC Report stated that "during the three years and eight months ending

August 31, 2010, ***Freddie [Mac] and Fannie [Mae] required sellers to repurchase 167,000 loans totaling $34.8 billion***." *Id*. at 224. This included Bank of America – which by this time included its wholly-owned Warrantor First Franklin – which was facing ***over $7.3 billion in repurchase claims*** from Freddie Mac and Fannie Mae due to its and First Franklin's massive R&W breaches. *Id.* at 225.[15] (First Franklin was a Warrantor for the FFML 2006-FF9 Covered Trust). In addition, Wells Fargo, a Warrantor for the GSR 2007-AR2 and HASC 2007-WF1 Covered Trusts, faced ***$3.5 billion in repurchase claims from Freddie Mac and Fannie Mae because of Wells Fargo's pervasive R&W breaches***. *Id*. at 224-25. Countrywide – a Warrantor for the GSR 2007-AR2 Covered Trust – ***was facing R&W claims of $1.9 billion from Freddie Mac alone***. *Id*. The sheer magnitude of these repurchase claims reported by the FCIC indicated that these Warrantors routinely issued false R&Ws in the normal course of their businesses at the same time they warranted the Mortgage Loans. Indeed, the FCIC Report reported that "[a]s of mid-2010, ***court actions embroiled almost all major loan originators and underwriters [and] there were more than 400 lawsuits related to breaches of representations and warranties***." *Id.* at 225. Given the pervasive falsity of the R&Ws by these Warrantors, Deutsche Bank knew that Mortgage Loans in the Covered Trusts they warranted were similarly affected and that there were thousands of R&W breaches by such Warrantors.[16]

77. The FCIC Report also specifically noted that RMBS trustees, such as Deutsche Bank, and servicers, like the Covered Trusts' Master Servicers/Servicers, were essentially assisting warrantors in defending R&W claims by refusing to provide information to investors from which the

[15] Bank of America subsequently paid $2.5 billion to settle these claims. *Id*.

[16] The FCIC Report further revealed that "private mortgage insurance" ("PMI") companies – which insured lenders against defaults by borrowers – were finding extensive breaches of R&Ws concerning mortgage loans they had insured. *Id.* at 225. The FCIC reported that, "[a]s of October 2010, the seven largest PMI companies, which share 98% of the market, had rejected about 25% of the claims (or $6 billion of $24 billion) brought to them, ***because of violations of origination guidelines, improper employment and income reporting, and issues with property valuation."*** *Id.*

breaches could be established. *Id.* The FCIC Report pointed to the situation of the GSEs and stated: ***"Frustrated with the lack of information from the securities' servicers and trustees, in many cases large banks, on July 12, 2010, the GSEs through their regulator, the Federal Housing Finance Agency, issued 64 subpoenas to various trustees and servicers in transactions in which the GSEs lost money."*** *Id.* Given the large number of subpoenas issued and the limited number of RMBS trustees and servicers, plaintiff alleges on information and belief that Deutsche Bank was among the RMBS trustees subpoenaed for refusing to provide information to the GSEs. Of course, if Deutsche Bank was uncooperative, it was acting against the best interests of RMBS holders, *i.e.*, the GSEs, contrary to its mandate under RMBS governing agreements.

78. ***The FCIC also "conclude[d] that there was untrammeled growth in risky mortgages [and] [u]nsustainable, toxic loans polluted the financial system and fueled the housing bubble," while government regulators "failed to . . . establish and maintain prudent mortgage lending standards and to protect against predatory lending***." FCIC Report at 101. The FCIC Report confirmed that "***[l]ending standards collapsed, and there was a significant failure of accountability and responsibility throughout each level of the lending system***." *Id.* at 125. In addition, testimony released in connection with the FCIC Report confirmed "***systemic***" misconduct which led to uniformly false loan R&Ws at the time the Mortgage Loans were originated, warranted and transferred to the Covered Trusts. In testimony given to the FCIC, former Clayton Holdings, Inc. ("Clayton") executive D. Keith Johnson testified that he had previously worked at Covered Trust loan originator WaMu as well as at WaMu's subsidiary, Long Beach Mortgage Company ("Long Beach"), prior to working for Clayton. When Johnson moved to Clayton, he was exposed to the lending practices of nearly all lenders in the mortgage loan industry because Clayton was hired by Wall Street investment banks, ***including all or nearly all of the Loan Sellers/Sponsors to the***

Covered Trusts, to sample and test mortgage loans the loan sellers/sponsors were purchasing from numerous lenders throughout the nation and then re-selling and transferring to RMBS trusts, including the Covered Trusts. WaMu and Long Beach routinely engaged in egregiously fraudulent lending practices, as documented in the Senate Report discussed *infra*. Johnson testified in an interview with the FCIC on September 2, 2010, concerning the lending practices he observed both before and after he worked at WaMu/Long Beach and Clayton, that:

> ***I had a really unique perspective working in an environment that turned out bad loans, Long Beach, right? Then I go to Clayton and I'm dealing with the top factories in the world. And you know what? They're just like Long Beach. There's no difference. I mean, this was not a one-off situation; it was systemic. And all of them – a lot of them had quality control departments internal, but eventually all of those internal quality control departments became compromised***.

79. The FCIC Report confirmed that many of the Warrantors and loan originators to the Covered Trusts were deeply involved in lending abuses which resulted in breaches of R&Ws made about their loans. For example, Covered Trust Warrantor Countrywide was singled out by the FCIC for its rampant lending abuses:

> ***Lenders made loans that they knew borrowers could not afford and that could cause massive losses to investors in mortgage securities. As early as September 2004, Countrywide executives recognized that many of the loans they were originating could result in "catastrophic consequences." Less than a year later, they noted that certain high-risk loans they were making could result not only in foreclosures but also in "financial and reputational catastrophe" for the firm. But they did not stop***.

FCIC Report at xxii.

80. The FCIC Report also found that Covered Trust Warrantors Countrywide and HSBC ***"originated vast numbers of high-risk, nontraditional mortgages that were in some cases deceptive, in many cases confusing, and often beyond borrowers' ability to repay."*** FCIC Report at 418 ("Dissenting Statement").

81. Darcy Parmer, a former quality assurance and fraud analyst for Wells Fargo, another Warrantor to the Covered Trusts at issue herein, reported to the FCIC that she was aware of "'***hundreds and hundreds and hundreds of fraud cases***'" in Wells Fargo's home equity loan division. FCIC Report at 162. She also told the FCIC that "***at least half the loans she flagged for fraud were nevertheless funded, over her objections***." *Id*. This obviously led to "hundreds and hundreds and hundreds" of false loan R&Ws by Wells Fargo.

82. The FCIC also found that loan originator New Century "ignored early warnings that its own loan quality was deteriorating and stripped power from two risk-control departments that had noted the evidence." FCIC Report at 157. The FCIC reported that New Century's Quality Assurance staff "had found severe underwriting errors," while New Century's Internal Audit department "identified numerous deficiencies in loan files," with ***seven out of nine reviews of the company's loan production department resulting in "'unsatisfactory'" ratings***. *Id.* New Century's senior management's reaction to this information establishing that New Century's R&Ws were false was not what one would expect. Instead of making efforts designed to bring the company into compliance with its underwriting guidelines and R&Ws, New Century's management directed that the negative results be removed from the company's loan performance tracking system, that the Quality Assurance department be dissolved, and that the Internal Audit department's budget be cut. *Id.* In addition, Patricia Lindsay ("Lindsay"), a former fraud specialist for New Century, told the FCIC that New Century's definition of a "good" loan changed over time: "'The definition of a good loan changed from "one that pays" to "one that could be sold."'" *Id*. at 105. The import of this statement was that New Century was not following its stated underwriting guidelines (and thus breaching its R&Ws) because it knew it could sell the loans to RMBS securitizers regardless. Lindsay also confirmed to the FCIC that New Century's appraisers "fear[ed]" for their "livelihoods,"

and therefore cherry-picked data "that would help support the needed value rather than finding the best comparables to come up with the most accurate value." Testimony of Patricia Lindsay for the FCIC Hearing (Apr. 7, 2010), http://fcic.law.stanford.edu/hearings/testimony/subprime-lending-and-securitization-and-enterprises. The FCIC Report confirmed that New Century's fraudulent business practices guaranteed that R&Ws about its loans would be false.

83. ***Most Importantly, the FCIC Report also specifically revealed for the first time that the customary and regular business practices of all but one of the Loan Sellers/Sponsors to the Covered Trusts, and many of the other Warrantors and loan originators, was to deliberately transfer thousands of mortgage loans that did not comply with the applicable laws or underwriting guidelines (and therefore breached the R&Ws made about them) into RMBS trusts offered and sold to investors. This widespread intentionally fraudulent practice occurred during the exact same time period when the Mortgage Loans were originated, warranted and transferred to the Covered Trusts***. This startling revelation – that the Covered Trusts' Warrantors' regular business practices included ***deliberately filling RMBS trusts with loans that breached their R&Ws*** – was based on Clayton's "Trending Reports," which were provided to the FCIC. As previously alleged, Clayton was hired by virtually every RMBS securitizer – ***including nearly all of the Loan Sellers/Sponsors to the Covered Trusts*** – during 2006 and 2007 to perform due diligence on mortgage loans that were being securitized, warranted and transferred to RMBS trusts. Clayton tested samples of the loans during the period from January 2006 through June 2007 to determine whether the loans complied with the applicable lending laws and underwriting guidelines (laws and guidelines that were designed to prevent the making of loans to borrowers who could not afford them), or were otherwise defective. Clayton's Trending Reports revealed that large percentages of the sampled loans ***for nearly every Loan Seller/Sponsor to the Covered Trusts*** did not comply with

lending laws or the applicable underwriting guidelines, or were otherwise defective, *i.e.*, the loans were in breach of R&Ws made about them. ***Incredibly, even after being informed of the specific defective loans, the Loan Sellers/Sponsors to the Covered Trusts did not remove all of the defective loans, but rather, "waived" a large portion of them in, i.e., transferred the breaching loans into the RMBS trusts, warranted them as being fine and then sold them to investors!*** These same Loan Sellers/Sponsors also did no further testing of the remaining loans in the pool even though it was highly probable from a statistical standpoint that they would have the same defect rates as the sampled loans. Instead, they bought the unsampled loans sight unseen, falsely warranted that the loans were free of defects, and dumped them into the RMBS trusts they were selling to investors like plaintiff and the class. Based on the Clayton Trending Reports, the FCIC Report specifically identified ***all of the very Loan Sellers/Sponsors to the Covered Trusts except one (NovaStar) and many of the other Warrantors and loan originators to the Covered Trusts, and revealed that they deliberately and intentionally transferred mortgage loans that breached their R&Ws into trusts just like the Covered Trusts, while deliberately and falsely warranting that the loans were fine***. The following chart summarizes the FCIC's findings concerning the Covered Trusts' Loan Sellers/Sponsors, Warrantors and loan originators and their deliberate inclusion of defective loans breaching their R&Ws into RMBS trusts:

Covered Trust Loan Seller/Sponsor or Other Warrantor Identified by FCIC Report	Covered Trusts Involving Identified Loan Seller/Sponsor or Other Warrantor	Percentage of Loans in Test Samples that Breached R&Ws	Percentage of Loans that Breached R&Ws but Were "Waived" into the RMBS Trusts and Sold to Investors
Countrywide	GSR 2007-AR2	26%	12%
Goldman Sachs	GSR 2007-AR2	23%	29%
Greenwich	HVMLT 2006-8 SVHE 2007-NS1	18%	53%
HSBC (includes wholly owned Warrantor Decision One)	FFML 2006-FF9 HASC 2007-WF1 MSIX 2006-1	27%	62%
First Franklin (through its then parent company Merrill Lynch)	FFML 2006-FF9	23%	32%
Morgan Stanley (which includes wholly-owned Loan Seller/Sponsor Saxon)	MSAC 2007-NC2 MSAC 2007-NC3 MSIX 2006-1 SAST 2006-2	37%	56%
WaMu (loan originator whose Mortgage Loans were warranted by Greenwich)	HVMLT 2006-8	27%	29%

84. These Loan Sellers/Sponsors and other Warrantors identified by the FCIC made R&Ws about Mortgage Loans in ***nine of the 10 Covered Trusts at issue herein***. Thus, given the fact that these Loan Sellers/Sponsors and Warrantors had engaged in this deliberate practice regularly and systematically, it was certain that they had also transferred breaching Mortgage Loans into the Covered Trusts. Indeed, given the extremely high Mortgage Loan default rates and losses for the Covered Trusts around this time (*see infra* ¶96 (chart)), there was no doubt they had breached their R&Ws. This conclusion was further made certain by the fact that all of the transfers of these defective loans identified by Clayton and the FCIC had occurred during 2006 and 2007, ***the same***

time period when the Warrantor's made their R&Ws and the Mortgage Loans were transferred to the Covered Trusts.

85. The FCIC Report, via the Clayton Trending Reports, also specifically identified other Warrantors and loan originators to the Covered Trusts, including New Century, Fremont and Decision One,[17] and established that they also had transferred large numbers of mortgage loans that breached their R&Ws into RMBS trusts at the same time the Covered Trusts received defective Mortgage Loans. Finally, the FCIC Report, again through the Clayton Trending Reports, made it clear that the inclusion of defective, breaching mortgage loans into RMBS trusts was not limited only to those Warrantors and loan originators specifically identified in the FCIC Report. Rather the FCIC Report made clear that this fraud was ubiquitous. Clayton's Trending Reports included information about "***All Others***" that originated loans for RMBS trusts, or in other words, those lenders and warrantors that had not been specifically identified in Clayton's reports. Such information showed that all the other unidentified loan originators and warrantors had also deliberately transferred defective mortgage loans into RMBS trusts. On information and belief, plaintiff alleges that Covered Trust Warrantor Nationstar was among these unidentified warrantors. The FCIC Report therefore established that false loan R&Ws were ubiquitous from at least January 2006 through June of 2007, the same time period the Covered Trusts had defective Mortgage Loans warranted and transferred to them. Indeed, the FCIC Report revealed that false R&Ws affected virtually every RMBS trust created during this time period. Thus, Deutsche Bank learned from the FCIC Report that the Warrantors had breached their R&Ws concerning the Mortgage Loans in the

[17] As previously noted, Decision One was owned by Loan Seller/Sponsor HSBC. As alleged above, 27% of HSBC's loans breached its R&Ws, yet HSBC intentionally waived ***62%*** of the defective loans into its RMBS trusts.

Covered Trusts, particularly after comparing the soaring default rates of the Mortgage Loans in the Covered Trusts to historical averages, and the Covered Trusts' obscene losses (*see infra* ¶96 (chart)).

86. Then, on April 13, 2011, the Senate Report[18] was publicly released. The Senate Report confirmed again for Deutsche Bank that the Warrantors to the Covered Trusts had uniformly breached their R&Ws. The 635-page Senate Report was supported by thousands of pages of documentary evidence and the testimony of numerous witnesses subpoenaed by the Senate Subcommittee on Investigations. The Senate Report not only confirmed the FCIC Report's findings but also provided amplified additional evidence that the Warrantors had breached their R&Ws. The Senate Report also provided an inside look at a lending industry run amok during the period the Mortgage Loans were originated, warranted and transferred to the Covered Trusts, exposing an industry that uniformly churned out thousands of defective mortgage loans in breach of the R&Ws made about them, leading to the inescapable conclusion that the Mortgage Loans in the Covered Trusts suffered from extensive breaches of the Warrantors' R&Ws. The Senate Report also provided "case studies" on Covered Trust loan originator WaMu and its subsidiary Long Beach, as well as Loan Seller/Sponsor Goldman Sachs and the "Deutsche Bank" family of companies, demonstrating they all engaged in misconduct that resulted in false R&Ws.

87. First, the Senate Report re-confirmed that "***[l]enders introduced new levels of risk into the U.S. financial system by selling . . . home loans with . . . poor underwriting***," and that "***a***

[18] The Senate Report was issued by U.S. Senators Carl Levin and Tom Coburn for the United States Senate Permanent Subcommittee on Investigations concerning their inquiry into key causes of the financial crisis. The Senate Report examined four aspects of the financial crisis: (1) high-risk mortgage lending; (2) regulatory inaction; (3) inflated credit ratings that misled investors; and (4) the role played by investment banks creating and selling structured finance products such as RMBS that foisted billions of dollars of losses on investors, while the banks profited from betting against the mortgage market.

host of financial institutions . . . knowingly originated, sold, and securitized billions of dollars in high risk, poor quality home loans." Senate Report at 12, 50.

88. The Senate Report identified many of these abusive lenders that made loans that breached their R&Ws. Not surprisingly, the Senate Report singled out Covered Trust Warrantors and/or loan originators WaMu (through its subsidiary Long Beach), Countrywide, IndyMac, New Century and Fremont, and reported the following about them:

> ***The fact is that each of these lenders issued billions of dollars in high risk, poor quality home loans. By allowing these lenders, for years, to sell and securitize billions of dollars in poor quality, high risk home loans, regulators permitted them to contaminate the secondary market and introduce systemic risk throughout the U.S. financial system***.

Senate Report at 239. The Senate Report also confirmed that Covered Trust loan originators WaMu (and its subsidiary Long Beach), New Century and Fremont "***were known for issuing poor quality subprime loans," but "[d]espite their reputations for poor quality loans, leading investment banks [such as the Loan Sellers/Sponsors] continued to do business with them and helped them sell or securitize hundreds of billions of dollars in home mortgages***." Senate Report at 21.[19]

89. With respect to WaMu and its subsidiary Long Beach, the Senate Report made it clear that they were prolific issuers of billions of dollars of defective mortgage loans which breached their R&Ws: ***"WaMu and . . . Long Beach . . . used shoddy lending practices riddled with credit, compliance, and operational deficiencies to make tens of thousands of high risk home loans that too often contained excessive risk, fraudulent information, or errors***." Senate Report at 50. The U.S. Senate subcommittee investigation further found that "***WaMu and Long Beach too often steered borrowers into home loans they could not afford***," *id*. at 51, ***and also "securitized not just***

[19] The Senate Report also established that Covered Trust Warrantors First Franklin and Countrywide, and Covered Trust loan originators New Century, Accredited, Fremont and WaMu (through its subsidiary Long Beach), were facing massive loan repurchase requests due to breaches of their R&Ws. *See* Senate Report at 487 & nn.2051-55.

poor quality loans, but also loans that its own personnel had flagged as containing fraudulent information. That fraudulent information included, for example, misrepresentations of the borrower's income and of the appraised value of the mortgaged property." *Id*. at 125. The Senate Report detailed ***numerous instances*** where WaMu and Long Beach ignored their underwriting guidelines and engaged in outright lending fraud. Senate Report at 48-160. This clearly established that any R&Ws about WaMu loans were false.

90. The Senate also reported extensively on WaMu's/Long Beach's problems with their "early payment default," or "EPD" loans – loans that breached WaMu's and Long Beach's R&Ws. ***By early 2005, the Senate Report noted that***

> ***a number of Long Beach loans experienced "early payment defaults," meaning that the borrower failed to make a payment on the loan within three months of the loan being sold to investors. That a loan would default so soon after origination typically indicates that there was a problem in the underwriting process. Investors who bought EPD loans often demanded that Long Beach repurchase them, invoking the representations and warranties clause in the loan sales agreements***.

Senate Report at 77.

91. WaMu's and Long Beach's breaching EPD loans continued throughout 2006 and 2007, the time period when the Mortgage Loans were originated and transferred to the Covered Trusts. The Senate Report revealed that

> "***[d]uring 2006, more than 5,200 [Long Beach] loans were repurchased, totaling $875.3 million." Even though, in January 2006, the bank had ceased executing whole loan sales which allowed an automatic repurchase in the event of an EPD, 46% of the repurchase volume was as a result of EPDs. Further, 43% of the repurchase volume resulted from first payment defaults (FPDs) in which the borrower missed making the first payment on the loan after it was sold. Another 10% of the repurchases resulted from violations related to representation and warranties (R&W) not included in the EPD or FPD numbers . . . .***

Senate Report at 81 (footnotes omitted).

92. According to the Senate Report, "***R&W repurchase requests and loss reserves continued to be an issue at Long Beach. The fourth quarter of 2006 saw another spike in R&W***

repurchase requests, and in December the required amount of R&W loss reserves jumped from $18 million to $76 million." Senate Report at 81. The Senate Report revealed that 2007 was no better for WaMu and Long Beach, as EPD repurchases due to breaches of Long Beach's R&Ws continued to climb. *Id*. at 82-83. In fact, in 2007 WaMu was considering how to dispose of $433 million in second lien loans. One suggestion was to securitize them, which was quickly shot down by a WaMu employee due to concerns the defective loans would only lead to massive R&W claims against WaMu:

> "***Investors are suffering greater than expected losses from subprime in general as well as subprime 2nd lien transactions. As you know, <u>they are challenging our underwriting representations and warrant[ie]s</u>***."

Id. at 83.

93. ***The Senate Report concluded that, as a result of the massive number of loan "repurchase claims" due to Long Beach's repeated breaches of its R&Ws, the claims "damaged its parent corporation's [i.e., WaMu's] financial results***." Senate Report at 75. This clearly put Deutsche Bank on notice of breaches of R&Ws concerning WaMu loans.

94. The Senate Report also revealed that Covered Trust Loan Seller/Sponsor Goldman Sachs' ***and Deutsche Bank's*** respective families of companies (in this paragraph, all of Goldman Sachs' and Deutsche Bank's various respective affiliates and parent companies will be referred to collectively as "Goldman Sachs" or "Deutsche Bank," as applicable) were involved in all aspects of the RMBS securitization industry, including the intentional sale, warranting and transfer of scores of defective mortgage loans into RMBS trusts and "CDOs" (CDOs were collections of RMBS). *See generally* Senate Report at 318-635. Indeed, the Senate Report revealed that Goldman Sachs and Deutsche Bank were acutely aware that the mortgage loans being sold, warranted and transferred to RMBS trusts were pervasively defective during the time period the Mortgage Loans in the Covered Trusts were sold, warranted and transferred. The Senate Report also pointed out that Goldman Sachs

and Deutsche Bank capitalized on this inside information and profited obscenely – each making billions of dollars in profits – by shorting RMBS at the same time they sold RMBS to their clients while falsely claiming the RMBS were "investment grade" securities and providing bogus R&Ws about the loans. *Id.* The Senate Report condemned Goldman Sachs' and Deutsche Bank's egregious misconduct:

> ***Both Goldman Sachs and Deutsche Bank underwrote securities using loans from subprime lenders known for issuing high risk, poor quality mortgages, and sold risky securities to investors across the United States and around the world. They also enabled the lenders to acquire new funds to originate still more high risk, poor quality loans. Both sold CDO securities [and RMBS] without full disclosure of the negative views of some of their employees regarding the underlying assets and, in the case of Goldman, without full disclosure that it was shorting the very CDO securities [and RMBS] it was marketing, raising questions about whether Goldman complied with its obligations to issue suitable investment recommendations and disclose material adverse interests***.

Senate Report at 11.[20] Thus, the Senate Report revealed to Deutsche Bank that Goldman Sachs' regular business practices guaranteed that any R&Ws made about the loans it sponsored and sold to RMBS trusts were false, including the GSR 2007-AR2 Covered Trust.

95. Therefore, by April 13, 2011, the date of the Senate Report's release, and based on a tsunami of prior information that had become publicly available, including the FCIC and Senate Reports and the volumes of evidence they disclosed, Deutsche Bank "discovered," indeed, had "actual knowledge," as those terms are used in the Governing Agreements, that there were pervasive breaches of the Warrantors' R&Ws concerning thousands of Mortgage Loans in the Covered Trusts. Once Deutsche Bank became aware of the FCIC and Senate Reports, there was ***no doubt*** that it knew the Warrantors were in breach. This is so because the FCIC and Senate Reports identified ***most of the very same Warrantors that originated, sold and/or warranted the Mortgage Loans in***

[20] The FCIC Report similarly reported that Goldman Sachs had inside information that RMBS would fail, and that it profited to the tune of billions of dollars by shorting RMBS. FCIC Report at 236.

the Covered Trusts as the main participants in the wholesale abandonment of loan origination guidelines, systematic fraudulent lending, and falsification of real estate appraisals, loan-to-value ("LTV") ratios, debt-to-income ("DTI") ratios, FICO scores, owner occupancy data, borrower incomes, assets and debts, and other loan data. These Warrantors' customary business practices, as set forth in the FCIC and Senate Reports, established that they uniformly made millions of deliberately false R&Ws and were the main players in the intentional transfer and deliberate concealment of such defective mortgage loans into thousands of RMBS trusts, including the Covered Trusts.

96. Further supporting the conclusion that Deutsche Bank had discovered by April 2011 that thousands of Mortgage Loans in the Covered Trusts breached the Warrantors' R&Ws, is the fact that, by April 2011, the Mortgage Loans in the Covered Trusts had continued to default at historically unprecedented rates, and the Covered Trusts' losses were skyrocketing to levels never seen before, due to the numerous defective, breaching Mortgage Loans that remained in the trusts or which had already been liquidated at huge losses. By April 2011, the Covered Trusts' Mortgage Loan default rates ranged from 22.58% to a high of over 55%. All of the Covered Trusts except one had default rates in excess of 36% and four had default rates in excess of 50%.[21] In addition, the Covered Trusts' losses had mushroomed from approximately $545 million in January 2009 (*see supra* ¶71) , to ***over $2 billion by April 2011***, because of Deutsche Bank's failure to enforce the

[21] It should be noted that the foregoing default rates actually ***understate the aggregate default rates for all of the Mortgage Loans that were originally within the Covered Trusts***. To explain, the foregoing default rates are derived from the monthly Covered Trust reports which disclose the default rates ***for only those Mortgage Loans still remaining within the Covered Trusts***. In other words, these default rates ***do not include all those Mortgage Loans that were originally within the Covered Trusts that had been in default and were already liquidated and therefore removed from the Covered Trusts before the specific report was issued***. Thus, the actual aggregate default rates for all of the Mortgage Loans that were originally in the Covered Trusts is actually ***much, much higher***.

Warrantors' R&W obligations. These default and loss rates were known to Deutsche Bank because it had access to this information. The Covered Trusts' default rates and losses reported in April 2011 were as follows:[22]

Covered Trusts' Mortgage Loan Default Rates and Cumulative Realized Losses Reported in April 2011		
Covered Trust	**Mortgage Loan Default Rates**	**Cumulative Realized Losses**
FFML 2006-FF9	51.13%	$311,325,575.86
GSR 2007-AR2	22.58%	$58,428,780.09
HASC 2007-WF1	39.07%	$95,750,069.60
HVMLT 2006-8	45.27%	$213,649,221.40
MSAC 2007-NC2	55.58%	$262,111,957.43
MSAC 2007-NC3	42.53%	$326,804,442.94
MSIX 2006-1	53.63%	$359,501,227.33
NHEL 2006-4	52.21%	$198,374,535.20
SAST 2006-2	37.89%	$139,845,739.24
SVHE 2007-NS1	36.97%	$115,091,649.11
Covered Trusts' Total Realized Losses:		**$2,080,883,198.20**

c. Specific Claims Made About the Mortgage Loans in the Covered Trusts Caused Deutsche Bank to Discover Breaches of the Warrantors' R&Ws

97. In addition to the foregoing, numerous lawsuits were also filed by purchasers of the RMBS in the Covered Trusts, and others, alleging that numerous misrepresentations were made about the ***specific Mortgage Loans in the specific Covered Trusts***. These lawsuits also informed Deutsche Bank that there were numerous defective Mortgage Loans in the Covered Trusts that breached the Warrantors' R&Ws. For example:

- **May 2008**: The NHEL 2006-4 Covered Trust was sued in a class action by purchasers of RMBS alleging violations of the federal securities laws. *See* Amended Complaint, *New Jersey Carpenters Health Fund v. NovaStar Mortg., Inc., et al.*, No.

[22] Even after April 2011, there were hundreds of additional events that occurred which publicly and repeatedly informed Deutsche Bank that the Warrantors had systematically breached their R&Ws concerning the Mortgage Loans in the Covered Trusts. These events are far too numerous to list in this Complaint but they all corroborated that the Warrantors breached their R&Ws concerning the Mortgage Loans in the Covered Trusts.

08-CV-5310 (S.D.N.Y. June 16, 2009) (originally filed in N.Y. Sup. Ct. in May 2008, removed to S.D.N.Y.). The amended complaint alleged that defendants ***falsely represented that the Mortgage Loans in the NHEL 2006-4 Covered Trust were originated in conformity with NovaStar's underwriting guidelines, which would have been a breach of Warrantor NovaStar's R&Ws***.

- **May 20, 2011:** Massachusetts Mutual Life Insurance Company ("Mass Mutual") sued Covered Trust Warrantor HSBC alleging that numerous misrepresentations had been made about the Mortgage Loans in the HASC 2007-WF1 Covered Trust. *See* Complaint, *Mass Mutual Life Ins. Co. v. HSBC Bank USA, N.A., et al.*, No. 11-CV-30141 (D. Mass. May 20, 2011). Mass Mutual alleged that it had conducted a forensic review of the Mortgage Loans in that Covered Trust and found that the ***LTV ratios and owner occupancy data concerning the Mortgage Loans had been misrepresented, which would have been a breach of the Warrantors' R&Ws***.

- **August 8, 2011:** American International Group, Inc. companies ("AIG") sued Warrantor First Franklin and others. *See* Complaint, *American Int'l Group, Inc., et al. v. Bank of America Corp., et al.*, No. 652199/2011 (N.Y. Sup. Ct. N.Y. Cnty. Aug. 8, 2011). AIG alleged that defendants had ***(1) misrepresented that the Mortgage Loans in the FFML 2006-FF9 and SAST 2006-2 Covered Trusts were originated in conformance with the loan originators' underwriting guidelines; (2) misrepresented that the borrowers had been evaluated to determine whether they could afford the Mortgage Loans; and (3) misrepresented the Mortgage Loans' credit characteristics, such as the Mortgage Loans' LTV ratios, occupancy data and DTI ratios, all breaches of the Warrantors' R&Ws***. With respect to First Franklin and the FFML 2006-FF9 Covered Trust, AIG alleged the following:

  - ***A former First Franklin underwriter, from 2005 to 2007, stated that lending practices at First Franklin were "'basically criminal'"; that the company required underwriters to depart from First Franklin's stated underwriting guidelines in order to keep their jobs; that managers pressured appraisers if they did not get the appraisal number they wanted and did so until a satisfactory number was returned; and that she and another former underwriter were fired by First Franklin after they "'spoke out'" about the company's problematic lending practices***. *Id.*, ¶20.

  - ***A former First Franklin senior underwriter stated that her branch manager overrode her rejections of non-compliant loans because her branch manager thought that it was unlikely the defective loans would be identified by audits; that her branch manager routinely overrode the senior underwriter's rejections of loans with obviously falsely inflated incomes; and that her branch manager approved obviously defective appraisals, instructing appraisers to omit material information that would have resulted in a lower appraisal value and using appraisers that were known to generate inflated appraisals***. *Id.*, ¶302.

- ***Another former First Franklin underwriter stated that fellow underwriters "'would approve anything'" because their compensation was designed to incentivize the making of loans that did not comply with the underwriting guidelines; that if underwriters rejected loans because they did not meet the underwriting guidelines, her manager would redirect the loan applications to a certain loan processor who would approve the loans anyway; and that when she found an obviously fraudulent loan application which she took to her manager, her manager approved the loan anyway***. *Id*., ¶304.

- **September 2, 2011:** The Federal Housing Finance Agency ("FHFA") filed over a dozen actions against RMBS securitizers, ***including Covered Trust Warrantors Goldman Sachs, HSBC and Morgan Stanley, alleging they had made numerous misrepresentations concerning the Mortgage Loans in the following Covered Trusts: FFML 2006-FF9, GSR 2007-AR2, HASC 2007-WF1, HVMLT 2006-8 and SAST 2006-2***. *See* complaints in *FHFA v. HSBC N. Amer. Holdings, Inc., et al.*, No. 11-CV-6189 (S.D.N.Y. Sept. 2, 2011) (HSBC sued regarding FFML 2006-FF9 and HASC 2007-WF1 Covered Trusts); *FHFA v. Goldman Sachs & Co., et al.*, No. 11-CV-6198 (S.D.N.Y. Sept. 2, 2011) (Goldman Sachs sued regarding GSR 2007-AR2 Covered Trust); *FHFA v. The Royal Bank of Scotland Group PLC, et al.*, No. 11-CV-1383 (D. Conn. Sept. 2, 2011) (Greenwich sued regarding HVMLT 2006-8 Covered Trust); *FHFA v. Morgan Stanley, et al.*, No. 652440/2011 (N.Y. Sup. Ct. N.Y. Cnty. Sept. 2, 2011) (Morgan Stanley sued regarding SAST 2006-2 Covered Trust). The FHFA alleged that Covered Trust Warrantors Goldman Sachs, HSBC and Morgan Stanley had: ***(1) falsely represented that the Mortgage Loans in the Covered Trusts had been originated pursuant to the lenders' underwriting guidelines; and (2) misrepresented the Mortgage Loans' LTV ratios and owner occupancy data, all breaches of the Warrantors' R&Ws***.[23]

- **January 31, 2012**: A law firm representing RMBS investors in the MSAC 2007-NC2, MSAC 2007-NC3 and MSIX 2006-1 Covered Trusts directed Deutsche Bank "***to open investigations of ineligible mortgages in pools securing" those Covered Trusts and others. "Ineligible mortgages" in these trusts would have breached the Warrantors' R&Ws***.

98. The foregoing lawsuits and investor directions involving the ***specific*** Covered Trusts, and the ***specific*** Mortgage Loans in them, caused Deutsche Bank to discover that the Warrantors had breached their R&Ws as to the Mortgage Loans in the Covered Trusts.

[23] Morgan Stanley subsequently paid ***$1.25 billion*** to settle the FHFA's claims.

d. Deutsche Bank Also Learned of the Warrantors' R&W Breaches from Borrowers' Bankruptcies

99. In addition to all of the foregoing information that Deutsche Bank was aware of, Deutsche Bank was also aware of additional ***specific information about the specific Mortgage Loans in the specific Covered Trusts*** from the bankruptcies of the Mortgage Loans' borrowers, which also indicated that the Warrantors had breached their R&Ws. This information indicated that fraud or misrepresentations had occurred in connection with the origination of the Mortgage Loans, that borrowers were given Mortgage Loans they could not afford, that that lenders' underwriting guidelines were ignored, and that the Mortgage Loans were not legally originated, as either predatory lending or mortgage fraud had occurred. Plaintiff's counsel has obtained information concerning Mortgage Loans within the Covered Trusts from bankruptcy filings by the borrowers. Deutsche Bank was aware of this information since it made appearances in, monitored, and/or made claims or filed or defended actions in the bankruptcies by or against the Mortgage Loans' borrowers. This information from the bankruptcies, as set forth below, shows that the Warrantors breached their R&Ws:

(i) FFML 2006-FF9 Covered Trust

100. Two borrowers obtained a Mortgage Loan for $695,000 in 2006 from Warrantor First Franklin, which was contained within the FFML 2006-FF9 Covered Trust. The borrowers had joint income of $4,000 per month in 2006 according to the borrowers' sworn bankruptcy filings. ***However, the borrowers' monthly debt payments were at least $11,612, far in excess of the borrowers' monthly income***. The borrowers' monthly debt payments were in addition to the borrowers' monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, these borrowers could not afford to repay this Mortgage Loan, and the Mortgage Loan was not originated under any lender's underwriting guidelines for such a loan,

contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrowers clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrowers' income and/or debts that occurred to "qualify" the borrowers for the Mortgage Loan in the first place appears to also violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data they provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrowers declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2007.

(ii) GSR 2007-AR2 Covered Trust

101. Two borrowers obtained a Mortgage Loan for $467,000 in 2007 from Warrantor Countrywide, which was contained within the GSR 2007-AR2 Covered Trust. ***The borrowers had joint income of $0 per month in 2007 according to the borrowers' sworn bankruptcy filings. However, the borrowers' monthly debt payments were at least $2,612, far in excess of the borrowers' monthly income***. The borrowers' monthly debt payments were in addition to the borrowers' monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, these borrowers could not afford to repay this Mortgage Loan, and the Mortgage Loan was not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrowers clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrowers' income and/or debts that occurred to "qualify" the borrowers for the Mortgage Loan in the first place appears to also violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws

occurred is corroborated by the fact that the borrowers declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2008.

(iii) HASC 2007-WF1 Covered Trust

102. A borrower obtained a Mortgage Loan for $619,489 in 2007 from Warrantor Wells Fargo, which was contained within the HASC 2007-WF1 Covered Trust. The borrower had income of $6,300 per month in 2007 according to the borrower's sworn bankruptcy filings. ***However, the borrower's monthly debt payments were at least $13,867, far in excess of the borrower's monthly income***. The borrower's monthly debt payments were in addition to the borrower's monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, this borrower could not afford to repay this Mortgage Loan, and the Mortgage Loan was obviously not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrower clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrower's income and/or debts that must have occurred to "qualify" the borrower for the Mortgage Loan appears to violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrower declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2007.

(iv) HVMLT 2006-8 Covered Trust

103. A borrower obtained a Mortgage Loan for $650,000 in 2005 from Warrantor Metrocities Mortgage, LLC, which was contained within the HVMLT 2006-8 Covered Trust. The borrower had income of $0 to $100 per month in 2005 according to the borrower's sworn bankruptcy filings. ***However, the borrower's monthly debt payments were at least $5,802, far in***

excess of the borrower's monthly income. The borrower's monthly debt payments were in addition to the borrower's monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, this borrower could not afford to repay this Mortgage Loan, and the Mortgage Loan was obviously not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrower clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrower's income and/or debts that must have occurred to "qualify" the borrower for the Mortgage Loan appears to violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrower declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2007.

(v) MSAC 2007-NC2 Covered Trust

104. A borrower obtained a Mortgage Loan for $630,000 in 2006 from loan originator New Century, which was contained within the MSAC 2007-NC2 Covered Trust. The borrower had income of $1,214 per month in 2006 according to the borrower's sworn bankruptcy filings. ***However, the borrower's monthly debt payments were at least $5,453, far in excess of the borrower's monthly income***. The borrower's monthly debt payments were in addition to the borrower's monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, this borrower could not afford to repay this Mortgage Loan, and the Mortgage Loan was obviously not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrower clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrower's income and/or debts that must

have occurred to "qualify" the borrower for the Mortgage Loan appears to violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrower declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2008.

(vi) MSAC 2007-NC3 Covered Trust

105. Two borrowers obtained a Mortgage Loan for $930,000 in 2007 from loan originator New Century, which was contained within the MSAC 2007-NC3 Covered Trust. The borrowers had joint income of $1,189 per month in 2007 according to the borrowers' sworn bankruptcy filings. ***However, the borrowers' monthly debt payments were at least $6,554, far in excess of the borrowers' monthly income***. The borrowers' monthly debt payments were in addition to the borrowers' monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, these borrowers could not afford to repay this Mortgage Loan, and the Mortgage Loan was obviously not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrowers clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrowers' income and/or debts that must have occurred to "qualify" the borrowers for the Mortgage Loan appears to violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrowers declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2007.

(vii) MSIX 2006-1 Covered Trust

106. A borrower obtained a Mortgage Loan for $603,000 in 2006 from loan originator Master Financial, Inc., which was contained within the MSIX 2006-1 Covered Trust. The borrower had income of $2,711 per month in 2006 according to the borrower's sworn bankruptcy filings. ***However, the borrower's monthly debt payments were at least $5,005, far in excess of the borrower's monthly income***. The borrower's monthly debt payments were in addition to the borrower's monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, this borrower could not afford to repay this Mortgage Loan, and the Mortgage Loan was obviously not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrower clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrower's income and/or debts that must have occurred to "qualify" the borrower for the Mortgage Loan appears to violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrower declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2006.

(viii) NHEL 2006-4 Covered Trust

107. Two borrowers obtained a Mortgage Loan for $690,000 in 2006 from Warrantor and loan originator NovaStar, which was contained within the NHEL 2006-4 Covered Trust. The borrowers had joint income of $2,474 per month in 2006 according to the borrowers' sworn bankruptcy filings. ***However, the borrowers' monthly debt payments were at least $12,716, far in excess of the borrowers' monthly income***. The borrowers' monthly debt payments were in addition to the borrowers' monthly expenses for things such as taxes, utilities, groceries, health care,

transportation, and the like. Clearly, these borrowers could not afford to repay this Mortgage Loan, and the Mortgage Loan was obviously not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrowers clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrowers' income and/or debts that must have occurred to "qualify" the borrowers for the Mortgage Loan appears to violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrowers declared separate bankruptcies shortly after obtaining the Mortgage Loan at issue, in 2007 and 2008.

(ix) SAST 2006-2 Covered Trust

108. A borrower obtained a Mortgage Loan for $352,750 in 2006 from a loan originator that sold the Mortgage Loan to Warrantor Saxon, which was contained within the SAST 2006-2 Covered Trust. The borrower had income of $3,057 per month in 2006 according to the borrower's sworn bankruptcy filings. ***However, the borrower's monthly debt payments were at least $3,303, in excess of the borrower's monthly income***. The borrower's monthly debt payments were in addition to the borrower's monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, this borrower could not afford to repay this Mortgage Loan, and the Mortgage Loan was obviously not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrower clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrower's income and/or debts that must have occurred to "qualify" the borrower for the Mortgage Loan appears to violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan

data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrower declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2007.

(x) SVHE 2007-NS1 Covered Trust

109. A borrower obtained a Mortgage Loan for $463,992 in 2006 from a loan originator sold the Mortgage Loan to Warrantor Nationstar, which was contained within the SVHE 2007-NS1 Covered Trust. The borrower had income of $4,921 per month in 2006 according to the borrower's sworn bankruptcy filings. ***However, the borrower's monthly debt payments were at least $7,132, far in excess of the borrower's monthly income***. The borrower's monthly debt payments were in addition to the borrower's monthly expenses for things such as taxes, utilities, groceries, health care, transportation, and the like. Clearly, this borrower could not afford to repay this Mortgage Loan, and the Mortgage Loan was obviously not originated under any lender's underwriting guidelines for such a loan, contrary to the Warrantor's R&Ws. The foregoing also appears to show that the Mortgage Loan was made in violation of predatory lending laws since the borrower clearly could not afford the Mortgage Loan. In addition, the apparent misrepresentation of the borrower's income and/or debts that must have occurred to "qualify" the borrower for the Mortgage Loan appears to violate mortgage fraud laws, and contradicts the Warrantor's representations that the Mortgage Loan data it provided was true and correct. The fact that the foregoing breaches of the Warrantor's R&Ws occurred is corroborated by the fact that the borrower declared bankruptcy shortly after obtaining the Mortgage Loan at issue, in 2007.

110. As the foregoing demonstrates, Mortgage Loans in the Covered Trusts were extended to borrowers who, in light of their extremely heavy pre-existing debt loads, clearly had no ability to repay the Mortgage Loans. The foregoing information also reveals that: (1) the Mortgage Loans were obtained by providing falsified information; (2) lenders ignored their stated underwriting

guidelines; and (3) mortgage fraud and or predatory lending in violation of the law by either lenders or borrowers, or both, had occurred. The foregoing examples are not isolated or extreme, or aberrations or outliers. In fact, there were large numbers of Mortgage Loan borrowers that went bankrupt under similar circumstances, and Deutsche Bank learned of widespread breaches of the Warrantors' R&Ws through such bankruptcies.

e. Deutsche Bank Learned from Its Sister Companies that There Were Systemic Breaches of R&Ws by the Covered Trusts' Warrantors

111. Deutsche Bank's sister companies – DBSP, MortgageIT, DB Home and Chapel – originated, purchased and/or warranted hundreds of thousands of mortgage loans that were transferred to RMBS trusts, including to two of the Covered Trusts – the HVMLT 2006-8 Covered Trust, for which MortgageIT originated and warranted Mortgage Loans, and the MSIX 2006-1 Covered Trust, for which Chapel originated Mortgage Loans. All of these "Deutsche Bank" companies were owned and controlled by their parent company, Deutsche Bank AG, which also owned and controlled defendant Deutsche Bank. On information and belief, each of these "Deutsche Bank" companies freely communicated with one another about each other's businesses to coordinate their activities and create inter-company synergies to maximize their and their parent company's profits.

112. Based on their common ownership and control, and their open communications with each other, defendant Deutsche Bank learned from DBSP, MortgageIT, DB Home and Chapel that lenders and RMBS securitizers were engaged in the making of systemically false R&Ws. Indeed, Deutsche Bank learned that DBSP, MortgageIT, DB Home and Chapel ***were engaging in the very same practices*** in order to stay competitive with the industry. The Senate Report summarized the overwhelming evidence that Deutsche Bank's sister companies did not make accurate R&Ws in their rush to securitize mortgage loans: "***Deutsche Bank underwrote securities using loans from***

subprime lenders known for issuing high risk, poor quality mortgages, and sold risky securities to investors across the United States and around the world. They also enabled the lenders to acquire new funds to originate still more high risk, poor quality loans." Senate Report at 11.

113. That Deutsche Bank's sister companies engaged in the sale of systematically defective mortgage loans that breached their R&Ws is demonstrated by the many lawsuits filed against them.[24] In addition, Deutsche Bank also learned of systemic R&W breaches from "Deutsche Bank's" proprietary traders. Deutsche Bank learned from the traders that numerous RMBS and the

[24] *See e.g. ACE Sec. Corp. Home Equity Loan Trust, Series 2007-HE4 by HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 13-cv-2828 (S.D.N.Y. Apr. 29, 2013) (DBSP sued for breach of R&Ws); *ACE Sec. Corp. Home Equity Loan Trust, Series 2007-WM2 by HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 13-cv-2053 (S.D.N.Y. Mar. 27, 2013) (same); *ACE Sec. Corp. Home Equity Loan Trust, Series 2007-HE3 v. DB Structured Products, Inc.*, No. 13-cv-1869 (S.D.N.Y. Mar. 20, 2013) (same); *Assured Guar. Corp. v. DB Structured Products, Inc., et al.*, No. 651824/2010 (N.Y. Sup. Ct. N.Y. Cnty. Oct. 25, 2010) (DBSP and affiliated company ACE Securities Corp. sued by insurer for breach of R&Ws); *ACE Sec. Corp. Home Equity Loan Trust, Series 2006-SL2, by HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 650980/2012 (N.Y. Sup. Ct. N.Y. Cnty. Sept. 13, 2012) (DBSP sued for breach of R&Ws by RMBS Trustee); *FHFA v. DB Structured Products, Inc.*, No. 651414/2012 (N.Y. Sup. Ct. N.Y. Cnty. Oct. 3, 2012); *ACE Sec. Corp. Home Equity Loan Trust, Series 2006 HE-3 by HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 652231/2012 (N.Y. Sup. Ct. N.Y. Cnty. Dec. 21, 2012); *ACE Sec. Corp. Home Equity Loan Trust, Series 2006-FM1, by HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 652978/2012 (N.Y. Sup. Ct. N.Y. Cnty. Jan. 28, 2013); *ACE Sec. Corp. Home Equity Loan Trust, Series 2007-HE1 by HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 650327/2013 (N.Y. Sup. Ct. N.Y. Cnty. Jan. 29, 2013); *HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 650312/2013 (N.Y. Sup. Ct. N.Y. Cnty. Jan. 29, 2013); *Deutsche Alt-A Sec. Mortg. Loan Trust, Series-Oa1 v. DB Structured Products, Inc.*, No. 12-cv-8594 (S.D.N.Y. Nov. 12, 2012); *Deutsche Alt-A Sec. Mortg. Loan Trust Series 2007-Oa4 by HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 13-cv-3685 (S.D.N.Y. May 31, 2013); *Deutsche Alt-A Sec. Mortg. Loan Trust, Series 2007-Oa3 v. DB Structured Products, Inc.*, No. 13-cv-2888 (S.D.N.Y. Apr. 30, 2013); *ACE Sec. Corp. Home Equity Loan Trust, Series 2007-ASAP1 by HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 650949/2013 (N.Y. Sup. Ct. N.Y. Cnty. Aug. 1, 2013); *HSBC Bank USA, N.A. v. DB Structured Products, Inc.*, No. 651936/2013 (N.Y. Sup. Ct. N.Y. Cnty. Nov. 4, 2013); *Assured Guar. Mun. Corp. v. DB Structured Products, Inc., et al.*, No. 650705/2010 (N.Y. Sup. Ct. N.Y. Cnty. June 23, 2010); *cf. In the Matter of DB Structured Products, Inc.*, No. A-13-690144-B (Nev. Dist. Ct. Clark Cnty. Oct. 14, 2013) (Nevada Attorney General enters into settlement with DBSP; DBSP pays $11.5 million to resolve investigation into whether DBSP assisted lenders, including sister company Mortgage IT, in making predatory loans and deceiving borrowers, and then buying and securitizing loans); *FHFA v. Deutsche Bank AG, et al.*, No. 11-CV-6192 (S.D.N.Y. Sept. 2, 2011).

mortgage loans underlying them ***were awful***, as "Deutsche Bank" traders referred amongst themselves (and with a few select clients) to such investments as ***"crap" and "pig[s]."*** Senate Report at 338-40.[25]

114. This knowledge obtained by Deutsche Bank, coupled with all of the previously alleged information it learned, also caused Deutsche Bank to discover systemic breaches of the Warrantors' R&Ws as to the Mortgage Loans in the Covered Trusts.

115. However, despite Deutsche Bank's discovery of systemic R&W breaches by the Warrantors, Deutsche Bank did not act as required by the Governing Agreements and the TIA, and did not enforce the Warrantors' obligations to cure, substitute or repurchase thousands of defective

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[25] The Senate Report set forth several examples of "Deutsche Bank's" institutional knowledge that numerous mortgage loans underlying RMBS were defective, as illustrated by "Deutsche Bank's" traders' following comments about various RMBS and CDOs:

- ***"this bond blows"***
- ***"half of these are crap"***
- ***"weak"***
- ***"bad"***
- ***"pig"***
- ***"I can probably short this name to some . . . fool."***
- ***"This kind of stuff rarely trades in the synthetic market and will be tough for us to cover i.e. short to a . . . fool. That said if u gave us an order at 260 we would take it and try to dupe someone."***
- ***"crap bond"***
- ***"crap we shorted"***
- ***"this bond sucks"***
- ***"generally horrible"***
- ***"u have picked some crap"***
- ***"this is an absolute pig"***
- ***"crap deal"***
- ***"deal is a pig!"***

Senate Report at 338-40. "Deutsche Bank" took advantage of this inside information, as it ***bet that RMBS (and their underlying loans) would fail***. According to the Senate Report, "Deutsche Bank" made a massive $5 billion "short" bet on RMBS, from which it derived the largest profit ever made on a single position in "Deutsche Bank's" history, when the mortgage loans ultimately failed as "Deutsche Bank" predicted and the RMBS collapsed. *Id.* at 10.

Mortgage Loans.[26] Moreover, Deutsche Bank's continuing failure to act, after learning of the breaches, and of new breaches, has resulted in Deutsche Bank engaging in numerous additional breaches of its continuing duties under the Governing Agreements and the TIA to enforce the R&W claims after 2011, and has caused the loss of billions of dollars in meritorious R&W claims which are now barred by the statute of limitations. By these failures, Deutsche Bank breached, and then repeatedly re-breached, the Governing Agreements and the TIA, thereby causing plaintiff, the class and the Covered Trusts to suffer massive damages.

2. Deutsche Bank Had Actual Knowledge of Events of Default No Later than April 13, 2011, Thus Triggering Its Duties to Act Under the Governing Agreements and the TIA

116. Deutsche Bank was also required by the Governing Agreements and the TIA to act as a quasi-fiduciary whenever it became aware of Events of Default by the Covered Trusts' Master Servicers or Servicers. That is, whenever the Master Servicers/Servicers failed to ensure that the Mortgage Loans in the Covered Trusts were being serviced in accordance with law and as "prudent" master servicers or servicers using "customary and usual standards" of loan servicing practice, an Event of Default occurred. In addition, an Event of Default occurred whenever Deutsche Bank learned that the Master Servicers/Servicers knew of Warrantor R&W breaches but did not report them to Deutsche Bank. When Deutsche Bank learned of these Events of Default, it was required to notify the offending Master Servicer or Servicer and require a cure of the default, and also notify plaintiff and the class if the default was not cured, and take other actions if necessary. Most

[26] For some of the Covered Trusts, Deutsche Bank did obtain some *de minimus* Mortgage Loan repurchases. However, these were very small, in almost all cases either much less than or barely over 1% of the Mortgage Loans' original aggregate loan balances. However, in five of the 10 Covered Trusts, Deutsche Bank has obtained Warrantor repurchases on ***none*** of the Mortgage Loans. In any event, even where it obtained the small loan repurchases, Deutsche Bank was well aware that there were still thousands of other Mortgage Loans that breached the Warrantors' R&Ws, yet it did not enforce the Warrantors' obligations to repurchase or substitute.

importantly, Deutsche Bank was required to exercise all of its powers and duties under the Governing Agreements as a "prudent person" would, and as though it was seeking to protect plaintiff's and the class's interests as if they were Deutsche Bank's very own interests. Deutsche Bank's powers included taking legal action against, or terminating or taking over, the offending Master Servicers'/Servicers' responsibilities. However, as alleged more fully below, even though Deutsche Bank obtained actual knowledge of rampant Master Servicer/Servicer Events of Default with respect to the Mortgage Loans in the Covered Trusts by no later than April 2011 (if not sooner), Deutsche Bank breached the Governing Agreements and violated the TIA by failing to take any of the actions required of it or allowed by the Governing Agreements or the TIA. Moreover, even though numerous new and existing Events of Default have continued after 2011, Deutsche Bank has continued to fail to act, and thus has committed numerous, additional breaches of its continuing duties under the Governing Agreements and the TIA after April 2011.

117. The Master Servicers and Servicers to the Covered Trusts as designated in the Governing Agreements, and their successors, if any, are set forth in the chart below. To plaintiff's knowledge, none of these Master Servicers or Servicers have been terminated or replaced by Deutsche Bank due to any of the Events of Default alleged herein, nor has Deutsche Bank notified plaintiff and the class of such Events of Default:

Covered Trusts' Master Servicers and Servicers

Covered Trust	Original Master Servicers	Original Servicers and Successor Servicers
FFML 2006-FF9	▪ **Wells Fargo**	▪ **National City Home Loan Services, Inc.** ("**National City**") (National City was acquired by Merrill Lynch in 2006; Merrill Lynch was acquired by Bank of America in 2009 and Bank of America succeeded National City at that time; Bank of America transferred servicing to Specialized Loan Servicing LLC in Dec. 2013)
GSR 2007-AR2	▪ **Wells Fargo**	▪ **Countrywide Home Loans Servicing**

Covered Trust	Original Master Servicers	Original Servicers and Successor Servicers
		LP (changed name to "BAC Home Loans Servicing LP" after being acquired by Bank of America in 2009) (**hereinafter "CHLS/BACHLS"**) ▪ **National City** ▪ **PHH** ▪ **Wells Fargo** ▪ **IndyMac** (acquired by OneWest Bank in 2009; OneWest transferred servicing to Ocwen Financial Corporation ("Ocwen") in 2013)
HASC 2007-WF1	▪ **Wells Fargo**	▪ **Wells Fargo**
HVMLT 2006-8	▪ **Wells Fargo**	▪ **GMAC Mortgage Corporation ("GMAC")** (GMAC transferred servicing to Ocwen in 2013) ▪ **IndyMac** (transferred servicing to Ocwen in 2013) ▪ **Paul Financial** ▪ **WaMu** (acquired by JPMorgan in 2008)
MSAC 2007-NC2	▪ **Wells Fargo**	▪ **Saxon Mortgage Services, Inc. ("Saxon Mortgage Services")** (Saxon Mortgage Services was acquired by Morgan Stanley in 2006; Ocwen acquired Saxon Mortgage Services from Morgan Stanley in 2012) ▪ **CHLS/BACHLS**
MSAC 2007-NC3	▪ **Wells Fargo**	▪ **Saxon Mortgage Services** (acquired by Ocwen in 2012) ▪ **CHLS/BACHLS**
MSIX 2006-1	▪ **Wells Fargo**	▪ **Wells Fargo** ▪ **Saxon Mortgage Services** (acquired by Ocwen in 2012) ▪ **JPMorgan Chase Bank, N.A.** ("**JPMorgan Chase**") ▪ **HomEq Servicing Corporation ("HomEq")** (acquired by Ocwen in 2010)
NHEL 2006-4	▪ None	▪ **NovaStar** (replaced by Saxon Mortgage Services in November 2007; Saxon Mortgage Services was acquired by Ocwen in 2012)
SAST 2006-2	▪ **Saxon** (acquired by Morgan Stanley in	▪ **Saxon Mortgage Services** (acquired by Ocwen in 2012)

Covered Trust	Original Master Servicers	Original Servicers and Successor Servicers
	2006)	
SVHE 2007-NS1	▪ None	▪ **Nationstar**

118. Due to the large number of defective Mortgage Loans in breach of the Warrantors' R&Ws that remained in the Covered Trusts due to Deutsche Bank's failures to act as alleged above, a flood of defaults started occurring in late 2007 and early 2008, which in turn led to a flood of subsequent foreclosure proceedings. Under the Governing Agreements, the Master Servicers/Servicers were responsible for instituting and prosecuting foreclosures on behalf of Deutsche Bank and were required to conduct the foreclosures ***legally***, and pursuant to "prudent" and/or "customary and usual" loan servicing standards, as though the Master Servicers/Servicers were servicing their own portfolios of loans. *E.g.*, FFML 2006-FF9 PSA §§3.01(a), 3.15 (Servicers to use "Accepted Servicing Practices"); *id.* Art. I ("Accepted Servicing Practices" means using "pruden[t]," "customary and usual standards of practice" and servicing Mortgage Loans "in accordance with . . . law[]"). Indeed, Deutsche Bank admitted in a memo sent to the Covered Trusts' Master Servicers and Servicers in August 2007 that it was "***our [i.e., Deutsche Bank's and the Master Servicers'/Servicers'] legal duty to protect the interests of***" plaintiff and the class when servicing the Mortgage Loans.

a. Shortly After the Covered Trusts Were Formed Deutsche Bank Became Aware of Widespread Loan Servicing Events of Default that Likely Affected the Covered Trusts

119. Beginning as early as the summer of 2008, Deutsche Bank became aware of several widespread loan servicing issues involving several of the Covered Trust Master Servicers/Servicers. For example, Covered Trust Servicer Saxon Mortgage Services was charged with violating the laws of New Hampshire and Maryland in June and December 2008, respectively. Saxon Mortgage Services was a Servicer for five of the 10 Covered Trusts in 2008. In New Hampshire, Saxon

Mortgage Services was charged with violating several state laws and regulations by failing to designate a person with sufficient authority to facilitate foreclosure avoidance procedures, failing to communicate with borrowers, and failing to respond to the New Hampshire Banking Department's inquiries. Saxon Mortgage Services entered into a consent order with New Hampshire and paid a fine. Subsequently, in December 2008, Saxon Mortgage Services was charged with servicing loans in the state of Maryland without a proper license, also a violation of law. Again, it quickly entered into a consent order, agreeing to comply with the law and paying a fine. Violations of law were Events of Default under the Governing Agreements.

120. Because of its concerns, in July 2008 Deutsche Bank sent a memo to all of its master servicers and servicers, including all of the Covered Trusts' Master Servicers and Servicers, identifying "certain issues relating to servicing practices that ha[d] come to" Deutsche Bank's "attention." In the memo, Deutsche Bank stated that the "performance of securitization parties," *i.e.*, the "performance" of the Master Servicers and Servicers, was "being scrutinized carefully by various constituencies," *i.e.*, courts, law enforcement agencies and various state and federal governments. Deutsche Bank directed that all of its loan servicers be "particularly mindful" to avoid errors they were making related to proving Deutsche Bank owned the mortgage loans at the time they were being foreclosed, and further reminded the servicers to comply with ***"all"*** legal requirements. (Emphasis in original.) Deutsche Bank also cautioned its loan servicers to be careful to ***not "mislead third parties, including courts***." In addition, Deutsche Bank told its loan servicers – which were also responsible for maintaining the RMBS trusts' "REO" properties – that Deutsche Bank was receiving complaints from governments, community groups, law enforcement and courts about the physical condition of REO properties. Deutsche Bank instructed its loan servicers to properly maintain REO properties as required under the Governing Agreements. This memo indicated that

Deutsche Bank was aware of potential misconduct by its master servicers and servicers, including the Covered Trusts' Master Servicers and Servicers, as early as July 2008.

121. In 2008 and 2009, all RMBS trustees, not just Deutsche Bank, were experiencing major difficulties foreclosing on defaulted mortgage loans because of widespread loan servicing errors and misconduct. Courts were denying, delaying, halting, and even invalidating many foreclosures because of grossly negligent, deceptive and/or fraudulent conduct by the loan servicers. Because of these erroneous and improper servicing practices, RMBS trustees were having difficulty establishing that they owned the mortgages at the time they filed suit or foreclosed, as was required by law. In addition, trustees were facing long delays in foreclosing caused by faulty or false mortgage documentation filed by the master servicers and servicers, as well as their frequent assertion of grossly erroneous or false facts. Loan servicers, including the Covered Trusts' Master Servicers and Servicers, were filing false affidavits and assignment documents. Some were also creating bogus mortgage and note assignments, as well as causing the filing of complaints and other court documents that contained false allegations. Such loan servicing practices were clearly not legal, "customary and usual," or "prudent," as required by the Governing Agreements.

122. In fact, in late 2007, Deutsche Bank received a preview of the tsunami of loan servicing misconduct that was to come. In late 2007, the U.S. District Courts for the Northern and Southern Districts of Ohio dismissed without prejudice, or threatened to dismiss, numerous foreclosure actions, including many by Deutsche Bank, due to gross errors, misrepresentations, or other misconduct by loan servicers.[27] These events portended the massive Events of Default that were to come.

[27] *See, e.g.*, *In re Foreclosure Cases*, 521 F. Supp. 2d 650 (S.D. Ohio 2007) (court orders that 26 foreclosure cases, including at least four of Deutsche Bank's, will be dismissed unless Deutsche Bank and others comply with court's "General Order 07-03" and file proper documentation); *In re*

123. Indeed, beginning shortly thereafter, and continuing to the present, Deutsche Bank has experienced hundreds, if not thousands, of denials, dismissals or undue delays of its foreclosure actions filed by its servicers, and numerous motions for relief from bankruptcy stays being denied or delayed, because of rampant, grossly negligent, deceptive or fraudulent misconduct by its loan servicers. Deutsche Bank's loan servicers committed grossly negligent errors, were deceptive, made misrepresentations, and engaged in outright fraud and/or violations of law, all Events of Default.[28]

Foreclosure Actions, No. 1:07CV1007, 2007 U.S. Dist. LEXIS 97763 (N.D. Ohio Nov. 14, 2007) (court dismisses 32 foreclosure cases, including more than 20 of Deutsche Bank's, because of improper documentation filed by servicers); *In re Foreclosure Cases*, No. 1:07CV2282, 2007 U.S. Dist. LEXIS 84011 (N.D. Ohio Oct. 31, 2007) (court dismisses 14 foreclosure actions, including 13 by Deutsche Bank, because of defective paperwork filed by servicers); *Deutsche Bank Nat'l Trust Co. v. McCarthy, et al.*, No. 1:07CV3071, slip op. at 2 (N.D. Ohio Oct. 30, 2007) (***court dismisses foreclosure action by Deutsche Bank because it "made a false statement to the Court***"); *In re Foreclosure Cases*, No. 1:07CV2282, 1:07CV2313, 1:07CV2532, 1:07CV2560, 1:07CV2565, 1:07CV2602, 1:07CV2631, 1:07CV2638, 1:07CV2681, 1:07CV2695, 1:07CV2920, 1:07CV2930, 1:07CV2943, 1:07CV2949, 1:07CV2950, 1:07CV3000, 1:07CV3029, slip op. at 2 (N.D. Ohio Oct. 10, 2007) (court threatens to dismiss 13 foreclosure actions, including 10 by Deutsche Bank, unless it "file[d] a copy of the executed assignment demonstrating [Deutsche Bank] was the holder and owner of the Note and Mortgage ***as of the date the Complaint was filed***") (emphasis in original).

[28] *See, e.g.*, *Deutsche Bank Nat'l Trust Co. v. Alemany*, No. 0011677-2007 (N.Y. Sup. Ct. Suffolk Cnty. Jan. 7, 2008) (*ex parte* application by Deutsche Bank for order of reference in mortgage foreclosure action denied because servicer failed to file proper affidavit, failed to provide proof of Deutsche Bank's standing to commence action, and failed to provide proof of compliance with New York Real Property Actions and Proceedings Law); *Deutsche Bank Nat'l Trust Co. v. Henry, et al.*, No. 0015375/2007 (N.Y. Sup. Ct. Kings Cnty. Jan. 8, 2008) (Deutsche Bank's application for order of reference denied because servicer filed defective affidavit); *Deutsche Bank Nat'l Trust Co. v. Harris, et al.*, No. 0035549/2007, slip op. at 3 (N.Y. Sup. Ct. Kings Cnty. Feb. 5, 2008) (Deutsche Bank's application for order of reference denied because of defective affidavit; "***Court is perplexed***" about discrepancies in affidavit and assignment of loan); *Deutsche Bank Nat'l Trust Co. v. Grant, et al.*, No. 0039192/2007 (N.Y. Sup. Ct. Kings Cnty. Apr. 25, 2008) (Deutsche Bank's application for order of reference denied because of defective affidavit); *Deutsche Bank Nat'l Trust Co. v. Nicholls, et al.*, No. 0002248/2007 (N.Y. Sup. Ct. Kings Cnty. May 21, 2008) (Deutsche Bank's unopposed application for judgment of foreclosure and sale denied; court also dismisses action *sua sponte* because action was prematurely commenced via ***improper "retroactively assign[ed]" mortgage***); *Deutsche Bank Nat'l Trust Co. v. Cruz, et al.*, No. 0002085/2007 (N.Y. Sup. Ct. Kings Cnty. May 21, 2008) (same); *Deutsche Bank Nat'l Trust Co. v. Cruz, et al.*, No. 0031645/2006 (N.Y. Sup. Ct. Kings Cnty. May 21, 2008) (same); *Deutsche Bank Nat'l Trust Co. v. Auguste, et al.*, No. 0027299/2007 (N.Y. Sup. Ct. Kings Cnty. July 17, 2008) (Deutsche Bank's application for order of reference denied because servicer filed defective affidavit); *Deutsche Bank Nat'l Trust Co. v. Mark*

Dill Plumbing Co., et al., No. 87A01-0807-CV-307, slip op. at 6, 8 (Ind. Ct. App. Mar. 25, 2009) (Deutsche Bank improperly foreclosed on mortgage without joining junior lienholders; Deutsche Bank then sued to remove lienholders, and lienholders counterclaimed to foreclose their liens; trial court denied Deutsche Bank's summary judgment motion to remove lienholders and granted lienholders countermotion for foreclosure and satisfaction of their liens; appeals court affirms trial court's decision, holding that ***Deutsche Bank's failure to join lienholders in foreclosure "resulted from the negligence of Deutsche Bank or its agent," i.e., its servicer, because "Deutsche Bank acknowledge[d] [the] liens were properly recorded" and therefore "Deutsche Bank should have known about [the] liens"***); *Deutsche Bank Nat'l Trust Co. v. Marche, et al.*, No. 009156/2007 (N.Y. Sup. Ct. Kings Cnty. May 21, 2009) (court issues ***order to show cause why judgment of foreclosure and Deutsche Bank's action should not be dismissed because Deutsche Bank "has misrepresented itself by alleging it is the owner and holder of the mortgage in order to fraudulently commence this action when in fact no valid assignment has been made to [Deutsche Bank]," and "the assignment at issue is champertous in violation of Section 489 of the New York State Judiciary Law because the sole purpose of the defective assignment was to facilitate the fraudulent litigation begun by [Deutsche Bank] prior to the assignment's execution***"); *In re Hayes*, No. 07-13967-JNF, Memorandum at 16 (Bankr. D. Mass. Aug. 19, 2008) (Deutsche Bank's motion for relief from bankruptcy stay denied by court after two-day trial; court holds that evidence put on by Deutsche Bank's servicer was insufficient; ***court holds that "[g]iven the tangle of inconsistent and incomplete documents introduced into evidence purporting to establish Deutsche Bank as the holder of the Debtor's mortgage, . . . sanctions may be appropriate"***); *Deutsche Bank Nat'l Trust Co. v. Lippi, et al.*, No. CA08-127, slip op. at 3-4 (Fla. Cir. Ct. Feb. 11, 2011) (court grants borrower's motion to dismiss Deutsche Bank's foreclosure action with prejudice; court holds that Deutsche Bank (or its servicer) and counsel engaged in multiple instances of misconduct, such as ***"willfully violat[ing] the Court's Orders," filing documents that have "hindered the administration of this case," filing papers that "are replete with even more examples of contumacious actions," "frustrat[ing] the fair administration of justice," and failing to serve defendants' counsel***), *rev'd* No. 5D10-946 (Fla. Dist. Ct. App. Jan. 12, 2012); *Deutsche Bank Nat'l Trust Co. v. Stevens*, No. 0015862/2008, slip op. at 2 (N.Y. Sup. Ct. Kings Cnty. May 18, 2010) (Deutsche Bank's summary judgment motion denied and action dismissed because it was commenced "prior to the date of the mortgage assignment, and the record contains no proof demonstrating that there was a physical delivery of the mortgage [to Deutsche Bank] prior to" commencement); *In re Foreclosure of a Deed of Trust Executed by Hannia M. Adams & H. Clayton Adams*, 693 S.E.2d 705 (N.C. Ct. App. June 1, 2010) (appeals court reverses order authorizing Deutsche Bank to foreclose because affidavits on behalf of Deutsche Bank were insufficient to establish note was transferred to Deutsche Bank); *In re Tarantola*, No. 4:09-bk-09703-EWH, slip op. at 14 (Bankr. D. Az. July 29, 2010) (court denies Deutsche Bank's motion for relief from bankruptcy stay because of ***"the deficient and misleading nature of Deutsche's filings"; court also "seriously considered" issuing order to show cause why sanctions should not be imposed "on Deutsche, its servicer, and its lawyers***"); *Mortg. Elec. Registration Sys, Inc. v. Saunders, et al.*, 2 A.3d 289 (Me. 2010) (court vacates order granting Deutsche Bank summary judgment, holding that summary judgment was inappropriate because Deutsche Bank filed motion that was procedurally and substantively defective); *Deutsche Bank Nat'l Trust Co. v. Parisella, et al.*, No. S0758-09 CnC (Vt. Sup. Ct. Oct. 25, 2010) (Deutsche Bank's foreclosure complaint is dismissed because "***there is no evidence in the record indicating that Deutsche Bank was the assignee of the note when it filed its***

complaint on June 15, 2009. Nor is there even an allegation to that effect.”); *Augenstein v. Deutsche Bank Nat’l Trust Co., et al.*, No. 2009-CA-000058-MR, slip op. at 4 (Ky. Ct. App. Feb. 18, 2011) (summary judgment in favor of Deutsche Bank vacated and remanded; court notes that Deutsche Bank failed to timely file an appeal brief and holds that “Deutsche Bank did not have standing to commence this action when it did”); *Deutsche Bank Nat’l Trust Co. v. Francis, et al.*, 926 N.Y.S. 2d 343 (Sup. Ct. Mar. 25, 2011) (court dismisses Deutsche Bank’s foreclosure action *sua sponte* because it “***discovered that there is no record of plaintiff DEUTSCHE BANK ever owning the subject mortgage and note***. Therefore, with plaintiff DEUTSCHE BANK lacking standing, the instant action is dismissed with prejudice and the notice of pendency cancelled”); *Turner v. Deutsche Bank Nat’l Trust Co.*, 65 So.3d 336 (Miss. Ct. App. June 14, 2011) (default judgment against borrower reversed because Deutsche Bank failed to comply with Rules of Civil Procedure); *Valencia v. Deutsche Bank Nat’l Trust Co.*, 67 So.3d 325, 326 (Fla. Ct. App. June 22, 2011) (summary judgment for Deutsche Bank reversed; “genuine issue of a material fact” existed because Deutsche Bank produced two different “possible” versions of mandatory notice that should have been sent to borrower before foreclosure, while borrowers produced original notice which was different from Deutsche Bank’s two versions); *Deutsche Bank Nat’l Trust Co. v. Pelletier*, 31 A.3d 1235, 1237 (Maine Sup. Ct. Aug. 9, 2011) (revised Nov. 15, 2011) (affirming summary judgment of rescission in favor of borrowers and against Deutsche Bank; court notes that ***Deutsche Bank “submitted an incomplete, unsigned affidavit containing blank spaces for the affiant’s name and title, and the date,” “did not file an opposing statement of material facts pursuant to M.R. Civ. P.56(h)(2),” and never “file[d] a completed affidavit”***); *Deutsche Bank Nat’l Trust Co. v. Byrams*, 275 P.3d 129 (Okla. Sup. Ct. Jan. 17, 2012) (reversing and remanding summary judgment in favor of Deutsche Bank; court holds that Deutsche Bank failed to prove it was “‘entitled to enforce’” the note “***prior*** to the filing of the foreclosure proceeding” in December 2009 because “there [wa]s no evidence . . . supporting it [wa]s a holder of the note”) (emphasis in original); *In re Miller v. Deutsche Bank Nat’l Trust Co.*, 666 F.3d 1255, 1264 (10th Cir. 2012) (reversing order granting Deutsche Bank relief from bankruptcy stay; court held that Deutsche Bank failed to prove it “in fact obtained physical possession of the original Note” as required by law); *Deutsche Bank Nat’l Trust Co. v. Matthews*, 273 P.3d 43, 44, 47 (Okla. Sup. Ct. Feb. 28, 2012) (reversing and remanding summary judgment in favor of Deutsche Bank; court notes that Deutsche Bank first falsely “claimed . . . to hold the note and mortgage” when it filed the action in 2009, but later, “by its own admission,” conceded that “it acquired its interest in the note and mortgage subsequent to the filing of the action,” *i.e.*, “six months after the action was commenced”); *Deutsche Bank Nat’l Trust Co. v. Williams*, No. 11-00632 JMS/RLP, 2012 U.S. Dist. LEXIS 43968, at *9, *11 (D. Haw. Mar. 29, 2012) (dismissing Deutsche Bank’s foreclosure action; court holds that dismissal was warranted because assignment of mortgage and note to Deutsche Bank was purportedly executed on January 13, 2009 by “Home 123,” long after Home 123 had been liquidated in bankruptcy; court holds “that Home 123 ***could not*** have validly assigned the Mortgage and Note to [Deutsche Bank] on January 13, 2009,” and therefore the “assignment is a nullity,” and Deutsche Bank’s “assertion that [Deutsche Bank] obtained the Mortgage and Note from Home 123 ***is untrue***”) (emphasis in original); *Gonzalez v. Deutsche Bank Nat’l Trust Co., et al.*, No. 2D10-5561, slip op. at 6 (Fla. Dist. Ct. App. Apr. 20, 2012) (reversing summary judgment in Deutsche Bank’s favor; court holds that assignment of note “[wa]s not dated” and therefore “Deutsche Bank failed to establish its standing by showing it possessed the note when it filed the lawsuit” in 2009); *Finnegan v. Deutsche Bank Nat’l Trust Co.*, No. 4D11-939, slip op. at 2 (Fla. Dist. Ct. App. Sept. 5, 2012) (reversing summary judgment in Deutsche Bank’s favor; court

In many cases, the Covered Trusts' Master Servicers and Servicers were involved.[29]

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holds that Deutsche Bank's summary judgment affidavit failed to even address the most important issue of fact concerning whether borrower received proper notice of default; court also holds that Deutsche Bank attempted to use documents that "were not sworn and could not be considered on a motion for summary judgment"); *Deutsche Bank Nat'l Trust Co. v. Cuesta*, No. 0003998-2011, 2012 N.Y. Misc. LEXIS 4848 (N.Y. Sup. Ct. Suffolk Cnty. Sept. 11, 2012) (unopposed motion for summary judgment by Deutsche Bank denied because of failure to file proper affidavits that comply with law); *Deutsche Bank Nat'l Trust Co. v. Gilbert, et al.*, No. 08-CH-955, slip op. at 9 (Ill. App. Ct. 2d Dist. Sept. 25, 2012) (summary judgment in favor of Deutsche Bank reversed because servicer's affidavit was inadmissible, lacking in foundation, and did not comply with Illinois Supreme Court Rule 191(a); court also holds that note and mortgage attached to Deutsche Bank's complaint "***contradicted Deutsche Bank's allegation that it did own the loan when it filed suit***"); *Deutsche Bank Nat'l Trust Co. v. Heinrich, et al.*, No. 2011-CP-10-1060, slip op. at 2 (S.Car. Ct. Com. Pleas, 9th Jud. Cir. July 31, 2013) (borrowers' motion to dismiss Deutsche Bank's foreclosure action granted; court holds that Deutsche Bank "failed to show that it owned the Mortgage at the time the Complaint was filed" in February 2011 as required by law); *Harris v. Deutsche Bank Nat'l Trust Co.*, No. 1110054, slip op. at 22 (Ala. Sup. Ct. Sept. 13, 2013) (summary judgment in favor of Deutsche Bank in action filed in 2009 to eject foreclosed borrowers is vacated and remanded; court holds that ***Deutsche Bank "in fact concedes that summary judgment was inappropriate in this case*** and that on the state of the current record there is a genuine issue of material fact as to whether [Deutsche Bank] received an assignment of the note so as to have entitled it to execute the power of sale in its own name"); *Deutsche Bank Nat'l Trust Co. v. Huber, et al.*, No. 4D12-3696, slip op. at 2 (Fla. Dist. Ct. App. Apr. 23, 2014) (court of appeal upholds involuntary dismissal of Deutsche Bank's action because Deutsche Bank failed to move the original note into evidence as required by law or "offer a satisfactory explanation as to its failure to do so").

[29] *See, e.g.*, *Deutsche Bank Nat'l Trust Co. v. Maraj*, 856 N.Y.S. 2d 497 (N.Y. Sup. Ct. Kings Cnty. Jan. 31, 2008) (Deutsche Bank's application for order of reference denied because ***employee of Covered Trust Servicer IndyMac and Deutsche Bank filed what appeared to be a defective loan assignment and affidavit***; court holds that it ***"is concerned that there may be fraud on the part of plaintiff DEUTSCHE BANK, or at least malfeasance," and that "DEUTSCHE BANK appear[ed] to be engaged in possible fraudulent activity"; court further "wonders if the instant foreclosure action is a corporate 'Kansas City Shuffle,' a complex confidence game***"); Memorandum of Law of the U.S. Trustee in Support of Sanctions at 2, *In re Neur*, No. 08-14106(REG) (Bankr. S.D.N.Y. Jan. 4, 2010) (U.S. Trustee – a part of the U.S. Department of Justice – files a motion for sanctions in case where Deutsche Bank is trustee; ***Covered Trust Servicer JPMorgan Chase is servicer and the subject of sanctions motion***; U.S. Trustee states: "***[JPMorgan] Chase . . . produce[d] documents that were confusing and contradictory . . . [and] appear to be false or misleading***"; U.S. Trustee cites three other cases in the District where ***JPMorgan Chase engaged in similar misconduct and was either sanctioned or agreed to pay the other side for making improper court filings***); *Deutsche Bank Nat'l Trust Co. v. Triplett*, No. 94924 (Ohio Ct. App. Feb. 3, 2011) (summary judgment in favor of Deutsche Bank reversed based on undisputed fact that assignment of mortgage to Deutsche Bank occurred three weeks ***after*** complaint was filed and Deutsche was required by law to be assignee of mortgage ***at the time foreclosure action was commenced***; court further rejects ***false affidavit by Covered Trust Servicer CHLS/BACHLS claiming otherwise***);

124. Two poignant examples of the repetitive types of Events of Default committed by loan servicers on Deutsche Bank's behalf are found in a decision by the Ohio Court of Appeal in *Deutsche Bank Nat'l Trust Co. v. Holden, et al.,* No. 26970 (Ohio Ct. App. Mar. 31, 2014) (the "Ohio Action"), and in a Michigan action that was filed against Deutsche Bank, *see Rought, et al. v. Deutsche Bank Nat'l Trust Co., et al.,* No. 1:10-CV-403 (D. Mich. May 6, 2010) (the "Michigan Action"). First, in the Ohio Action, a foreclosure case was filed by Deutsche Bank in 2011 in Ohio state court. Attached to the complaint was a purportedly "'***true and accurate copy of the original***'" promissory note, ***which contained no indorsements***. After the completion of discovery, Deutsche Bank moved for summary judgment, seeking a judgment of foreclosure. In connection with Deutsche Bank's summary judgment motion, a JPMorgan Chase employee, Megan Theodoro, filed an affidavit in support of Deutsche Bank's motion. JPMorgan Chase was the servicer of the loan at issue therein (and ***JPMorgan Chase is also a Servicer to the MSIX 2006-1 Covered Trust***). Attached to Theodoro's affidavit was another purported copy of the promissory note, ***which Theodoro "stated was a copy of the 'original Note.'"*** However, this copy of the note differed from the one attached to the complaint because the note Theodoro introduced into evidence ***contained a***

Deutsche Bank Nat'l Trust Co. v. Mitchell, No. A-4925-09T3 (N.J. Sup. Ct. App. Div. Aug. 9, 2011) (judgment for Deutsche Bank reversed; court holds that Deutsche Bank filed action before it was assigned mortgage and therefore lacked standing; ***court also holds that affidavit by Covered Trust Servicer JPMorgan Chase was defective***); *Deutsche Bank v. Brumbaugh*, 270 P.3d 151, 152, 154 (Okla. Sup. Ct. Jan. 17, 2012) (reversing and remanding summary judgment in favor of Deutsche Bank; court holds that "there is a question of fact" because Deutsche Bank was required to prove it was holder of note ***prior*** to filing action, and ***affidavit by Covered Trust Servicer JPMorgan Chase made "no mention of when [Deutsche Bank] became the holder***"); *Deutsche Bank Nat'l Trust Co. v. Wilk*, 76 A.3d 363, 367-68 (Me. Sup. Ct. Sept. 12, 2013) (judgment of foreclosure in favor of Deutsche Bank vacated and remanded for entry of judgment denying foreclosure; court holds that "the trial evidence does not support a finding that Deutsche Bank received the mortgage by assignment" because "***OneWest Bank [Covered Trust Servicer IndyMac's successor] . . . assign[ed] its interest in the mortgage to Deutsche Bank two weeks before OneWest Bank acquired the mortgage***"; ***court further holds that Deutsche Bank's complaint filed in July 2010 attached a completely different assignment that contradicted the evidence presented at trial and that "Deutsche Bank offers no explanation for this conflicting set of assignments***").

blank indorsement from the original lender, NovaStar, to Deutsche Bank, unlike the one attached to the complaint. While the Ohio appeals court took the "high road," and did not accuse anyone of fraud, the obvious inference was that someone – most likely someone from Covered Trust Servicer JPMorgan Chase – had falsely altered the note attached to the Theodoro affidavit and added the indorsement after-the-fact in order to assist Deutsche Bank in obtaining summary judgment. Notwithstanding these obvious discrepancies, the trial court below erroneously granted Deutsche Bank's summary judgment motion. On appeal, the Ohio Court of Appeal reversed, holding that summary judgment was inappropriate because of the two different, conflicting, obviously inconsistent versions of the original note. The Ohio appellate court held:

> ***Thus, Deutsche Bank has filed two different copies of the same note – one with and one without an indorsement. Both copies purport to be true and accurate copies of the original note. Ms. Theodoro's affidavit fails to explain why the copy of the note attached to her affidavit differs from the one attached to the complaint when, from her averments, the note, while in [JPMorgan] Chase's possession, had always contained a blank indorsement from NovaStar to Deutsche Bank***.

While JPMorgan Chase meritlessly tried to explain how there were two different versions of the same "original" note in its possession, the Court of Appeal rejected those explanations as speculative opinions not based on personal knowledge, and held that:

> ***Deutsche Bank has failed to explain why [JPMorgan] Chase would have an unindorsed copy of the note in its possession since it was the only servicer for Deutsche Bank . . . . This creates a genuine issue of material fact since Ms. Theodoro averred that the note in [JPMorgan] Chase's possession had always contained a blank indorsement from NovaStar to Deutsche Bank.***
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> * * *
>
> ***Due to the inconsistencies between the copies of the note and the lack of an explanation based on personal knowledge as to how Deutsche Bank came to offer two different copies of the note into the record, this Court concludes that there is a genuine issue of material fact as to whether Deutsche Bank was the holder of the note at the time the complaint was filed. Accordingly, the trial court erred in granting Deutsche Bank's motion for summary judgment on its foreclosure complaint***.

The facts in this case are very similar to numerous other cases involving Deutsche Bank. That is, the cases consistently involve negligently untrue or blatantly false allegations made in complaints and other documents; false, inconsistent or contradictory averments of facts in affidavits, often inadmissible or made without personal knowledge; defective or altered note and mortgage assignments; and/or patently insufficient evidence. *See e.g.*, *supra* nn. 27-29, *see also infra* n.31.[30] This misconduct by loan servicers was certainly not prudent, or in line with customary and usual loan servicing practices. In fact, such misconduct was an Event of Default under the Governing Agreements.

125. Second, with respect to the aforementioned Michigan Action, the loan servicer's misconduct was criminal. The plaintiffs in the Michigan Action were Ricky and Hannah Rought, father and daughter, and they sued Deutsche Bank, its servicer American Home Mortgage Servicing,

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[30] *See also Deutsche Bank Nat'l Trust Co. v. Wilk*, 79 A.3d at 368 (Deutsche Bank introduced "***conflicting information***"); *Deutsche Bank Nat'l Trust Co. v. Gilbert*, No. 08-CH-955, slip op. at 7, 9 (documents filed on behalf of Deutsche Bank "***contradicted" Deutsche Bank's allegations; "[in]admissible***" affidavit "***unsupported by any foundation***" was filed; "***Deutsche Bank produced no competent evidence***"; "***Deutsche Bank wisely abandons that argument [] which finds no support in the [evidence]***"); *Gonzalez v. Deutsche Bank Nat'l Trust Co.*, No. 2D10-5561, slip op. at 3 (appeals court reverses summary judgment for Deutsche Bank; borrower argues that Deutsche Bank's allegations were "'***inconsistent***'" with the exhibits it filed); *Deutsche Bank Nat'l Trust Co. v. Barnett*, 88 A.D.3d 636, 638 (N.Y. App. Div. 2d Dept. Oct. 4, 2011) (reversing summary judgment in favor of Deutsche Bank, finding that there were numerous "***inconsistencies***," as Deutsche Bank "submitted copies of ***two different versions of an undated allonge which was purportedly affixed to the original note*" *that "conflict[ed] with the copy of the note***," and another document submitted by Deutsche Bank to purportedly "establish the authority" of the person signing the mortgage assignment to so sign it, ***was dated "after the subject assignment and, thus, cannot establish . . . such authority"***); *Herrera v. Deutsche Bank Nat'l Trust Co.*, 127 Cal. Rptr. 3d 362, 370-72 (3d Dist. 2011) (affidavit in support of Deutsche Bank "***does not affirmatively show that [the affiant] can competently testify*** . . . as to" facts; affidavit ***lacked foundation***, was "***confusing***" and "***failed to provide admissible evidence***"); *In re Doble*, No. 10-11296, 2011 Bankr. LEXIS 1449, at *18 (Bankr. S.D. Cal. Apr. 14, 2011) ("***The most disconcerting misrepresentation to the Court was [Deutsche Bank's and its servicer's] submission of multiple 'true and correct' copies of the Note under penalty of perjury*** . . . ."); *Deutsche Bank Nat'l Trust Co. v. Pope*, No. 16-2007-CA-008285-XXXX-MA, slip op. at ¶5 (Fla. Cir. Ct. Duval Cnty. Mar. 7, 2008) (Deutsche Bank's foreclosure action dismissed because its "***exhibits are inconsistent with [its] allegations" and "only act[] to cloud" the issues in the case***).

Inc. ("American Home"), and Field Asset Services, Inc. (Field Asset Services was American Home's property manager) in April 2010. The Roughts claimed that Deutsche Bank wrongfully foreclosed on their home when it had absolutely no right to do so, and that Deutsche Bank and the other defendants thereafter illegally trespassed on their property, stole their belongings, and trashed their house. The introductory paragraph of the amended complaint in the Michigan Action, filed in May 2010, succinctly set forth the egregious misconduct by Deutsche Bank's servicer:

> ***On January 27, 2009, Ricky J. Rought, along with his twenty-two year old daughter Hannah Rought, bought a home in Brohman, Michigan from the defendant Deutsche Bank National Trust Company for cash. After the sale, the Roughts began fixing-up the house and property with the intention of it becoming Hannah's first home. On or about August 30, 2009, seven months after buying the house, Deutsche Bank, which no longer had any legal right, title, or interest in the property, "foreclosed" on the Roughts new home with the help of its servicer, Defendant American Home Mortgage Servicing, Inc., and its property preservation company, Defendant Field Asset Services, Inc. Field Asset Services trespassed onto the property, forcibly broke into the house, changed the locks on the doors and trashed-out all the Roughts' personal possessions that were in the house and on the property. After being reported to the Michigan State Police and being informed that the bank had no right to enter the property, the Defendants broke into the house again and "winterized" it. After a second report to the Michigan State Police and further notice, the Defendants trespassed a third time and removed its lock box which it had placed on the front door of the Rought's new home***.

(Emphasis added and in original.)

126. According to the complaint, in an obvious attempt to deflect blame from itself, "Deutsche Bank … indicated that defendant American Home the servicer [was] responsible for [the wrongful] foreclosure[]" and other misconduct. Of course, this illustrates that loan servicers are the entities that primarily drove foreclosure proceedings for Deutsche Bank. Deutsche Bank and the other defendants quickly settled this case. The illegal conduct in the Michigan Action was a clear Event of Default.

127. The foregoing cases and others also illustrate that not only was Deutsche Bank acutely aware of its loan servicers' Events of Default, ***it appears that Deutsche Bank was even***

acquiescing in or actively participating in such misconduct, as Deutsche Bank itself was accused of, or found to have engaged in, fraud, illegal activity, sanctionable misconduct, contempt, or other Events of Default in connection with its foreclosures.[31]

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[31] *See, e.g.*, *Maraj*, 852 N.Y.S. 2d 497 ("***DEUTSCHE BANK appears to be engaged in possible fraudulent activity"***); *Deutsche Bank Nat'l Trust Co. v. Marche*, No. 0009156/2007, slip op. at 2 (N.Y. Sup. Ct. Kings Cnty. May 21, 2009) (***Deutsche Bank "has misrepresented itself"; "the assignment at issue is champertous in violation of Section 489 of the New York State Judiciary Law because the sole purpose of the defective assignment was to facilitate the fraudulent litigation begun by [Deutsche Bank]"***); *In re Hayes*, No. 07-13967 JNF, Memorandum at 16 ("***sanctions may be appropriate" against Deutsche Bank***); *Deutsche Bank Nat'l Trust Co. v. Lippi*, No. CA08-0127, slip op. at 3 ***(Deutsche Bank sanctioned for "frustrat[ing] the fair administration of justice"***); *In re Tarantola*, No. 4:09-bk-09703-EWH, slip op. at 14 (Bankr. D. Ariz. July 29, 2010) ("***Given the deficient and misleading nature of Deutsche's filings, the court seriously considered issuing an order to show cause as to why sanctions should not be imposed on Deutsche, its servicer, and its lawyers, especially in light of the fact that sanctions were entered by another court, involving Deutsche, [the same servicer] and counsel, for conduct similar to the facts of this case. See In re Lee, 408 B.R. 893 (Bankr. C.D. Cal. 2009)***"); *In re Doble*, 2011 Bankr. LEXIS 1449, at *8, *46 (court notes ***"Defendants' pervasive misconduct" and "orders that Defendants appear and show cause why they should not pay Doble's attorney's fees for their conduct in this action***"); *Deutsche Bank Nat'l Trust Co. v. Castellanos*, No. 277/07 (N.Y. Sup. Ct. Kings Cnty. Jan. 14, 2008) (***"The Court is concerned that there may be fraud on the part of Deutsche Bank, . . . or at least malfeasance***."); *In re Kritharakis*, No. 10-51328 (AHWS), U.S. Trustee's Motion for Rule 2004 Examination at 2 (Bankr. D. Conn. Jan. 26, 2011) (U.S. Department of Justice's United States Trustee files motion for examination of Deutsche Bank in order to investigate potentially false or fraudulent documents filed in bankruptcy case: ***"[t]he United States Trustee has reviewed documents filed by Deutsche in this case and has concerns about the integrity of those documents"***); *In re Phillips*, No. 02-66299, 2011 Bankr. LEXIS 3780 (Bankr. N.D. Ohio Sept. 29, 2011) (***Deutsche Bank and its servicer are found in contempt for violating discharge injunction***); *Deutsche Bank Nat'l Trust Co. v. Cagigas, et al.*, No. 3D11-1744 (Fla. Dist. Ct. App. Apr. 18, 2012) (court reverses dismissal of Deutsche Bank's complaint with prejudice as a sanction for misconduct, but ***does not disturb trial court's holding that Deutsche Bank engaged in sanctionable misconduct***); *Deutsche Bank Nat'l Trust Co. v. LGC as Trustee, et al.*, No. 2D12-863 (Fla. Dist. Ct. App. Feb. 13, 2013) (court reverses dismissal of Deutsche Bank's complaint with prejudice as a sanction for noncompliance with court order, but ***does not disturb trial court's holding that Deutsche Bank engaged in sanctionable conduct and holds that "Deutsche Bank conceded at oral argument that the failure to comply with the order was a sanctionable violation***"); *Deutsche Bank Nat'l Trust Co. v. Sela*, No. 4D11-3093 (Fla. Dist. Ct. App. Apr. 10, 2013) (court reverses dismissal of Deutsche Bank's action as a sanction for its misconduct, but ***does not disturb trial court's holding that Deutsche Bank engaged in sanctionable conduct***); *Deutsche Bank Nat'l Trust Co. v. Izraelov, et al.*, No. 5357/09 (N.Y. Sup. Ct. Kings Cnty. Sept. 10, 2013) (***Deutsche Bank "violated its obligation to negotiate in good faith pursuant to CPLR 3408(f)"***).

128. Deutsche Bank also knew that these improper loan servicing practices, amounting to Events of Default, were pervasive and therefore the Covered Trusts were similarly affected. This is so because RMBS trustees across the nation were having the same issues. For example, Deutsche Bank was aware that, in October and November 2010, a New York state court had issued scores of orders delaying foreclosures by Deutsche Bank and many other RMBS trustees and loan servicers because of these very same loan servicing issues. *See* Exhibit E hereto (numerous orders from Justice Tanenbaum of the Supreme Court of New York).[32]

b. Deutsche Bank Knew of Specific Events of Default that Were Occurring with Respect to the Specific Mortgage Loans in the Specific Covered Trusts

129. Deutsche Bank was also experiencing Events of Default as to the very Mortgage Loans in the Covered Trusts. For example, on April 27, 2007, Deutsche Bank, through either Wells Fargo, the Master Servicer, or one of the other Servicers for the MSIX 2006-1 Covered Trust, filed a foreclosure action in Florida against Mortgage Loan borrowers Charles and Tina McCrea. *See McCrea, et al. v. Deutsche Bank Nat'l Trust Co.*, 993 So. 2d 1057 (Fla. Dist. Ct. App. 2008).[33] The Servicer filed a complaint on Deutsche Bank's behalf which attached a copy of the note and mortgage but failed to attach an assignment of the note or mortgage to Deutsche Bank. Nor did the complaint attach a notice of acceleration, which was required by the terms of the note. The McCreas filed a motion to dismiss because Deutsche Bank, through its Servicer, had failed to attach a copy of the notice of acceleration to the complaint. The trial court granted the McCreas' motion and ordered

[32] Similarly, the *Mortgage Daily* reported in 2011 that New York Supreme Court Justice F. Dana Winslow "***dismissed or froze*** 20 percent of his [foreclosure] cases [in 2010] due to evidence disputes."

[33] The court files do not identify which Master Servicer or Servicer was involved. However, it would have been Wells Fargo, Saxon Mortgage Services, JPMorgan Chase or HomEq, all designated Master Servicers or Servicers to the MSIX 2006-1 Covered Trust at that time.

Deutsche Bank to file an amended complaint with a copy of the acceleration notice attached within 20 days. Deutsche Bank's Servicer then failed to follow the court's order and failed to file an amended complaint. Accordingly, the McCreas filed a motion for final dismissal. The court held a hearing at which it granted the McCreas' motion. An order dismissing Deutsche Bank's case ***with prejudice*** was rendered on July 25, 2007 (the "Final Order").

130. After (1) the Servicer's failure to attach the acceleration notice to the original complaint; (2) yet another failure to file an amended complaint attaching the notice within 20 days as directed by the court; and (3) also failing to move for rehearing on the Final Order within 10 days as required by the Florida Rules of Civil Procedure, the Servicer, through Deutsche Bank's attorney,[34] then (4) improperly contacted the court *ex parte*; (5) 11 days after the Final Order was entered, or in other words, late – after the 10-day period to contest the Final Order had expired; and (6) faxed the court an unsigned letter and order which stated "'[a]s per your instructions today, please find attached an Order Vacating the Order Granting Defendants' McCrea's [sic] Motion for Final Dismissal.'" *McCrea*, 993 So. 2d at 1058. The court signed the new order submitted by Deutsche Bank the same day and it was filed the next day (the "New Order"). The same day the New Order was filed, the McCreas' attorney responded to Deutsche Bank's faxed letter of the previous day and requested a hearing with the court, but it was too late, as the New Order had already been signed and filed. *Id*.

131. The McCreas appealed, contending that the trial court lacked jurisdiction to vacate the Final Order and enter the New Order because Deutsche Bank (through its Servicer) had failed to timely move for rehearing of the Final Order within 10 days as required by Florida's Rules of Civil

[34] Deutsche Bank's law firm in this case was the infamous Law Offices of David J. Stern, P.A. That firm's principal, David J. Stern, was disbarred by the Florida Supreme Court in 2014 for his misconduct related to robo-signing and improper foreclosures.

Procedure. The court of appeal agreed, and held that "[t]here is no dispute that Deutsche Bank did not file a motion for rehearing," let alone a timely one. *Id*. Deutsche Bank nonetheless argued that the New Order was simply the product of the trial court correcting its "mistaken" Final Order dismissing the case with prejudice, under Florida Rule of Civil Procedure 1.540(b), which allows a court to correct a mistaken judgment on its own under certain circumstances. The court of appeal rejected Deutsche Bank's argument and reversed the New Order, holding that it was impossible to tell why the trial court had entered the New Order or whether it had done so under Rule 1.540(b). *Id.* at 1058-59. The appeals court thus remanded the case to the trial court for further proceedings. The court of appeal further held that Deutsche Bank's *ex parte* contact with the trial court improperly precluded the McCreas from having an opportunity to oppose the entry of the New Order. *Id*. at 1059.

132. On remand, the trial court noted that at the hearing when the motion for the Final Order was originally granted, the Deutsche Bank attorney assigned to the case failed to appear and instead another attorney completely unfamiliar with the case appeared telephonically. The trial court further noted concerning Deutsche Bank's previous improper *ex parte* contact with the court, that it "doubts that [Deutsche Bank's] attorney was [ever] instructed [by the court] to provide [the New O]rder [V]acating" the Final Order, a reference to the improper *ex parte* fax and proposed order sent by Deutsche Bank's attorney (at the Servicer's obvious direction). Order Reinstating the Order of July 25, 2007 Dismissing with Prejudice at ¶6, *Deutsche Bank Nat'l Trust Co. v. McCrea, et al.*, No. 2007-CA-2726 (Fla. Cir. Ct. Manatee Cnty. July 11, 2008). The trial court therefore reinstated the Final Order dismissing Deutsche Bank's action ***with prejudice***, holding that the Final Order was not a "mistake" under Florida Rule of Civil Procedure 1.540(b). *Id.*, ¶7. Subsequently, the trial court also granted the McCreas' motion for appellate attorneys' fees and costs.

133. The foregoing demonstrates the grossly negligent, improper and likely deceptive conduct by the Servicer in botching the foreclosure of a Mortgage Loan in the MSIX 2006-1 Covered Trust, leading to a dismissal of Deutsche Bank's foreclosure action with prejudice – ***twice***. The Servicer first failed to file the required acceleration notice with the complaint, and then failed to abide by the court's order to file an amended complaint attaching the notice within 20 days, which caused the court to dismiss the foreclosure action with prejudice the first time. The Servicer also failed to follow the Florida Rules of Civil Procedure and timely move for rehearing of the Final Order within 10 days, and instead made an improper and untimely *ex parte* contact with the trial court 11 days after the Final Order, and impermissibly deprived the McCreas of their procedural right to oppose the entry of the New Order. Moreover, given the trial court's "doubts" that it even asked for the New Order to be submitted to it, it appears the Servicer compounded the improper *ex parte* contact with the submission of a bogus New Order. Due to the Servicer's incompetence, ethically improper conduct, and probable deception of the court, additional costs were incurred to oppose the borrowers' appeal. Then, after remand, the action was again dismissed with prejudice and it was revealed that the Servicer had engaged in additional inexcusable conduct by failing to cause Deutsche Bank's attorney assigned to the case to appear at the hearing of the original motion for the Final Order, and compounded that with the improper faxing of the bogus New Order to the court, causing additional expense and delay to the Covered Trust and the loss of foreclosure proceeds. The Covered Trust was also required to pay for the McCreas' appellate attorney's fees and costs because of the Servicer's incompetence, misconduct and deceit. This grossly negligent, improper and deceitful behavior by the Servicer resulted in the action being dismissed, extinguished the foreclosure, and caused excessive delay and expense from the appeal, and ultimately resulted in a return to the trial court, only to be dismissed with prejudice again, adding yet more delay and cost to

the Covered Trust. The Servicer's grossly negligent conduct, improper *ex parte* contact and deceitful actions caused a huge delay, excessive costs, and the loss of the ability to foreclose on the Mortgage Loan. This conduct was hardly in the best interests of plaintiff and the class, and was also not the conduct of a "prudent" loan servicer that was engaging in the "customary and usual" servicing practices used to service its own portfolio. Such conduct was a clear Event of Default as to a Mortgage Loan in the MSIX 2006-1 Covered Trust, and Deutsche Bank had actual knowledge of it.

134. Deutsche Bank also had actual knowledge of Events of Default with respect to the MSAC 2007-NC3 Covered Trust. In 2009, Deutsche Bank and Saxon Mortgage Services – one of the Servicers for that Covered Trust – were sued by the bankrupt borrowers of a Mortgage Loan in that trust in a bankruptcy adversary proceeding in California. *See In re Caporale*, Adv. No. 09-05050 (N.D. Cal. Bankr. Feb. 23, 2009). Loan originator New Century had extended the borrowers a $930,000 Mortgage Loan in 2007, despite the fact that the borrowers had a combined income of ***only $1,189 per month and monthly debts of at least $6,554*** (this should have immediately tipped off Deutsche Bank that there was a breach of the R&Ws concerning this Mortgage Loan, as the borrowers obviously could not afford to repay it). Understandably, the borrowers went bankrupt the same year they took out the Mortgage Loan, in 2007.

135. ***During the pendency of the borrowers' bankruptcy and the adversary proceeding, Saxon Mortgage Services committed numerous Events of Default. First, given that Saxon Mortgage Services was prosecuting the foreclosure and was listed as a creditor in the borrowers' bankruptcy case, it learned of the breach of the R&Ws discussed immediately above, and was required by the MSAC 2007-NC3 PSA to notify Deutsche Bank of such breach, but failed to do so, resulting in an Event of Default. Thereafter, Saxon Mortgage Services engaged in a number of***

additional Events of Default. Saxon Mortgage Services: (1) violated the automatic bankruptcy stay by taking steps to foreclose on the borrowers while their bankruptcy was pending without seeking or obtaining relief from the stay; (2) violated a preliminary injunction enjoining a foreclosure just days after the court had extended the preliminary injunction, by improperly foreclosing on the borrowers; (3) improperly delivered a foreclosure and eviction notice to the borrowers at their home in violation of the preliminary injunction; (4) failed to comply with California Civil Code §2923.5, which required it to follow certain procedures before foreclosing; (5) inexplicably failed to produce evidence of Deutsche Bank's right to foreclose for months on end despite being told by the court what evidence was needed; (6) delayed the foreclosure interminably for no good reason; (7) inexplicably failed to produce the original of the note despite numerous requests to do so; and (8) failed numerous times to produce sufficient evidence of the chain of assignments of the Mortgage Loan from lender New Century to Deutsche Bank, taking years to finally do so.

136. While Saxon Mortgage Services was ultimately able to convince the court to lift the preliminary injunction to allow the foreclosure to go forward, Saxon Mortgage Services' gross negligence, violations of the automatic stay and preliminary injunction, and other misconduct amounting to Events of Default resulted in the foreclosure being ***delayed for nearly five years!*** All of the delays caused the expenditure of substantial and unnecessary amounts of money on lawyers, unnecessary motions, endless court proceedings, constant re-dos of prior hearings and motions, and two aborted foreclosures, all of which was charged to the Covered Trust. In addition, Saxon Mortgage Services would be paid first for these expenses from the much-delayed foreclosure, thereby diminishing what was ultimately remitted to the Covered Trust. Deutsche Bank was aware

of all these Events of Default because it used the same lawyers as Saxon Mortgage Services in the proceedings.

137. With respect to the FFML 2006-FF9 and MSIX 2006-1 Covered Trusts, Deutsche Bank obtained actual knowledge on May 4, 2011, that the Master Servicers and Servicers of those trusts were committing Events of Default. On that date, the State of California and City of Los Angeles sued Deutsche Bank for illegally and improperly failing to maintain numerous REO properties in RMBS trusts (the "Los Angeles Action").[35] The Los Angeles Action specifically alleged that REO properties in the FFML 2006-FF9 and MSIX 2006-1 Covered Trusts were not properly maintained in violation of multiple federal, state and municipal laws, and that such properties had "unpermitted plumbing," "exposed wiring," "unpermitted and unapproved construction," "illegal occupancy," and "broken and missing window glass," among other violations. Deutsche Bank knew that, under the Governing Agreements, the Master Servicers/Servicers of those Covered Trusts were required to properly maintain the REO properties for the benefit of plaintiff and the class. *See, e.g.*, FFML 2006-FF9 PSA §3.17(b) ("Servicer shall manage, conserve, protect and operate each REO Property . . . ."). Given the charges in the Los Angeles Action, Deutsche Bank knew that the Master Servicers and Servicers for the FFML 2006-FF9 and MSIX 2006-1 Covered

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[35] *See* Complaint to Abate Public Nuisance, *The People of the State of California, et al. v. Deutsche Bank Nat'l Trust Co., et al.*, No. BC 460878 (Cal. Super. Ct. Los Angeles Cnty. May 4, 2011); *see also* First Amended Complaint, filed July 9, 2012. The Los Angeles Action alleged that Deutsche Bank and its sister trust company ***"have become two of the largest, if not the largest, slumlords in the City of Los Angeles," because they "have disregarded virtually every one of their legal duties and responsibilities as property owners, resulting in the creation and maintenance of an unprecedented number of vacant nuisance properties and substandard occupied housing units." The Los Angeles Action further alleged that Deutsche Bank "caused or permitted the buildings to fall into disrepair," illegally "evict[ed] tenants" in violation of city and federal laws, "failed to maintain the buildings," "failed to bring these Foreclosed Properties into compliance with applicable state and municipal laws," and "failed to comply with their legal duties … to maintain the buildings in compliance with state and city Building, Electrical, Mechanical and Health and Safety Code requirements***."

Trusts were not fulfilling their duties under the Governing Agreements and therefore were committing Events of Default. Deutsche Bank ultimately settled the Los Angeles Action by agreeing to an injunction prohibiting additional illegal conduct and by paying $10 million to the City of Los Angeles.

138. Deutsche Bank also obtained actual knowledge of Events of Default on January 31, 2012, when a group of RMBS investors in the MSAC 2007-NC2, MSAC 2007-NC3, and MSIX 2006-1 Covered Trusts publicly announced that they had instructed Deutsche Bank to investigate defective loan servicing in those Covered Trusts. The investors' lawyer stated: "***Our clients continue to seek a comprehensive solution to the problems of ineligible mortgages in RMBS pools and deficient servicing of those loans.*** Today's action is another step toward achieving that goal."

139. On September 19, 2012, Deutsche Bank was again given information causing it to have actual knowledge of Events of Default as to the MSAC 2007-NC2, MSAC 2007-NC3, MSIX 2006-1 and SAST 2006-2 Covered Trusts. The same RMBS investors issued a public notice concerning these four Covered Trusts and announced that they had

> ***sent a Notice of Non-Performance (Notice) to Morgan Stanley and Wells Fargo, as Servicer or Master Servicer, identifying specific covenants in Pooling and Servicing Agreements (PSAs) that the [investors] allege Morgan Stanley and Wells Fargo have failed to perform***. . . .
>
> ***The [investors'] Notice alleges that each of these failures has materially affected the rights of the Certificateholders and constitutes an ongoing Event of Default in the Servicer's performance under the relevant PSAs***.

140. This announcement by the RMBS investors unambiguously caused Deutsche Bank to know that there were Events of Default by Master Servicers/Servicers Wells Fargo, Saxon and Saxon Mortgage Services (which were owned by Morgan Stanley) occurring with respect to the Mortgage Loans in the MSAC 2007-NC2, MSAC 2007-NC3, MSIX 2006-1 and SAST 2006-2 Covered Trusts.

141. The foregoing events show that ***Deutsche Bank had actual knowledge of specific Events of Default by specific Master Servicers and specific Servicers concerning the specific Mortgage Loans in the specific Covered Trusts***.

c. By October 2010, Deutsche Bank Knew the Master Servicers/Servicers Were Committing Events of Default with Respect to the Mortgage Loans in the Covered Trusts

142. In 2010, a flood of news stories and other events began publicly revealing these illegal, improper and abusive practices (and others) by the Covered Trust Master Servicers/Servicers. *See* Appendix 3 hereto for a sample of some of the stories/events occurring from June 2010 through October 2010. By October 2010, the public was aware of what was called the "robo-signing" scandal, which involved the mass signing and filing of false affidavits and other documents in foreclosure proceedings by either fictitious persons or persons without personal knowledge of the facts asserted in the affidavits, and which were also improperly and illegally notarized. Robo-signing also included the filing of fraudulently altered note and mortgage assignments. These public revelations also showed that many of the Covered Trust Master Servicers and Servicers were engaged in the robo-signing scandal, and that they were also engaged in the improper charging of fees, the filing of false bankruptcy claims and affidavits, the commission of frauds on courts, and were also being investigated by multiple federal and state governmental agencies for loan servicing misconduct. Some were also forced to halt or delay foreclosures because of their robo-signing misconduct. *See generally* Appendix 3.

143. The upshot of these public revelations, when they were coupled with Deutsche Bank's firsthand experience with its servicers, including with the very Mortgage Loans in the Covered Trusts serviced by the Master Servicers/Servicers, and the dismal performance of the Mortgage Loans, was that Deutsche Bank had actual knowledge that the Master Servicers and

Servicers were engaged in widespread Events of Default concerning the Mortgage Loans in the Covered Trusts by October 2010. Indeed, by October 2010, the effect of the Master Servicers'/Servicers' Events of Default were reflected in the Covered Trusts' extremely large losses. The Covered Trusts' cumulative realized losses by October 2010 ***exceeded $1.8 billion***, as the chart below sets forth:

Covered Trusts' Cumulative Realized Losses Reported in October 2010	
Covered Trust	**Cumulative Realized Losses**
FFML 2006-FF9	$297,696,522.29
GSR 2007-AR2	$40,826,651.72
HASC 2007-WF1	$82,060,605.23
HVMLT 2006-8	$187,893,265.94
MSAC 2007-NC2	$223,000,204.60
MSAC 2007-NC3	$290,937,951.80
MSIX 2006-1	$332,447,888.88
NHEL 2006-4	$178,859,067.45
SAST 2006-2	$128,459,236.33
SVHE 2007-NS1	$103,113,181.66
Covered Trusts' Total Realized Losses:	**$1,865,294,575.90**

144. This was not lost on Deutsche Bank. Indeed, on October 8, 2010, Deutsche Bank sent a memo to all of its loan servicers, including all of the Covered Trusts' Master Servicers and Servicers. Deutsche Bank's memo stated:

> This Memorandum concerns an urgent issue requiring your immediate attention. A copy of this Memorandum and all attachments should be forwarded immediately to your Legal Department or General Counsel's office.
>
> We write to express the Trustee's serious concern regarding ***allegations of potential defects in foreclosure practices, procedures and/or documentation*** used by ***certain*** major loan servicers and their agents (collectively, the "***Alleged Foreclosure Deficiencies***") ***that have been the subject of recent media reports***. This Memorandum reiterates to all Servicers the importance of their duties and obligations relating to such matters.
>
> The pooling and servicing agreements or other governing documents for the Trusts (collectively, the "Governing Documents") provide that the Servicer is solely responsible for the performance of all loan-level remedial collection activity on behalf of the beneficiaries of the Trusts, including, without limitation, all foreclosure activity and all maintenance and sales of resulting REO properties. The Governing

Documents typically require the Trustee to furnish the Servicer with powers of attorney that allow the Servicer to sign documents and institute legal actions, including foreclosure proceedings, in the name of the Trustee on behalf of the Trusts in connection with these servicing activities. . . .

As the Trustee has advised on more than one occasion, all Servicers and their agents (including any subservicers, subcontractors and professionals engaged by Servicers and/or by their agents) must conduct all servicing activities, including foreclosure proceedings, in accordance with the Governing Documents and all applicable laws. . . .

Recent media reports suggest that Alleged Foreclosure Deficiencies may include the execution and filing by certain Servicers and/or their agents of potentially defective documents, ***possibly containing alleged untrue assertions of fact***, in connection with certain foreclosure proceedings. The reported scope of ***such alleged practices raises the possibility that such documents may have been filed in connection with foreclosure proceedings relating to mortgage loans owned by the Trusts and may have been executed under color of one or more powers of attorney granted to Servicers pursuant to the Governing Documents***. Any such actions by a Servicer or its agents would constitute a breach of that Servicer's obligations under the Governing Documents and applicable law.

In light of these recent developments, the Trustee demands that each Servicer (including its agents), immediately:

- Inform the Trustee of: (i) any ***Alleged Foreclosure Deficiencies*** relating to mortgage loans serviced by the Servicer on behalf of the Trusts; and (ii) any suspensions by the Servicer of foreclosure proceedings relating to mortgage loans serviced by the Servicer on behalf of the Trusts due to any such ***Alleged Foreclosure Deficiencies***.

- Cease and desist from taking any unlawful or improper action with respect to the servicing of Trust assets, including, but not limited to, making any false or misleading statements in any filing, notice, document or paper of any kind.

- Cease and desist from executing any document on behalf of the Trustee or on behalf of any Trust, under any power of attorney or otherwise, unless and until the Servicer and its agents have: (a) verified that all statements in such document are true, complete and correct; and (b) determined that the execution and filing of such document are in full compliance with all applicable laws, rules and regulations, including all applicable rules of court.

- Cease and desist from executing any document in a manner that indicates or suggests that the signatory is an officer or employee of the Trustee.

- Require each of its agents to comply with the foregoing demands and all legal requirements applicable to any services that they perform on behalf of the Trusts.

Please be advised the Trustee will require each Servicer to indemnify and hold harmless Deutsche Bank, individually and in its capacity as Trustee, the Trusts and the investors in the Trusts from all liability, loss, cost and expense of any kind (including attorneys' fees and costs) arising directly or indirectly from any ***Alleged Foreclosure Deficiencies or from any other alleged acts or omissions of the Servicer and/or its agents*** relating to any servicing activities in breach or violation of the Governing Documents and/or applicable law, including, without limitation, any liability, loss, cost or expense arising from any related legal proceedings and government or regulatory investigations. The cost of any such indemnification and any remedial actions by a Servicer in respect of any ***Alleged Foreclosure Deficiencies*** or any other servicing activities in breach or violation of the Governing Documents and/or applicable law must be paid by the Servicer out of its own funds and should not be charged by any Servicer against any Trust. The Trustee reserves, and does not waive, any other rights or remedies that it and/or the Trusts may have under the Governing Documents regarding these matters.

(Emphasis added and original emphasis omitted, footnote omitted.)

145. Deutsche Bank's memo was extremely deceptive. It misleadingly asserted that Deutsche Bank had heard of "alleged" or "potential" loan servicing misconduct "suggest[ed]" by "recent media reports" that "may have" "possibly" occurred with respect to only "certain" loan servicers reported in the news. ***In fact, at the time of this memo, Deutsche Bank already knew such misconduct was occurring and knew that all or nearly all of the servicers it was working with, including all of the Covered Trusts' Master Servicers and Servicers, were engaged in such misconduct***. Deutsche Bank was very careful not to accuse its servicers of any ***actual*** misconduct, or point out that they committed "***Events of Default***," because Deutsche Bank knew that would reveal that it had failed to act as a quasi-fiduciary (*i.e.*, prudently) to protect plaintiff and the class as required by the Governing Agreements. For this reason, Deutsche Bank was very careful to avoid

even mentioning the term "Event of Default" in the memo. Deutsche Bank also did so because of what Deutsche Bank did next.

146. Deutsche Bank then sent a memo to all of the investors in the RMBS trusts it administered on October 25, 2010, attaching the above October 8th memo to its servicers, and other memos, and misleadingly told investors that there were "***alleged deficiencies***" being "***reported in the news media***" concerning "***several***" loan servicers. Again, Deutsche Bank referred to these events as ***"alleged," "allegations,"*** and ***"Alleged Deficiencies"*** "reported in the news media," concerning a few servicers, and did not accuse any of its servicers of actual misconduct, even though Deutsche Bank knew that this "alleged" misconduct was ***actually occurring***, ***that all or nearly all of its servicers – including the Covered Trusts' Master Servicers/Servicers – were involved, so much so that all of the Covered Trusts and many others were being adversely affected***, and that ***there were then Events of Default occurring under the Governing Agreements***. Deutsche Bank also did not disclose that, given its knowledge of these Events of Default, it was required by the Governing Agreements to act prudently, but had not done so. Instead, in an effort to conceal its knowledge of the Events of Default, Deutsche Bank called the undisclosed Events of Default "allegations" "reported in the news media" concerning a handful of servicers. Moreover, in an deceptive effort to falsely make itself appear diligent and concerned, while concealing that it had not acted as required by the Governing Agreements, Deutsche Bank pointed to the October 8th memo to the Servicers, telling investors that it had "demand[ed] that servicers comply with all applicable laws relating to foreclosures," and that it had requested information from some servicers. Finally, in a classic yet completely ineffectual attempt to avoid future liability, Deutsche Bank "remind[ed] investors that the governing documents . . . typically allow holders of a requisite percentage . . . of securities to direct . . . any remedial actions by" Deutsche Bank. In this way, Deutsche Bank could always later say to

investors "we told you that you could make us do something, but you didn't, so we're off the hook." The problem with that, however, is that Deutsche Bank never informed investors of the true state of affairs: (1) that there were rampant Events of Default then occurring of which Deutsche Bank was aware; (2) that Deutsche Bank should have already been proactively acting as a prudent person to protect investors, even without direction from the investors, since the Governing Agreements required it; and (3) that Deutsche Bank should have given investors notice of the ***Events of Default*** and not a memo discussing "***Alleged Deficiencies***." In the memo, Deutsche Bank was again very careful not to mention the words "Event of Default," as it knew that it would expose itself to liability for breaches of the Governing Agreements by its multiple failures to act as a prudent person would. And, of course, Deutsche Bank never did anything to remedy the Events of Default.

147. Nonetheless, even after October 2010, additional public events occurred which repeatedly re-confirmed for Deutsche Bank that the Master Servicers and Servicers were continuing to commit the same and new Events of Default as to the Mortgage Loans in the Covered Trusts. *See* Appendix 4 hereto for a summary of such events. By April 13, 2011, however, there was absolutely no doubt that Deutsche Bank had actual knowledge of Events of Default.

d. By April 13, 2011, Deutsche Bank Absolutely Knew that the Covered Trusts' Master Servicers and Servicers Had Committed Events of Default with Respect to the Mortgage Loans in the Covered Trusts

148. On April 13, 2011, major events transpired in the loan servicing industry that conclusively established that the Master Servicers and Servicers to the Covered Trusts were systematically engaging in the commission of Events of Default under the Governing Agreements, and that such misconduct extended to the Mortgage Loans in the Covered Trusts. On April 13, 2011, the U.S. Government released a report entitled the "Interagency Review of Foreclosure Policies and Practices" (hereinafter the "Government Foreclosure Report") and also took sweeping

legal actions against 14 loan servicers, which together comprised nearly 70% of the loan servicing industry and nearly 36.7 million mortgage loans. ***The Government found "foreclosure-processing weaknesses that [had] occurred industrywide***." The Government stated that it was taking action against the 14 loan servicers because it had identified "***unsafe and unsound [foreclosure] practices and violations of applicable . . . law" by them***. Among the offending 14 loan servicers were ***nearly all*** of the Master Servicers and Servicers to the Covered Trusts (and/or their parent or sister companies). Each had entered into "consent cease and desist orders" or "consent orders" with the U.S. Treasury's Office of the Comptroller of the Currency ("OCC"), the Federal Reserve, the Office of the Thrift Supervisor ("OTS") and/or the Federal Deposit Insurance Corporation ("FDIC") wherein they all essentially admitted to (*i.e.*, they did not deny or contest) facts that conclusively established that they had systematically failed to service mortgage loans in accordance with the standards set forth in the Governing Agreements. Acting Comptroller of the Currency, John Walsh, stated the following concerning the Government's actions: "***We found significant deficiencies*** . . . . ***This is a very serious problem that servicers are going to have to do substantial work . . . to fix***."

149. The Master Servicers and Servicers to the Covered Trusts are set forth again in the chart below, and those that entered into consent orders with the Government appear in bold, italics and underline:

Covered Trusts' Master Servicers and Servicers Entering into Consent Orders

Covered Trust	Master Servicers	Original Servicers
FFML 2006-FF9	▪ ***Wells Fargo***	▪ ***National City (through its parent company Bank of America)***
GSR 2007-AR2	▪ ***Wells Fargo***	▪ ***Wells Fargo*** ▪ ***CHLS/BACHLS (through its parent company Bank of America)*** ▪ ***National City (also via Bank of America)*** ▪ PHH ▪ ***IndyMac (through its successor OneWest Bank)***

Covered Trust	Master Servicers	Original Servicers
HASC 2007-WF1	▪ ***Wells Fargo***	▪ ***Wells Fargo***
HVMLT 2006-8	▪ ***Wells Fargo***	▪ ***GMAC*** ▪ ***IndyMac (via OneWest Bank)*** ▪ ***WaMu (through its parent company JPMorgan Chase & Co.)*** ▪ Paul Financial
MSAC 2007-NC2	▪ ***Wells Fargo***	▪ Saxon Mortgage Services* ▪ ***CHLS/BACHLS (via Bank of America)***
MSAC 2007-NC3	▪ ***Wells Fargo***	▪ Saxon Mortgage Services* ▪ ***CHLS/BACHLS (via Bank of America)***
MSIX 2006-1	▪ ***Wells Fargo***	▪ ***Wells Fargo*** ▪ Saxon Mortgage Services* ▪ ***JPMorgan Chase*** ▪ HomEq
NHEL 2006-4	▪ None	▪ NovaStar (replaced by Saxon Mortgage Services in 2007)*
SAST 2006-2	▪ Saxon	▪ Saxon Mortgage Services*
SVHE 2007-NS1	▪ None	▪ Nationstar
* In April 2012, Saxon Mortgage Services entered into a substantially identical consent order through its parent company Morgan Stanley. *See* Appendix 5, at 9 (first bullet point).		

150. As the chart above shows, ***most of the Master Servicers and Servicers to the Covered Trusts entered into consent orders with the Government***. In addition, the "***industrywide***" nature of the misconduct by these Master Servicers and Servicers made it clear that it reached the Mortgage Loans in the Covered Trusts. Indeed, ***seven of the 10 Covered Trusts*** had one or more Master Servicer or Servicer that entered into the consent orders. The admitted misconduct in the orders was an unequivocal Event of Default under the Governing Agreements.

151. In the 14 consent orders, each consenting Master Servicer and Servicer did not dispute the Government's findings that they had engaged in the following illegal and improper loan servicing practices (or misconduct substantially similar to it):

- engaging in "unsafe or unsound practices in residential mortgage servicing and . . . foreclosure proceedings";
- filing false affidavits in foreclosure proceedings in "which the affiant represented that the assertions in the affidavit were made based on personal knowledge . . . when . . . they were not based on . . . personal knowledge";

- filing false affidavits in foreclosure proceedings which were "not properly notarized";
- "fail[ing] to devote to [their] foreclosure processes adequate oversight, internal controls, policies, and procedures, compliance risk management, internal audit, third party management, and training";
- "fail[ing] to sufficiently oversee outside counsel and other third-party providers handling foreclosure-related services"; and
- engaging in "unsafe or unsound banking practices."[36]

152. It was stunning that ***nearly 70% of the loan servicing industry had essentially admitted that they systematically engaged in widespread robo-signing, false affidavits, false foreclosure documents, improper notarizations, and other illegal conduct***. It was even more stunning that the Master Servicers and Servicers to the Covered Trusts essentially admitted that they had committed Events of Defaults by agreeing with the Government to form action plans to "***ensure compliance with . . . [the loan] servicing guides of . . . investors," a direct admission that they had not previously been complying with their duties mandated by the Governing Agreements***.[37]

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[36] As alleged in Appendix 5, at 9 (first bullet point), Saxon Mortgage Services entered into a nearly identical consent order one year later through its parent company Morgan Stanley. Saxon Mortgage Services was a Servicer for at least five Covered Trusts.

[37] The Master Servicers'/Servicers' improper servicing practices were so widespread and so egregious that the Government required sweeping reforms. The Master Servicers/Servicers (and their related companies) were required by the consent orders to:

- submit a plan to the Government to strengthen their board of directors' oversight of loan servicing;
- submit a "comprehensive action plan" describing how they would comply with the consent orders and properly service loans;
- submit a compliance program designed to ensure the proper servicing and foreclosure of mortgage loans;
- submit policies and procedures to ensure the proper supervision of third-party vendors and outside law firms;
- submit a plan to ensure proper controls over and supervision of the Mortgage Electronic Registration System used by the Master Servicers/Servicers in connection with loan servicing, foreclosures and title transfers;

153. In light of the above information, Deutsche Bank absolutely had actual knowledge, no later than April 13, 2011, that Events of Default had been committed by the Master Servicers and Servicers with respect to Mortgage Loans within the Covered Trusts.

154. The Government Foreclosure Report further confirmed that the Master Servicers and Servicers had committed Events of Default. The Government Foreclosure Report, written by the Federal Reserve, OCC and OTS, and released at the same time as the consent orders, found that the loan servicing industry – including the Master Servicers and Servicers – had engaged in "***violations of applicable federal and state law requirements***" and "***notary practices which failed to conform to state legal requirements***." These findings that the Master Servicers and Servicers violated the law were absolute Events of Default.

155. The Government Foreclosure Report also specifically focused on facts that gave Deutsche Bank actual knowledge of numerous other Events of Default committed by the Master Servicers and Servicers with respect to the Mortgage Loans in the Covered Trusts. For example, the Government Foreclosure Report revealed the following "industrywide" misconduct by the Master Servicers and Servicers to the Covered Trusts that amounted to Events of Default under the Governing Agreements:

- retain an independent outside consultant to conduct a review of the Master Servicers'/Servicers' past foreclosure practices and submit a report to the Government concerning such review;
- submit a plan to ensure the proper functioning of the Master Servicers'/Servicers' MIS systems and the accuracy of loan data;
- submit a plan to ensure proper, timely and effective communications with borrowers and to prevent the impedance or discouragement of loan modifications;
- submit a risk assessment and management plan concerning the Master Servicers'/Servicers' loan servicing operations; and
- submit a quarterly progress report detailing all actions taken to comply with the consent orders.

- "***violations of applicable federal and state law requirements***," such as violations of the Service Members Civil Relief Act, the bankruptcy laws, and "notary practices which failed to conform to state legal requirements";
- "***inadequate*** organization and staffing of foreclosure units";
- "***inadequate*** policies, procedures, and independent control infrastructure covering all aspects of the foreclosure process";
- "***inadequate*** monitoring and controls" over third-party vendors;
- "***lack of sufficient audit trails***" between information contained in affidavits and "the servicers' internal records";
- "***inadequate*** quality control and audit reviews to ensure compliance with legal requirements";
- "***inadequate*** identification of financial, reputational, and legal risks" by "boards of directors and senior management";
- ***false affidavits***;
- ***false mortgage documents***;
- ***improper notarizations***; and
- "***weaknesses in quality-control procedures at all servicers, which resulted in servicers not . . . ensuring accurate foreclosure documentation, including documentation pertaining to the fees assessed***."

156. ***The Government Foreclosure Report also specifically found that the Master Servicers' and Servicers" "industrywide" misconduct "pose[d] a variety of risks to [RMBS] investors***," Government Foreclosure Report at 6, ***because they had failed to satisfactorily "evaluat[e] and test[] compliance with applicable. . . pooling and servicing agreements***." *Id.* at 11. This finding unequivocally established that the Master Servicers and Servicers were engaging in Events of Default.

157. Thus, between the consent orders entered into by most of the Master Servicers and Servicers to the Covered Trusts on April 13, 2011, consenting to conduct that amounted to Events of Default, and the Government Foreclosure Report's simultaneous finding that such Events of Default

"***occurred industrywide***," Deutsche Bank had actual knowledge of Events of Default committed by the Master Servicers and Servicers concerning the Mortgage Loans in the Covered Trusts ***no later than April 13, 2011***.[38] The Covered Trusts' ridiculously high Mortgage Loan default rates and astronomical losses by April 2011, *see supra* ¶96 (chart), further confirmed the existence of the Master Servicers' and Servicers' Events of Default.

158. However, notwithstanding Deutsche Bank's actual knowledge of the Events of Default, Deutsche Bank never did any of the things required of it under the Governing Agreements. Deutsche Bank's failures to act breached the Governing Agreements and violated the TIA, and caused plaintiff and the class to suffer millions of dollars in damages, as foreclosures were stopped, withdrawn, dismissed, denied, delayed, or invalidated due to the Master Servicers' and Servicers' misconduct, and millions of dollars in bogus and excessive fees and costs were improperly charged to the Covered Trusts by the Master Servicers and Servicers during these delays caused by their misconduct. Moreover, the Master Servicers' and Servicers' failures to notify Deutsche Bank of the Warrantors' breaches of their R&Ws, and the Master Servicers'/Servicers' practice of servicing the Mortgage Loans for their own financial benefit instead of plaintiff's and the class's were also Events of Default which Deutsche Bank was aware of and failed to act on, thereby also breaching the Governing Agreements and violating the TIA, and which caused plaintiff, the class and the Covered Trusts to suffer additional massive damages.

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[38] Later, it was announced that the consent orders had been amended, because many of the Master Servicers and Servicers agreed to pay $3.6 billion to borrowers in cash and further provide them with another $5.2 billion in relief through loan modifications and forgiveness, for a total of $8.8 billion in relief for their loan servicing abuses. Some news outlets reported that the actual total relief equaled $10 billion. Of course, the $5.2 billion in loan modifications and loan forgiveness came mainly out of RMBS investors' pockets and not the Master Servicers'/Servicers'. *See* Appendix 5, at 9 (June 7, 2012 testimony by Adam Levitin) (second bullet point). In any event, this agreement to pay such a huge penalty was further proof that the Covered Trusts' Master Servicers/Servicers committed pervasive Events of Default as to the Mortgage Loans.

e. After April 2011 Deutsche Bank Also Had Actual Knowledge that the Master Servicers and Servicers Were Continuing to Commit the Same and New Events of Default with Respect to the Mortgage Loans in the Covered Trusts

159. Incredibly, even ***after*** the U.S. Government's sweeping actions on April 13, 2011 against the Master Servicers and Servicers to the Covered Trusts, and even ***after*** the Master Servicers/Servicers promised to stop engaging in Events of Default via the consent orders, ***the Master Servicers and Servicers thereafter continued to engage in the same Events of Default and also engaged in new Events of Default***. And, even though Deutsche Bank had actual knowledge of these continuing and new Events of Default, it did nothing, and has continued to do nothing, allowing the Events of Default to go on unabated and uncured to the present. Deutsche Bank thereby breached the Governing Agreements and violated the TIA numerous additional times after April 2011 to the present by failing to fulfill its continuing duties under the Governing Agreements and TIA to act when the new Events of Default occurred or the existing defaults continued. News and public information concerning the Master Servicers'/Servicers' numerous continuing and new Events of Default after April 13, 2011 are summarized in Appendix 5 hereto. Given the repeated, egregious, public nature of these numerous Events of Default, and the public outcry over them, Deutsche Bank was aware of them and thus had actual knowledge of the new and continuing Events of Default. *See* Appendix 5 hereto.

f. Deutsche Bank Also Knew that Successor Master Servicer/Servicer Ocwen Was Also Committing Events of Default

160. By the end of 2013, many of the Covered Trust Master Servicers and Servicers had sold their Mortgage Loan servicing rights to Ocwen,[39] and Ocwen had become a Master Servicer or Servicer to at least seven of the 10 Covered Trusts. *See supra* ¶117 (chart of Master Servicers/Servicers). Ocwen was a "non-bank" loan servicer – and was purchasing massive amounts of loan servicing rights from the much more heavily regulated "bank" Master Servicers and Servicers during 2012 and 2013. Regulators were becoming increasingly concerned that non-bank servicers like Ocwen, which faced much less regulatory scrutiny and which already had a horrible track record of loan servicing misconduct, were growing too quickly to properly service the many loans they were acquiring. Thus, in February 2014, New York Superintendent of Financial Services, Benjamin Lawsky, halted Ocwen's purchase of $39 billion in servicing rights from Master Servicer/Servicer Wells Fargo. Lawsky put a halt to the sale until Ocwen could provide information sufficient to demonstrate that Ocwen could handle the increased servicing load, particularly in light of previous loan servicing misconduct Lawsky's office had taken Ocwen to task for and which required the appointment of a monitor to oversee Ocwen's conduct. *See* Appendix 6, at 7 (December 5, 2012 actions by N.Y. Dept. Fin. Servs.).[40]

161. In any event, well prior to Ocwen's acquisition of the servicing rights to the Mortgage Loans in the Covered Trusts, Deutsche Bank had actual knowledge that Ocwen was a loan servicer that had a long history of committing multiple Events of Default. *See* Appendix 6 hereto. As shown

[39] "Ocwen," unless otherwise specified, refers to Ocwen Financial Corporation, and its affiliates, subsidiaries and predecessor companies, such as Ocwen Federal Bank FSB and Ocwen Loan Servicing LLC.

[40] Shortly after Lawsky halted the sale and asked Ocwen for information, Ocwen announced that the Wells Fargo deal was on indefinite hold.

in Appendix 6, Ocwen was found by governmental entities, juries, courts and reporters to have engaged in numerous instances of egregious, illegal and sanctionable misconduct meriting punitive damages for its loan servicing practices, demonstrating that it routinely engaged in serial Events of Default.

162. The repeated misconduct by Ocwen alone should have alerted Deutsche Bank to the fact that Ocwen had a pattern and practice of committing Events of Default. However, if there was any doubt, it was erased by December 2013. At that time, Ocwen entered into a consent order with the U.S. Government's Consumer Financial Protection Bureau ("CFPB"), 49 States and the District of Columbia. Pursuant to the consent order, Ocwen did not dispute or contest any of the facts alleged against it by the multiple government agencies, and it agreed to provide borrowers with an astounding ***$2 billion in principal reduction, and further refund $127.3 million to nearly 185,000 borrowers it had improperly foreclosed on***. The misconduct covered by the consent order extended for an unlimited period of years, up to and including through December 2013, and covered every State in the nation except one, demonstrating that Ocwen had engaged in Events of Default involving the Mortgage Loans in the Covered Trusts for years, right up to the time it entered into the consent order. Richard Cordray, the Director of the CFPB, stated in a conference call that "***[w]e believe that Ocwen violated federal consumer financial laws at every stage of the mortgage servicing process***," a clear Event of Default. The huge size of the relief agreed to by Ocwen (over $2 billion), the comprehensive misconduct "at every stage," the broad geographic scope (49 of 50 States), the expansive temporal range of the misconduct ("years"), and the huge number of borrowers affected, confirmed that Ocwen's misconduct occurred nationwide and infected all of its loan servicing operations, including those provided to the Covered Trusts. The CFPB stated that Ocwen had engaged in "***years of systemic***" misconduct amounting to Events of Default, including :

- ***Failing to timely and accurately apply payments made by borrowers and failing to maintain accurate account statements;***

- ***Charging borrowers unauthorized fees for default-related services;***

- ***Imposing force-placed insurance on consumers when Ocwen knew or should have known that they already had adequate home-insurance coverage; . . .***

- ***Providing false or misleading information in response to consumer complaints.***

* * *

- ***Failing to provide accurate information about loan modifications and other loss mitigation services;***

- ***Failing to properly process borrowers' applications and calculate their eligibility for loan modifications;***

- ***Providing false or misleading reasons for denying loan modifications;***

- ***Failing to honor previously agreed upon trial modifications with prior servicers; . . .***

- ***Deceptively seeking to collect payments under the mortgage's original unmodified terms after the consumer had already begun a loan modification with the prior servicer***.

- ***Engaged in illegal foreclosure practices*** . . . .

- ***Providing false or misleading information to consumers about the status of foreclosure proceedings where the borrower was in good faith actively pursuing a loss mitigation alternative also offered by Ocwen***; and

- ***Robo-signing foreclosure documents, including preparing, executing, notarizing, and filing affidavits in foreclosure proceedings with courts and government agencies without verifying the information***.

163. These "systemic" illegal and improper practices (which Ocwen did not deny), which had gone on for "years" in all States except one and the District of Columbia, clearly imparted to

Deutsche Bank actual knowledge that Ocwen was engaging in Events of Default as to the Covered Trusts' Mortgage Loans.

164. However, even after this massive settlement, Ocwen ***continued to commit Events of Default***. For example, *see* Appendix 7 hereto, for a summary of such continuing Events of Default. These events caused Deutsche Bank to have actual knowledge of new and continuing Events of Default by Ocwen as to the Mortgage Loans in the Covered Trusts even after December 2013. In fact, these Events of Default and other new ones continue through to the present.

165. As the numerous foregoing events demonstrate, the Master Servicers and Servicers to the Covered Trusts and their successors engaged in, and have continued to engage in, numerous, repeated, systemic Events of Default as to the Mortgage Loans in the Covered Trusts. Such misconduct is so ingrained in their cultures that they do not know of any other way to "service" mortgage loans. Indeed, as recently as May 29, 2014, Ira Rheingold, Director of the National Association of Consumer Advocates in Washington, D.C. stated: "'***You've got a lot of people trying to clean up the servicing industry, but the truth is we are seeing the same servicing problems over and over*** . . . .'" Given this widespread, repetitious and brazen misconduct, which shows no signs of stopping and which has caused long delays in foreclosures of the Mortgage Loans in the Covered Trusts, extremely long delinquencies, and excessive and improper fees and expenses added by the Master Servicers/Servicers, the Covered Trusts have experienced astronomical losses and persistently high Mortgage Loan default rates. These huge losses and unprecedented default rates corroborate and confirm to Deutsche Bank that the Mortgage Loans have suffered and are continuing to suffer from pervasive Events of Default by the Master Servicers and Servicers. The chart below sets forth the Mortgage Loan default rates and the Covered Trusts' cumulative realized losses, as reported in April 2014:

Covered Trusts' Mortgage Loans Default Rates and Cumulative Realized Losses Reported in April 2014		
Covered Trust	**Mortgage Loan Default Rates**	**Cumulative Realized Losses**
FFML 2006-FF9	41.83%	$447,654,197.25
GSR 2007-AR2	15.39%	$121,998,710.30
HASC 2007-WF1	31.96%	$159,608,906.20
HBMLT 2006-8	30.80%	$315,240,522.82
MSAC 2007-NC2	43.57%	$432,233,897.41
MSAC 2007-NC3	31.96%	$512,451,644.45
MSIX 2006-1	31.21%	$466,305,431.75
NHEL 2006-4	37.99%	$283,654,690.93
SAST 2006-2	28.54%	$208,145,166.60
SVHE 2007-NS1	38.70%	$177,505,929.30
Covered Trusts' Total Realized Losses:		**$3,124,799,097.01**

3. Deutsche Bank Has Conflicts of Interest with Plaintiff and the Class and Has Improperly Put Its Interests Ahead of the Interests of Plaintiff and the Class to Benefit Itself

166. As previously alleged, Deutsche Bank also owes a duty of trust to plaintiff and the class. As such, Deutsche Bank is required to avoid conflicts of interest with plaintiff and the class. This means that Deutsche Bank is not permitted to put its interests ahead of plaintiff's and the class's, nor is Deutsche Bank permitted to benefit therefrom.

167. Deutsche Bank provided RMBS trustee services to the RMBS industry and derived substantial income from RMBS trusts set up and "sponsored" by the Loan Sellers/Sponsors, Other Transferors, loan originators, and Master Servicers/Servicers to the Covered Trusts, and their related companies. The Warrantors and loan originators to the Covered Trusts (and their related companies) handpicked Deutsche Bank for the RMBS trustee positions, as they knew that Deutsche Bank would not cause trouble for them by making significant R&W claims against them, to plaintiff's and the class's detriment. Similarly, the Master Servicers and Servicers (and their related companies) also handpicked Deutsche Bank because they knew Deutsche Bank would not accuse them of committing Events of Default, or replace them, as they too provided substantial RMBS trustee business to

Deutsche Bank. To make matters even worse and to ensure that Deutsche Bank would not declare Events of Default against the Master Servicers and Servicers, in eight of the 10 Covered Trusts, either the Master Servicers or Servicers ***agreed in the Governing Agreements that they would pay for Deutsche Bank's Trustee fees, a clear conflict of interest that guaranteed Deutsche Bank would not act against those Master Servicers' and Servicers' interests or protect plaintiff's and the class's interests***.

168. Because the Warrantors and Master Servicers/Servicers to the Covered Trusts and their related companies were the source of substantial income for Deutsche Bank, Deutsche Bank did not seek to enforce the Warrantors' obligations to cure, substitute or repurchase Mortgage Loans in the Covered Trusts which breached their R&Ws, or declare Events of Default against the Master Servicers and Servicers or replace them. By doing so, Deutsche Bank put its own interests ahead of plaintiff's and the class's and benefitted by doing so.

169. Moreover, Deutsche Bank also deliberately refrained from pursuing the Warrantors, loan originators and Master Servicers/Servicers to the Covered Trusts because Deutsche Bank did not want these entities to make retaliatory R&W claims against Deutsche Bank's sister companies DBSP, DB Home, Chapel and MortgageIT.

170. Finally, because Deutsche Bank was related to MortgageIT and Chapel – which had warranted and/or originated Mortgage Loans in the HVMLT-2006-8 and MSIX 2006-1 Covered Trusts – Deutsche Bank was hopelessly conflicted and would not pursue R&W claims against its sister companies.

171. Because of the foregoing conflicts of interest, Deutsche Bank refused to perform its duties required by the Governing Agreements for the benefit of plaintiff and the class, and instead

put its own interests ahead of plaintiff's and the class's, which benefitted Deutsche Bank but injured plaintiff and the class.

D. Deutsche Bank Failed to Discharge Its Critical Duties and Obligations Under the Governing Agreements, the TIA, and Common Law and Thereby Breached and Violated the Governing Agreements, the TIA and Common Law

172. Despite its discovery, and actual knowledge, of information requiring Deutsche Bank to act to protect plaintiff and the class under the Governing Agreements and the TIA, Deutsche Bank failed to act as required, and thus breached the Governing Agreements and violated the TIA. Moreover, by failing to avoid conflicts of interest with plaintiff and the class, Deutsche Bank breached the duty of trust it owed to plaintiff and the class. Deutsche Bank's failures to act, and its breaches and violations alleged herein, were grossly negligent and were willful misconduct.

1. Deutsche Bank Failed to Enforce the Warrantors' Obligations to Cure, Substitute, or Repurchase Defective, Breaching Mortgage Loans as Required by the Governing Agreements and the TIA

173. As alleged above, Deutsche Bank discovered breaches of the Warrantors' R&Ws concerning thousands of the Mortgage Loans, yet failed to enforce the Warrantors' obligations to cure, substitute or repurchase the defective Mortgage Loans, as it was required to by the Governing Agreements. Deutsche Bank discovered the breaches of the Warrantors' R&Ws concerning the Mortgage Loans through:

- The numerous news reports, congressional testimony and other information that indicated that the lending industry in general was engaging in widespread lending abuses during the time the Mortgage Loans were originated, warranted and transferred to the Covered Trusts, thus making it highly likely that any R&Ws by the Warrantors concerning the Mortgage Loans were false;

- The numerous news stories, reports, lawsuits and governmental actions concerning most of the specific Warrantors to the Covered Trusts indicating that their R&Ws were systematically false;

- Deutsche Bank's participation in and monitoring of bankruptcy proceedings by borrowers of the Mortgage Loans in the Covered Trusts from which it learned of specific and systemic R&W breaches by the Warrantors as to the Mortgage Loans;

- Deutsche Bank's communications with its sister companies from which it learned that R&Ws were systemically false and that the Warrantors' R&Ws concerning the Mortgage Loans were similarly false;

- The many lawsuits filed by others against the Warrantors detailing their fraudulent lending practices and high numbers of defective loans that breached their R&Ws;

- The numerous specific lawsuits alleging misrepresentations concerning the specific Mortgage Loans in the specific Covered Trusts, which indicated that the Warrantors' R&Ws had been breached as to the Mortgage Loans;

- The Covered Trusts' historically unprecedented, extremely high, and prolonged Mortgage Loan default rates and huge realized losses;

- The OCC's "Worst Ten in the Worst Ten" report, identifying the areas of the United States with the highest foreclosure rates – rates that were from 13 to 22 times higher than historical averages – from loans originated by most of the Covered Trusts' Warrantors and loan originators;

- Numerous governmental investigations of and actions against the Warrantors for lending abuses which rendered their R&Ws false;

- The FCIC Report detailing: (1) the huge numbers of loans the Warrantors were being required to repurchase because of systemic breaches of their R&Ws; (2) the fact that the Covered Trusts' Warrantors ***intentionally*** put defective loans that breached their R&Ws into RMBS trusts just like the Covered Trusts as a matter of course; and (3) the routine practice of the Covered Trusts' Warrantors to engage in lending abuses and fraud that guaranteed their R&Ws would be false; and

- The Senate Report demonstrating that the lending industry in which the Covered Trusts' Warrantors participated was engaged in systematic lending abuses which rendered any R&Ws by those Warrantors false, and the specific case studies of WaMu, Goldman Sachs and Deutsche Bank which confirmed that they knew R&Ws were systematically false.

174. Moreover, even after discovering the breaches of the R&Ws by the Covered Trusts' Warrantors, Deutsche Bank was grossly negligent and engaged in willful misconduct by failing to act, in breach of the Governing Agreements and the TIA. Moreover, after learning of the breaches, as well as of new breaches of the Warrantor's R&Ws, Deutsche Bank has engaged in numerous new

and additional breaches of the Governing Agreements and TIA by failing to perform its continuing duties to enforce the Warrantor's R&Ws, thereby engaging in continuous breaches of the Governing Agreements and the TIA. Deutsche Bank's failures to act caused the loss of the billions of dollars of meritorious R&W claims to the statutes of limitations, and thereby caused substantial damages to plaintiff, the class and the Covered Trusts.

2. Deutsche Bank Failed to Perform Its Duties with Respect to Events of Default as Required by the Governing Agreements and the TIA

175. As previously alleged, Deutsche Bank obtained actual knowledge that the Master Servicers and Servicers committed Events of Default with respect to the Mortgage Loans in the Covered Trusts, yet failed to: (1) notify and demand that the Master Servicers and Servicers cure such Events of Default; (2) give notice of the Events of Default to plaintiff and the class; and (3) take other prudent actions to remedy the Events of Default, such as legal action or termination or replacement of the defaulting Master Servicers or Servicers. All of these failures to act breached the Governing Agreements and the TIA. As previously alleged, Deutsche Bank had actual knowledge of the Events of Default through:

- Numerous news reports, congressional testimony and governmental investigations indicating that there were systemic loan servicing abuses, including foreclosure fraud and robo-signing throughout the loan servicing industry and the nation that were Events of Default under the Governing Agreements and that the Master Servicers/Servicers were involved in such misconduct;

- Numerous news reports about and governmental investigations directed at most of the specific Master Servicers and Servicers to the Covered Trusts concerning their improper loan servicing practices that were Events of Default under the Governing Agreements;

- Deutsche Bank's firsthand experience with, observance of and/or participation in loan servicers' Events of Default through the many cases where Deutsche Bank was an RMBS trustee in foreclosure actions, wherein the loan servicers and/or Deutsche Bank made false statements, filed false affidavits or documents and engaged in other misconduct that delayed, invalidated or led to dismissals of Deutsche Bank's foreclosures;

- Deutsche Bank's firsthand experience with the Master Servicers'/Servicers' loan servicing Events of Default as to the specific Mortgage Loans in the specific Covered Trusts through its participation in the borrowers' bankruptcy proceedings;

- Deutsche Bank's discovery that the Master Servicers and Servicers were engaging in Events of Default by discovering but not reporting to Deutsche Bank breaches of the Warrantors' R&Ws, through their servicing of the Mortgage Loans and/or the borrowers' bankruptcy proceedings;

- Deutsche Bank's awareness that loan servicers' Events of Default were systemic and were similarly affecting many other RMBS trustees;

- Numerous governmental enforcement actions against most of the specific Master Servicers and Servicers to the Covered Trusts for company-wide loan servicing abuses that were Events of Default;

- The disclosure of deposition transcripts of employees of the Master Servicers and Servicers which indicated that they engaged in company-wide robo-signing and loan servicing abuses which were Events of Default;

- The huge reserves the Master Servicers and Servicers for the Covered Trusts were setting aside to deal with and pay for their Events of Default and other loan servicing abuses;

- The large number of Mortgage Loans in the Covered Trusts that were extremely delinquent because of delays caused by the Master Servicers' and Servicers' Events of Default;

- The huge losses being suffered by the Covered Trusts due to the Master Servicers' and Servicers' robo-signing, foreclosure frauds and delays (during which they improperly imposed additional excessive fees and costs on the Covered Trusts) which were Events of Default;

- The FCIC Report and Legal Services of New Jersey Report (*see* Appendix 4) confirming nationwide Events of Default by the Master Servicers and Servicers to the Covered Trusts;

- The fourteen April 13, 2011 consent orders entered into by most of the Master Servicers and Servicers to the Covered Trusts, in which they all essentially admitted that they committed Events of Default, and the Government Foreclosure Report which confirmed "***industrywide***" Events of Default by the Master Servicers and Servicers to the Covered Trusts throughout the nation;

- The billions of dollars paid by many of the Covered Trusts' Master Servicers and Servicers to settle private and government claims that they engaged in company-wide loan servicing misconduct amounting to Events of Default, and the billions of dollars

in principal reduction and other borrower relief they were required to provide for such Events of Default; and

- The numerous and continuing news reports and governmental actions after April 2011 indicating that the Master Servicers and Servicers to the Covered Trusts (including Ocwen) were and are continuing to engage in loan servicing misconduct amounting to Events of Default.

176. Even after obtaining actual knowledge of the Events of Default, and even after obtaining actual knowledge that such Events of Default were continuing to the present and that new Events of Default were also occurring, Deutsche Bank was grossly negligent and engaged in willful misconduct by failing to do any of the things required of it by the Governing Agreements or TIA. Therefore, Deutsche Bank has breached the Governing Agreements and TIA numerous times by repeatedly failing to fulfill its continuing duties with respect to new and continuing Events of Default, as it has allowed the new and continuing Events of Default to continue unabated.

3. Deutsche Bank Failed to Exercise All of Its Rights and Duties Under the Governing Agreements as a Prudent Person Would, as Required by the Governing Agreements and the TIA

177. As alleged above, when Deutsche Bank became aware of the Events of Default and the Warrantors' breaches of their R&Ws, it was required by the Governing Agreements and TIA to use all of its rights and powers under the Governing Agreements to protect plaintiff's and the class's interests, as a prudent person would in protecting its own interests. Deutsche Bank failed to act as required by the Governing Agreements by:

- Failing to enforce the Warrantors' obligations to cure, substitute, or repurchase Mortgage Loans that breached the Warrantors' R&Ws, as a reasonable prudent person trying to protect his/her own interests would; and

- Failing to discharge its duties upon the occurrence of an Event of Default, as a reasonable prudent person trying to protect his/her own interests would.

178. Deutsche Bank has continued its failure to act prudently while the Events of Default have continued unabated, and after it learned of the Warrantors' R&W breaches, and thus Deutsche

Bank has engaged in numerous additional breaches of its continuing duties under the Governing Agreements and the TIA. Such failures were grossly negligent and amounted to willful misconduct.

4. Deutsche Bank Failed to Discharge Its Common Law Duty of Trust Owed to Plaintiff and the Class

179. As alleged above, Deutsche Bank did not perform its duties required by the Governing Agreements and TIA because Deutsche Bank: (1) desired to economically benefit currently and in the future from its ongoing business relationships with the Covered Trusts' Warrantors, loan originators and Master Servicers/Servicers; (2) did not want the Warrantors, loan originators and Master Servicers/Servicers to retaliate against its sister companies; (3) was being paid its Trustee fees by the Master Servicers and Servicers in eight of the 10 Covered Trusts; and (4) did not want to make R&W claims against, or claim that loans originated by, its sister companies MortgageIT and Chapel were defective. By doing so, Deutsche Bank failed to avoid conflicts of interest with plaintiff and the class and benefitted thereby, breaching its duty of trust to plaintiff and the class. Deutsche Bank's failures to act were grossly negligent and amounted to willful misconduct. Deutsche Bank's continuing failures to properly discharge its continuing duty of trust also resulted in repeated, new and additional breaches of its duty of trust and has caused it to engage in a continuing breach of its duty up to and through the present.

E. Plaintiff and the Class Have Suffered Significant Damages Due to Deutsche Bank's Breaches of the Governing Agreements and Common Law and Its Violations of the TIA

180. Because Deutsche Bank has failed to act as required by the Governing Agreements, as alleged above, plaintiff, the class and the Covered Trusts have suffered billions of dollars in damages.

181. Deutsche Bank's failure to enforce the R&W claims against the Warrantors for the thousands of breaching Mortgage Loans has caused plaintiff, the class and the Covered Trusts to

suffer significant damages in the form of billions of dollars in R&W claims that could have been asserted against the Warrantors but were not. Deutsche Bank's failure to assert these claims was a breach of the Governing Agreements and the TIA for which Deutsche Bank could foresee that plaintiff, the class and the Covered Trusts would be damaged. Moreover, Deutsche Bank's continuing failure to act on those R&W claims was a continuing breach of the Governing Agreements and the TIA, and Deutsche Bank's continuing breach has now caused the R&W claims against the Warrantors to be time barred, also causing plaintiff and the class to suffer foreseeable damages.

182. Deutsche Bank's failure to act as required by the Governing Agreements when Events of Default occurred, as alleged above, has caused plaintiff, the class and the Covered Trusts to suffer millions of dollars in additional damages. Deutsche Bank's continuing failures to act to remedy the Events of Default have caused plaintiff and the class to sustain millions of dollars in damages due to the improper and imprudent servicing of the Mortgage Loans, including damages caused by delayed, denied and invalidated foreclosures, increased loan servicing costs to foreclose due to the Master Servicers/Servicers needing to correct prior shoddy, fraudulent or robo-signed foreclosures, increased attorney fees to correct or redo the improper and fraudulent foreclosures, extremely long mortgage loan delinquencies causing extra "carrying" costs for the properties, excessive and improper fees charged by the Master Servicers and Servicers, and dispositions of the Mortgage Loans by the Master Servicers and Servicers that financially benefitted them but caused damages to plaintiff and the class. Deutsche Bank's continuing failures to act with respect to Master Servicer/Servicer Events of Default arising out of their failure to report Warrantor R&W breaches has also caused damages to plaintiff, the class and the Covered Trusts. The foregoing damages were

foreseeable to Deutsche Bank from its continuing failures to act as required by the Governing Agreements and the TIA.

183. Deutsche Bank's continuous failures to act prudently during the Events of Default also caused plaintiff, the class and the Covered Trusts to suffer damages. If Deutsche Bank had acted prudently, as required by the Governing Agreements and the TIA, most, if not all, of the damages to plaintiff, the class and the Covered Trusts alleged above could have been avoided. It was foreseeable to Deutsche Bank therefore that plaintiff and the class would suffer such damages if it failed to act prudently as required by the Governing Agreements and the TIA.

184. Similarly, Deutsche Bank's decision to continuously refuse to act and instead put its financial interests ahead of plaintiff's and the class's because of its conflicts of interest, caused plaintiff, the class and the Covered Trusts to suffer damages. These damages were also very foreseeable to Deutsche Bank if it failed to act.

185. By virtue of its breaches of the Governing Agreements and its common law duties, as well as its violations of the TIA, Deutsche Bank has caused massive damages to plaintiff, the class and the Covered Trusts for which Deutsche Bank is responsible.

F. Plaintiff May Sue Deutsche Bank as Trustee

186. The Governing Agreements provide certain limitations on the rights of RMBS holders like plaintiff and the class which are not applicable to this lawsuit. More specifically, the Governing Agreements may limit in part the rights of RMBS holders like plaintiff and the class to bring lawsuits relating to the Governing Agreements against the Depositor, the Securities Administrator, the Master Servicer or Servicer, or any successor to any such parties.

187. However, the Governing Agreements do not so limit suit against Deutsche Bank. In fact, the Governing Agreements provide that "[n]o provision of this Agreement shall be construed to

relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct." FFML 2006-FF9 PSA §8.01.

188. Additionally, under the TIA and New York law, "no action" clauses do not apply to actions by RMBS holders like plaintiff and the class against trustees like Deutsche Bank for Deutsche Bank's own wrongdoing. This is not a situation where plaintiff and the class are demanding that Deutsche Bank initiate a suit in its own name to enforce their rights and obligations under the Governing Agreements. Rather, this is an instance where plaintiff and the class are bringing a direct action ***against*** Deutsche Bank for breaching its statutory, contractual, and common law obligations under the Governing Agreements and the TIA. Because this is not an "action, suit or proceeding" that Deutsche Bank is capable of bringing in its own name as Trustee under the Governing Agreements, the "no action" clause of the Governing Agreements does not apply and does not bar plaintiff and the class from proceeding with this lawsuit.

V. CLASS ACTION ALLEGATIONS

189. Plaintiff brings this action as a class action on behalf of a class consisting of all current and former investors who acquired RMBS certificates in the Covered Trusts (the "class") and held such certificates at or after the time when Deutsche Bank discovered breaches of the Warrantors' R&Ws or Deutsche Bank had actual knowledge of Events of Default by the Master Servicers and Servicers to the Covered Trusts, and suffered damages as a result of Deutsche Bank's breaches of the Governing Agreements and violations of the TIA. Excluded from the class are Deutsche Bank, the loan originators, the Warrantors, the Master Servicers and the Servicers of the Covered Trusts, and their officers and directors, their legal representatives, successors or assigns, and any entity in which they have or had a controlling interest.

190. The members of the class are so numerous that joinder of all members is impractical. While the exact number of class members is unknown to plaintiff at this time and can only be

ascertained though appropriate discovery, plaintiff believes that there are at least hundreds of members of the proposed class. Record owners and other members of the class may be identified from records maintained by Deutsche Bank, Depository Trust Company or others and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

191. Plaintiff's claims are typical of the claims of the members of the class as: they all acquired RMBS certificates in the Covered Trusts and held them at or after the time when Deutsche Bank discovered breaches of R&Ws concerning the Mortgage Loans by the Warrantors, or Deutsche Bank had actual knowledge of Master Servicer and Servicer Events of Default; all the claims are based upon the Governing Agreements substantially in the same form as the FFML 2006-FF9 PSA (*see* Ex. A), common law and the TIA; Deutsche Bank's alleged misconduct was substantially the same with respect to all class members; and all class members suffered similar harm as a result. Thus, all members of the class are similarly affected by Deutsche Bank's statutory, contractual, and common law breaches and violations that are alleged of herein.

192. Plaintiff will fairly and adequately protect the interests of the members of the class and has retained counsel competent and experienced in class action and RMBS litigation.

193. Common questions of law and fact exist as to all members of the class and predominate over any questions solely affecting individual members of the class. Among the questions of law and fact common to the class are:

- Whether Deutsche Bank breached its contractual duties under the Governing Agreements and common law duties owed to plaintiff and the class by:
    - failing to enforce R&W claims against the Covered Trusts' Warrantors when Deutsche Bank discovered breaches of the R&Ws;
    - failing to discharge its duties under the Governing Agreements when Deutsche Bank obtained actual knowledge of Events of Default;

- failing to exercise the rights and powers vested in Deutsche Bank by the Governing Agreements, and failing to use the same degree of care and skill a prudent person would under the circumstances and in the conduct of his or her own affairs after obtaining actual knowledge of Events of Default; and

- failing to avoid conflicts of interest with plaintiff and the class while advancing its own interests at the expense of plaintiff and the class, and benefitting therefrom.

- Whether Deutsche Bank violated the TIA by:

  - prior to default, failing to perform the duties specifically assigned to it under the Governing Agreements;

  - failing to inform the class of defaults under the Governing Agreements within 90 days after their occurrence; and

  - after an event of default, failing to exercise its rights and powers under the Governing Agreements as a prudent person would.

- Whether and to what extent that members of the class have suffered damages as a result of Deutsche Bank's breaches of its statutory, contractual, and common law duties and the proper measure of damages.

194. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all class members is impracticable. There will be no difficulty in the management of this action as a class action.

VI. DERIVATIVE ACTION ALLEGATIONS

195. Alternatively, plaintiff brings this case as a derivative action against Deutsche Bank in the right and for the benefit of the Covered Trusts to redress losses suffered, and to be suffered, by the Covered Trusts as a direct result of Deutsche Bank's continuing breaches of the Governing Agreements, the TIA and common law. This is not a collusive action to confer jurisdiction on this Court that it would not otherwise have.

196. Plaintiff will adequately and fairly represent the interests of the Covered Trusts in enforcing and prosecuting their rights. Plaintiff is the owner of RMBS in each of the Covered Trusts during all or a large portion of Deutsche Bank's wrongful course of conduct alleged herein.

Moreover by operation of law, under New York General Obligations Law §13-107, RPI obtained all rights and causes of action of all prior holders of such RMBS.

197. Plaintiff did not make a pre-suit demand on Deutsche Bank to pursue this action because such a demand would have been futile. The wrongful acts alleged herein were committed by Deutsche Bank itself and Deutsche Bank would not agree to sue itself, particularly since it faces claims for losses by the Covered Trusts in excess of $3.1 billion. In addition, since Deutsche Bank itself committed the wrongdoing complained of herein, and is accused of grossly negligent and willful misconduct, it therefore is not disinterested and lacks independence to exercise business judgment. Moreover, Deutsche Bank has benefitted from, and continues to benefit from, its wrongdoing as alleged herein (*i.e.*, failures to act), as it has not enforced the Covered Trusts' rights against the Warrantors' for breaches of their R&Ws, or remedied or declared Events of Default against the Master Servicers and Servicers, and thus Deutsche Bank has maintained and preserved its business relationships with the Warrantors, Master Servicers and Servicers and has thereby continued to derive financial benefits from serving as Trustee to the Covered Trusts, and many other RMBS trusts, due to its continuing wrongdoing as alleged herein.

198. The Covered Trusts could only act through Deutsche Bank since Deutsche Bank was the Trustee of each Covered Trust. When Deutsche Bank failed to act, as was required by the Governing Agreements, the TIA and common law, to protect the Covered Trusts and their assets – including the Mortgage Loans and the rights attendant to them – Deutsche Bank caused the Covered Trusts to suffer massive losses. Deutsche Bank deliberately failed to perform the following duties required of it under the Governing Agreements, the TIA and common law, which injured the Covered Trusts: (1) enforce the Covered Trusts' rights to pursue and enforce breach of R&W claims against the Warrantors; (2) notify and demand that the Master Servicers and Servicers cure their

Events of Default, provide notice of the Events of Default to plaintiff and the class, and take further steps, such as legal action or terminating or replacing the Master Servicers and Servicers; (3) act as a prudent person would in the conduct of his or her own affairs during the defaults; and (4) discharge its duty of trust to plaintiff and the class.

199. Deutsche Bank's failures to act amounted to gross negligence and willful misconduct on its part and caused the Covered Trusts to suffer losses in excess of $3.1 billion. Plaintiff seeks to recover, for the benefit of the Covered Trusts: (i) the losses suffered by the Covered Trusts to date, totaling in excess of $3.1 billion; (ii) all future losses caused by Deutsche Bank's continuing failures to act as required by the Governing Agreements, the TIA and common law; and (iii) equitable relief preventing Deutsche Bank from continuing to breach the Governing Agreements, the TIA and common law.

COUNT I
Violation of the Trust Indenture Act of 1939, 15 U.S.C. §77aaa, *et seq*.

200. Plaintiff repeats and realleges each and every allegation set forth in the preceding paragraphs as if fully set forth herein.

201. Congress enacted the TIA, 15 U.S.C. §77aaa, *et seq*., to ensure, among other things, that investors in RMBS, bonds, and similar instruments have adequate rights against, and receive adequate performance from, the responsible trustees. 15 U.S.C. §77bbb. The Covered Trusts' Governing Agreements are "indentures" and Deutsche Bank is an "indenture trustee" within the meaning of the TIA. 15 U.S.C. §77ccc(7), (10). Moreover, the TIA applies to and is deemed to be incorporated into the Governing Agreements, and the related RMBS. 15 U.S.C. §77ddd(a)(1). Deutsche Bank violated multiple provisions of the TIA.

202. First, the TIA requires that, prior to default, the indenture trustee shall be liable for any duties specifically set out in the indenture. 15 U.S.C. §77ooo(a)(1). As alleged above, Deutsche

Bank failed to comply, in good faith, with the following duties specifically assigned to it by the Governing Agreements, including the duties to:

(a) enforce the Warrantors' obligations to cure, substitute, or repurchase Mortgage Loans when Deutsche Bank discovered breaches of the Warrantors' R&Ws concerning such Mortgage Loans;

(b) notify and demand that the Master Servicers and Servicers cure their Events of Default;

(c) notify plaintiff and the class of all Events of Default and of the Warrantors' breaches/defaults; and

(d) exercise its rights and powers under the Governing Agreements to take further actions, including legal action, or terminating or replacing a Master Servicer or Servicer that continued engaging in an uncured Event of Default.

203. In addition, the TIA requires that Deutsche Bank inform plaintiff and the class of all defaults under the Governing Agreements known to Deutsche Bank within 90 days after their occurrence. 15 U.S.C. §77ooo(b) (citing 15 U.S.C. §77mmm(c)). As alleged herein, there were numerous Events of Default by the Master Servicers and Servicers under the Governing Agreements of which Deutsche Bank was aware. In addition, as alleged herein, Deutsche Bank had knowledge of massive breaches of the Warrantors' R&Ws, which were also defaults under the TIA. Deutsche Bank was required to provide notice of those defaults within 90 days. By failing to provide such notice, Deutsche Bank violated the TIA.

204. Second, during a default, the TIA requires Deutsche Bank to exercise all of its rights and powers under the Governing Agreements as a prudent person would in the conduct of his or her own affairs. 15 U.S.C. §77ooo(c). Given the obvious negative impacts of the defaults alleged

herein, any prudent person under those circumstances would have exercised all of his or her rights and powers to, among other things, compel and enforce the cure, substitution, or repurchase of defective Mortgage Loans that breached the Warrantors' R&Ws, and taken actions to remedy the Master Servicer and Servicer Events of Default, and notify plaintiff and the class. Indeed, with the huge numbers of breaching and defaulting Mortgage Loans in the Covered Trusts, and the pervasive Events of Default that were and are occurring, plaintiff, the class and the Covered Trusts could have been protected in large part from the damages they suffered only through Deutsche Bank's prompt exercise of those rights. By failing to prudently exercise its rights in those circumstances, Deutsche Bank violated the TIA.

205. Deutsche Bank is therefore liable to plaintiff, the class and the Covered Trusts for their actual losses and damages incurred as a result of Deutsche Bank's violations of the TIA.

COUNT II
Breach of Contract

206. Plaintiff repeats and realleges each and every allegation set forth in the preceding paragraphs as if fully set forth herein.

207. As set forth in detail above, the Governing Agreements are contracts setting forth the duties Deutsche Bank owed to plaintiff, the class and the Covered Trusts with respect to their RMBS and the Mortgage Loans in the Covered Trusts. As a matter of law, the Governing Agreements incorporate the provisions of the TIA. Under the Governing Agreements and the TIA, Deutsche Bank owed plaintiff, the class and the Covered Trusts a duty to perform certain duties, including, without limitation, the duties to:

(a) enforce the Warrantors' breaches of R&Ws concerning the Mortgage Loans upon discovery, by seeking the cure, substitution, or repurchase of any and all defective Mortgage Loans;

(b) notify and demand the cure of any Event of Default by any Master Servicer or Servicer within the period prescribed in the Governing Agreements upon obtaining knowledge of such default;

(c) notify plaintiff and the class of Events of Default and the Warrantors' breaches/defaults;

(d) take further prudent actions, including legal action, or the termination or replacement of Master Servicers and Servicers that failed to cure its Events of Default; and

(e) exercise all of its rights and powers under the Governing Agreements during an Event of Default for the benefit of plaintiff and the class and as a reasonable, prudent person would in the conduct of his or her own affairs.

208. As alleged herein, Deutsche Bank failed to perform the above duties required of it by the Governing Agreements and therefore breached the Governing Agreements. Deutsche Bank's breach of its duties set forth in the Governing Agreements deprived plaintiff, the class and the Covered Trusts of the consideration they bargained for, *i.e.*, they did not receive RMBS that were collateralized by Mortgage Loans that were represented and warranted to be of a certain credit quality, and breaches of these R&Ws were not enforced as required by the Governing Agreements. These breaches of the Governing Agreements by Deutsche Bank caused plaintiff, the class and the Covered Trusts to suffer damages.

209. In addition, plaintiff and the class did not receive the benefit of their bargain under the Governing Agreements when Deutsche Bank failed to perform the obligations required of it by the Governing Agreements when Deutsche Bank knew of uncured and ongoing Events of Default. Deutsche Bank's failure to act breached the Governing Agreements and caused plaintiff, the class and the Covered Trusts to suffer damages.

210. Furthermore, plaintiff, the class and the Covered Trusts did not receive the consideration they bargained for, *i.e.*, that Deutsche Bank would act as a prudent person and exercise all of its rights and powers under the Governing Agreements to protect plaintiff and the class as though it were seeking to protect its own interests when Deutsche Bank knew of Events of Default. Deutsche Bank's failure to so act breached the Governing Agreements and caused plaintiff, the class and the Covered Trusts to suffer damages.

211. Deutsche Bank and its responsible officers discovered and had actual knowledge of the Warrantors' breaches of their R&Ws and the Master Servicers' and Servicers' Events of Default, as they learned of them as alleged herein.

212. As a result of Deutsche Bank's multiple breaches of the Governing Agreements alleged herein, Deutsche Bank is liable to plaintiff, the class and the Covered Trusts for the damages they suffered as a direct result of Deutsche Bank's failure to perform its contractual obligations under the Governing Agreements.

213. In addition, Deutsche Bank has engaged in multiple, new and additional breaches of the Governing Agreements by failing to fulfill its continuing duty to act as alleged herein and has caused plaintiff, the class and the Covered Trusts to suffer damages.

COUNT III
Breach of Trust

214. Plaintiff repeats and realleges each and every allegation set forth in the preceding paragraphs above as if fully set forth herein.

215. Under common law, Deutsche Bank had a duty to plaintiff and the class to affirmatively avoid conflicts of interest with them. Further, that duty also required Deutsche Bank to refrain from advancing its own interests at the expense of plaintiff and the class, or benefitting therefrom.

216. Deutsche Bank breached its duty of trust owed to plaintiff and the class by advancing its own interests at the expense of plaintiff and the class, by failing to demand that the Warrantors cure, substitute, or repurchase Mortgage Loans that breached their R&Ws, and by failing to act and failing to act prudently as required when it became aware of Events of Defaults by the Master Servicers and Servicers. Deutsche Bank failed to act because it had conflicts of interest with plaintiff and the class from which it benefitted at the expense of plaintiff and the class, as alleged herein.

217. By doing so, Deutsche Bank breached its duty of trust to plaintiff and the class.

218. In addition, Deutsche Bank has continued to fail to act as alleged above and thus has continued to fail to fulfill its duty of trust, and has thereby engaged in numerous, continuing additional breaches of its duty of trust to the present time.

219. As a result of Deutsche Bank's breach of its duty of trust, defective Mortgage Loans were not remedied and Events of Default were not corrected and continued unabated, causing plaintiff and the class to suffer damages.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for relief and judgment, as follows:

A. Determining that this action is a proper class action, certifying plaintiff as a class representative under Rule 23 of the Federal Rules of Civil Procedure, and appointing the undersigned as class counsel;

B. Alternatively, allowing this action to proceed as a derivative action in the right of and for the benefit of the Covered Trusts;

C. Awarding damages and/or equitable relief in favor of plaintiff, the class and the Covered Trusts against Deutsche Bank for breaches of its statutory, contractual and common law duties, in an amount to be proven at trial, including interest thereon;

D. Awarding plaintiff, the class and the Covered Trusts their reasonable costs and expenses incurred in this action, including counsel and expert fees; and

E. Such other relief as the Court may deem just and proper.

JURY DEMAND

Plaintiff demands a trial by jury on all claims so triable.

DATED: June 17, 2014

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VERIFICATION

I, Thierry Buytaert, hereby declare as follows:

I am a Member of the Board of Directors of Royal Park Investments sa/nv ("RPI"), plaintiff in the within entitled action. RPI owns the RMBS in the Covered Trusts alleged herein and owned such RMBS at the time of most of the wrongdoing complained of herein. RPI further understands that it has acquired the rights and claims of the previous holders of the RMBS that held during the time of the wrongdoing complained of herein either contractually or by operation of New York General Obligations Law § 13-107. RPI has continuously held such RMBS since acquiring them. RPI has retained competent counsel and is ready, willing and able to pursue this action vigorously on behalf of the Covered Trusts. I have read the Class Action Complaint and Verified Derivative Action for Breach of the Trust Indenture Act, Breach of Contract, and Breach of Trust. Based upon discussion with, and reliance upon, my counsel, and as to those facts of which I have personal knowledge, the Complaint is true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Signed and Accepted:

DATED: 17 June 2014

ROYAL PARK INVESTMENTS/SA/NV

By: _____

Thierry Buytaert
Board Member

APPENDIX 1

- **February and March 2007**: Numerous securities fraud class actions were filed against the parent company of NovaStar, which was the sole Warrantor and loan originator for the NHEL 2006-4 Covered Trust. The actions alleged that ***NovaStar "routinely deviated from [its] underwriting guidelines so that overly risky loans were being approved in order to . . . fuel [RMBS] securitization[s]***." The consolidated complaint cited numerous former NovaStar employees stating that:

  - ***Novastar "'grant[ed] exceptions'" to NovaStar's underwriting guidelines "'for everything'";***
  - ***Novastar extended loans "regardless of whether it made sense to approve the loan[s]";***
  - ***Novastar "never checked [loan] applicants' credit histories";***
  - ***Novastar "pressured line auditors to overlook failures to comply with NovaStar's underwriting guidelines";***
  - ***Novastar issued loans that "ran counter to NovaStar's guidelines in 2006";***
  - ***Novastar "took advantage of its existing [borrowers] and 'raked them over the coals' by charging" excessive "points on the new loans they sought";***
  - ***Novastar put borrowers into "loans to which they had [not] agreed" by, unbeknownst to the borrowers, "chang[ing]" the loans' "terms";***
  - ***Novastar falsely "increased a borrower's income so that the borrower could qualify for a certain loan program";***
  - ***Novastar "audits showed that about 90% to 95% of the loans involved fraud such as misstatements of income, misrepresentations in the loan documents or an inflated appraisal"; and***
  - ***"[M]ore than 20% of [NovaStar's] loans written in early to mid-2006," the same time period when many of the Mortgage Loans in the NHEL 2006-4 Covered Trust were originated and warranted by NovaStar, "turned out to have 'defects' that put [NovaStar] at risk of having to repurchase them***."

- **March 2007**: The FDIC issued a "***cease and desist***" order against Fremont, a loan originator for the MSIX 2006-1 Covered Trust. ***The FDIC required Fremont to end its lending business, due to "unsafe or unsound banking practices," "violations of law," "unsatisfactory lending practices***," "***approving borrowers without . . . verification of their income . . . [and] making mortgage loans without adequately considering the borrower's ability to repay the mortgage according to its terms***."

- **June 8, 2007**: The OTS disclosed the results of its examination of AIG Federal, another loan originator for the MSIX 2006-1 Covered Trust. The OTS found that ***AIG Federal had "failed to manage and control the mortgage lending activities outsourced to" its affiliate, "[from] July 2003 to May 2006***" (part of the same time period when many of the Mortgage Loans in the MSIX 2006-1 Covered Trust were originated) and ***had not properly considered borrowers' creditworthiness and had also improperly charged many borrowers excessive broker and/or lender fees***. AIG Federal established a reserve of $178 million to compensate aggrieved borrowers,

and paid an additional $15 million to nonprofit groups promoting financial literacy and credit counseling.

- **August 2007**: A lawsuit was filed against the parent company of Accredited, another loan originator for the MSIX 2006-1 Covered Trust. The complaint cited to statements from at least 12 former Accredited employees and alleged that Accredited routinely "***approved risky loans that did not comply with its own underwriting guidelines," including loans to fake "'straw borrower[s],'" employment that could not be verified, falsely inflated incomes, inflated appraisals, and violations of Accredited's DTI, credit score, LTV and employment history underwriting guidelines***.

- **October 4, 2007**: The Massachusetts Attorney General sued Fremont – a loan originator for the MSIX 2006-1 Covered Trust – for "***unfair and deceptive business conduct," including: (a) "approv[ing] borrowers without considering or verifying the . . . borrower's income"; (b) "approv[ing] borrowers for loans . . . that [did] not properly consider the borrowers' ability to meet their overall level of indebtedness"; (c) "approv[ing] borrowers for these ARM loans . . . without regard for borrowers' ability to pay"; and (d)"mak[ing] loans based on information that Fremont knew or should have known was inaccurate or false, including, but not limited to, borrowers' income, property appraisals, and credit scores***."[1]

- **October 2007**: Alan Hummel, Chair of the Appraisal Institute, testified to a U.S. House Committee ***that appraisers "experience[d] systemic problems with coercion" and were "'ordered to doctor their reports' or else they would never 'see work . . . again' and/or would be placed on 'exclusionary appraiser lists***.'"

- **November 2007**: The Attorney General of New York sued WaMu – a loan originator for the HVMLT 2006-8 Covered Trust – and another firm, alleging that ***WaMu and the other firm "'collud[ed]' . . . to inflate the appraisal values of homes***."

- **December 30, 2007**: *The Kansas City Star* reported that Kurt Eggert, a law professor and member of the Federal Reserve's Consumer Advisory Panel, stated: "'***Originators were making loans based on quantity rather than quality . . . . They made loans even when they didn't make sense from an underwriting standpoint***.'" The article also stated: "Mark Duda, a research affiliate at Harvard University's Joint

[1] On December 9, 2008, a Massachusetts appeals court affirmed the lower court's order enjoining Fremont from foreclosing on thousands of its loans issued to Massachusetts residents. The appellate court found that the factual record supported the lower court's conclusions that "***Fremont made no effort to determine whether borrowers could 'make the scheduled payments under the terms of the loan,'" and that "Fremont knew or should have known that [its lending practices and loan terms] would operate in concert essentially to guarantee that the borrower would be unable to pay and default would follow***." *Commonwealth v. Fremont Inv. & Loan*, 897 N.E.2d 548, 556, 558 (Mass. 2008).

Center for Housing Studies, said that because ***brokers were so intent to quickly sell off loans to investors, they had little incentive to make sure the loans were suitable for borrowers. 'They were setting people up to fail***,' Duda said."

- **Early 2008 (and 2009)**: Wells Fargo – a Warrantor and loan originator for the GSR 2007-AR2 and HASC 2007-WF1 Covered Trusts – was sued by the Cities of Baltimore and Memphis, alleging that Wells Fargo abandoned its underwriting guidelines and made fraudulent loans. The Cities alleged that ***Wells Fargo extended loans without regard to "the borrower's ability to repay," that borrowers' incomes were falsified, and that Wells Fargo "fail[ed] to underwrite African-American borrowers properly***." ***The allegations were supported by sworn declarations from former Wells Fargo employees***.

- **January 2008**: It was reported that Cleveland, Ohio had sued 21 mortgage lenders and investment banking firms, alleging that ***they had caused "entire neighborhoods" in the city to become full of "abandoned and boarded up properties" because the lenders and investment bankers "routinely ma[de] loans to borrowers who had no ability to pay them back***." The defendants included Warrantors and/or loan originators for each of the Covered Trusts (or their related companies): ***HSBC, First Franklin (through Merrill Lynch), Goldman Sachs, Countrywide, IndyMac, Wells Fargo, Greenwich, MortgageIT and Chapel (through "Deutsche Bank" entities), WaMu, Morgan Stanley (and Saxon since it was owned by Morgan Stanley), NovaStar, Fremont and Encore (through Bear Stearns and JPMorgan).***

- **February 5, 2008**: *The Oregonian* published a news story on Encore, loan originator for the MSIX 2006-1 Covered Trust. ***The news article documented that Encore ignored its stated underwriting guidelines, falsified incomes, did not determine whether borrowers could afford to repay their loans, forged documents, and put borrowers into loans they obviously could not afford to repay. The Oregonian recounted the story of borrower Paul Hoffhine Jr., a mentally disabled man who subsisted on Social Security payments of $624 per month***. *The Oregonian* reported that Hoffhine stated: "'***They forged my signature, [and] they inflated my income***.'"

- **February 2008**: The examiner in the bankruptcy of New Century – a loan originator for the MSAC 2007-NC2, MSAC 2007-NC3 and MSIX 2006-1 Covered Trusts – filed a detailed report concerning New Century's demise. The examiner "***conclude[d] that New Century engaged in a number of significant improper and imprudent practices related to its loan originations***," including:

  - "***[L]ayer[ing] the risks of loan products upon the risks of loose underwriting standards in its loan originations to high risk borrowers.***"
  - "***[M]ak[ing] frequent [unmerited] exceptions to its underwriting guidelines for borrowers who might not otherwise qualify for a particular loan.***"
  - ***Approving loans with "defective appraisals, incorrect credit reports and missing documentation***."

- **May – December 2008**: Numerous news articles reported that mortgage fraud was endemic at Warrantor First Franklin during the time period when it originated, warranted and transferred Mortgage Loans to the FFML 2006-FF9 Covered Trust. In one May 2008 article in the *Mansfield News Journal*, it was reported that Ohioan Andrew Pfeifer pled guilty to fraudulently obtaining a mortgage loan from First Franklin in 2005, ***using falsified income and liabilities, and fake employment information***.

- **June 2008**: WMC – a Warrantor and loan originator for the MSIX 2006-1 Covered Trust – was charged by the State of Washington with lending misconduct. Washington filed a Statement of Charges against WMC for deceptive and unfair lending practices ***after finding that 88% of the reviewed loans extended by WMC were defective or otherwise violated Washington State law***.

- **June 30, 2008**: The Center for Responsible Lending issued a report on IndyMac –a Warrantor and loan originator for the GSR 2007-AR2 Covered Trust. The report was based on information obtained from 19 former IndyMac employees and reported that ***IndyMac "engaged in unsound and abusive lending," "routinely [made] loans without regard to borrowers' ability to repay,***" and ***"push[ed] through . . . loans based on bogus appraisals and income data that exaggerated borrowers' finances***."

- **August 8, 2008:** PHH, a Warrantor and loan originator for the GSR 2007-AR2 Covered Trust, filed its ***Securities and Exchange Commission Form 10-Q, in which it admitted to making "loans with origination flaws.***"

- **November 13, 2008**: The OCC released a report entitled the "Worst Ten in the Worst Ten," identifying the ten metropolitan areas in the United States with the highest foreclosure rates in the first half of 2008, and the lenders that made the loans. The report studied loans originated between 2005 through 2007 – the same time period the Mortgage Loans in the Covered Trusts were originated, warranted and transferred to the Covered Trusts – and revealed that they had astoundingly high foreclosure rates: ***from 13.9% to 22.9% of the loans were in foreclosure in the ten areas during the first half of 2008. These foreclosure rates were far higher than the historical average because "[p]rior to 2007, the foreclosure rate was historically less than 1%***." FCIC Report at 402. ***The list of offending lenders identified in the OCC report included many of the Warrantors and loan originators to the Covered Trusts. The lenders identified in the OCC's report included: Countrywide, Decision One (and therefore HSBC since it owned Decision One), First Franklin, Fremont, IndyMac, WaMu (through its subsidiary Long Beach), New Century, Wells Fargo and WMC –Warrantors or loan originators of Mortgage Loans in seven of the 10 Covered Trusts***.

- **November 2008**: *Business Week* published an exposé on the mortgage industry. The *Business Week* article reported that industry "***[loan] wholesalers . . . offered bribes to fellow employees [to approve unacceptable loan applications], fabricated documents, and coached brokers on how to break the rules. . . . [Loan] [b]rokers, who work directly with borrowers, altered and shredded documents. [In addition,***

loan] [u]nderwriters, the bank employees who actually approve mortgage loans, also skirted boundaries, demanding secret payments from wholesalers to green-light loans they knew to be fraudulent." The *Business Week* article quoted a former Wells Fargo loan wholesaler (Wells Fargo was a Warrantor and loan originator for the GSR 2007-AR2 and HASC 2007-WF1 Covered Trusts) that admitted "***he regularly used the copiers at a nearby Kinko's to alter borrowers' pay stubs and bank account statements. He would embellish job titles – turning a gardener, for instance, into the owner of a landscaping company – and inflate salaries***." This former Wells Fargo employee stated: "'***I knew how to work the system***.'"

- **November 2008**: *The New York Times* published an article on WaMu, one of the loan originators for the HVMLT 2006-8 Covered Trust, entitled "Was There a Loan It Didn't Like?" Former WaMu senior mortgage underwriter Keysha Cooper, who worked at WaMu from 2003 until 2007, stated: "'***At WaMu it wasn't about the quality of the loans; it was about the numbers . . . . They didn't care if we were giving loans to people that didn't qualify***. ***Instead, it was how many loans did you guys close and fund?'"***

- **November 28, 2008**: The *Tampa Bay Times* reported on former First Franklin loan "closer" Inez Albury, who worked for First Franklin up until late 2007 processing loan applications. First Franklin was a Warrantor and loan originator for the FFML 2006-FF9 Covered Trust. ***The Tampa Bay Times reported that First Franklin "[m]anagers made it clear [to Albury that] they needed to hit their numbers each month" and, as a result, Albury "reviewed as many as 20 loan applications a day. . . [yet] [s]he never rejected one." Albury stated: "'We had quotas we had to meet. . . . We didn't have time to look at them [the loan applications]***.'"

- **December 2008**: *The New York Times* published another article on WaMu, a loan originator for the HVMLT 2006-8 Covered Trust. Former WaMu employee John D. Parsons stated that he "***was accustomed to seeing baby sitters claiming salaries worthy of college presidents, and schoolteachers with incomes rivaling stockbrokers. He rarely questioned them. A real estate frenzy was under way and WaMu, as his bank was known, was all about saying yes." The news article further reported on the case of a borrower "claiming a six-figure income and an unusual profession: mariachi singer. Mr. Parsons could not verify the singer's income, so he had him photographed in front of his home dressed in his mariachi outfit. The photo went into a WaMu file. Approved***."

APPENDIX 2

- **January 2009**: It was reported that Nationstar, a Warrantor and the loan originator for the SVHE 2007-NS1 Covered Trust, entered into a settlement agreement with the State of Kentucky over charges that ***it used unlicensed loan officers and "faked borrowers' credit scores***."

- **February 26, 2009**: The Office of Inspector General issued a report on IndyMac, a Warrantor and lender for the GSR 2007-AR2 Covered Trust. The report found that "***IndyMac often did not perform adequate underwriting," made loans with "little, if any, review of borrower qualifications, including income, assets, and employment***," and ***"made [loans] to many borrowers who simply could not afford to make their payments***."

- **February-December 2009**: Numerous additional news reports in 2009 continued to indicate that Warrantor First Franklin was involved in the origination of numerous questionable loans. For example, the *New York Post* reported on a mortgage fraud scheme involving First Franklin on properties in Long Island and Westchester County, New York, in 2006 and 2007. ***Inflated appraisals and falsified borrower information*** were used to obtain loans from several lenders, including First Franklin. ***The article quoted financial risk analyst Christopher Whalen: "Obviously, these people shouldn't have been qualified for loans if these [lenders] were doing their due diligence***."

- **May 13, 2009**: A False Claims Act lawsuit was brought by the U.S. Government against Countrywide and real estate appraisal firm Land Safe Appraisal Services, Inc., alleging that ***Countrywide routinely and falsely inflated appraisals***. Countrywide was a Warrantor and loan originator for the GSR 2007-AR2 Covered Trust. This action was ultimately settled, as part of a global $1 billion settlement with Countrywide's parent company, Bank of America.

- **June 2009**: The SEC sued former Countrywide executives for securities fraud. The court overseeing the case denied the Countrywide executives' motions for summary judgment and held that there was ***evidence that Countrywide "routinely ignored its official underwriting guidelines to such an extent that Countrywide would underwrite any loan it could sell into the secondary mortgage market," and that "Countrywide all but abandoned managing credit risk through its underwriting guidelines***." The executives subsequently paid over $73.1 million to settle the charges.

- **July 31, 2009**: It was reported that Wells Fargo – a Warrantor and loan originator for the GSR 2007-AR2 and HSAC 2007-WF1 Covered Trusts – was sued by the Attorney General of Illinois and charged with "'***engag[ing] in unfair and deceptive business practices by misleading Illinois borrowers about their mortgage terms***,'" and ***placing borrowers into loans that were "'unaffordable and unsustainable***.'" Wells Fargo was also sued in a separate class action on behalf of RMBS purchasers

alleging that Wells Fargo had misrepresented that the loans in its RMBS trusts were originated in conformance with Wells Fargo's underwriting guidelines. Wells Fargo subsequently paid $125 million to settle the case.

- **August 24, 2009**: MBIA Insurance Corp. ("MBIA"), an insurer to numerous RMBS trusts, sued Countrywide and its parent Bank of America, alleging massive breaches of their R&Ws with respect to tens of thousands of loans in 15 different RMBS trusts. Bank of America subsequently paid MBIA $1.7 billion to settle the case.

- **September 2009**: National Public Radio interviewed former Morgan Stanley employee Mike Francis, who worked as an Executive Director on Morgan Stanley's residential mortgage trading desk. Morgan Stanley was a Loan Seller/Sponsor (through itself and its related company Saxon) for four Covered Trusts: the MSAC 2007-NC2, MSAC 2007-NC3, MSIX 2006-1 and SAST 2006-2 Covered Trusts. Francis stated: ***"No income no asset loans, that's a liar's loan. We are telling you to lie to us, effectively. I mean, we're hoping you don't lie, but – tell us what you make. Tell us what you have in the bank. But we're not going to actually verify it? We're setting you up to lie. Something about that transaction feels very wrong. It felt wrong way back when. And I wish we had never done it. Unfortunately what happened, we did it because everybody else was doing it." Francis further told the National Public Radio interviewer that Morgan Stanley "bought loans, lots of loans, from [lender WMC, that Francis] knew in his gut . . . were bad loans."*** WMC was a Warrantor and loan originator for the MSIX 2006-1 Covered Trust, which was co-sponsored by Morgan Stanley. In the same broadcast, Glen Pizzolorusso, a former manager for WMC, was interviewed and discussed the horrible loans WMC made to borrowers and sold to entities like Morgan Stanley: "'***We looked at loans, these people didn't have a pot to piss in. . . . [T]hey could barely make the car payment, and now we're giving them a $300,000 to $400,000 house***."

- **March 2010**: The parent company of First Horizon, a loan originator for the MSIX 2006-1 Covered Trust, reported that there were a stunning number of loan repurchase requests for First Horizon's loans, indicating pervasive breaches of First Horizon's R&Ws. The report stated: "***For repurchase requests . . . related to breach of contract . . . [a]s of December 31, 2009, [First Horizon] has observed loss severities ranging between 50 percent and 60 percent of the principal balance of the repurchased loans and rescission rates between 30 percent and 40 percent of the repurchase and make-whole requests***."

- **March 2010**: The U.S. Department of Justice charged AIG Federal, a loan originator for the MSIX 2006-1 Covered Trust, with "***engag[ing] in a pattern and practice" of discriminatory lending in violation of federal laws***. AIG Federal entered into a consent order with the government whereby it paid over $7 million and undertook numerous remedial measures.

- **April 28, 2010**: The *St. Petersburg Times* investigated a number of extremely risky loans made by First Franklin, a Warrantor and loan originator for the FFML 2006-

FF9 Covered Trust, revealing that ***First Franklin was not following its underwriting guidelines requiring it to evaluate whether a borrower could afford to repay his or her mortgage loan***.

- **June 2010**: The Attorney General of Massachusetts announced a $102 million settlement with Morgan Stanley concerning Morgan Stanley's misconduct in financing, purchasing and securitizing high-risk mortgage loans from Covered Trust loan originator New Century during the period from 2005 through 2007. New Century originated loans in the MSAC 2007-NC2, MSAC 2007-NC3 and MSIX 2006-1 Covered Trusts and Morgan Stanley was a Loan Seller/Sponsor for each of the three trusts. The Attorney General's investigation of Morgan Stanley and New Century included the following findings demonstrating that Morgan Stanley's R&Ws were false:

  - ***Morgan Stanley securitized New Century loans which were illegal and which were made to borrowers who were "unable to afford the[m].***"
  - ***By late 2005, New Century was engaging in "sloppy underwriting for many loans and stretching of underwriting guidelines to encompass or approve loans not written in accordance with the guidelines***."
  - ***New Century successfully pressured Morgan Stanley into buying and securitizing defective loans that breached Morgan Stanley's R&Ws.***
  - ***The majority of the loans Morgan Stanley purchased from New Century and securitized in 2006 and 2007 did not comply with the underwriting guides, and thus breached Morgan Stanley's R&Ws***.
  - "***In addition, loans with certain exceptions such as high DTI ratios or high LTV or CLTV ratios that were in excess of underwriting guidelines but within a tolerance found acceptable to Morgan Stanley were purchased [and securitized] without a review by Clayton for compensating factors***."
  - ***New Century's loans had pervasive inflated appraisals that generated falsely understated LTV ratios but Morgan Stanley nonetheless purchased and securitized the loans.***
  - ***The "stated" incomes of borrowers for New Century's loans were inflated yet were purchased and securitized by Morgan Stanley.***
  - "***Notwithstanding the problems identified above, Morgan Stanley continued to . . . purchase and securitize New Century's subprime mortgages through 2006 and the first half of 2007***."[1]

[1] The Attorney General's investigatory findings are extremely relevant to the instant action because: (1) Morgan Stanley was New Century's largest customer, having purchased tens of thousands of loans from New Century during the relevant time period; (2) New Century originated Mortgage Loans in at least three Covered Trusts (the MSAC 2007-NC2, MSAC 2007-NC3 and MSIX 2006-1) and Morgan Stanley warranted the Mortgage Loans in those Covered Trusts originated by New Century; and (3) each of those three Covered Trusts contained Mortgage Loans to borrowers for properties located in Massachusetts. The foregoing indicated that any R&Ws concerning New Century loans by Morgan Stanley were false.

- **December 2010**: It was reported that JPMorgan analysts estimated "that 'put-back risk,'" for loan warrantors, *i.e.*, loans subject to repurchase demands due to breaches of R&Ws, ranged ***from $60 to $110 billion for RMBS trusts like the Covered Trusts***.

APPENDIX 3

- **June 2010**: The United States Trustee Program ("USTP"), a component of the U.S. Department of Justice, announced that it had conducted an investigation (with the FTC) of CHLS/BACHLS, a Servicer for the GSR 2007-AR2, MSAC 2007-NC2 and MSAC 2007-NC3 Covered Trusts. The USTP revealed that it had started its investigation of CHLS/BACHLS "after receiving ***complaints of chronic . . . irregularities by mortgage servicing companies***." CHLS/BACHLS was charged with "***improper business practices" and "improper accounting and billing practices," including the filing of false and improper claims in bankruptcy proceedings against borrowers, inflating its mortgage claims, failing to credit borrowers with payments that they made, and failing to notify borrowers of extra and/or improper charges added to their bills***.[1] CHLS/BACHLS entered into a consent order to reform its loan servicing practices, compensate wronged borrowers, establish internal controls to ensure that CHLS/BACHLS's bills and claims in bankruptcy were accurate and provided accurate and useful information to borrowers, and ***paid $108 million to settle these charges***.

- **July 2010**: Excerpts of the deposition transcript of Jeffrey Stephan, an employee of GMAC, were made publicly available. GMAC was a Servicer for Mortgage Loans in the HVMLT 2006-8 Covered Trust. The deposition excerpts established that GMAC had a pattern and practice of signing and filing hundreds of false foreclosure affidavits without confirming the truth of the facts within them, without checking them to ensure the correct exhibits were even attached to the affidavits, and without personal knowledge of the facts asserted in the affidavits, all Events of Default (this practice was known as "robo-signing"). Below are excerpts from Stephan's deposition:

> ***Q: In your capacity as the team leader for the document execution team, do you have any role in the foreclosure process, other than the signing of documents?***
>
> ***Stephan: No.***
>
> * * *

[1] The USTP also noted that, in 2009, U.S. bankruptcy trustees ***had taken "more than 9,000 formal and informal consumer protection actions, including a large number of actions against mortgage servicing companies***." This demonstrated the enormity and reach of the improper loan servicing practices engaged in by some in the loan servicing industry and the fact that such misconduct was being committed by some of the Covered Trusts' Master Servicers and Servicers. ***The USTP also stated in its 2010 Annual Report that there were "pervasive and longstanding problems regarding mortgage loan servicing***," again revealing that these improper loan servicing practices were widespread.

Q: When you sign a summary judgment affidavit, do you check to see if all of the exhibits are attached to it?

Stephan: No.

Q: Does anybody in your department check to see if all the exhibits are attached to it at the time that it is presented to you for your signature?

Stephan: No.

Q: When you sign a summary judgment affidavit, do you inspect any exhibits attached to it?

Stephan: No.

* * *

Q: Is it fair to say when you sign a summary judgment affidavit, you don't know what information it contains, other than the figures that are set forth within it?

Stephan: Other than the borrower's name, and if I have signing authority for that entity, that is correct.

* * *

Q: Mr. Stephan, do you recall testifying in your Florida deposition in December with regard to your employees, and you said, quote, they do not go into the system and verify that the information is accurate?

Stephan: That is correct.

- **October 4, 2010**: California state assemblyman Ted Lieu, in discussing the rash of improper loan servicing and foreclosure issues, stated: "***[W]at we have here is massive fraud being perpetrated on the courts. . . . We're talking about hundreds of thousands of foreclosures that are now at risk because of what these robo-signers are doing. . . . [Credit rating agency] Fitch . . . has come out and stated that they believe that this is an <u>industry wide practice</u>. . . . [Y]ou just had [a] basic level failure to follow existing laws. And you have people that are falsifying documents in front of judges. . . . [Just] [y]ou imagine what is going on in [the] 27 other [non-judicial foreclosure] states where you don't have <u>any</u> judicial oversight***."

- **October 2010**: GMAC was sued for fraud by the Attorney General of Ohio. The Ohio Attorney General ***charged GMAC with routinely filing false affidavits in connection with foreclosure proceedings***. The Ohio Attorney General stated: ***"This is fraud being perpetrated against the courts***. . . . ***The most important thing that***

lenders need to recognize is the seriousness of the situation. They can't pretend this is a fourth-grade student not quite filling in the oval on a test. This is fraud."

- **October 2010**: The Ohio Attorney General was also scrutinizing Covered Trust Master Servicers and Servicers CHLS/BACHLS and National City (through its parent Bank of America), JPMorgan Chase and WaMu (through their parent JPMorgan Chase & Co.) and Wells Fargo, and had sent letters to them seeking information about their robo-signing practices. These Master Servicers/Servicers serviced Mortgage Loans in seven of the 10 Covered Trusts.

- **October 2010**: The U.S. House Judiciary Committee sent similar letters to most of the major loan servicers demanding the production of documents relating to their robo-signing and foreclosure practices. The Master Servicers and Servicers to the Covered Trusts receiving letters from the House Judiciary Committee included JPMorgan Chase (and therefore WaMu as well), Wells Fargo, GMAC, and CHLS/BACHLS and National City (through their parent company Bank of America). From this, Deutsche Bank learned that the Master Servicers and Servicers to most of the Covered Trusts were implicated in widespread robo-signing misconduct amounting to Events of Default in October 2010.

- **October 2010**: The *Miami Daily Business Review* reported on a Florida attorney who had 150 deposition transcripts from people who robo-signed foreclosure affidavits for loan servicers. The attorney was quoted as saying that the 150 depositions "***prove flawed foreclosure documents are part of a fraudulent system***, not sloppy procedures" by loan servicers. The attorney stated: '"***We are not talking about a mistake. We are talking about perjury, crime . . . . <u>This is system-wide</u>*** . . . ." The news article reported that the deposition transcripts included testimony from employees of JPMorgan Chase, Countrywide (*i.e.*, CHLS/BACHLS) and Wells Fargo – Master Servicers or Servicers to ***seven of the 10 Covered Trusts***. The *Miami Daily Business Review* article reported the following information concerning Wells Fargo, a Master Servicer or Servicer to at least seven of the 10 Covered Trusts:

> In one of the depositions provided by [attorney] Tiktin, a Wells Fargo employee, Xee Moua, admitted signing 300 to 500 documents including affidavits, substitutions of plaintiff, deeds and judgment affidavits in a two hour period on any given day.
>
> Moua said she only attended six months of college before dropping out. She then worked as an office clerk and customer service representative at a medical supplies firm and a blinds and shades company in North Carolina before she was hired by Wells Fargo as a document processor. ***According to the transcript of the deposition, asked if she checked the information on the documents she was signing, Moua said, "I do not. That's not part of my job***."
>
> She said she only checked to see if her own information, such as her title, was correct.

> Her understanding, she said, was that either the law firm handling the foreclosure or a Wells Fargo processor assigned to the loan had checked the information. Yet, she was the person authorized by the bank to sign the documentation.
>
> ***The documents she signed identified her as vice president of loan documentation, according to the transcript, but that wasn't her actual title***.
>
> ***She said she was given that title to sign documents. She said other employees were given the same title for signing court documents***.

- **October 2010**: It was reported that ***U.S. regulators were*** "***conducting an intensive probe of reportedly false foreclosure affidavits used by major U.S. financial institutions to evict thousands of American homeowners.***"

- **October 2010**: Multiple news reports surfaced about many of the Master Servicers or Servicers to the Covered Trusts, reporting that they were widely and routinely engaged in robo-signing and other improper loan servicing practices. For example, IndyMac, a Servicer for at least two Covered Trusts, was reported to be ***using false affidavits in foreclosure proceedings***. In addition, a former IndyMac employee was reported to having admitted in a deposition to ***signing about 6,000 documents a week which she did not read before signing***. It was also reported that Wells Fargo, a Master Servicer and Servicer to at least seven of the Covered Trusts, ***admitted that its employees signed hundreds of foreclosure documents daily without reading them***.

- **October 2010**: Covered Trust Servicers CHLS/BACHLS and National City (through their parent company Bank of America), JP Morgan Chase (which also included WaMu) and GMAC – which collectively serviced Mortgage Loans in 6 of the 10 Covered Trusts – were forced to halt their foreclosures on tens of thousands of mortgage loans. JPMorgan Chase halted 56,000 foreclosures; Bank of America/CHLS/BACHLS/National City also froze foreclosure and re-submitted 102,000 affidavits in its foreclosure proceedings; Covered Trust Master Servicer/Servicer Wells Fargo submitted revised documents for approximately 55,000 of its foreclosures.

- **October 2010**: The *Mortgage Daily* reported that Bank of America had released statistics indicating that "80 percent of its borrowers who faced foreclosure had not even made a payment in more than a year, while the average foreclosed loan was 560 days past due," or over 18 months past due, graphically illustrating the long delays caused by its servicing misconduct. Similarly, Wells Fargo, a Master Servicer and/or Servicer for seven of the 10 Covered Trusts, reported that its average foreclosed loan

as of September 2010 was 16 months past due, obviously due to its servicing misconduct which caused long delays.[2]

Late October 2010: It was reported that ***the Attorney Generals of all 50 states were similarly investigating "whether mortgage lenders falsified affidavits attesting to their review and verification of foreclosure documents, as well as whether they failed to sign the affidavits in the presence of a notary public.***" Illinois Attorney General Lisa Madigan stated: "***The same mortgage giants and big banks that fraudulently put people into unfair loans are now fraudulently throwing people out of their homes. They should not be above the law. Illinois homeowners are legally entitled to a foreclosure process that is transparent, accurate and fair***."

[2] Subsequently, a report by Amherst Securities Group LP ("Amherst") in February 2012 noted that the average delinquency time for liquidated loans grew from 21 months in September 2010 to 26 months by February 2012, an increase in delays of nearly 25%. In addition, Amherst reported that the average delinquency time for non-performing (*i.e.*, non-liquidated) loans increased from 19 months in September 2010 to 24 months by February 2012, an increase in delays of over 26%. Amherst reported that these statistics ***demonstrated "the delay created by the [loan servicers'] robo-signing actions***." The report further stated that "***we believe the remaining loans will stay in the [delinquency] pipeline for another 12-15 months***," further demonstrating the compounding effect of the delays caused by the Master Servicers'/Servicers' ongoing robo-signing.

APPENDIX 4

- **November 2010**: U.S. Treasury Department Assistant Secretary Michael Barr provided an update on the investigation of loan servicers by U.S. banking regulators. Barr announced that they were uncovering "***widespread*" *and* "***inexcusable*" *breakdowns in loan servicing practices***. Barr stated: "***These problems must be fixed."***

- **November 2010**: Legal Services of New Jersey provided a report to the New Jersey Supreme Court detailing numerous instances of robo-signing and false affidavits in connection with foreclosure proceedings in New Jersey and throughout the nation. The report, which was supported by evidentiary exhibits such as deposition transcripts of robo-signers indicating that they lied in court documents, falsified and back-dated documents, and other evidence of fraud, ***concluded that "[a] great volume of national information . . . suggests a pervasive, industry-wide pattern of false statements and certifications at various stages of foreclosure proceedings***."[1] ***The report specifically implicated many of the Master Servicers and Servicers to the Covered Trusts in the misconduct, including GMAC, CHLS/BACHLS and National City (through Bank of America), JPMorgan Chase (and therefore WaMu), Wells Fargo, IndyMac and PHH***.

- **December 20, 2010**: New Jersey Administrative Director of the Courts, Judge Grant, issued an administrative order requiring 24 loan servicers and RMBS trustees to file certifications demonstrating that there were no irregularities in the handling of their foreclosure proceedings. The order was directed at, among others, ***PHH and Nationstar, Servicers to two of the Covered Trusts***. ***The order was also directed at Deutsche Bank***, because it had been involved in numerous questionable foreclosures. ***Judge Grant's order cited specific instances of improper foreclosures by Covered Trust Master Servicers/Servicers CHLS/BACHLS and National City (through Bank of America), JPMorgan Chase, WaMu (through JPMorgan Chase), GMAC, IndyMac (through OneWest Bank) and Wells Fargo. Judge Grant's order identified Covered Trust Master Servicers and Servicers who collectively serviced Mortgage Loans in eight of the 10 Covered Trusts***.

- **December 20, 2010**: Judge Jacobson of the Superior Court of New Jersey in Mercer County ***issued an order to show cause directed at GMAC, CHLS/BACHLS, National City (through Bank of America), JPMorgan Chase, WaMu (through JPMorgan Chase), Wells Fargo and IndyMac (through OneWest Bank)***, among

[1] The report noted that the "***[c]ommon practices and characteristics***" that Legal Services of New Jersey found in its nationwide investigation include: (a) affiants claiming personal knowledge of facts that the affiant had no personal knowledge of; (b) failure to review documents and evidence on which certifications were based; (c) actual false statements about when and how a loan was transferred; (d) false identification of signatories (*e.g.*, an employee of a servicer will be identified as a vice president, or similar title, of the foreclosing mortgagee); (e) forged signatures; and (f) improperly notarized documents.

others. ***The order to show cause held that these Master Servicers and Servicers were selected for scrutiny because of their "public record of questionable practices," "deposition testimony provided by employees" of these Master Servicers and Servicers that "raised serious questions about the accuracy and reliability of documents submitted to courts," and "the execution of affidavits, certifications, assignments, and other documents in numerous residential mortgage foreclosure actions in New Jersey and elsewhere [that] may not have been based on personal knowledge in violation of the Rules of Court and may thus be unreliable***."

- **December 2010**: In testimony before the U.S. House Judiciary Committee, Thomas Cox, an attorney for the Maine Attorneys Saving Homes Project, presented compelling evidence against Covered Trust Servicer GMAC, revealing that it was engaged in systemic foreclosure fraud. ***Cox revealed how GMAC used thousands of false foreclosure affidavits signed by the aforementioned "robo-signer" Jeffrey Stephan, which falsely attested under oath that he had personal knowledge of the facts in his affidavits, that he had custody and control of loan documents, and that the documents attached to his affidavits were "true and accurate" copies of notes or mortgages. Cox testified that GMAC "filed thousands of Stephan's [false] affidavits in foreclosure cases all over the country in cases involving its own loans as well in cases where it was servicing loans for Fannie Mae, Freddie Mac, and trustees of mortgage-backed securitized trusts***." This information confirmed that GMAC's standard loan servicing practices amounted to Events of Default and that the Mortgage Loans it was servicing were probably being similarly affected. Cox also testified to instances of blatant foreclosure fraud by JPMorgan Chase, a Servicer to the MSIX 2006-1 Covered Trust. Cox recounted several cases where "***JPMorgan Chase used 'fraudulently created facts' and attempted to commit 'fraud upon the court' in connection with its foreclosures***." Cox recounted a case where the U.S. Trustee was required to intervene into a bankruptcy case in New York to file a motion for sanctions against JPMorgan Chase, whereupon JPMorgan Chase admitted to submitting false facts to the court. Based on his observations of JPMorgan Chase's routine foreclosure practices, ***Cox testified that "JPMorgan Chase has engaged in pattern of filings in the Bankruptcy Court for the Southern District of New York that is simply breathtaking in the scope of dishonest and deceptive practices it reveals***." This information established that JPMorgan Chase engaged in a pattern and practice of fraudulent loan servicing which was an Event of Default under the Governing Agreements, and that the Mortgage Loans in the Covered Trusts serviced by JPMorgan Chase were probably similarly misserviced. Cox also testified to the prevalence of foreclosure fraud by the loan servicing industry in general: "***I know from my personal experience over the past two and one half years that this kind of servicer fraud-on-the-court activity is not isolated to GMAC Mortgage. It has been the norm across the entire foreclosure industry, including the other servicers represented here today, JPMorgan Chase and Bank of America [Bank of America owned Covered Trust Servicers CHLS/BACHLS and National City]***." By this time, GMAC, JPMorgan Chase (which also included WaMu) and Bank of America (which included CHLS/BACHLS and National City) were Servicers to at least six of the Covered Trusts. Cox's testimony expressly stated that fraudulent foreclosure practices amounting to Events of Default were occurring "***across the***

entire foreclosure industry" and were thus not isolated or infrequent. Indeed, over two years later, after the massive scope of this misconduct finally became known to those outside of the loan servicing and RMBS trustee industries, Yale Law School Professor Raymond Brescia stated: "'***I think it's difficult to find a fraud of this size on the U.S. court system in U.S. history . . . . I can't think of one where you have literally tens of thousands of fraudulent documents filed in tens of thousands of cases***.'"

- **December 2010**: In an article published in the *Yale Journal on Regulation* written by law professor Adam Levitin and attorney Tara Twomey, they concluded:

> ***[T]he residential mortgage servicing business . . . suffers from an endemic principal-agent conflict between investors and servicers. Securitization separates the ownership interest in a mortgage loan and the management of the loan. Securitization structures incentivize servicers to act in ways that do not track investors' interests, and these structures limit investors' ability to monitor servicer behavior***.
>
> * * *
>
> ***As a result, servicers are frequently incentivized to foreclose on defaulted loans rather than restructure the loan, even when the restructuring would be in the investors' interest***.

- **December 2010**: In a U.S. Senate Banking, Housing and Urban Affairs Committee hearing, law professor Kurt Eggert testified that loan servicers were incentivized to initiate foreclosures and then extend them for long periods of time since it allowed the servicers to add improper and excessive "junk fees" to the amount owed by borrowers. Then, when the mortgages were finally foreclosed and the properties sold, the loan servicers' improper "junk fees" would be paid first, before the remaining amount, if any, was remitted to the RMBS trusts, thus generating substantial fees for the servicers but taking money away from RMBS investors like plaintiff and the class.

- **December 2010**: Professor Eggert also testified that loan servicers were often also the originators and warrantors of the mortgage loans in the trusts, and therefore would have firsthand knowledge of any breaches of their R&Ws (similarly, many of the Warrantors to the Covered Trusts were also the Master Servicers or Servicers of the very same Mortgage Loans they warranted). Under RMBS trust agreements, master servicers and servicers were required to notify the Trustee whenever they discovered breaches of even their own (or their related companies') R&Ws. *See, e.g.*, FFML 2006-FF9 PSA §2.03(c) (Servicer National City required to inform Deutsche Bank of representation and warranty breaches by National City's sister company, First Franklin). Eggert testified that master servicers and servicers of RMBS did not notify anyone of their own breaches because they would basically be turning themselves in, and therefore would have to pay for their breaches, by curing, substituting or repurchasing defective loans.

- **December 2010**: Professor Eggert further testified that loan servicers owned large numbers of second lien loans while the RMBS trusts owned the majority of first lien loans. This incentivized loan servicers to refuse to modify first lien loans in ways that benefitted RMBS investors because it would harm the servicers' interests in their second lien loans, which second liens were typically extinguished in a modification of a first lien loan, causing losses to the loan servicers. Thus, loans servicers would encourage borrowers of second lien loans owned by the servicers to make payments due on such second lien loans instead of the RMBS trusts' first lien loans. These perverse incentives, which caused loan servicers to service the mortgage loans in ways which hurt RMBS investors, instead of benefitting them as required by the Governing Agreements, were yet additional Events of Default under the Governing Agreements.

- **January 2011**: The FCIC Report further confirmed the existence of loan servicers' conflicts of interests with RMBS investors which led to Events of Default by the Covered Trusts' Master Servicers/Servicers. The FCIC reported that loan servicers were improperly denying borrowers loan modifications under the U.S. Government's "HAMP" program, a program which was created to assist borrowers with obtaining mortgage loan modifications and avoid foreclosures. FCIC Report at 405. Most of the Master Servicers and Servicers had joined the HAMP program and had agreed to modify qualifying loans and borrowers in exchange for monetary incentives from the government. The FCIC Report noted that Diane Thompson of the National Consumer Law Center testified before the U.S. Senate's Banking, Housing, and Urban Affairs Committee, and reported that "'[o]nly a very few of the potentially eligible borrowers have been able to obtain permanent modifications. ***Advocates continue to report that borrowers are denied improperly for HAMP . . . and that some servicers persistently disregard HAMP applications***.'" *Id.* The FCIC Report also noted that a Moody's Investors Service managing director "***learned that a survey of servicers indicated that very few troubled mortgages were being modified***." *Id.* at 223.

- **January 2011**: Loan modifications in many cases were beneficial to RMBS investors because a borrower which continued to make loan payments – even reduced modified payments – could be much more profitable to RMBS investors over time than a borrower who had ceased making payments and who was foreclosed on in a depressed real estate market with excessive loan servicing fees being deducted from the proceeds going to the RMBS trusts. The FCIC Report confirmed that loan servicers had incentives to push loans into foreclosure rather than to modify them in a manner that would benefit RMBS investors because the servicers collected these large fees from foreclosures.

- **January 2011**: The FCIC Report further re-confirmed the robo-signing scandal, and noted testimony given by New York State Supreme Court Justice F. Dana Winslow to the U.S. House Judiciary Committee. Justice Winslow testified that the loan servicing issues had become so prevalent in New York that an RMBS trustee's standing to foreclose had "'become . . . a pervasive issue.'" FCIC Report at 407.

The FCIC Report further documented numerous other improper loan servicing practices that Justice Winslow had observed in foreclosure cases, such as:

> ***[T]he failure to produce the correct promissory notes in court during foreclosure proceedings; gaps in the chain of title, including printouts of the title that have differed substantially from information provided previously; retroactive assignments of notes and mortgages in an effort to clean up the paperwork problems from earlier years; questionable signatures on assignments and affidavits attesting to the ownership of the note and mortgage; and questionable notary stamps on assignments***.

Id. at 407-08.

- **January 26, 2011**: The U.S. Inspector General released a report in which the following observations were made about the loan servicing industry:

> ***Anecdotal evidence of [loan servicers'] failures [have] been well chronicled. From the repeated loss of borrower paperwork, to blatant failure to follow program standards, to unnecessary delays that severely harm borrowers while benefiting servicers themselves, stories of servicer negligence and misconduct are legion, and . . . they too often have financial interests that don't align with those of either borrowers or investors***.

- **February 2011**: Covered Trust Servicer Nationstar was sued in a class action by borrowers in West Virginia whose loans were serviced by Nationstar. Nationstar was the Servicer for the SVHE 2007-NS1 Covered Trust. ***Discovery in the case revealed thousands of violations of West Virginia law by Nationstar***. Nationstar subsequently settled the case.

APPENDIX 5

- **April 14, 2011**: Deutsche Bank and one of its servicers had an order to show cause issued against them ***one day after the consent orders***, because of misconduct which mirrored that described in the consent orders. *See In re Doble*, No. 10-11296, 2011 Bankr. LEXIS 1449 (Bankr. S.D. Cal. Apr. 14, 2011). The bankruptcy court pointed out that in bankruptcy proceedings "***servicers routinely file inaccurate claims, some of which may not be lawful***." *Id*. at *21.

- **May 2011**: Just one month after the April 2011 consent orders, Covered Trust Servicers CHLS/BACHLS and Saxon Mortgage Services entered into additional consent orders with the U.S. Department of Justice for additional loan servicing misconduct. CHLS/BACHLS and Saxon Mortgage Services were Servicers for six of the 10 Covered Trusts at that time. These Servicers were charged by the Department of Justice with wrongfully and ***intentionally foreclosing on active duty servicemembers in violation of federal law***, clearly Events of Default. CHLS/BACHLS paid $20 million to compensate and resolve claims that it illegally foreclosed on approximately 160 servicemembers between January 2006 and May 2009. It also agreed to extensive loan servicing reforms, and also agreed to pay additional compensation to any other servicemembers it illegally foreclosed on between June 2009 through 2010. Saxon Mortgage Services agreed to compensate servicemembers on which it also ***intentionally foreclosed in violation of law between 2006 and 2009, including many servicemembers "who . . . served honorably in Iraq, some of whom were severely injured in the line of duty or suffer[ing] from post-traumatic stress disorder***," according to the Department of Justice's press release. Saxon Mortgage Services agreed to pay $2.35 million to aggrieved servicemembers for its misconduct, agreed to numerous corrective measures, and further agreed to provide additional compensation to additional servicemembers on which it illegally foreclosed between July 2009 and December 2010.[1]

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[1] The Justice Department's press release summed up the egregiousness of these Servicers' misconduct with the following quote from the U.S. Attorney for the Northern District of Texas, who filed the action against Saxon Mortgage Services:

> With the numerous sacrifices our servicemembers make while they are serving our country, the last thing they need to worry about is whether or not their families will be forced from their homes," said James T. Jacks, U.S. Attorney for the Northern District of Texas. "***These lenders' callous disregard for the SCRA, a law which was designed to insulate these patriots from unlawful foreclosures and other civil and financial obligations while they are on active duty, is deplorable and I applaud the Department's Civil Rights Division's efforts in identifying and seeking remedies for these wronged service members***."

- **June 2011**: Bank of America entered into an ***$8.5 billion settlement concerning 530 RMBS trusts*** for loan servicing abuses by CHLS/BACHLS. (A portion of the settlement was also for massive breaches of R&Ws.)

- **June 23, 2011**: The Illinois Department of Financial and Professional Regulation fined PHH – a Servicer to the GSR 2007-AR2 Covered Trust – $240,000 for signing foreclosure affidavits that the company knew would later be altered by its attorneys and for signing affidavits using someone else's name. The Illinois regulator found that "***at least four different people used one employee's name to sign . . . affidavits," and also "discovered other evidence of improprieties on the part of PHH employees***." It further found that PHH had violated Illinois law.[2]

- **July 2011**: The *Associated Press* reported that "***[m]ortgage industry employees are still signing documents they haven't read and using fake signatures more than eight months after big banks and mortgage companies promised to stop the illegal practices that led to a nationwide halt of home foreclosures***." The *Associated Press* article further reported:

> ***County officials in at least three states say they have received thousands of mortgage documents with questionable signatures since last fall, suggesting that the practices, known collectively as "robo-signing," remain widespread in the industry.***
>
> * * *
>
> ***Lenders say they are working with regulators to fix the problem but cannot explain why it has persisted***.
>
> ***Last fall, the nation's largest banks and mortgage lenders, including JPMorgan Chase, Wells Fargo, Bank of America and an arm of Goldman Sachs, suspended foreclosures as they investigated how corners were cut to keep pace with the crush of foreclosure paperwork***.
>
> ***Critics say the new findings point to a systemic problem with the paperwork involved in home mortgages and titles. And they say it shows that banks and mortgage processors haven't acted aggressively enough to put an end to widespread document fraud in the mortgage industry***.

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[2] Later, in December 2013, PHH demonstrated that the Events of Default discussed above were not isolated events but rather a common course of conduct. On December 4, 2013, *The Star-Ledger* reported that the New Jersey Attorney General had charged PHH with misleading borrowers and violating New Jersey law by "***not giving homeowners accurate information about how long it would take to process loan modifications, misleading them about foreclosure proceedings and imposing improper fees***." PHH paid $6.35 million to settle the charges which involved misconduct affecting ***"[a]t least 2,000 borrowers***," demonstrating a company-wide practice that also affected the Mortgage Loans in the Covered Trust serviced by PHH.

"***Robo-signing is not even close to over," says Curtis Hertel, the recorder of deeds in Ingham County, Mich., which includes Lansing. "It's still an epidemic***."

- **July 2011**: Michael Calhoun, President of the Center for Responsible Lending, told the U.S. Senate Banking, Housing and Urban Affairs Committee that "***[a]busive [loan servicing] practices have become so ingrained in the servicing culture that they are now endemic to the industry***." He then testified concerning multiple ongoing servicing abuses he had observed, such as:

  - "dual track[ing]," an improper servicing practice where the borrower is foreclosed on in the middle of ongoing loan modification negotiations or after a trial modification was agreed to and being performed by the borrower;
  - "[f]oreclosing even when [RMBS] investors would receive more from a sustainable modification";
  - "[i]mproper denial and delay of loan modification requests . . . because fees, which eventually flow directly to servicers . . . continue to accrue";
  - "[f]orcing homeowners into multiple temporary modifications [which is] a best-of-both-worlds situation for servicers, who continue to charge fees";
  - "[f]orce-placed insurance [which is] very expensive . . . often driving an otherwise current borrower into delinquency and even foreclosure";
  - "[i]mproper fees";
  - "[m]isapplication of borrower payments";
  - "[m]ismanaged escrow accounts";
  - "[f]ailing or refusing to provide payoff quotations to borrowers";
  - "[a]buses in the default and delinquency process"; and
  - "***fail[ure] to adhere to loss mitigation requirements of [RMBS] investors," i.e., failures to abide by the Governing Agreements***.

- **July 2011**: *Reuters* reported that Master Servicers and Servicers were continuing to engage in Events of Default on a grand scale. *Reuters*' investigation found that loan servicers "***continue[d] to file questionable foreclosure documents with courts and county clerks***," and that "***servicers have filed thousands of documents that appear to have been fabricated or improperly altered, or have sworn to false facts***." *Reuters* also reported that "***[o]ne of the industry's top representatives admits that the federal settlements [in April 2011] haven't put a stop to questionable practices," and that "many [servicers] are still taking the same shortcuts they promised to shun, from sketchy paperwork to the use of 'robo-signers***.'" The *Reuters* investigative report cited multiple examples of continuing improper loan servicing by many of the Master Servicers and Servicers to the Covered Trusts, including ***Bank of America (CHLS/BACHLS and National City), Wells Fargo, GMAC and IndyMac (through its successor OneWest Bank)***. Together, these Master Servicers/Servicers serviced Mortgage Loans in at least seven of the 10 Covered Trusts. *Reuters* reported that OneWest Bank (successor to ***Servicer IndyMac***) "***recently filed a court document that appears riddled with discrepancies***." *Reuters* also reported that Master Servicers/Servicers Wells Fargo

and GMAC had assigned mortgages on behalf of New Century to others in 2011, four years ***after*** New Century ceased to exist, and that in "***court files of Florida foreclosure cases by Wells Fargo . . . none of the promissory notes filed as exhibits in 10 cases found by Reuters had any endorsements on them***." Bank of America (which includes Covered Trust Servicers CHLS/BACHLS and National City) was also singled out by the *Reuters* article:

> ***Bank of America, meanwhile, is coming under fire from a New York federal bankruptcy judge***.
>
> ***Last Tuesday, Judge Robert Drain ordered an investigation involving a foreclosure case brought by the bank. Two earlier copies of a promissory note filed in court had lacked any endorsement, but then one appeared on the note when bank lawyers produced the original***.
>
> ***The judge said the sudden appearance of an endorsement, and his own close look at it, raised questions about whether it had been added illegally to make the note look legitimate***.
>
> ***It "raises a sufficiently serious issue as to when and more importantly by whom this note was endorsed," the judge said***.

The *Reuters* article revealed that Deutsche Bank itself was continuing to use robo-signers. The article focused on Bryan Bly, an employee of Nationwide Title Clearing, and reported the following:

> ***Bly testified in a July 2010 foreclosure case in Florida that he signed up to 5,000 mortgage assignments per day at the loan-servicing company. Although he is an employee of Nationwide, he signed the documents as a "vice president" of Option One Mortgage, Deutsche Bank, CitiBank and other institutions.***
>
> ***In his deposition, Bly said Nationwide multiplied his output by electronically stamping his signature on additional mortgage assignments that Bly said he never saw. He testified, too, that all the documents then were falsely notarized. Nationwide's notaries were given stacks of the already-signed documents, he said, and attested falsely that Bly had signed the legal papers in front of them. Bly said he didn't verify the information in the papers he signed, and that he didn't understand key words and expressions in them.***
>
> ***Despite these disclosures, a Reuters search of county clerk records in Florida, New York and Massachusetts shows that Bly continued to sign thousands of mortgage assignments this year.***

The *Reuters* article reported on another instance where Deutsche Bank was continuing to use robo-signing:

> ***Robo-signing isn't limited to low-level employees at loan servicers.***
>
> ***Lawrence Buckley is a lawyer who manages the Dallas, Texas law firm Brice, Vander Linden and Wernick. In March, he testified that he had allowed his electronic signature to be affixed to sworn court documents that he had never seen. The documents, known as "proofs of claim," included one filed with the federal bankruptcy court in New York. It sought permission for Deutsche Bank to seize the Bronx, New York, house of 59-year –old Virginia Abasi.***
>
> ***Buckley said he had never seen the document, and that another lawyer at his firm had filed it using Buckley's electronic signature. The signature appears on the document as "/s/ Lawrence J. Buckley."***
>
> ***Buckley said that other lawyers at his firm were permitted to use his signature to file documents electronically with bankruptcy courts. He testified that it was standard practice at the firm not to review any of the original documents the claim was supposed to be based on, such as the original promissory note and mortgage.***

The *Reuters* article confirmed ongoing, rampant Events of Default:

> Reuters reviewed records of individual county clerk offices in five states – Florida, Massachusetts, New York, and North and South Carolina – with searchable online databases. Reuters also examined hundreds of documents from court case files, some obtained online and others provided by attorneys.
>
> ***The searches found more than 1,000 mortgage assignments that for multiple reasons appear questionable: promissory notes missing required endorsements or bearing faulty ones; and "complaints" (the legal documents that launch foreclosure suits) that appear to contain multiple incorrect facts***.

- **August 2011**: Covered Trust Servicers National City and BACHLS were again caught engaging in Events of Default. In states providing for non-judicial foreclosures, Bank of America (and thus National City and CHLS/BACHLS) utilized a subsidiary of Bank of America called ReconTrust Company, N.A. ("ReconTrust"), to foreclose on homeowners. On August 4, 2011, ***the Attorney General for the State of Washington filed an action against ReconTrust alleging that the company "failed to comply with the procedures of [Washington state foreclosure laws] in each and every foreclosure it has conducted since at least June 12, 2008," and "systematically conceals, misrepresents or inaccurately divulges the true parties to the mortgage transaction," including misrepresenting the ownership of mortgage notes***.

- **August 2011**: *American Banker* reported that "***the largest mortgage servicers are still fabricating documents***" filed in foreclosure proceedings. The article reported the following:

> ***Several dozen documents reviewed by American Banker show that as recently as August some of the largest U.S. banks, including Bank of America Corp. [National City and CHLS/BACHLS], Wells Fargo & Co., Ally Financial Inc. [GMAC], and OneWest Financial Inc. [IndyMac], were essentially backdating paperwork necessary to support their right to foreclose***.
>
> ***Some of documents reviewed by American Banker included signatures by current bank employees claiming to represent lenders that no longer exist***.
>
> * * *
>
> "***It's one thing to not have the documents you're supposed to have even though you told investors and the SEC you had them," says Lynn E. Szymoniak, a plaintiff's lawyer in West Palm Beach, Fla. "But they're making up new documents***."
>
> * * *
>
> ***North Carolina consumer bankruptcy lawyer O. Max Gardner III says servicers and trustees often submit promissory notes in court without proper endorsements, which show the chain of title from one lender to another. Then, after the fact, there will be "a magically appearing note with a stamped endorsement," Gardner said***.
>
> ***When plaintiff's lawyers then try to depose the person whose name is stamped on the endorsement, "we're being told the person is no longer employed by the servicer or by the party for whom they signed," Gardner says***.
>
> ***Linda Tirelli, a New York bankruptcy lawyer, calls such mortgage documents "Ta-Da!" assignments because they seem to appear out of nowhere***.
>
> "***Why are they creating their own assignments to begin with?" asks Tirelli, who represents borrowers. "Why is this even an issue?***"

- **October 6, 2011**: Neil Barofsky, former Special Inspector General for the Troubled Asset Relief Program, or TARP, testified before a U.S. House Financial Services Subcommittee and stated that the Government Accountability Office ("GAO") "***confirmed . . . widespread anecdotal evidence of [loan] servicers' failures***" to properly service mortgage loans. Barofsky also confirmed that "***the widespread abuse suffered . . . at the hands of the mortgage servicers . . . has gone largely***

unaddressed . . . even though [the Government] has been aware of servicer misconduct since 2009," and further confirmed that "***rampant mortgage servicer abuse that has so strongly characterized the [financial] crisis . . . continues to go unpunished***."

- **November 11, 2011**: New York's Department of Financial Services came to an agreement with Warrantor Morgan Stanley and its Servicer Saxon Mortgage Services to drastically reform their loan servicing practices. Benjamin Lawsky, the Department's Superintendent of Financial Services stated: "***Today's agreements are an important step forward in cleaning up some of the mortgage industry's most troubling practices***," including robo-signing, the filing of false documents, improper refusals to modify loans, and the charging of improper fees.

- **December 2011**: It was reported that an Alabama bankruptcy court judge ruled that Wells Fargo, a Master Servicer or Servicer to at least seven of the 10 Covered Trusts, had filed ***at least 630 sworn foreclosure affidavits containing false facts***, including claims that borrowers were in arrears for amounts not actually due. Judge Margaret A. Mahoney had declared that "Wells Fargo 'took the law into its own hands'" and disregarded perjury laws.

- **January 2012**: The *Chicago Tribune* reported:

> ***Foreclosure-related case files in just one New York federal bankruptcy court, for example, hold at least a dozen mortgage documents known as promissory notes bearing evidence of recently forged signatures and illegal alterations, according to a judge's rulings and records reviewed by Reuters. Similarly altered notes have appeared in courts around the country***.
>
> ***Banks in the past two years have foreclosed on the houses of thousands of active-duty U.S. soldiers who are legally eligible to have foreclosures halted. Refusing to grant foreclosure stays is a misdemeanor under federal law***.
>
> ***The U.S. Treasury confirmed in November that it is conducting a civil investigation of 4,500 such foreclosures. Attorneys representing service members estimate banks have foreclosed on up to 30,000 military personnel in potential violation of the law***.
>
> * * *
>
> ***And in thousands of cases, documents required to transfer ownership of mortgages have been falsified. Lacking originals needed to foreclose, mortgage servicers drew up new ones, falsely signed by their own staff as employees of the original lenders – many of which no longer exist***.

- **February 9, 2012**: The U.S. Department of Justice and 49 states obtained "***a landmark $25 billion settlement," "the largest federal-state civil settlement ever obtained***," against the nation's five largest loan servicers for continuing "***mortgage loan servicing and foreclosure abuses***" (hereafter the "National Mortgage Settlement"). U.S. Attorney General Eric Holder called the servicers' misconduct "***reckless and abusive mortgage practices***." ***The five loan servicers charged by the U.S. and 49 states were repeat offenders – they had previously entered into the April 2011 consent orders. Four of the five serial offenders were Bank of America (which includes Servicers CHLS/BACHLS and National City), JPMorgan (which includes Servicers JPMorgan Chase and WaMu), Wells Fargo and Ally Financial (which includes Servicer GMAC)*** – Master Servicers or Servicers for ***seven of the 10 Covered Trusts***. These repeat offenders were charged with

> ***violations of state and federal law[;] . . . [the] use of "robo-signed" affidavits in foreclosure proceedings; deceptive practices in the offering of loan modifications; failures to offer non-foreclosure alternatives before foreclosing on borrowers with federally insured mortgages; and filing improper documentation in federal bankruptcy court***.

- **February 2012**: The New York Attorney General sued many of the Master Servicers and Servicers to the Covered Trusts – Wells Fargo, Bank of America (and therefore CHLS/BACHLS and National City), and JPMorgan Chase (and therefore WaMu), which collectively serviced Mortgage Loans for at least seven of the 10 Covered Trusts. The New York Attorney General also sued MERSCORP Inc. and its subsidiary Mortgage Electronic Registration Systems, Inc. (collectively, "MERS"). The lawsuit alleged that the Master Servicers and Servicers and MERS repeatedly submitted documents to courts in foreclosure proceedings that contained misleading and false information. The New York Attorney General stated: "'***Once the mortgages went sour, these same banks brought foreclosure proceedings en masse based on deceptive and fraudulent court submissions, seeking to take homes away from people with little regard for basic legal requirements or the rule of law***.'"

- **March 5, 2012**: U.S. Secretary of Housing and Urban Development, Shaun Donovan, stated in televised comments that "***as high as 60 percent of foreclosures were [still] being done wrong***."

- **March 30, 2012**: Jamie Dimon, CEO of JPMorgan Chase & Co., which owned and controlled Covered Trust Servicers JPMorgan Chase, a Servicer for the MSIX 2006-1 Covered Trust, and WaMu, a Servicer for the HVMLT 2006-8 Covered Trust, sent a letter to JPMorgan's shareholders admitting that JPMorgan Chase and WaMu engaged in robo-signing:

> ***Our servicing operations left a lot to be desired: There were too many paperwork errors, including affidavits that were improperly signed because the signers did not have personal knowledge about what was in the affidavits but, instead, relied on the company's processes***.

- **April 2, 2012**: Morgan Stanley's parent company entered into a "Consent Order to Cease and Desist" with the Federal Reserve that was substantially identical to the April 2011 consent orders, regarding its subsidiary, Covered Trust Servicer Saxon Mortgage Services. At various times, Saxon Mortgage Services was a Servicer for up to five of the 10 Covered Trusts. Like the April 2011 consent orders, Morgan Stanley/Saxon Mortgage Services consented to the entry of an order charging them with "***unsafe and unsound***" loan servicing practices, which included the ***filing of false affidavits in foreclosure proceedings that were also falsely sworn to be based on the personal knowledge of the affiants when in fact they were not, filing false affidavits which were also not properly notarized or signed in the presence of a notary, filing defective or false documents such as endorsed or assigned notes and mortgages, failing to properly staff, manage and supervise foreclosures, failing to properly communicate with borrowers prior to foreclosing, and failing to have adequate internal controls, policies, procedures, compliance risk management, audit, training, and oversight of their foreclosure processes, including failing to properly oversee third-party vendors and outside counsel prosecuting the foreclosures***. In February 2013, Morgan Stanley/Saxon Mortgage Services agreed to an amendment to their consent order, whereby they paid $97 million to borrowers who were improperly foreclosed on by them.

- **June 7, 2012**: Law professor Adam Levitin testified before a U.S. House Subcommittee, stating that ***the National Mortgage Settlement would "not deter future consumer fraud by too-big-to-fail" master servicers/servicers***, calling their conduct "***one of the most pervasive violations of procedural rights in history" supported by "evidence of widespread fraud [which] was too great to ignore***." Regarding the National Mortgage Settlement, Professor Levitin stated: "Critically for the purposes of this hearing, ***the settlement permits the banks to receive credit under the settlement by reducing principal or refinancing on mortgages that they service, but <u>do not own</u>," and therefore "servicers have strong incentives not to engage in principal write-downs on loans they own"; instead, "it appears likely that most of the principal reductions will come from <u>investor-owned mortgages</u>," i.e., Mortgage Loans like those in the Covered Trusts***. Professor Levitin concluded: "***I would expect servicers to perform some [principal reductions] that violate PSAs in order to get . . . settlement credit***."

- **December 2012**: An Ohio appeals court rendered a decision against Nationstar that revealed that Nationstar was engaging in the same Events of Default as the Covered Trusts' other Master Servicers and Servicers. In *Nationstar Mortg., LLC v. Van Cott*, No. L-12-1002, 2012 Ohio App. LEXIS 4999, at *1 (App. Ct. Ohio Dec. 7, 2012), the appeals court reversed a summary judgment of foreclosure in favor of Nationstar, holding that while Nationstar alleged in its complaint that it was "'entitled to enforce the Note pursuant to Section 1303.31 of the Ohio Revised Code, and the Mortgage was given to secure the Note' . . . Nationstar did not attach a copy of either the note or mortgage to its complaint and alleged that the note had been misplaced and could not be located." But, miraculously, a note and mortgage magically appeared at the time Nationstar filed its summary judgment motion. However, the appeals court noted that the note "***show[ed] no evidence of an assignment to Nationstar" and in***

fact "do[es] not show an assignment of . . . the note to anyone," contrary to Nationstar's allegations and affidavits. Id. at *15, *18. The court also noted that "an assignment of the mortgage . . . to Nationstar . . . was executed on September 3, 2010," but that "[t]he complaint was filed on August 23, 2010." Id. at *18. This clearly indicated that Nationstar had misrepresented the fact that it owned the note and mortgage at the time it filed suit, as required by Ohio law.

- **January 2013**: Bank of America was reported to still be committing Events of Default, as it had to pay Fannie Mae $1.3 billion "***to make up for dropping the ball on servicing mortgages . . . by delaying contacts with delinquent borrowers or failing to process foreclosures properly.***"

- **February 2013**: In a lawsuit to approve an $8.5 billion settlement between Bank of America and the trustee of 530 RMBS trusts concerning, *inter alia*, improper loan servicing by Covered Trust Servicer CHLS/BACHLS, ***objectors to the settlement provided evidence to the court establishing that CHLS/BACHLS breached the PSAs for 468 of the 530 trusts by improperly modifying first lien loans owned by the trusts, and thus causing losses to the investors, while simultaneously refusing to modify second lien loans it or Bank of America owned in order to avoid losses to themselves***.

- **March 4, 2013**: A class of nationwide borrowers sued Nationstar for improper loan servicing practices, alleging that Nationstar violated state and federal laws by making "***repeated misrepresentations***" and ***engaging in "deceptive***" business practices in connection with improperly denying loan modifications required by it under the HAMP program. ***The borrowers alleged that Nationstar operated "a system designed to wrongfully" deny borrowers loan modifications***.

- **March 7, 2013**: Nationstar was sued again, this time by an RMBS investor. The ***RMBS investor alleged that Nationstar was "not fulfill[ing] its duties as Master Servicer, but rather has engaged in practices to enrich itself at the expense of the . . . certificate holders***." ***The investor alleged that Nationstar was breaching its master servicing agreement with the RMBS trust and engaging in a "blatant abdication of its servicing duties under the governing contracts" by "auctioning off the trusts' mortgage loans in bulk . . . for amounts that are a fraction of the loans' unpaid balances or the value of the properties securing the loans***." The investor alleged these actions profited Nationstar, which recouped the fees it advanced, but injured investors. ***The court immediately issued a temporary restraining order against Nationstar and ordered it to stop selling the loans***. Nationstar thereafter quickly settled the case.

- **June 2013**: The *Charlotte Business Journal* reported that the monitor overseeing the administration of the National Mortgage Settlement found that Bank of America (and thus Covered Trust Servicers CHLS/BACHLS and National City) were not complying with the required servicing standards. The article stated: "***These aren't***

new allegations."[3] *The New York Times* reported that, in addition to Bank of America, Master Servicers/Servicers JPMorgan (and thus JPMorgan Chase and WaMu), Wells Fargo and GMAC (through Ally Financial) were also not complying with the settlement. *The New York Times* reported that the servicers had received "***almost 60,000 complaints***" from borrowers about their servicing misconduct, while:

> ***[S]tate officials have expressed deep disappointment with the banks' performance in other areas. Last month, lawyers in the office of Martha Coakley, the attorney general of Massachusetts, detailed what they said were hundreds of violations of the settlement, including a failure to adhere to the required timetable or provide reasons for the denial of an application***.
>
> ***They also pointed to cases where they said banks had improperly inflated the value of a loan before writing it down so as to claim a greater amount of relief, or where they had reverted to a higher interest rate while delaying, for months, the decision to make a trial loan modification permanent***.
>
> ***Soon after, Eric T. Schneiderman, the attorney general of New York, announced plans to sue Bank of America and Wells Fargo, saying they were repeatedly violating the terms of the settlement***.
>
> ***Lisa Madigan, the attorney general of Illinois, said there was an "alarming pattern" of violations of the servicing standards. In a review of servicer handling of loan modification requests in Illinois, she found that in 60 percent, servicers failed to comply with the time frame for notifying borrowers of missing documents and in 45 percent they made multiple requests for the same documents***.
>
> ***Pam Bondi, the attorney general of Florida, has written letters to Bank of America and Wells Fargo detailing similar complaints that are resolved only by the intervention of her office***.

- **June 2013**: *CBC News* reported that former employees of Bank of America (which includes National City and CHLS/BACHLS) had filed sworn affidavits in cases against the bank revealing conduct amounting to Events of Default

> ***Former Bank of America employees say in court documents that the bank routinely lies to customers about their mortgages, and denies their requests for modifications without even looking at the paperwork***.
>
> ***In sworn affidavits, four former employees, for example, describe policies in place at the bank that they say are designed to subvert the Home***

[3] In fact, Bank of America would subsequently be found to not be in compliance by the monitor several additional times.

Affordable Modification Program (HAMP), 2009 government-sponsored initiative that was designed to keep distressed homeowners above water during the depths of the housing crises.

The affidavits are part of multiple court cases against the bank brought by homeowners who say they were unfairly foreclosed upon.

* * *

The former workers allege there's a bank-wide policy that encourages mortgage officers to delay and avoid that process as much as possible, to foreclose on customers who shouldn't have been, and to generally lie and mislead.

According to one affidavit, a mortgage processor who put 10 or more houses into foreclosure in any given month was eligible for a $500 cash bonus, or gift cards at a major retailer.

The sworn affidavits were made public recently on the website of ProPublica, an independent, non-profit news service that produces investigative journalism in the public interest.

The employees say the bank also went out of its way to mislead, stall and delay paperwork so that customers would be denied changes to their mortgages, and forced into arrangements that were more profitable to the bank than HAMP arrangements were.

"***We were told to lie to customers and claim that Bank of America had not received documents it had requested, and that it had not received trial payments [when in fact it had]," said Simone Gordon, a senior collector of loss mitigation at the bank for five years until early 2012***.

Another ex-worker, Theresa Terrelonge, agreed that subverting HAMP to the bank's benefit was an overarching goal for the bank.

"***Based on what I observed, Bank of America was trying to prevent as many homeowners as possible from obtaining permanent HAMP loan modifications while leading the public and the government to believe that it was making efforts to comply with HAMP," she said***.

* * *

"***It was well known among managers and many employees that the overriding goal was to extend as few HAMP loan modifications to homeowners as possible***."

> ***She also said that Bank of America "collectors" who failed to meet their quotas were fired for not putting enough customers into foreclosure. "Several of my colleagues were terminated on that basis," she said***.
>
> ***Another former employee, William Wilson, said the bank would routinely delay filing appropriate paperwork after receiving it, in order to have certain penalties kick in. After waiting 60 days, the bank would automatically reject them all***.
>
> "***During a blitz, a single team would decline between 600 and 1,500 modification files at a time for no reason other than the documents were more than 60 days old," Wilson said***.
>
> "***Once an applicant was finally rejected after a long delay, the bank would offer them an alternative. Bank of America would charge a higher interest rate*** . . . ."
>
> ***Wilson alleges he was fired in August 2012 for refusing to go along with the scheme any longer***.
>
> * * *
>
> ***The employees allege the bank would routinely file false paperwork to [the] government suggesting it had far more HAMP-backed loans on its books than was the reality***.
>
> "***It was well known among Bank of America employees that the numbers Bank of America was reporting to the government and to the public were simply not true," Steven Cupples said. Cupples worked at the bank until June 2012. He previously worked at Countrywide, the lender at the center of America's subprime mortgage crisis that was subsequently taken over by Bank of America***.

- **September 2013**: Salon.com reported that Covered Trust Servicer Nationstar was engaging in an "***appalling new way to cheat homeowners***." The article stated:

> ***A few months ago, Ceith and Louise Sinclair of Altadena, California, were told that their home had been sold. It was the first time they'd heard that it was for sale.***
>
> ***Their mortgage servicer, Nationstar, foreclosed on them without their knowledge, and sold the house to an investment company. If it wasn't for the Sinclairs going to a local ABC affiliate and describing their horror story, they would have been thrown out on the street, despite never missing a mortgage payment. It's impossible to know how many homeowners who didn't get the media to pick up their tale have dealt with a similar catastrophe, and eventually lost their home.***

* * *

> ***Nationstar has racked up an impressively horrible customer service record in its short life, failing to honor prior agreements with borrowers and pursuing illegal foreclosures. The fact that Nationstar and other corrupt companies like it are beginning to corner the market for mortgage servicing should trouble not only homeowners, but the regulators tasked with looking out for them. It didn't seem possible that a broken mortgage servicing industry could get worse, but it has.***

* * *

> ***[But] Nationstar is no different. . . . While the company promised California that it would adhere to all settlement obligations on the servicing rights it purchases, the Sinclairs were subjected to familiar abuse. The family paid their mortgage on time since purchasing their home in 2003. Last year, they received a loan modification. But their servicer sold the rights to Nationstar, and Nationstar didn't honor the modification. In June, the Sinclairs sent in their mortgage payment, and Nationstar sent it back in full. Then it sold the home. When questioned, Nationstar claimed the Sinclairs didn't notarize one page of their modification, which turned out to be untrue.***
>
> ***It was a clear attempt to find an excuse to deny the modification and push the Sinclairs into foreclosure. Mortgage servicers actually make more money with foreclosures than with loan modifications, because of how their compensation structure works. Servicers load up various foreclosure fees on homeowners that they get to keep, and they get paid off first in a foreclosure sale. A loan modification simply cuts their percentage balance on the loan.***

- **November 2013**: JPMorgan Chase & Co. (owner of Servicers JPMorgan Chase and WaMu) announced that it had entered into a tentative settlement whereby it would pay ***$4.5 billion*** to settle R&W ***and loan servicing claims for tens of thousands of loans in 330 RMBS trusts***.

- **November 2013**: Standard & Poors estimated that the largest loan servicers' exposure for improper loan servicing was approximately ***$30 billion***.

- **December 2, 2013**: Covered Trust Servicer Nationstar had its foreclosure action dismissed because it engaged in of numerous instances of misconduct, as the court held:

> ***[Nationstar] counsel conceded that there was no properly filed verified amended complaint and that they had been proceeding for more than a year as if there was. It was further conceded that [the borrower's] counsel had inexplicably been left off the service list and did not receive notice of***

> ***prior hearings and filings. . . . Instead, many of the pleadings were directed to the client and [borrower], Jennie Cassady without notice to her attorney. No plausible explanation was provided***.
>
> . . . [Nationstar] now seeks once again for permission to properly file an Amended Verified Complaint, almost two years from the date leave to amend was initially granted. Further, [Nationstar] was on notice since December of 2010 that it was delinquent in posting a non-resident cost bond in accordance with § 57.011, Fla. Stat. No bond has yet to be filed and the 20 day grace period under the statute has long since expired. . . . ***[Nationstar] [has engaged in] years of delay and willful and deliberate inaction and inattention to court orders, as well as the questionable behavior of counsel in failing to ensure timely service of notices and pleadings to [the borrower's] attorney and not the client. [Nationstar's] repeated failure to file the cost bond even when put on notice to do so nearly three years ago in and of itself is a sufficient basis for dismissal of this action.[fn]***
>
> * * *
>
> ***[fn] [Nationstar] was not just "tardy" but deliberately obstinate and recalcitrant in ignoring the "safe harbor" warning given in 2010 and other later notices by the [borrower]***.

Nationstar Mortgage LLC v. Cassady, et al., No. 502010CA28180AXXXXMB, slip op. at 2-3 & n.2 (Fla. Cir. Ct. Palm Bch. Cnty. Dec. 2, 2013).

- **January 2014**: A class action was filed against Covered Trust Servicer Nationstar in Nevada, alleging as a similar class action filed in February 2011 had, that Nationstar improperly refused to honor loan modification agreements, as well as "***assessed unwarranted penalties and costs***."

- **February 2014**: Steven Antonakes, Deputy Director of the CFPB, confirmed that the loan servicing industry as a whole was continuing its servicing abuses and Events of Default. At the Mortgage Bankers Association's National Mortgage Servicing Conference in February 2014, Antonakes gave a speech which took the industry to task, stating: "***Nearly eight years have passed and I remain deeply disappointed by the lack of progress the mortgage servicing industry has made***." Antonakes stated that ***the CFPB was still receiving "around 4,900 complaints per month" concerning mortgage servicing, and "too many [borrowers] continue to receive erratic and unacceptable treatment. . . . This kind of continued sloppiness is difficult to comprehend and not acceptable. It is time for the paper chase to end. . . . It has felt like 'Groundhog Day' with mortgage servicing for far too long***." Antonakes also said the pervasive practice of successor servicers failing to honor loan modification agreements with prior servicers "would not be tolerated," and that the servicing industry's continuing deceptive practices would not be allowed: "***There will be no more shell games where the first servicer says the transfer ended all of its responsibility . . . and the second servicer" claims***

ignorance about the modification. Antonakes summed up his speech as follows, which clearly indicated that the industry still had not stopped committing Events of Default:

> ***My message to you today is a tough one. I don't expect a standing ovation when I leave. But I do want you to understand our perspective. I would be remiss if I did not share it with you.***
>
> ***In our view, the intense human suffering inflicted on American consumers by an all-too-frequently indifferent mortgage servicing system has required us to change the paradigm in mortgage servicing forever. Frankly, the notion that government intervention has been required to get the mortgage industry to perform basic functions correctly – like customer service and record keeping – is bizarre to me but, regrettably, necessary. . . .***
>
> ***But please understand: if you choose to operate in this space, the fundamental rules have changed forever. It's not just about collecting payments. It's about recognizing that you must treat Americans who are struggling to pay their mortgages fairly before exercising your right to foreclose. We have raised the bar in favor of American consumers and we are ready, willing and able to vigorously enforce that bar.***
>
> ***Ultimately, these profound changes will be good for all Americans, including industry. But please understand, business as usual has ended in mortgage servicing. Groundhog Day is over. Thank you.***

- **March 2014**: *The Washington Post* reported on a foreclosure lawsuit filed in federal court in New York in which an internal Wells Fargo "foreclosure manual" was filed. The borrower's attorney asserted that the internal manual instructed attorneys working for Master Servicer/Servicer Wells Fargo about how to essentially perform robo-signing and create false foreclosure documents. The borrower's attorney was reported to have stated: "'***This is a blueprint for fraud. . . . The idea that this bank is instructing people how to produce these documents is appalling***.'" *The Washington Post* further reported that ***the borrower's attorney "has long suspected Wells Fargo of manufacturing documents. A number of her past cases involving the bank featured mortgage notes that were not endorsed by anyone, but when she brought it to Wells Fargo's attention the bank would 'magically' produce[] the document." It happened so frequently to this attorney and her colleagues "that they started to call paperwork 'ta-da' documents***." This revealed unequivocal evidence that Wells Fargo – a Master Servicer/Servicer for at least seven of the 10 Covered Trusts – had an established, uniform ***and written practice manual*** that directed the company-wide manufacture of falsified, robo-signed documents, a clear Event of Default.

- **March 5, 2014**: New York State's Department of Financial Services Superintendent Benjamin Lawsky sent a letter to Nationstar stating: "***We have received hundreds of complaints from New York consumers about your company's mortgage***

modifications, including problems related to mortgage modifications, improper fees, lost paperwork, and numerous other issues."

- **May 23, 2014:** Wells Fargo settles a derivative action by its shareholders against Wells Fargo executives alleging they allowed foreclosure abuses to occur, including improper robo-signing and the filing of false affidavits not based on personal knowledge. Wells Fargo paid $67 million to settle the case.

- **May 29, 2014:** News reports indicate that the U.S. Attorney's office in Manhattan is investigating five loan servicers, including Covered Trust Servicer PHH, for overcharging the Government for expenses incurred during foreclosures.

APPENDIX 6

- **April 2004**: The OTS instituted an enforcement action against Ocwen Federal Bank. The OTS found that Ocwen had ***engaged in illegal, unsafe and unsound collection practices***. As a result, Ocwen entered into a written "supervisory agreement" with the OTS, in which it agreed to improve its compliance with numerous federal laws, including the Real Estate Settlement Procedures Act, the Fair Debt Collection Practices Act and the Fair Credit Reporting Act. The *Palm Beach Post* reported that Ocwen entered into the agreement with the OTS after being "[f]looded" with "hundreds" of complaints by borrowers, consumer advocates and class-action attorneys, and "several proposed class-action suits against Ocwen." [1]

- **November 29, 2005**: In a lawsuit in which Deutsche Bank, Ocwen and others were co-defendants, a jury rendered ***an $11.5 million verdict in favor of a borrower and against Ocwen arising out of Ocwen's misservicing of the loan***. *See Davis v. Ocwen Loan Servicing LLC, et al.*, No. 2004 CV 1469 (Tex. Dist. Ct. Galveston Cnty. Nov. 29, 2005) (Honorable Susan Criss). The jury award included $10 million in punitive damages because of the egregious misconduct engaged in by Ocwen (the jury award was later reduced to $1.8 million by agreement of the parties). According to borrower Davis's attorney, in February 2002, Ms. Davis, 64, took out a $31,000 home equity loan on the Texas City residence where she had lived since 1942. In 2003, Davis became ill and spent four days in the hospital, which forced her to miss one loan payment. Ocwen told her it would put her on a payment plan, but never did. Ocwen also failed to credit Davis for the money she paid, and began to foreclose on her house while continuing to assure her she was on a payment plan. Ocwen eventually foreclosed on Davis's home, and she filed for bankruptcy in the hopes of ending Ocwen's harassment. During the bankruptcy, however, Ocwen requested an additional $390 to cover its costs and fees related to the default she already cured. At trial, a former Ocwen employee provided uncontradicted testimony concerning Ocwen's unfair business practices, including ***paying incentives to its loan collectors for moving properties with equity into foreclosure. The former employee testified that Ocwen employees would review their records to identify loans on properties in which the borrowers had equity, and then prey on the borrowers by improperly manufacturing ways to falsely foreclose on them***. The former employee testified that they selected homes with equity because it ensured that there was money to pay the Ocwen employees their incentive payments once they wrongfully foreclosed. The evidence also showed that ***Ocwen engaged in predatory servicing by not informing borrowers of how to make their loans current and failing to give credit for payments when they were made, in order to artificially manufacture the foreclosures***. The jury found that Ocwen made fraudulent, deceptive and misleading

[1] In order to escape further scrutiny from the OTS, and to avoid being held accountable under the supervisory agreement, Ocwen then quickly dissolved Ocwen Federal Bank, and created non-bank Ocwen Loan Servicing LLC, taking itself outside of the OTS's jurisdiction. In this way, Ocwen could continue to operate its fraudulent business model without OTS monitoring interference.

representations to Davis after she missed a loan payment while hospitalized in 2003. Davis's attorney, Robert Hilliard of Corpus Christi, said: "***The jury believed that Ocwen has a scheme of stealing homes" by classifying timely payments as late and then beginning a foreclosure proceeding***.

- **January 23, 2006**: The *South Florida Business Journal* reported:

> ***The Business Journal's review of court filings shows Ocwen and affiliates are defendants in more than 500 civil suits filed in federal courts since 2002. Many of the cases have more than one customer among plaintiffs. About 100 of the cases are still pending***.
>
> * * *
>
> ***Plaintiff lawyers are currently seeking class action status for 57 federal cases being consolidated in Chicago and the West Palm Beach company says it is facing 331 lawsuits altogether. . . . The allegations are sometimes harsh - one plaintiff describes the company's actions as "naked fraud[.]***"
>
> * * *
>
> ***Ocwen probably isn't done with [Attorney] Hilliard. The attorney said he is preparing to file about 100 suits for Texas residents who claim Ocwen falsified mortgage payments and began foreclosure proceedings***.

- **March 2009**: *ProPublica* published an article examining Ocwen, stating:

> ***[Ocwen's] business practices have also drawn a wide array of criticism from customers, consumer advocates and the federal government itself***.
>
> * * *
>
> Ocwen got a lucrative contract in 2003 to manage and sell thousands of foreclosed properties owned by the Department of Veterans Affairs, but a report from the Government Accountability Office in 2007 panned Ocwen's performance and said the "***VA also has not been satisfied with Ocwen's performance***": Ocwen racked up $1.3 million in penalties from the VA in the last three quarters of 2005 (at the height of the housing boom) for failing to meet sales targets.
>
> There were other problems too: ***Ocwen charged the VA for home-upkeep repairs that were never made, the GAO reported. Houses fell into disrepair and were covered in "trash and debris," which the GAO suspects might have lowered property values***.
>
> * * *

But that wasn't Ocwen's only run-in with the federal government.

> ***In 2000, Ocwen Federal Bank, a now-defunct subsidiary, paid $50,000 to settle . . . charges from HUD concerning various rule violations on its loan servicing. Four years later, the Office of Thrift Supervision forced Ocwen Federal Bank to sign an agreement . . . promising to improve its compliance with fair-lending laws.***
>
> ***John Taylor, president of the National Community Reinvestment Coalition, cited those regulatory actions when criticizing the VA's choice of Ocwen in 2003. "Why would you want, when you have a repeated history of problems, to expose VA housing to a potential predator?" he asked in American Banker***.
>
> * * *
>
> ***Ocwen has ranked last in J.D. Power and Associates' survey of customer service at mortgage servicers for the last three years in a row. Frustrated customers point specifically to its tortuous and unhelpful phone services***.
>
> * * *
>
> ***Ocwen didn't fare much better with the Better Business Bureau of Central Florida, which has received 520 complaints about Ocwen in the last 36 months and slapped it with an F, its lowest rating***.
>
> * * *
>
> ***Ocwen has in fact been accused of predatory practices in a slew of lawsuits in the last few years. Frequent allegations include that Ocwen falsely classifies timely payments as late, charges unwarranted fees and improperly starts foreclosure proceedings.***

- **May 2009**: A Louisiana bankruptcy court judge blasted Ocwen, after being subjected to its repeated violations of the bankruptcy code for which the court had repeatedly sanctioned it. *See In re McKain*, No. 08-10411, 2009 Bankr. LEXIS 2519, at *5-*8, *10-*11 (Bankr. E.D. La. May 1, 2009), *rev'd on other grounds*, *Ocwen Loan Servicing, LLC v. McKain*, No. 09-3662, slip op. (E.D. La. Aug. 15, 2011). The court held:

> ***<u>Ocwen's History</u>***
>
> ***This is not the first time Ocwen has appeared before the Court for improperly administering a loan or attempting to collect fees and costs to which it was not entitled. The Court has been involved with six other cases [fn] in the last four years where Ocwen either included improper fees in its claim; attempted to collect, post-discharge, fees and costs that were***

> ***undisclosed but assessed during a bankruptcy; or attempted to foreclose on disallowed or discharged debt***.
>
> * * *
>
> ***Ocwen has consistently shown an inability or refusal to comply with the[] basic statutory tenets [of the bankruptcy code]. As a result, discharged debtors have continued to incur the threat of foreclosure and collection of debts that have been discharged or disallowed. Ocwen has failed to disclose the assessment of postpetition charges to others, misleading them into a false sense that a fresh start was theirs to enjoy***.
>
> * * *
>
> ***Ocwen has repeatedly abused the claims process and failed to honor the discharge injunction by attempting to collect from debtors and their bankruptcy estate disallowed or undisclosed debts. The Court finds that this practice is in bad faith. . . . The record reflects that this is an ongoing pattern . . . . The Court has repeatedly struck improper charges and has issued monetary sanctions against Ocwen. Ocwen's continuing disregard for bankruptcy law and procedure is a clear indication that monetary sanctions are simply ineffective***.
>
> * * *
>
> ***[fn]It is likely that there are many additional cases where this activity has occurred, but not all debtors' counsel carefully monitor creditors' proof of claims***.

- **August 2009**: The *Southeast Texas Record* reported on a lawsuit filed against Ocwen for wrongfully foreclosing on a borrower even though she was current on her payments. The complaint alleged that Ocwen did not properly apply loan payments that were made in order to improperly manufacture a foreclosure, fraudulently assessed improper fees, costs, interest and charges, and violated state laws.

- **December 2010**: The Florida Attorney General's office compiled a presentation titled "Unfair, Deceptive and Unconscionable Acts in Foreclosure Cases." The Attorney General's presentation contained "copies of allegedly forged signatures, false notarizations, bogus witnesses and improper mortgage assignments," including ***documents signed by Ocwen employee "Scott Anderson." Anderson's signatures had been signed by at least four different persons, an obvious act of robo-signing***.

- **January 2011**: The United States District Court for the Eastern District of North Carolina entered an order affirming a bankruptcy court order ***holding Ocwen in contempt of court for violating a discharge injunction and a bankruptcy court order***. *See In Re Adams*, No. 5:10-CV-340-BR, 2011 U.S. Dist. LEXIS 158090, at *13 (E.D.N.C. Jan. 24, 2011). The District Court held that "***Ocwen's conduct was***

. . . reprehensible" and that Ocwen "transmitted an inaccurate payoff quote and loan history; . . . assessed discharged principal, fees, and costs; reported inaccurate information to credit reporting agencies; ***and, most importantly, after the inaccurate information had been brought to its attention a number of times, failed to correct the information." The District Court found that the foregoing misconduct by Ocwen was "willful and intentional," id. at *21, and thus merited punitive damages***.

- **March 2011**: The FTC began investigating Ocwen's foreclosure practices and demanded the production of documents relating to Ocwen's loan servicing activities.

- **June 2011**: The U.S. Treasury Department found that Ocwen's loan servicing practices were in need of "substantial improvement."

- **July 2011**: A foreclosure action by an RMBS trustee was dismissed with prejudice by a New York State court judge, in large part because ***three Ocwen employees had improperly "robo-signed" foreclosure documents in the case***. *See HSBC Bank USA, N.A. v. Taher*, 932 N.Y.S.2d 760 (N.Y. Sup. Ct. Kings Cnty. 2011). ***The court specifically singled out the aforementioned Ocwen robo-signer, Scott Anderson, and noted that it too had observed that there were at least four different variations of his signatures in the cases before the court***.

- **July 2011**: *Reuters* reported that Ocwen was still engaging in widespread robo-signing:

> ***Reuters . . . identified at least six "robo-signers," individuals who in recent months have each signed thousands of mortgage assignments – legal documents which pinpoint ownership of a property. These same individuals have been identified – in depositions, court testimony or court rulings – as previously having signed vast numbers of foreclosure documents that they never read or checked***.
>
> ***Among them: Christina Carter, an employee of Ocwen. . . . Her signature – just two "C"s – has appeared on thousands of mortgage assignments and other documents this year***.
>
> ***In a case involving a foreclosure [the HSBC discussed above], a New York state court judge called Carter a "known robo-signer" and said he'd found multiple variations of her two-letter signature on documents, raising questions about whether others were using her name***.

Reuters also reported that it had found that "in recent months," Ocwen "filed foreclosure documents of questionable validity."

- **September 1, 2011**: The New York Department of Financial Services required Ocwen to enter into an agreement reforming its robo-signing practices by, among other things, ensuring that foreclosure affidavits were true, accurate, and correct,

were based on personal knowledge, and were properly notarized, and by withdrawing any of its pending foreclosure proceedings that used false affidavits, as well as agreeing to a host of other reforms designed to stop its improper loan servicing activities.

- **September 2011**: Ocwen was held in contempt of court in *In re Phillips*, No. 02-66299, 2011 Bankr. LEXIS 3780 (Bankr. N.D. Ohio Sept. 29, 2011) (Ocwen and Deutsche Bank both held in contempt for Ocwen's violations of bankruptcy discharge injunction). *See also In re Englert*, 495 B.R. 266, 269 (Bankr. W.D. Pa. 2013) ("[T]he Court . . . found Ocwen in further contempt for which further sanctions would be addressed at the Rule to Show Cause hearing.").

- **April 30, 2012**: The Sixth Circuit Court of Appeals reversed an order dismissing the borrowers' complaint alleging that co-defendants Deutsche Bank and Ocwen were violating the Fair Debt Collection Practices Act. *See Bridge v. Ocwen Fed. Bank*, 681 F.3d 355, 356-57 (6th Cir. 2012). The Court of Appeals held:

> ***The Fair Debt Collection Practices Act was passed to protect consumers against both abusive and mistaken collection activity. This case reveals why. It began with seemingly innocuous accounting errors on the part of a bank that were corrected. Despite repeated proof of that correction, unremitting collection activity was undertaken, foreclosure proceedings were instituted, and the credit of two consumers was seriously impaired***.
>
> * * *
>
> ***Ocwen . . . began dunning Bridge and her husband, who is not a co-borrower on the mortgage loan, for the May payment claimed to be overdue, despite proof [that is was not overdue because] of the double payment submitted by Bridge to Ocwen and Aames. Since then Ocwen has: made endless collection calls by phone to Mr. and Mrs. Bridge, despite cease and desist requests and registry on the federal "Do Not Call" directory; threatened foreclosure; assessed monthly late fees; and reported derogatory information to the credit reporting agencies. Additionally, the law firm . . . allegedly retained by Ocwen, sent a collection letter to Bridge threatening foreclosure***.

- **July 19, 2012**: A bankruptcy court in Kentucky issued its decision, findings of fact and conclusions of law after a trial in an adversary proceeding involving Ocwen and a borrower. *See In re Tolliver*, No. 09-21742, 2012 Bankr. LEXIS 3333, at *3, *6-*7 (Bankr. E.D. Ky. July 19, 2012). The court blasted Ocwen for its misconduct:

> ***Defendants [Ocwen and the co-defendant RMBS trustee] breached the terms of the Note and Mortgage by applying unauthorized late charges, costs and fees to [the Plaintiff borrower's] account and breached an implied contractual duty of good faith and fair dealing. . . . Ocwen***

misrepresented the status of the Plaintiff's Loan to fraudulently induce her to enter into [improper forbearance] agreements when, but for Ocwen's unauthorized acts, the Plaintiff had paid her Loan in full. The Plaintiff, having overpaid her Loan, is entitled to compensatory and punitive damages for the Defendants' breach of contract and implied covenant of good faith and fair dealing, fraud, and conversion.

* * *

Ocwen proceeded to mishandle the servicing of the Plaintiff's Loan by misapplying her payments contrary to the terms of the Note and Mortgage and assessing unauthorized fees and charges. This forced the Plaintiff into a constant state of default, allowing Ocwen to profit by continuing to assess more fees and charges based on her default status. Ocwen knew or should have known that it could not charge these fees and charges, yet Ocwen misrepresented to the Plaintiff that her Loan was in default thereby forcing the Plaintiff to enter into a series of meaningless oral and written forbearance agreements, none of which allowed her to cure her alleged default and two of which contained provisions that Ocwen ultimately argues excuses its misbehavior. These provisions, found in the 2004 and 2005 written forbearance agreements, allowed Ocwen to charge these unauthorized fees to the Plaintiff's account and required the Plaintiff to waive any claims it had against Ocwen. But for Ocwen's misapplication of her payments, and contrary to Ocwen's representations, the Plaintiff had actually paid her Loan in full by October 2004. As a result of Ocwen's actions, the Plaintiff has overpaid her Loan by thousands of dollars.

- **December 5, 2012**: The New York Department of Financial Services announced that Ocwen was violating its prior agreement with the Department to refrain from engaging in misconduct. The Department's press release stated:

> "***[W]e conducted a targeted exam of Ocwen's performance and discovered gaps in the company's compliance. The Department is requiring the company to hire a monitor so that we can be sure that the reforms are implemented and homeowners have a real chance to avoid foreclosure***."

* * *

The Department's examination of Ocwen's mortgage servicing practices found that, in some instances, the company failed to demonstrate that it had sent out required 90-day notices before commending foreclosure proceedings or even that it had standing to bring the foreclosure actions. The exam also revealed gaps in Ocwen's Servicing Practices, including indications that in some instances it failed to provide the single point of contact for borrowers; pursued foreclosure against borrowers seeking a loan modification; failed to conduct an independent review of denials of

loan modifications; and failed to ensure that borrower and loan information was accurate and up-to-date.

APPENDIX 7

- **February 2014**: Large institutional investors Pimco and BlackRock were considering legal action against Ocwen concerning its misconduct relating to loan modifications.

- **February 12, 2014**: National Mortgage News reported that New York banking Superintendent Lawsky "unleashed a verbal assault on nonbank servicer Ocwen" in a speech to the New York Bankers Association. The article reported:

> ***Lawsky said Ocwen's public documents make "for startling reading." He sees "corners being cut," by nonbank servicers that have touted their ability to help distressed borrowers.***
>
> ***"We have serious concerns that some of these nonbank mortgage servicers are getting too big, too fast," Lawsky told New York bankers…. "We see far too many struggling homeowners getting caught in a vortex of lost paperwork, unexplained fees and avoidable foreclosures."***
>
> * * *
>
> ***But he took particular umbrage by Ocwen's assertions that it can service delinquent loans at a cost that is 70% lower than the rest of the industry, calling into question its entire servicing model.***
>
> ***"Those kinds of cost-saving claims bear special scrutiny," Lawsky said. "Regulators have to ask whether the purported efficiencies at nonbank mortgage servicers are too good to be true."***
>
> * * *
>
> Lawsky made specific references to servicers' difficulty in handling the transfer of documents and dealing with distressed borrowers.
>
> "***We see electronic loan files strewn around the globe with no one who knows how to pull them together," Lawsky said. "We see a virtual potpourri of computer systems containing critical borrower information, but no one who knows how to extract that information at the right time and for the right purpose***."

- **February 26, 2014**: Lawsky's office then sent a letter to Ocwen. As reported by *HousingWire*, Lawsky was very concerned about a

> "***number of potential conflicts of interest" [Ocwen had] with other public companies it's dealing with, and he wants his questions answered.***
>
> * * *

Lawsky's letter demands that Ocwen more specifically detail the relationship and financial connection between the companies' executives and employees, and for information regarding any other agreements between Ocwen and other companies.

"Presently, Ocwen's management owns stock or stock options in the affiliated companies. This raises the possibility that management has the opportunity and incentive to make decisions concerning Ocwen that are intended to benefit the share price of affiliated companies, resulting in harm to borrowers, mortgage investors, or Ocwen shareholders as a result."

In addition to information on Ocwen's officers, directors and employees, Lawsky's office wants all documents sufficient to show the nature and extent of services provided to Ocwen by each of the affiliated companies, including all agreements for such services, and copies of all agreements between Ocwen and the affiliated companies concerning procurement of third party services. Ocwen is also being probed about its agreements concerning the outsourcing of information management to the affiliated companies.

- **February 27, 2014**: *Bloomberg BusinessWeek* reported:

> ***As of mid-February, American homeowners had filed more than 9,000 mortgage-related complaints against Ocwen – the highest number of any non-bank servicer, according to data from the Consumer Financial Protection Bureau in Washington***.
>
> * * *
>
> "***Ocwen is one of the most complained about servicers when we ask housing counselors and lawyers what they are seeing," said Kevin Stein, associate director of the California Reinvestment Coalition, a San Francisco-based consumer advocacy group. "We're hearing a lot about foreclosing because of bad servicing practices***."

- **March 2014**: A New York federal court denied Ocwen's motion to dismiss and allowed a class action to proceed against it and others alleging that Ocwen misled borrowers about loan modifications. *See Dumont v. Litton Loan Servicing, LP*, No. 12-cv-2677-ER-LMS, 2014 U.S. Dist. LEXIS 26880 (S.D.N.Y. Mar. 3, 2014).

- **April 2014**: *Reuters* reported that Superintendent Lawsky was going after Ocwen again and demanding information. The *Reuters* article stated:

> ***New York's banking regulator is probing Ocwen Financial Corp, which collects mortgage payments, for potentially over charging borrowers and investors to auction off foreclosed properties it services***.

Benjamin Lawsky, superintendent of New York's Department of Financial Services, sent a letter to Ocwen saying he was concerned the company and an affiliate, Altisource Portfolio Solutions SA, were engaged in so-called self-dealing through an online auction site called Hubzu.

Self-dealing is when a company represents its own interests in a transaction, rather than those of a client.

Ocwen uses Hubzu, an Altisource Portfolio subsidiary, to auction off borrower homes facing foreclosure and foreclosed investor-owned properties. When Ocwen selects Hubzu to host foreclosure or short sale auctions, the letter said, the Hubzu auction fee is 4.5 percent; when Hubzu is competing for business on the open market, its fee is as low as 1.5 percent.

"***The relationship between Ocwen, Altisource Portfolio and Hubzu raises significant concerns regarding self-dealing," the letter said, adding that it raises questions about whether the companies are charging inflated fees through conflicted business relationships that may hurt homeowners and investors***.

- **May 2014**: Superintendent Lawsky spoke at the Mortgage Bankers Association Secondary Market Conference on May 20, 2014. *HousingWire* reported the following:

Lawsky says that part of the DFS's focus on Ocwen is because his office's review of nonbank servicers has also turned up another enormous profit center associated with these MSRs that could put homeowners and mortgage investors at risk: the provision of what they call ancillary services.

"Now, in most circumstances, there's nothing inherently wrong with companies and their affiliates providing a range of ancillary services," Lawsky said. "This is the extraordinary circumstance where there effectively is no customer to select its vendor for ancillary services. Nonbank servicers have a captive and often confused consumer in the homeowner.

"***So who makes the decision about where to procure these ancillary services, and how much of the investor's or the borrower's money to pay for them? It's usually the servicer, seemingly with no oversight whatsoever. The very same servicer that benefits – either directly or indirectly – from the profitability of the affiliated companies that provide these services," Lawsky said***.

Specifically, Lawsky is referring to the latest move DFS made against Ocwen, when it sent a letter to Ocwen's general counsel demanding

answers to questions about Ocwen and how it operates in relation to its subsidiaries, Hubzu and Altisource.

"***The potential for conflicts of interest and self-dealing here are perfectly clear. Servicers have every incentive to use these affiliated companies exclusively for their ancillary services, and they often do. The affiliated companies have every incentive to provide low-quality services for high fees, and they appear in some cases to be doing so," Lawsky said. "In the context of the nonbank mortgage servicing market, homeowners and investors are at risk of becoming fee factories***."

- **May 2014**: Ocwen was sued again by another class of borrowers, alleging Ocwen failed to timely file notices of satisfaction of the loans in violation of federal and state laws. Complaint, *Dempsey v. Ocwen Loan Servicing LLC*, No. 14-CV-2824 (E.D. Pa. May 15, 2014).

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EXHIBIT A

HSI ASSET SECURITIZATION CORPORATION,
Depositor

NATIONAL CITY HOME LOAN SERVICES, INC.,
Servicer

FIRST FRANKLIN FINANCIAL CORPORATION,
Mortgage Loan Seller,

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

and

DEUTSCHE BANK NATIONAL TRUST COMPANY,
Trustee

POOLING AND SERVICING AGREEMENT

Dated as of June 1, 2006

FIRST FRANKLIN MORTGAGE LOAN TRUST 2006-FF9

MORTGAGE PASS-THROUGH CERTIFICATES,
SERIES 2006-FF9

TABLE OF CONTENTS

ARTICLE VIII

CONCERNING THE TRUSTEE

ARTICLE IX

ADMINISTRATION OF THE MORTGAGE LOANS
BY THE MASTER SERVICER

ARTICLE X

CONCERNING THE SECURITIES ADMINISTRATOR

ARTICLE XI

TERMINATION

ARTICLE XII

MISCELLANEOUS PROVISIONS

SCHEDULES

EXHIBITS

THIS POOLING AND SERVICING AGREEMENT, dated as of June 1, 2006, among HSI ASSET SECURITIZATION CORPORATION, as depositor (the " Depositor "), NATIONAL CITY HOME LOAN SERVICES, INC., as servicer (the " Servicer "), FIRST FRANKLIN FINANCIAL CORPORATION, as mortgage loan seller (the " Mortgage Loan Seller "), WELLS FARGO BANK, N.A., a national banking association, as master servicer (in such capacity, the " Master Servicer ") as securities administrator (in such capacity, the " Securities Administrator ") and as custodian (in such capacity, "the Custodian "), and DEUTSCHE BANK NATIONAL TRUST COMPANY, a national banking association, as trustee (the " Trustee ").

W I T N E S S E T H :

In consideration of the mutual agreements herein contained, the parties hereto agree as follows:

PRELIMINARY STATEMENT

The Securities Administrator on behalf of the Trust Fund (exclusive of (i) the Swap Agreement, (ii) the Cap Agreement (iii) the right to receive and the obligation to pay Basis Risk Carryover Amounts, (iv) the Excess Reserve Fund Account, (v) the Supplemental Interest Trust and the Supplemental Interest Trust Account and (vi) the obligation to pay Class I Shortfalls (collectively, the " Excluded Trust Assets ") shall elect that two segregated asset pools within the Trust Fund be treated for federal income tax purposes as comprising four real estate mortgage investment conduits under Section 860D of the Code (each a " REMIC " or, in the alternative, " REMIC 1 ," REMIC 2, " "REMIC 3" and " REMIC 4 ,"; REMIC 4 also being referred to herein as the " Upper Tier REMIC .") Any inconsistencies or ambiguities in this Agreement or in the administration of this Agreement shall be resolved in a manner that preserves the validity of such REMIC election.

Each Certificate, other than the Class R Certificates, represents ownership of a regular interest in the Upper Tier REMIC for purposes of the REMIC Provisions. In addition, each Certificate, other than the Class R, Class X and Class P Certificates, represents (i) the right to receive payments with respect to any Basis Risk Carryover Amounts and (ii) the obligation to pay Class I Shortfalls. The Class R Certificate represents ownership of the sole Class of residual interest in each of REMIC 1, REMIC 2, REMIC 3 and the Upper Tier REMIC for purposes of the REMIC Provisions.

The Upper Tier REMIC shall hold as its assets the uncertificated Lower Tier Interests in REMIC 3, other than the Class LT3-R interest, and each such Lower Tier Interest is hereby designated as a regular interest in REMIC 3 for purposes of the REMIC Provisions. REMIC 3 shall hold as its assets the uncertificated Lower Tier Interests in REMIC 2, and each such Lower Tier Interest is hereby designated as a regular interest in REMIC 2. REMIC 2 shall hold as its assets the uncertificated Lower Tier Interests in REMIC 1, and each such Lower Tier Interest is hereby designated as a regular interest in REMIC 1. REMIC 1 shall hold as its assets the property of the Trust Fund other than the Lower Tier Interests in REMIC 1, REMIC 2 and REMIC 3 and the Excluded Trust Assets.

REMIC 1:

The following table sets forth the designations, principal balances and interest rates for each interest in REMIC 1, each of which (other than the Class LT1-R Lower Tier Interest) is hereby designated as a regular interest in REMIC 1 (the "REMIC 1 Regular Interests"):

Class Designation		Initial Principal Balance	Interest Rate
LT1-A	$	50,141,397.93	(1)
LT1-F1	$	10,998,587.50	(2)
LT1-V1	$	10,998,587.50	(3)
LT1-F2	$	13,784,119.50	(2)

LT1-V2	$	13,784,119.50	(3)
LT1-F3	$	16,554,909.00	(2)
LT1-V3	$	16,554,909.00	(3)
LT1-F4	$	19,284,333.50	(2)
LT1-V4	$	19,284,333.50	(3)
LT1-F5	$	21,944,762.00	(2)
LT1-V5	$	21,944,762.00	(3)
LT1-F6	$	24,505,802.00	(2)
LT1-V6	$	24,505,802.00	(3)
LT1-F7	$	26,940,829.50	(2)
LT1-V7	$	26,940,829.50	(3)
LT1-F8	$	29,221,183.50	(2)
LT1-V8	$	29,221,183.50	(3)
LT1-F9	$	31,316,190.50	(2)
LT1-V9	$	31,316,190.50	(3)
LT1-F10	$	29,814,700.00	(2)
LT1-V10	$	29,814,700.00	(3)
LT1-F11	$	28,385,749.00	(2)
LT1-V11	$	28,385,749.00	(3)
LT1-F12	$	27,025,360.00	(2)
LT1-V12	$	27,025,360.00	(3)
LT1-F13	$	25,730,241.00	(2)
LT1-V13	$	25,730,241.00	(3)
LT1-F14	$	24,497,256.00	(2)
LT1-V14	$	24,497,256.00	(3)
LT1-F15	$	23,323,421.00	(2)
LT1-V15	$	23,323,421.00	(3)
LT1-F16	$	22,205,796.00	(2)
LT1-V16	$	22,205,796.00	(3)
LT1-F17	$	21,141,884.00	(2)
LT1-V17	$	21,141,884.00	(3)
LT1-F18	$	20,129,003.00	(2)
LT1-V18	$	20,129,003.00	(3)
LT1-F19	$	19,171,526.50	(2)
LT1-V19	$	19,171,526.50	(3)
LT1-F20	$	33,226,349.00	(2)
LT1-V20	$	33,226,349.00	(3)
LT1-F21	$	29,980,906.50	(2)
LT1-V21	$	29,980,906.50	(3)
LT1-F22	$	27,046,578.00	(2)
LT1-V22	$	27,046,578.00	(3)
LT1-F23	$	24,444,833.00	(2)
LT1-V23	$	24,444,833.00	(3)
LT1-F24	$	22,116,493.50	(2)
LT1-V24	$	22,116,493.50	(3)
LT1-F25	$	13,229,518.00	(2)
LT1-V25	$	13,229,518.00	(3)

LT1-F26	$	12,500,493.00	(2)
LT1-V26	$	12,500,493.00	(3)
LT1-F27	$	11,813,912.00	(2)
LT1-V27	$	11,813,912.00	(3)
LT1-F28	$	13,723,893.50	(2)
LT1-V28	$	13,723,893.50	(3)
LT1-F29	$	12,704,668.00	(2)
LT1-V29	$	12,704,668.00	(3)
LT1-F30	$	11,770,293.50	(2)
LT1-V30	$	11,770,293.50	(3)
LT1-F31	$	10,909,929.50	(2)
LT1-V31	$	10,909,929.50	(3)
LT1-F32	$	10,123,200.00	(2)
LT1-V32	$	10,123,200.00	(3)
LT1-F33	$	9,400,129.00	(2)
LT1-V33	$	9,400,129.00	(3)
LT1-F34	$	8,731,205.00	(2)
LT1-V34	$	8,731,205.00	(3)
LT1-F35	$	7,199,603.00	(2)
LT1-V35	$	7,199,603.00	(3)
LT1-F36	$	6,792,289.50	(2)
LT1-V36	$	6,792,289.50	(3)
LT1-F37	$	6,408,369.00	(2)
LT1-V37	$	6,408,369.00	(3)
LT1-F38	$	6,046,481.50	(2)
LT1-V38	$	6,046,481.50	(3)
LT1-F39	$	5,705,348.00	(2)
LT1-V39	$	5,705,348.00	(3)
LT1-F40	$	5,383,706.50	(2)
LT1-V40	$	5,383,706.50	(3)
LT1-F41	$	5,080,542.00	(2)
LT1-V41	$	5,080,542.00	(3)
LT1-F42	$	86,972,333.50	(2)
LT1-V42	$	86,972,333.50	(3)
LT1-R		(4)	(4)

(1) For any Distribution Date (and the related Interest Accrual Period) the interest rate for the Class LT1-A Interest shall be the Net WAC Rate.

(2) For any Distribution Date (and the related Interest Accrual Period) the interest rate for each of these Lower Tier Interests shall be the lesser of (i) 11.60% and (ii) the product of (a) the Net WAC Rate and (b) 2.

(3) For any Distribution Date (and the related Interest Accrual Period) the interest rate for each of these Lower Tier Interests shall be the excess, if any, of (i) the product of (a) the Net WAC Rate and (b) 2, over (ii) 11.60%.

(4) The Class LT1-R interest shall not have a principal amount and shall not bear interest. The Class LT1-R interest is hereby designated as the sole class of residual interest in REMIC 1.

On each Distribution Date, the Securities Administrator shall first pay or charge as an expense of REMIC 1 all expenses of the Trust Fund for such Distribution Date, other than any Net Swap Payment or Swap Termination Payment required to be made from the Trust Fund.

On each Distribution Date the Securities Administrator shall distribute the Interest Remittance Amount (net of expenses described in the preceding paragraph) with respect to each of the Lower Tier Interests in REMIC 1 based on the above-described interest rates.

On each Distribution Date, the Securities Administrator shall distribute the Principal Remittance Amount with respect to the Lower Tier Interests in REMIC 1, first to the Class LT1-A Interest until its principal balance is reduced to zero, and then sequentially, to the other Lower Tier Interests in REMIC 1 in ascending order of their numerical class designation, and, with respect to each pair of classes having the same numerical designation, in equal amounts to each such class, until the principal balance of each such class is reduced to zero. All losses on the Mortgage Loans shall be allocated among the Lower Tier Interests in REMIC 1 in the same manner that principal distributions are allocated.

On each Distribution Date, the Securities Administrator shall distribute the Prepayment Charges collected during the preceding Prepayment Period to the Class LT1-V42 Lower Tier Interests.

The following table sets forth the designations, principal balances, and interest rates for each interest in REMIC 2, each of which (other than the LT2-R Interest) is hereby designated as a regular interest in REMIC 2 (the "REMIC 2 Regular Interests"):

Class Designation	Initial Principal Balance	Interest Rate
LT2-1A-IO	$ 84,236,000.00	(1)
LT2-2A-IO	$ 84,236,000.00	(1)
LT2-3A-IO	$ 252,707,000.00	(1)
LT2-Pool	(2)	(1)
LT2-IO-Swap	(3)	(3)
LT2-R	(4)	(4)

(1) For any Distribution Date (and the related Accrual Period) the interest rate for each of these REMIC 2 Regular Interests is a per annum rate equal to the weighted average of the interest rates on the Lower Tier Interests in REMIC 1 for such Distribution Date, *provided, however*, that (i) for any Distribution Date on which the LT2-IO-Swap Interest is entitled to a portion of the interest accruals on the Lower Tier Interests in REMIC 1 with an "F " in its designation, as described in footnote three below, such weighted average shall be computed by first subjecting the rate on such Lower Tier Interest in REMIC 1 to a cap equal to Swap LIBOR for such Distribution Date.

(2) This interest shall have an initial principal balance equal to the excess of (a) the aggregate Principal Balance of the Mortgage Loans as of the Cut-off Date over (b) the sum of the initial principal balances of the interests in REMIC 2 containing the letters "A-IO" in their class designations.

(3) The LT2-IO-Swap Interest is an interest only class that does not have a principal balance. For only those Distribution Dates listed in the first column in the table below, the LT2-IO-Swap Interest shall be entitled to interest accrued on the Lower Tier Interest in REMIC 1 listed in the second column in the table below, at a per annum rate equal to the excess, if any, of (i) the interest rate for such Lower Tier Interest in REMIC 1 for such Distribution Date over (ii) Swap LIBOR for such Distribution Date.

Distribution Dates	REMIC 1 Class Designation
2	Class LT1-F1
2-3	Class LT1-F2
2-4	Class LT1-F3
2-5	Class LT1-F4
2-6	Class LT1-F5
2-7	Class LT1-F6
2-8	Class LT1-F7
2-9	Class LT1-F8
2-10	Class LT1-F9
2-11	Class LT1-F10
2-12	Class LT1-F11
2-13	Class LT1-F12
2-14	Class LT1-F13
2-15	Class LT1-F14
2-16	Class LT1-F15
2-17	Class LT1-F16
2-18	Class LT1-F17
2-19	Class LT1-F18
2-20	Class LT1-F19
2-21	Class LT1-F20
2-22	Class LT1-F21
2-23	Class LT1-F22
2-24	Class LT1-F23
2-25	Class LT1-F24
2-26	Class LT1-F25
2-27	Class LT1-F26
2-28	Class LT1-F27

2-29	Class LT1-F28
2-30	Class LT1-F29
2-31	Class LT1-F30
2-32	Class LT1-F31
2-34	Class LT1-F32
2-35	Class LT1-F33
2-36	Class LT1-F34
2-37	Class LT1-F35
2-38	Class LT1-F36
2-39	Class LT1-F37
2-40	Class LT1-F38
2-41	Class LT1-F39
2-42	Class LT1-F40
2-43	Class LT1-F41
2-44	Class LT1-F42

(4) The LT2-R Interest shall not have a principal amount and shall not bear interest. The LT2-R interest is hereby designated as the sole class of residual interest in REMIC 2.

On each Distribution Date, interest distributable in respect of the REMIC 1 Interests for such Distribution Date shall be distributed to the Interests in REMIC 2 at the rates shown above.

On each Distribution Date, all Realized Losses and all payments of principal in respect of the Mortgage Loans shall be allocated to the LT2-Pool Interest until the principal balance of such Interest is reduced to zero, and then to the Interests having the letters "A-IO" in their Class designation in ascending order of their numerical designation until the principal balance of each such Interest is reduced to zero.

On each Distribution Date, the Securities Administrator shall distribute the Prepayment Charges collected during the preceding Prepayment Period to the LT2-3A-IO Interest.

REMIC 3:

The following table sets forth the designations, principal balances, and interest rates for each interest in REMIC 3, each of which (other than the LT3-R Interest) is hereby designated as a regular interest in REMIC 3 (the "REMIC 3 Regular Interests"):

Class Designation	**Initial Principal Balance**	**Interest Rate**	**Corresponding Class of Certificates**
LT3-I-A	½ Corresponding Class balance	(1)	I-A
LT3-II-A-1	½ Corresponding Class balance	(1)	II-A-1
LT3-II-A-2	½ Corresponding Class balance	(1)	II-A-2
LT3-II-A-3	½ Corresponding Class balance	(1)	II-A-3
LT3-II-A-4	½ Corresponding Class balance	(1)	II-A-4
LT3-M-1	½ Corresponding Class balance	(1)	M-1
LT3-M-2	½ Corresponding Class balance	(1)	M-2
LT3-M-3	½ Corresponding Class balance	(1)	M-3
LT3-M-4	½ Corresponding Class balance	(1)	M-4
LT3-M-5	½ Corresponding Class balance	(1)	M-5
LT3-M-6	½ Corresponding Class balance	(1)	M-6
LT3-M-7	½ Corresponding Class balance	(1)	M-7
LT3-M-8	½ Corresponding Class balance	(1)	M-8
LT3-M-9	½ Corresponding Class balance	(1)	M-9
LT3-M-10	½ Corresponding Class balance	(1)	M-10
LT3-Q	(2)	(1)	X

LT3-A-IO	(3)	(3)	A-IO
LT3-IO-Swap	(4)	(4)	N/A
LT3-R	(5)	(5)	R

(1) This interest rate with respect to any Distribution Date (and the related Accrual Period) for each of these REMIC 3 Regular Interests is a per annum rate equal to the greater of (i) 0.00% and (ii) the weighted average of the interest rates on each REMIC 2 Interest having an "A-IO" in its designation and the LT2-Pool Interest, computed after reducing the rate payable on each such REMIC 2 Interest having an "A-IO" in its Class designation by 1.50% for any Distribution Date on which interest is payable on its Corresponding REMIC 3 A-IO Interest (as described in footnote (3) below).

(2) This interest shall have an initial principal balance equal to the excess of (a) the aggregate Principal Balance of the Mortgage Loans as of the Cut-off Date over (b) the sum of the initial principal balances of the interests in REMIC 3 (other than any interest-only classes).

(3) This REMIC 3 Interest is an interest-only Interest and does not have a principal balance. For each Distribution Date on the chart below, this REMIC 3 Interest shall be entitled to interest payable on the REMIC 2 Interest corresponding to such Distribution Dates at a rate equal to the lesser of (i) 1.50% and (ii) the interest rate of the REMIC 2 Interest corresponding to such Distribution Date.

Distribution Date occurring in	**Corresponding REMIC 2 Interest**
July 2006 – December 2006	LT2-1A-IO – LT2-3A-IO
January 2007 – June 2007	LT2-2A-IO – LT2-3A-IO
July 2007 – September 2007	LT2-3A-IO

(4) The LT3-IO-Swap Interest shall not have a principal balance, but shall be entitled to receive, on each Distribution Date, 100% of the interest distributable on the Class LT2-IO-Swap Interest in REMIC 2.

(5) The LT3-R Interest shall not have a principal amount and shall not bear interest. The LT3-R interest is hereby designated as the sole class of residual interest in REMIC 3.

On each Distribution Date, interest distributable in respect of the REMIC 2 Regular Interests shall be distributed with respect to each of the Interests in REMIC 3 based on the above-described interest rates, *provided, however* , that interest that accrues on the LT3-Q Interest shall be deferred to the extent necessary to make the principal distributions described in priority (i) below for such Distribution Date. Any interest so deferred shall itself bear interest at the interest rate for the LT3-Q Interest.

On each Distribution Date, the principal distributed on the REMIC 2 Regular Interests (together with an amount equal to the interest deferred on the Class LT3-Q Interest for such Distribution Date) shall be distributed, and Realized Losses shall be allocated, among the Interests in REMIC 3 in the following order of priority:

(i) first, to each interest in REMIC 3 having a Corresponding Class in REMIC 4 (other than a REMIC 3 interest having an "A-IO" in its class designation) until the outstanding principal amount of each such interest equals one-half of the outstanding principal amount of the Corresponding Class of Certificates for such interest immediately after such Distribution Date;

(ii) finally, to the Class LT3-Q Interest, any remaining amounts.

On each Distribution Date, the Securities Administrator shall distribute the Prepayment Charges collected during the preceding Prepayment Period to the LT3-Q Interest.

Upper Tier REMIC

The Upper Tier REMIC shall issue the following Classes of Upper Tier REMIC Regular Interests and each such interest, other than the Class R Interest, is hereby designated as a regular interest in the Upper Tier REMIC.

Upper Tier REMIC

Upper Tier REMIC Interest Rate and	**Initial Upper Tier REMIC Principal Amount and Corresponding Class Certificate**

Upper Tier REMIC Class Designation	Corresponding Class Interest Rate	Balance or Class Notional Balance	Corresponding Class of Certificates
Class I-A	(1)	$ 712,134,000.00	Class I-A(12)
Class II-A-1	(2)	$ 340,074,000.00	Class II-A-1(12)
Class II-A-2	(3)	$ 111,225,000.00	Class II-A-2(12)
Class II-A-3	(4)	$ 176,946,000.00	Class II-A-3(12)
Class II-A-4	(5)	$ 50,353,000.00	Class II-A-4(12)
Class A-IO	(6)	$ 421,179,000.00	Class A-IO(11)
Class M-1	(7)	$ 55,595,000.00	Class M-1(11)
Class M-2	(7)	$ 51,383,000.00	Class M-2(11)
Class M-3	(7)	$ 30,326,000.00	Class M-3(11)
Class M-4	(7)	$ 26,113,000.00	Class M-4(11)
Class M-5	(7)	$ 25,271,000.00	Class M-5(11)
Class M-6	(7)	$ 23,586,000.00	Class M-6(11)
Class M-7	(7)	$ 21,901,000.00	Class M-7(11)
Class M-8	(7)	$ 13,478,000.00	Class M-8(11)
Class M-9	(7)	$ 11,793,000.00	Class M-9(11)
Class M-10	(7)	$ 16,005,000.00	Class M-10(11)
Class X	(8)	(8)	Class X
Class R	(9)	(9)	Class R
Class P	(10)	(10)	Class P

(1) The Class I-A Interest will bear interest during each Interest Accrual Period at a per annum rate equal to (a) on or prior to the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group I Available Funds Cap or (b) after the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group I Available Funds Cap. For purposes of the REMIC Provisions, the reference to "Group I Available Funds Cap" in clause (ii) of the preceding sentence shall be deemed a reference to the REMIC 3 Net Funds Cap; therefore, on any Distribution Date on which the Interest Rate for the Class I-A Certificates exceeds the REMIC 3 Net Funds Cap, interest accruals based on such excess shall be treated as having been paid from the Excess Reserve Fund Account or the Supplemental Interest Trust, as applicable; on any Distribution Date on which the Interest Rate on the Class I-A Certificates is based on the Group I Available Funds Cap, the amount of interest that would have accrued on the Class I-A Certificates if the REMIC 3 Net Funds Cap were substituted for the Group I Available Funds Cap shall be treated as having been paid by the Class I-A Certificateholders to the Supplemental Interest Trust, all pursuant to and as further provided in Section 8.11 hereof.

(2 The Class II-A-1 Interest will bear interest during each Interest Accrual Period at a per annum rate equal to (a) on or prior to the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group II Available Funds Cap or (b) after the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group II Available Funds Cap. For purposes of the REMIC Provisions, the reference to "Group II Available Funds Cap" in clause (ii) of the preceding sentence shall be deemed a reference to the REMIC 3 Net Funds Cap; therefore, on any Distribution Date on which the Interest Rate for the Class II-A-1 Certificates exceeds the REMIC 3 Net Funds Cap, interest accruals based on such excess shall be treated as having been paid from the Excess Reserve Fund Account or the Supplemental Interest Trust, as applicable; on any Distribution Date on which the Interest Rate on the Class II-A-1 Certificates is based on the Group II Available Funds Cap, the amount of interest that would have accrued on the Class II-A-1 Certificates if the REMIC 3 Net Funds Cap were substituted for the Group II Available Funds Cap shall be treated as having been paid by the Class II-A-1 Certificateholders to the Supplemental Interest Trust, all pursuant to and as further provided in Section 8.11 hereof.

(3) The Class II-A-2 Interest will bear interest during each Interest Accrual Period at a per annum rate equal to (a) on or prior to the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group II Available Funds Cap or (b) after the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group II Available Funds Cap. For purposes of the REMIC Provisions, the reference to "Group II Available Funds Cap" in clause (ii) of the preceding sentence shall be deemed a reference to the REMIC 3 Net Funds Cap; therefore, on any Distribution Date on which the Interest Rate for the Class II-A-2 Certificates exceeds the REMIC 3 Net Funds Cap, interest accruals based on such excess shall be treated as having been paid from the Excess Reserve Fund Account or the Supplemental Interest Trust, as applicable; on any Distribution Date on which the Interest Rate on the Class II-A-2 Certificates is based on the Group II Available Funds Cap, the amount of interest that would have accrued on the Class II-A-2 Certificates if the REMIC 3 Net Funds Cap were substituted for the Group II Available Funds Cap shall be treated as having been paid by the Class II-A-2 Certificateholders to the Supplemental Interest Trust, all pursuant to and as further provided in Section 8.11 hereof.

(4) The Class II-A-3 Interest will bear interest during each Interest Accrual Period at a per annum rate equal to (a) on or prior to the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group II Available Funds Cap or (b) after the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group II Available Funds Cap. For purposes of the REMIC Provisions, the reference to "Group II Available Funds Cap" in clause (ii) of the preceding sentence shall be deemed a reference to the REMIC 3 Net Funds Cap; therefore, on any Distribution Date on which the Interest Rate for the Class II-A-3

Certificates exceeds the REMIC 3 Net Funds Cap, interest accruals based on such excess shall be treated as having been paid from the Excess Reserve Fund Account or the Supplemental Interest Trust, as applicable; on any Distribution Date on which the Interest Rate on the Class II-A-3 Certificates is based on the Group II Available Funds Cap, the amount of interest that would have accrued on the Class II-A-3 Certificates if the REMIC 3 Net Funds Cap were substituted for the Group II Available Funds Cap shall be treated as having been paid by the Class II-A-3 Certificateholders to the Supplemental Interest Trust, all pursuant to and as further provided in Section 8.11 hereof.

(5) The Class II-A-4 Interest will bear interest during each Interest Accrual Period at a per annum rate equal to (a) on or prior to the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group II Available Funds Cap or (b) after the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Group II Available Funds Cap. For purposes of the REMIC Provisions, the reference to "Group II Available Funds Cap" in clause (ii) of the preceding sentence shall be deemed a reference to the REMIC 3 Net Funds Cap; therefore, on any Distribution Date on which the Interest Rate for the Class II-A-4 Certificates exceeds the REMIC 3 Net Funds Cap, interest accruals based on such excess shall be treated as having been paid from the Excess Reserve Fund Account or the Supplemental Interest Trust, as applicable; on any Distribution Date on which the Interest Rate on the Class II-A-4 Certificates is based on the Group II Available Funds Cap, the amount of interest that would have accrued on the Class II-A-4 Certificates if the REMIC 3 Net Funds Cap were substituted for the Group II Available Funds Cap shall be treated as having been paid by the Class II-A-4 Certificateholders to the Supplemental Interest Trust, all pursuant to and as further provided in Section 8.11 hereof.

(6) The Class A-IO Interest will bear interest during each Interest Accrual Period based on its Class Notional Balance at a per annum rate equal to the lesser of (i) 1.50% per annum and (ii) the Class A-IO Available Funds Cap. For purposes of the REMIC Provisions, the reference to the Class A-IO Available Funds Cap in clause (ii) of the preceding sentence shall be deemed a reference to the REMIC A-IO Available Funds Cap; therefore, on any Distribution Date on which the Interest Rate on the Class A-IO Certificates is based on the Class A-IO Available Funds Cap, the amount of interest that would have accrued on the Class A-IO Certificates if the REMIC A-IO Available Funds Cap were substituted for the Class A-IO Available Funds Cap shall be treated as having been paid by the Class A-IO Certificateholders to the Supplemental Interest Trust, all pursuant to and as further provided in Section 8.11 hereof. The Class A-IO Certificates will not bear interest after the Distribution Date in September 2007.

(7) The Class M-1, Class M-2, Class M-3, Class M-4, Class M-5, Class M-6, Class M-7, Class M-8, Class M-9 and Class M-10 Interests will bear interest during each Interest Accrual Period at a per annum rate equal to (a) on or prior to the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Class M Available Funds Cap or (b) after the Optional Termination Date, the lesser of (i) LIBOR plus the applicable Interest Margin and (ii) the Class M Available Funds Cap. For purposes of the REMIC Provisions, the reference to Class M Available Funds Cap in clause (ii) of the preceding sentence shall be deemed to be a reference to the REMIC 3 Net Funds Cap; therefore, on any Distribution Date on which the Interest Rate for the Class M-1, M-2, M-3, M-4, M-5, M-6, M-7, M-8, M-9 and M-10 Certificates, as applicable, exceeds the REMIC 3 Net Funds Cap, interest accruals based on such excess shall be treated as having been paid from the Excess Reserve Fund Account or the Supplemental Interest Trust, as applicable; on any Distribution Date on which the Interest Rate on the Class M-1, M-2, M-3, M-4, M-5, M-6, M-7, M-8, M-9 and M-10 Certificates, as applicable, is based on the Class M Available Funds Cap, the amount of interest that would have accrued on each such Class of Certificates if the REMIC 3 Net Funds Cap were substituted for the Class M Available Funds Cap shall be treated as having been paid by the Class M-1, M-2, M-3, M-4, M-5, M-6, M-7, M-8, M-9 and M-10 Certificateholders, as applicable, to the Supplemental Interest Trust, all pursuant to and as further provided in Section 8.11 hereof.

(8) For purposes of the REMIC Provisions, the Class X Interest shall have an initial principal balance of $18,531,753.93 (initial overcollateralization of $18,531,853.93 less $100.00 attributable to the Class P Principal Amount), and the right to receive distributions of such amount represents a regular interest in the Upper Tier REMIC. The Class X Certificate shall also comprise two notional components, each of which represents a regular interest in the Upper Tier REMIC. The first such component has a notional balance that will at all times equal the aggregate of the Class Principal Amounts of the Lower Tier Interests in REMIC 3, and, for each Distribution Date (and the related Interest Accrual Period) this notional component shall bear interest at a per annum rate equal to the excess, if any, of (i) the weighted average of the interest rates on the Lower Tier Interests in REMIC 3 (other than any interest-only regular interest) over (ii) the Adjusted Lower Tier WAC. The second notional component represents the right to receive all distributions in respect of the Class LT3-IO-Swap in REMIC 3 (the "LT4-I" interest). In addition, for purposes of the REMIC Provisions, the Class X Certificate shall represent beneficial ownership of (i) the Excess Reserve Fund Account; (ii) the Supplemental Interest Trust, including the Swap Agreement and (iii) an interest in the notional principal contracts described in Section 8.11 hereof.

(9) The Class R Interest is the sole Class of residual interest in the Upper Tier REMIC. The Class R Interest is issued without a principal amount does not bear a stated Interest Rate. The Class R Certificate will be issued as a single certificate evidencing the initial Percentage Interest of such Class, and shall represent ownership of the of each of the Class R, Class LT1-R, Class LT2-R, and Class LT3-R Interests.

(10) The Class P Interest shall not bear interest at a stated Interest Rate. Prepayment Charges paid with respect to the Mortgage Loans shall be paid to the Class P Certificateholders as provided in Section 4.02(b). For purposes of the REMIC Provisions, the Class P Interest shall represent a regular interest in the Upper Tier REMIC. The Class P Certificate will have a Class P Principal Amount of $100.

(11) Each of these Certificates will represent not only the ownership of the Corresponding Class of Upper Tier REMIC Regular Interest but also the right to receive payments from (i) the Excess Reserve Fund Account in respect of any Basis Risk Carryover Amounts and (ii) the Supplemental Interest Trust in respect of proceeds from the Derivative Agreements. For federal income tax purposes, the Securities Administrator will treat a Certificateholder's right to receive payments from the Excess Reserve Fund Account as payments made pursuant to an a notional principal contract written by the Class X Certificateholders.

The minimum denomination for each Class of Certificates, other than the Class P, Class R and the Class X Certificates, will be $25,000 of Certificate Balance (notional balance in the case of Class A-IO Certificates) ($100,000 with respect to initial investors resident in a Member State of the European Economic Area subject to Prospectus Directive 2003/71/EC) with integral multiples of $1 in excess thereof, except that one Certificate in each Class may be issued in a different amount. The minimum denomination for each of the Class P and Class X

Certificates will be a 10.00% Percentage Interest in such Class, and the minimum denomination for the Class R Certificates shall be 100% Percentage Interest in such Class.

Set forth below are designations of Classes of Certificates to the categories used herein:

Book-Entry Certificates	All Classes of Certificates other than the Physical Certificates.
Class A Certificates	Class A-IO, Class I-A, Class II-A-1, Class II-A-2, Class II-A-3 and Class II-A-4 Certificates.
Class M Certificates	Class M-1, Class M-2, Class M-3, Class M-4, Class M-5, Class M-6, Class M-7, Class M-8, Class M-9 and Class M-10 Certificates.
Delay Certificates	The Class A-IO Certificates.
ERISA-Restricted Certificates	Any Class M, Class P, Class X and Class R Certificates and any Certificate with a rating which falls below the lowest applicable permitted rating under the Underwriters' Exemption.
ERISA-Restricted Derivative Certificates	Any Class A Certificate prior to the termination of the Cap Agreement and the Swap Agreement.
Interest-Only Certificates	The Class A-IO Certificates.
LIBOR Certificates	Collectively, the Class I-A, Class II-A-1, Class II-A-2, Class II-A-3, Class II-A-4 Certificates and any Class M Certificate.
Non-Delay Certificates	The Class A Certificates (other than the Class A-IO Certificates), the Class M Certificates and Class X Certificates.
Offered Certificates	All Classes of Certificates other than the Private Certificates.
Physical Certificates	Class P, Class X and Class R Certificates.
Private Certificates	Class M-10, Class P, Class X and Class R Certificates.
Rating Agencies	Fitch, Moody's and Standard & Poor's.
Regular Certificates	All Classes of Certificates other than the Class R Certificates.
Residual Certificates	Class R Certificates.

ARTICLE I

DEFINITIONS

Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

10-K Filing Deadline: As defined in Section 8.12(a)(ii).

Accepted Servicing Practices : With respect to any Mortgage Loan and the Servicer, the servicing and administration of such Mortgage Loan (i) in the same manner in which, and with the same care, skill, prudence and diligence with which the Servicer generally services and administers similar mortgage loans with similar mortgagors (A) for other third parties, giving due consideration to customary and usual standards of practice of prudent institutional residential mortgage lenders servicing their own mortgage loans or (B) held in the Servicer's own

portfolio, whichever standard is higher, and (ii) in accordance with applicable local, state and federal laws, rules and regulations.

Account : Any of the Collection Account, the Distribution Account and any Escrow Account, and with respect to the Supplemental Interest Trust, the Excess Reserve Fund Account and the Supplemental Interest Trust Account. Each Account shall be an Eligible Account.

Additional Disclosure Notification : The form of notice set forth on Exhibit Y.

Additional Form 10-D Disclosure : As defined in Section 8.12(a)(i).

Additional Form 10-K Disclosure : As defined in Section 8.12(a)(ii).

Additional Termination Event : As defined in the Cap Agreement or the Swap Agreement, as applicable.

Adjustable Rate Mortgage Loan : A Mortgage Loan which provides for the adjustment of the Mortgage Rate payable in respect thereto.

Adjusted Lower Tier WAC: For any Distribution Date (and the related Accrual Period), an amount equal to (i) two, multiplied by (ii) the weighted average of the interest rates for such Distribution Date for the Class LT3-I-A, LT3-II-A-1, LT3-II-A-2, LT3-II-A-3, LT3-II-A-4, LT3-M-1, LT3-M-2, LT3-M-3, LT3-M-4, LT3-M-5, LT3-M-6, LT3-M-7, LT3-M-8, LT3-M-9, LT3-M-10 and LT3-Q Interests, weighted in proportion to their Class Principal Amounts as of the beginning of the related Accrual Period and computed by subjecting the rate on the Class LT3-Q Interest to a cap of 0.00%, and by subjecting the rate on each of the Class LT3-I-A, LT3-II-A-1, LT3-II-A-2, LT3-II-A-3, LT3-II-A-4, LT3-M-1, LT3-M-2, LT3-M-3, LT3-M-4, LT3-M-5, LT3-M-6, LT3-M-7, LT3-M-8, LT3-M-9 and LT3-M-10 Interests to a cap that corresponds to the Interest Rate (determined by substituting the REMIC 3 Net Funds Cap for the applicable Available Funds Cap) for the Corresponding Class of Certificates; provided, however , that for each Class of LIBOR Certificates, the Certificate Interest Rate shall be multiplied by the quotient of (a) the actual number of days in the Interest Accrual Period, divided by (b) 30.

Adjustment Date : As to any Adjustable Rate Mortgage Loan, the first Due Date on which the related Mortgage Rate adjusts as set forth in the related Mortgage Note and each Due Date thereafter on which the Mortgage Rate adjusts as set forth in the related Mortgage Note.

Advance : Any P&I Advance or Servicing Advance.

Affected Party : As defined in the Swap Agreement.

Affiliate : With respect to any Person, any other Person controlling, controlled by or under common control with such first Person. For the purposes of this definition, “control” means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

Agreement : This Pooling and Servicing Agreement and all amendments or supplements hereto.

Amounts Held for Future Distribution : As to the Certificates on any Distribution Date, the aggregate amount held in the Collection Account at the close of business on the related Determination Date on account of (i) Principal Prepayments, Insurance Proceeds, Condemnation Proceeds, Liquidation Proceeds and Subsequent Recoveries on the Mortgage Loans received after the end of the related Prepayment Period and (ii) all Scheduled Payments on the Mortgage Loans due after the end of the related Due Period.

Applied Realized Loss Amount : With respect to any Distribution Date, the amount, if any, by which the aggregate Class Certificate Balance of the LIBOR Certificates after distributions of principal on such Certificates on such Distribution Date exceeds the aggregate Stated Principal Balance of the Mortgage Loans for such Distribution

Date.

Appraised Value : The value set forth in an appraisal made in connection with the origination of the related Mortgage Loan as the value of the Mortgaged Property.

Assignment of Mortgage : An assignment of the Mortgage, notice of transfer or equivalent instrument in recordable form (other than the assignee's name and recording information not yet returned from the recording office), reflecting the sale of the Mortgage to the Trustee.

Available Funds : With respect to any Distribution Date and the Mortgage Loans to the extent received by the Master Servicer (x) the sum of (i) all scheduled installments of interest (net of the related Expense Fees) and principal due on the Due Date on such Mortgage Loans in the related Due Period and received by the Servicer on or prior to the related Determination Date, together with any P&I Advances in respect thereof; (ii) all Condemnation Proceeds, Insurance Proceeds, Liquidation Proceeds and Subsequent Recoveries received by the Servicer during the related Prepayment Period (in each case, net of unreimbursed expenses incurred in connection with a liquidation or foreclosure and unreimbursed Advances, if any); (iii) all partial or full prepayments on the Mortgage Loans received by the Servicer during the related Prepayment Period together with all Compensating Interest paid by the Servicer in connection therewith (excluding any Prepayment Charges); (iv) all Substitution Adjustment Amounts with respect to the substitutions of Mortgage Loans that occur on or prior to the related Determination Date; (v) all amounts received with respect to such Distribution Date as the Repurchase Price in respect of a Mortgage Loan repurchased by the Mortgage Loan Seller or the Sponsor on or prior to the related Determination Date; and (vi) the proceeds with respect to the termination of the Trust Fund pursuant to clause (a) of Section 11.01; reduced by (y) amounts in reimbursement for Advances previously made with respect to the Mortgage Loans and other amounts as to which the Servicer, the Depositor, the Master Servicer, the Securities Administrator or the Trustee are entitled to be paid or reimbursed pursuant to this Agreement.

Back-up Certification : As defined in Section 3.24.

Basic Principal Payment Amount : With respect to any Distribution Date, the excess of (i) the Principal Remittance Amount for such Distribution Date over (ii) the Excess Overcollateralization Amount, if any, for such Distribution Date.

Basis Risk Carryover Amount : With respect to each Class of LIBOR Certificates, as of any Distribution Date, the sum of (A) if on such Distribution Date the Interest Rate for any Class of LIBOR Certificates is based upon the Group I Available Funds Cap, the Group II Available Funds Cap or the Class M Available Funds Cap, as applicable, the excess of (i) the amount of interest such Class of Certificates would otherwise be entitled to receive on such Distribution Date had such rate been calculated (x) as the sum of LIBOR and the applicable Interest Margin on such Class of Certificates for such Distribution Date, over (ii) the amount of interest payable on such Class of Certificates at, with respect to the Class I-A Certificates, the Group I Available Funds Cap, at, with respect to the Class II-A-1, Class II-A-2, Class II-A-3 and Class II-A-4 Certificates, the Group II Available Funds Cap, and at, with respect to any Class M Certificate, the Class M Available Funds Cap, as applicable, for such Distribution Date and (B) the portion of any such excess described in clause (A) for such Class of Certificates from all previous Distribution Dates not previously paid, together with interest thereon at a rate equal the applicable Interest Rate for each such Class of Certificates for such Distribution Date. With respect to the Interest-Only Certificates, as of any Distribution Date, the sum of (A) if on such Distribution Date the Interest Rate of the Interest-Only Certificates is based on the Class A-IO Available Funds Cap, the excess of (i) the amount of interest that the Interest-Only Certificates would otherwise have been entitled to receive on such Distribution Date had the Interest Rate equaled 1.50% per annum over (ii) the amount of interest payable on the Interest-Only Certificates if subject to the Class A-IO Available Funds Cap for such Distribution Date and (B) the portion of such excess described in clause (A) for the Interest-Only Certificates from all previous Distribution Dates not previously paid, together with interest thereon at a rate equal to 1.50% per annum.

Basis Risk Payment : For any Distribution Date, an amount equal to the lesser of (i) the aggregate of the Basis Risk Carryover Amounts of the LIBOR Certificates and the Interest-Only Certificates for such Distribution Date

and (ii) the Class X Distributable Amount (prior to any reduction for Basis Risk Payments).

Best's : Best's Key Rating Guide, as the same shall be amended from time to time.

Book-Entry Certificates : As specified in the Preliminary Statement.

Business Day : Any day other than (i) Saturday or Sunday, or (ii) a day on which banking and savings and loan institutions, in (a) the States of New York, California, Maryland or Minnesota, (b) the Commonwealth of Pennsylvania or any other State in which the Servicer's servicing operations are located, or (c) any State in which the Corporate Trust Office is located, are authorized or obligated by law or executive order to be closed.

Cap Account : The sub-account of the Supplemental Interest Trust Account created pursuant to Section 4.06(a).

Cap Agreement : The interest rate cap agreement entered into by the Supplemental Interest Trust and the Cap Counterparty, dated July 7, 2006, which agreement provides for the monthly payment specified to the Securities Administrator (for the benefit of Certificateholders) commencing with the Distribution Date in January 2007 and ending on the Distribution Date in July 2013, by the Cap Counterparty, but subject to the conditions set forth therein, together with any schedule, confirmations or other agreements relating thereto, attached as Exhibit P.

Cap Amount : With respect to each Distribution Date, the amount of any Cap Payment deposited into the Cap Account.

Cap Counterparty : The counterparty to the Supplemental Interest Trust under the Cap Agreement, and any successor in interest or its assigns. Initially, the Cap Counterparty shall be the Bank of New York, a trust company formed under New York law.

Cap Payment : With respect to each Distribution Date, any payment required to be made by the Cap Counterparty to the Supplemental Interest Trust pursuant to the terms of the Cap Agreement.

Cap Payment Dat e: For as long as the Cap Agreement is in effect or any amounts remain unpaid thereunder, the Business Day immediately preceding each Distribution Date.

Cap Replacement Receipts : As defined in Section 4.08(b)(i).

Cap Replacement Receipts Account : As defined in Section 4.08(b)(i).

Cap Termination Payment : Upon the designation of an "Early Termination Date" as defined in the Cap Agreement, the payment required to be made by the Cap Counterparty to the Supplemental Interest Trust pursuant to the terms of the Cap Agreement and any unpaid amounts due on previous Cap Payment Dates and accrued interest thereon as provided in the Cap Agreement, as calculated by the Cap Counterparty and furnished to the Securities Administrator.

Cap Termination Receipts : As defined in Section 4.08(b)(i).

Cap Termination Receipts Account : As defined in Section 4.08(b)(i).

Certificate : Any one of the Certificates executed by the Securities Administrator in substantially the forms attached hereto as exhibits.

Certificate Balance : With respect to any Certificate, other than a Class A-IO, Class X, Class P or Class R Certificate, at any date, the maximum dollar amount of principal to which the Holder thereof is then entitled hereunder, such amount being equal to the Denomination thereof minus all distributions of principal previously made with respect thereto and in the case of any Class M Certificates, reduced by any Applied Realized Loss Amounts allocated to such Class of Certificates pursuant to Section 4.05; provided, however , that immediately following the

Distribution Date on which a Subsequent Recovery is distributed, the Class Certificate Balances of any Class or Classes of Certificates that have been previously reduced by Applied Realized Loss Amounts will be increased, in order of seniority, by the amount of any Subsequent Recovery distributed on such Distribution Date (up to the amount of Unpaid Realized Loss Amount for such Class or Classes for such Distribution Date). The Class P Certificates are issued with an initial Class P Principal Amount of $100. The Class X and Class R Certificates have no Certificate Balance. The Class A-IO Certificates are issued with a Class Notional Balance.

Certificate Group : The Group I Certificates or the Group II Certificates, as applicable.

Certificate Owner : With respect to a Book-Entry Certificate, the Person who is the beneficial owner of such Book-Entry Certificate.

Certificate Register : The register maintained pursuant to Section 5.02.

Certificateholder or Holder : The person in whose name a Certificate is registered in the Certificate Register, except that, solely for the purpose of giving any consent pursuant to this Agreement, any Certificate registered in the name of the Depositor or any Affiliate of the Depositor shall be deemed not to be Outstanding and the Percentage Interest evidenced thereby shall not be taken into account in determining whether the requisite amount of Percentage Interests necessary to effect such consent has been obtained; provided, however , that if any such Person (including the Depositor) owns 100.00% of the Percentage Interests evidenced by a Class of Certificates, such Certificates shall be deemed to be Outstanding for purposes of any provision hereof that requires the consent of the Holders of Certificates of a particular Class as a condition to the taking of any action hereunder. The Securities Administrator is entitled to rely conclusively on a certification of the Depositor or any Affiliate of the Depositor in determining which Certificates are registered in the name of an Affiliate of the Depositor.

Certification Parties : As defined in Section 3.24.

Certifying Person : As defined in Section 3.24.

Class : All Certificates bearing the same class designation as set forth in the Preliminary Statement.

Class I-A Certificates : All Certificates bearing the Class designation of “Class I-A”.

Class II-A-1 Certificates : All Certificates bearing the Class designation of “Class II-A-1”.

Class II-A-2 Certificates : All Certificates bearing the Class designation of “Class II-A-2”.

Class II-A-3 Certificates : All Certificates bearing the Class designation of “Class II-A-3”.

Class II-A-4 Certificates : All Certificates bearing the Class designation of “Class II-A-4”.

Class A Certificates : As specified in the Preliminary Statement.

Class A-IO Available Funds Cap : With respect to the Class A-IO Certificates and any Distribution Date, a per annum rate equal to (x) the weighted average of the Expense Adjusted Mortgage Rate of the Mortgage Loans then in effect on the beginning of the related Due Period *minus* (y) a percentage equal to the product of (i) a fraction, the numerator of which is equal to the Net Derivative Payment or Swap Termination Payment (other than a Swap Termination Payment resulting from a Derivative Counterparty Trigger Event) made to the Swap Counterparty with respect to such Due Period, and the denominator of which is equal to the Pool Balance as of the beginning of the related Due Period and (ii) 12.

Class A-IO Certificates : All Certificates bearing the Class designation of “Class A-IO”.

Class Certificate Balance : With respect to any Class of LIBOR Certificates, as to any date of determination, the aggregate of the Certificate Balances of all Certificates of such Class as of such date. With respect

to the Class A-IO, Class X, Class P and Class R Certificates, zero. With respect to any Lower Tier Interest, the initial Class Principal Balance as shown or described in the table set forth in the Preliminary Statement to this Agreement for the issuing REMIC, as reduced by any principal distributed with respect to such Lower Tier Interest and Realized Losses allocated to such Lower Tier Interest.

Class I Shortfalls: As defined in Section 8.11 hereof. For purposes of clarity, the Class I Shortfall for any Distribution Date shall equal the amount payable to the Derivative Counterparty on such Distribution Date in excess of the amount payable with respect to the Class LT4-I interest in the Upper Tier REMIC on such Distribution Date, all as further provided in Section 8.11 hereof.

Class M Available Funds Cap : With respect to the Class M Certificates as of any Distribution Date, a per annum rate equal to the weighted average of the Group I Available Funds Cap and the Group II Available Funds Cap, weighted on the basis of the Group Subordinate Amount for the Group I Mortgage Loans and the Group Subordinate Amount for the Group II Mortgage Loans, respectively.

Class M Certificates : As specified in the Preliminary Statement.

Class M Principal Payment Amount : With respect to any Distribution Date and any Class of Class M Certificates, the lesser of (i) the excess of (a) the Principal Payment Amount over (b) the aggregate amount distributed on that Distribution Date as principal to all Classes of Certificates more senior than that Class of Class M Certificates (provided , however , for this purpose, the Class M-1, Class M-2 and Class M-3 Certificates will be treated as having the same seniority) and (ii) the excess of (a) the sum of the aggregate Class Certificate Balances of all Class of Certificates more senior than that Class of Class M Certificates (after giving effect to all amounts distributed on that Distribution Date to those Classes of more senior certificates (provided , however , for this purpose, the Class M-1, Class M-2 and Class M-3 Certificates will be treated as having the same seniority)) and the Class Certificate Balance of that Class of Class M Certificates immediately prior to that Distribution Date over (b) the lesser of:

(x) the percentage set forth in the table below for the applicable Class of Class M Certificates multiplied by the aggregate Stated Principal Balance of the Mortgage Loans for that Distribution Date:

Class	Percentage
M-1, M-2 and M-3	81.40%*
M-4	84.50%
M-5	87.50%
M-6	90.30%
M-7	92.90%
M-8	94.50%
M-9	95.90%
M-10	97.80%

and

(y) the excess, if any, of the aggregate Stated Principal Balance of the Mortgage Loans for that Distribution Date over 0.50% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, until the Class Certificate Balance of that Class of Class M Certificates has been reduced to zero.

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*The amount calculated according to such percentage will be allocated sequentially to the Class M-1, Class M-2 and Class M-3 Certificates.

Class M-1 Certificates : All Certificates bearing the Class designation of “Class M-1”.

Class M-2 Certificates : All Certificates bearing the Class designation of "Class M-2".

Class M-3 Certificates : All Certificates bearing the Class designation of "Class M-3".

Class M-4 Certificates : All Certificates bearing the Class designation of "Class M-4".

Class M-5 Certificates : All Certificates bearing the Class designation of "Class M-5".

Class M-6 Certificates : All Certificates bearing the Class designation of "Class M-6".

Class M-7 Certificates : All Certificates bearing the Class designation of "Class M-7".

Class M-8 Certificates : All Certificates bearing the Class designation of "Class M-8".

Class M-9 Certificates : All Certificates bearing the Class designation of "Class M-9".

Class M-10 Certificates : All Certificates bearing the Class designation of "Class M-10".

Class Notional Balance : With respect to each Distribution Date and the related Interest Accrual Period and the Class A-IO Certificates, the lesser of (a) the Pool Balance as of the first day of the related Due Period and (b) the amount set forth in the schedule in Exhibit Z for such Distribution Date.

Class P Certificates : All Certificates bearing the Class designation of "Class P".

Class R Certificates : All Certificates bearing the Class designation of "Class R".

Class P Principal Amount : As of the Closing Date, $100.00.

Class X Certificates : All Certificates bearing the Class designation of "Class X".

Class X Distributable Amount : With respect to any Distribution Date, the amount of interest that has accrued on the Class X Notional Balance, as described in the Preliminary Statement, but that has not been distributed prior to such date. In addition, such amount shall include the initial Overcollateralization Amount of $18,531,753.93 ($18,531,853.93 less $100 of such amount allocated to the Class P Certificates) to the extent such amount has not been distributed on an earlier Distribution Date as part of the Overcollateralization Reduction Amount.

Class X Notional Balance : With respect to any Distribution Date (and the related Interest Accrual Period) the aggregate principal balance of the regular interests in REMIC 3 as specified in the Preliminary Statement hereto.

Closing Date : July 7, 2006.

Code : The Internal Revenue Code of 1986, including any successor or amendatory provisions.

Collection Account : As defined in Section 3.10(a).

Commission : The United States Securities and Exchange Commission.

Compensating Interest : For any Distribution Date, the lesser of (a) the amount, if any, by which the Prepayment Interest Shortfall, if any, for such Distribution Date, with respect to all voluntary Principal Prepayments (excluding any payments made upon liquidation of any Mortgage Loan) exceeds all Prepayment Interest Excesses for such Distribution Date, and (b) the aggregate amount of the Servicing Fee actually retained by or paid to the Servicer for such Distribution Date.

Condemnation Proceeds : All awards or settlements in respect of a Mortgaged Property, whether

permanent or temporary, partial or entire, by exercise of the power of eminent domain or condemnation.

Corporate Trust Office : With respect to the Securities Administrator, (i) for transfer, presentation or surrender of Certificates, the office at Wells Fargo Center, Sixth Street and Marquette Avenue, Minneapolis, Minnesota 55479, Attention: Corporate Trust Services –FFML 2006-FF9, and (ii) for all other purposes, 9062 Old Annapolis Road, Columbia, Maryland 21045, Attention: Corporate Trust Services – FFML 2006-FF9 or at such other address as the Securities Administrator may designate from time to time by notice to the Certificateholders, the Depositor, the Master Servicer and the Trustee. With respect to the Trustee, the designated office of the Trustee in the State of California at which any particular time its corporate trust business with respect to this Agreement is administered, which office at the date of the execution of this Agreement is located at 1761 East St. Andrew Place, Santa Ana, California 92705-4934, Attention: Trust Administration – FF06F9, facsimile number (714) 247-6329, and its telephone number is (714) 247-6000 and which is also the address to which notices to and correspondence with the Trustee under this Agreement should be directed.

Corresponding Class : As described in the Preliminary Statement.

Credit Enhancement Percentage : With respect to any Distribution Date, the percentage obtained by dividing (x) the sum of (i) the aggregate Class Certificate Balance of the Class M Certificates and (ii) the Overcollateralization Amount (assuming the Overcollateralization Amount is not less than zero and in each case after taking into account the distributions of the Principal Payment Amount for such Distribution Date assuming no Trigger Event has occurred) by (y) the aggregate Stated Principal Balance of the Mortgage Loans for such Distribution Date.

Credit Risk Manager : Not applicable.

Credit Risk Management Agreement : Not applicable.

Credit Risk Manager's Fee Rate : Not applicable.

Cumulative Loss Percentage : With respect to any Distribution Date, the percentage equivalent of a fraction, the numerator of which is the aggregate amount of Realized Losses incurred from the Cut-off Date to the last day of the calendar month preceding the month in which such Distribution Date occurs and the denominator of which is the Cut-off Date Pool Principal Balance of the Mortgage Loans.

Cumulative Loss Trigger Event : If, with respect to any Distribution Date, the quotient (expressed as a percentage) of (x) the aggregate amount of Realized Losses incurred since the Cut-off Date through the last day of the related Prepayment Period, divided by (y) the Cut-off Date Pool Principal Balance, exceeds the applicable loss percentages set forth below with respect to such Distribution Date:

Distribution Date Occurring In:	Loss Percentage:
July 2008 through June 2009	1.25% for the first month, plus an additional 1/12th of 1.50% for each month thereafter
July 2009 through June 2010	2.75% for the first month, plus an additional 1/12th of 1.60% for each month thereafter
July 2010 through June 2011	4.35% for the first month, plus an additional 1/12th of 1.30% for each month thereafter
July 2011 through June 2012	5.65% for the first month, plus an additional 1/12th of 0.65% for each month thereafter
July 2012 and thereafter	6.30%

Custodial File : The meaning assigned to such term in Section 2.01(a).

Custodian : Initially, Wells Fargo, or any successor custodian appointed hereunder.

Cut-off Date : June 1, 2006.

Cut-off Date Pool Principal Balance : The aggregate Stated Principal Balances of all Mortgage Loans as of the Cut-off Date.

Cut-off Date Principal Balance : As to any Mortgage Loan, the Stated Principal Balance thereof as of the close of business on the Cut-off Date.

Data Tape Information : With respect to each Mortgage Loan, the same information (provided as of the Cut-off Date) included in the data fields specified under the definition of "Mortgage Loan Schedule" in the Master MLPSA, with such additions and modifications as agreed upon by the Mortgage Loan Seller and the Depositor. A copy of the Master MLPSA is attached as Exhibits Q hereto.

Debt Service Reduction : With respect to any Mortgage Loan, a reduction by a court of competent jurisdiction in a proceeding under the United States Bankruptcy Code in the Scheduled Payment for such Mortgage Loan which became final and non-appealable, except such a reduction resulting from a Deficient Valuation or any reduction that results in a permanent forgiveness of principal.

Defaulting Party : As defined in the Swap Agreement or Cap Agreement, as applicable.

Deficient Valuation : With respect to any Mortgage Loan, a valuation of the related Mortgaged Property by a court of competent jurisdiction in an amount less than then outstanding principal balance of the Mortgage Loan, which valuation results from a proceeding initiated under the United States Bankruptcy Code.

Definitive Certificates : Any Certificate evidenced by a Physical Certificate and any Certificate issued in lieu of a Book-Entry Certificate pursuant to Section 5.02(e).

Delay Certificates : As specified in the Preliminary Statement.

Deleted Mortgage Loan : As defined in Section 2.03.

Delinquency Rate : For any calendar month, a fraction, expressed as a percentage, the numerator of which is the aggregate Stated Principal Balance of 60+ Day Delinquent Mortgage Loans as of the close of business on the last day of such month (not including those Mortgage Loans that are liquidated as of the end of the related Prepayment Period), and the denominator of which is the aggregate Stated Principal Balance of the Mortgage Loans as of the close of business on the last day of such month (not including those Mortgage Loans that are liquidated as of the end of the related Prepayment Period).

Delinquency Trigger Event : With respect to any Distribution Date on or after the Stepdown Date, the circumstances in which the Rolling Three Month Delinquency Rate as of the last day of the immediately preceding calendar month exceeds the applicable percentages of the Credit Enhancement Percentage for the prior Distribution Date as set forth below for the most senior Class of LIBOR Certificates then outstanding:

Class	**Percentage**
A	41.75%
M-1	51.49%
M-2	65.63%
M-3	78.34%
M-4	94.00%
M-5	116.57%
M-6	150.21%
M-7	205.22%
M-8	264.92%

M-9	355.38%
M-10	662.31%

Denomination : With respect to each Certificate, the amount set forth on the face thereof as the "Initial Certificate Balance of this Certificate" (initial notional balance, in the case of the Class A-IO Certificates) or the Percentage Interest appearing on the face thereof.

Depositor : HSI Asset Securitization Corporation, a Delaware corporation, and its successors in interest.

Depository : The initial Depository shall be The Depository Trust Company, the nominee of which is CEDE & Co., as the registered Holder of the Book-Entry Certificates. The Depository shall at all times be a "clearing corporation" as defined in Section 8-102(a)(5) of the Uniform Commercial Code of the State of New York.

Depository Institution : Any depository institution or trust company, including the Trustee and the Securities Administrator, that (a) is incorporated under the laws of the United States of America or any State thereof, (b) is subject to supervision and examination by federal or state banking authorities and (c) has outstanding unsecured commercial paper or other short-term unsecured debt obligations that are rated P-1 by Moody's, F1+ by Fitch and A-1 by Standard & Poor's.

Depository Participant : A broker, dealer, bank or other financial institution or other Person for whom from time to time a Depository effects book-entry transfers and pledges of securities deposited with the Depository.

Derivative Agreement: The Swap Agreement and the Cap Agreement.

Derivative Counterparty : Collectively, the Cap Counterparty and the Swap Counterparty.

Derivative Payment Date : For so long as either the Cap Agreement or the Swap Agreement is in effect, the Business Day preceding each Distribution Date.

Determination Date : With respect to each Remittance Date, the 15th day (or if such day is not a Business Day, the immediately preceding Business Day) in the calendar month in which such Remittance Date occurs.

Disqualified Non-U.S. Person : With respect to a Class R Certificate, any Non-U.S. Person or agent thereof other than (i) a Non-U.S. Person that holds the Class R Certificate in connection with the conduct of a trade or business within the United States and has furnished the transferor and the Securities Administrator with an effective IRS Form W-8ECI or (ii) a Non-U.S. Person that has delivered to both the transferor and the Securities Administrator an opinion of a nationally recognized tax counsel to the effect that the transfer of the Class R Certificate to it is in accordance with the requirements of the Code and the regulations promulgated thereunder and that such transfer of the Class R Certificate will not be disregarded for federal income tax purposes.

Distribution Account : The separate Eligible Account created and maintained by the Securities Administrator pursuant to Section 3.07(d) in the name of the Securities Administrator as paying agent for the benefit of the Trustee and the Certificateholders and designated "Wells Fargo Bank, N.A. as paying agent in trust for registered holders of First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, Series 2006-FF9". Funds in the Distribution Account shall be held in trust for the Certificateholders for the uses and purposes set forth in this Agreement.

Distribution Account Deposit Date : As to any Distribution Date, 12:00 noon New York City time on the third Business Day immediately preceding such Distribution Date.

Distribution Date : The 25th day of each calendar month, or if such day is not a Business Day, the next succeeding Business Day, commencing in July 2006.

Document Certification and Exception Report : The form of report attached to Exhibit F hereto.

Due Date : The day of the month on which the Scheduled Payment is due on a Mortgage Loan, exclusive of any days of grace.

Due Period : With respect to any Distribution Date, the period commencing on the second day of the calendar month preceding the month in which such Distribution Date occurs and ending on the first day of the calendar month in which such Distribution Date occurs.

EDGAR : The Commission's Electronic Data Gathering and Retrieval System.

Eligible Account : Either (i) an account maintained with a federal or state-chartered depository institution or trust company that complies with the definition of Eligible Institution, (ii) an account maintained with the corporate trust department of a federal depository institution or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the U.S. Code of Federal Regulation Section 9.10 (b), which, in either case, has corporate trust powers and is acting in its fiduciary capacity or (iii) any other account acceptable to each Rating Agency. Eligible Accounts may bear interest, and may include, if otherwise qualified under this definition, accounts maintained with the Securities Administrator.

Eligible Institution : A federal or state-chartered depository institution or trust company the commercial paper, short-term debt obligations, or other short-term deposits of which are rated at least "A-1+" by Standard & Poor's if the amounts on deposit are to be held in the account for no more than 365 days (or at least "A-2" if the amounts on deposit are to be held in the account for no more than 30 days), "P-1" by Moody's and "F1+" by Fitch (or a comparable rating if another Rating Agency is specified by the Depositor by written notice to each of the Servicer and the Securities Administrator) or long-term unsecured debt obligations are rated at least "AA-" by Standard & Poor's if the amounts on deposit are to be held in the account for no more than 365 days.

ERISA : The Employee Retirement Income Security Act of 1974, as amended.

ERISA-Qualifying Underwriting : A best efforts or firm commitment underwriting or private placement that meets the requirements of Prohibited Transaction Exemption (" PTE ") 96-84, 61 Fed. Reg. 58234 (1996), as amended by PTE 97-34, 62 Fed. Reg. 39021 (1997), PTE 2000-58, 65 Fed. Reg. 67765 (2000) and PTE 2002-41, 67 Fed. Reg. 54487 (2002) (or any successor thereto), or any substantially similar administrative exemption granted by the U.S. Department of Labor.

ERISA-Restricted Certificate : As specified in the Preliminary Statement.

ERISA-Restricted Derivative Certificate : As specified in the Preliminary Statement.

Escrow Account : The Eligible Account or Accounts established and maintained by the Servicer pursuant to Section 3.09(b).

Escrow Payments : As defined in Section 3.09(b).

Event of Default : As defined in Section 7.01.

Excess Overcollateralization Amount : With respect to any Distribution Date, the excess, if any, of (a) the Overcollateralization Amount on such Distribution Date over (b) the Overcollateralization Target Amount for such Distribution Date.

Excess Reserve Fund Account : The separate Eligible Account created and maintained by the Securities Administrator under the Supplemental Interest Trust pursuant to Sections 3.07(b) and 3.07(c) in the name of the Securities Administrator as paying agent for the benefit of the LIBOR Certificateholders, the Class A-IO Certificateholders and the Class X Certificateholders and designated "Wells Fargo Bank, N.A. as paying agent in trust for registered holders of First Franklin Mortgage Loan Trust 2006-FF9, Mortgage Pass-Through Certificates, Series 2006-FF9". Funds in the Excess Reserve Fund Account shall be held in trust for such Certificateholders for the

uses and purposes set forth in this Agreement. Amounts on deposit in the Excess Reserve Fund Account shall not be invested. The Excess Reserve Fund Account shall be considered part of the Supplemental Interest Trust but not part of any REMIC.

Exchange Act : The Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

Excluded Trust Assets : As defined in the Preliminary Statement.

Expense Adjusted Mortgage Rate : With respect to any Distribution Date and as to each Mortgage Loan, the per annum rate equal to the Mortgage Rate as of the first day of the related Due Period less the Expense Fee Rate.

Expense Fee Rate : As to each Mortgage Loan, a per annum rate equal to the sum of the Servicing Fee Rate and the Master Servicing Fee Rate.

Expense Fees : As to each Mortgage Loan and any Distribution Date, the sum of the Servicing Fee and the Master Servicing Fee.

Extra Principal Payment Amount : As of any Distribution Date, the lesser of (x) the related Total Monthly Excess Spread for such Distribution Date and (y) the related Overcollateralization Deficiency for such Distribution Date.

Fannie Mae : The Federal National Mortgage Association, or any successor thereto.

FDIC : The Federal Deposit Insurance Corporation, or any successor thereto.

FFFC : First Franklin Financial Corporation, a wholly owned subsidiary of National City Bank of Indiana.

Final Recovery Determination : With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by the Mortgage Loan Seller or the Sponsor as contemplated by this Agreement or the Purchase Agreement, as applicable), a determination made by the Servicer that all Insurance Proceeds, Condemnation Proceeds, Liquidation Proceeds and other payments or recoveries which the Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Servicer shall maintain records, prepared by a Servicing Officer, of each Final Recovery Determination made thereby.

Final Scheduled Distribution Date : The Final Scheduled Distribution Date for each Class of Certificates (other than the Class A-IO Certificates) is the Distribution Date occurring in June 2036. The Final Scheduled Distribution Date for the Class A-IO Certificates is the Distribution Date occurring in September 2007.

Fitch : Fitch, Inc., or any successor thereto. If Fitch is designated as a Rating Agency in the Preliminary Statement, for purposes of Section 12.05(c) the address for notices to Fitch shall be Fitch, Inc., One State Street Plaza, New York, New York 10004, Attention: MBS Monitoring – FFML (First Franklin Mortgage Loan Trust 2006-FF9), or such other address as Fitch may hereafter furnish to the Depositor and the Securities Administrator.

Fixed Rate Mortgage Loan : A Mortgage Loan with respect to which the Mortgage Rate set forth in the Mortgage Note is fixed for the term of such Mortgage Loan.

Form 8-K Disclosure Information : As defined in Section 8.12(a)(iii).

Freddie Mac : The Federal Home Loan Mortgage Corporation, a corporate instrumentality of the United States created and existing under Title III of the Emergency Home Finance Act of 1970, as amended, or any successor thereto.

Gross Margin : With respect to each Adjustable Rate Mortgage Loan, the fixed percentage amount set forth in the related Mortgage Note to be added to the Index to determine the Mortgage Rate.

Group I Available Funds Cap : With respect to the Group I Mortgage Loans as of any Distribution Date, the per annum rate (subject to adjustment based on the actual number of days elapsed in the related Interest Accrual Period) equal to (x) the weighted average of the Expense Adjusted Mortgage Rate for each Group I Mortgage Loan then in effect at the beginning of the related Due Period (not including for this purpose any Group I Mortgage Loans for which Principal Prepayments in Full have been received and distributed in the month prior to that Distribution Date) *minus* (y) a percentage equal to the product of (i) a fraction, the numerator of which is equal to the sum of (a) the portion of the Net Derivative Payment or Swap Termination Payment allocated to the Group I Mortgage Loans based on the applicable Group Percentage (other than a Swap Termination Payment resulting from a Derivative Counterparty Trigger Event) made to the Swap Counterparty with respect to such Due Period and (b) the Senior Interest Payment Amount accrued on the Class A-IO Certificates allocable to the Group I Mortgage Loans based on the applicable Group Percentage and the denominator of which is equal to the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the beginning of the related Due Period and (ii) 12.

Group I Certificates : The Class I-A Certificates.

Group I Mortgage Loans : The Mortgage Loans identified on the Mortgage Loan Schedule as Group I Mortgage Loans.

Group I Principal Payment Amount : With respect to any Distribution Date prior to the Stepdown Date, the Principal Payment Amount multiplied by the Group Principal Allocation Percentage for the Group I Certificates.

Group I Senior Principal Payment Amount : With respect to any Distribution Date, the lesser of (i) the Group I Principal Payment Amount for that Distribution Date and (ii) the excess of (a) the aggregate Class Certificate Balance of the Group I Certificates immediately prior to that Distribution Date over (b) the lesser of (x) 65.10% of the aggregate Stated Principal Balance of the Group I Mortgage Loans for that Distribution Date and (y) the excess, if any, of the aggregate Stated Principal Balance of the Group I Mortgage Loans for that Distribution Date over 0.50% of the aggregate State Principal Balance of the Group I Mortgage Loans as of the Cut-off Date.

Group II Available Funds Cap : With respect to the Group II Mortgage Loans as of any Distribution Date, the per annum rate (subject to adjustment based on the actual number of days elapsed in the related Interest Accrual Period) equal to (x) the weighted average of the Expense Adjusted Mortgage Rate of the Group II Mortgage Loans then in effect at the beginning of the related Due Period (not including for this purpose any Group II Mortgage Loans for which Principal Prepayments in Full have been received and distributed in the month prior to that Distribution Date) *minus* (y) a percentage equal to the product of (i) a fraction, the numerator of which is equal to the sum of (a) the portion of the Net Derivative Payment or Swap Termination Payment allocated to the Group II Mortgage Loans based on the applicable Group Percentage (other than a Swap Termination Payment resulting from a Swap Counterparty Trigger Event) made to the Swap Counterparty and (b) the Senior Interest Payment Amount accrued on the Class A-IO Certificates allocable to the Group II Mortgage Loans based on the applicable Group Percentage and the denominator of which is equal to the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the beginning of the related Due Period and (ii) 12.

Group II Certificates : The Class II-A-1, Class II-A-2, Class II-A-3 and Class II-A-4 Certificates.

Group II Mortgage Loans : The Mortgage Loans identified on the Mortgage Loan Schedule as Group II Mortgage Loans.

Group II Principal Payment Amount : With respect to any Distribution Date, the Principal Payment Amount multiplied by the Group Principal Allocation Percentage for the Group II Certificates.

Group II Senior Principal Payment Amount : With respect to any Distribution Date, the lesser of (i) the

Group II Principal Payment Amount for that Distribution Date and (ii) the excess of (a) the aggregate Class Certificate Balance of the Group II Certificates immediately prior to that Distribution Date over (b) the lesser of (x) 65.10% of the aggregate Stated Principal Balance of the Group II Mortgage Loans for that Distribution Date and (y) the excess, if any, of the aggregate Stated Principal Balance of the Group II Mortgage Loans for that Distribution Date over 0.50% of the aggregate State Principal Balance of the Group II Mortgage Loans as of the Cut-off Date.

Group Available Funds Cap: The Group I Available Funds Cap or the Group II Available Funds Cap, as applicable.

Group Percentage: For any Distribution Date and for each of the Group I Mortgage Loans and the Group II Mortgage Loans, a fraction (expressed as a percentage) the numerator of which is the aggregate Stated Principal Balance of the Mortgage Loans in such Loan Group and the denominator of which is equal to the aggregate Stated Principal Balance of all the Mortgage Loans as of such date.

Group Principal Allocation Percentage : With respect to any Distribution Date, the percentage equivalent of a fraction, determined as follows:

(i) with respect to the Group I Certificates, a fraction, the numerator of which is the portion of the Principal Remittance Amount for that Distribution Date that is attributable to the principal received or advanced on the Group I Mortgage Loans and the denominator of which is the Principal Remittance Amount for that Distribution Date; and

(ii) with respect to the Group II Certificates, a fraction, the numerator of which is the portion of the Principal Remittance Amount for that Distribution Date that is attributable to the principal received or advanced on the Group II Mortgage Loans and the denominator of which is the Principal Remittance Amount for that Distribution Date.

Group Subordinate Amount : For any Distribution Date and (i) for the Group I Mortgage Loans, the excess of the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the beginning of the related Due Period over the Class Certificate Balance of the Class I-A Certificates immediately prior to the current Distribution Date and (ii) for the Group II Mortgage Loans, the excess of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the beginning of the related Due Period over the Class Certificate Balance of the Class II-A-1, Class II-A-2, Class II-A-3 and Class II-A-4 Certificates immediately prior to the current Distribution Date

Independent : When used with respect to any accountants, a Person who is "independent" within the meaning of Rule 2-01(B) of the Commission's Regulation S-X. Independent means, when used with respect to any other Person, a Person who (A) is in fact independent of another specified Person and any Affiliate of such other Person, (B) does not have any material direct or indirect financial interest in such other Person or any Affiliate of such other Person, (C) is not connected with such other Person or any Affiliate of such other Person as an officer, employee, promoter, underwriter, trustee, partner, director or Person performing similar functions and (D) is not a member of the immediate family of a Person defined in clause (B) or (C) above.

Index : As to each Adjustable Rate Mortgage Loan, the six-month LIBOR index from time to time in effect for the adjustment of the Mortgage Rate as set forth in the related Mortgage Note.

Initial Certification : As defined in Section 2.02.

Initial Sale Date : The date the Mortgage Loan was purchased by the Sponsor from the Mortgage Loan Seller under the Master MLPSA.

Insurance Policy : With respect to any Mortgage Loan included in the Trust Fund, any insurance policy, including, but not limited to, any standard hazard insurance policy, flood insurance policy, earthquake insurance policy, title insurance policy or Primary Mortgage Insurance Policy (if any), including all riders and endorsements thereto in effect, including any replacement policy or policies.

Insurance Proceeds : With respect to each Mortgage Loan, proceeds of Insurance Policies insuring the Mortgage Loan or the related Mortgaged Property.

Interest Accrual Period : With respect to each Class of LIBOR Certificates and any Distribution Date, the period commencing on the Distribution Date occurring in the month preceding the month in which the current Distribution Date occurs and ending on the day immediately preceding the current Distribution Date (or, in the case of the first Distribution Date, the period from and including the Closing Date to but excluding such first Distribution Date). For purposes of computing interest accruals on each Class of LIBOR Certificates, each Interest Accrual Period has the actual number of days in such month and each year is assumed to have 360 days. With respect to the Interest-Only Certificates and the Corresponding Class of Lower Tier REMIC Regular Interests and any Distribution Date, the calendar month immediately preceding the month in which such Distribution Date occurs. For purposes of computing interest accruals on the Interest-Only Certificates and each class of Lower Tier Interests, each Interest Accrual Period shall consist of a thirty day month and each year is assumed to have 360 days.

Interest Carry Forward Amount : As of any Distribution Date and any Class of LIBOR Certificates and the Interest-Only Certificates, the sum of (i) the excess of (a) the sum of (x) the Interest Payment Amount with respect to the current Distribution Date (excluding any Basis Risk Carryover Amount with respect to such Class), plus (y) the portion of the Interest Payment Amount from Distribution Dates prior to the current Distribution Date remaining unpaid immediately prior to the current Distribution Date, over (b) the amount actually paid to such Class with respect to interest on such prior Distribution Dates, and (ii) interest on the amount in clause (i) above at the applicable Interest Rate (to the extent permitted by applicable law).

Interest Margin : Except as set forth in the following sentence, with respect to each Class of Regular Certificates, the following percentages: Class I-A Certificates, 0.125%; Class II-A-1 Certificates, 0.060%; Class II-A-2 Certificates, 0.110%; Class II-A-3 Certificates, 0.160%; Class II-A-4 Certificates, 0.250%; Class M-1 Certificates, 0.250%; Class M-2 Certificates, 0.300%; Class M-3 Certificates, 0.320%; Class M-4 Certificates, 0.400%; Class M-5 Certificates, 0.430%; Class M-6 Certificates, 0.490%, Class M-7 Certificates, 0.950%, Class M-8 Certificates, 1.100%, Class M-9 Certificates, 1.900% and Class M-10 Certificates, 2.000%. On the first Distribution Date after the Optional Termination Date, the Interest Margins shall increase to the following percentages: Class I-A Certificates, 0.250%; Class II-A-1 Certificates, 0.120%; Class II-A-2 Certificates, 0.220%; Class II-A-3 Certificates, 0.320%; Class II-A-4 Certificates, 0.500%; Class M-1 Certificates, 0.375%; Class M-2 Certificates, 0.450%; Class M-3 Certificates, 0.480%; Class M-4 Certificates, 0.600%; Class M-5 Certificates, 0.645%; Class M-6 Certificates, 0.735%, Class M-7 Certificates, 1.425%, Class M-8 Certificates, 1.650%, Class M-9 Certificates, 2.850% and Class M-10 Certificates, 3.000%.

Interest Payment Amount : With respect to any Distribution Date for each Class of LIBOR Certificates and the Interest-Only Certificates, the amount of interest accrued during the related Interest Accrual Period at the applicable Interest Rate on the related Class Certificate Balance (Class Notional Balance, in the case of the Class A-IO Certificates) immediately prior to such Distribution Date, as reduced by such Class's share of Net Prepayment Interest Shortfalls and Relief Act Interest Shortfalls for such Distribution Date allocated to such Class pursuant to Section 4.02.

Interest Rate : For each Class of LIBOR Certificates and the Interest-Only Certificates, each Class of Upper Tier REMIC Regular Interest and each class of Lower Tier Interest, the per annum rate set forth or calculated in the manner described in the Preliminary Statement.

Interest Remittance Amount : With respect to any Distribution Date and the Mortgage Loans in a Loan Group, that portion of Available Funds attributable to interest relating to Mortgage Loans in that Loan Group.

Investment Account : As defined in Section 3.12(a).

Investor : With respect to each MERS Designated Mortgage Loan, the Person named on the MERS System as the investor pursuant to the MERS Procedures Manual.

IRS : The Internal Revenue Service.

Late Collections : With respect to any Mortgage Loan and any Due Period, all amounts received after the Determination Date immediately following such Due Period, whether as late payments of Scheduled Payments or as Insurance Proceeds, Condemnation Proceeds, Liquidation Proceeds, Subsequent Recoveries or otherwise, which represent late payments or collections of principal and/or interest due (without regard to any acceleration of payments under the related Mortgage and Mortgage Note) but delinquent for such Due Period and not previously recovered.

LIBOR : With respect to any Interest Accrual Period for the LIBOR Certificates, the rate determined by the Securities Administrator on the related LIBOR Determination Date on the basis of the offered rate for one-month U.S. dollar deposits as such rate appears on Telerate Page 3750 as of 11:00 a.m. (London time) on such date; provided , that if such rate does not appear on Telerate Page 3750, the rate for such date will be determined on the basis of the rates at which one-month U.S. dollar deposits are offered by the Reference Banks at approximately 11:00 a.m. (London time) on such date to prime banks in the London interbank market. In such event, the Securities Administrator shall request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the rate for that date will be the arithmetic mean of the quotations (rounded upwards if necessary to the nearest whole multiple of 1/16%). If fewer than two quotations are provided as requested, the rate for that date will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Securities Administrator (after consultation with the Depositor), at approximately 11:00 a.m. (New York City time) on such date for one-month U.S. dollar loans to leading European banks.

LIBOR Certificates : As specified in the Preliminary Statement.

LIBOR Determination Date: With respect to any Interest Accrual Period for the LIBOR Certificates, the second London Business Day preceding the commencement of such Interest Accrual Period.

Liquidated Mortgage Loan : With respect to any Distribution Date, a defaulted Mortgage Loan (including any REO Property) which was liquidated in the calendar month preceding the month of such Distribution Date and as to which the Servicer has certified to the Securities Administrator that it has received all amounts it expects to receive in connection with the liquidation of such Mortgage Loan including the final disposition of an REO Property.

Liquidation Proceeds : Cash received in connection with the liquidation of a Liquidated Mortgage Loan, whether through a trustee's sale, foreclosure sale or otherwise.

Loan Group : The Group I Mortgage Loans or the Group II Mortgage Loans, as applicable.

Loan-to-Value Ratio or LTV : As of any date and as to any Mortgage Loan, the ratio (expressed as a percentage) of the outstanding principal balance of the Mortgage Loan to (a) in the case of a purchase, the lesser of (i) the sale price of the Mortgaged Property and (ii) its appraised value at the time of sale or (b) in the case of a refinancing or modification, the appraised value of the Mortgaged Property at the time of the refinancing or modification.

London Business Day : Any day on which dealings in deposits of United States dollars are transacted in the London interbank market.

Lower Tier Interest : An interest in any REMIC formed hereby other than the Upper Tier REMIC.

Master Agreement: ISDA Master Agreement dated July 7, 2006 between the Derivative Counterparty and the Securities Administrator in its capacity as securities administrator of the Supplemental Interest Trust.

Master MLPSA : The Amended and Restated Master Mortgage Loan Purchase and Servicing Agreement among the Mortgage Loan Seller, the Servicer and the Sponsor, as initial purchaser, dated as of January 1, 2006.

Master Servicer : Wells Fargo, and if a successor master servicer is appointed hereunder, such successor.

Master Servicer Event of Default : As defined in Section 9.06.

Master Servicing Fee : As to any Distribution Date and each Mortgage Loan, an amount equal to 1/12th the product of (a) the Master Servicing Fee Rate and (b) the outstanding Stated Principal Balance of such Mortgage Loan as of the prior Distribution Date (or as of the Cut-off Date in the case of the first Distribution Date).

Master Servicing Fee Rate : With respect to any Mortgage Loan, a per annum rate equal to 0.005%.

Master Servicing Officer : Any officer of the Master Servicer involved in, or responsible for, the administration and master servicing of the Mortgage Loans.

Maximum Mortgage Rate : With respect to each Adjustable Rate Mortgage Loan, a rate that (i) is set forth on the Data Tape Information and in the related Mortgage Note and (ii) is the maximum interest rate to which the Mortgage Rate on such Mortgage Loan may be increased during the lifetime of such Mortgage Loan.

MERS : Mortgage Electronic Registration Systems, Inc., a Delaware corporation, and its successors in interest.

MERS Designated Mortgage Loan : Mortgage Loans for which (a) the Mortgage Loan Seller has designated or will designate MERS as, and has taken or will take such action as is necessary to cause MERS to be, the mortgagee of record, as nominee for the Mortgage Loan Seller, in accordance with the MERS Procedure Manual and (b) the Mortgage Loan Seller has designated or will designate the Trustee as the Investor on the MERS System.

MERS Procedure Manual : The MERS Procedures Manual, as it may be amended, supplemented or otherwise modified from time to time.

MERS® System : MERS mortgage electronic registry system, as more particularly described in the MERS Procedures Manual.

MIN : The Mortgage Identification Number of Mortgage Loans registered with MERS on the MERS® System.

Minimum Mortgage Rate : With respect to each Adjustable Rate Mortgage Loan, a rate that (i) is set forth on the Data Tape Information and in the related Mortgage Note and (ii) is the minimum interest rate to which the Mortgage Rate on such Mortgage Loan may be decreased during the lifetime of such Mortgage Loan.

Monthly Statement : The statement delivered to the Certificateholders pursuant to Section 4.03.

Moody's : Moody's Investors Service, Inc. If Moody's is designated as a Rating Agency in the Preliminary Statement, for purposes of Section 12.05(c) the address for notices to Moody's shall be Moody's Investors Service, Inc., 99 Church Street, New York, New York 10007, Attention: Residential Mortgage Pass-Through Group, FFML (First Franklin Mortgage Loan Trust Series 2006-FF9), or such other address as Moody's may hereafter furnish to the Depositor and the Securities Administrator.

Mortgage : The mortgage, deed of trust or other instrument identified on the Mortgage Loan Schedule as securing a Mortgage Note.

Mortgage File : The items pertaining to a particular Mortgage Loan contained in either the Servicing File or Custodial File.

Mortgage Loan : An individual Mortgage Loan that is the subject of this Agreement, each Mortgage

Loan originally sold and subject to this Agreement being identified on the Mortgage Loan Schedule, which Mortgage Loan includes, without limitation, the Mortgage File, the Scheduled Payments, Principal Prepayments, Liquidation Proceeds, Subsequent Recoveries, Condemnation Proceeds, Insurance Proceeds, REO Disposition proceeds, Prepayment Charges, and all other rights, benefits, proceeds and obligations arising from or in connection with such Mortgage Loan, excluding replaced or repurchased Mortgage Loans.

Mortgage Loan Schedule : A schedule of Mortgage Loans prepared by the Depositor, delivered to the Trustee on the Closing Date and referred to on Schedule I, such schedule setting forth for each Loan Group the Data Tape Information with respect to each Mortgage Loan.

Mortgage Loan Seller : FFFC.

Mortgage Note : The note or other evidence of the indebtedness of a Mortgagor under a Mortgage Loan.

Mortgage Rate : The annual rate of interest borne on a Mortgage Note, which shall be adjusted from time to time.

Mortgaged Property : With respect to each Mortgage Loan, the real property (or leasehold estate, if applicable) identified on the Mortgage Loan Schedule as securing repayment of the debt evidenced by the related Mortgage Note.

Mortgagor : The obligor(s) on a Mortgage Note.

NCHLS : National City Home Loan Services, Inc., a wholly owned subsidiary of National City Bank of Indiana.

Net Derivative Payment : The net payment required to be made on the Derivative Payment Date either by (a) the Supplemental Interest Trust to the Derivative Counterparty, to the extent that the fixed amount payable by the Supplemental Interest Trust under the terms of the Swap Agreement exceeds the aggregate amount of the corresponding floating amount payable by the Derivative Counterparty under the terms of the Swap Agreement and any amounts payable by the Derivative Counterparty under the Cap Agreement, or (b) the Derivative Counterparty to the Supplemental Interest Trust, to the extent that the aggregate amount of the floating amount payable by the Derivative Counterparty under the terms of the Swap Agreement and any such amount payable by the Derivative Counterparty under the Cap Agreement exceeds the corresponding fixed amount payable by the Supplemental Interest Trust under the terms of the Swap Agreement, plus in the case of a payment made under either clause (a) or clause (b) any unpaid amounts due under such clause from previous Derivative Payment Dates, and accrued interest thereon as provided in the applicable Derivative Agreement, as calculated by the Derivative Counterparty and furnished to the Securities Administrator. Any Swap Termination Payment or Cap Termination Payment will be made exclusive of the Net Derivative Payment required to be made by the Derivative Counterparty or Supplemental Interest Trust, as applicable, under the Swap Agreement or the Cap Agreement.

Net Monthly Excess Cash Flow : For any Distribution Date, the amount of interest and principal remaining for distribution pursuant to subsection 4.02(a)(iii) (before giving effect to distributions pursuant to such subsection).

Net Prepayment Interest Shortfall : For any Distribution Date, the amount by which the sum of the Prepayment Interest Shortfalls for such Distribution Date exceeds the sum of Compensating Interest payments made with respect to such Distribution Date.

Net Swap Payment : With respect to each Swap Payment Date, the net payment (not including any Swap Termination Payment) required to be made pursuant to the terms of the Swap Agreement plus any unpaid amounts due on previous Swap Payment Dates and accrued interest thereon as provided in the Swap Agreement, as calculated by the Swap Counterparty and furnished to the Securities Administrator.

Net WAC Rate : With respect to any Distribution Date (and the related Interest Accrual Period), a per annum rate equal to the weighted average of the Expense Adjusted Mortgage Rates of the Mortgage Loans as of the first day of the related Due Period (not including for this purpose Mortgage Loans for which Principal Prepayments in Full have been received and distributed in the month prior to that Distribution Date).

NIM Issuer : The entity established as the issuer of the NIM Securities.

NIM Securities : Any debt securities secured or otherwise backed by some or all of the Class X and Class P Certificates that are rated by any Rating Agency.

NIM Trustee : The Indenture trustee for the NIM Securities.

Non-Delay Certificates : As specified in the Preliminary Statement.

Non-Permitted Transferee : A Person other than a Permitted Transferee.

Non-U.S. Person : A person that is not a U.S. Person.

Nonrecoverable P&I Advance : Any P&I Advance previously made or proposed to be made in respect of a Mortgage Loan or REO Property that, in the good faith business judgment (taking into account Accepted Servicing Practices) of the Servicer, the Master Servicer, as successor servicer, or any successor master servicer including the Trustee, as applicable, will not or, in the case of a proposed P&I Advance, would not be ultimately recoverable from related Late Collections on such Mortgage Loan or REO Property as provided herein.

Nonrecoverable Servicing Advance : Any Servicing Advances previously made or proposed to be made in respect of a Mortgage Loan or REO Property, which, in accordance with Accepted Servicing Practices, will not or, in the case of a proposed Servicing Advance, would not be ultimately recoverable from related Late Collections.

Notice of Final Distribution : The notice to be provided by the Securities Administrator pursuant to Section 11.02 to the effect that final distribution on any of the Certificates shall be made only upon presentation and surrender thereof.

Offered Certificates : As specified in the Preliminary Statement.

Offering Documents : The Prospectus and the Private Placement Memorandum.

Officer's Certificate : A certificate signed by an officer of the Servicer or the Master Servicer, as applicable, with responsibility for the servicing of the Mortgage Loans and listed on a list delivered to the Trustee and the Securities Administrator pursuant to this Agreement.

Opinion of Counsel : A written opinion of counsel, who may be in-house counsel for the Servicer or any Subservicer, reasonably acceptable to the Trustee and/or the Securities Administrator, as applicable (and/or such other Persons as may be set forth herein); provided , that any Opinion of Counsel relating to (a) qualification of any REMIC created hereby or (b) compliance with the REMIC Provisions, must be (unless otherwise stated in such Opinion of Counsel) an opinion of counsel who (i) is in fact independent of the Servicer or the Master Servicer, (ii) does not have any material direct or indirect financial interest in the Servicer or the Master Servicer or in an affiliate of either and (iii) is not connected with the Servicer or the Master Servicer as an officer, employee, director or person performing similar functions.

Option to Purchase : On the first Optional Termination Date and any Distribution Date thereafter, the Master Servicer, upon instruction by the Depositor, shall purchase the Mortgage Loans. If the Depositor fails to instruct the Master Servicer to purchase the Mortgage Loans, the Master Servicer has the right and, at its own option, may purchase the Mortgage Loans on the first Distribution Date and any Distribution Date thereafter on which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or

equal to 5.00% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date.

Optional Termination Date : Any Distribution Date on which the aggregate Stated Principal Balance of the Mortgage Loans, as of the last day of the related Due Period, is less than or equal to 10.00% of the Cut-off Date Pool Principal Balance.

OTS : Office of Thrift Supervision, and any successor thereto.

Outstanding : With respect to the Certificates as of any date of determination, all Certificates theretofore executed and authenticated under this Agreement except:

(i) Certificates theretofore canceled by the Securities Administrator or delivered to the Securities Administrator for cancellation; and

(ii) Certificates in exchange for which or in lieu of which other Certificates have been executed and delivered by the Securities Administrator pursuant to this Agreement.

Outstanding Mortgage Loan : As of any Due Date, a Mortgage Loan with a Stated Principal Balance greater than zero which was not the subject of a Principal Prepayment in Full prior to such Due Date and which did not become a Liquidated Mortgage Loan prior to such Due Date.

Overcollateralization Amount : As of any Distribution Date, the excess, if any, of (a) the aggregate Stated Principal Balance of the Mortgage Loans for such Distribution Date over (b) the aggregate of the Class Certificate Balances of the LIBOR Certificates as of such Distribution Date (after giving effect to the payment of the Principal Remittance Amount on such Certificates on such Distribution Date).

Overcollateralization Deficiency : With respect to any Distribution Date, the excess, if any, of (a) the Overcollateralization Target Amount applicable to such Distribution Date over (b) the Overcollateralization Amount applicable to such Distribution Date.

Overcollateralization Reduction Amount : With respect to any Distribution Date, an amount equal to the lesser of (a) the Excess Overcollateralization Amount and (b) the Net Monthly Excess Cash Flow.

Overcollateralization Target Amount : Prior to the Stepdown Date, an amount equal to 1.10% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date. On and after the Stepdown Date, an amount equal to the greater of (i) 2.20% of the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period and (ii) 0.50% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date; provided, however , that if, on any Distribution Date a Trigger Event exists, the Overcollateralization Target Amount shall not be reduced to the applicable percentage of then current aggregate Stated Principal Balance of the Mortgage Loans until the Distribution Date on which a Trigger Event no longer exists but rather shall remain the Overcollateralization Target Amount as determined for the immediately preceding Distribution Date. When the Class Certificate Balance of each Class of LIBOR Certificates have been reduced to zero, the Overcollateralization Target Amount will thereafter equal zero.

Ownership Interest : As to any Residual Certificate, any ownership interest in such Certificate including any interest in such Certificate as the Holder thereof and any other interest therein, whether direct or indirect, legal or beneficial.

P&I Advance : As to any Mortgage Loan or REO Property, any advance made by the Servicer in respect of any Remittance Date representing the aggregate of all payments of principal and interest, net of the Servicing Fee, that were due during the related Due Period on the Mortgage Loans and that were delinquent on the related Determination Date, plus certain amounts representing assumed payments not covered by any current net income on the Mortgaged Properties acquired by foreclosure or deed in lieu of foreclosure as determined pursuant to Section 4.01.

Percentage Interest : As to any Certificate, the percentage interest evidenced thereby in distributions

required to be made on the related Class, such percentage interest being set forth on the face thereof or equal to the percentage obtained by dividing the Denomination of such Certificate by the aggregate of the Denominations of all Certificates of the same Class.

Permitted Investments : Any one or more of the following obligations or securities acquired at a purchase price of not greater than par, regardless of whether issued by the Servicer, the Securities Administrator, the Trustee or any of their respective Affiliates:

(i) direct obligations of, or obligations fully guaranteed as to timely payment of principal and interest by, the United States or any agency or instrumentality thereof, provided such obligations are backed by the full faith and credit of the United States;

(ii) demand and time deposits in, certificates of deposit of, or bankers' acceptances (which shall each have an original maturity of not more than 90 days and, in the case of bankers' acceptances, shall in no event have an original maturity of more than 365 days or a remaining maturity of more than 30 days) denominated in United States dollars and issued by, any Depository Institution and rated F1+ by Fitch, A-1+ by Standard & Poor's and P-1 by Moody's;

(iii) repurchase obligations with respect to any security described in clause (i) above entered into with a Depository Institution (acting as principal);

(iv) securities bearing interest or sold at a discount that are issued by any corporation incorporated under the laws of the United States of America or any state thereof and that are rated by Fitch, Moody's and Standard & Poor's (in each case, to the extent they are designated as Rating Agencies in the Preliminary Statement), and by each other Rating Agency that rates such securities, in its highest long-term unsecured rating categories at the time of such investment or contractual commitment providing for such investment;

(v) commercial paper (including both non-interest-bearing discount obligations and interest-bearing obligations payable on demand or on a specified date not more than 30 days after the date of acquisition thereof) that is rated by Fitch, Moody's and Standard & Poor's (in each case, to the extent they are designated as Rating Agencies in the Preliminary Statement), and by each other Rating Agency that rates such securities, in its highest short-term unsecured debt rating available at the time of such investment;

(vi) units of money market funds, including money market funds managed or advised by the Trustee, the Securities Administrator or an Affiliate thereof, that have been rated "Aaa" by Moody's, "AAA" by Standard & Poor's and, if rated by Fitch, "AAA" by Fitch; and

(vii) if previously confirmed in writing to the Securities Administrator, any other demand, money market or time deposit, or any other obligation, security or investment, as may be acceptable to each of the Rating Agencies as a permitted investment of funds backing "Aaa" or "AAA" rated securities;

provided, however , that no instrument described hereunder shall evidence either the right to receive (a) only interest with respect to the obligations underlying such instrument or (b) both principal and interest payments derived from obligations underlying such instrument and the interest and principal payments with respect to such instrument provide a yield to maturity at par greater than 120.00% of the yield to maturity at par of the underlying obligations.

Permitted Transferee : Any Person other than (i) the United States, any State or political subdivision thereof, or any agency or instrumentality of any of the foregoing, (ii) a foreign government, international organization or any agency or instrumentality of either of the foregoing, (iii) an organization (except certain farmers' cooperatives described in Section 521 of the Code) which is exempt from tax imposed by Chapter 1 of the Code (including the tax imposed by Section 511 of the Code on unrelated business taxable income) on any excess inclusions (as defined in

Section 860E(c)(1) of the Code) with respect to any Residual Certificate, (iv) rural electric and telephone cooperatives described in Section 1381(a)(2)(C) of the Code, (v) a Person that is a Disqualified Non-U.S. Person or a U.S. Person with respect to whom income from a Residual Certificate is attributable to a foreign permanent establishment or fixed base, within the meaning of an applicable income tax treaty, of such Person or any other U.S. Person, (vi) an "electing large partnership" within the meaning of Section 775 of the Code and (vii) any other Person so designated by the Depositor based upon an Opinion of Counsel that the Transfer of an Ownership Interest in a Residual Certificate to such Person may cause any REMIC formed hereby to fail to qualify as a REMIC at any time that the Certificates are outstanding. The terms "United States", "State" and "international organization" shall have the meanings set forth in Section 7701 of the Code or successor provisions. A corporation will not be treated as an instrumentality of the United States or of any State or political subdivision thereof for these purposes if all of its activities are subject to tax and, with the exception of Freddie Mac, a majority of its board of directors is not selected by such government unit.

Person : Any individual, corporation, partnership, joint venture, association, limited liability company, joint-stock company, trust, unincorporated organization or government, or any agency or political subdivision thereof.

Physical Certificates : As specified in the Preliminary Statement.

Pool Stated Principal Balance : As to any Distribution Date, the aggregate of the Stated Principal Balances of the Mortgage Loans for such Distribution Date that were Outstanding Mortgage Loans on the Due Date in the related Due Period.

Prepayment Charge : Any prepayment premium, penalty or charge collected by the Servicer with respect to a Mortgage Loan from a Mortgagor in connection with any Principal Prepayment pursuant to the terms of the related Mortgage Note.

Prepayment Interest Excess : With respect to any Distribution Date, any interest collected by the Servicer with respect to any Mortgage Loan as to which a Principal Prepayment occurs from the 1st day of the month through the 15th day of the month in which such Distribution Date occurs and that represents interest that accrues from the 1st day of such month to the date of such Principal Prepayment.

Prepayment Interest Shortfall : With respect to any Distribution Date, the sum of, for each Mortgage Loan that was, during the portion of the related Prepayment Period from the first day of such Prepayment Period through the last day of the month preceding the month in which such Distribution Date occurs, the subject of a Principal Prepayment which is not accompanied by an amount equal to one month of interest that would have been due on such Mortgage Loan on the Due Date that occurs during such Prepayment Period and which was applied by the Servicer to reduce the outstanding principal balance of such Mortgage Loan on a date preceding such Due Date, an amount equal to the product of (a) the Mortgage Rate net of the Servicing Fee Rate for such Mortgage Loan, (b) the amount of the Principal Prepayment for such Mortgage Loan, (c) 1/360 and (d) the number of days commencing on the date on which such Principal Prepayment was applied and ending on the last day of the calendar month in which the related Prepayment Period begins.

Prepayment Period : With respect to any Distribution Date and any Principal Prepayments in full, the period commencing on the 16th day of the month preceding the month in which such Distribution Date occurs (or in the case of the first Distribution Date, commencing on the Cut-off Date) and ending on the 15th day of the month in which that Distribution Date occurs. With respect to Principal Prepayments in part, the calendar month preceding the month in which the Distribution Date occurs.

Primary Mortgage Insurance Policy : Any mortgage guaranty insurance, if any, on an individual Mortgage Loan as evidenced by a policy or certificate, whether such policy is obtained by the Mortgage Loan Seller, the lender or the borrower.

Principal Payment Amount : For any Distribution Date, the sum of (i) the Basic Principal Payment Amount for such Distribution Date and (ii) the Extra Principal Payment Amount for such Distribution Date.

Principal Prepayment : Any full or partial payment or other recovery of principal on a Mortgage Loan (including upon liquidation of a Mortgage Loan) that is received in advance of its scheduled Due Date, excluding any Prepayment Charge thereon, and that is not accompanied by an amount of interest representing scheduled interest due on any date or dates in any month or months subsequent to the month of prepayment.

Principal Prepayment in Full : Any Principal Prepayment made by a Mortgagor of the entire principal balance of a Mortgage Loan.

Principal Remittance Amount : With respect to any Distribution Date, the amount equal to the sum of the following amounts (without duplication) with respect to the related Due Period: (i) each scheduled payment of principal on a Mortgage Loan due during such Due Period and received by the Servicer on or prior to the related Determination Date or advanced by the Servicer for the related Remittance Date, (ii) all Principal Prepayments received during the related Prepayment Period; (iii) all net Liquidation Proceeds, Condemnation Proceeds and Insurance Proceeds on the Mortgage Loans allocable to principal, and all Subsequent Recoveries, actually collected by the Servicer during the related Prepayment Period; (iv) the portion of the Repurchase Price allocable to principal with respect to each Mortgage Loan repurchased by the Mortgage Loan Seller or the Sponsor, as the case may be, that was repurchased on or prior to the related Determination Date; and (v) all Substitution Adjustment Amounts allocable to principal with respect to the substitutions of Mortgage Loans that occur on or prior to the related Determination Date; (vi) the allocable portion of the proceeds received with respect to the termination of the Trust Fund pursuant to clause (a) of Section 11.01 (to the extent such proceeds relate to principal).

Private Certificates : As specified in the Preliminary Statement.

Private Placement Memorandum : The Private Placement Memorandum dated July 6, 2006 relating to the offering of the Class M-10 Certificates.

Prospectus : The Prospectus dated April 3, 2006, as supplemented by the Prospectus Supplement.

Prospectus Supplement : The Prospectus Supplement dated July 6, 2006, relating to the Offered Certificates.

PTCE : As defined in Section 5.02(b).

Purchase Agreement : The Mortgage Loan Purchase Agreement, dated as of June 1, 2006, between the Depositor and the Sponsor.

Rating Agency : Each of the Rating Agencies specified in the Preliminary Statement. If such organization or a successor is no longer in existence, "Rating Agency" shall be such nationally recognized statistical rating organization, or other comparable Person, as is designated by the Depositor, notice of which designation shall be given to the Trustee and the Securities Administrator. References herein to a given rating or rating category of a Rating Agency shall mean such rating category without giving effect to any modifiers. For purposes of Section 12.05(c), the addresses for notices to each Rating Agency shall be the address specified therefor in the definition corresponding to the name of such Rating Agency, or such other address as either such Rating Agency may hereafter furnish to the Depositor and the Securities Administrator.

Realized Losses : With respect to any date of determination and any Liquidated Mortgage Loan, the amount, if any, by which (a) the unpaid principal balance of such Liquidated Mortgage Loan together with accrued and unpaid interest thereon exceeds (b) the Liquidation Proceeds with respect thereto net of the expenses incurred by the Servicer in connection with the liquidation of such Liquidated Mortgage Loan and net of the amount of unreimbursed Servicing Advances with respect to such Liquidated Mortgage Loan.

Record Date : With respect to any Distribution Date and any Certificate other than an Interest-Only Certificate, the close of business on the Business Day immediately preceding such Distribution Date; provided,

however, that, for any Certificate issued in definitive form and for any Interest-Only Certificate, the Record Date shall be the close of business on the last Business Day of the month preceding the month in which such applicable Distribution Date occurs (or, in the case of the first Distribution Date, the Closing Date).

Reference Bank: As defined in Section 4.04.

Regulation AB: Subpart 229.1100 – Asset Backed Securities (Regulation AB), 17 C.F.R. §§229.1100-229.1123, as such may be amended from time to time, and subject to such clarification and interpretation as have been provided by the Commission in the adopting release (Asset-Backed Securities, Securities Act Release No. 33-8518, 70 Fed. Reg. 1,506, 1,531 (Jan. 7, 2005)) or by the staff of the Commission, or as may be provided by the Commission or its staff from time to time.

Regulation S: Regulation S promulgated under the Securities Act or any successor provision thereto, in each case as the same may be amended from time to time; and all references to any rule, section or subsection of, or definition or term contained in, Regulation S means such rule, section, subsection, definition or term, as the case may be, or any successor thereto, in each case as the same may be amended from time to time.

Regulation S Investment Letter: As defined in Section 5.02(b).

Regular Certificates: As specified in the Preliminary Statement.

Relevant Servicing Criteria: The Servicing Criteria applicable to the parties having reporting obligations hereunder, as set forth on Exhibit S attached hereto. For clarification purposes, multiple parties can have responsibility for the same Relevant Servicing Criteria. With respect to any Servicing Function Participant engaged by the Master Servicer, the Securities Administrator, the Custodian or the Servicer, the term "Relevant Servicing Criteria" may refer to a portion of the Relevant Servicing Criteria applicable to such parties.

Relief Act Interest Shortfall: With respect to any Distribution Date and any Mortgage Loan, any reduction in the amount of interest collectible on such Mortgage Loan for the most recently ended Due Period as a result of the application of the Servicemembers Civil Relief Act or any applicable similar state statutes.

REMIC: Each pool of assets in the Trust Fund designated as a REMIC pursuant to the Preliminary Statement.

REMIC 1: As described in the Preliminary Statement.

REMIC 2: As described in the Preliminary Statement.

REMIC 3: As described in the Preliminary Statement.

REMIC 3 Net Funds Cap: For any Distribution Date (and the related Interest Accrual Period) and any Class of LIBOR Certificates, an amount equal to (i) the weighted average of the interest rates on the Lower Tier Interests in REMIC 3 (other than any interest-only regular interest), weighted in proportion to their Class Certificate Balances as of the beginning of the related Interest Accrual Period, multiplied by (ii) the quotient of (a) 30, divided by (b) the actual number of days in the Interest Accrual Period.

REMIC 4: As described in the Preliminary Statement.

REMIC A-IO Available Funds Cap: For any Distribution Date (and the related Interest Accrual Period) and the Class A-IO Certificates the weighted average of the interest rates on the Lower Tier Interests in REMIC 2 weighted in proportion to their Class Certificate Balances at the beginning of the related Interest Accrual Period.

REMIC Provisions: Provisions of the federal income tax law relating to real estate mortgage investment conduits, which appear at Sections 860A through 860G of Subchapter M of Chapter 1 of the Code, and related provisions, and regulations promulgated thereunder, as the foregoing may be in effect from time to time as well

as provisions of applicable state laws.

Remittance Date : With respect to any Distribution Date, the 21st day of the month in which such Distribution Date occurs, or, if the 21st is not a Business Day, the immediately succeeding Business Day.

REO Disposition : The final sale by the Servicer of any REO Property.

REO Imputed Interest : As to any REO Property, for any period, an amount equivalent to interest (at the Mortgage Rate net of the applicable Servicing Fee Rate that would have been applicable to the related Mortgage Loan had it been outstanding) on the unpaid principal balance of the Mortgage Loan as of the date of acquisition thereof (as such balance is reduced pursuant to Section 3.17 by any income from the REO Property treated as a recovery of principal).

REO Mortgage Loan : A Mortgage Loan where title to the related Mortgaged Property has been obtained by the Servicer in the name of the Trustee on behalf of the Certificateholders.

REO Property : A Mortgaged Property acquired by the Trust Fund through foreclosure or deed-in-lieu of foreclosure in connection with a defaulted Mortgage Loan.

Reportable Event : As defined in Section 8.12(a)(iii).

Reporting Servicer : As defined in Section 8.12(a)(ii).

Repurchase Price : With respect to any Mortgage Loan, an amount equal to the sum of (i) the unpaid principal balance of such Mortgage Loan as of the date of repurchase, (ii) interest on such unpaid principal balance of such Mortgage Loan at the Mortgage Rate from the last date through which interest has been paid to the date of repurchase, (iii) all unreimbursed Servicing Advances, and (iv) all expenses incurred by the Master Servicer, the Servicer or Trustee arising out of the Master Servicer's, the Servicer's or Trustee's enforcement of the Mortgage Loan Seller's or Sponsor's repurchase obligation hereunder.

Request for Release : The Request for Release submitted by the Servicer to the Trustee, substantially in the form of Exhibit J.

Residual Certificates : As specified in the Preliminary Statement.

Responsible Officer : When used with respect to the Trustee, the Securities Administrator, the Master Servicer, any vice president, any assistant vice president, any assistant secretary, any assistant treasurer, any associate, or any other officer of the Trustee, the Securities Administrator or the Master Servicer customarily performing functions similar to those performed by any of the above designated officers who at such time shall be officers to whom, with respect to a particular matter, such matter is referred because of such officer's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Agreement.

Rolling Three Month Delinquency Rate : With respect to any Distribution Date, the average of the Delinquency Rates for each of the three (or one or two, in the case of the first and second Distribution Dates) immediately preceding calendar months.

Rule 144A Investment Letter : As defined in Section 5.02(b).

Sarbanes-Oxley Act : The Sarbanes-Oxley Act of 2002 and the rules and regulations of the Commission promulgated thereunder (including any interpretations thereof by the Commission's staff).

Sarbanes-Oxley Certification : A written certification signed by an officer of the Master Servicer that complies with (i) the Sarbanes-Oxley Act, and (ii) Exchange Act Rules 13a-14(d) and 15d-14(d), as in effect from time to time; provided that if, after the Closing Date (a) the Sarbanes-Oxley Act is amended, (b) the Rules referred to in clause (ii) are modified or superseded by any subsequent statement, rule or regulation of the Commission or any

statement of a division thereof, or (c) any future releases, rules and regulations are published by the Commission from time to time pursuant to the Sarbanes-Oxley Act, which in any such case affects the form or substance of the required certification and results in the required certification being, in the reasonable judgment of the Master Servicer, materially more onerous that then form of the required certification as of the Closing Date, the Sarbanes-Oxley Certification shall be as agreed to by the Master Servicer and the Depositor following a negotiation in good faith to determine how to comply with any such new requirements.

Scheduled Payment : The scheduled monthly payment on a Mortgage Loan due on any Due Date allocable to principal and/or interest on such Mortgage Loan which, unless otherwise specified herein, shall give effect to any related Debt Service Reduction and any Deficient Valuation that affects the amount of the monthly payment due on such Mortgage Loan.

Securities Act : The Securities Act of 1933, as amended, and the rules and regulations thereunder.

Securities Administrator : Wells Fargo, and if a successor securities administrator is appointed hereunder, such successor.

Securities Administrator Float Period : With respect to the Distribution Date and the related amounts in the Distribution Account, the period commencing on the Remittance Date immediately preceding such Distribution Date and ending on such Distribution Date.

Senior Interest Payment Amount: With respect to any Distribution Date and any Class of Class A Certificates, the sum of the Interest Payment Amount and the Interest Carry Forward Amount, if any, for that Distribution Date for that Class.

Servicer : NCHLS and its successors in interest, and if a successor servicer is appointed hereunder, such successor.

Servicer Remittance Report : As defined in Section 4.03(d).

Service(s)(ing) : In accordance with Regulation AB, the act of servicing and administering the Mortgage Loans or any other assets of the Trust Fund by an entity that meets the definition of "servicer' set forth in Item 1101 of Regulation AB and is subject to the disclosure requirements set forth in Item 1108 of Regulation AB. For clarification purposes, any uncapitalized occurrence of this term in this Agreement shall have the meaning commonly understood by participants in the residential mortgage-backed securitization market.

Servicing Advances : The reasonable "out-of-pocket" costs and expenses (including legal fees) incurred by the Servicer in the performance of its servicing obligations in connection with a default, delinquency or other unanticipated event, including, but not limited to, the cost of (i) the maintenance, preservation, restoration, inspection and protection of a Mortgaged Property, (ii) any enforcement or judicial proceedings, including foreclosures and litigation, in respect of a particular Mortgage Loan, (iii) the management (including reasonable fees in connection therewith) and liquidation of any REO Property and (iv) the performance of its obligations under Sections 3.01, 3.09, 3.13 and 3.15. The Servicing Advances shall also include any reasonable "out-of-pocket" costs and expenses (including legal fees) incurred by the Servicer in connection with executing and recording instruments of satisfaction, deeds of reconveyance or Assignments of Mortgage in connection with any satisfaction or foreclosure in respect of any Mortgage Loan to the extent not recovered from the Mortgagor or otherwise payable under this Agreement and obtaining or correcting any legal documentation required to be included in the Mortgage File and necessary for the Servicer to perform its obligations under this Agreement. The Servicer shall not be required to make any Nonrecoverable Servicing Advances.

Servicing Criteria : The criteria set forth in paragraph (d) of Item 1122 of Regulation AB, as such may be amended from time to time.

Servicing Fee : With respect to each Mortgage Loan and for any calendar month, an amount equal to

one month's interest (or in the event of any payment of interest which accompanies a Principal Prepayment made by the Mortgagor during such calendar month, interest for the number of days covered by such payment of interest) at the Servicing Fee Rate on the applicable Stated Principal Balance of such Mortgage Loan as of the first day of such calendar month. Such fee shall be payable monthly, and shall be prorated for any portion of a month during which the Mortgage Loan is serviced by the Servicer under this Agreement. The Servicing Fee is payable solely from the interest portion (including recoveries with respect to interest from Liquidation Proceeds, Subsequent Recoveries, Insurance Proceeds, Condemnation Proceeds and proceeds received with respect to REO Properties) of such Scheduled Payment collected by the Servicer, or as otherwise provided under Section 3.11.

Servicing Fee Rate : 0.50% per annum.

Servicing File : With respect to each Mortgage Loan, the file retained by the Servicer consisting of originals or copies of all documents in the Mortgage File which are not delivered to the Custodian on behalf of the Trustee in the Custodial File and copies of the Mortgage Loan Documents set forth in Exhibit K hereto.

Servicing Function Participant: Any Sub-Servicer or Subcontractor of a Servicer, the Master Servicer, the Custodian or the Securities Administrator, respectively.

Servicing Officer : Any officer of the Servicer involved in, or responsible for, the administration and servicing of the Mortgage Loans whose name and facsimile signature appear on a list of servicing officers furnished to the Master Servicer and the Trustee by the Servicer on the Closing Date pursuant to this Agreement, as such list may from time to time be amended.

Similar Law : As defined in Section 5.02(b).

60+ Day Delinquent Mortgage Loan : Each Mortgage Loan with respect to which any portion of a Scheduled Payment is, as of the last day of the prior Due Period, two months or more past due (including any such Mortgage Loan in foreclosure, any such Mortgage Loan related to REO Property and any such Mortgage Loan where the related Mortgagor has filed for bankruptcy), without giving effect to any grace period.

Sponsor : HSBC Bank USA, National Association, a national banking association, and its successors in interest.

Standard & Poor's : Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. If Standard & Poor's is designated as a Rating Agency in the Preliminary Statement, for purposes of Section 12.05 (c) the address for notices to Standard & Poor's shall be Standard & Poor's, 55 Water Street, New York, New York 10041, Attention: Residential Mortgage Surveillance Group – HASCO (First Franklin Mortgage Loan Trust), Series 2006-FF9, or such other address as Standard & Poor's may hereafter furnish to the Depositor and the Securities Administrator.

Standard & Poor's Glossary : The Standard & Poor's LEVELS® Glossary, as may be in effect from time to time.

Startup Day : The Closing Date.

Stated Principal Balance : As to each Mortgage Loan and as of any date of determination, (i) the principal balance of the Mortgage Loan at the Cut-off Date after giving effect to payments of principal due on or before such date (whether or not received), minus (ii) all amounts previously remitted to the Securities Administrator with respect to the related Mortgage Loan representing payments or recoveries of principal including advances in respect of scheduled payments of principal. For purposes of any Distribution Date, the Stated Principal Balance of any Mortgage Loan will give effect to any scheduled payments of principal received by the Servicer on or prior to the related Determination Date or advanced by the Servicer for the related Remittance Date and any unscheduled principal payments and other unscheduled principal collections received during the related Prepayment Period, and the Stated Principal Balance of any Mortgage Loan that has prepaid in full or has become a Liquidated Mortgage Loan during the

related Prepayment Period shall be zero.

Stepdown Date : The earlier to occur of (i) the first Distribution Date following the Distribution Date on which the aggregate Class Certificate Balances of the Class A Certificates have been reduced to zero and (ii) the later to occur of (a) the Distribution Date in July 2009 and (b) the first Distribution Date on which the Credit Enhancement Percentage for the Class A Certificates (calculated for this purpose only after taking into account payments of principal applied to reduce the Stated Principal Balance of the Mortgage Loans for that Distribution Date but prior to any applications of Principal Payment Amount to the Certificates on that Distribution Date) is greater than or equal to 34.90%.

Subcontractor : Any vendor, subcontractor or other Person that is not responsible for the overall servicing of the Mortgage Loans but performs one or more discrete functions identified in Item 1122(d) of Regulation AB with respect to Mortgage Loans under the direction or authority of any Servicer (or a Sub-Servicer of any Servicer), the Master Servicer, the Custodian or the Securities Administrator.

Subsequent Recovery : With respect to any Mortgage Loan or related Mortgaged Property that became a Liquidated Mortgage Loan or was otherwise disposed of, all amounts received in respect of such Liquidated Mortgage Loan after an Applied Realized Loss Amount related to such Mortgage Loan or Mortgaged Property is allocated to reduce the Class Certificate Balance of any Class of Class M Certificates. Any Subsequent Recovery that is received during a Prepayment Period will be included as part of the Principal Remittance Amount for the related Distribution Date.

Sub-Servicer : Any Person that services Mortgage Loans on behalf of a Servicer, and is responsible for the performance (whether directly or through sub-servicers or Subcontractors) of servicing functions required to be performed under this Agreement, any related Servicing Agreement or any sub-servicing agreement that are identified in Item 1122(d) of Regulation AB.

Subservicing Account : As defined in Section 3.08.

Subservicing Agreement : As defined in Section 3.02(a).

Substitute Mortgage Loan : A Mortgage Loan substituted by the Mortgage Loan Seller or the Sponsor for a Deleted Mortgage Loan which must, on the date of such substitution, as confirmed in a Request for Release, substantially in the form of Exhibit J , (i) have a Stated Principal Balance, after deduction of all Scheduled Payments due in the month of substitution, not in excess of the Stated Principal Balance of the Deleted Mortgage Loan; (ii) be accruing interest at a rate not lower than and not more than 1.00% higher than that of the Deleted Mortgage Loan; (iii) have a remaining term to maturity not greater than (and not more than one year less than) that of the Deleted Mortgage Loan; (iv) be of the same type as the Deleted Mortgage Loan; and (v) comply with each representation and warranty set forth in Section 2.03.

Substitution Adjustment Amount : As defined in Section 2.03.

Supplemental Interest Trust : The corpus of a trust created pursuant to Section 4.06 of this Agreement and designated as the "Supplemental Interest Trust," consisting of the Swap Agreement, the Supplemental Interest Trust Account, the Swap Account, the Excess Reserve Fund Account, the Cap Agreement, the Cap Account, the right to receive the Class X Distributable Amount as provided in Section 4.02(a)(iii)(G), the Class LT4-I Interest in REMIC 4 and the right to receive Class I Shortfalls.

Supplemental Interest Trust Account : The Account created pursuant to Section 4.06(a).

Swap Account : The sub-account of the Supplemental Interest Trust Account created pursuant to Section 4.06(a).

Swap Agreement : The interest rate swap agreement entered into by the Supplemental Interest Trust and

the Swap Counterparty, dated July 7, 2006, which agreement provides for, among other things, a Net Swap Payment to be paid pursuant to the conditions provided therein, commencing with the Distribution Date in August 2006 and ending on the Distribution Date in January 2010, together with any schedules, confirmations or other agreements relating thereto, attached hereto as Exhibit O.

Swap Amount : With respect to each Distribution Date and the related Swap Payment Date, the sum of any Net Swap Payment and any Swap Termination Payment deposited in the Swap Account.

Swap Counterparty : The counterparty to the Supplemental Interest Trust under the Swap Agreement, and any successor in interest or assigns. Initially, the Swap Counterparty shall be the Bank of New York.

Swap Counterparty Trigger Event : A Swap Counterparty Trigger Event shall have occurred if any of a Swap Default with respect to which the Swap Counterparty is a Defaulting Party, a Termination Event (other than a "Tax Event" or "Illegality" as such terms are defined in the Master Agreement) with respect to which the Swap Counterparty is the sole Affected Party or an Additional Termination Event with respect to which the Swap Counterparty is the sole Affected Party has occurred.

Swap Default : Any of the circumstances constituting an "Event of Default" under the Swap Agreement.

Swap LIBOR : With respect to any Distribution Date (and the Accrual Period relating to such Distribution Date), the product of (i) the Floating Rate Option (as defined in the Swap Agreement) for the related Swap Payment Date, (ii) two, and (iii) the quotient of (a) the actual number of days in the Accrual Period for the LIBOR Certificates and (b) 30, as calculated by the Swap Counterparty and furnished to the Securities Administrator.

Swap Payment Date : For so long as the Swap Agreement is in effect or any amounts remain unpaid thereunder, the Business Day immediately preceding each Distribution Date.

Swap Replacement Receipts : As defined in Section 4.08(a)(i).

Swap Replacement Receipts Account : As defined in Section 4.08(a)(i).

Swap Termination Payment : Upon the designation of an "Early Termination Date" as defined in the Swap Agreement, the payment required to be made by the Supplemental Interest Trust to the Swap Counterparty, or by the Swap Counterparty to the Supplemental Interest Trust, as applicable, pursuant to the terms of the Swap Agreement, and any unpaid amounts due on previous Distribution Dates and accrued interest thereon as provided in the Swap Agreement, as calculated by the Swap Counterparty and furnished to the Securities Administrator.

Swap Termination Receipts : As defined in Section 4.08(a)(i).

Swap Termination Receipts Account : As defined in Section 4.08(a)(i).

Tax Matters Person : The Holder of the Class R Certificates designated as "tax matters person" of each REMIC created hereunder in the manner provided under Treasury Regulations Section 1.860F–4 (d) and Treasury Regulations Section 301.6231(a)(7)–1.

Tax Service Contract : As defined in Section 3.09.

Telerate Page 3750 : The display page currently so designated on the Bridge Telerate Service (or such other page as may replace that page on that service for displaying comparable rates or prices).

Termination Event : The occurrence of a termination event under the termination provision of the Cap Agreement or Swap Agreement, as applicable.

Termination Price : As defined in Section 11.01.

Total Monthly Excess Spread : As to any Distribution Date, an amount equal to the excess, if any, of (i) the interest on the Mortgage Loans (other than Prepayment Interest Excesses) received by the Servicer on or prior to the related Determination Date or advanced by the Servicer for the related Remittance Date (net of Expense Fees) over (ii) the sum of the amounts payable to the Certificates pursuant to Section 4.02(a)(i) (A) through (D) on such Distribution Date.

Transfer : Any direct or indirect transfer or sale of any Ownership Interest in a Residual Certificate.

Transfer Affidavit : As defined in Section 5.02(c).

Transferor Certificate : As defined in Section 5.02(b).

Trigger Event : Either a Cumulative Loss Trigger Event or a Delinquency Trigger Event.

Trust : The express trust created hereunder in Section 2.01(c).

Trust Fund : The corpus of the trust created hereunder consisting of (i) the Mortgage Loans and all interest and principal with respect thereto received on or after the related Cut-off Date, other than such amounts which were due on the Mortgage Loans on or prior to the related Cut-off Date; (ii) the Collection Account, the Distribution Account, the Cap Termination Receipts Account, the Cap Replacement Receipts Account the Swap Termination Receipts Account, the Swap Replacement Receipts Account and all amounts deposited therein pursuant to the applicable provisions of this Agreement; (iii) property that secured a Mortgage Loan and has been acquired by foreclosure, deed-in-lieu of foreclosure or otherwise; (iv) the Depositor's rights under the Purchase Agreement; (v) the Insurance Policies; and (vi) all proceeds of the conversion, voluntary or involuntary, of any of the foregoing.

Trustee : Deutsche Bank National Trust Company, a national banking association, and its successors in interest and, if a successor trustee is appointed hereunder, such successor.

Underwriters' Exemption : Any exemption listed under footnote 1 of, and amended by, Prohibited Transaction Exemption 96-84, 61 Fed. Reg. 58234 (1996), as amended by PTE 97-34, 62 Fed. Reg. 39021 (1997), PTE 2000-58, 65 Fed. Reg. 67765 (2000) and PTE 2002-41, 67 Fed. Reg. 54487 (2002), or any successor exemption.

Unpaid Realized Loss Amount : With respect to any Class of Class M Certificates and as to any Distribution Date, is the excess of (i) Applied Realized Loss Amounts with respect to such Class over (ii) the sum of (a) all distributions in reduction of such Applied Realized Loss Amounts on all previous Distribution Dates, and (b) the amount by which the Class Certificate Balance of such Class has been increased due to the distribution of any Subsequent Recoveries on all previous Distribution Dates. Any amounts distributed to a Class of Class M Certificates in respect of any Unpaid Realized Loss Amount will not be applied to reduce the Class Certificate Balance of such Class.

Upper Tier REMIC : As described in the Preliminary Statement.

Upper Tier REMIC Regular Interest : As described in the Preliminary Statement.

U.S. Person : (i) A citizen or resident of the United States; (ii) a corporation (or entity treated as a corporation for tax purposes) created or organized in the United States or under the laws of the United States or of any State thereof, including, for this purpose, the District of Columbia; (iii) a partnership (or entity treated as a partnership for tax purposes) organized in the United States or under the laws of the United States or of any State thereof, including, for this purpose, the District of Columbia (unless provided otherwise by future Treasury regulations); (iv) an estate whose income is includible in gross income for United States income tax purposes regardless of its source; or (v) a trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. Persons have authority to control substantial decisions of the trust. Notwithstanding the last clause of the preceding sentence, to the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as U.S. Persons prior to such date, may elect to continue to be U.S. Persons.

Voting Rights : The portion of the voting rights of all of the Certificates which is allocated to any Certificate. As of any date of determination, 1.00% of all Voting Rights shall be allocated to each of the Class A-IO, Class X, Class P and Class R Certificates, if any (such Voting Rights to be allocated among the holders of Certificates of each such Class in accordance with their respective Percentage Interests) and the remaining Voting Rights shall be allocated among Holders of the remaining Classes of Certificates in proportion to the Certificate Balances of their respective Certificates on such date. After the Class Notional Balance of the Class A-IO Certificates have been reduced to zero, the Voting Rights allocated to the Class A-IO Certificates will be allocated to any outstanding Classes of LIBOR Certificates on a *pro rata* basis.

Wells Fargo : Wells Fargo Bank, N.A., a national banking association, and its successors in interest.

ARTICLE II

CONVEYANCE OF MORTGAGE LOANS; REPRESENTATIONS AND WARRANTIES

Section 2.01 Conveyance of Mortgage Loans . (a) The Depositor, concurrently with the execution and delivery hereof, hereby sells, transfers, assigns, sets over and otherwise conveys to the Trustee for the benefit of the Certificateholders, without recourse, all the right, title and interest of the Depositor in and to the Trust Fund.

Concurrently with the execution of this Agreement, the Derivative Agreements shall be delivered to the Securities Administrator. In connection therewith, the Depositor hereby directs the Securities Administrator (solely in its capacity as securities administrator of the Supplemental Interest Trust) and the Securities Administrator is hereby authorized to execute and deliver each of the Derivative Agreements on behalf of the Supplemental Interest Trust for the benefit of Certificateholders. The Depositor, the Sponsor, the Master Servicer, the Servicer, the Mortgage Loan Seller and the Certificateholders (by their acceptance of such Certificates) acknowledge and agree that the Securities Administrator is executing and delivering the Derivative Agreements solely in its capacity as securities administrator of the Supplemental Interest Trust and not in its individual capacity. The Securities Administrator shall have no duty or responsibility to enter into any other interest rate swap agreement upon the expiration or termination of the Swap Agreement or interest rate cap agreement upon the termination of the Cap Agreement unless so directed by the Depositor.

Concurrently with the execution and delivery of this Agreement, the Depositor does hereby assign to the Trustee all of its rights and interest under the Purchase Agreement, including the right to enforce the Sponsor's obligation to repurchase or substitute defective Mortgage Loans under Section 5 of the Purchase Agreement. The Trustee hereby accepts such assignment, and as set forth herein in Section 2.03(k), shall be entitled to exercise all the rights of the Depositor under the Purchase Agreement as if, for such purpose, it were the Depositor.

(b) In connection with the transfer and assignment of each Mortgage Loan, the Depositor has delivered or caused to be delivered to the Custodian for the benefit of the Certificateholders the following documents or instruments with respect to each Mortgage Loan so assigned:

(i) the original Mortgage Note bearing all intervening endorsements necessary to show a complete chain of endorsements from the original payee, endorsed in blank, "Pay to the order of _____, without recourse", and, if previously endorsed, signed in the name of the last endorsee by a duly qualified officer of the last endorsee;

(ii) the original Assignment of Mortgage for each Mortgage Loan, in form and substance acceptable for recording. The Mortgage shall be assigned, with assignee's name left blank;

(iii) the original of each guarantee executed in connection with the Mortgage Note, if any;

(iv) the original recorded Mortgage, with evidence of recording thereon. If in connection with any

Mortgage Loan, the original Mortgage cannot be delivered with evidence of recording thereon on or prior to the Closing Date because of a delay caused by the public recording office where such Mortgage has been delivered for recordation or because such Mortgage has been lost or because such public recording office retains the original recorded Mortgage, the Mortgage Loan Seller shall deliver or cause to be delivered to the Custodian, (A) in the case of a delay caused by the public recording office, a copy of such Mortgage certified by the Mortgage Loan Seller, escrow agent, title insurer or closing attorney to be a true and complete copy of the original recorded Mortgage and (B) in the case where a public recording office retains the original recorded Mortgage or in the case where a Mortgage is lost after recordation in a public recording office, a copy of such Mortgage certified by such public recording office to be a true and complete copy of the original recorded Mortgage;

(v) originals or a certified copy of each modification agreement, if any;

(vi) the originals of all intervening assignments of Mortgage with evidence of recording thereon evidencing a complete chain of ownership from the originator of the Mortgage Loan to the last assignee, or if any such intervening assignment of Mortgage has not been returned from the applicable public recording office or has been lost or if such public recording office retains the original recorded intervening assignments of Mortgage, a photocopy of such intervening assignment of Mortgage, together with (A) in the case of a delay caused by the public recording office, an officer's certificate of the Mortgage Loan Seller, escrow agent, closing attorney or the title insurer insuring the Mortgage stating that such intervening assignment of Mortgage has been delivered to the appropriate public recording office for recordation and that such original recorded intervening assignment of Mortgage or a copy of such intervening assignment of Mortgage certified by the appropriate public recording office to be a true and complete copy of the original recorded intervening assignment of Mortgage will be promptly delivered to the Custodian upon receipt thereof by the party delivering the officer's certificate or by the Mortgage Loan Seller; or (B) in the case of an intervening assignment of mortgage where a public recording office retains the original recorded intervening assignment of Mortgage or in the case where an intervening assignment of Mortgage is lost after recordation in a public recording office, a copy of such intervening assignment of Mortgage with recording information thereon certified by such public recording office to be a true and complete copy of the original recorded intervening assignment of Mortgage;

(vii) if the Mortgage Note, the Mortgage, any Assignment of Mortgage or any other related document has been signed by a Person on behalf of the Mortgagor, the copy of the power of attorney or other instrument that authorized and empowered such Person to sign;

(viii) the original lender's title insurance policy (or a marked title insurance commitment, in the event that an original lender's title insurance policy has not yet been issued) in the form of an ALTA mortgage title insurance policy, containing all required endorsements and insuring the Trustee and its successors and assigns as to the first priority lien of the Mortgage in the original principal amount of the Mortgage Loan;

(ix) if applicable, the original of any Primary Mortgage Insurance Policy or certificate or, an electronic certification, evidencing the existence of the Primary Mortgage Insurance Policy or certificate, if private mortgage guaranty insurance is required; and

(x) original of any security agreement, chattel mortgage or equivalent document executed in connection with the Mortgage, if any.

To the extent not previously delivered to the Sponsor pursuant to the Master MLPSA, the Mortgage Loan Seller shall promptly upon receipt from the respective recording office cause to be delivered to the Custodian the original recorded document described in clauses (iv) and (vi) above.

From time to time, the Mortgage Loan Seller, the Depositor or the Servicer, as applicable, shall forward to the Custodian additional original documents, additional documents evidencing an assumption, modification, consolidation or extension of a Mortgage Loan, in accordance with the terms of this Agreement upon receipt of such

documents. All such mortgage documents held by the Custodian as to each Mortgage Loan shall constitute the " Custodial File ".

To the extent not previously delivered to the Sponsor pursuant to the Master MLPSA, on or prior to the Closing Date, the Mortgage Loan Seller shall deliver to the Custodian Assignments of Mortgages, in blank, for each Mortgage Loan. No later than thirty (30) Business Days following the later of the Closing Date and the date of receipt by the Servicer of the complete recording information for a Mortgage, the Servicer shall promptly submit or cause to be submitted for recording, at the expense of the Mortgage Loan Seller and at no expense to the Trust Fund, the Trustee, the Servicer or the Depositor, in the appropriate public office for real property records, each Assignment of Mortgage referred to in Section 2.01(b)(ii). Notwithstanding the foregoing, however, for administrative convenience and facilitation of servicing and to reduce closing costs, the Assignments of Mortgage shall not be required to be completed and submitted for recording with respect to any Mortgage Loan if the Trustee and each Rating Agency have received an Opinion of Counsel, satisfactory in form and substance to the Trustee and each Rating Agency to the effect that the recordation of such Assignments of Mortgage in any specific jurisdiction is not necessary to protect the Trust Fund's interest in the related Mortgage Note. If the Assignment of Mortgage is to be recorded, the Mortgage shall be assigned by the Mortgage Loan Seller, at the expense of the Mortgage Loan Seller, to "Deutsche Bank National Trust Company, as trustee under the Pooling and Servicing Agreement dated as of June 1, 2006, for First Franklin Mortgage Loan Trust 2006-FF9". In the event that any such Assignment of Mortgage is lost or returned unrecorded because of a defect therein, the Mortgage Loan Seller shall promptly cause to be delivered a substitute Assignment of Mortgage to cure such defect and thereafter cause each such assignment to be duly recorded at no expense to the Trust Fund.

In the event that such original or copy of any document submitted for recordation to the appropriate public recording office is not so delivered to the Trustee within 180 days (or such other time period as may be required by any Rating Agency) following the Closing Date, and in the event that the Mortgage Loan Seller does not cure such failure within 30 days of discovery or receipt of written notification of such failure from the Depositor, the related Mortgage Loan shall, upon the request of the Depositor, be repurchased by the Mortgage Loan Seller at the price and in the manner specified in Section 2.03. The foregoing repurchase obligation shall not apply in the event that the Mortgage Loan Seller cannot deliver such original or copy of any document submitted for recordation to the appropriate public recording office within the specified period due to a delay caused by the recording office in the applicable jurisdiction; provided , that the Mortgage Loan Seller shall instead deliver a recording receipt of such recording office or, if such recording receipt is not available, an officer's certificate of an officer of the Mortgage Loan Seller, confirming that such document has been accepted for recording.

Notwithstanding anything to the contrary contained in this Section 2.01, in those instances where the public recording office retains or loses the original Mortgage or assignment after it has been recorded, the obligations of the Mortgage Loan Seller shall be deemed to have been satisfied upon delivery by the Mortgage Loan Seller to the Trustee, prior to the Closing Date of a copy of such Mortgage or assignment, as the case may be, certified (such certification to be an original thereof) by the public recording office to be a true and complete copy of the recorded original thereof.

(c) The Depositor does hereby establish, pursuant to the further provisions of this Agreement and the laws of the State of New York, an express trust (the " Trust ") to be known, for convenience, as "First Franklin Mortgage Loan Trust 2006-FF9" and Deutsche Bank National Trust Company is hereby appointed as Trustee and Wells Fargo Bank, N.A. is appointed as Securities Administrator in accordance with the provisions of this Agreement. The parties hereto acknowledge and agree that it is the policy and intention of the Trust to acquire only Mortgage Loans meeting the requirements set forth in this Agreement, including without limitation, the representations and warranties set forth in the Schedules hereto.

(d) The Trust shall have the capacity, power and authority, and the Trustee on behalf of the Trust is hereby authorized, to accept the sale, transfer, assignment, set over and conveyance by the Depositor to the Trust of all the right, title and interest of the Depositor in and to the Trust Fund (including, without limitation, the Mortgage Loans) pursuant to Section 2.01(a).

Section 2.02 Acceptance by the Custodian of the Mortgage Loans . The Custodian shall acknowledge, on the Closing Date, receipt by the Custodian of the documents identified in the Initial Certification in the form annexed hereto as Exhibit E (" Initial Certification "), and declares that it holds and will hold such documents and the other documents delivered to it pursuant to Section 2.01, and that it holds or will hold such other assets as are included in the Trust Fund, in trust for the exclusive use and benefit of all present and future Certificateholders. The Custodian shall maintain possession of the related Mortgage Notes in the States of Minnesota, California, and Utah unless otherwise permitted by the Rating Agencies.

In connection with the Closing Date, the Custodian shall be required to deliver via facsimile (with original to follow the next Business Day) to the Depositor and the Trustee an Initial Certification prior to the Closing Date, or, as the Depositor agrees on the Closing Date, certifying receipt of a Mortgage Note and Assignment of Mortgage for each Mortgage Loan. The Custodian shall not be responsible to verify the validity, sufficiency or genuineness of any document in any Custodian File.

Within 90 days after the Closing Date, the Custodian shall ascertain that all documents identified in the Document Certification and Exception Report in the form attached hereto as Exhibit F are in its possession, and shall deliver to the Depositor, the Trustee, the Mortgage Loan Seller and the Servicer a Document Certification and Exception Report, in the form annexed hereto as Exhibit F, to the effect that, as to each Mortgage Loan listed in the Mortgage Loan Schedule (other than any Mortgage Loan paid in full or any Mortgage Loan specifically identified in such certification as an exception and not covered by such certification): (i) all documents identified in the Document Certification and Exception Report and required to be reviewed by it are in its possession; (ii) such documents have been reviewed by it and appear regular on their face and relate to such Mortgage Loan; (iii) based on its examination and only as to the foregoing documents, the information set forth in items (1), (2), (3), (15), (18) and (22) of the Data Tape Information respecting such Mortgage Loan is correct; and (iv) each Mortgage Note has been endorsed as provided in Section 2.01 of this Agreement. Neither the Trustee nor the Custodian shall be responsible to verify the validity, sufficiency or genuineness of any document in any Custodial File.

The Custodian shall retain possession and custody of each Custodial File in accordance with and subject to the terms and conditions set forth herein. The Servicer shall promptly deliver to the Custodian, upon the execution or receipt thereof, the originals of such other documents or instruments constituting the Custodial File as come into the possession of the Servicer from time to time.

The Mortgage Loan Seller shall deliver to the Servicer copies of all trailing documents required to be included in the Custodial File at the same time the original or certified copies thereof are delivered to the Custodian, including but not limited to such documents as the title insurance policy and any other Mortgage Loan documents upon return from the public recording office. The documents shall be delivered by the Mortgage Loan Seller at the Mortgage Loan Seller's expense to the Servicer.

Section 2.03 Representations, Warranties and Covenants of the Mortgage Loan Seller and the Servicer; Remedies for Breaches of Representations and Warranties with Respect to the Mortgage Loans . (a) NCHLS, in its capacity as Servicer makes the representations and warranties set forth in Schedule II hereto, to the Depositor, the Master Servicer, the Securities Administrator and the Trustee as of the Closing Date.

(b) FFFC, in its capacity as Mortgage Loan Seller, makes the representations and warranties set forth in Schedule III and Schedule IV hereto, to the Depositor, the Master Servicer, the Securities Administrator and the Trustee as of the date specified therein.

(c) It is understood and agreed by the Servicer and the Mortgage Loan Seller that the representations and warranties set forth in this Section 2.03 shall survive the transfer of the Mortgage Loans by the Depositor to the Trustee on the Closing Date, and shall inure to the benefit of the Depositor, the Trustee and the Trust Fund notwithstanding any restrictive or qualified endorsement on any Mortgage Note or Assignment of Mortgage or the examination or failure to examine any Mortgage File. Upon discovery by the Mortgage Loan Seller, the Depositor, the Securities Administrator, the Trustee, the Master Servicer or the Servicer of a breach of any of the foregoing

representations and warranties, the party discovering such breach shall give prompt written notice to the others.

(d) Within 30 days of the earlier of either discovery by or notice to the Mortgage Loan Seller that any Mortgage Loan does not conform to the requirements as determined in the Custodian's review of the related Custodial File or within 60 days of the earlier of either discovery by or notice to the Mortgage Loan Seller of any breach of a representation or warranty referred to in Section 2.03(b) that materially and adversely affects the value of any Mortgage Loan or the interest of the Trustee or the Certificateholders therein, the Mortgage Loan Seller shall use its best efforts to cause to be remedied a material defect in a document constituting part of a Mortgage File or promptly to cure such breach in all material respects and, if such defect or breach cannot be remedied, the Mortgage Loan Seller shall, at the Depositor's option as specified in writing and provided to the Mortgage Loan Seller and the Trustee, (i) if such 30- or 60-day period, as applicable, expires prior to the second anniversary of the Closing Date, remove such Mortgage Loan (a " Deleted Mortgage Loan ") from the Trust Fund and substitute in its place a Substitute Mortgage Loan, in the manner and subject to the conditions set forth in this Section 2.03; or (ii) repurchase such Mortgage Loan at the Repurchase Price; provided, however , that any such substitution pursuant to clause (i) above shall not be effected prior to the delivery to the Custodian of a Request for Release substantially in the form of Exhibit J, and the delivery of the Mortgage File to the Custodian for any such Substitute Mortgage Loan. Notwithstanding the foregoing, a breach (i) which causes a Mortgage Loan not to constitute a "qualified mortgage" within the meaning of Section 860G(a)(3) of the Code (ii) of any of the representations and warranties set forth in items number (6), (45), (53), (55), (56), (57), (58), (59), (60), (61). (62), (63), (64). (65), (66), (69). (70) and (77) of Schedule IV with respect to any Group I Mortgage Loan will be deemed automatically to materially and adversely affect the value of such Mortgage Loan and the interests of the Trustee and Certificateholders in such Mortgage Loan, thus requiring the repurchase or substitution of such Mortgage Loan by the Mortgage Loan Seller. In the event that the Trustee receives notice of a breach by the Mortgage Loan Seller of any of the representations and warranties described in the immediately preceding sentence, the Trustee shall give notice of such breach to the Mortgage Loan Seller and request the Mortgage Loan Seller to substitute such Mortgage Loan or to repurchase such Mortgage Loan at the Repurchase Price within sixty (60) days of the receipt of such notice. The Mortgage Loan Seller shall repurchase each such Mortgage Loan within 60 days of the earlier of discovery or receipt of notice with respect to each such Mortgage Loan.

(e) With respect to any Substitute Mortgage Loan or Loans, the Mortgage Loan Seller shall deliver to the Custodian for the benefit of the Certificateholders the Mortgage Note, the Mortgage, the related assignment of the Mortgage, and such other documents and agreements as are required by Section 2.01, with the Mortgage Note endorsed and the Mortgage assigned as required by Section 2.01. No substitution is permitted to be made with respect to any Distribution Date after the end of the related Prepayment Period. Scheduled Payments due with respect to Substitute Mortgage Loans in the Due Period of substitution shall not be part of the Trust Fund and will be retained by the Mortgage Loan Seller on the next succeeding Distribution Date. For the Due Period of substitution, distributions to Certificateholders will include the Scheduled Payment due on any Deleted Mortgage Loan for such Due Period and thereafter the Mortgage Loan Seller shall be entitled to retain all amounts received in respect of such Deleted Mortgage Loan.

(f) The Servicer shall amend the Mortgage Loan Schedule for the benefit of the Certificateholders to reflect the removal of such Deleted Mortgage Loan and the substitution of the Substitute Mortgage Loan or Loans and the Servicer shall deliver the amended Mortgage Loan Schedule to the Trustee and the Custodian. Upon such substitution, the Substitute Mortgage Loan or Loans shall be subject to the terms of this Agreement in all respects, and the Mortgage Loan Seller shall be deemed to have made with respect to such Substitute Mortgage Loan or Loans, as of the date of substitution, the representations and warranties made pursuant to Section 2.03(b) with respect to such Mortgage Loan. Upon any such substitution and the deposit to the Collection Account of the amount required to be deposited therein in connection with such substitution as described in the following paragraph, the Custodian shall release the Mortgage File held for the benefit of the Certificateholders relating to such Deleted Mortgage Loan to the Mortgage Loan Seller and the Trustee, upon receipt of a Request for Release certifying that all amounts required to be deposited in accordance with this Section 2.03(f) have been deposited in the Collection Account, shall execute and deliver at the Mortgage Loan Seller's direction such instruments of transfer or assignment prepared by the Mortgage Loan Seller in each case without recourse, as shall be necessary to vest title in the Mortgage Loan Seller of the

Trustee's interest in any Deleted Mortgage Loan substituted for pursuant to this Section 2.03.

(g) For any month in which the Mortgage Loan Seller substitutes one or more Substitute Mortgage Loans for one or more Deleted Mortgage Loans, the Servicer will determine the amount (if any) by which the aggregate unpaid principal balance of all such Substitute Mortgage Loans as of the date of substitution is less than the aggregate unpaid principal balance of all such Deleted Mortgage Loans. The amount of such shortage plus an amount equal to the aggregate of any unreimbursed Advances with respect to such Deleted Mortgage Loans (collectively, the "Substitution Adjustment Amount") shall be remitted by the Mortgage Loan Seller to the Servicer for deposit into the Collection Account on or before the Distribution Account Deposit Date for the Distribution Date in the month succeeding the calendar month during which the related Mortgage Loan became required to be purchased or replaced hereunder.

(h) In addition to the repurchase or substitution obligations referred to in Section 2.03(d) above and Section 2.03 (k) below, the Mortgage Loan Seller or the Sponsor, as applicable, shall indemnify the Depositor, any of its Affiliates, the Master Servicer, the Servicer, the Securities Administrator, the Trustee and the Trust and hold such parties harmless against any losses, damages, penalties, fines, forfeitures, reasonable and necessary legal fees and related costs, judgments and other costs and expenses (including, without limitation, any taxes payable by the Trust) resulting from any third party claim, demand, defense or assertion based on or grounded upon, or resulting from, a breach by the Mortgage Loan Seller or the Sponsor, as applicable, of any of its representations and warranties or obligations contained in this Agreement.

(i) The Servicer shall amend the Mortgage Loan Schedule for the benefit of the Certificateholders to reflect the removal of such Deleted Mortgage Loan and the Servicer shall deliver the amended Mortgage Loan Schedule to the Trustee, the Custodian, the Master Servicer and the Securities Administrator.

(j) In the event that a Mortgage Loan shall have been repurchased pursuant to this Agreement or the Purchase Agreement, the proceeds from such repurchase shall be deposited by the Servicer in the Collection Account pursuant to Section 3.10 on or before the Remittance Date for the Distribution Date in the month following the month during which the Mortgage Loan Seller or Sponsor became obligated to repurchase or replace such Mortgage Loan and upon such deposit of the Repurchase Price, and receipt of a Request for Release in the form of Exhibit J hereto, the Custodian shall release the related Custodial File held for the benefit of the Certificateholders to the Mortgage Loan Seller or the Sponsor, as applicable, as directed by the Servicer, and the Trustee shall execute and deliver at such Person's direction such instruments of transfer or assignment prepared by such Person, in each case without recourse, as shall be necessary to transfer title from the Trustee. In accordance with Section 12.05(a), the Securities Administrator shall promptly notify each Rating Agency of a purchase of a Mortgage Loan pursuant to this Section 2.03.

It is understood and agreed that the obligation of the Mortgage Loan Seller under this Agreement to cure, repurchase or substitute any Mortgage Loan as to which a breach of a representation and warranty has occurred and is continuing, together with any related indemnification obligations of the Mortgage Loan Seller set forth in Section 2.03(h), shall constitute the sole remedies against such Person respecting such breach available to Certificateholders, the Depositor and any of its Affiliates, or the Trustee on their behalf.

(k) The Trustee acknowledges that, except as provided in Section 5 of the Purchase Agreement, the Sponsor shall not have any obligation or liability with respect to any breach of a representation or warranty made by it with respect to a Mortgage Loan sold by it, provided that such representation or warranty was also made by the Mortgage Loan Seller with respect to the related Mortgage Loan. It is understood and agreed that the representations and warranties of the Sponsor set forth in Section 4 of the Purchase Agreement and assigned to the Trustee by the Depositor hereunder shall survive the transfer of the Mortgage Loans by the Depositor to the Trustee on the Closing Date, and shall inure to the benefit of the Trustee and the Certificateholders notwithstanding any restrictive or qualified endorsement on any Mortgage Note or Assignment of Mortgage and shall continue throughout the term of this Agreement. Upon the discovery by any of the Sponsor, the Depositor, the Securities Administrator, the Trustee, the Master Servicer or the Servicer of a breach of any of the Sponsor's representations and warranties set forth in Section 4

of the Purchase Agreement, the party discovering the breach shall give prompt written notice to the others. Within 30 days of the earlier of either discovery by or notice to the Sponsor of any breach of any of the foregoing representations or warranties that materially and adversely affects the value of any Mortgage Loan or the interest of the Trustee or the Certificateholders therein, the Sponsor shall use its best efforts to cure such breach in all material respects and, if such defect or breach cannot be remedied, the Sponsor shall, at the Depositor's instructions as specified in writing and provided to the Sponsor and the Trustee, (i) if such 30-day period expires prior to the second anniversary of the Closing Date, remove such Mortgage Loan from the Trust Fund and substitute in its place a Substitute Mortgage Loan, in the same manner and subject to the same conditions set forth in this Section 2.03 that apply to repurchases or substitutions of Mortgage Loans by the Mortgage Loan Seller or (ii) repurchase such Mortgage Loan at the Repurchase Price; provided, however , that any such substitution pursuant to clause (i) above shall not be effected prior to the delivery to the Custodian of a Request for Release substantially in the form of Exhibit J, and the delivery of the Mortgage File to the Custodian for any such Substitute Mortgage Loan. In the event of any such repurchase or substitution of a Mortgage Loan by the Sponsor, the procedures set forth in Sections 2.03(e), (f), (g), (h), (i) and (j) shall apply to the Sponsor in the same manner and to the same extent that they are applicable to the Mortgage Loan Seller. It is understood and agreed that the obligations of the Sponsor under this Agreement to cure, repurchase or substitute any Mortgage Loan as to which a breach of a representation and warranty has occurred and is continuing, together with any related indemnification obligations of the Sponsor set forth in Section 2.03(h), shall constitute the sole remedies against the Sponsor available to the Certificateholders, the Depositor and any of its affiliates, or the Trustee on their behalf.

The provisions of this Section 2.03 shall survive delivery of the respective Custodial Files to the Custodian for the benefit of the Certificateholders.

Section 2.04 Execution and Delivery of Certificates . The Trustee acknowledges the transfer and assignment to it of the Trust Fund and, concurrently with such transfer and assignment, the Securities Administrator has executed and delivered to, or upon the order of the Depositor, the Certificates in authorized denominations evidencing directly or indirectly the entire ownership of the Trust Fund. The Trustee agrees to hold the Trust Fund and exercise the rights referred to above for the benefit of all present and future Holders of the Certificates.

Section 2.05 REMIC Matters . The Preliminary Statement sets forth the designations for federal income tax purposes of all interests created hereby. The " Startup Day " for purposes of the REMIC Provisions shall be the Closing Date. The " latest possible maturity date " is the Distribution Date occurring in April 2041, which is the Distribution Date in the month following the month in which the latest Mortgage Loan maturity date occurs.

Section 2.06 Representations and Warranties of the Depositor . The Depositor hereby represents, warrants and covenants to the other parties to this agreement that as of the date of this Agreement or as of such date specifically provided herein:

(a) The Depositor is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware;

(b) The Depositor has the power and authority to convey the Mortgage Loans and to execute, deliver and perform, and to enter into and consummate transactions contemplated by, this Agreement;

(c) This Agreement has been duly and validly authorized, executed and delivered by the Depositor, all requisite company action having been taken, and, assuming the due authorization, execution and delivery hereof by the other parties hereto, constitutes or will constitute the legal, valid and binding agreement of the Depositor, enforceable against the Depositor in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights of creditors generally, and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law);

(d) No consent, approval, authorization or order of, or registration or filing with, or notice to, any governmental authority or court is required for the execution, delivery and performance of or compliance by the

Depositor with this Agreement or the consummation by the Depositor of any of the transactions contemplated hereby, except as have been received or obtained on or prior to the Closing Date;

(e) None of the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby or thereby, or the fulfillment of or compliance with the terms and conditions of this Agreement, (i) conflicts or will conflict with or results or will result in a breach of, or constitutes or will constitute a default or results or will result in an acceleration under (A) the charter or bylaws of the Depositor, or (B) of any term, condition or provision of any material indenture, deed of trust, contract or other agreement or instrument to which the Depositor or any of its subsidiaries is a party or by which it or any of its subsidiaries is bound; (ii) results or will result in a violation of any law, rule, regulation, order, judgment or decree applicable to the Depositor of any court or governmental authority having jurisdiction over the Depositor or its subsidiaries; or (iii) results in the creation or imposition of any lien, charge or encumbrance which would have a material adverse effect upon the Mortgage Loans or any documents or instruments evidencing or securing the Mortgage Loans;

(f) There are no actions, suits or proceedings before or against or investigations of, the Depositor pending, or to the knowledge of the Depositor, threatened, before any court, administrative agency or other tribunal, and no notice of any such action, which, in the Depositor's reasonable judgment, might materially and adversely affect the performance by the Depositor of its obligations under this Agreement, or the validity or enforceability of this Agreement;

(g) The Depositor is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or governmental agency that would materially and adversely affect its performance hereunder; and

(h) Immediately prior to the transfer and assignment by the Depositor to the Trustee on the Closing Date, the Depositor had good title to, and was the sole owner of each Mortgage Loan, free of any interest of any other Person, and the Depositor has transferred all right, title and interest in each Mortgage Loan to the Trustee. The transfer of the Mortgage Note and the Mortgage as and in the manner contemplated by this Agreement is sufficient either (i) fully to transfer to the Trustee, for the benefit of the Certificateholders, all right, title, and interest of the Depositor thereto as note holder and mortgagee or (ii) to grant to the Trustee, for the benefit of the Certificateholders, the security interest referred to in Section 12.04.

It is understood and agreed that the representations, warranties and covenants set forth in this Section 2.06 shall survive delivery of the respective Mortgage Files to the Custodian and shall inure to the benefit of the Trustee.

ARTICLE III

ADMINISTRATION AND SERVICING OF MORTGAGE LOANS

Section 3.01 Servicer to Service Mortgage Loans . (a) For and on behalf of the Certificateholders, the Servicer shall service and administer the Mortgage Loans in accordance with the terms of this Agreement and the respective Mortgage Loans and, to the extent consistent with such terms, in accordance with Accepted Servicing Practices, but without regard to:

(i) any relationship that the Servicer, any Subservicer or any Affiliate of the Servicer or any Subservicer may have with the related Mortgagor;

(ii) the ownership or non-ownership of any Certificate by the Servicer or any Affiliate of the Servicer;

(iii) the Servicer's obligation to make P&I Advances or Servicing Advances; or

(iv) the Servicer's or any Subservicer's right to receive compensation for its services hereunder or with respect to any particular transaction.

To the extent consistent with the foregoing, the Servicer shall seek to maximize the timely and complete recovery of principal and interest on the Mortgage Notes. Subject only to the above-described servicing standards and the terms of this Agreement and of the respective Mortgage Loans, the Servicer shall have full power and authority, acting alone or through Subservicers as provided in Section 3.02, to do or cause to be done any and all things in connection with such servicing and administration which it may deem necessary or desirable. Without limiting the generality of the foregoing, the Servicer in its own name or in the name of a Subservicer is hereby authorized and empowered by the Trustee when the Servicer believes it appropriate in its best judgment in accordance with Accepted Servicing Practices to execute and deliver any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Mortgage Loans and the Mortgaged Properties and to institute foreclosure proceedings or obtain a deed-in-lieu of foreclosure so as to convert the ownership of such properties, and to hold or cause to be held title to such properties, on behalf of the Trustee; provided, further , that upon the full release or discharge, the Servicer shall notify the Custodian of the Mortgage Loan of any such full release or discharge with respect to the Mortgage Loan and related Mortgage Properties. The Servicer shall at its own expense be responsible for preparing and recording all lien releases and mortgage satisfactions in accordance with state and local regulations. The Servicer shall service and administer the Mortgage Loans in accordance with applicable state and federal law and shall provide to the Mortgagors any reports required to be provided to them thereby. The Servicer shall also comply in the performance of this Agreement with all reasonable rules and requirements of each insurer under any standard hazard insurance policy or any Primary Mortgage Insurance Policy (if applicable). Subject to Section 3.16, the Trustee shall execute, at the written request of the Servicer, and furnish to the Servicer and any Subservicer such documents provided to the Trustee as are necessary or appropriate to enable the Servicer or any Subservicer to carry out their servicing and administrative duties hereunder, and the Trustee hereby grants to the Servicer, and this Agreement shall constitute, a power of attorney to carry out such duties including a power of attorney to take title to Mortgaged Properties after foreclosure on behalf of the Trustee. The Trustee shall execute a separate power of attorney, furnished to it by the Servicer, in favor of the Servicer for the purposes described herein to the extent necessary or desirable to enable the Servicer to perform its duties hereunder. The Trustee shall not be liable for the actions of the Servicer or any Subservicers under such powers of attorney. Notwithstanding anything contained herein to the contrary, no Servicer or Subservicer shall without the Trustee's consent: (i) initiate any action, suit or proceeding solely under the Trustee's name without indicating the Servicer's or Subservicer's, as applicable, representative capacity, or (ii) knowingly take any action with the intent to, or which actually does cause, the Trustee to be registered to do business in any state.

(b) Subject to Section 3.09(b), in accordance with the standards of the preceding paragraph, the Servicer shall advance or cause to be advanced funds as necessary for the purpose of effecting the timely payment of taxes and assessments on the Mortgaged Properties, which advances shall be Servicing Advances reimbursable in the first instance from the collection from the Mortgagors pursuant to Section 3.09(b), and further as provided in Section 3.11. Any cost incurred by the Servicer or by Subservicers in effecting the timely payment of taxes and assessments on a Mortgaged Property shall not be added to the unpaid principal balance of the related Mortgage Loan, notwithstanding that the terms of such Mortgage Loan so permit.

(c) Notwithstanding anything in this Agreement to the contrary, the Servicer may not make any future advances with respect to a Mortgage Loan (except as provided in Section 4.01) and except as provided in Section 3.07(a) the Servicer shall not (i) permit any modification with respect to any Mortgage Loan that would change the Mortgage Rate, reduce or increase the principal balance (except for reductions resulting from actual payments of principal) or change the final maturity date on such Mortgage Loan (except for a reduction of interest payments resulting from the application of the Servicemembers Civil Relief Act or any similar state statutes) or (ii) permit any modification, waiver or amendment of any term of any Mortgage Loan that would both (A) effect an exchange or reissuance of such Mortgage Loan under Section 1001 of the Code (or final, temporary or proposed Treasury regulations promulgated thereunder) and (B) cause any REMIC formed hereby to fail to qualify as a REMIC under the Code or the imposition of any tax on "prohibited transactions" or "contributions after the startup day" under the

REMIC Provisions.

(d) The Servicer may delegate its responsibilities under this Agreement; provided, however , that no such delegation shall release the Servicer from the responsibilities or liabilities arising under this Agreement.

Section 3.02 Subservicing Agreements between Servicer and Subservicers; Use of Subcontractors . (a) The Servicer may enter into a subservicing agreement with a Subservicer, for the servicing and administration of the Mortgage Loans (" Subservicing Agreement ") without obtaining the prior consent of the Trustee, the Depositor, the Master Servicer, Securities Administrator or other parties hereto to the utilization of any such Subservicer, provided the provisions of such Subservicing Agreement comply with the requirements set forth in this Section 3.02. None of the Trustee, the Master Servicer or the Depositor shall be required to review or consent to such Subservicing Agreement and none shall have any liability in connection therewith.

(b) Each Subservicer shall be (i) authorized to transact business in the state or states in which the related Mortgaged Properties it is to service are situated, if and to the extent required by applicable law to enable the Subservicer to perform its obligations hereunder and under the Subservicing Agreement and (ii) a Freddie Mac or Fannie Mae approved mortgage servicer. Each Subservicing Agreement must impose on the Subservicer requirements conforming to the provisions set forth in Sections 3.08, 3.22, 3.23, 3.24, 3.29, 6.05, 6.06, 7.01(i), 8.12 and Exhibit S of this Agreement to the same extent as if such Subservicer were the Servicer and otherwise provide for servicing of the Mortgage Loans consistent with the terms of this Agreement. The Servicer shall examine each Subservicing Agreement and will be familiar with the terms thereof in order to determine that the foregoing requirements have been incorporated into the Subservicing Agreement and that the terms thereof are not otherwise inconsistent with any of the provisions of this Agreement. The Servicer and the Subservicers may enter into and make amendments to the Subservicing Agreements or enter into different forms of Subservicing Agreements; provided, however , that any such amendments or different forms shall be consistent with and not violate the provisions of this Agreement, and that no such amendment or different form shall be made or entered into which could be reasonably expected to be materially adverse to the interests of the Trustee, the Depositor, the Master Servicer or the Securities Administrator without their prior written consent. Any variation without the consent of the Trustee, Depositor and Master Servicer from the requirements set forth in Sections 3.08, 3.22, 3.23, 3.24, 3.29, 6.05, 6.06, 7.01(i) and Exhibit S, are conclusively deemed to be inconsistent with this Agreement and therefore prohibited. The Servicer shall deliver to the Master Servicer, the Securities Administrator, the Trustee and the Depositor copies of all Subservicing Agreements, and any amendments or modifications thereof, promptly upon the Servicer's execution and delivery of such instruments.

(c) As part of its servicing activities hereunder, the Servicer (except as otherwise provided in the last sentence of this paragraph) shall enforce the obligations of each Subservicer under the related Subservicing Agreement, including, without limitation, (i) any obligation to make advances in respect of delinquent payments as required by a Subservicing Agreement and (ii) the reporting obligations set forth under Section 3.22, 3.23, 3.24 and 3.29 hereof to the same extent as if such Subservicer were the Servicer. The Servicer shall be responsible for obtaining from each Subservicer and delivering to the Master Servicer, the Securities Administrator and the Depositor (i) any servicer annual compliance statement required to be delivered by such Subservicer under Section 3.24(b); (ii) any report on assessments and attestations of compliance with Relevant Servicing Criteria required to be delivered by the Subservicer pursuant to Sections 3.22 and 3.23; and (iii) any certifications required to be delivered under Section 3.24(a) to the Master Servicer or such other Person that will be responsible for signing the Sarbanes-Oxley Certification as and where required to be delivered hereunder. Such enforcement, including, without limitation, the legal prosecution of claims, termination of Subservicing Agreements, and the pursuit of other appropriate remedies, shall be in such form and carried out to such an extent and at such time as the Servicer, in its good faith business judgment, would require were it the owner of the related Mortgage Loans. The Servicer shall pay the costs of such enforcement at its own expense, and shall be reimbursed therefor only (i) from a general recovery resulting from such enforcement, to the extent, if any, that such recovery exceeds all amounts due in respect of the related Mortgage Loans or (ii) from a specific recovery of costs, expenses or attorneys' fees against the party against whom such enforcement is directed.

(d) It shall not be necessary for the Servicer to seek the consent of the Depositor, the Trustee, the Master Servicer, the Securities Administrator or other parties hereto to the utilization of a Subcontractor. The Servicer

shall give prompt written notice to the Master Servicer and the Depositor of the appointment of any Subcontractor and provide a written description (in form and substance satisfactory to the Depositor) of the role and function of each Subcontractor specifying which elements of the Servicing Criteria set forth under Item 1122(d) of Regulation AB will be addressed in assessments and attestations of compliance with Relevant Servicing Criteria provided by such Subcontractor.

(e) As a condition to the utilization of any Subcontractor determined to be a Servicing Function Participant, the Servicer shall cause any such Subcontractor used by the Servicer (or by any Subservicer) to comply with the provisions of Sections 3.22, 3.23, 3.24, 3.29, 6.05, 6.06, 7.01(i), 8.12 and Exhibit S of this Agreement to the same extent as if such Subcontractor were the Servicer. The Servicer shall be responsible for obtaining from each Subcontractor and delivering to the Securities Administrator, the Master Servicer and the Depositor any assessments and attestations of compliance required to be delivered by such Subcontractor pursuant to Sections 3.22 and 3.23, in each case as and when required to be delivered.

Section 3.03 Successor Subservicers . The Servicer shall be entitled to terminate any Subservicing Agreement and the rights and obligations of any Subservicer pursuant to any Subservicing Agreement in accordance with the terms and conditions of such Subservicing Agreement. In the event of termination of any Subservicer, all servicing obligations of such Subservicer shall be assumed simultaneously by the Servicer without any act or deed on the part of such Subservicer or Servicer, and the Servicer either shall service directly the related Mortgage Loans or shall enter into a Subservicing Agreement with a successor subservicer which qualifies under Section 3.02.

Any Subservicing Agreement shall include the provision that such agreement may be immediately terminated by the Master Servicer without fee, in accordance with the terms of this Agreement, in the event that the Servicer shall, for any reason, no longer be the Servicer (including termination due to an Event of Default).

Section 3.04 Liability of the Servicer . Notwithstanding any subservicing agreement or the provisions of this Agreement relating to agreements or arrangements between the Servicer and a Subservicer, Subcontractor or other third party or reference to actions taken through a Subservicer, a Subcontractor, another third party or otherwise, the Servicer shall remain obligated and primarily liable to the Trustee and the Trust Fund for the servicing and administering of the Mortgage Loans in accordance with the provisions hereof without diminution of such obligation or liability by virtue of any subservicing, subcontracting or other agreements or arrangements or by virtue of indemnification from a Subservicer, Subcontractor or a third party and to the same extent and under the same terms and conditions as if the Servicer alone were servicing the Mortgage Loans, including with respect to compliance with Item 1122 of Regulation AB. The Servicer shall be entitled to enter into any agreement with a Subservicer, Subcontractor or other third party for indemnification of the Servicer by such Subservicer, Subcontractor or third party and nothing contained in the Agreement shall be deemed to limit or modify such indemnification.

Section 3.05 No Contractual Relationship between Subservicers and the Master Servicer . Any Subservicing Agreement that may be entered into and any transactions or services relating to the Mortgage Loans involving a Subservicer in its capacity as such shall be deemed to be between the Subservicer and the Servicer alone, and none of the Trustee, the Depositor, the Securities Administrator, or the Master Servicer (nor any successor master servicer) shall be deemed a party thereto and shall have no claims, rights, obligations, duties or liabilities with respect to the Subservicer except as set forth in Section 3.06. The Servicer shall be solely liable for all fees owed by it to any Subservicer, irrespective of whether the Servicer's compensation pursuant to this Agreement is sufficient to pay such fees.

Section 3.06 Assumption or Termination of Subservicing Agreements by Master Servicer . In the event the Servicer at any time shall for any reason no longer be the Servicer (including by reason of the occurrence of an Event of Default), the Master Servicer, or its designee or the successor servicer if the successor is not the Master Servicer, shall thereupon assume all of the rights and obligations of the Servicer under each Subservicing Agreement that the Servicer may have entered into, with copies thereof provided to the Master Servicer or the successor servicer if the successor is not the Master Servicer, prior to the Master Servicer or the successor servicer if the successor is not the Master Servicer, assuming such rights and obligations, unless the Master Servicer elects to terminate any Subservicing

Agreement in accordance with its terms as provided in Section 3.03.

Upon such assumption, the Master Servicer, its designee or the successor servicer shall be deemed, subject to Section 3.03, to have assumed all of the Servicer's interest therein and to have replaced the Servicer as a party to each Subservicing Agreement to the same extent as if each Subservicing Agreement had been assigned to the assuming party, except that (i) the Servicer shall not thereby be relieved of any liability or obligations under any Subservicing Agreement that arose before it ceased to be the Servicer and (ii) none of the Trustee, the Depositor, the Master Servicer, the Securities Administrator, their designees or any successor servicer shall be deemed to have assumed any liability or obligation of the Servicer that arose before it ceased to be the Servicer.

The Servicer at its expense shall, upon request of the Master Servicer, its designee or the successor servicer deliver to the assuming party all documents and records relating to the Subservicing Agreement and the Mortgage Loans then being serviced and an accounting of amounts collected and held by or on behalf of it, and otherwise use its best efforts to effect the orderly and efficient transfer of the Subservicing Agreements to the assuming party.

Section 3.07 Collection of Certain Mortgage Loan Payments . (a) The Servicer shall make reasonable efforts to collect all payments called for under the terms and provisions of the Mortgage Loans, and shall, to the extent such procedures shall be consistent with this Agreement and the terms and provisions of any applicable Insurance Policies, follow such collection procedures as it would follow with respect to mortgage loans comparable to the Mortgage Loans and held for its own account. Consistent with the foregoing and Accepted Servicing Practices, the Servicer may (i) waive any late payment charge or, if applicable, any penalty interest, or (ii) extend the due dates for the Scheduled Payments due on a Mortgage Note for a period of not greater than 180 days; provided , that any extension pursuant to clause (ii) above shall not affect the amortization schedule of any Mortgage Loan for purposes of any computation hereunder, except as provided below. In the event of any such arrangement pursuant to clause (ii) above, the Servicer shall make timely advances on such Mortgage Loan during such extension pursuant to Section 4.01 and in accordance with the amortization schedule of such Mortgage Loan without modification thereof by reason of such arrangements, subject to Section 4.01(d) pursuant to which the Servicer shall not be required to make any such advances that are Nonrecoverable P&I Advances. Notwithstanding the foregoing, in the event that any Mortgage Loan is in default or in the judgment of the Servicer, such default is reasonably foreseeable, the Servicer, consistent with the standards set forth in Section 3.01, may also waive, modify or vary any term of such Mortgage Loan (including modifications that would change the Mortgage Rate, forgive the payment of principal or interest, extend the final maturity date of such Mortgage Loan or waive, in whole or in part, a Prepayment Charge), accept payment from the related Mortgagor of an amount less than the Stated Principal Balance in final satisfaction of such Mortgage Loan, or consent to the postponement of strict compliance with any such term or otherwise grant indulgence to any Mortgagor (any and all such waivers, modifications, variances, forgiveness of principal or interest, postponements, or indulgences collectively referred to herein as " Forbearance "); provided, however , that the Servicer's approval of a modification of a Due Date shall not be considered a modification for purposes of this sentence; provided, further , that the final maturity date of any Mortgage Loan may not be extended beyond the Final Scheduled Distribution Date for the LIBOR Certificates. The Servicer's analysis supporting any Forbearance and the conclusion that any Forbearance meets the standards of Section 3.01 shall be reflected in writing in the Servicing File or on the Servicer's servicing records. In addition, notwithstanding the foregoing, the Servicer may also waive (or permit a Subservicer to waive), in whole or in part, a Prepayment Charge if such waiver would, in the Servicer's judgment, maximize recoveries on the related Mortgage Loan or if such Prepayment Charge is (i) not permitted to be collected by applicable law, or the collection of the Prepayment Charge would be considered "predatory" pursuant to written guidance published by any applicable federal, state or local regulatory authority having jurisdiction over such matters, or (ii) the enforceability of such Prepayment Charge is limited (1) by bankruptcy, insolvency, moratorium, receivership or other similar laws relating to creditors' rights or (2) due to acceleration in connection with a foreclosure or other involuntary payment. If a Prepayment Charge is waived other than as permitted in this Section 3.07(a), then the Servicer is required to pay the amount of such waived Prepayment Charge, for the benefit of the Holders of the Class P Certificates, by depositing such amount into the Collection Account together with and at the time that the amount prepaid on the related Mortgage Loan is required to be deposited into the Collection Account; provided, however , that the Servicer shall not have an obligation to pay the amount of any uncollected Prepayment Charge if the failure to collect such amount is the direct

result of inaccurate or incomplete information on the Mortgage Loan Schedule in effect at such time. The Master Servicer shall have no responsibility for verifying the accuracy of the amount of Prepayment Charges waived or remitted by the Servicer.

(b) (i) The Securities Administrator shall establish and maintain the Excess Reserve Fund Account as an asset of the Supplemental Interest Trust, on behalf of the Class X Certificateholders, to receive any Basis Risk Payment and to secure their limited recourse obligation to pay to the LIBOR Certificateholders and the Class A-IO Certificateholders any Basis Risk Carryover Amounts. The Excess Reserve Fund Account shall be funded on the Closing Date with an initial deposit of $1,000 by the Depositor.

(ii) On each Distribution Date, the Securities Administrator shall deposit the amount of any Basis Risk Payment for such date into the Excess Reserve Fund Account.

(c) (i) On each Distribution Date on which there exists a Basis Risk Carryover Amount on any Class of LIBOR Certificates or Interest-Only Certificates, the Securities Administrator shall (1) withdraw from the Distribution Account and deposit in the Excess Reserve Fund Account, as set forth in Section 4.02(a)(iii)(D), the lesser of (x) the Class X Distributable Amount (without regard to the reduction in the definition thereof with respect to the Basis Risk Payment (to the extent remaining after the distributions specified in Sections 4.02(a)(iii)(A) through (F)) and (y) the aggregate Basis Risk Carryover Amounts for such Distribution Date and (2) withdraw from the Excess Reserve Fund Account amounts necessary to pay to such Class or Classes of LIBOR Certificates and the Interest-Only Certificates the applicable Basis Risk Carryover Amount. Such payments shall be allocated to those Classes on a *pro rata* basis based upon the amount of Basis Risk Carryover Amount owed to each such Class and shall be paid in the priority set forth in Sections 4.02(a)(iii)(E).

(ii) The Securities Administrator shall account for the Excess Reserve Fund Account as an asset of a grantor trust under subpart E, Part I of subchapter J of the Code and not as an asset of any REMIC created pursuant to this Agreement. The beneficial owners of the Excess Reserve Fund Account are the Class X Certificateholders. For all federal tax purposes, amounts transferred by the Upper Tier REMIC to the Excess Reserve Fund Account shall be treated as distributions by the Securities Administrator to the Class X Certificateholders.

(iii) Any Basis Risk Carryover Amounts paid by the Securities Administrator to the LIBOR Certificateholders or holders of Interest-Only Certificates shall be accounted for by the Securities Administrator as amounts paid first to the Holders of the Class X Certificates and then to the respective Class or Classes of LIBOR Certificates and Interest-Only Certificates. In addition, the Securities Administrator shall account for such Certificateholders' rights to receive payments of Basis Risk Carryover Amounts as rights in a limited recourse notional principal contract written by the Class X Certificateholders in favor of such Certificateholders.

(iv) Notwithstanding any provision contained in this Agreement, the Securities Administrator shall not be required to make any payments to and from the Excess Reserve Fund Account except as expressly set forth in this Section 3.07(c) and Sections 4.02(a)(iii)(D) and (E).

(d) The Securities Administrator shall establish and maintain the Distribution Account on behalf of the Certificateholders. The Master Servicer shall, promptly upon receipt, deposit in the Distribution Account and retain therein the following:

(i) the aggregate amount remitted by the Servicer to the Master Servicer pursuant to Section 3.11;

(ii) any amount deposited by the Servicer pursuant to Section 3.12(b) in connection with any losses on Permitted Investments; and

(iii) any other amounts deposited hereunder which are required to be deposited in the

Distribution Account.

In the event that the Servicer shall remit any amount not required to be remitted, it may at any time direct the Securities Administrator in writing to withdraw such amount from the Distribution Account, any provision herein to the contrary notwithstanding. Such direction may be accomplished by delivering notice to the Securities Administrator which describes the amounts deposited in error in the Distribution Account. All funds deposited in the Distribution Account shall be held by the Securities Administrator in trust for the Certificateholders until disbursed in accordance with this Agreement or withdrawn in accordance with Section 4.02.

(e) The Securities Administrator may invest the funds in the Distribution Account during the Securities Administrator Float Period in one or more Permitted Investments in accordance with Section 3.12. The Securities Administrator may withdraw from the Distribution Account any income or gain earned from the investment of funds deposited therein for its own benefit.

(f) The Servicer shall give notice to the Securities Administrator of any proposed change of the location of the Collection Account not later than 30 days and not more than 45 days prior to any change thereof and the Securities Administrator shall forward such notice to each Rating Agency and the Depositor.

Section 3.08 Subservicing Accounts . In those cases where a Subservicer is servicing a Mortgage Loan pursuant to a Subservicing Agreement, the Subservicer will be required to establish and maintain one or more segregated accounts (collectively, the " Subservicing Account "). The Subservicing Account shall be an Eligible Account and shall otherwise be acceptable to the Servicer. The Subservicer shall deposit in the clearing account (which account must be an Eligible Account) in which it customarily deposits payments and collections on mortgage loans in connection with its mortgage loan servicing activities on a daily basis, and in no event more than one Business Day after the Subservicer's receipt thereof, all proceeds of Mortgage Loans received by the Subservicer less its servicing compensation to the extent permitted by the Subservicing Agreement, and shall thereafter deposit such amounts in the Subservicing Account, in no event more than two Business Days after the deposit of such funds into the clearing account. The Subservicer shall thereafter deposit such proceeds in the Collection Account or remit such proceeds to the Servicer for deposit in the Collection Account not later than two Business Days after the deposit of such amounts in the Subservicing Account. For purposes of this Agreement, the Servicer shall be deemed to have received payments on the Mortgage Loans when the Subservicer receives such payments. Funds in the clearing account and any Subservicing Account may, in the discretion of the Servicer, be invested in Permitted Investments pending their deposit into the Subservicing Account and the Collection Account, respectively; provided , however , the Servicer shall be responsible for any losses incurred on such investments immediately upon realization.

Section 3.09 Collection of Taxes, Assessments and Similar Items; Escrow Accounts . (a) The Servicer shall enforce the obligations under each paid-in-full, life-of-the-loan tax service contract in effect with respect to each Mortgage Loan (each, a " Tax Service Contract "). Each Tax Service Contract shall be assigned to a successor servicer, at the Servicer's expense in the event that the Servicer is terminated as the Servicer of the related Mortgage Loan.

(b) To the extent that the services described in this paragraph (b) are not otherwise provided pursuant to the Tax Service Contracts described in paragraph (a) hereof, the Servicer undertakes to perform such functions. To the extent the related Mortgage provides for Escrow Payments, the Servicer shall establish and maintain, or cause to be established and maintained, one or more segregated accounts (the " Escrow Accounts "), which shall be Eligible Accounts. The Servicer shall deposit in the clearing account (which account must be an Eligible Account) in which it customarily deposits payments and collections on mortgage loans in connection with its mortgage loan servicing activities on a daily basis, and in no event more than one Business Day after the Servicer's receipt thereof, all collections from the Mortgagors (or related advances from Subservicers) for the payment of taxes, assessments, hazard insurance premiums and comparable items for the account of the Mortgagors (" Escrow Payments ") collected on account of the Mortgage Loans and shall thereafter deposit such Escrow Payments in the Escrow Accounts, in no event more than two Business Days after the deposit of such funds in the clearing account, for the purpose of effecting the payment of any such items as required under the terms of this Agreement. Withdrawals of amounts from an Escrow

Account may be made only to (i) effect payment of taxes, assessments, hazard insurance premiums, and comparable items; (ii) reimburse the Servicer (or a Subservicer to the extent provided in the related Subservicing Agreement) out of the collection for any advances made pursuant to Section 3.01 (with respect to taxes and assessments) and Section 3.13 (with respect to hazard insurance); (iii) refund to Mortgagors any sums as may be determined to be overages; (iv) pay interest, if required and as described below, to Mortgagors on balances in the Escrow Account; (v) clear and terminate the Escrow Account at the termination of the Servicer's obligations and responsibilities in respect of the Mortgage Loans under this Agreement; or (vi) recover amounts deposited in error. As part of its servicing duties, the Servicer or Subservicers shall pay to the Mortgagors interest on funds in Escrow Accounts, to the extent required by law and, to the extent that interest earned on funds in the Escrow Accounts is insufficient, to pay such interest from its or their own funds, without any reimbursement therefor. To the extent that a Mortgage does not provide for Escrow Payments, the Servicer shall determine whether any such payments are made by the Mortgagor in a manner and at a time that avoids the loss of the Mortgaged Property due to a tax sale or the foreclosure of a tax lien. The Servicer assumes full responsibility for the payment of all such bills within such time and shall effect payments of all such bills irrespective of the Mortgagor's faithful performance in the payment of same or the making of the Escrow Payments and shall make advances from its own funds to effect such payments; provided, however , that such advances are deemed to be Servicing Advances.

Section 3.10 Collection Account . (a) On behalf of the Trustee, the Servicer shall establish and maintain, or cause to be established and maintained, one or more segregated Eligible Accounts (such account or accounts, the " Collection Account "), held in trust for the benefit of the Trustee. On behalf of the Trustee, the Servicer shall deposit or cause to be deposited in the clearing account (which account must be an Eligible Account) in which it customarily deposits payments and collections on mortgage loans in connection with its mortgage loan servicing activities on a daily basis, and in no event more than one Business Day after the Servicer's receipt thereof, and shall thereafter deposit into the Collection Account, in no event more than two Business Days after the deposit of such funds into the clearing account, as and when received or as otherwise required hereunder, the following payments and collections received or made by it subsequent to the Cut-off Date (other than in respect of principal or interest on the related Mortgage Loans due on or before the Cut-off Date), or payments (other than Principal Prepayments) received by it on or prior to the Cut-off Date but allocable to a Due Period subsequent thereto:

(i) all payments on account of principal, including Principal Prepayments, on the Mortgage Loans;

(ii) all payments on account of interest (net of the related Servicing Fee) on each Mortgage Loan;

(iii) all Insurance Proceeds and Condemnation Proceeds to the extent such Insurance Proceeds and Condemnation Proceeds are not to be applied to the restoration of the related Mortgaged Property or released to the related Mortgagor in accordance with the express requirements of law or in accordance with Accepted Servicing Practices, Liquidation Proceeds and Subsequent Recoveries;

(iv) any amounts required to be deposited pursuant to Section 3.12 in connection with any losses realized on Permitted Investments with respect to funds held in the Collection Account;

(v) any amounts required to be deposited by the Servicer pursuant to the second paragraph of Section 3.13(a) in respect of any blanket policy deductibles;

(vi) all proceeds of any Mortgage Loan repurchased or purchased in accordance with this Agreement; and

(vii) all Prepayment Charges collected by the Servicer.

The foregoing requirements for deposit in the Collection Account shall be exclusive, it being understood and agreed that, without limiting the generality of the foregoing, payments in the nature of late payment charges, NSF fees, reconveyance fees, assumption fees and other similar fees and charges need not be deposited by the Servicer in the Collection Account and shall, upon collection, belong to the Servicer as additional compensation for its servicing activities. In the event the Servicer shall deposit in the Collection Account any amount not required to be deposited

therein, it may at any time withdraw such amount from the Collection Account, any provision herein to the contrary notwithstanding.

(b) Funds in the Collection Account may be invested in Permitted Investments in accordance with the provisions set forth in Section 3.12. The Servicer shall give notice to the Securities Administrator, the Master Servicer, the Trustee and the Depositor of the location of the Collection Account maintained by it when established and prior to any change thereof.

Section 3.11 Withdrawals from the Collection Account . (a) The Servicer shall, from time to time, make withdrawals from the Collection Account maintained by it for any of the following purposes or as described in Section 4.01:

(i) on or prior to each Remittance Date, to remit to the Master Servicer (A) the Master Servicing Fee with respect to such Distribution Date and (B) all Available Funds in respect of the related Distribution Date together with all amounts representing Prepayment Charges (payable to the Class P Certificateholders) from the Mortgage Loans received during the related Prepayment Period;

(ii) to reimburse the Servicer for P&I Advances, but only to the extent of amounts received which represent Late Collections (net of the related Servicing Fees) of Scheduled Payments on Mortgage Loans with respect to which such P&I Advances were made by the Servicer in accordance with the provisions of Section 4.01 and (B) any unreimbursed P&I Advances to the extent of funds held in the Collection Account for a future Distribution Date that were not included in Available Funds for the preceding Distribution Date;

(iii) to pay the Servicer or any Subservicer (A) any unpaid Servicing Fees or (B) any unreimbursed Servicing Advances with respect to each Mortgage Loan, but only to the extent of any Late Collections or other amounts as may be collected by the Servicer from a Mortgagor, or otherwise received with respect to such Mortgage Loan (or the related REO Property);

(iv) to pay to the Servicer as servicing compensation (in addition to the Servicing Fee) on each Remittance Date any interest or investment income earned on funds deposited in the Collection Account;

(v) to pay to the Mortgage Loan Seller, with respect to each Mortgage Loan that has previously been repurchased or replaced pursuant to this Agreement, all amounts received thereon subsequent to the date of purchase or substitution, as the case may be;

(vi) to reimburse the Servicer for (A) any P&I Advance or Servicing Advance previously made which the Servicer has determined to be a Nonrecoverable P&I Advance or Nonrecoverable Servicing Advance in accordance with the provisions of Section 4.01 and (B) any unpaid Servicing Fees to the extent not recoverable from Late Collections or other amounts received with respect to the related Mortgage Loan under Section 3.11(a)(iii);

(vii) to pay, or to reimburse the Servicer for Servicing Advances in respect of, expenses incurred in connection with any Mortgage Loan pursuant to Section 3.15;

(viii) to reimburse the Master Servicer, the Servicer, the Depositor, the Securities Administrator or the Trustee for expenses incurred by or reimbursable to the Master Servicer, the Servicer, the Depositor, the Securities Administrator or the Trustee, as the case may be, pursuant to Section 6.03, Section 7.02, Section 8.05, Section 9.13 or Section 10.02;

(ix) to reimburse the Master Servicer, the Servicer or the Trustee, as the case may be, for expenses reasonably incurred in respect of the breach or defect giving rise to the repurchase obligation of the Mortgage Loan Seller or the Sponsor under this Agreement that were included in the Repurchase Price of the Mortgage Loan, including any expenses arising out of the enforcement of the repurchase obligation, to the extent not otherwise paid pursuant to the terms hereof;

(x) to withdraw any amounts deposited in the Collection Account in error; and

(xi) to clear and terminate the Collection Account upon termination of this Agreement.

(b) The Servicer shall keep and maintain separate accounting, on a Mortgage Loan by Mortgage Loan basis, for the purpose of justifying any withdrawal from the Collection Account, to the extent held by or on behalf of it, pursuant to subclauses (a)(ii), (iii), (v), (vi), (vii), (viii) and (ix) above. The Servicer shall provide written notification (as set forth in Section 4.01(d)) to the Master Servicer, on or prior to the next succeeding Remittance Date, upon making any withdrawals from the Collection Account pursuant to subclause (a)(vi) above.

Section 3.12 Investment of Funds in the Collection Account, Escrow Accounts and the Distribution Account . (a) The Servicer may invest the funds in the Collection Account maintained by it and the Escrow Accounts (to the extent permitted by law and the related Mortgage Loan documents) and the Securities Administrator may invest funds in the Distribution Account during the Securities Administrator's Float Period and shall invest such funds in the Distribution Account (for purposes of this Section 3.12, each such Account is referred to as an " Investment Account "), in one or more Permitted Investments bearing interest or sold at a discount, and maturing, unless payable on demand, no later than the Business Day immediately preceding the date on which such funds are required to be withdrawn from such account pursuant to this Agreement; provided, however , that any such Permitted Investment managed by or advised by the Securities Administrator or any of its Affiliates may mature, unless payable on demand, no later than the date on which such funds are required to be withdrawn from such account pursuant to this Agreement. All such Permitted Investments shall be held to maturity, unless payable on demand. Any investment of funds in an Investment Account shall be made in the name of the Servicer or the Securities Administrator, as applicable. The Servicer or the Securities Administrator, as applicable, shall be entitled to sole possession over each such investment, and any certificate or other instrument evidencing any such investment shall be delivered directly to the Servicer or the Securities Administrator or its agent, as applicable, together with any document of transfer necessary to transfer title to such investment to the Servicer or the Securities Administrator or its agent, as applicable. In the event amounts on deposit in an Investment Account are at any time invested in a Permitted Investment payable on demand, the Servicer or the Securities Administrator, as applicable, may:

(x) consistent with any notice required to be given thereunder, demand that payment thereon be made on the last day such Permitted Investment may otherwise mature hereunder in an amount equal to the lesser of (1) all amounts then payable thereunder and (2) the amount required to be withdrawn on such date; and

(y) demand payment of all amounts due thereunder that such Permitted Investment would not constitute a Permitted Investment in respect of funds thereafter on deposit in an Investment Account.

(b) All income and gain realized from the investment of funds deposited in the Collection Account or Escrow Account, as applicable, held by or on behalf of the Servicer, shall be for the benefit of the Servicer and shall be subject to its withdrawal in the manner set forth in Section 3.11. The Servicer shall deposit in the Collection Account or Escrow Account, as applicable, the amount of any loss of principal incurred in respect of any such Permitted Investment made with funds in such accounts immediately upon realization of such loss.

(c) All income and gain realized from the investment of funds deposited in the Distribution Account held by the Securities Administrator during the Securities Administrator's Float Period, shall be for the benefit of the Securities Administrator, and shall be subject to the Securities Administrator's withdrawal in the manner set forth in Section 3.07(d). Notwithstanding anything in this Section 3.12(c), the Securities Administrator shall be liable to the Trust for any such loss on any funds it has invested under this Section 3.12(c) only during the Securities Administrator Float Period, and the Securities Administrator shall deposit in the Distribution Account the amount of any loss of principal incurred in respect of any such Permitted Investment made with funds in such account immediately upon realization of such loss.

(d) Except as otherwise expressly provided in this Agreement, if any default occurs in the making of a payment due under any Permitted Investment of funds held in the Escrow Account or any Collection Account, or if a default occurs in any other performance required under any Permitted Investment of funds held in the Escrow Account or any Collection Account, the Servicer or the Securities Administrator, as applicable, shall take such action as may be appropriate to enforce such payment or performance, including the institution and prosecution of appropriate proceedings.

(e) The Securities Administrator or its Affiliates are permitted to receive additional compensation that could be deemed to be in the Securities Administrator's economic self-interest for (i) serving as investment adviser, administrator, shareholder, servicing agent, custodian or sub-custodian with respect to certain of the Permitted Investments, (ii) using Affiliates to effect transactions in certain Permitted Investments and (iii) effecting transactions in certain Permitted Investments. Such compensation shall not be considered an amount that is reimbursable for payable pursuant to this Agreement.

Section 3.13 Maintenance of Hazard Insurance and Errors and Omissions and Fidelity Coverage . (a) The Servicer shall cause to be maintained for each Mortgage Loan fire insurance with extended coverage on the related Mortgaged Property in an amount which is at least equal to the least of (i) the outstanding principal balance of such Mortgage Loan, (ii) the amount necessary to fully compensate for any damage or loss to the improvements that are a part of such property on a replacement cost basis and (iii) the maximum insurable value of the improvements which are a part of such Mortgaged Property, in each case in an amount not less than such amount as is necessary to avoid the application of any coinsurance clause contained in the related hazard insurance policy. The Servicer shall also cause to be maintained fire insurance with extended coverage on each REO Property in an amount which is at least equal to the lesser of (i) the maximum insurable value of the improvements which are a part of such property and (ii) the outstanding principal balance of the related Mortgage Loan at the time it became an REO Property, plus accrued interest at the Mortgage Rate and related Servicing Advances. The Servicer will comply in the performance of this Agreement with all reasonable rules and requirements of each insurer under any such hazard policies. Any amounts to be collected by the Servicer under any such policies (other than amounts required to be deposited in the Escrow Account and applied to the restoration or repair of the property subject to the related Mortgage or amounts to be released to the Mortgagor in accordance with the procedures that the Servicer would follow in servicing loans held for its own account, subject to the terms and conditions of the related Mortgage and Mortgage Note) shall be deposited in the Collection Account, subject to withdrawal pursuant to Section 3.11. Any cost incurred by the Servicer in maintaining any such insurance shall not, for the purpose of calculating distributions to the Master Servicer, be added to the unpaid principal balance of the related Mortgage Loan, notwithstanding that the terms of such Mortgage Loan so permit. It is understood and agreed that no earthquake or other additional insurance is to be required of any Mortgagor other than pursuant to such applicable laws and regulations as shall at any time be in force and as shall require such additional insurance. If the Mortgaged Property or REO Property is at any time in an area identified in the Federal Register by the Federal Emergency Management Agency as having special flood hazards and flood insurance has been made available, the Servicer will cause to be maintained a flood insurance policy in respect thereof. Such flood insurance shall be in an amount equal to the lesser of (i) the unpaid principal balance of the related Mortgage Loan and (ii) the maximum amount of such insurance available for the related Mortgaged Property under the national flood insurance program (assuming that the area in which such Mortgaged Property is located is participating in such program).

In the event that the Servicer shall obtain and maintain a blanket policy with an insurer having a general policy rating of A:VI or better in Best's (or such other rating that is comparable to such rating) insuring against hazard losses on all of the Mortgage Loans, it shall conclusively be deemed to have satisfied its obligations as set forth in the first two sentences of this Section 3.13, it being understood and agreed that such policy may contain a deductible clause, in which case the Servicer shall, in the event that there shall not have been maintained on the related Mortgaged Property or REO Property a policy complying with the first two sentences of this Section 3.13, and there shall have been one or more losses which would have been covered by such policy, deposit to the Collection Account from its own funds the amount not otherwise payable under the blanket policy because of such deductible clause. In connection with its activities as administrator and servicer of the Mortgage Loans, the Servicer agrees to prepare and present, on

behalf of itself and the Trustee, claims under any such blanket policy in a timely fashion in accordance with the terms of such policy.

(b) The Servicer shall keep in force during the term of this Agreement a policy or policies of insurance covering errors and omissions for failure in the performance of the Servicer's obligations under this Agreement, which policy or policies shall be in such form and amounts as shall be consistent with Accepted Servicing Practices. The Servicer shall also maintain a fidelity bond in such form and amount as shall be consistent with Accepted Servicing Practices. The Servicer shall provide the Master Servicer with copies of any such insurance policies and fidelity bond. The Servicer shall be deemed to have complied with this provision if an Affiliate of the Servicer has such errors and omissions and fidelity bond coverage and, by the terms of such insurance policy or fidelity bond, the coverage afforded thereunder extends to the Servicer. Any such errors and omissions policy and fidelity bond shall by its terms not be cancelable without thirty days' prior written notice to the Master Servicer. The Servicer shall also cause each Subservicer to maintain a policy of insurance covering errors and omissions and a fidelity bond which would meet such requirements.

Section 3.14 Enforcement of Due-On-Sale Clauses; Assumption Agreements . The Servicer will, to the extent it has knowledge of any conveyance or prospective conveyance of any Mortgaged Property by any Mortgagor (whether by absolute conveyance or by contract of sale, and whether or not the Mortgagor remains or is to remain liable under the Mortgage Note and/or the Mortgage), exercise its rights to accelerate the maturity of such Mortgage Loan under the "due-on-sale" clause, if any, applicable thereto; provided, however , that the Servicer shall not exercise any such rights if prohibited by law from doing so or if the exercise of such rights would impair or threaten to impair recovery under the related Primary Mortgage Insurance Policy, if any. If the Servicer believes it is unable under applicable law to enforce such "due-on-sale" clause or if any of the other conditions set forth in the proviso to the preceding sentence apply, the Servicer will enter into either (i) an assumption and modification agreement from or with the person to whom such property has been conveyed or is proposed to be conveyed, pursuant to which such person becomes liable under the Mortgage Note and, to the extent permitted by applicable state law, the Mortgagor remains liable thereon or (ii) a substitution agreement as provided in the succeeding sentence. The Servicer is also authorized to enter into a substitution of liability agreement with such person, pursuant to which the original Mortgagor is released from liability and such person is substituted as the Mortgagor and becomes liable under the Mortgage Note, provided , that no such substitution shall be effective unless such person satisfies the underwriting criteria of the Mortgage Loan Seller and has a credit risk rating at least equal to that of the original Mortgagor. The Mortgage Loan, as assumed, shall conform in all respects to the requirements, representations and warranties of this Agreement. The Servicer shall not take or enter into any assumption and modification agreement, however, unless (to the extent practicable in the circumstances) it shall have received confirmation, in writing, of the continued effectiveness of any applicable hazard insurance policy, or a new policy meeting the requirements of this Section is obtained. Any fee collected by the Servicer in respect of an assumption or substitution of liability agreement will be retained by the Servicer as additional servicing compensation. In connection with any such assumption, no material term of the Mortgage Note (including but not limited to the related Mortgage Rate and the amount of the Scheduled Payment) may be amended or modified, except as otherwise required pursuant to the terms thereof. The Servicer shall notify the Master Servicer that any such substitution, modification or assumption agreement has been completed and shall forward to the Custodian the executed original of such substitution or assumption agreement, which document shall be added to the related Mortgage File and shall, for all purposes, be considered a part of such Mortgage File to the same extent as all other documents and instruments constituting a part thereof.

Notwithstanding the foregoing paragraph or any other provision of this Agreement, the Servicer shall not be deemed to be in default, breach or any other violation of its obligations hereunder by reason of any assumption of a Mortgage Loan by operation of law or by the terms of the Mortgage Note or any assumption which the Servicer may be restricted by law from preventing, for any reason whatsoever. For purposes of this Section 3.14, the term "assumption" is deemed to also include a sale (of the Mortgaged Property) subject to the Mortgage that is not accompanied by an assumption or substitution of liability agreement.

Section 3.15 Realization upon Defaulted Mortgage Loans . The Servicer shall use its best efforts, consistent with Accepted Servicing Practices, to foreclose upon or otherwise comparably convert (which may include

an acquisition of REO Property) the ownership of properties securing such of the Mortgage Loans as come into and continue in default and as to which no satisfactory arrangements can be made for collection of delinquent payments pursuant to Section 3.07, and which are not released from this Agreement pursuant to any other provision hereof. The Servicer shall use reasonable efforts to realize upon such defaulted Mortgage Loans in such manner as will maximize the receipt of principal and interest by the Securities Administrator, taking into account, among other things, the timing of foreclosure proceedings. The foregoing is subject to the provisions that the Servicer shall not be required to expend its own funds in connection with foreclosure or other conversion, correction of a default on a senior mortgage or restoration of any property unless it shall determine in its sole discretion (i) that such foreclosure, correction or restoration will increase the net Liquidation Proceeds of the related Mortgage Loan to the Securities Administrator, after reimbursement to itself for such expenses and (ii) that such expenses will be recoverable by the Servicer through Insurance Proceeds, Condemnation Proceeds, Liquidation Proceeds or Subsequent Recoveries from the related Mortgaged Property, as contemplated in Section 3.11. The Servicer shall be responsible for all other costs and expenses incurred by it in any such proceedings; provided, however , that it shall be entitled to reimbursement thereof from the related property, as contemplated in Section 3.11.

The proceeds of any liquidation or REO Disposition, as well as any recovery resulting from a partial collection of Insurance Proceeds, Condemnation Proceeds, Liquidation Proceeds or Subsequent Recoveries or any income from an REO Property, will be applied in the following order of priority: *first* , to reimburse the Servicer or any Subservicer for any related unreimbursed Servicing Advances, pursuant to Section 3.11 or 3.17; *second* , to reimburse the Servicer for any related unreimbursed P&I Advances, pursuant to Section 3.11; *third* , to accrued and unpaid interest on the Mortgage Loan or REO Imputed Interest, at the Mortgage Rate, to the date of the liquidation or REO Disposition, or to the Due Date prior to the Remittance Date on which such amounts are to be distributed if not in connection with a liquidation or REO Disposition; and *fourth* , as a recovery of principal of the Mortgage Loan. If the amount of the recovery so allocated to interest is less than a full recovery thereof, that amount will be allocated as follows: *first* , to unpaid Servicing Fees; and *second* , as interest at the Mortgage Rate (net of the Servicing Fee Rate). The portion of the recovery so allocated to unpaid Servicing Fees shall be reimbursed to the Servicer or any Subservicer pursuant to Section 3.11 or 3.17. The portions of the recovery so allocated to interest at the Mortgage Rate (net of the Servicing Fee Rate) and to principal of the Mortgage Loan shall be applied as follows: *first* , to reimburse the Servicer or any Subservicer for any related unreimbursed Servicing Advances in accordance with Section 3.11 or 3.17, and *second* , to the Securities Administrator in accordance with the provisions of Section 4.02, subject to paragraph (e) of Section 3.17 with respect to certain excess recoveries from an REO Disposition.

Notwithstanding anything to the contrary contained herein, in connection with a foreclosure or acceptance of a deed in lieu of foreclosure, in the event the Servicer has received actual notice of, or has actual knowledge of the presence of, hazardous or toxic substances or wastes on the related Mortgaged Property, or if the Trustee or the Master Servicer otherwise requests, the Servicer shall cause an environmental inspection or review of such Mortgaged Property to be conducted by a qualified inspector. Upon completion of the inspection, the Servicer shall promptly provide the Trustee, the Master Servicer and the Depositor with a written report of the environmental inspection.

After reviewing the environmental inspection report, the Servicer shall determine consistent with Accepted Servicing Practices how to proceed with respect to the Mortgaged Property. In the event (a) the environmental inspection report indicates that the Mortgaged Property is contaminated by hazardous or toxic substances or wastes and (b) the Servicer proceeds with foreclosure or acceptance of a deed in lieu of foreclosure, the Servicer shall be reimbursed for all reasonable costs associated with such foreclosure or acceptance of a deed in lieu of foreclosure and any related environmental clean-up costs, as applicable, from the related Liquidation Proceeds, or if the Liquidation Proceeds are insufficient to fully reimburse the Servicer, the Servicer shall be entitled to be reimbursed from amounts in the Collection Account pursuant to Section 3.11. In the event the Servicer does not proceed with foreclosure or acceptance of a deed in lieu of foreclosure, the Servicer shall be reimbursed from general collections for all Servicing Advances made with respect to the related Mortgaged Property from the Collection Account pursuant to Section 3.11. The Trustee shall not be responsible for any determination made by the Servicer pursuant to this paragraph or otherwise.

Section 3.16 Release of Mortgage Files . (a) Upon the payment in full of any Mortgage Loan, or the receipt by the Servicer of a notification that payment in full shall be escrowed in a manner customary for such purposes, the Servicer will, within five (5) Business Days of the payment in full, notify the Custodian by a certification (which certification shall include a statement to the effect that all amounts received or to be received in connection with such payment which are required to be deposited in the Collection Account pursuant to Section 3.10 have been or will be so deposited) of a Servicing Officer and shall request delivery to it of the Custodial File by submitting a Request for Release, which Request for Release may be in an electronic format in a form acceptable to the Custodian, to the Custodian. Upon receipt of such certification and Request for Release, the Custodian shall promptly release the related Custodial File to the Servicer within five (5) Business Days. No expenses incurred in connection with any instrument of satisfaction or deed of reconveyance shall be chargeable to the Collection Account.

(b) From time to time and as appropriate for the servicing or foreclosure of any Mortgage Loan, including, for this purpose, collection under any Insurance Policy relating to the Mortgage Loans, the Custodian shall, upon request of the Servicer and delivery to the Custodian of a Request for Release, which Request for Release may be in an electronic format in a form acceptable to the Custodian, release the related Custodial File to the Servicer, and the Custodian shall, at the direction of the Servicer, execute such documents as shall be necessary to the prosecution of any such proceedings and the Servicer shall retain the Mortgage File in trust for the benefit of the Trustee. Such Request for Release shall obligate the Servicer to return each and every document previously requested from the Custodial File to the Custodian when the need therefor by the Servicer no longer exists, unless the Mortgage Loan has been liquidated and the Liquidation Proceeds relating to the Mortgage Loan have been deposited in the Collection Account or the Mortgage File or such document has been delivered to an attorney, or to a public trustee or other public official as required by law, for purposes of initiating or pursuing legal action or other proceedings for the foreclosure of the Mortgaged Property either judicially or non-judicially, and the Servicer has delivered to the Custodian a certificate of a Servicing Officer certifying as to the name and address of the Person to which such Mortgage File or such document was delivered and the purpose or purposes of such delivery. Upon receipt of a certificate of a Servicing Officer stating that such Mortgage Loan was liquidated and that all amounts received or to be received in connection with such liquidation that are required to be deposited into the Collection Account have been so deposited, or that such Mortgage Loan has become an REO Property, a copy of the Request for Release shall be released by the Custodian to the Servicer or its designee.

Upon written certification of a Servicing Officer, the Trustee shall execute and deliver to the Servicer copies of any court pleadings, requests for trustee's sale or other documents reasonably necessary to the foreclosure or trustee's sale in respect of a Mortgaged Property or to any legal action brought to obtain judgment against any Mortgagor on the Mortgage Note or Mortgage or to obtain a deficiency judgment, or to enforce any other remedies or rights provided by the Mortgage Note or Mortgage or otherwise available at law or in equity, or shall exercise and deliver to the Servicer a power of attorney sufficient to authorize the Servicer to execute such documents on its behalf. Each such certification shall include a request that such pleadings or documents be executed by the Trustee and a statement as to the reason such documents or pleadings are required and that the execution and delivery thereof by the Trustee will not invalidate or otherwise affect the lien of the Mortgage, except for the termination of such a lien upon completion of the foreclosure or trustee's sale.

Section 3.17 Title, Conservation and Disposition of REO Property . (a) This Section shall apply only to REO Properties acquired for the account of the Trustee and shall not apply to any REO Property relating to a Mortgage Loan which was purchased or repurchased from the Trustee pursuant to any provision hereof. In the event that title to any such REO Property is acquired, the deed or certificate of sale shall be issued to the Trust, or if not permitted by law, to Deutsche Bank National Trust Company (or, if applicable, the name of the successor Trustee) as Trustee for First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, Series 2006-FF9, or to its nominee, for the benefit of the Certificateholders.

(b) The Servicer shall manage, conserve, protect and operate each REO Property for the Trustee solely for the purpose of its prompt disposition and sale. The Servicer, either itself or through an agent selected by the Servicer, shall manage, conserve, protect and operate the REO Property in the same manner that it manages, conserves,

protects and operates other foreclosed property for its own account, and in the same manner that similar property in the same locality as the REO Property is managed. The Servicer shall attempt to sell the same (and may temporarily rent the same for a period not greater than one year, except as otherwise provided below) on such terms and conditions as the Servicer deems to be in the best interest of the Trustee on behalf of the Certificateholders. The Servicer shall notify the Trustee from time to time as to the status of each REO Property.

(c) The Servicer shall segregate and hold all funds collected and received in connection with the operation of any REO Property separate and apart from its own funds and general assets and shall deposit such funds in the Collection Account.

(d) The Servicer shall deposit net of reimbursement to the Servicer for any related outstanding Servicing Advances and unpaid Servicing Fees provided in Section 3.11, or cause to be deposited in the Collection Account, in no event later than two Business Days after the deposit of such funds into the clearing account, all revenues received with respect to the related REO Property and shall withdraw therefrom funds necessary for the proper operation, management and maintenance of the REO Property.

(e) The Servicer, upon an REO Disposition, shall be entitled to reimbursement for any related unreimbursed Servicing Advances as well as any unpaid Servicing Fees from proceeds received in connection with the REO Disposition, as further provided in Section 3.11.

(f) Any net proceeds from an REO Disposition which are in excess of the unpaid principal balance of the related Mortgage Loan plus all unpaid REO Imputed Interest thereon through the date of the REO Disposition shall be retained by the Servicer as additional servicing compensation.

(g) The Servicer shall use Accepted Servicing Practices to sell, or cause the Subservicer to sell, in accordance with Accepted Servicing Practices, any REO Property as soon as possible, but in no event later than the conclusion of the third calendar year beginning after the year of its acquisition by the REMIC 1 unless (i) the Servicer applies for an extension of such period from the Internal Revenue Service pursuant to the REMIC Provisions and Code Section 856(e)(3), in which event such REO Property shall be sold within the applicable extension period, or (ii) the Servicer obtains for the Trustee an Opinion of Counsel, addressed to the Depositor, the Trustee and the Servicer, to the effect that the holding by the REMIC of such REO Property subsequent to such period will not result in the imposition of taxes on "prohibited transactions" as defined in Section 860F of the Code or cause any REMIC created under this Agreement to fail to qualify as a REMIC under the REMIC Provisions or comparable provisions of relevant state laws at any time. The Servicer shall manage, conserve, protect and operate each REO Property for the Trustee solely for the purpose of its prompt disposition and sale in a manner which does not cause such REO Property to fail to qualify as "foreclosure property" within the meaning of Section 860G(a)(8) or result in the receipt by any REMIC created hereunder of any "income from non-permitted assets" within the meaning of Section 860F(a)(2)(B) of the Code or any "net income from foreclosure property" which is subject to taxation under Section 860G(a)(1) of the Code. Pursuant to its efforts to sell such REO Property, the Servicer shall either itself or through an agent selected by the Servicer protect and conserve such REO Property in the same manner and to such extent as is customary in the locality where such REO Property is located and may, incident to its conservation and protection of the interests of the Trustee on behalf of the Certificateholders, rent the same, or any part thereof, as the Servicer deems to be in the best interest of the Trustee on behalf of the Certificateholders for the period prior to the sale of such REO Property; provided, however , that any rent received or accrued with respect to such REO Property qualifies as "rents from real property" as defined in Section 856(d) of the Code.

Section 3.18 Notification of Adjustments . With respect to each Adjustable Rate Mortgage Loan, the Servicer shall adjust the Mortgage Rate on the related Adjustment Date and shall adjust the Scheduled Payment on the related mortgage payment adjustment date, if applicable, in compliance with the requirements of applicable law and the related Mortgage and Mortgage Note. In the event that an Index becomes unavailable or otherwise unpublished, the Servicer shall select a comparable alternative index over which it has no direct control and which is readily verifiable. The Servicer shall execute and deliver any and all necessary notices required under applicable law and the terms of the related Mortgage Note and Mortgage regarding the Mortgage Rate and Scheduled Payment adjustments. The Servicer

shall promptly, upon written request therefor, deliver to the Master Servicer such notifications and any additional applicable data regarding such adjustments and the methods used to calculate and implement such adjustments. Upon the discovery by the Servicer or the receipt of notice from the Master Servicer that the Servicer has failed to adjust a Mortgage Rate or Scheduled Payment in accordance with the terms of the related Mortgage Note, the Servicer shall deposit in the Collection Account from its own funds the amount of any interest loss caused as such interest loss occurs.

Section 3.19 Access to Certain Documentation and Information Regarding the Mortgage Loans . The Servicer shall provide, or cause the Subservicer to provide, to the Depositor, the Trustee, the OTS or the FDIC and the examiners and supervisory agents thereof, access to the documentation regarding the Mortgage Loans in its possession required by applicable regulations of the OTS. Such access shall be afforded without charge, but only upon 10 days (or, if an Event of Default has occurred and is continuing, 3 Business Days) prior written request and during normal business hours at the offices of the Servicer or, if applicable, any Subservicer. Nothing in this Section shall derogate from the obligation of any such party to observe any applicable law prohibiting disclosure of information regarding the Mortgagors and the failure of any such party to provide access as provided in this Section as a result of such obligation shall not constitute a breach of this Section.

Nothing in this Section 3.19 shall require the Servicer to collect, create, collate or otherwise generate any information that it does not generate in its usual course of business. The Servicer shall not be required to make copies of or to ship documents to any Person who is not a party to this Agreement, and then only if provisions have been made for the reimbursement of the costs thereof.

Section 3.20 Documents, Records and Funds in Possession of the Servicer to Be Held for the Trustee . Not later than thirty days after each Distribution Date, the Servicer shall forward to the Trustee, the Master Servicer and the Securities Administrator a statement prepared by the Servicer setting forth the status of the Collection Account as of the close of business on the last day of the calendar month relating to such Distribution Date and showing, for the period covered by such statement, the aggregate amount of deposits into and withdrawals from the Collection Account of each category of deposit specified in Section 3.10(a) and each category of withdrawal specified in Section 3.11. Such statement shall be provided substantially in the form of Exhibit N-1 hereto. Copies of such statement shall be provided by the Securities Administrator to any Certificateholder and to any Person identified to the Securities Administrator as a prospective transferee of a Certificate, upon the request and at the expense of the requesting party, provided such statement is delivered by the Servicer to the Securities Administrator.

Section 3.21 Servicing Compensation . (a) As compensation for its activities hereunder, the Servicer shall, with respect to each Mortgage Loan, be entitled to retain from deposits to the Collection Account and from Liquidation Proceeds, Condemnation Proceeds, Insurance related Proceeds, Subsequent Recoveries and REO Proceeds related to such Mortgage Loan, the Servicing Fee with respect to each Mortgage Loan (less any portion of such amounts retained by any Subservicer). In addition, the Servicer shall be entitled to recover unpaid Servicing Fees out of related Late Collections and as otherwise permitted under Section 3.11. The right to receive the Servicing Fee may not be transferred in whole or in part except in connection with the transfer of all of the Servicer's responsibilities and obligations under this Agreement; provided, however , that the Servicer may pay from the Servicing Fee any amounts due to a Subservicer pursuant to a Subservicing Agreement entered into under Section 3.02.

(b) Additional servicing compensation in the form of assumption or modification fees, late payment charges, NSF fees, reconveyance fees and other similar fees and charges (other than Prepayment Charges) shall be retained by the Servicer only to the extent such fees or charges are received by the Servicer. The Servicer shall also be entitled pursuant to Section 3.11(a)(iv) to withdraw from the Collection Account, as additional servicing compensation, interest or other income earned on deposits therein. The Servicer shall also be entitled as additional servicing compensation, to interest or other income earned on deposits in the Escrow Account (to the extent permitted by law and the related Mortgage Loan documents) in accordance with Section 3.12. The Servicer shall also be entitled to retain net Prepayment Interest Excesses (to the extent not required to offset Prepayment Interest Shortfalls), but only to the extent such amounts are received by the Servicer.

(c) The Servicer shall be required to pay all expenses incurred by it in connection with its servicing activities hereunder (including payment of premiums for any blanket policy insuring against hazard losses pursuant to Section 3.13, servicing compensation of the Subservicer to the extent not retained by it and the fees and expenses of independent accountants and any agents appointed by the Servicer), and shall not be entitled to reimbursement therefor from the Trust Fund except as specifically provided in Section 3.11.

Section 3.22 Report on Assessment of Compliance with Relevant Servicing Criteria. On or before March 1st of each calendar year, commencing in March 2007, the Servicer, the Master Servicer, the Securities Administrator and the Custodian, each at its own expense, shall furnish or otherwise make available, and each such party shall cause any Servicing Function Participant engaged by it to furnish, each at its own expense, to the Securities Administrator and the Depositor, a report on an assessment of compliance with the Relevant Servicing Criteria set forth in Exhibit S that contains (A) a statement by such party of its responsibility for assessing compliance with the Relevant Servicing Criteria, (B) a statement that such party used the Relevant Servicing Criteria to assess compliance with the Relevant Servicing Criteria, (C) such party's assessment of compliance with the Relevant Servicing Criteria as of and for the fiscal year covered by the Form 10-K required to be filed pursuant to Section 8.12, including, if there has been any material instance of noncompliance with the Relevant Servicing Criteria, a discussion of each such failure and the nature and status thereof, and (D) a statement that a registered public accounting firm has issued an attestation report on such party's assessment of compliance with the Relevant Servicing Criteria as of and for such period.

Promptly after receipt of each such report on assessment of compliance, (i) the Depositor shall review each such report and, if applicable, consult with the Master Servicer, the Securities Administrator, the Servicer and any Servicing Function Participant engaged by such parties as to the nature of any material instance of noncompliance with the Relevant Servicing Criteria by each such party, and (ii) the Securities Administrator shall confirm that the assessments, taken as a whole address all of the Servicing Criteria and taken individually address the Relevant Servicing Criteria for each party as set forth on Exhibit S.

The Master Servicer shall enforce any obligation of the Servicer (and the Servicer shall enforce any obligation of a Sub-Servicer or Subcontractor engaged by such Servicer) to cause to be delivered to the Securities Administrator an annual report on assessment of compliance within the time frame set forth in this Section 3.22, and in such form and substance required by this Agreement.

In the event the Master Servicer, the Securities Administrator, the Custodian, or any Servicing Function Participant engaged by any such party is terminated, assigns its rights and obligations under, or resigns pursuant to, the terms of this Agreement, or any other applicable agreement, as the case may be, such party shall provide a report on assessment of compliance pursuant to this Section 3.22, or to such other applicable agreement, notwithstanding any such termination, assignment or resignation.

Section 3.23 Report on Attestation of Compliance with Relevant Servicing Criteria . On or before March 1st of each calendar year, commencing in March 2007, the Servicer, the Master Servicer, the Securities Administrator and the Custodian, each at its own expense, shall cause, and each such party shall cause any Servicing Function Participant engaged by it to cause, each at its own expense, a registered public accounting firm (which may also render other services to the Servicer, the Master Servicer, the Securities Administrator, the Custodian or such other Servicing Function Participants, as the case may be) and that is a member of the American Institute of Certified Public Accountants to furnish an attestation report to the Securities Administrator and the Depositor, to the effect that (i) it has obtained a representation regarding certain matters from the management of such party, which includes an assertion that such party has complied with the Relevant Servicing Criteria, and (ii) on the basis of an examination conducted by such firm in accordance with standards for attestation engagements issued or adopted by the Public Company Accounting Oversight Board, it is expressing an opinion as to whether such party's compliance with the Relevant Servicing Criteria was fairly stated in all material respects, or it cannot express an overall opinion regarding such party's assessment of compliance with the Relevant Servicing Criteria. In the event that an overall opinion cannot be expressed, such registered public accounting firm shall state in such report why it was unable to express such an opinion. Such report must be available for general use and not contain restricted use language.

Promptly after receipt of each such assessment of compliance and attestation report, the Securities Administrator shall confirm that each assessment submitted pursuant to Section 3.22 is coupled with an attestation meeting the requirements of this Section and notify the Depositor of any exceptions.

The Master Servicer shall enforce any obligation of the Servicer (and the Servicer shall enforce any obligation of a Sub-Servicer or Subcontractor engaged by such Servicer) to cause to be delivered to the Master Servicer an attestation within the time frame set forth in this Section 3.23, and in such form and substance as may be required by this Agreement. In the event the Servicer, the Master Servicer, the Securities Administrator, the Custodian or any Servicing Function Participant engaged by any such party, is terminated, assigns its rights and duties under, or resigns pursuant to the terms of, this Agreement or any other applicable agreement, as the case may be, such party shall cause a registered public accounting firm to provide an attestation pursuant to this Section 3.23, or to such other applicable agreement, notwithstanding any such termination, assignment or resignation.

Section 3.24 Annual Officer's Certificates . (a) Each Form 10-K filed with the Commission shall include a Sarbanes-Oxley Certification exactly as set forth in Exhibit L attached hereto, required to be included therewith pursuant to the Sarbanes-Oxley Act. The Servicer, the Master Servicer and the Securities Administrator shall, and shall cause any Servicing Function Participant engaged by it to, provide to the Person who signs the Sarbanes-Oxley Certification (the " Certifying Person "), by March 1st of each year in which the Trust is subject to the reporting requirements of the Exchange Act and otherwise within a reasonable period of time upon request, a certification (each, a " Back-Up Certification "), in the form attached hereto as Exhibit M, upon which the Certifying Person, the entity for which the Certifying Person acts as an officer, and such entity's officers, directors and Affiliates (collectively with the Certifying Person, " Certification Parties ") can reasonably rely. The senior officer of the Master Servicer in charge of the master servicing function shall serve as the Certifying Person on behalf of the Trust. Such officer of the Certifying Person can be contacted by e-mail at *cts.sec.notifications@wellsfargo.com* or by facsimile at 410-715-2380. In the event any such party or any Servicing Function Participant engaged by any such party is terminated or resigns pursuant to the terms of this Agreement, or any applicable sub-servicing agreement, as the case may be, such party shall provide a Back-Up Certification to the Certifying Person pursuant to this Section 3.24 with respect to the period of time it was subject to this Agreement or any applicable sub-servicing agreement, as the case may be. Notwithstanding the foregoing, (i) the Master Servicer and the Securities Administrator shall not be required to deliver a Back-Up Certification to each other if both are the same Person and the Master Servicer is the Certifying Person and (ii) the Master Servicer shall not be obligated to sign the Sarbanes-Oxley Certification in the event that it does not receive any Back-Up Certification required to be furnished to it pursuant to this section or any Servicing Agreement or Custodial Agreement.

(b) On or before March 1st of each calendar year, commencing in March 2007, the Servicer, the Master Servicer and the Securities Administrator shall deliver (or otherwise make available) (and the Servicer, the Master Servicer and Securities Administrator shall cause any Servicing Function Participant engaged by it to deliver) to the Depositor and the Securities Administrator, an Officer's Certificate substantially in the form of Exhibit U hereto stating, as to the signer thereof, that (A) a review of such party's activities during the preceding calendar year or portion thereof and of such party's performance under this Agreement, or such other applicable agreement in the case of a Servicing Function Participant, has been made under such officer's supervision and (B) to the best of such officer's knowledge, based on such review, such party has fulfilled all its obligations under this Agreement, or such other applicable agreement in the case of a Servicing Function Participant, in all material respects throughout such year or portion thereof, or, if there has been a failure to fulfill any such obligation in any material respect, specifying each such failure known to such officer and the nature and status thereof.

In the event the Servicer, the Master Servicer, the Securities Administrator or any Servicing Function Participant engaged by any such party is terminated or resigns pursuant to the terms of this Agreement, or any applicable agreement in the case of a Servicing Function Participant, as the case may be, such party shall provide an Officer's Certificate pursuant to this Section 3.24 or to such applicable agreement, as the case may be, notwithstanding any such termination, assignment or resignation.

(c) The Servicer shall indemnify and hold harmless the Trustee, the Master Servicer, the Securities Administrator, the Depositor and their respective officers, directors, agents and affiliates from and against any losses, damages, penalties, fines, forfeitures, reasonable legal fees and related costs, judgments and other costs and expenses arising out of or based upon a breach by the Servicer or any of its officers, directors, agents or affiliates of its obligations under this Section 3.24 or the negligence, bad faith or willful misconduct of the Servicer in connection therewith. If the indemnification provided for herein is unavailable or insufficient to hold harmless the Trustee, the Master Servicer, the Securities Administrator and the Depositor, then the Servicer agrees that it shall contribute to the amount paid or payable by the Trustee, the Master Servicer, the Securities Administrator, the Depositor or their respective officers, directors, agents or affiliates as a result of the losses, claims, damages or liabilities of any such party in such proportion as is appropriate to reflect the relative fault of such party or parties on the one hand and the Servicer on the other in connection with a breach of the Servicer's obligations under this Section 3.24 or the Servicer's negligence, bad faith or willful misconduct in connection therewith.

Section 3.25 Master Servicer to Act as Servicer . (a) Subject to Section 7.02, in the event that the Servicer shall for any reason no longer be the Servicer hereunder (including by reason of an Event of Default), the Master Servicer or its successor shall thereupon assume all of the rights and obligations of the Servicer hereunder arising thereafter, except that the Master Servicer shall not be (i) liable for losses of the predecessor Servicer pursuant to Section 3.10 or any acts or omissions of the predecessor Servicer hereunder, (ii) obligated to effectuate repurchases or substitutions of Mortgage Loans hereunder, including but not limited to repurchases or substitutions pursuant to Section 2.03, (iii) responsible for expenses of the predecessor Servicer pursuant to Section 2.03 or (iv) deemed to have made any representations and warranties of the Servicer hereunder. Any such assumption shall be subject to Section 7.02.

(b) Every Subservicing Agreement entered into by the Servicer shall contain a provision giving the successor servicer the option to terminate such agreement in the event a successor servicer is appointed.

(c) If the Servicer shall for any reason no longer be the Servicer (including by reason of any Event of Default), the Master Servicer (or any other successor servicer) may, at its option, succeed to any rights and obligations of the Servicer under any Subservicing Agreement in accordance with the terms thereof; provided , that the Master Servicer (or any other successor servicer) shall not incur any liability or have any obligations in its capacity as successor servicer under a Subservicing Agreement arising prior to the date of such succession unless it expressly elects to succeed to the rights and obligations of the Servicer thereunder; and the Servicer shall not thereby be relieved of any liability or obligations under the Subservicing Agreement arising prior to the date of such succession.

(d) The Servicer shall, upon request of the Master Servicer, but at the expense of the Servicer, deliver to the assuming party all documents and records relating to each Subservicing Agreement (if any) and the Mortgage Loans then being serviced thereunder and an accounting of amounts collected and held by it, and otherwise use its best efforts to effect the orderly and efficient transfer of the Subservicing Agreement to the assuming party.

Section 3.26 Compensating Interest . The Servicer shall remit to the Master Servicer on each Remittance Date an amount from its own funds equal to the Compensating Interest payable by the Servicer for the related Distribution Date.

Section 3.27 Credit Reporting; Gramm-Leach-Bliley Act . (a) With respect to each Mortgage Loan serviced by it, the Servicer agrees to fully furnish, in accordance with the Fair Credit Reporting Act and its implementing regulations, accurate and complete information (e.g., favorable and unfavorable) on the primary borrower of such Mortgage Loan to Equifax, Experian and TransUnion Credit Information Company (three of the credit repositories) on a monthly basis.

(b) The Servicer shall comply with Title V of the Gramm-Leach-Bliley Act of 1999 and all applicable regulations promulgated thereunder, relating to the Mortgage Loans and the related borrowers and shall provide all required notices thereunder.

Section 3.28 [Reserved]

Section 3.29 Notifications to Parties . The Servicer shall promptly notify the Trustee, the Securities Administrator, the Master Servicer and the Depositor (i) of any legal proceedings pending against the Servicer of the type described in Item 1117 (§ 229.1117) of Regulation AB and (ii) if the Servicer shall become (but only to the extent not previously disclosed to the Securities Administrator, the Master Servicer and the Depositor) at any time an affiliate of any of the parties listed on Exhibit T to this Agreement. If so requested by the Trustee, the Securities Administrator, the Master Servicer or the Depositor on any date following the date on which information was first provided to the Trustee, the Master Servicer, the Securities Administrator and the Depositor, pursuant to the preceding sentence, the Servicer shall within five Business Days following such request, confirm in writing the accuracy of the representations and warranties set forth in item number (7) of Schedule II hereto, or, the Servicer shall, if such a representation and warranty is not accurate as of the date of such request, provide reasonable adequate disclosure of the pertinent facts, in writing, to the requesting party.

The Servicer shall provide to the Securities Administrator, the Trustee, the Master Servicer and the Depositor prompt notice of the occurrence of any of the following: (i) any event of default under the terms of this Agreement; (ii) any merger, consolidation or sale of substantially all of the assets of the Servicer; (iii) the Servicer's engagement of any Subservicer or Subcontractor; (iv) any material litigation involving the Servicer; and (v) any affiliation or other significant relationship between the Servicer and other transaction parties, other than the Servicer's affiliation with the Mortgage Loan Seller and First Franklin Financial Corporation, which affiliations have already been identified by the Servicer.

Section 3.30 Indemnification .

(a) Each of the Depositor, the Servicer, the Master Servicer, the Securities Administrator, and any Servicing Function Participant (each, an "Indemnifying Party") engaged by any such party, shall indemnify and hold harmless each of the the Servicer, the Master Servicer, the Securities Administrator, the Trustee and the Depositor, respectively, and each of its directors, officers, employees, agents, and affiliates from and against any and all claims, losses, damages, penalties, fines, forfeitures, reasonable legal fees and related costs, judgments and other costs and expenses arising out of or based upon (a) any breach by such party of any if its obligations hereunder, including particularly its obligations to provide any annual statement of compliance, annual assessment of compliance with Servicing Criteria or attestation report or any information, data or materials required to be included in any Exchange Act report, (b) any material misstatement or omission in any information, data or materials provided by such party including any material misstatement or material omission in (i) any annual statement of compliance, annual assessment of compliance with Servicing Criteria or attestation report delivered by it, or by any Servicing Function Participant engaged by it, pursuant to this Agreement, or (ii) any Additional Form 10-D Disclosure, Additional Form 10-K Disclosure or Form 8-K Disclosure Information provided by it, or (c) the negligence, bad faith or willful misconduct of such indemnifying party in connection with its performance hereunder. If the indemnification provided for herein is unavailable or insufficient to hold harmless the Servicer, the Master Servicer, the Securities Administrator, the Trustee or the Depositor, as the case may be, then each Indemnifying Party agrees that it shall contribute to the amount paid or payable by the Servicer, the Master Servicer, the Securities Administrator, the Trustee or the Depositor, as applicable, as a result of any claims, losses, damages or liabilities incurred by such party in such proportion as is appropriate to reflect the relative fault of the indemnified party on the one hand and the indemnifying party on the other. This indemnification shall survive the termination of this Agreement or the termination of any party to this Agreement.

(b) The Depositor, the Servicer, the Securities Administrator and the Trustee shall immediately notify the Master Servicer if a claim is made by a third party with respect to this Agreement or the Mortgage Loans which would entitle the Depositor, the Servicer, the Securities Administrator, the Trustee or the Trust to indemnification from the Master Servicer, whereupon the Master Servicer shall assume the defense of any such claim and pay all expenses in connection therewith, including counsel fees, and promptly pay, discharge and satisfy any judgment or decree which may be entered against it or them in respect of such claim. If the Master Servicer and any such indemnified party have a conflict of interest with respect to any such claim, the indemnified party shall have the

right to retain separate counsel.

ARTICLE IV

DISTRIBUTIONS AND ADVANCES BY THE SERVICER

Section 4.01 Advances . (a) The amount of P&I Advances to be made by the Servicer for any Remittance Date shall equal, subject to Section 4.01(c), the sum of (i) the aggregate amount of Scheduled Payments (with each interest portion thereof net of the related Servicing Fee), due during the Due Period immediately preceding such Remittance Date in respect of the Mortgage Loans, which Scheduled Payments were not received as of the close of business on the related Determination Date, plus (ii) with respect to each REO Property, which REO Property was acquired during or prior to the related Prepayment Period and as to which such REO Property an REO Disposition did not occur during the related Prepayment Period, an amount equal to the excess, if any, of the Scheduled Payments (with each interest portion thereof net of the related Servicing Fee) that would have been due on the related Due Date in respect of the related Mortgage Loans, over the net income from such REO Property transferred to the Collection Account for distribution on such Remittance Date.

(b) On each Remittance Date, the Servicer shall remit in immediately available funds to the Master Servicer an amount equal to the aggregate amount of P&I Advances, if any, to be made in respect of the Mortgage Loans and REO Properties for the related Remittance Date either (i) from its own funds or (ii) from the Collection Account, to the extent of funds held therein for future distribution (in which case, it will cause to be made an appropriate entry in the records of the Collection Account that Amounts Held for Future Distribution have been, as permitted by this Section 4.01, used by it in discharge of any such P&I Advance) or (iii) in the form of any combination of (i) and (ii) aggregating the total amount of P&I Advances to be made by the Servicer with respect to the Mortgage Loans and REO Properties. Any Amounts Held for Future Distribution and so used shall be appropriately reflected in the Servicer's records and replaced by the Servicer by deposit in the Collection Account on or before any future Remittance Date to the extent required.

(c) The obligation of the Servicer to make such P&I Advances is mandatory, notwithstanding any other provision of this Agreement but subject to (d) below, and, with respect to any Mortgage Loan or REO Property, shall continue until a Final Recovery Determination in connection therewith or the removal thereof from coverage under this Agreement, except as otherwise provided in this Section.

(d) Notwithstanding anything herein to the contrary, no P&I Advance or Servicing Advance shall be required to be made hereunder by the Servicer if such P&I Advance or Servicing Advance would, if made, constitute a Nonrecoverable P&I Advance or Nonrecoverable Servicing Advance. The determination by the Servicer that it has made a Nonrecoverable P&I Advance or a Nonrecoverable Servicing Advance or that any proposed P&I Advance or Servicing Advance, if made, would constitute a Nonrecoverable P&I Advance or a Nonrecoverable Servicing Advance, respectively, shall be evidenced by an Officer's Certificate of the Servicer delivered to the Master Servicer. In addition, the Servicer shall not be required to advance any Relief Act Interest Shortfalls.

(e) Except as otherwise provided herein, the Servicer shall be entitled to reimbursement pursuant to Section 3.11 for Servicing Advances from recoveries from the related Mortgagor or from all Liquidation Proceeds and other payments or recoveries (including Insurance Proceeds, Condemnation Proceeds and Subsequent Recoveries) with respect to the related Mortgage Loan.

(f) On each Remittance Date, the Master Servicer shall deposit in the Distribution Account all funds remitted to it by the Servicer pursuant to Sections 3.11(a)(i) and 3.26 and this Section 4.01. The Securities Administrator may retain or withdraw from the Distribution Account, (i) the Master Servicing Fee, (ii) amounts necessary to reimburse the Servicer for any previously unreimbursed Advances and any Advances the Servicer deems to be nonrecoverable from the related Mortgage Loan proceeds, (iii) amounts necessary to reimburse the Master Servicer for any previously unreimbursed Advances and any Advances the Master Servicer deems to be nonrecoverable

from the related Mortgage Loan proceeds, (iv) an amount to indemnify the Master Servicer or the Servicer for amounts due in accordance with this Agreement, and (v) any other amounts that each of the Master Servicer and the Securities Administrator is entitled to receive hereunder for reimbursement, indemnification or otherwise.

Section 4.02 Priorities of Distribution . (a) On each Distribution Date (or, in the case of deposits into the Supplemental Interest Trust, on the Derivative Payment Date), the Securities Administrator will make the disbursements and transfers from amounts then on deposit in the Distribution Account and from amounts that are available for payment to the Swap Counterparty, and shall allocate such amounts to the interests issued in respect of each REMIC created pursuant to this Agreement and shall distribute such amounts in the following order of priority and to the extent of the Available Funds remaining:

(i) to the Supplemental Interest Trust and the holders of the Class A-IO Certificates and each Class of LIBOR Certificates in the following order of priority:

(A) from the Interest Remittance Amount related to both Loan Groups, for deposit into the Supplemental Interest Trust Account, the amount of any Net Derivative Payment or Swap Termination Payment (other than a Swap Termination Payment resulting from a Swap Counterparty Trigger Event) owed to the Derivative Counterparty, including any such amounts remaining unpaid from previous Distribution Dates;

(B) from the Interest-Remittance Amount related to both Loan Groups, to the Class A-IO Certificates, the related Senior Interest Payment Amount for such Class;

(C) concurrently:

(1) from the Interest Remittance Amount related to the Group I Mortgage Loans, to the Class I-A Certificates, the related Senior Interest Payment Amount for such Class; and

(2) from the Interest Remittance Amount related to the Group II Mortgage Loans, to the Class II-A-1, Class II-A-2, Class II-A-3 and Class II-A-4 Certificates, *pro rata* , based on the amounts distributable under this clause (i)(C)(2), the related Senior Interest Payment Amount for each such Class of Certificates on such Distribution Date;

provided, that , if the Interest Remittance Amount for either Loan Group is insufficient to make the related payments set forth in clauses (i)(C)(1) or (i)(C)(2) above, any Interest Remittance Amount relating to the other Loan Group remaining after payment of the Senior Interest Payment Amount to the related Certificate Group will be available to cover that shortfall, such amounts to be allocated to those Classes experiencing such shortfall on a *pro rata* basis in proportion to the amounts of such shortfall; and

(D) from any remaining Interest Remittance Amounts related to both Loan Groups after taking into account the distributions made under clauses (i)(A) through (i)(C) above, sequentially, to each Class of Class M Certificates, in ascending order by numerical Class designation, the Interest Payment Amount for such Class and such Distribution Date;

(ii) (A) on each Distribution Date (or, in the case of deposits into the Supplemental Interest Trust, on the Derivative Payment Date) (1) before the Stepdown Date or (2) with respect to which a Trigger Event is in effect, to the Supplemental Interest Trust and to the holders of the Class or Classes of LIBOR Certificates then entitled to distributions of principal as set forth below, from amounts remaining on deposit in the Distribution Account after making distributions pursuant to paragraph (a)(i) of this Section 4.02, an amount equal to, in the aggregate, the Principal Payment Amount, in the following amounts and order of priority:

(a) for deposit into the Supplemental Interest Trust Account, any Net Derivative Payment or

Swap Termination Payment (other than a Swap Termination Payment resulting from a Swap Counterparty Trigger Event) owed to the Derivative Counterparty to the extent unpaid pursuant to paragraph (i)(A) above;

(b) concurrently:

(1) to the Class I-A Certificates, the Group I Principal Payment Amount, until the Class Certificate Balance of the Class I-A Certificates is reduced to zero; and

(2) to the Group II Certificates, the Group II Principal Payment Amount, allocated among such Classes as set forth in Section 4.02(c), until their respective Class Certificate Balances are reduced to zero;

(c) sequentially, to each Class of Class M Certificates, in ascending order by numerical Class designation, until their respective Class Certificate Balances are reduced to zero; and

(B) on each Distribution Date (or, in the case of deposits into the Supplemental Interest Trust, on the Derivative Payment Date) (1) on and after the Stepdown Date and (2) as long as a Trigger Event is not in effect, to the Supplemental Interest Trust and to the holders of the Class or Classes of LIBOR Certificates then entitled to distributions of principal, from amounts remaining on deposit in the Distribution Account after making distributions pursuant to paragraph (a)(i) of this Section 4.02 above, an amount equal to, in the aggregate, the Principal Payment Amount, in the following amounts and order of priority:

(a) for deposit into the Supplemental Interest Trust Account, any Net Derivative Payment or Swap Termination Payment (other than a Swap Termination Payment resulting from a Swap Counterparty Trigger Event) owed to the Derivative Counterparty to the extent unpaid pursuant to paragraph (a)(i)(A) of this Section 4.02;

(b) concurrently:

(1) to the Class I-A Certificates, the Group I Senior Principal Payment Amount, until the Class Certificate Balance of the Class I-A Certificates is reduced to zero; and

(2) to the Group II Certificates, the Group II Senior Principal Payment Amount, allocated as described in Section 4.02(c), until their respective Certificate Principal Balances are reduced to zero; and

(c) sequentially, to each Class of Class M Certificates, in the order set forth in the definition of Class M Principal Payment Amount, the Class M Principal Payment Amount for the related Class of Class M certificates, until their respective Class Certificate Balances are reduced to zero;

(iii) any amounts remaining after the distributions in paragraphs (i) and (ii) of this Section 4.02(a), plus, as specifically indicated below, from amounts on deposit in the Excess Reserve Fund Account, shall be distributed in the following order of priority:

(A) to the Class A-IO Certificates, any Senior Interest Payment Amount not paid pursuant to clause (a)(i)(B) of this Section 4.02;

(B) to the Class A Certificates (other than the Class A-IO Certificates), any Senior Interest Payment Amount not paid pursuant to clause (a)(i)(C) of this Section 4.02 allocated *pro rata* among the classes of a Certificate Group as described in clause (a)(i)(C)(2) of this Section 4.02;

(C) sequentially, to the holders of the Class M Certificates, in ascending order by numerical Class designation, *first* , any Interest Payment Amount for that Class not paid for such Distribution Date

pursuant to clause (a)(i)(D) of this Section 4.02, *second* , any Interest Carry Forward Amount for that Class, and *third* , any Unpaid Realized Loss Amount for that Class;

(D) to the Excess Reserve Fund Account, the amount of any Basis Risk Payment for such Distribution Date;

(E) from amounts on deposit in the Excess Reserve Fund Account with respect to such Distribution Date, an amount equal to any unpaid Basis Risk Carryover Amount with respect to the LIBOR Certificates and Class A-IO Certificates for such Distribution Date, allocated in the same order and priority as set forth in clauses (a)(i)(B), (a)(i)(C) and (a)(i)(D) of this Section 4.02;

(F) to the Swap Counterparty, any Swap Termination Payment resulting from a Swap Counterparty Trigger Event;

(G) to the holders of the Class X Certificates, the remainder of the Class X Distributable Amount not distributed pursuant to Sections 4.02(a)(iii)(A) through (F); and

(H) to the holders of the Class R Certificates, any remaining amount;

If on any Distribution Date, as a result of the foregoing allocation rules, any Class of Class A Certificates does not receive in full the related Senior Interest Payment Amount or the related Interest Carry Forward Amount, if any, then such shortfall will be allocated to the Holders of such Class, with interest thereon, on future Distribution Dates, as Interest Carry Forward Amounts, subject to the priorities described above.

(b) On each Distribution Date, prior to any distributions on any other Class of Certificates, all amounts representing Prepayment Charges from the Mortgage Loans received during the related Prepayment Period shall be distributed by the Securities Administrator to the holders of the Class P Certificates.

(c) Any principal distributions to the holders of the Class A Certificates (other than the Class A-IO Certificates) on any Distribution Date prior to the Stepdown Date will be allocated to the Group I Certificates and the Group II Certificates based on the Group Principal Allocation Percentage for such Certificate Group as applicable for that Distribution Date. However, if the Class Certificate Balances of the Class A Certificates in either Certificate Group are reduced to zero before the Stepdown Date, then the remaining amount of principal distributions distributable to the Class A Certificates on that Distribution Date, and the amount of those principal distributions distributable on all subsequent Distribution Dates, will be distributed to the holders of the Class A Certificates in the other Certificate Group remaining outstanding, after taking into account the related Principal Payment for that Distribution Date, in accordance with the priorities described in Section 4.02(a)(ii)(A)(b), until their Class Certificate Balances have been reduced to zero. Any distributions of principal to the Group I Certificates will be made first from payments relating to Group I Mortgage Loans and any distributions of principal to the Group II Certificates will be made first from payments relating to the Group II Mortgage Loans. If the Class Certificate Balances of the Class A Certificates in either Certificate Group are reduced to zero on or after the Stepdown Date, then the remaining amount of principal distributions distributable to the Class A Certificates on that Distribution Date, and the amount of principal distributions distributable to the Class A Certificates in all subsequent Distribution Dates, will be distributed to the Class A Certificateholders of the remaining Certificate Group in accordance with the priorities set forth in Section 4.02 (a)(ii)(B)(b). Any principal distributions allocated to the Group II Certificates will be allocated as follows:

(i) to the Class II-A-1 Certificates, until the Class Certificate Balance of such Class has been reduced to zero;

(ii) to the Class II-A-2 Certificates, until the Class Certificate Balance of such Class has been reduced to zero;

(iii) to the Class II-A-3 Certificates, until the Class Certificate Balance of such Class has been reduced to; and

(iv) to the Class II-A-4 Certificates, until the Class Certificate Balance of such Class has been reduced to zero.

However, on and after the Distribution Date on which the aggregate Class Certificate Balances of the Class M Certificates been reduced to zero, any principal distributions allocated to the Group II Certificates are required to be allocated *pro rata* , among the Classes of Group II Certificates, based upon their respective Class Certificate Balances.

(d) On any Distribution Date, any Relief Act Shortfalls and Net Prepayment Interest Shortfalls for such Distribution Date shall be allocated by the Securities Administrator as a reduction in the following order:

(1) *First* , to the amount of interest payable to the Class X Certificates; and

(2) *Second* , *pro rata* , as a reduction of the Interest Payment Amount for the Class A and Class M Certificates, based on the amount of interest to which such Classes would otherwise be entitled.

(e) On any Distribution Date (or any Derivative Payment Date, as applicable), the Securities Administrator shall distribute any Swap Amount and Cap Amount for such date as follows:

(i) to the Derivative Counterparty, any Net Derivative Payment owed to the Derivative Counterparty pursuant to the Swap Agreement for such Derivative Payment Date to the extent not previously paid in Sections 4.02(a)(i)(A), 4.02(a)(ii)(A) or 4.02(a)(ii)(B);

(ii) to the Swap Counterparty, any Swap Termination Payment not resulting from a Swap Counterparty Trigger Event owed to the Swap Counterparty pursuant to the Swap Agreement for such Derivative Payment Date;

(iii) to the extent not paid and in the order of priority provided in clauses (a)(i)(B), (a)(i)(C) and (a)(i)(D) of this Section 4.02, to the Class A Certificates any Senior Interest Payment Amounts, and to the Class M Certificates, in ascending order by numerical class designation, any Interest Payment Amounts;

(iv) to the Class A Certificates (other than the Class A-IO Certificates) and the Class M Certificates in the order of priority set forth in clauses (a)(ii)(A)(b), (a)(ii)(A)(c), (a)(ii)(B)(b) and (a)(ii)(B)(c) of this Section 4.02, an amount necessary to maintain the Overcollateralization Target Amount for such Distribution Date after giving effect to distributions pursuant to such clauses;

(v) to the extent not paid pursuant to clause (a)(iii)(C) of this Section 4.02, sequentially, to the each Class of Class M Certificates, in ascending order by numerical Class designation, *first* , any Interest Carry Forward Amount for that Class, and *second* , any Unpaid Realized Loss Amount for that Class;

(vi) to the extent not paid pursuant to clause (a)(iii)(D) of this Section 4.02, to the Excess Reserve Fund Account, the amount of any Basis Risk Payment for such Distribution Date;

(vii) to the extent not paid pursuant to clause (a)(iii)(E) of this Section 4.02, to the LIBOR Certificates and the Class A-IO Certificates, any remaining unpaid Basis Risk Carryover Amount with respect to such Certificates for that Distribution Date, allocated in the same order and priority as set forth in such clause;

(viii) if applicable, to the Swap Termination Receipts Account or Cap Termination Receipts Account for application to the purchase of a replacement swap agreement or replacement cap agreement pursuant to Section 4.08;

(ix) to the extent not paid pursuant to clause (a)(iii)(F) of this Section 4.02, to the Swap Counterparty, any Swap Termination Payment resulting from a Swap Counterparty Trigger Event; and

(x) to the extent not paid pursuant to clause (a)(iii)(G) of this Section 4.02, to the holders of the

Class X Certificates, the remainder of the Class X Distributable Amount.

With respect to each Distribution Date, the sum of all amounts distributed in priorities (e)(iv) and (e)(v) *second of this Section 4.02(e)* cannot exceed the amount of cumulative Realized Losses incurred up to such Distribution Date minus any distributions made on previous Distribution Dates pursuant to such priorities.

Section 4.03 Monthly Statements to Certificateholders . (a) Not later than each Distribution Date, the Securities Administrator shall make available to each Certificateholder, the Master Servicer, the Servicer, the Depositor, the Trustee, the Derivative Counterparty and each Rating Agency a statement, based on information provided by the Servicer and the Derivative Counterparty, setting forth with respect to the related distribution:

(i) the amount thereof allocable to principal (other than the Interest-Only Certificates), separately identifying the aggregate amount of any Principal Prepayments, Liquidation Proceeds and Subsequent Recoveries;

(ii) the amount thereof allocable to interest, any Interest Carry Forward Amounts included in such distribution and any remaining Interest Carry Forward Amounts after giving effect to such distribution, any Basis Risk Carryover Amount for such Distribution Date and the amount of all Basis Risk Carryover Amount covered by withdrawals from the Excess Reserve Fund Account on such Distribution Date;

(iii) if the distribution to the Holders of such Class of Certificates is less than the full amount that would be distributable to such Holders if there were sufficient funds available therefor, the amount of the shortfall and the allocation thereof as between principal and interest, including any Basis Risk Carryover Amount not covered by amounts in the Excess Reserve Fund Account;

(iv) the Class Certificate Balance of each Class of Certificates after giving effect to the distribution of principal on such Distribution Date;

(v) the Pool Stated Principal Balance for the following Distribution Date;

(vi) the amount of the Expense Fees (in the aggregate and separately stated) paid to or retained by the Servicer, any Subservicer and the Master Servicer with respect to such Distribution Date;

(vii) the Interest Rate for each such Class of Certificates with respect to such Distribution Date;

(viii) the amount of P&I Advances included in the distribution on such Distribution Date and the aggregate amount of P&I Advances outstanding as of the close of business on the Determination Date immediately preceding such Distribution Date;

(ix) by Loan Group and in the aggregate, the number and aggregate outstanding principal balances of Mortgage Loans (except those Mortgage Loans that are liquidated as of the end of the related Prepayment Period) (1) as to which the Scheduled Payment is delinquent 31 to 60 days, 61 to 90 days and 91 or more days, (2) that have become REO Property, (3) that are in foreclosure and (4) that are in bankruptcy, in each case as of the close of business on the last Business Day of the immediately preceding month;

(x) by Loan Group and in the aggregate, with respect to Mortgage Loans that became REO Properties during the preceding calendar month, the number and the aggregate Stated Principal Balance of such Mortgage Loans as of the close of business on the Determination Date preceding such Distribution Date and the date of acquisition thereof;

(xi) by Loan Group and the aggregate, the total number and aggregate principal balance of any REO Properties as of the close of business on the Determination Date preceding such Distribution Date;

(xii) whether a Trigger Event has occurred and is continuing;

(xiii) the amount on deposit in the Excess Reserve Fund Account (after giving effect to distributions on such Distribution Date);

(xiv) in the aggregate and for each Class of Certificates, the aggregate amount of Applied Realized Loss Amounts incurred during the preceding calendar month and aggregate Applied Realized Loss Amounts through such Distribution Date.;

(xv) the amount of any Net Monthly Excess Cash Flow on such Distribution Date and the allocation thereof to the Certificateholders with respect to Applied Realized Loss Amounts and Interest Carry Forward Amounts;

(xvi) the Overcollateralization Amount and Overcollateralization Target Amount;

(xvii) Prepayment Charges collected by the Servicer;

(xviii) the Cumulative Loss Percentage; and

(xix) the amount of any Net Derivative Payment made to the Supplemental Interest Trust pursuant to Section 4.02, any Net Derivative Payment made to the Derivative Counterparty pursuant to Section 4.02, any Swap Termination Payment or Cap Termination Payment made to the Supplemental Interest Trust pursuant to Section 4.02 and any Swap Termination Payment made to the Swap Counterparty pursuant to Section 4.02.

(a) For purposes of preparing the Monthly Statement, delinquencies shall be determined and reported by the Master Servicer based on the so-called "OTS" methodology irrespective of the method for determining delinquencies utilized by the Servicer on mortgage loans similar to the Mortgage Loans. By way of example, a Mortgage Loan would be delinquent with respect to a Scheduled Payment due on a Due Date if such Scheduled Payment is not made by the close of business on the Mortgage Loan's next succeeding Due Date, and a Mortgage Loan would be more than 30-days Delinquent with respect to such Scheduled Payment if such Scheduled Payment were not made by the close of business on the Mortgage Loan's second succeeding Due Date. The Servicer hereby represents and warrants to the Depositor that this delinquency recognition policy is not less restrictive than any delinquency recognition policy established by the primary safety and soundness regulator, if any, of the Servicer.

(b) The Securities Administrator's responsibility for providing the above statement to the Certificateholders, each Rating Agency, the Master Servicer, the Servicer, the Trustee and the Depositor is limited to the availability, timeliness and accuracy of the information derived from the Master Servicer and the Servicer. The Securities Administrator will provide the above statement via the Securities Administrator's internet website. The Securities Administrator's website will initially be located at *https://www.ctslink.com* and assistance in using the website can be obtained by calling the Securities Administrator's customer service desk at (301) 815-6600. Parties that are unable to use the above distribution method are entitled to have a paper copy mailed to them via first Class mail by calling the customer service desk and indicating such. The Securities Administrator shall have the right to change the manner in which the above statement is distributed in order to make such distribution more convenient and/or more accessible, and the Securities Administrator shall provide timely and adequate notification to the Certificateholders and the parties hereto regarding any such changes. A paper copy of the statement will also be made available upon request.

(c) Within a reasonable period of time after the end of each calendar year, the Securities Administrator shall, upon request, cause to be furnished to each Person who at any time during the calendar year was a Certificateholder, a statement containing the information set forth in clauses (a)(i), (a)(ii) and (a)(vi) of this Section 4.03 aggregated for such calendar year or applicable portion thereof during which such Person was a Certificateholder. Such obligation of the Securities Administrator shall be deemed to have been satisfied to the extent that substantially comparable information shall have previously been provided by the Securities Administrator pursuant to any requirements of the Code as from time to time in effect.

(d) On the 10th day of each calendar month (or, if such 10th day is not a Business Day, then on the

next succeeding Business Day), the Servicer shall furnish to the Master Servicer (i) a monthly remittance advice in the format set forth in Exhibit N-1 hereto, (ii) a monthly defaulted loan report in the format set forth in Exhibit N-2 hereto and (iii) a realized loss report in the format set forth in Exhibit N-3 hereto (or in such other format mutually agreed to between the Servicer and the Master Servicer) relating to the period ending on the last day of the preceding calendar month on a magnetic tape or other similar media reasonably acceptable to the Master Servicer. No later than two Business Days after the fifteenth day of each calendar month, the Servicer shall furnish to the Master Servicer a monthly report containing such information regarding prepayments of Mortgage Loans during the applicable Prepayment Period and in a format as mutually agreed to between the Servicer and the Master Servicer.

Such monthly remittance advice shall also be accompanied by a supplemental report provided to the Master Servicer which includes on an aggregate basis for the previous calendar month (i) the amount of any insurance claims filed, (ii) the amount of any claim payments made and (iii) the amount of claims denied or curtailed. The Master Servicer will convert such data into a format acceptable to the Securities Administrator and provide monthly reports to the Securities Administrator pursuant to this Agreement.

The Depositor shall have the right upon providing ten Business Days prior written notice to the Servicer to receive any report provided by the Servicer to the Master Servicer under this Section 4.03(d) and to disseminate or otherwise utilize such information in its discretion, subject to applicable laws and regulations.

Section 4.04 Certain Matters Relating to the Determination of LIBOR . LIBOR shall be calculated by the Securities Administrator in accordance with the definition of LIBOR. Until all of the LIBOR Certificates are paid in full, the Securities Administrator will at all times retain at least four Reference Banks for the purpose of determining LIBOR with respect to each LIBOR Determination Date. The Securities Administrator initially shall designate the Reference Banks (after consultation with the Depositor). Each " Reference Bank " shall be a leading bank engaged in transactions in Eurodollar deposits in the international Eurocurrency market, shall not control, be controlled by, or be under common control with, the Securities Administrator and shall have an established place of business in London. If any such Reference Bank should be unwilling or unable to act as such or if the Securities Administrator should terminate its appointment as Reference Bank, the Securities Administrator shall promptly appoint or cause to be appointed another Reference Bank (after consultation with the Depositor). The Securities Administrator shall have no liability or responsibility to any Person for (i) the selection of any Reference Bank for purposes of determining LIBOR or (ii) any inability to retain at least four Reference Banks which is caused by circumstances beyond its reasonable control.

The Interest Rate for each Class of LIBOR Certificates for each Interest Accrual Period shall be determined by the Securities Administrator on each LIBOR Determination Date so long as the LIBOR Certificates are outstanding on the basis of LIBOR and the respective formulae appearing in footnotes corresponding to the LIBOR Certificates in the table relating to the Certificates in the Preliminary Statement. The Securities Administrator shall not have any liability or responsibility to any Person for its inability, following a good-faith reasonable effort, to obtain quotations from the Reference Banks or to determine the arithmetic mean referred to in the definition of LIBOR, all as provided for in this Section 4.04 and the definition of LIBOR. The establishment of LIBOR and each Interest Rate for the LIBOR Certificates by the Securities Administrator shall (in the absence of manifest error) be final, conclusive and binding upon each Holder of a Certificate and the Trustee.

Section 4.05 Allocation of Applied Realized Loss Amounts . Any Applied Realized Loss Amounts shall be allocated by the Securities Administrator to the most junior Class of Class M Certificates then outstanding in reduction of the Class Certificate Balance thereof.

Section 4.06 Supplemental Interest Trust .(a) A separate trust is hereby established (the " Supplemental Interest Trust "), the corpus of which shall be held by the securities administrator of the Supplemental Interest Trust for the benefit of the Class X Certificateholders. The Securities Administrator, acting in its capacity as securities administrator of the Supplemental Interest Trust, shall establish an account (the "Supplemental Interest Trust Account") consisting of two sub-accounts (the " Swap Account " and the " Cap Account ," respectively), into each of which the Depositor shall deposit $500 on the Closing Date. The Supplemental Interest Trust Account shall be an

Eligible Account, and funds on deposit therein shall be held separate and apart from, and shall not be commingled with, any other monies, including, without limitation, other monies of the Securities Administrator held pursuant to this Agreement.

(b) The Securities Administrator shall deposit into the Swap Account any Net Derivative Payment required pursuant to Sections 4.02(a)(i)(A), 4.02(a)(ii)(A)(a) and 4.02(a)(ii)(B)(a), any Swap Termination Payment required pursuant to Sections 4.02(a)(i)(A), 4.02(a)(ii)(A)(a), 4.02(a)(ii)(B)(a) and 4.02(a)(iii)(F), and any amounts received from the Swap Counterparty under the Swap Agreement, and shall distribute from the Supplemental Interest Trust Account any Net Derivative Payment required pursuant to Section 4.02(e)(i) or any Swap Termination Payment required pursuant to Sections 4.02(e)(ii) or 4.02(e)(ix), as applicable.

(c) The Securities Administrator shall deposit into the Cap Account any amounts received from the Cap Counterparty under the Cap Agreement.

(d) Funds in the Swap Account shall be invested in Permitted Investments constituting time deposits under clause (ii) of the definition thereof. Any earnings on such amounts shall be distributed on each Distribution Date pursuant to Section 4.02(e). The Class X Certificates shall evidence ownership of the Swap Account for federal income tax purposes and the Holder thereof shall direct the Securities Administrator, in writing, as to investment of amounts on deposit therein. The Sponsor shall be liable for any losses incurred on such investments. In the absence of written instructions from the Class X Certificateholders as to investment of funds on deposit in the Swap Account, such funds shall be invested in the Wells Fargo Advantage Prime Investment Money Market Fund or a comparable investment vehicle. Any amounts on deposit in the Swap Account in excess of the Swap Amount on any Distribution Date shall be held for distribution pursuant to Section 4.02(e) on the following Distribution Date.

(e) Funds in the Cap Account shall be invested in Permitted Investments constituting time deposits under clause (ii) of the definition thereof. Any earnings on such amounts shall be distributed on each Distribution Date pursuant to Section 4.02(e). The Class X Certificates shall evidence ownership of the Cap Account for federal income tax purposes and the Holder thereof shall direct the Securities Administrator, in writing, as to investment of amounts on deposit therein. The Sponsor shall be liable for any losses incurred on such investments. In the absence of written instructions from the Class X Certificateholders as to investment of funds on deposit in the Cap Account, such funds shall be invested in the Wells Fargo Advantage Prime Investment Money Market Fund or a comparable investment vehicle. Any amounts on deposit in the Cap Account in excess of the Cap Amount on any Distribution Date shall be held for distribution pursuant to Section 4.02(e) on the following Distribution Date.

(f) Upon termination of the Trust Fund, any amounts remaining in the Swap Account or the Cap Account shall be distributed pursuant to the priorities set forth in Section 4.02(e).

(g) It is the intention of the parties hereto that, for federal and state income and state and local franchise tax purposes, the Supplemental Interest Trust be disregarded as an entity separate from the holder of the Class X Certificates unless and until the date when either (a) there is more than one Class X Certificateholder or (b) any Class of Certificates in addition to the Class X Certificates is recharacterized as an equity interest in the Supplemental Interest Trust for federal income tax purposes. Neither the Securities Administrator nor the Trustee shall be responsible for any entity level tax reporting for the Supplemental Interest Trust.

(h) Any obligation of the securities administrator of the Supplemental Interest Trust under the Swap Agreement or Cap Agreement shall be deemed to be an obligation of the Supplemental Interest Trust.

Section 4.07 Rights of the Swap Counterparty. The Swap Counterparty shall be deemed a third-party beneficiary of this Agreement to the same extent as if it were a party hereto and shall have the right to enforce its rights under this Agreement, which rights include but are not limited to the obligation of the Securities Administrator (A) to deposit any Net Derivative Payment required pursuant to Sections 4.02(a)(i)(A), 4.02(a)(ii)(A)(a) and 4.02(a)(ii)(B)(a), and any Swap Termination Payment required pursuant to Sections 4.02(a)(i)(A), 4.02(a)(ii)(A)(a), 4.02(a)(ii)(B)(a) and 4.02(a)(iii)(F), into the Supplemental Interest Trust Account (B) to pay any Net Derivative Payment required pursuant to Section 4.02(e)(i) or Swap Termination Payment required pursuant to Sections 4.02(e)(ii) or Section 4.02(e)(ix), as

applicable, to the Swap Counterparty and (C) to establish and maintain the Swap Account, to make such deposits thereto, investments therein and distributions therefrom as are required pursuant to Section 4.06. For the protection and enforcement of the provisions of this Section the Swap Counterparty shall be entitled to such relief as can be given either at law or in equity.

Section 4.08 Termination Receipts . (a)(i) In the event of an "Early Termination Event" as defined under the Swap Agreement, (a) any Swap Termination Payment made by the Swap Counterparty to the Swap Account and paid pursuant to Section 4.02(e)(viii) (" Swap Termination Receipts ") will be deposited in a segregated non-interest bearing account which shall be an Eligible Account established by the Securities Administrator (the " Swap Termination Receipts Account ") and (b) any amounts received from a replacement swap counterparty (" Swap Replacement Receipts ") will be deposited in a segregated non-interest bearing account which shall be an Eligible Account established by the Securities Administrator (the " Swap Replacement Receipts Account "). The Securities Administrator shall invest, or cause to be invested, funds held in the Swap Termination Receipts Account and the Swap Replacement Receipts Account in time deposits of the Securities Administrator as permitted pursuant to clause (ii) of the definition of Permitted Investments or as otherwise directed in writing by a majority of the Certificateholders. All such Permitted Investments must be payable on demand or mature on a Distribution Date or such other date as directed by the Certificateholders. All such Eligible Investments will be made in the name of the Trustee of the Supplemental Interest Trust (in its capacity as such) or its nominee. All income and gain realized from any such investment shall be deposited in the Termination Receipts Account or the Replacement Receipts Account, as applicable, and all losses, if any, shall be borne by the related account.

(ii) Unless otherwise permitted by the Rating Agencies as evidenced in a written confirmation, the Depositor shall arrange for replacement swap agreement(s) and the Securities Administrator shall promptly, with the assistance and cooperation of the Depositor, use amounts on deposit in the Swap Termination Receipts Account, if necessary, to enter into replacement swap agreement(s) which shall be executed and delivered by the Securities Administrator on behalf of the Supplemental Interest Trust upon receipt of written confirmation from each Rating Agency that such replacement swap agreement(s) will not result in the reduction or withdrawal of the rating of any outstanding Class of Certificates with respect to which it is a Rating Agency.

Amounts on deposit in the Swap Replacement Receipts Account shall be held for the benefit of the related Swap Counterparty and paid to such Swap Counterparty if the Supplemental Interest Trust is required to make a payment to such Swap Counterparty following an event of default or termination event with respect to the Supplemental Interest Trust under the related Swap Agreement. Any amounts not so applied shall, following the termination or expiration of such Swap Agreement, be paid to the Class X Certificates.

(b) (i) In the event of an "Early Termination Event" as defined under the Cap Agreement, (a) any Cap Termination Payment made by the Cap Counterparty to the Cap Account and paid pursuant to Section 4.02(e)(viii) ("Cap Termination Receipts") shall be deposited in a segregated non-interest bearing account which shall be an Eligible Account established by the Securities Administrator (the "Cap Termination Receipts Account") and (b) any amounts received from a replacement cap counterparty ("Cap Replacement Receipts") will be deposited in a segregated non-interest bearing account which shall be an Eligible Account established by the Securities Administrator (the "Cap Replacement Receipts Account"). The Securities Administrator shall invest, or cause to be invested, funds held in the Cap Termination Receipts Account in time deposits of the Securities Administrator as permitted by clause (ii) of the definition of Permitted Investments or as otherwise directed in writing by a majority of the Certificateholders. All such Permitted Investments must be payable on demand or mature on a Cap Payment Date, a Distribution Date or such other date as directed by the Certificateholders. All such Eligible Investments shall be made in the name of the Trustee as trustee of the Supplemental Interest Trust (in its capacity as such) or its nominee. All income and gain realized from any such investment shall be deposited in the Cap Termination Receipts Account and all losses, if any, shall be borne by such account.

(ii) Unless otherwise permitted by the Rating Agencies as evidenced in a written confirmation, the Depositor shall arrange for one or more replacement interest rate cap agreement and the Securities Administrator shall promptly, with the assistance and cooperation of the Depositor, use amounts on deposit in the Cap Termination Receipts Account, if necessary, to enter into any such replacement interest rate cap agreement which shall be executed

and delivered by Wells Fargo as securities administrator on behalf of the Supplemental Interest Trust upon receipt of written confirmation from each Rating Agency that any such replacement interest rate cap agreement will not result in the reduction or withdrawal of the rating of any outstanding Class of Certificates with respect to which it is a Rating Agency

ARTICLE V

THE CERTIFICATES

Section 5.01 The Certificates . The Certificates shall be substantially in the forms attached hereto as exhibits. The Certificates shall be issuable in registered form, in the minimum denominations, integral multiples in excess thereof (except that one Certificate in each Class may be issued in a different amount) and aggregate denominations per Class set forth in the Preliminary Statement.

The Depositor hereby directs the Securities Administrator to register the Class X, Class P and Class X Certificates in the name of HSBC Securities (USA) Inc. or its designee. On a date as to which the Depositor notifies the Securities Administrator, the Securities Administrator shall transfer the Class X and Class P Certificates in the name of the NIM Trustee, or such other name or names as the Depositor shall request, and to deliver the Class X and Class P Certificates to the NIM Trustee or to such other Person or Persons as the Depositor shall request.

Subject to Section 11.02 respecting the final distribution on the Certificates, on each Distribution Date the Securities Administrator shall make distributions to each Certificateholder of record on the preceding Record Date either (x) by wire transfer in immediately available funds to the account of such holder at a bank or other entity having appropriate facilities therefor, if such Holder has so notified the Securities Administrator at least five Business Days prior to the related Record Date or (y) by check mailed by first Class mail to such Certificateholder at the address of such holder appearing in the Certificate Register; provided, however , so long as such Certificate is a Book-Entry Certificate, all distributions on such Certificate will be made through the Depository or the Depository Participant.

The Certificates shall be executed by manual or facsimile signature on behalf of the Securities Administrator by an authorized officer. Certificates bearing the manual or facsimile signatures of individuals who were, at the time such signatures were affixed, authorized to sign on behalf of the Securities Administrator shall bind the Securities Administrator, notwithstanding that such individuals or any of them have ceased to be so authorized prior to the authentication and delivery of any such Certificates or did not hold such offices at the date of such Certificate. No Certificate shall be entitled to any benefit under this Agreement, or be valid for any purpose, unless authenticated by the Securities Administrator by manual signature, and such authentication upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly executed and delivered hereunder. All Certificates shall be dated the date of their authentication. On the Closing Date, the Securities Administrator shall authenticate the Certificates to be issued at the direction of the Depositor, or any affiliate thereof.

Section 5.02 Certificate Register; Registration of Transfer and Exchange of Certificates . (a) The Securities Administrator shall maintain, or cause to be maintained in accordance with the provisions of Section 5.06, a Certificate Register for the Trust Fund in which, subject to the provisions of subsections (b) and (c) below and to such reasonable regulations as it may prescribe, the Securities Administrator shall provide for the registration of Certificates and of transfers and exchanges of Certificates as herein provided. Upon surrender for registration of transfer of any Certificate, the Securities Administrator shall execute and deliver, in the name of the designated transferee or transferees, one or more new Certificates of the same Class and aggregate Percentage Interest.

At the option of a Certificateholder, Certificates may be exchanged for other Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest upon surrender of the Certificates to be exchanged at the office or agency of the Securities Administrator. Whenever any Certificates are so surrendered for exchange, the Securities Administrator shall execute, authenticate, and deliver the Certificates which the Certificateholder making the exchange is entitled to receive. Every Certificate presented or surrendered for registration of transfer or exchange shall be accompanied by a written instrument of transfer in form satisfactory to the

Securities Administrator duly executed by the holder thereof or his attorney duly authorized in writing.

No service charge to the Certificateholders shall be made for any registration of transfer or exchange of Certificates, but payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of Certificates may be required.

All Certificates surrendered for registration of transfer or exchange shall be cancelled and subsequently destroyed by the Securities Administrator in accordance with the Securities Administrator's customary procedures.

(b) No transfer of a Private Certificate shall be made unless such transfer is made pursuant to an effective registration statement under the Securities Act and any applicable state securities laws or is exempt from the registration requirements under said Act and such state securities laws. In determining whether a transfer is being made pursuant to an effective registration statement, the Securities Administrator shall be entitled to rely solely upon a written notice to such effect from the Depositor. Except with respect to (i) the transfer of the Class X, Class P or Class R Certificates to the Depositor or an Affiliate of the Depositor, (ii) the transfer of the Class X or Class P Certificates to the NIM Issuer or the NIM Trustee, or (iii) a transfer of the Class X or Class P Certificates from the NIM Issuer or the NIM Trustee to the Depositor or an Affiliate of the Depositor, in the event that a transfer of a Private Certificate which is a Physical Certificate is to be made in reliance upon an exemption from the Securities Act and such laws, in order to assure compliance with the Securities Act and such laws, the Certificateholder desiring to effect such transfer shall certify to the Securities Administrator in writing the facts surrounding the transfer in substantially the form set forth in Exhibit H (the " Transferor Certificate ") and either (i) there shall be delivered to the Securities Administrator a letter in substantially the form of Exhibit I-A (the " Rule 144A Investment Letter ") or Exhibit I-B (the " Regulation S Investment Letter ") or (ii) there shall be delivered to the Securities Administrator at the expense of the transferor an Opinion of Counsel stating that such transfer may be made without registration under the Securities Act. In the event that a transfer of a Private Certificate which is a Book-Entry Certificate is to be made in reliance upon an exemption from the Securities Act and such laws, in order to assure compliance with the Securities Act and such laws, the Certificateholder desiring to effect such transfer will be deemed to have made as of the transfer date each of the certifications set forth in the Transferor Certificate in respect of such Certificate and the transferee will be deemed to have made as of the transfer date each of the certifications set forth in the Rule 144A Investment Letter or Regulation S Investment Letter, as applicable, in respect of such Certificate, in each case as if such Certificate were evidenced by a Physical Certificate. As directed by the Depositor, the Securities Administrator shall provide to any Holder of a Private Certificate and any prospective transferee designated by any such Holder, information regarding the related Certificates and the Mortgage Loans and such other information as shall be necessary to satisfy the condition to eligibility set forth in Rule 144A(d)(4) for transfer of any such Certificate without registration thereof under the Securities Act pursuant to the registration exemption provided by Rule 144A. The Depositor, the Master Servicer, the Servicer and the Trustee shall cooperate with the Securities Administrator in providing the Rule 144A information referenced in the preceding sentence, including providing to the Securities Administrator such information regarding the Certificates, the Mortgage Loans and other matters regarding the Trust Fund as the Securities Administrator shall reasonably determine to meet its obligation under the preceding sentence. Each Holder of a Private Certificate desiring to effect such transfer shall, and does hereby agree to, indemnify the Securities Administrator, the Trustee, the Servicer, the Master Servicer and the Depositor against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

Except with respect to (i) the transfer of the Class X, Class P or Class R Certificates to the Depositor or an Affiliate of the Depositor, (ii) the transfer of the Class X or Class P Certificates to the NIM Issuer or the NIM Trustee, or (iii) a transfer of the Class X or Class P Certificates from the NIM Issuer or the NIM Trustee to the Depositor or an Affiliate of the Depositor, no transfer of an ERISA-Restricted Certificate shall be made unless the Securities Administrator shall have received either (i) a representation from the transferee of such Certificate acceptable to and in form and substance satisfactory to the Securities Administrator (in the event such Certificate is a Private Certificate or a Residual Certificate, such requirement is satisfied only by the Securities Administrator's receipt of a representation letter from the transferee substantially in the form of Exhibit I-A or Exhibit I-B), to the effect that such transferee is not an employee benefit plan or arrangement subject to Section 406 of ERISA, a plan subject to Section 4975 of the Code or a plan subject to any Federal, state or local law (" Similar Law ") materially similar to the

foregoing provisions of ERISA or the Code, nor a person acting on behalf of any such plan or arrangement nor using the assets of any such plan or arrangement to effect such transfer, or (ii) in the case of an ERISA-Restricted Certificate (other than a Residual Certificate, Class X Certificate or a Class P Certificate) that has been the subject of an ERISA-Qualifying Underwriting, and the purchaser is an insurance company, a representation that the purchaser is an insurance company that is purchasing such Certificates with funds contained in an "insurance company general account" (as such term is defined in Section V(e) of Prohibited Transaction Class Exemption ("PTCE") 95-60) and that the purchase and holding of such Certificates are covered under Sections I and III of PTCE 95-60 or (iii) in the case of any such ERISA-Restricted Certificate other than a Residual Certificate, Class X Certificate or Class P Certificate presented for registration in the name of an employee benefit plan subject to Title I of ERISA, a plan or arrangement subject to Section 4975 of the Code (or comparable provisions of any subsequent enactments), or a plan subject to Similar Law, or a trustee of any such plan or any other person acting on behalf of any such plan or arrangement or using such plan's or arrangement's assets, an Opinion of Counsel satisfactory to the Securities Administrator, which Opinion of Counsel shall not be an expense of the Depositor, the Trustee, the Master Servicer, the Servicer, the Securities Administrator or the Trust Fund, addressed to the Securities Administrator, to the effect that the purchase or holding of such ERISA-Restricted Certificate will not constitute or result in a non-exempt prohibited transaction within the meaning of ERISA, Section 4975 of the Code or any Similar Law and will not subject the Trustee, the Depositor, the Securities Administrator, the Master Servicer or the Servicer to any obligation in addition to those expressly undertaken in this Agreement or to any liability. For purposes of the preceding sentence, with respect to an ERISA-Restricted Certificate that is not a Physical Certificate or a Residual Certificate, in the event the representation letter referred to in the preceding sentence is not furnished, such representation shall be deemed to have been made to the Securities Administrator by the transferee's (including an initial acquirer's) acceptance of the ERISA-Restricted Certificates. Notwithstanding anything else to the contrary herein, (a) any purported transfer of an ERISA-Restricted Certificate that is a Physical Certificate, other than a Class P Certificate, Class X Certificate or Residual Certificate, to or on behalf of an employee benefit plan subject to ERISA, the Code or Similar Law without the delivery to the Securities Administrator of a representation letter or an Opinion of Counsel satisfactory to the Securities Administrator as described above shall be void and of no effect and (b) any purported transfer of a Class P Certificate, Class X Certificate or Residual Certificate to a transferee that does not make the representation in clause (i) above shall be void and of no effect.

None of the Class R, Class X or Class P Certificates may be sold to any employee benefit plan subject to Title I of ERISA, any plan subject to Section 4975 of the Code, or any plan subject to any Similar Law or any person investing on behalf or with plan assets of such plan.

No transfer of an ERISA-Restricted Derivative Certificate prior to the termination of the Cap Agreement and the Swap Agreement shall be made unless the Securities Administrator shall have received a representation letter from the transferee of such Certificate, substantially in the form set forth in Exhibit I-A or I-B, to the effect that either (i) such transferee is neither an employee benefit plan or arrangement subject to Section 406 of ERISA, a plan subject to Section 4975 of the Code or a plan subject to Similar Law nor a Person acting on behalf of any such Plan or using the assets of any such Plan to effect such transfer or (ii) the acquisition and holding of the ERISA-Restricted Derivative Certificate are eligible for exemptive relief under PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60 or PTCE 96-23. Notwithstanding anything else to the contrary herein, any purported transfer of an ERISA-Restricted Derivative Certificate prior to the termination of the Cap Agreement and the Swap Agreement on behalf of such Plan without the delivery to the Securities Administrator of a representation letter as described above shall be void and of no effect. If the ERISA-Restricted Derivative Certificate is a Book-Entry Certificate, the transferee will be deemed to have made a representation as provided in clause (i) or (ii) of this paragraph, as applicable.

If any ERISA-Restricted Derivative Certificate, or any interest therein, is acquired or held in violation of the provisions of the preceding paragraph, the next preceding permitted beneficial owner will be treated as the beneficial owner of that Certificate, retroactive to the date of transfer to the purported beneficial owner. Any purported beneficial owner whose acquisition or holding of an ERISA-Restricted Derivative Certificate, or interest therein, was effected in violation of the provisions of the preceding paragraph shall indemnify to the extent permitted by law and hold harmless the Depositor, the Securities Administrator, the Trustee, the Servicer and the Master Servicer from and against any and all liabilities, claims, costs or expenses incurred by such parties as a result of such acquisition or

holding.

To the extent permitted under applicable law (including, but not limited to, ERISA), the Securities Administrator shall be under no liability to any Person for any registration of transfer of any ERISA-Restricted Certificate or ERISA-Restricted Derivative Certificate that is in fact not permitted by this Section 5.02(b) or for making any payments due on such Certificate to the Holder thereof or taking any other action with respect to such Holder under the provisions of this Agreement so long as, in the case of a Physical Certificate, the transfer was registered by the Securities Administrator in accordance with the foregoing requirements.

(c) Each Person who has or who acquires any Ownership Interest in a Residual Certificate shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the following provisions, and the rights of each Person acquiring any Ownership Interest in a Residual Certificate are expressly subject to the following provisions:

(i) Each Person holding or acquiring any Ownership Interest in a Residual Certificate shall be a Permitted Transferee and shall promptly notify the Securities Administrator of any change or impending change in its status as a Permitted Transferee;

(ii) No Ownership Interest in a Residual Certificate may be registered on the Closing Date or thereafter transferred, and the Securities Administrator shall not register the Transfer of any Residual Certificate unless, in addition to the certificates required to be delivered to the Securities Administrator under subparagraph (b) above, the Securities Administrator shall have been furnished with an affidavit (a " Transfer Affidavit ") of the initial owner or the proposed transferee in the form attached hereto as Exhibit G;

(iii) Each Person holding or acquiring any Ownership Interest in a Residual Certificate shall agree (A) to obtain a Transfer Affidavit from any other Person to whom such Person attempts to Transfer its Ownership Interest in a Residual Certificate, (B) to obtain a Transfer Affidavit from any Person for whom such Person is acting as nominee, trustee or agent in connection with any Transfer of a Residual Certificate and (C) not to Transfer its Ownership Interest in a Residual Certificate or to cause the Transfer of an Ownership Interest in a Residual Certificate to any other Person if it has actual knowledge that such Person is a Non-Permitted Transferee;

(iv) Any attempted or purported Transfer of any Ownership Interest in a Residual Certificate in violation of the provisions of this Section 5.02(c) shall be absolutely null and void and shall vest no rights in the purported Transferee. If any purported transferee shall become a Holder of a Residual Certificate in violation of the provisions of this Section 5.02(c), then the last preceding Permitted Transferee shall be restored to all rights as Holder thereof retroactive to the date of registration of Transfer of such Residual Certificate. The Securities Administrator shall be under no liability to any Person for any registration of Transfer of a Residual Certificate that is in fact not permitted by Section 5.02(a) and this Section 5.02(c) or for making any payments due on such Certificate to the Holder thereof or taking any other action with respect to such Holder under the provisions of this Agreement so long as the Transfer was registered after receipt of the related Transfer Affidavit, Transferor Certificate and the Rule 144A Letter. The Securities Administrator shall be entitled but not obligated to recover from any Holder of a Residual Certificate that was in fact a Non-Permitted Transferee at the time it became a Holder or, at such subsequent time as it became a Non-Permitted Transferee, all payments made on such Residual Certificate at and after either such time. Any such payments so recovered by the Securities Administrator shall be paid and delivered by the Securities Administrator to the last preceding Permitted Transferee of such Certificate; and

(v) The Depositor shall use its best efforts to make available, upon receipt of written request from the Securities Administrator, all information necessary to compute any tax imposed under Section 860E(e) of the Code as a result of a Transfer of an Ownership Interest in a Residual Certificate to any Holder who is a Non-Permitted Transferee.

The restrictions on Transfers of a Residual Certificate set forth in this Section 5.02(c) shall cease to

apply (and the applicable portions of the legend on a Residual Certificate may be deleted) with respect to Transfers occurring after delivery to the Securities Administrator of an Opinion of Counsel, which Opinion of Counsel shall not be an expense of the Trust Fund, the Trustee, the Securities Administrator or the Servicer, to the effect that the elimination of such restrictions will not cause any REMIC created hereunder to fail to qualify as a REMIC at any time that the Certificates are outstanding or result in the imposition of any tax on the Trust Fund, a Certificateholder or another Person. Each Person holding or acquiring any Ownership Interest in a Residual Certificate hereby consents to any amendment of this Agreement which, based on an Opinion of Counsel furnished to the Securities Administrator, is reasonably necessary (a) to ensure that the record ownership of, or any beneficial interest in, a Residual Certificate is not transferred, directly or indirectly, to a Person that is a Non-Permitted Transferee and (b) to provide for a means to compel the Transfer of a Residual Certificate which is held by a Person that is a Non-Permitted Transferee to a Holder that is a Permitted Transferee.

(d) The preparation and delivery of all certificates and opinions referred to above in this Section 5.02 in connection with transfer shall be at the expense of the parties to such transfers.

(e) Except as provided below, the Book-Entry Certificates shall at all times remain registered in the name of the Depository or its nominee and at all times: (i) registration of the Certificates may not be transferred by the Securities Administrator except to another Depository; (ii) the Depository shall maintain book-entry records with respect to the Certificate Owners and with respect to ownership and transfers of such Book-Entry Certificates; (iii) ownership and transfers of registration of the Book-Entry Certificates on the books of the Depository shall be governed by applicable rules established by the Depository; (iv) the Depository may collect its usual and customary fees, charges and expenses from its Depository Participants; (v) the Securities Administrator shall deal with the Depository, Depository Participants and indirect participating firms as representatives of the Certificate Owners of the Book-Entry Certificates for purposes of exercising the rights of holders under this Agreement, and requests and directions for and votes of such representatives shall not be deemed to be inconsistent if they are made with respect to different Certificate Owners; and (vi) the Securities Administrator may rely and shall be fully protected in relying upon information furnished by the Depository with respect to its Depository Participants and furnished by the Depository Participants with respect to indirect participating firms and persons shown on the books of such indirect participating firms as direct or indirect Certificate Owners.

All transfers by Certificate Owners of Book-Entry Certificates shall be made in accordance with the procedures established by the Depository Participant or brokerage firm representing such Certificate Owner. Each Depository Participant shall only transfer Book-Entry Certificates of Certificate Owners it represents or of brokerage firms for which it acts as agent in accordance with the Depository's normal procedures.

If (x) (i) the Depository or the Depositor advises the Securities Administrator in writing that the Depository is no longer willing or able to properly discharge its responsibilities as Depository, and (ii) the Securities Administrator or the Depositor is unable to locate a qualified successor, or (y) the Depositor notifies the Depository (and the Securities Administrator consents) of its intent to terminate the book-entry system through the Depository and, upon receipt of notice of such intent from the Depository, the Depository Participants holding beneficial interests in the Book-Entry Certificates agree to initiate such termination, the Securities Administrator shall notify all Certificate Owners, through the Depository, of the occurrence of any such event and of the availability of definitive, fully registered Certificates (the " Definitive Certificates ") to Certificate Owners requesting the same. Upon surrender to the Securities Administrator of the related Class of Certificates by the Depository, accompanied by the instructions from the Depository for registration, the Securities Administrator shall issue the Definitive Certificates. None of the Servicer, the Depositor or the Securities Administrator shall be liable for any delay in delivery of such instruction and each may conclusively rely on, and shall be protected in relying on, such instructions. The Depositor shall provide the Securities Administrator with an adequate inventory of Certificates to facilitate the issuance and transfer of Definitive Certificates. Upon the issuance of Definitive Certificates all references herein to obligations imposed upon or to be performed by the Depository shall be deemed to be imposed upon and performed by the Securities Administrator, to the extent applicable with respect to such Definitive Certificates and the Securities Administrator shall recognize the Holders of the Definitive Certificates as Certificateholders hereunder; provided , that the Securities Administrator shall not by virtue of its assumption of such obligations become liable to any party for any act or failure to act of the

Depository.

(f) Each Private Certificate presented or surrendered for registration of transfer or exchange shall be accompanied by a written instrument of transfer and accompanied by IRS Form W-8ECI, W-8BEN, W-8IMY (and all appropriate attachments) or W-9 in form satisfactory to the Securities Administrator, duly executed by the Certificateholder or his attorney duly authorized in writing. Each Certificate presented or surrendered for registration of transfer or exchange shall be canceled and subsequently disposed of by the Securities Administrator in accordance with its customary practice. No service charge shall be made for any registration of transfer or exchange of Private Certificates, but the Securities Administrator may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of Private Certificates.

Section 5.03 Mutilated, Destroyed, Lost or Stolen Certificates. If (a) any mutilated Certificate is surrendered to the Securities Administrator, or the Securities Administrator receives evidence to its satisfaction of the destruction, loss or theft of any Certificate and (b) there is delivered to the Depositor, the Securities Administrator and the Trustee such security or indemnity as may be required by them to hold each of them harmless, then, in the absence of notice to the Securities Administrator that such Certificate has been acquired by a bona fide purchaser, the Securities Administrator shall execute, authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Certificate of like Class, tenor and Percentage Interest. In connection with the issuance of any new Certificate under this Section 5.03, the Securities Administrator may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Securities Administrator) connected therewith. Any replacement Certificate issued pursuant to this Section 5.03 shall constitute complete and indefeasible evidence of ownership, as if originally issued, whether or not the lost, stolen or destroyed Certificate shall be found at any time.

Section 5.04 Persons Deemed Owners. The Trustee, the Depositor, the Securities Administrator and any agent of the Trustee, the Depositor or the Securities Administrator may treat the Person in whose name any Certificate is registered as the owner of such Certificate for the purpose of receiving distributions as provided in this Agreement and for all other purposes whatsoever, and neither the Trustee, the Depositor, the Securities Administrator nor any agent of the Trustee, the Depositor or the Securities Administrator shall be affected by any notice to the contrary.

Section 5.05 Access to List of Certificateholders' Names and Addresses. If three or more Certificateholders (a) request such information in writing from the Securities Administrator, (b) state that such Certificateholders desire to communicate with other Certificateholders with respect to their rights under this Agreement or under the Certificates and (c) provide a copy of the communication which such Certificateholders propose to transmit, or if the Depositor or the Servicer shall request such information in writing from the Securities Administrator, then the Securities Administrator shall, within ten Business Days after the receipt of such request, provide the Depositor, the Servicer or such Certificateholders at such recipients' expense the most recent list of the Certificateholders of such Trust Fund held by the Securities Administrator, if any. The Depositor and every Certificateholder, by receiving and holding a Certificate, agree that the Securities Administrator shall not be held accountable by reason of the disclosure of any such information as to the list of the Certificateholders hereunder, regardless of the source from which such information was derived.

Section 5.06 Maintenance of Office or Agency. The Securities Administrator will maintain or cause to be maintained at its expense an office or offices or agency or agencies where Certificates may be surrendered for registration of transfer or exchange. The Securities Administrator initially designates its offices located at Sixth Street and Marquette Avenue, Minneapolis, Minnesota 55479. The Securities Administrator shall give prompt written notice to the Certificateholders of any change in such location of any such office or agency.

ARTICLE VI

THE DEPOSITOR AND THE SERVICER

Section 6.01 Respective Liabilities of the Depositor and the Servicer . The Depositor and the Servicer shall each be liable in accordance herewith only to the extent of the obligations specifically and respectively imposed upon and undertaken by them herein.

Section 6.02 Merger or Consolidation of the Depositor or the Servicer . (a) The Depositor and the Servicer will each keep in full effect its existence, rights and franchises as a corporation, under the laws of the United States or under the laws of one of the states thereof and will each obtain and preserve its qualification to do business as a foreign corporation in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, or any of the Mortgage Loans and to perform its respective duties under this Agreement.

(b) The Servicer shall maintain a net worth of at least $30,000,000 (as determined in accordance with generally accepted accounting principles) and, to the extent that any licenses or permits are applicable to its operations shall maintain such licenses or permits as are required for it to do business or service residential mortgage loans in any jurisdictions in which the Mortgaged Properties are located.

(c) Any Person into which the Depositor or the Servicer may be merged or consolidated, or any Person resulting from any merger or consolidation to which the Depositor or the Servicer shall be a party, or any person succeeding to the business of the Depositor or the Servicer, shall be the successor of the Depositor or the Servicer, as the case may be, hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however , that the successor or surviving Person to the Servicer shall make the covenant set forth in Section 6.02(a) and (b).

Section 6.03 Limitation on Liability of the Depositor, the Servicer and Others . Neither the Depositor, the Servicer, nor any of their respective directors, officers, employees or agents, shall be under any liability to the Certificateholders for any action taken or for refraining from the taking of any action in good faith pursuant to this Agreement, or for errors in judgment; provided, however , that this provision shall not protect the Depositor, the Servicer or any such Person against any breach of representations or warranties made by it herein or protect the Depositor, the Servicer or any such Person from any liability which would otherwise be imposed by reasons of willful misfeasance, bad faith or negligence (or gross negligence in the case of the Depositor) in the performance of duties or by reason of reckless disregard of obligations and duties hereunder. The Depositor, its Affiliates, the Servicer and any of their respective directors, officers, employees or agents may rely in good faith on any document of any kind prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Depositor, its Affiliates, the Servicer and any of their respective directors, officers, employees or agents shall be indemnified by the Trust Fund and held harmless against any loss, liability or expense incurred in connection with any audit, controversy or judicial proceeding relating to a governmental taxing authority or any legal action relating to this Agreement or the Certificates other than any loss, liability or expense related to any specific Mortgage Loan or Mortgage Loans (except as any such loss, liability or expense shall be otherwise reimbursable pursuant to this Agreement and any loss, liability or expense incurred by reason of willful misfeasance, bad faith or negligence (or gross negligence in the case of the Depositor) in the performance of duties hereunder or by reason of reckless disregard of obligations and duties hereunder. Neither the Depositor nor the Servicer shall be under any obligation to appear in, prosecute or defend any legal action that is not incidental to its respective duties hereunder and which in its opinion may involve it in any expense or liability; provided, however , that the Depositor may in its discretion undertake any such action (or direct the Trustee to undertake such actions pursuant to Section 2.03 for the benefit of the Certificateholders) that it may deem necessary or desirable in respect of this Agreement and the rights and duties of the parties hereto and interests of the Trustee and the Certificateholders hereunder. In such event, the legal expenses and costs of such action and any liability resulting therefrom shall be expenses, costs and liabilities of the Trust Fund, and the Depositor and the Servicer shall be entitled to be reimbursed therefor out of the Collection Account.

Section 6.04 Limitation on Resignation of the Servicer . Subject to Section 7.01, the Servicer shall not assign this Agreement or resign from the obligations and duties hereby imposed on it except by mutual consent of the Servicer, the Depositor, the Master Servicer and the Securities Administrator with prior written notice to the Trustee or

upon the determination that its duties hereunder are no longer permissible under applicable law and such incapacity cannot be cured by the Servicer. Any such resignation shall not relieve the Servicer of responsibility for any of the obligations specified in Sections 7.01 and 7.02 as obligations that survive the resignation or termination of the Servicer. Any such determination permitting the resignation of the Servicer shall be evidenced by an Opinion of Counsel to such effect delivered to the Depositor, the Securities Administrator and the Master Servicer which Opinion of Counsel shall be in form and substance acceptable to the Depositor, the Securities Administrator and the Master Servicer. No such resignation shall become effective until a successor shall have assumed the Servicer's responsibilities and obligations hereunder.

Section 6.05 Additional Indemnification by the Servicer; Third Party Claims . Notwithstanding the limitations set forth in Section 6.03, the Servicer shall indemnify the Depositor, the Master Servicer, the Securities Administrator, the Trustee, the Trust Fund and any Affiliate, director, officer, employee or agent of the Depositor and hold each of them harmless against any and all claims, losses, damages, penalties, fines, forfeitures, reasonable and necessary legal fees and related costs, judgments, and any other costs, fees and expenses that any of them may sustain in any way related to any breach by the Servicer, of (i) any of its representations and warranties referred to in Section 2.03(a), (ii) any error in any tax or information return prepared by the Servicer, (iii) the failure of the Servicer to perform its duties and service the Mortgage Loans in compliance with the terms of this Agreement or (iv) any failure by the Servicer, any Subservicer or any Subcontractor to deliver any information, report, certification, accountants' letter or other material when and as required under this Agreement, including any report under Sections 3.22, 3.23, 3.24 and 3.30 or any failure by the Servicer to identify pursuant to Section 3.02(c) any Subcontractor that is a Servicing Function Participant. The Servicer immediately shall notify the Depositor, the Master Servicer, the Securities Administrator and the Trustee if a claim is made by a third party with respect to this Agreement or the Mortgage Loans, assume (with the prior written consent of the Depositor and the Securities Administrator) the defense of any such claim and pay all expenses in connection therewith, including counsel fees, and promptly pay, discharge and satisfy any judgment or decree which may be entered against it or the Depositor, the Securities Administrator or the Trustee in respect of such claim. In the case of any failure of performance described in clause (iv) of this Section 6.05, the Servicer shall promptly reimburse the Trustee, the Master Servicer, the Securities Administrator or the Depositor, as applicable, and each Person responsible for the preparation, execution or filing of any report required to be filed with the Commission with respect to the transaction relating to this Agreement, or for execution of a certification pursuant to Rule 13a-14(d) or Rule 15d-14(d) under the Exchange Act with respect to this transaction, for all costs reasonably incurred by each such party in order to obtain the information, report, certification, accountants' letter or other material not delivered as required by the Servicer, any Subservicer or any Subcontractor. This indemnity shall survive the termination of this Agreement and the earlier resignation or removal of the Servicer and the parties indemnified by the Servicer under this paragraph.

Section 6.06 Compliance with Regulation AB; Cooperation of Parties . Notwithstanding any other provision of this Agreement, the Servicer acknowledges and agrees that the purpose of Sections 3.02, 3.22, 3.23, 3.24, 3.30, 6.05 and 7.01(i) and Exhibit S of this Agreement is to facilitate compliance by the Securities Administrator, the Master Servicer and the Depositor with the provisions of Regulation AB. Therefore, the Servicer agrees that (a) the obligations of the Servicer hereunder shall be interpreted in such a manner as to accomplish that purpose, (b) such obligations may change over time due to interpretive advice or guidance of the Commission, convention or consensus among active participants in the asset-backed securities markets, advice of counsel, or otherwise in respect of the requirements of Regulation AB, (c) the Servicer shall agree to enter into such amendments to this Agreement as may be necessary, in the judgment of the Servicer, the Depositor, the Master Servicer and the Securities Administrator and their respective counsel, to comply with such interpretive advice or guidance, convention, consensus, advice of counsel, or otherwise, (d) the Servicer shall otherwise comply with requests made by the Trustee, the Securities Administrator, the Master Servicer or the Depositor, and mutually agreed upon by the Servicer, for delivery of additional or different information reasonably available to the Servicer as such parties may determine in good faith is necessary to comply with the provisions of Regulation AB and (e) the Servicer shall (i) agree to such modifications and enter into such amendments to this Agreement as may be necessary, in the judgment of the Depositor, the Master Servicer and the Securities Administrator and their respective counsel and mutually agreed upon by the Servicer, to comply with any such clarification, interpretive guidance, convention or consensus and (ii) promptly upon request provide to the Depositor or the Securities Administrator for inclusion in any periodic report required to be filed under the Securities

Exchange Act, such items of information reasonably available to the Servicer regarding this Agreement and matters related to the Servicer (collectively, the "Servicer Information"), *provided* that such information shall be required to be provided by the Servicer only to the extent that such shall be determined by the Depositor or the Master Servicer in its sole discretion and its counsel to be necessary or advisable to comply with any Commission and industry guidance and convention.

ARTICLE VII

DEFAULT

Section 7.01 Events of Default . " Event of Default ", wherever used herein, means any one of the following events:

(a) any failure by the Servicer to remit to the Master Servicer any payment required to be made under the terms of this Agreement which continues unremedied for a period of one Business Day after the date upon which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Depositor or by the Master Servicer, or to the Servicer, the Depositor, the Master Servicer, the Securities Administrator and the Trustee by Certificateholders entitled to at least 25.00% of the Voting Rights in the Certificates; or

(b) subject to clause (i) of this Section 7.01, the failure on the part of the Servicer duly to observe or perform in any material respect any other of the covenants or agreements on the part of the Servicer set forth in this Agreement which continues unremedied for a period of forty-five days (except that such number of days shall be fifteen in the case of a failure to pay any premium for any insurance policy required to be maintained under this Agreement), after the earlier of (i) the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Depositor or by the Master Servicer, or to the Servicer, the Depositor, the Master Servicer, the Securities Administrator and the Trustee by Certificateholders entitled to at least 25.00% of the Voting Rights in the Certificates and (ii) actual knowledge of such failure by a Servicing Officer of the Servicer; or

(c) a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Servicer and such decree or order shall have remained in force undischarged or unstayed for a period of sixty consecutive days; or

(d) the Servicer shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Servicer or of or relating to all or substantially all of its property; or

(e) the Servicer shall admit in writing its inability generally to pay its debts as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors, or voluntarily suspend payment of its obligations; or

(f) any failure of the Servicer to make any P&I Advance on any Remittance Date required to be made from its own funds pursuant to Section 4.01 which continues unremedied for one Business Day immediately following the Remittance Date; or

(g) a breach of any representation and warranty of the Servicer referred to in Section 2.03(a), which materially and adversely affects the interests of the Certificateholders and which continues unremedied for a period of thirty days after the date upon which written notice of such breach is given to the Servicer by the Master Servicer or by the Depositor, or to the Servicer, the Master Servicer, the Depositor, the Securities Administrator and the Trustee by Certificateholders entitled to at least 25.00% of the Voting Rights in the Certificates; or

(h) Fitch reduces its primary subprime servicer rating of the Servicer to "RPS3-" or lower, Moody's reduces its primary subprime servicer rating of the Servicer to "SQ3" or lower, or Standard & Poor's reduces its

primary subprime servicer rating of the Servicer to "Average" or lower, and any such downgrade continues unremedied for a period of ninety days; or

(i) any failure by the Servicer to duly perform, within the required time period, its obligations under Sections 3.02, 3.22, 3.23, 3.24, 3.29 or 8.12 or any other information, data or materials required to be provided hereunder, including any items required to be included in any Exchange Act report, which failure continues unremedied for a period of ten (10) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by any party to this Agreement or by the Master Servicer (but in no event later than March 15);

(j) a breach of the representations and warranties of the Servicer set forth in Schedule II hereto, which materially and adversely affects the interests of the Certificateholders and which continues unremedied for a period of five days after the date upon which written notice of such breach is given to the Servicer by the Master Servicer or by the Depositor, or to the Servicer, the Master Servicer, the Depositor, the Securities Administrator and the Trustee by Certificateholders entitled to at least 25.00% of the Voting Rights in the Certificates.

If an Event of Default described in clauses (a) through (j) of this Section 7.01 shall occur, then, and in each and every such case, so long as such Event of Default shall not have been remedied, the Master Servicer may, or at the direction of a majority of the Voting Rights the Master Servicer shall, by notice in writing to the Servicer related to such Event of Default (with a copy to each Rating Agency and the Derivative Counterparty), terminate all of the rights and obligations of the Servicer under this Agreement and in and to the Mortgage Loans and the proceeds thereof, other than its rights as a Certificateholder hereunder; provided, however , that the Master Servicer shall not be required to give written notice to the Servicer of the occurrence of an Event of Default described in clauses (b), (c), (d), (e), (g), (h), (i) and (j) of this Section 7.01 unless and until a Responsible Officer of the Master Servicer has actual knowledge of the occurrence of such an event; provided further , that the Depositor shall give written notice to the Servicer and the Master Servicer of the occurrence of an Event of Default described in clause (h) of this Section 7.01 upon obtaining actual knowledge of the occurrence of such an event. In the event that a Responsible Officer of the Master Servicer has actual knowledge of the occurrence of an event of default described in clause (a) or (f) of this Section 7.01, the Master Servicer shall give written notice to the Servicer of the occurrence of such an event within one Business Day of the first day on which such Responsible Officer obtains actual knowledge of such occurrence. On and after the receipt by the Servicer of such written notice, all authority and power of the Servicer hereunder, whether with respect to the Mortgage Loans or otherwise, shall pass to and be vested in the Master Servicer. Subject to Section 7.02, the Master Servicer is hereby authorized and empowered to execute and deliver, on behalf of the Servicer, as attorney-in-fact or otherwise, any and all documents and other instruments, and to do or accomplish all other acts or things necessary or appropriate to effect the purposes of such notice of termination, whether to complete the transfer and endorsement or assignment of the Mortgage Loans and related documents, or otherwise. Unless expressly provided in such written notice, no such termination shall affect any obligation of the Servicer to pay amounts owed pursuant to Article VIII. The Servicer agrees to cooperate with the Master Servicer in effecting the termination of the Servicer's responsibilities and rights hereunder, including, without limitation, the transfer to the Master Servicer of all cash amounts which shall at the time be credited to the Collection Account, or thereafter be received with respect to the Mortgage Loans.

Notwithstanding any termination of the activities of the Servicer hereunder, the Servicer shall be entitled to receive from the Trust Fund, prior to transfer of its servicing obligations hereunder, payment of all accrued and unpaid Servicing Fees and reimbursement for all outstanding P&I Advances and Servicing Advances.

Section 7.02 Master Servicer to Act; Appointment of Successor . On and after the time the Servicer receives a notice of termination pursuant to Section 3.25 or Section 7.01, the Master Servicer shall, subject to and to the extent provided in Section 3.05, and subject to the rights of the Master Servicer to appoint a successor servicer pursuant to this Section 7.02, be the successor to the Servicer in its capacity as servicer under this Agreement and the transactions set forth or provided for herein and shall be subject to all the responsibilities, duties and liabilities relating thereto placed on the Servicer by the terms and provisions hereof and applicable law including the obligation to make P&I Advances and Servicing Advances, pursuant to Section 3.25 or Section 7.01. It is understood and acknowledged by the parties hereto that there will be a period of transition before the transfer of servicing obligations is fully

effective. Notwithstanding the foregoing, the Master Servicer will have a period (not to exceed 90 days) to complete the transfer of all servicing data and correct or manipulate such servicing data as may be required by the Master Servicer to correct any errors or insufficiencies in the servicing data or otherwise enable the Master Servicer to service the Mortgage Loans in accordance with Accepted Servicing Practices. As compensation therefor, the Master Servicer shall be entitled to all funds relating to the Mortgage Loans that the Servicer would have been entitled to charge to the Collection Account if the Servicer had continued to act hereunder including, if the Servicer was receiving the Servicing Fee, the Servicing Fee and the income on investments or gain related to the Collection Account which the Servicer would be entitled to receive. Notwithstanding the foregoing, if the Master Servicer has become the successor to the Servicer in accordance with Section 7.01, the Master Servicer may, if it shall be unwilling to so act, or shall, if it is prohibited by applicable law from making P&I Advances and Servicing Advances pursuant to Section 4.01, if it is otherwise unable to so act or at the written request of Certificateholders entitled to at least a majority of the Voting Rights, appoint, or petition a court of competent jurisdiction to appoint, any established mortgage loan servicing institution the appointment of which does not adversely affect the then current rating of the Certificates by each Rating Agency, as the successor to the Servicer hereunder in the assumption of all or any part of the responsibilities, duties or liabilities of the Servicer hereunder. Any successor to the Servicer shall make the covenant set forth in Section 6.02(b). Any successor to the Servicer shall be an institution which is willing to service the Mortgage Loans and which executes and delivers to the Depositor and the Master Servicer an agreement accepting such delegation and assignment, containing an assumption by such Person of the rights, powers, duties, responsibilities, obligations and liabilities of the Servicer (other than liabilities of the Servicer under Section 6.03 incurred prior to termination of the Servicer under Section 7.01), with like effect as if originally named as a party to this Agreement; provided , that each Rating Agency acknowledges that its rating of the Certificates in effect immediately prior to such assignment and delegation will not be qualified or reduced, as a result of such assignment and delegation. Pending appointment of a successor to the Servicer hereunder, the Master Servicer, unless the Master Servicer is prohibited by law from so acting, shall, subject to Section 3.05, act in such capacity as hereinabove provided. In connection with such appointment and assumption, the Master Servicer may make such arrangements for the compensation of such successor out of payments on Mortgage Loans as it and such successor shall agree; provided, however , that no such compensation shall be in excess of the Servicing Fee Rate and amounts paid to the Servicer from investments. The Master Servicer and such successor servicer shall take such action, consistent with this Agreement, as shall be necessary to effectuate any such succession. Neither the Master Servicer nor any other successor to the Servicer shall be deemed to be in default hereunder by reason of any failure to make, or any delay in making, any distribution hereunder or any portion thereof or any failure to perform, or any delay in performing, any duties or responsibilities hereunder, in either case caused by the failure of the Servicer to deliver or provide, or any delay in delivering or providing, any cash, information, documents or records to it.

Notwithstanding the foregoing, the parties hereto agree that the Master Servicer, in its capacity as successor servicer, immediately shall assume all of the obligations of the Servicer to make Advances and the Master Servicer will assume the other duties of the Servicer as soon as practicable, but in no event later than 90 days after the Master Servicer becomes successor servicer pursuant to the preceding paragraph. Notwithstanding the foregoing, the Master Servicer, in its capacity as successor servicer, shall not be responsible for the lack of information and/or documents that it cannot obtain through reasonable efforts.

In the event that the Servicer is terminated pursuant to Section 7.01, the terminated Servicer shall provide notices to the Mortgagors, transfer the Servicing Files to a successor servicer and pay all of its own out-of-pocket costs and expenses at its own expense. In addition, in the event that the Servicer is terminated pursuant to Section 7.01, the terminated Servicer shall pay all reasonable out-of-pocket costs and expenses of a servicing transfer incurred by parties other than the terminated Servicer promptly upon presentation of reasonable documentation of such costs. If the Master Servicer is the terminated Servicer (except in the case where the Master Servicer in its role as successor servicer is being terminated pursuant to Section 7.01 by reason of an Event of Default caused solely by the Master Servicer as the successor servicer and not by the predecessor Servicer's actions or omissions), such costs shall be paid by the prior terminated Servicer promptly upon presentation of reasonable documentation of such costs. If the terminated Servicer defaults in its obligation to pay such costs and expenses, the same shall be paid by the successor servicer or the Master Servicer, in which case the successor servicer or the Master Servicer, as applicable, shall be entitled to reimbursement therefor from the Trust Fund.

Any successor to the Servicer as servicer shall give notice to the Mortgagors of such change of servicer and shall, during the term of its service as servicer, maintain in force the policy or policies that the Servicer is required to maintain pursuant to Section 3.13.

Section 7.03 Notification to Certificateholders . (a) Upon any termination of or appointment of a successor to the Servicer, the Securities Administrator shall give prompt written notice thereof to Certificateholders, each Rating Agency and the Derivative Counterparty.

(b) Within 60 days after the occurrence of any Event of Default, the Securities Administrator shall transmit by mail to all Certificateholders, each Rating Agency and the Derivative Counterparty notice of each such Event of Default hereunder known to the Securities Administrator, unless such event shall have been cured or waived.

ARTICLE VIII

CONCERNING THE TRUSTEE

Section 8.01 Duties of the Trustee . The Trustee, before the occurrence of a Master Servicer Event of Default and after the curing of all Master Servicer Events of Default that may have occurred, shall undertake to perform such duties and only such duties as are specifically set forth in this Agreement. In case a Master Servicer Event of Default has occurred and remains uncured, the Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

The Trustee, upon receipt of all resolutions, certificates, statements, opinions, reports, documents, orders or other instruments furnished to the Trustee that are specifically required to be furnished pursuant to any provision of this Agreement, shall examine them to determine whether they are in the form required by this Agreement. The Trustee shall not be responsible for the accuracy or content of any resolution, certificate, statement, opinion, report, document, order, or other instrument.

No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct.

Unless an Event of Default known to the Trustee has occurred and is continuing:

(a) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, the Trustee shall not be liable except for the performance of the duties and obligations specifically set forth in this Agreement, no implied covenants or obligations shall be read into this Agreement against the Trustee, and the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Agreement which it believes in good faith to be genuine and to have been duly executed by the proper authorities respecting any matters arising hereunder;

(b) the Trustee shall not be liable for an error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Trustee, unless it is finally proven that the Trustee was negligent in ascertaining the pertinent facts; and

(c) the Trustee shall not be liable with respect to any action taken, suffered, or omitted to be taken by it in good faith in accordance with the direction of the Holders of Certificates evidencing not less than 25.00% of the Voting Rights of Certificates relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Agreement.

Section 8.02 Certain Matters Affecting the Trustee . Except as otherwise provided in Section 8.01:

(a) the Trustee may rely upon and shall be protected in acting or refraining from acting upon any resolution, Officer's Certificate, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and the Trustee shall have no responsibility to ascertain or confirm the genuineness of any signature of any such party or parties;

(b) the Trustee may consult with counsel, financial advisers or accountants and the advice of any such counsel, financial advisers or accountants and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(c) the Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement;

(d) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing to do so by the Holders of Certificates evidencing not less than 25.00% of the Voting Rights allocated to each Class of Certificates;

(e) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, accountants, custodians, nominees or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agents, accountants or attorneys appointed with due care by it hereunder;

(f) the Trustee shall not be required to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it;

(g) the Trustee shall not be liable for any loss on any investment of funds pursuant to this Agreement;

(h) unless a Responsible Officer of the Trustee has actual knowledge of the occurrence of a Master Servicer Event of Default or an Event of Default, the Trustee shall not be deemed to have knowledge of a Master Servicer Event of Default or an Event of Default until a Responsible Officer of the Trustee shall have received written notice thereof;

(i) the Trustee shall be under no obligation to exercise any of the trusts, rights or powers vested in it by this Agreement or to institute, conduct or defend any litigation hereunder or in relation hereto at the request, order or direction of any of the Certificateholders, pursuant to this Agreement, unless such Certificateholders shall have offered to the Trustee reasonable security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities which may be incurred therein or thereby; and

(j) if the Trustee, in its role as successor master servicer under this Agreement, assumes the servicing or master servicing with respect to any of the Mortgage Loans, it shall not assume liability for the representations and warranties of the Servicer or Master Servicer, as applicable, or for any errors or omissions of the Servicer or Master Servicer, as applicable.

(k) In order to comply with laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering ("Applicable Law"), the Trustee is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Trustee. Accordingly, each of the parties agrees to provide to the Trustee upon its request from time to time such identifying information and documentation as may be available to

such party in order to enable the Trustee to comply with Applicable Law.

Section 8.03 Trustee Not Liable for Certificates or Mortgage Loans . The recitals contained herein and in the Certificates shall be taken as the statements of the Depositor and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Agreement, the Cap Agreement, the Swap Agreement, or of the Certificates or of any Mortgage Loan or related document. The Trustee shall not be accountable for the use or application by the Depositor, the Master Servicer, the Servicer, the Securities Administrator or the Derivative Counterparty of any funds paid to the Depositor, the Master Servicer, the Servicer, the Securities Administrator or the Derivative Counterparty in respect of the Mortgage Loans or deposited in or withdrawn from the Collection Account, the Distribution Account or any other fund or account with respect to the Certificates by the Depositor, the Master Servicer, the Servicer, the Securities Administrator or the Derivative Counterparty.

The Trustee shall have no responsibility for filing or recording any financing or continuation statement in any public office at any time or to otherwise perfect or maintain the perfection of any security interest or lien granted to it hereunder.

Section 8.04 Trustee May Own Certificates . The Trustee in its individual or any other capacity may become the owner or pledgee of Certificates with the same rights as it would have if it were not the Trustee.

Section 8.05 Trustee's Fees Indemnification and Expenses . (a) As compensation for its activities under this Agreement, the Trustee shall be paid its fee by the Master Servicer from the Master Servicer's own funds pursuant to a separate agreement. The Trustee shall have no lien on the Trust Fund for the payment of such fees.

(b) The Trustee shall be entitled to be reimbursed, from funds on deposit in the Distribution Account, amounts sufficient to indemnify and hold harmless the Trustee and any director, officer, employee, or agent of the Trustee against any loss, liability, or expense (including reasonable attorneys' fees) incurred in connection with any claim or legal action relating to:

(i) this Agreement,

(ii) the Certificates, or

(iii) the performance of any of the Trustee's duties under this Agreement,

other than any loss, liability, or expense (i) resulting from any breach of the Servicer's obligations in connection with this Agreement for which the Servicer has performed its obligation to indemnify the Trustee pursuant to Section 6.05, (ii) resulting from any breach of the Mortgage Loan Seller's obligations in connection with this Agreement for which the Mortgage Loan Seller has performed its obligation to indemnify the Trustee pursuant to Section 2.03(h), (iii) resulting from any breach of the Master Servicer's obligation hereunder for which the Master Servicer has performed its obligation to indemnify the Trustee pursuant to this Agreement or (iv) incurred because of willful misconduct, bad faith, or negligence in the performance of any of the Trustee's duties under this Agreement. Without limiting the foregoing, except as otherwise agreed upon in writing by the Depositor and the Trustee, and except for any expense, disbursement, or advance arising from the Trustee's negligence, bad faith, or willful misconduct, the Trust Fund shall pay or reimburse the Trustee for all reasonable expenses, disbursements, and advances incurred or made by the Trustee in accordance with this Agreement with respect to:

(A) the reasonable compensation, expenses, and disbursements of its counsel not associated with the closing of the issuance of the Certificates, and

(B) the reasonable compensation, expenses, and disbursements of any accountant, engineer, or appraiser that is not regularly employed by the Trustee, to the extent that the Trustee must engage them to perform services under this Agreement.

The Trustee's right to indemnity and reimbursement under this Section 8.05(b) shall survive the

termination of this Agreement and the resignation or removal of the Trustee under this Agreement.

Except as otherwise provided in this Agreement or a separate letter agreement between the Trustee and the Depositor, the Trustee shall not be entitled to payment or reimbursement for any routine ongoing expenses incurred by the Trustee in the ordinary course of its duties as Trustee under this Agreement or for any other routine expenses incurred by the Trustee; provided, further , that no expense shall be reimbursed hereunder if it would not constitute an "unanticipated expense incurred by the REMIC" within the meaning of the REMIC Provisions.

Section 8.06 Eligibility Requirements for the Trustee . The Trustee hereunder shall at all times be a corporation or association organized and doing business under the laws of a state or the United States of America, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000, subject to supervision or examination by federal or state authority and with a credit rating which would not cause any of the Rating Agencies to reduce their respective then current ratings of the Certificates (or having provided such security from time to time as is sufficient to avoid such reduction) as evidenced in writing by each Rating Agency. If such corporation or association publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 8.06 the combined capital and surplus of such corporation or association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with this Section 8.06, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.07. The entity serving as Trustee may have normal banking and trust relationships with the Depositor and its affiliates, the Master Servicer, the Securities Administrator or the Servicer and its affiliates; provided, however , that such entity cannot be an affiliate of the Depositor or the Servicer other than the Trustee in its role as successor to the Master Servicer.

Section 8.07 Resignation and Removal of the Trustee . The Trustee may at any time resign and be discharged from the trusts hereby created by giving written notice of resignation to the Depositor, the Master Servicer, the Securities Administrator and each Rating Agency not less than 60 days before the date specified in such notice, when, subject to Section 8.08, such resignation is to take effect and acceptance by a successor trustee in accordance with Section 8.08 meeting the qualifications set forth in Section 8.06. If no successor trustee meeting such qualifications shall have been so appointed and have accepted appointment within 30 days after the giving of such notice or resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor trustee.

If at any time the Trustee shall cease to be eligible in accordance with Section 8.06 and shall fail to resign after written request thereto by the Depositor, or if at any time the Trustee shall become incapable of acting, or shall be adjudged as bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, or a tax is imposed with respect to the Trust Fund by any state in which the Trustee or the Trust Fund is located and the imposition of such tax would be avoided by the appointment of a different trustee, then the Depositor or the Servicer may remove the Trustee and, subject to the approval of the Rating Agencies, appoint a successor trustee by written instrument, in triplicate, one copy of which shall be delivered to the Trustee, one copy to the Servicer and one copy to the successor trustee.

The Holders of Certificates entitled to at least a majority of the Voting Rights may at any time remove the Trustee and, subject to the approval of the Rating Agencies, appoint a successor trustee by written instrument or instruments, in triplicate, signed by such Holders or their attorneys-in-fact duly authorized, one complete set of which shall be delivered by the successor Trustee to the Servicer, one complete set to the Trustee so removed and one complete set to the successor so appointed. The successor trustee shall notify each Rating Agency of any removal of the Trustee.

Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to this Section 8.07 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 8.08.

Section 8.08 Successor Trustee . Any successor trustee appointed as provided in Section 8.07 shall execute, acknowledge and deliver to the Depositor and to its predecessor trustee and the Servicer an instrument accepting such appointment hereunder and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as trustee herein. The Depositor, the Servicer and the predecessor trustee shall execute and deliver such instruments and do such other things as may reasonably be required for more fully and certainly vesting and confirming in the successor trustee all such rights, powers, duties, and obligations.

No successor trustee shall accept appointment as provided in this Section 8.08 unless at the time of its acceptance, the successor trustee is eligible under Section 8.06 and its appointment does not adversely affect then the current rating of the Certificates.

Upon acceptance of appointment by a successor trustee as provided in this Section 8.08, the Depositor shall mail notice of the succession of such trustee hereunder to all Holders of Certificates. If the Depositor fails to mail such notice within 10 days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of the Depositor.

Section 8.09 Merger or Consolidation of the Trustee . Any corporation into which the Trustee may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to the business of the Trustee, shall be the successor of the Trustee hereunder; provided , that such corporation shall be eligible under Section 8.06 without the execution or filing of any paper or further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.10 Appointment of Co-Trustee or Separate Trustee . Notwithstanding any other provisions of this Agreement, at any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust Fund or property securing any Mortgage Note may at the time be located, the Servicer and the Trustee acting jointly shall have the power and shall execute and deliver all instruments to appoint one or more Persons approved by the Trustee to act as co-trustee or co-trustees jointly with the Trustee, or separate trustee or separate trustees, of all or any part of the Trust Fund, and to vest in such Person or Persons, in such capacity and for the benefit of the Certificateholders, such title to the Trust Fund or any part thereof, whichever is applicable, and, subject to the other provisions of this Section 8.10, such powers, duties, obligations, rights and trusts as the Servicer and the Trustee may consider appropriate. If the Servicer shall not have joined in such appointment within 15 days after the receipt by it of a request to do so, or in the case an Event of Default shall have occurred and be continuing, the Trustee alone shall have the power to make such appointment. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 8.06 and no notice to Certificateholders of the appointment of any co-trustee or separate trustee shall be required under Section 8.08.

Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(a) To the extent necessary to effectuate the purposes of this Section 8.10, all rights, powers, duties and obligations conferred or imposed upon the Trustee, except for the obligation of the Trustee (as successor Master Servicer) under this Agreement to advance funds on behalf of the Master Servicer, shall be conferred or imposed upon and exercised or performed by the Trustee and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed (whether as Trustee hereunder or as successor to the Master Servicer hereunder), the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the applicable Trust Fund or any portion thereof in any such jurisdiction) shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Trustee;

(b) No trustee hereunder shall be held personally liable because of any act or omission of any other trustee hereunder and such appointment shall not, and shall not be deemed to, constitute any such separate trustee or co-trustee as agent of the Trustee;

(c) The Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee; and

(d) The Trust Fund, and not the Trustee, shall be liable for the payment of reasonable compensation, reimbursement and indemnification to any such separate trustee or co-trustee.

Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the separate trustees and co-trustees, when and as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Agreement and the conditions of this Article VIII. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Trustee or separately, as may be provided therein, subject to all the provisions of this Agreement, specifically including every provision of this Agreement relating to the conduct of, affecting the liability of, or affording protection and indemnity to, the Trustee. Every such instrument shall be filed with the Trustee and a copy thereof given to the Master Servicer and the Depositor.

Any separate trustee or co-trustee may, at any time, constitute the Trustee its agent or attorney-in-fact, with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Agreement on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 8.11 Tax Matters . It is intended that the assets with respect to which any REMIC election pertaining to the Trust Fund is to be made, as set forth in the Preliminary Statement, shall constitute, and that the conduct of matters relating to such assets shall be such as to qualify such assets as, a "real estate mortgage investment conduit" as defined in and in accordance with the REMIC Provisions. In furtherance of such intention, the Securities Administrator covenants and agrees that it shall act as agent (and the Securities Administrator is hereby appointed to act as agent) on behalf of each REMIC created hereunder and that in such capacity it shall:

(a) prepare and file in a timely manner, a U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return (Form 1066 or any successor form adopted by the Internal Revenue Service), which return the Trustee shall sign upon receipt from the Securities Administrator, and the Securities Administrator shall prepare and file with the Internal Revenue Service and applicable state or local tax authorities income tax or information returns for each taxable year with respect to each REMIC hereunder containing such information and at the times and in the manner as may be required by the Code or state or local tax laws, regulations, or rules, and furnish to Certificateholders the schedules, statements or information at such times and in such manner as may be required thereby;

(b) within thirty days of the Closing Date, apply for an employer identification number from the Internal Revenue Service via Form SS-4 or any other acceptable method for all tax entities and shall also furnish to the Internal Revenue Service, on Form 8811 or as otherwise may be required by the Code, the name, title, address, and telephone number of the person that the holders of the Certificates may contact for tax information relating thereto, together with such additional information as may be required by such Form, and update such information at the time or times in the manner required by the Code;

(c) make an election that each REMIC created hereunder be treated as a REMIC on the federal tax return for its first taxable year (and, if necessary, under applicable state law);

(d) prepare and forward to the Certificateholders and to the Internal Revenue Service and, if necessary, state tax authorities, all information returns and reports as and when required to be provided to them in accordance with the REMIC Provisions, including the calculation of any original issue discount using the prepayment

assumption (as described in the Prospectus Supplement);

(e) provide information necessary for the computation of tax imposed on the transfer of a Residual Certificate to a Person that is a Non-Permitted Transferee, or an agent (including a broker, nominee or other middleman) of a Non-Permitted Transferee, or a pass-through entity in which a Non-Permitted Transferee is the record holder of an interest (the reasonable cost of computing and furnishing such information may be charged to the Person liable for such tax);

(f) to the extent that they are under its control, conduct matters relating to such assets at all times that any Certificates are outstanding so as to maintain the status of each REMIC created hereunder as a REMIC under the REMIC Provisions;

(g) not knowingly or intentionally take any action or omit to take any action that would cause the termination of the REMIC status of any of the REMICs created hereunder;

(h) pay, from the sources specified in the last paragraph of this Section 8.11, the amount of any federal or state tax, including prohibited transaction taxes as described below, imposed on each REMIC created hereunder before its termination when and as the same shall be due and payable (but such obligation shall not prevent the Securities Administrator or any other appropriate Person from contesting any such tax in appropriate proceedings and shall not prevent the Securities Administrator from withholding payment of such tax, if permitted by law, pending the outcome of such proceedings);

(i) cause federal, state or local income tax or information returns to be signed by the Securities Administrator or, if required by applicable tax law, the Trustee or such other person as may be required to sign such returns by the Code or state or local laws, regulations or rules; and

(j) maintain records relating to each REMIC created hereunder, including the income, expenses, assets, and liabilities thereof on a calendar year basis and on the accrual method of accounting and the adjusted basis of the assets determined at such intervals as may be required by the Code, as may be necessary to prepare the foregoing returns, schedules, statements or information.

(k) The Holder of the largest Percentage Interest of the Class R Certificates shall act as Tax Matters Person for each REMIC created hereunder, within the meaning of Treasury Regulations Section 1.860F-4(d), and the Securities Administrator is hereby designated as agent of such Certificateholder for such purpose (or if the Securities Administrator is not so permitted, such Holder shall be the Tax Matters Person in accordance with the REMIC Provisions). In such capacity, the Securities Administrator shall, as and when necessary and appropriate, represent each REMIC created hereunder in any administrative or judicial proceedings relating to an examination or audit by any governmental taxing authority, request an administrative adjustment as to any taxable year of each REMIC created hereunder, enter into settlement agreements with any governmental taxing agency, extend any statute of limitations relating to any tax item of each REMIC created hereunder, and otherwise act on behalf of each REMIC in relation to any tax matter or controversy involving it.

(l) The Securities Administrator shall treat the beneficial owners of the Certificates (other than the Class P, Class X and Class R Certificates) as having entered into a notional principal contract with the beneficial owners of the Class X Certificates. Pursuant to each such notional principal contract, all beneficial owners of the LIBOR Certificates and the Class A-IO Certificates shall be treated as having agreed to pay, on each Distribution Date, to the beneficial owners of the Class X Certificates an aggregate amount equal to the excess, if any, of (i) the amount payable on such Distribution Date on the interest in the Upper Tier REMIC corresponding to such Class of Certificates over (ii) the amount payable on such Class of Certificates on such Distribution Date (such excess, a "Class I Shortfall"). A Class I Shortfall payable from interest collections shall be allocated to each Class of Certificates (other than the Class P, Class X and Class R Certificates) to the extent that interest accrued on such Class for the related Interest Accrual Period at the Interest Rate for a Class, computed by substituting "REMIC 3 Net Funds Cap" for "Group I Available Funds Cap," "Group II Available Funds Cap" or "Class M Available Funds Cap," as applicable, and "REMIC A-IO Available Funds Cap" for "Class A-IO Available Funds Cap" in the definition thereof, exceeds the

amount of interest accrued for the related Interest Accrual Period based on the applicable Available Funds Cap, and a Class I Shortfall payable from principal collections shall be allocated to the most subordinate Class of Certificates with an outstanding principal balance to the extent of such balance. In addition, pursuant to such notional principal contract, the beneficial owner of the Class X Certificates shall be treated as having agreed to pay Basis Risk Carryover Amounts to the Owners of the LIBOR Certificates and the Class A-IO Certificates in accordance with the terms of this Agreement. Any payments to the Certificates in light of the foregoing shall not be payments with respect to a "regular interest" in a REMIC within the meaning of Code Section 860G(a)(1). However, any payment from the Certificates of a Class I Shortfall shall be treated for tax purposes as having been received by the beneficial owners of such Certificates in respect of their Interests in the Upper Tier REMIC and as having been paid by such beneficial owners to the Supplemental Interest Trust pursuant to the notional principal contract. Thus, each Certificate (other than a Class P and Class R Certificate) shall be treated as representing not only ownership of regular interests in the Upper Tier REMIC, but also ownership of an interest in (and obligations with respect to) a notional principal contract. For tax purposes, the notional principal contract shall be deemed to have a value in favor of the Certificates entitled to receive Basis Risk Carryover Amounts of $10,000 as of the Closing Date.

Notwithstanding the priority and sources of payments set forth in Article IV hereof or otherwise, the Securities Administrator shall account for all distributions on the Certificates as set forth in this Section 8.11. In no event shall any payments of Basis Risk Carryover Amounts provided for in this Section 8.11 be treated as payments with respect to a "regular interest" in a REMIC within the meaning of Code Section 860G(a)(1). The Securities Administrator shall file or cause to be filed with the IRS together with Form 1041 or such other form as may be applicable and shall furnish or cause to be furnished, to the Class A-IO Certificateholders, the Class X Certificateholders and the LIBOR Certificateholders, the respective amounts described above that are received, in the time or times and in the manner required by the Code.

(m) To enable the Securities Administrator to perform its duties under this Agreement, the Depositor shall provide to the Securities Administrator within ten days after the Closing Date all information or data that the Securities Administrator requests in writing and determines to be relevant for tax purposes to the valuations and offering prices of the Certificates, including the price, yield, prepayment assumption, and projected cash flows of the Certificates and the Mortgage Loans. Moreover, the Depositor shall provide information to the Securities Administrator concerning the value to each Class of Certificates of the right to receive Basis Risk Carryover Amounts from the Excess Reserve Fund Account. Unless otherwise advised by the Depositor, for federal income tax purposes, the Securities Administrator is hereby directed to assign a value of zero to the right of each Holder allocating the purchase price of an initial Offered Certificateholder between such right and the related Upper Tier Regular Interest. Thereafter, the Depositor shall provide to the Securities Administrator promptly upon written request therefor any additional information or data that the Securities Administrator may, from time to time, reasonably request to enable the Securities Administrator to perform its duties under this Agreement; provided, however , that the Depositor shall not be required to provide any information regarding the Mortgage Loans that the Servicer is required to provide to the Securities Administrator pursuant to this Agreement. The Depositor hereby indemnifies the Securities Administrator for any losses, liabilities, damages, claims, or expenses of the Securities Administrator arising from any errors or miscalculations of the Securities Administrator that result from any failure of the Depositor to provide, pursuant to this paragraph, accurate information or data to the Securities Administrator on a timely basis.

(n) None of the Master Servicer, the Securities Administrator or the Trustee shall (i) permit the creation of any interests in any REMIC other than the regular and residual interests set forth in the Preliminary Statement, (ii) receive any amount representing a fee or other compensation for services (except as otherwise permitted by this Agreement or the related Mortgage Loan documents) or (iii) otherwise knowingly or intentionally take any action, cause the Trust Fund to take any action or fail to take (or fail to cause to be taken) any action reasonably within its control and the scope of duties more specifically set forth herein, that, under the REMIC Provisions, if taken or not taken, as the case may be, could (i) endanger the status of any REMIC as a REMIC or (ii) result in the imposition of a tax upon any REMIC or the Trust Fund (including but not limited to the tax on "prohibited transactions" as defined in Section 860F(a)(2) of the Code and the tax on contributions to a REMIC set forth in Section 860G(d) of the Code, or the tax on "net income from foreclosure property") unless the Securities Administrator receives an Opinion of Counsel (at the expense of the party seeking to take such action or, if such party fails to pay such expense, and the Securities

Administrator determines that taking such action is in the best interest of the Trust Fund and the Certificateholders, at the expense of the Trust Fund, but in no event at the expense of the Securities Administrator) to the effect that the contemplated action will not, with respect to the Trust Fund or any REMIC created hereunder, endanger such status or result in the imposition of such a tax).

(o) If any tax is imposed on "prohibited transactions" of a REMIC created hereunder as defined in Section 860F(a)(2) of the Code, on the "net income from foreclosure property" of any REMIC created hereunder as defined in Section 860G(c) of the Code, on any contribution to any REMIC created hereunder after the Startup Day pursuant to Section 860G(d) of the Code, or any other tax is imposed, including any minimum tax imposed on either REMIC pursuant to Sections 23153 and 24874 of the California Revenue and Taxation Code, if not paid as otherwise provided for herein, the tax shall be paid by (i) the Master Servicer, the Trustee, or the Securities Administrator, as applicable, if such tax arises out of or results from negligence of the Master Servicer, the Trustee or the Securities Administrator, as applicable, in the performance of any of its obligations under this Agreement, (ii) the Mortgage Loan Seller if such tax arises out of or results from the Mortgage Loan Seller's obligation to repurchase a Mortgage Loan pursuant to Section 2.03, (iii) the Sponsor, if such tax arises out of or results from the Sponsor's obligation to repurchase a Mortgage Loan pursuant to Section 2.03(k), (iv) the Servicer, in the case of any such minimum tax, and otherwise if such tax arises out of or results from a breach by the Servicer of any of its obligations under this Agreement, or (v) in all other cases, or if the Master Servicer, the Trustee, the Securities Administrator or the Servicer fails to honor its obligations under the preceding clause (i) or (ii), any such tax will be paid with amounts otherwise to be distributed to the Certificateholders, as provided in Section 4.02(a).

Section 8.12 Commission Reporting . (a) The Securities Administrator shall, in accordance with industry standards, prepare and file with the Commission, via EDGAR, the following reports in respect of the Trust as and to the extent required under the Exchange Act:

(i) (A) Within 15 days after each Distribution Date (subject to permitted extensions under the Exchange Act), the Securities Administrator shall prepare and file on behalf of the Trust any Form 10-D required by the Exchange Act, in form and substance as required by the Exchange Act. The Securities Administrator shall file each Form 10-D with a copy of the related Monthly Statement attached thereto. Any disclosure in addition to the Monthly Statement that is required to be included on Form 10-D ("Additional Form 10-D Disclosure") shall be reported by the parties set forth on Exhibit V to the Depositor and the Securities Administrator and directed and approved by the Depositor pursuant to the following paragraph and the Securities Administrator will have no duty or liability for any failure hereunder to determine or prepare any Additional Form 10-D Disclosure, except to the extent of its obligations set forth in the next paragraph.

(B) As set forth on Exhibit V hereto, within 5 calendar days after the related Distribution Date, (i) the parties specified in Exhibit V hereto shall be required to provide to the Securities Administrator and to the Depositor, to the extent known, in EDGAR-compatible form at, or in such other form at as agreed upon by the Securities Administrator and such party, the form and substance of any Additional Form 10-D Disclosure, if applicable, together with an Additional Disclosure Notification, and (ii) the Depositor will approve, as to form and substance, or disapprove, as the case may be, the inclusion of the Additional Form 10-D Disclosure on Form 10-D. The Securities Administrator has no duty under this Agreement to monitor or enforce the performance by the parties listed on Exhibit V of their duties under this paragraph or proactively solicit or procure from such parties any Additional Form 10-D Disclosure information. The Depositor shall be responsible for any reasonable fees and expenses assessed or incurred by the Securities Administrator in connection with including any Additional Form 10-D Disclosure on Form 10-D pursuant to this paragraph.

(C) After preparing the Form 10-D, the Securities Administrator shall, upon request, forward electronically a copy of the Form 10-D to the Depositor (provided that such Form 10-D includes any Additional Form 10-D Disclosure). Within two Business Days after receipt of such copy, but no later than the 12th calendar day after the Distribution Date, the Depositor shall notify the Securities Administrator in writing (which may be furnished electronically) of any changes to or approval of such

Form 10-D. In the absence of receipt of any written changes or approval, or if the Depositor does not request a copy of a Form 10-D, the Securities Administrator shall be entitled to assume that such Form 10-D is in final form and the Securities Administrator may proceed with the process for execution and filing of the Form 10-D. A duly authorized representative of the Master Servicer shall sign each Form 10-D. If a Form 10-D cannot be filed on time or if a previously filed Form 10-D needs to be amended, the Securities Administrator will follow the procedures set forth in paragraph (d) of this Section 8.12. Promptly (but no later than one Business Day) after filing with the Commission, the Securities Administrator will make available on its internet website (located at www.ctslink.com) a final executed copy of each Form 10-D prepared and filed by the Securities Administrator. Each party to this Agreement acknowledges that the performance by each of the Master Servicer and the Securities Administrator of its duties under this Section 8.12(a)(i) related to the timely preparation, execution and filing of Form 10-D is contingent upon such parties strictly observing all applicable deadlines in the performance of their duties under this Section 8.12(a)(i). The Depositor acknowledges that the performance by each of the Master Servicer and the Securities Administrator of its duties under this Section 8.12(i) related to the timely preparation, execution and filing of Form 10-D is also contingent upon any Servicing Function Participant strictly observing deadlines no later than those set forth in this paragraph that are applicable to the parties to this Agreement in the delivery to the Securities Administrator of any necessary Additional Form 10-D Disclosure pursuant to any applicable agreement. Neither the Master Servicer nor the Securities Administrator shall have any liability for any loss, expense, damage, claim arising out of or with respect to any failure to properly prepare, execute and/or timely file such Form 10-D, where such failure results from the Securities Administrator's inability or failure to receive, on a timely basis, any information from any other party hereto or any Servicing Function Participant needed to prepare, arrange for execution or file such Form 10-D, not resulting from its own negligence, bad faith or willful misconduct.

(D) Form 10-D requires the registrant to indicate (by checking "yes" or "no") that it "(1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days." The Depositor hereby instructs the Administrator to check "Yes" for each item, unless the Depositor shall notify the Securities Administrator in writing, no later than the fifth calendar day after the related Distribution Date with respect to the filing of a report on Form 10-D, that the answer to either item should be "no." The Depositor has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Depositor was required to file such reports) and it has been subject to such filing requirement for the past 90 days." The Securities Administrator shall be entitled to rely on such representations in preparing, executing and/or filing any such Form 10-D.

(ii) (A) On or prior to the 90th day after the end of each fiscal year of the Trust or such earlier date as may be required by the Exchange Act (the " 10-K Filing Deadline ") (it being understood that the fiscal year for the Trust ends on December 31st of each year), commencing in March 2007, the Securities Administrator shall prepare and file on behalf of the Trust a Form 10-K, in form and substance as required by the Exchange Act. Each such Form 10-K shall include the following items, in each case to the extent they have been delivered to the Securities Administrator within the applicable time frames set forth in this Agreement, (i) an annual compliance statement for the Servicer, the Master Servicer and the Securities Administrator and any Servicing Function Participant engaged by any such party (together with the Custodian, each a " Reporting Servicer ") as described under Section 3.24(b), (ii)(A) the annual reports on assessment of compliance with Servicing Criteria for each Reporting Servicer, as described under Section 3.22, and (B) if each Reporting Servicer's report on assessment of compliance with Servicing Criteria described under Section 3.22 identifies any material instance of noncompliance, disclosure identifying such instance of noncompliance, or if each Reporting Servicer's report on assessment of compliance with Servicing Criteria described under Section 3.22 is not included as an exhibit to such Form 10-K, disclosure that such report is not included and an explanation why such report is not included, provided , however , that the Securities Administrator, at its discretion, may omit from the Form 10-K any assessment of compliance or attestation report described in clause (iii) below that

is not required to be filed with such Form 10-K pursuant to Regulation AB; (iii)(A) the registered public accounting firm attestation report for each Reporting Servicer, as described under Section 3.23, and (B) if any registered public accounting firm attestation report described under Section 3.23 identifies any material instance of noncompliance, disclosure identifying such instance of noncompliance, or if any such registered public accounting firm attestation report is not included as an exhibit to such Form 10-K, disclosure that such report is not included and an explanation why such report is not included, and (iv) a Sarbanes-Oxley Certification as described in Section 3.24. Any disclosure or information in addition to (i) through (iv) above that is required to be included on Form 10-K (" Additional Form 10-K Disclosure ") shall be reported by the parties set forth on Exhibit W to the Depositor and the Securities Administrator and directed and approved by the Depositor pursuant to the following paragraph and the Securities Administrator will have no duty or liability for any failure hereunder to determine or prepare any Additional Form 10-K Disclosure, except to the extent of its obligations set forth in the next paragraph.

(B) As set forth on Exhibit W hereto, no later than March 10 (with a 5 calendar day cure period, but in no event later than March 15) of each year that the Trust is subject to the Exchange Act reporting requirements, commencing in 2007, (i) the parties specified on Exhibit W shall be required to provide to the Securities Administrator and to the Depositor, to the extent known, in EDGAR-compatible format, or in such other format as agreed upon by the Securities Administrator and such party, the form and substance of any Additional Form 10-K Disclosure, if applicable, together with an Additional Disclosure Notification, and (ii) the Depositor will approve, as to form and substance, or disapprove, as the case may be, the inclusion of the Additional Form 10-K Disclosure on Form 10-K. The Securities Administrator has no duty under this Agreement to monitor or enforce the performance by the parties listed on Exhibit W of their duties under this paragraph or proactively solicit or procure from such parties any Additional Form 10-K Disclosure information. The Depositor will be responsible for any reasonable fees and expenses assessed or incurred by the Securities Administrator in connection with including any Additional Form 10-K Disclosure on Form 10-K pursuant to this Section 8.12 (a) (ii) (B).

(C) After preparing the Form 10-K, the Securities Administrator shall, upon request, forward electronically a copy of the Form 10-K to the Depositor. Within three Business Days after receipt of such copy, but no later than March 25th, the Depositor shall notify the Securities Administrator in writing (which may be furnished electronically) of any changes to or approval of such Form 10-K. In the absence of receipt of any written changes or approval, or if the Depositor does not request a copy of a Form 10-K, the Securities Administrator shall be entitled to assume that such Form 10-K is in final form and the Securities Administrator may proceed with the process for execution and filing of the Form 10-K. A senior officer of the Master Servicer in charge of the master servicing function shall sign the Form 10-K. If a Form 10-K cannot be filed on time or if a previously filed Form 10-K needs to be amended, the Securities Administrator will follow the procedures set forth in paragraph (d) of this Section 8.12. Promptly (but no later than one Business Day) after filing with the Commission, the Securities Administrator will make available on its internet website a final executed copy of each Form 10-K prepared and filed by the Securities Administrator. The parties to this Agreement acknowledge that the performance by the Securities Administrator of its duties under this Section 8.12(a)(ii) related to the timely preparation, execution and filing of Form 10-K is contingent upon such parties strictly observing all applicable deadlines in the performance of their duties under this Section 8.12(a)(ii) and Sections 3.22, 3.23 and 3.24. The Depositor acknowledges that the performance by the Master Servicer and the Securities Administrator of its duties under this Section 8.12(ii) related to the timely preparation, execution and filing of Form 10-K is also contingent upon any Servicing Function Participant strictly observing deadlines no later than those set forth in this paragraph that are applicable to the parties to this Agreement in the delivery to the Securities Administrator of any necessary Additional Form 10-K Disclosure, any annual statement of compliance and any assessment of compliance and attestation pursuant to any applicable agreement. Neither the Master Servicer nor the Securities Administrator shall have any liability for any loss, expense, damage, claim arising out of or with respect to any failure to properly prepare, execute and/or timely file such Form 10-K, where such failure results from the Securities Administrator's inability or failure to obtain or receive, on a timely basis, any information

from any other party hereto or any Servicing Function Participant needed to prepare, arrange for execution or file such Form 10-K, not resulting from its own negligence, bad faith or willful misconduct.

(D) Form 10-K requires the registrant to indicate (by checking "yes" or "no") that it "(1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirement for the past 90 days." The Depositor hereby instructs the Securities Administrator to check "Yes" for each item, unless the Depositor shall notify the Securities Administrator in writing, no later than the 15th calendar day of March in any year in which the Trust is subject to the reporting requirements of the Exchange Act, that the answer to either item should be "no." The Depositor has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Depositor was required to file such reports) and it has been subject to such filing requirement for the past 90 days." The Securities Administrator shall be entitled to rely on such representations in preparing, executig and/or filing any such Form 10-K.

(iii) (A) Within four (4) Business Days after the occurrence of an event requiring disclosure on Form 8-K (each such event, a " Reportable Event "), if directed by the Depositor, the Securities Administrator shall prepare and file on behalf of the Trust Fund any Form 8-K, as required by the Exchange Act, provided that the Depositor shall file the initial Form 8-K in connection with the issuance of the Certificates. Any disclosure or information related to a Reportable Event or that is otherwise required to be included on Form 8-K (" Form 8-K Disclosure Information ") shall be reported by the parties set forth on Exhibit X to the Depositor and the Securities Administrator and directed and approved by the Depositor pursuant to the following paragraph and the Securities Administrator will have no duty or liability for any failure hereunder to determine or prepare any Form 8-K Disclosure Information or any Form 8-K, except to the extent of its obligations set forth in the next paragraph.

(B) As set forth on Exhibit X hereto, for so long as the Trust is subject to the Exchange Act reporting requirements, no later than the close of business New York City time on the 2nd Business Day after the occurrence of a Reportable Event (i) the parties hereto shall be required to provide to the Securities Administrator and the Depositor, to the extent known, in EDGAR-compatible format, or in such other format as agreed upon by the Securities Administrator and such party, the form and substance of any Form 8-K Disclosure Information, if applicable, together with an Additional Disclosure Notification, and (ii) the Depositor will approve, as to form and substance, or disapprove, as the case may be, the inclusion of the Form 8-K Disclosure Information. The Depositor will be responsible for any reasonable fees and expenses assessed or incurred by the Securities Administrator in connection with including any Form 8-K Disclosure Information on Form 8-K pursuant to this paragraph.

(C) After preparing the Form 8-K, the Securities Administrator shall, upon request, forward electronically a copy of the Form 8-K to the Depositor. Promptly, but no later than the close of business on the third Business Day after the Reportable Event, the Depositor shall notify the Securities Administrator in writing (which may be furnished electronically) of any changes to or approval of such Form 8-K. In the absence of receipt of any written changes or approval, or if the Depositor does not request a copy of a Form 8-K, the Securities Administrator shall be entitled to assume that such Form 8-K is in final form and the Securities Administrator may proceed with the process for execution and filing of the Form 8-K. A duly authorized representative of the Master Servicer shall sign each Form 8-K. If a Form 8-K cannot be filed on time or if a previously filed Form 8-K needs to be amended, the Securities Administrator will follow the procedures set forth in paragraph (d) of this Section 8.12. Promptly (but no later than one Business Day) after filing with the Commission, the Securities Administrator will make available on its internet website (located at www.ctslink.com) a final executed copy of each Form 8-K prepared and filed by the Securities Administrator. The parties to this Agreement acknowledge that the performance by the Securities Administrator of its duties under this Section 8.12(d)(iii) related to the timely preparation, execution and filing of Form 8-K is contingent upon such parties strictly observing

all applicable deadlines in the performance of their duties under this Section 8.12(d)(iii). The Depositor acknowledges that the performance by the Master Servicer and the Securities Administrator of its duties under this Section 8.12(iii) related to the timely preparation, execution and filing of Form 10-D is also contingent upon any Servicing Function Participant strictly observing deadlines no later than those set forth in this paragraph that are applicable to the parties to this Agreement in the delivery to the Securities Administrator of any necessary Form 8-K Disclosure Information pursuant to the related any applicable agreement. The Securities Administrator shall have no liability for any loss, expense, damage, claim arising out of or with respect to any failure to properly prepare and/or timely file such Form 8-K, where such failure results from the Securities Administrator's inability or failure to obtain or receive, on a timely basis, any information from any other party hereto or any Servicing Function Participant needed to prepare, arrange for execution or file such Form 8-K, not resulting from its own negligence, bad faith or willful misconduct.

(b) The Depositor acknowledges and agrees that the Securities Administrator may include in any Exchange Act report all relevant information, data, and exhibits as the Securities Administrator may receive in connection with such report irrespective of any provision or Regulation AB that may permit the exclusion of such material. By the way of example, the Securities Administrator may file all assessments of compliance, attestation reports and compliance statements timely received from any Item 1122 Servicing Function Participant irrespective of any applicable minimum pool asset percentage requirement for disclosure related to such Servicing Function Participant.

(c) The Depositor agrees to furnish promptly to the Securities Administrator, from time to time upon request, such additional information, data, reports, documents, and financial statements within the Depositor's possession or control as the Securities Administrator reasonably requests as necessary or appropriate to prepare and file the foregoing reports. The Securities Administrator shall make available to the Depositor copies of all Exchange Act reports filed hereunder.

(d) (i) On or before January 30 of the first year in which the Securities Administrator is able to do so under applicable law, the Securities Administrator shall prepare and file a Form 15 relating to the automatic suspension of reporting in respect of the Trust under the Exchange Act.

(ii) In the event that the Securities Administrator is unable to timely file with the Commission all or any required portion of any Form 8-K, 10-D or 10-K required to be filed by this Agreement because required disclosure information was either not delivered to it or delivered to it after the delivery deadlines set forth in this Agreement or for any other reason, the Securities Administrator will promptly notify electronically the Depositor. In the case of Form 10-D and 10-K, the parties to this Agreement will cooperate to prepare and file a Form 12b-25 and a 10-DA and 10-KA as applicable, pursuant to Rule 12b-25 of the Exchange Act. In the case of Form 8-K, the Securities Administrator will, upon receipt of all required Form 8-K Disclosure Information and upon the approval and direction of the Depositor, include such disclosure information on the next Form 10-D. In the event that any previously filed Form 8-K, 10-D or 10-K needs to be amended in connection with any Additional Form 10-D Disclosure (other than, in the case of Form 10-D, for the purpose of restating any Monthly Statement), Additional Form 10-K Disclosure or Form 8-K Disclosure Information, the Securities Administrator will notify electronically the Depositor and such other parties to this Agreement as are affected by this Amendment and such parties will cooperate to prepare any necessary 8-KA, 10-DA or 10-KA. Any Form 15, Form 12b-25 or any amendment to Form 8-K, 10-D or 10-K shall be signed by a duly authorized representative or senior officer in charge of master servicing, as applicable, of the Master Servicer. The parties to this Agreement acknowledge that the performance by each of the Master Servicer and the Securities Administrator of its duties under this Section 8.12(d) related to the timely preparation, execution and filing of Form 15, a Form 12b-25 or any amendment to Form 8-K, 10-D or 10-K is contingent upon each such party performing its duties under this Section. Neither the Master Servicer nor the Securities Administrator shall have any liability for any loss, expense, damage, claim arising out of or with respect to any failure to properly prepare, execute and/or timely file any such Form 15, Form 12b-25 or any amendments to Forms 8-K, 10-D or 10-K, where such failure results from the Securities Administrator's inability or failure to obtain or receive, on a timely basis, any information from any other party hereto or any Servicing Function Participant needed to prepare, arrange for execution or file such Form 15, Form

12b-25 or any amendments to Forms 8-K, 10-D or 10-K, not resulting from its own negligence, bad faith or willful misconduct. The Depositor shall be responsible for all costs and expenses of the Securities Administrator related to the preparation and filing of any such amendment. Notwithstanding the foregoing, if any Form 10-D needs to be amended solely to change the information contained in the Monthly Statement, the Securities Administrator shall not be required to notify the Depositor of such amendment.

(e) Other than the Exchange Act reports specified above, the Securities Administrator shall have no responsibility to file any items or reports with the Commission under the Exchange Act or otherwise; provided, however , the Securities Administrator and Master Servicer will cooperate with the Depositor in connection with any additional filings with respect to the Trust as the Depositor deems necessary under the Exchange Act.

(f) The Depositor shall pay all costs and expenses of the Securities Administrator related to the preparation and filing of any current report on Form 8-K, any periodic report on Form 10-D (other than the costs and expense of the Securities Administrator associated with the preparation and filing of the Monthly Statement), or any amendment to any Exchange Act report. Except as otherwise provided herein, all expenses incurred by the Securities Administrator in connection with its preparation and filing of Exchange Act reports hereunder shall not be reimbursable from the Trust.

(g) Any notice required under this Section 8.12 may be given by facsimile or by electronic mail.

Section 8.13 Tax Classification of the Excess Reserve Fund Account and the Supplemental Interest Trust . For federal income tax purposes, the Securities Administrator shall treat the Excess Reserve Fund Account and the Supplemental Interest Trust as beneficially owned by the holders of the Class X Certificates and shall treat such portion of the Trust Fund as a grantor trust, within the meaning of subpart E, Part I of subchapter J of the Code.

ARTICLE IX

ADMINISTRATION OF THE MORTGAGE LOANS BY THE MASTER SERVICER

Section 9.01 Duties of the Master Servicer; Enforcement of Servicer Obligations . (a) The Master Servicer, on behalf of the Trustee, the Securities Administrator, the Depositor and the Certificateholders, shall monitor the performance of the obligations of the Servicer under this Agreement, and (except as set forth below) shall use its reasonable good faith efforts to cause the Servicer to duly and punctually perform its duties and obligations hereunder. Upon the occurrence of an Event of Default of which a Responsible Officer of the Master Servicer has actual knowledge, the Master Servicer shall promptly notify the Securities Administrator and the Trustee and shall specify in such notice the action, if any, the Master Servicer plans to take in respect of such default. So long as an Event of Default shall occur and be continuing, the Master Servicer shall take the actions specified in Article VII.

If (i) the Servicer reports a delinquency on a monthly report and (ii) the Servicer, by 11 a.m. (New York Time) on the related Remittance Date, neither makes an Advance nor provides the Securities Administrator and the Master Servicer with an Officer's Certificate certifying that such an Advance would be a Nonrecoverable P&I Advance or Nonrecoverable Servicing Advance, then the Master Servicer shall deposit in the Distribution Account not later than the Business Day immediately preceding the related Distribution Date an Advance in an amount equal to the difference between (x) with respect to each Monthly Payment due on a Mortgage Loan that is delinquent (other than Relief Act Interest Shortfalls) and for which the Servicer was required to make an Advance pursuant to this Agreement and (y) amounts deposited in the Collection Account to be used for Advances with respect to such Mortgage Loan, except to the extent the Master Servicer determines any such Advance to be a Nonrecoverable P&I Advance or Nonrecoverable Servicing Advance. Subject to the foregoing and Section 7.02, the Master Servicer shall continue to make such Advances for so long as the Servicer is required to do so under this Agreement. If applicable, on the Business Day immediately preceding the Distribution Date, the Master Servicer shall deliver an Officer's Certificate to the Trustee stating that the Master Servicer elects not to make an Advance in a stated amount and detailing the reason (s) it deems the Advance to be a Nonrecoverable P&I Advance or Nonrecoverable Servicing Advance. Any amounts

deposited by the Master Servicer pursuant to this Section 9.01 shall be net of the Servicing Fee for the related Mortgage Loans.

(b) The Master Servicer shall pay the costs of monitoring the Servicer as required hereunder (including costs associated with (i) termination of the Servicer, (ii) the appointment of a successor servicer or (iii) the transfer to and assumption of, the servicing by the Master Servicer) and shall, to the extent permitted hereunder, seek reimbursement therefor initially from the terminated Servicer. In the event the full costs associated with the transition of servicing responsibilities to the Master Servicer are not paid for by the predecessor or successor servicer (provided such successor servicer is not the Master Servicer), the Master Servicer may be reimbursed therefor by the Trust for all costs incurred by the Master Servicer associated with any such transfer of servicing duties from the Servicer to the Master Servicer or any other successor servicer.

(c) If the Master Servicer assumes the servicing with respect to any of the Mortgage Loans, it will not assume liability for the representations and warranties of the Servicer it replaces or for any errors or omissions of the Servicer.

(d) Neither the Depositor nor the Securities Administrator shall consent to the assignment by the Servicer of the Servicer's rights and obligations under this Agreement without the prior written consent of the Master Servicer, which consent shall not be unreasonably withheld.

Section 9.02 [Reserved]

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Section 9.03 [Reserved]

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Section 9.04 Maintenance of Fidelity Bond and Errors and Omissions Insurance . The Master Servicer, at its expense, shall maintain in effect a blanket fidelity bond and an errors and omissions insurance policy, affording coverage with respect to all directors, officers, directors, employees and other Persons acting on such Master Servicer's behalf, and covering errors and omissions in the performance of the Master Servicer's obligations hereunder. The errors and omissions insurance policy and the fidelity bond shall be in such form and amount generally acceptable for entities serving as master servicers or trustees.

Section 9.05 Representations and Warranties of the Master Servicer . (a) The Master Servicer hereby represents and warrants to the Depositor, the Securities Administrator and the Trustee, for the benefit of the Certificateholders, as of the Closing Date that:

(i) it is a national banking association validly existing and in good standing under the laws of the United States of America, and as Master Servicer has full power and authority to transact any and all business contemplated by this Agreement and to execute, deliver and comply with its obligations under the terms of this Agreement, the execution, delivery and performance of which have been duly authorized by all necessary corporate action on the part of the Master Servicer;

(ii) the execution and delivery of this Agreement by the Master Servicer and its performance and compliance with the terms of this Agreement will not (A) violate the Master Servicer's charter or bylaws, (B) violate any law or regulation or any administrative decree or order to which it is subject or (C) constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the breach of, any material contract, agreement or other instrument to which the Master Servicer is a party or by which it is bound or to which any of its assets are subject, which violation, default or breach would materially and adversely affect the Master Servicer's ability to perform its obligations under this Agreement;

(iii) this Agreement constitutes, assuming due authorization, execution and delivery hereof by the

other respective parties hereto, a legal, valid and binding obligation of the Master Servicer, enforceable against it in accordance with the terms hereof, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general, and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law);

(iv) the Master Servicer is not in default with respect to any order or decree of any court or any order or regulation of any federal, state, municipal or governmental agency to the extent that any such default would materially and adversely affect its performance hereunder;

(v) the Master Servicer is not a party to or bound by any agreement or instrument or subject to any charter provision, bylaw or any other corporate restriction or any judgment, order, writ, injunction, decree, law or regulation that may materially and adversely affect its ability as Master Servicer to perform its obligations under this Agreement or that requires the consent of any third person to the execution of this Agreement or the performance by the Master Servicer of its obligations under this Agreement;

(vi) no litigation is pending or, to the best of the Master Servicer's knowledge, threatened against the Master Servicer which would prohibit its entering into this Agreement or performing its obligations under this Agreement;

(vii) no consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by the Master Servicer of or compliance by the Master Servicer with this Agreement or the consummation of the transactions contemplated by this Agreement, except for such consents, approvals, authorizations and orders (if any) as have been obtained; and

(viii) the consummation of the transactions contemplated by this Agreement are in the ordinary course of business of the Master Servicer.

(b) It is understood and agreed that the representations and warranties set forth in this Section shall survive the execution and delivery of this Agreement. The Master Servicer shall indemnify the Depositor, the Servicer, Securities Administrator, the Trustee and the Trust and hold them harmless against any loss, damages, penalties, fines, forfeitures, reasonable legal fees and related costs, judgments, and other reasonable costs and expenses resulting from any claim, demand, defense or assertion based on or grounded upon, or resulting from, a material breach of the Master Servicer's representations and warranties contained in Section 9.05(a) above. It is understood and agreed that the enforcement of the obligation of the Master Servicer set forth in this Section 9.05 to indemnify the Depositor, the Servicer, Securities Administrator, the Trustee and the Trust constitutes the sole remedy of the Depositor and the Trustee, respecting a breach of the foregoing representations and warranties. Such indemnification shall survive any termination of the Master Servicer as Master Servicer hereunder, any termination of this Agreement and resignation or removal of the Trustee.

Any cause of action against the Master Servicer relating to or arising out of the breach of any representations and warranties made in this Section shall accrue upon discovery of such breach by either the Depositor, the Master Servicer, Securities Administrator or the Trustee or notice thereof by any one of such parties to the other parties.

Section 9.06 Master Servicer Events of Default . Each of the following shall constitute a " Master Servicer Event of Default ":

(a) any failure by the Master Servicer to deposit in the Distribution Account any payment received by it from the Servicer to make any P&I Advance or required to be made by the Master Servicer under the terms of this Agreement which continues unremedied for a period of two (2) Business Days after the date upon which written notice of such failure, requiring the same to be remedied, shall have been given to the Master Servicer by any other party hereto;

(b) failure by the Master Servicer to duly observe or perform, in any material respect, any other covenants, obligations or agreements of the Master Servicer as set forth in this Agreement which failure continues unremedied for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Master Servicer by the Trustee or to the Master Servicer and Trustee by the holders of Certificates evidencing at least 25.00% of the Voting Rights;

(c) a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Master Servicer and such decree or order shall have remained in force, undischarged or unstayed for a period of sixty (60) days;

(d) the Master Servicer shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to the Master Servicer or relating to all or substantially all of its property;

(e) the Master Servicer shall admit in writing its inability to pay its debts as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors, or voluntarily suspend payment of its obligations for three (3) Business Days;

(f) Except as otherwise set forth herein, the Master Servicer attempts to assign this Agreement or its responsibilities hereunder or to delegate its duties hereunder (or any portion thereof) without the consent of the Securities Administrator and the Depositor;

(g) the indictment of the Master Servicer for the taking of any action by the Master Servicer, any Affiliate or any director or employee thereof that constitutes fraud or criminal activity in the performance of its obligations under this Agreement, in each case, where such indictment materially and adversely affects the ability of the Master Servicer to perform its obligations under this Agreement (subject to the condition that such indictment is not dismissed within ninety (90) days); or

(h) failure of the Master Servicer to timely provide the Depositor with the assessment, attestation and annual statement of compliance required by Item 1122 of Regulation AB in accordance with Sections 3.22, 3.23 and 3.24.

In each and every such case, so long as a Master Servicer Event of Default shall not have been remedied, in addition to whatever rights the Trustee may have at law or equity to damages, including injunctive relief and specific performance, the Trustee, by notice in writing to the Master Servicer, may, and upon the request of the Holders of Certificates representing at least 51.00% of the Voting Rights shall, terminate with cause all the rights and obligations of the Master Servicer under this Agreement.

Upon receipt by the Master Servicer of such written notice, all authority and power of the Master Servicer under this Agreement, shall pass to and be vested in any successor master servicer appointed hereunder which accepts such appointments. Upon written request from the Trustee or the Depositor, the Master Servicer shall prepare, execute and deliver to the successor entity designated by the Trustee any and all documents and other instruments related to the performance of its duties hereunder as the Master Servicer and, place in such successor's possession all such documents with respect to the master servicing of the Mortgage Loans and do or cause to be done all other acts or things necessary or appropriate to effect the purposes of such notice of termination, at the Master Servicer's sole expense. The Master Servicer shall cooperate with the Trustee and such successor master servicer in effecting the termination of the Master Servicer's responsibilities and rights hereunder, including without limitation, the transfer to such successor master servicer for administration by it of all cash amounts which shall at the time be credited to the Distribution Account or are thereafter received with respect to the Mortgage Loans.

Section 9.07 Waiver of Default . By a written notice, the Trustee may at the direction of Holders of

Certificates evidencing at least 51.00% of the Voting Rights waive any default by the Master Servicer in the performance of its obligations hereunder and its consequences. Upon any waiver of a past default, such default shall cease to exist, and any Master Servicer Event of Default arising therefrom shall be deemed to have been remedied for every purpose of this Agreement. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived.

Section 9.08 Successor to the Master Servicer . Upon termination of the Master Servicer's responsibilities and duties under this Agreement, the Trustee shall appoint a successor, which shall succeed to all rights and assume all of the responsibilities, duties and liabilities of the Master Servicer under this Agreement prior to the termination of the Master Servicer. Any successor shall be a Fannie Mae and Freddie Mac approved servicer in good standing and acceptable to the Depositor and the Rating Agencies. In connection with such appointment and assumption, the Trustee may make such arrangements for the compensation of such successor out of payments on Mortgage Loans as it and such successor shall agree; provided, however , that in no event shall the master servicing fee paid to such successor master servicer exceed that paid to the Master Servicer hereunder. In the event that the Master Servicer's duties, responsibilities and liabilities under this Agreement are terminated, the Master Servicer shall continue to discharge its duties and responsibilities hereunder until the effective date of such termination with the same degree of diligence and prudence which it is obligated to exercise under this Agreement and shall take no action whatsoever that might impair or prejudice the rights of its successor. The termination of the Master Servicer shall not become effective until a successor shall be appointed pursuant hereto and shall in no event (i) relieve the Master Servicer of responsibility for the representations and warranties made pursuant to Section 9.05(a) hereof and the remedies available to the Trustee under Section 9.05(b) hereof, it being understood and agreed that the provisions of Section 9.05 hereof shall be applicable to the Master Servicer notwithstanding any such sale, assignment, resignation or termination of the Master Servicer or the termination of this Agreement; or (ii) affect the right of the Master Servicer to receive payment and/or reimbursement of any amounts accruing to it hereunder prior to the date of termination (or during any transition period in which the Master Servicer continues to perform its duties hereunder prior to the date the successor master servicer fully assumes its duties).

If no successor Master Servicer has accepted its appointment within 90 days of the time the Trustee receives the resignation of the Master Servicer, the Trustee shall be the successor Master Servicer in all respects under this Agreement and shall have all the rights and powers and be subject to all the responsibilities, duties and liabilities relating thereto, including the obligation to make Advances; provided, however , that any failure to perform any duties or responsibilities caused by the Master Servicer's failure to provide information required by this Agreement shall not be considered a default by the Trustee hereunder. In the Trustee's capacity as such successor, the Trustee shall have the same limitations on liability herein granted to the Master Servicer. Notwithstanding anything herein to the contrary, the Trustee in its role as successor Master Servicer shall have no obligation to monitor or supervise the Servicer, shall only have the obligation to make Advances if it terminates the Servicer pursuant to Section 7.01 (in its role as successor Master Servicer), and shall make such Advances only pursuant to Section 7.02. As compensation therefor, the Trustee shall be entitled to receive the compensation, reimbursement and indemnities otherwise payable to the Master Servicer, including the fees and other amounts payable pursuant to Section 9.09 hereof.

Any successor master servicer appointed as provided herein, shall execute, acknowledge and deliver to the Master Servicer and to the Trustee an instrument accepting such appointment, wherein the successor shall make the representations and warranties set forth in Section 9.05 hereof, and whereupon such successor shall become fully vested with all of the rights, powers, duties, responsibilities, obligations and liabilities of the Master Servicer, with like effect as if originally named as a party to this Agreement. Any termination or resignation of the Master Servicer or termination of this Agreement shall not affect any claims that the Trustee may have against the Master Servicer arising out of the Master Servicer's actions or failure to act prior to any such termination or resignation or in connection with the Trustee's assumption of such obligations, duties and responsibilities.

Upon a successor's acceptance of appointment as such, the Master Servicer shall notify by mail the Trustee of such appointment.

Section 9.09 Compensation of the Master Servicer . As compensation for its activities under this

Agreement, the Master Servicer shall be paid the Master Servicing Fee.

Section 9.10 Merger or Consolidation . Any Person into which the Master Servicer may be merged or consolidated, or any Person resulting from any merger, conversion, other change in form or consolidation to which the Master Servicer shall be a party, or any Person succeeding to the business of the Master Servicer, shall be the successor to the Master Servicer hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however , that the successor or resulting Person to the Master Servicer shall (i) be a Person (or have an Affiliate) that is qualified and approved to service mortgage loans for Fannie Mae and Freddie Mac (provided further that a successor Master Servicer that satisfies subclause (i) through an Affiliate agrees to service the Mortgage Loans in accordance with all applicable Fannie Mae and Freddie Mac guidelines) and (ii) have a net worth of not less than $25,000,000.

Section 9.11 Resignation of the Master Servicer . Except as otherwise provided in Sections 9.08 and 9.10 hereof, the Master Servicer shall not resign from the obligations and duties hereby imposed on it unless the Master Servicer's duties hereunder are no longer permissible under applicable law or are in material conflict by reason of applicable law with any other activities carried on by it and cannot be cured. Any such determination permitting the resignation of the Master Servicer shall be evidenced by an Opinion of Counsel that shall be independent to such effect delivered to the Trustee. No such resignation shall become effective until the Trustee shall have assumed, or a successor master servicer satisfactory to the Trustee and the Depositor shall have assumed, the Master Servicer's responsibilities and obligations under this Agreement. Notice of such resignation shall be given promptly by the Master Servicer and the Depositor to the Trustee.

If at any time, Wells Fargo, as Master Servicer, resigns under this Section 9.11, or is removed as Master Servicer pursuant to Section 9.06, then at such time Wells Fargo shall also resign (and shall be entitled to resign) as Securities Administrator under this Agreement.

Section 9.12 Assignment or Delegation of Duties by the Master Servicer . Except as expressly provided herein, the Master Servicer shall not assign or transfer any of its rights, benefits or privileges hereunder to any other Person, or delegate to or subcontract with, or authorize or appoint any other Person to perform any of the duties, covenants or obligations to be performed by the Master Servicer; provided, however , that the Master Servicer shall have the right with the prior written consent of the Depositor (which shall not be unreasonably withheld or delayed), and upon delivery to the Trustee and the Depositor of a letter from each Rating Agency to the effect that such action shall not result in a downgrade of the ratings assigned to any of the Certificates, to delegate or assign to or subcontract with or authorize or appoint any qualified Person to perform and carry out any duties, covenants or obligations to be performed and carried out by the Master Servicer hereunder. Notice of such permitted assignment shall be given promptly by the Master Servicer to the Depositor and the Trustee. If, pursuant to any provision hereof, the duties of the Master Servicer are transferred to a successor master servicer, the entire compensation payable to the Master Servicer pursuant hereto shall thereafter be payable to such successor master servicer but in no event shall the fee payable to the successor master servicer exceed that payable to the predecessor master servicer.

Section 9.13 Limitation on Liability of the Master Servicer . Neither the Master Servicer nor any of the directors, officers, employees or agents of the Master Servicer shall be under any liability to the Trustee or the Certificateholders for any action taken or for refraining from the taking of any action in good faith pursuant to this Agreement, or for errors in judgment; provided, however , that this provision shall not protect the Master Servicer or any such person against any liability that would otherwise be imposed by reason of willful malfeasance, bad faith or negligence in the performance of its duties or by reason of reckless disregard for its obligations and duties under this Agreement. The Master Servicer and any director, officer, employee or agent of the Master Servicer may rely in good faith on any document prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Master Servicer shall be under no obligation to appear in, prosecute or defend any legal action that is not incidental to its duties as Master Servicer with respect to the Mortgage Loans under this Agreement and that in its opinion may involve it in any expenses or liability; provided, however , that the Master Servicer may in its sole discretion undertake any such action that it may deem necessary or desirable in respect to this Agreement and the rights and duties of the parties hereto and the interests of the Certificateholders hereunder. In such event, the legal expenses

and costs of such action and any liability resulting therefrom, shall be liabilities of the Trust, and the Master Servicer shall be entitled to be reimbursed therefor out of the Distribution Account in accordance with the provisions of Section 9.09 and Section 9.14.

The Master Servicer shall not be liable under this Agreement for any acts or omissions of the Servicer except to the extent that damages or expenses are incurred as a result of such acts or omissions and such damages and expenses would not have been incurred but for the negligence, willful malfeasance, bad faith or recklessness of the Master Servicer in supervising, monitoring and overseeing the performance of the obligations of the Servicer as required under this Agreement.

Section 9.14 Indemnification; Third Party Claims .

The Master Servicer agrees to indemnify and hold harmless the Trustee as successor Master Servicer from and against any and all claims, losses, penalties, fines, forfeitures, legal fees and related costs, judgments, and any other costs, liability, fees and expenses (including reasonable attorneys' fees) that the Trustee may sustain as a result of such liability or obligations of the Master Servicer and in connection with the Trustee's assumption (not including the Trustee's performance, except to the extent that costs or liability of the Trustee are created or increased as a result of negligent or wrongful acts or omissions of the Master Servicer prior to its replacement as Master Servicer) of the Master Servicer's obligations, duties or responsibilities under such agreement.

The Trust will indemnify the Master Servicer and hold it harmless against any and all claims, losses, penalties, fines, forfeitures, legal fees and related costs, judgments, and any other costs, liabilities, fees and expenses that the Master Servicer may incur or sustain in connection with, arising out of or related to this Agreement or the Certificates, except to the extent that any such loss, liability or expense is related to (i) a material breach of the Master Servicer's representations and warranties in this Agreement, (ii) the Master Servicer's willful malfeasance, bad faith or negligence or by reason of its reckless disregard of its duties and obligations under this Agreement or (iii) failure to provide the assessment, attestation and annual statement of compliance in accordance with Sections 3.22, 3.23 and 3.24; provided that any such loss, liability or expense constitutes an "unanticipated expense incurred by the REMIC" within the meaning of Treasury Regulations Section 1.860G-1(b)(3)(ii). The Master Servicer shall be entitled to reimbursement for any such indemnified amount from funds on deposit in the Distribution Account.

ARTICLE X

CONCERNING THE SECURITIES ADMINISTRATOR

Section 10.01 Duties of Securities Administrator. The Securities Administrator shall undertake to perform such duties and only such duties as are specifically set forth in this Agreement.

The Securities Administrator, upon receipt of all resolutions, certificates, statements, opinions, reports, documents, orders or other instruments furnished to the Securities Administrator that are specifically required to be furnished pursuant to any provision of this Agreement, shall examine them to determine whether they are in the form required by this Agreement; provided, however , that the Securities Administrator shall not be responsible for the accuracy or content of any such resolution, certificate, statement, opinion, report, document, order or other instrument. If any such instrument is found not to conform in any material respect to the requirements of this Agreement, the Securities Administrator shall notify the Certificateholders of such non-conforming instrument in the event the Securities Administrator, after so requesting, does not receive a satisfactorily corrected instrument.

No provision of this Agreement shall be construed to relieve the Securities Administrator of liability for its own negligent action, its own negligent failure to act or its own willful misconduct; provided, however , that:

(i) the duties and obligations of the Securities Administrator shall be determined solely by the express provisions of this Agreement, the Securities Administrator shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, no implied covenants or obligations shall be read into this Agreement against the Securities

Administrator may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Securities Administrator and conforming to the requirements of this Agreement which it believed in good faith to be genuine and to have been duly executed by the proper authorities respecting any matters arising hereunder;

(ii) the Securities Administrator shall not be liable for any error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Securities Administrator, unless it shall be conclusively determined by a court of competent jurisdiction, such determination not subject to appeal, that the Securities Administrator was negligent in ascertaining the pertinent facts;

(iii) the Securities Administrator shall not be liable with respect to any action or inaction taken, suffered or omitted to be taken by it in good faith in accordance with the direction of Holders of Certificates evidencing not less than 25.00% of the Voting Rights of Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Securities Administrator, or exercising or omitting to exercise any trust or power conferred upon the Securities Administrator under this Agreement; and

(iv) the Securities Administrator shall not be accountable, shall have no liability and makes no representation as to any acts or omissions hereunder of the Master Servicer or the Trustee.

Section 10.02 Certain Matters Affecting the Securities Administrator .

Except as otherwise provided in Section 10.01:

(i) the Securities Administrator may request and conclusively rely upon and shall be fully protected in acting or refraining from acting upon any resolution, Officer's Certificate, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and the Securities Administrator shall have no responsibility to ascertain or confirm the genuineness of any signature of any such party or parties;

(ii) the Securities Administrator may consult with counsel, financial advisers or accountants and the advice of any such counsel, financial advisers or accountants and any advice or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(iii) the Securities Administrator shall not be liable for any action or inaction taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement;

(iv) the Securities Administrator shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing so to do by Holders of Certificates evidencing not less than 25.00% of the Voting Rights allocated to each Class of Certificates; provided, however , that if the payment within a reasonable time to the Securities Administrator of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Securities Administrator, not reasonably assured to the Securities Administrator by the security afforded to it by the terms of this Agreement, the Securities Administrator may require reasonable indemnity against such expense or liability as a condition to so proceeding. Nothing in this clause (iv) shall derogate from the obligation of the Master Servicer to observe any applicable law prohibiting disclosure of information regarding the Mortgagors, provided that the Master Servicer shall have no liability for disclosure required by this Agreement;

(v) the Securities Administrator may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys or a custodian and the Securities

Administrator shall not be responsible for any misconduct or negligence on the part of any such agent, attorney or custodian appointed by the Securities Administrator with due care;

(vi) the Securities Administrator shall not be required to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it, and none of the provisions contained in this Agreement shall in any event require the Securities Administrator to perform, or be responsible for the manner of performance of, any of the obligations of the Master Servicer or the Trustee under this Agreement;

(vii) the Securities Administrator shall be under no obligation to exercise any of the trusts, rights or powers vested in it by this Agreement or to institute, conduct or defend any litigation hereunder or in relation hereto at the request, order or direction of any of the Certificateholders, pursuant to the provisions of this Agreement, unless such Certificateholders shall have offered to the Securities Administrator reasonable security or indemnity satisfactory to the Securities Administrator against the costs, expenses and liabilities which may be incurred therein or thereby; and

(viii) the Securities Administrator shall have no obligation to appear in, prosecute or defend any legal action that is not incidental to its duties hereunder and which in its opinion may involve it in any expense or liability; provided, however , that in the event of a breach or default by the Derivative Counterparty under the Cap Agreement or the Swap Agreement, the Securities Administrator shall pursue all legal remedies available against the Derivative Counterparty under the Cap Agreement or the Swap Agreement, as applicable, in consultation with the Depositor; provided, further , that the Securities Administrator may in its discretion undertake any such action that it may deem necessary or desirable in respect of this Agreement and the rights and duties of the parties hereto and the interests of the Trustee, the Securities Administrator and the Certificateholders hereunder. In such event, the legal expenses and costs of such action and any liability resulting therefrom shall be expenses, costs and liabilities of the Trust Fund, and the Securities Administrator shall be entitled to be reimbursed therefor out of the Collection Account.

The Securities Administrator shall have no duty (A) to undertake or ensure to any recording, filing, or depositing of this Agreement or any agreement referred to herein or any financing statement or continuation statement evidencing a security interest, or to see to the maintenance of any such recording or filing or depositing or to any rerecording, refiling or redepositing thereof, (B) to procure or maintain any insurance or (C) to pay or discharge any tax, assessment, or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Trust Fund other than from funds available in the Distribution Account.

Section 10.03 Securities Administrator Not Liable for Certificates or Mortgage Loans . The recitals contained herein and in the Certificates shall be taken as the statements of the Depositor or the transferor, as the case may be, and the Securities Administrator assumes no responsibility for their correctness. The Securities Administrator makes no representations as to the validity or sufficiency of this Agreement, the Cap Agreement, the Swap Agreement, or of the Certificates or of any Mortgage Loan or related document other than with respect to the Securities Administrator's execution and authentication of the Certificates. The Securities Administrator shall not be accountable for the use or application by the Depositor, the Trustee, the Master Servicer, or the Derivative Counterparty of any funds paid to the Depositor, the Trustee, the Master Servicer or the Derivative Counterparty in respect of the Mortgage Loans or deposited in or withdrawn from the Collection Account or any other fund or account with respect to the Certificates by the Depositor, the Trustee, the Master Servicer or the Derivative Counterparty.

The Securities Administrator executes the Certificates not in its individual capacity but solely as Securities Administrator of the Trust Fund created by this Agreement, in the exercise of the powers and authority conferred and vested in it by this Agreement. Each of the undertakings and agreements made on the part of the Securities Administrator on behalf of the Trust Fund in the Certificates is made and intended not as a personal undertaking or agreement by the Securities Administrator but is made and intended for the purpose of binding only the Trust Fund.

Section 10.04 Securities Administrator May Own Certificates. The Securities Administrator in its individual or any other capacity may become the owner or pledgee of Certificates and may transact business with the parties hereto and their Affiliates with the same rights as it would have if it were not the Securities Administrator.

Section 10.05 Securities Administrator's Fees and Expenses. The Securities Administrator shall be entitled to the investment income earned on amounts in the Distribution Account during the Securities Administrator Float Period. The Securities Administrator and any director, officer, employee, agent or "control person" within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (" Control Person "), of the Securities Administrator shall be indemnified by the Trust and held harmless against any loss, liability or expense (including reasonable attorney's fees) (i) incurred in connection with any claim or legal action relating to (a) this Agreement, (b) the Mortgage Loans or (c) the Certificates, other than any loss, liability or expense incurred by reason of willful misfeasance, bad faith or negligence in the performance of any of the Securities Administrator's duties hereunder, (ii) incurred in connection with the performance of any of the Securities Administrator's duties hereunder, other than any loss, liability or expense incurred by reason of willful misfeasance, bad faith or negligence in the performance of any of the Securities Administrator's duties hereunder or (iii) incurred by reason of any action of the Securities Administrator taken at the direction of the Certificateholders, provided that any such loss, liability or expense constitutes an "unanticipated expense incurred by the REMIC" within the meaning of Treasury Regulations Section 1.860G 1(b)(3)(ii). Such indemnity shall survive the termination of this Agreement or the resignation or removal of the Securities Administrator hereunder. Without limiting the foregoing, and except for any such expense, disbursement or advance as may arise from the Securities Administrator's negligence, bad faith or willful misconduct, or which would not be an "unanticipated expense" within the meaning of the second preceding sentence, the Securities Administrator shall be reimbursed by the Trust for all reasonable expenses, disbursements and advances incurred or made by the Securities Administrator in accordance with any of the provisions of this Agreement with respect to: (A) the reasonable compensation and the expenses and disbursements of its counsel not associated with the closing of the issuance of the Certificates, (B) the reasonable compensation, expenses and disbursements of any accountant, engineer, appraiser or other agent that is not regularly employed by the Securities Administrator, to the extent that the Securities Administrator must engage such Persons to perform acts or services hereunder and (C) printing and engraving expenses in connection with preparing any Definitive Certificates. The Trust shall fulfill its obligations under this paragraph from amounts on deposit from time to time in the Distribution Account.

The Securities Administrator shall be required to pay all expenses incurred by it in connection with its activities hereunder and shall not be entitled to reimbursement therefor except as provided in this Agreement.

Section 10.06 Eligibility Requirements for Securities Administrator . The Securities Administrator hereunder shall at all times be a corporation or association organized and doing business under the laws the United States of America or any state thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000, subject to supervision or examination by federal or state authority and with a credit rating of at least investment grade. If such corporation or association publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 10.06 the combined capital and surplus of such corporation or association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Securities Administrator shall cease to be eligible in accordance with the provisions of this Section 10.06, the Securities Administrator shall resign immediately in the manner and with the effect specified in Section 10.07 hereof. The entity serving as Securities Administrator may have normal banking and trust relationships with the Depositor and its affiliates or the Trustee and its affiliates.

Any successor securities administrator (i) may not be the Mortgage Loan Seller, the Master Servicer, the Servicer, the Depositor or an affiliate of the Depositor unless such successor securities administrator's functions are operated through an institutional trust department of the Securities Administrator, (ii) must be authorized to exercise corporate trust powers under the laws of its jurisdiction of organization, and (iii) must be rated at least "A/F1" by Fitch, if Fitch is a Rating Agency and if rated by Fitch, or the equivalent rating by Standard & Poor's or Moody's. If no successor securities administrator shall have been appointed and shall have accepted appointment within 60 days after

the Securities Administrator ceases to be the Securities Administrator pursuant to Section 10.07, then the Trustee may (but shall not be obligated to) become the successor securities administrator. The Depositor shall appoint a successor to the Securities Administrator in accordance with Section 10.07. The Trustee shall notify the Rating Agencies of any change of Securities Administrator.

Section 10.07 Resignation and Removal of Securities Administrator . The Securities Administrator may at any time resign by giving written notice of resignation to the Depositor, the Derivative Counterparty and the Trustee and each Rating Agency not less than 60 days before the date specified in such notice when, subject to Section 10.08, such resignation is to take effect, and acceptance by a successor securities administrator in accordance with Section 10.08 meeting the qualifications set forth in Section 10.06. If no successor securities administrator meeting such qualifications shall have been so appointed by the Depositor and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Securities Administrator may petition any court of competent jurisdiction for the appointment of a successor securities administrator.

If at any time the Securities Administrator shall cease to be eligible in accordance with the provisions of Section 10.06 hereof and shall fail to resign after written request thereto by the Depositor, or if at any time the Securities Administrator shall become incapable of acting, or shall be adjudged as bankrupt or insolvent, or a receiver of the Securities Administrator or of its property shall be appointed, or any public officer shall take charge or control of the Securities Administrator or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, or a tax is imposed with respect to the Trust Fund by any state in which the Securities Administrator or the Trust Fund is located and the imposition of such tax would be avoided by the appointment of a different securities administrator, then the Depositor may remove the Securities Administrator and appoint a successor securities administrator by written instrument, in triplicate, one copy of which instrument shall be delivered to the Securities Administrator so removed, one copy of which shall be delivered to the Master Servicer and one copy to the successor securities administrator.

The Holders of Certificates entitled to at least 51.00% of the Voting Rights may at any time remove the Securities Administrator and appoint a successor securities administrator by written instrument or instruments, in triplicate, signed by such Holders or their attorneys in fact duly authorized, one complete set of which instruments shall be delivered by the successor securities administrator to the Trustee, one complete set to the Securities Administrator so removed and one complete set to the successor so appointed. Notice of any removal of the Securities Administrator shall be given to the Derivative Counterparty and each Rating Agency by the successor securities administrator.

Any resignation or removal of the Securities Administrator and appointment of a successor securities administrator pursuant to any of the provisions of this Section 10.07 shall become effective upon acceptance by the successor securities administrator of appointment as provided in Section 10.08 hereof.

If at any time, Wells Fargo, as Securities Administrator, resigns under this Section 10.07, or is removed as Securities Administrator pursuant to this Section 10.07, then at such time Wells Fargo shall also resign (and shall be entitled to resign) as Master Servicer under this Agreement.

Section 10.08 Successor Securities Administrator . Any successor securities administrator (which may be the Trustee) appointed as provided in Section 10.07 hereof shall execute, acknowledge and deliver to the Depositor and to its predecessor Securities Administrator and the Trustee an instrument accepting such appointment hereunder and thereupon the resignation or removal of the predecessor Securities Administrator shall become effective and such successor securities administrator, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor hereunder, with the like effect as if originally named as Securities Administrator herein. The Depositor, the Trustee, the Master Servicer and the predecessor Securities Administrator shall execute and deliver such instruments and do such other things as may reasonably be required for more fully and certainly vesting and confirming in the successor securities administrator all such rights, powers, duties, and obligations.

No successor securities administrator shall accept appointment as provided in this Section 10.08 unless at the time of such acceptance such successor securities administrator shall be eligible under the provisions of Section 10.06 hereof and its appointment shall not adversely affect then current rating of the Certificates, as confirmed

in writing by each Rating Agency.

Upon acceptance by a successor securities administrator of appointment as provided in this Section 10.08, the Depositor shall mail notice of the succession of such Securities Administrator hereunder to all Holders of Certificates and the Derivative Counterparty. If the Depositor fails to mail such notice within 10 days after acceptance by the successor securities administrator of appointment, the successor securities administrator shall cause such notice to be mailed at the expense of the Depositor.

Section 10.09 Merger or Consolidation of Securities Administrator . Any corporation or other entity into which the Securities Administrator may be merged or converted or with which it may be consolidated or any corporation or other entity resulting from any merger, conversion or consolidation to which the Securities Administrator shall be a party, or any corporation or other entity succeeding to the business of the Securities Administrator, shall be the successor of the Securities Administrator hereunder, provided that such corporation or other entity shall be eligible under the provisions of Section 10.06 hereof, without the execution or filing of any paper or further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.10 Assignment or Delegation of Duties by the Securities Administrator . Except as expressly provided herein, the Securities Administrator shall not assign or transfer any of its rights, benefits or privileges hereunder to any other Person, or delegate to or subcontract with, or authorize or appoint any other Person to perform any of the duties, covenants or obligations to be performed by the Securities Administrator; provided, however , that the Securities Administrator shall have the right with the prior written consent of the Depositor (which shall not be unreasonably withheld or delayed), and upon delivery to the Trustee, the Derivative Counterparty and the Depositor of a letter from each Rating Agency to the effect that such action shall not result in a downgrade of the ratings assigned to any of the Certificates, to delegate or assign to or subcontract with or authorize or appoint any qualified Person to perform and carry out any duties, covenants or obligations to be performed and carried out by the Securities Administrator hereunder. Notice of such permitted assignment shall be given promptly by the Securities Administrator to the Depositor and the Trustee. If, pursuant to any provision hereof, the duties of the Securities Administrator are transferred to a successor securities administrator, the entire compensation payable to the Securities Administrator pursuant hereto shall thereafter be payable to such successor securities administrator but in no event shall the fee payable to the successor securities administrator exceed that payable to the predecessor securities administrator.

ARTICLE XI

TERMINATION

Section 11.01 Termination upon Liquidation or Purchase of the Mortgage Loans . Subject to Section 11.03, the obligations and responsibilities of the Depositor, the Master Servicer, the Servicer, the Securities Administrator and the Trustee created hereby with respect to the Trust Fund shall terminate upon the earlier of (a) the exercise of an Option to Purchase, on or after the Optional Termination Date, in the aggregate of all Mortgage Loans (and REO Properties) at the price (the " Termination Price ") equal to the sum of (i) 100.00% of the unpaid principal balance of each Mortgage Loan (other than in respect of REO Property) plus accrued and unpaid interest thereon at the applicable Mortgage Rate, (ii) the lesser of (x) the appraised value of any REO Property as determined by the higher of two appraisals completed by two independent appraisers selected by the Servicer at the expense of that Trust Fund and (y) the unpaid principal balance of each Mortgage Loan related to any REO Property, in each case plus accrued and unpaid interest thereon at the applicable Mortgage Rate, (iii) all unreimbursed P&I Advances, Servicing Advances and indemnification payments payable to the Servicer (iv) any unreimbursed indemnification payments payable to the Trustee, the Securities Administrator, the Master Servicer or the Depositor under this Agreement and (v) any Swap Termination Payments payable to the Swap Counterparty as a result of a termination pursuant to this Section 11.01 and (b) the later of (i) the maturity or other liquidation (or any Advance with respect thereto) of the last Mortgage Loan remaining in the Trust Fund and the disposition of all REO Property and (ii) the distribution to Certificateholders of all amounts required to be distributed to them pursuant to this Agreement. In no event shall the trusts created hereby continue beyond the expiration of 21 years from the death of the survivor of the descendants of Joseph P. Kennedy, the late Ambassador of the United States to the Court of St. James's, living on the date hereof.

Notwithstanding anything to the contrary contained herein, no such purchase by the Master Servicer (either upon instruction from the Depositor or voluntarily) shall be permitted unless (i) after distribution of the proceeds thereof to the Certificateholders (other than the Holders of the Class X, Class P and Residual Certificates and any other Classes of Certificates which constitute NIM Securities) pursuant to Section 11.02, the distribution of the remaining proceeds to the Class X and Class P Certificates is sufficient to pay the outstanding principal amount of and accrued and unpaid interest on the NIM Securities, to the extent the NIM Securities are then outstanding, or (ii) prior to such purchase, the Master Servicer, remits to the Securities Administrator an amount that, together with such remaining proceeds, will be sufficient to pay the outstanding principal amount of, and accrued and unpaid interest on, the NIM Securities, to the extent the NIM Securities are then outstanding.

Section 11.02 Final Distribution on the Certificates . If on any Remittance Date, the Master Servicer determines that there are no Outstanding Mortgage Loans and no other funds or assets in the Trust Fund other than the funds in any Collection Account, the Master Servicer shall direct the Securities Administrator promptly to send a Notice of Final Distribution to each Certificateholder and to the Swap Counterparty. If the Master Servicer (upon instruction from the Depositor or voluntarily) elects to exercise their option to purchase the Mortgage Loans pursuant to clause (a) of Section 11.01, at least 20 days prior to the date the Notice of Final Distribution is to be mailed to the affected Certificateholders, the Master Servicer shall notify the Depositor, the Swap Counterparty and the Securities Administrator of (a) the date on which the Servicer intends to exercise such purchase option and (b) the Termination Price.

A Notice of Final Distribution, specifying the Distribution Date on which Certificateholders may surrender their Certificates for payment of the final distribution and cancellation, shall be given promptly by the Securities Administrator by letter to Certificateholders mailed not earlier than the 10th day and not later than the 15th day of the month of such final distribution. Any such Notice of Final Distribution shall specify (a) the Distribution Date upon which final distribution on the Certificates will be made upon presentation and surrender of Certificates at the office therein designated, (b) the amount of such final distribution, (c) the location of the office or agency at which such presentation and surrender must be made and (d) that the Record Date otherwise applicable to such Distribution Date is not applicable, distributions being made only upon presentation and surrender of the Certificates at the office therein specified. The Securities Administrator will give such Notice of Final Distribution to the Swap Counterparty and to each Rating Agency at the time such Notice of Final Distribution is given to Certificateholders.

In the event such Notice of Final Distribution is given, the Servicer shall cause all funds in the Collection Account to be remitted to the Master Servicer for deposit in the Distribution Account on the Business Day prior to the applicable Distribution Date in an amount equal to the final distribution in respect of the Certificates. Upon such final deposit with respect to the Trust Fund and the receipt by the Custodian of a Request for Release therefor, the Custodian shall promptly release to the Servicer the Custodial Files for the Mortgage Loans.

Upon presentation and surrender of the Certificates, the Securities Administrator shall cause to be distributed to the Certificateholders of each Class (after reimbursement of all amounts due to the Servicer, the Master Servicer, the Securities Administrator, the Depositor, the Trustee and the Swap Counterparty hereunder), in each case on the final Distribution Date and in the order set forth in Section 4.02, in proportion to their respective Percentage Interests, with respect to Certificateholders of the same Class, up to an amount equal to (i) as to each Class of Regular Certificates (except the Class X Certificates), the Certificate Balance thereof plus for each such Class and the Class X Certificates accrued interest thereon in the case of an interest-bearing Certificate and all other amounts to which such Classes are entitled pursuant to Section 4.02 and (ii) as to the Residual Certificates, the amount, if any, which remains on deposit in the Distribution Account (other than the amounts retained to meet claims) after application pursuant to clause (i) above.

In the event that any affected Certificateholders shall not surrender Certificates for cancellation within six months after the date specified in the Notice of Final Distribution, the Securities Administrator shall give a second written notice to the remaining Certificateholders to surrender their Certificates for cancellation and receive the final distribution with respect thereto. If within six months after such second notice all the applicable Certificates shall not

have been surrendered for cancellation, the Securities Administrator may take appropriate steps, or may appoint an agent to take appropriate steps, to contact the remaining Certificateholders concerning surrender of their Certificates, and the cost thereof shall be paid out of the funds and other assets which remain a part of the Trust Fund. If within one year after the second notice all Certificates shall not have been surrendered for cancellation, the Class R Certificateholders shall be entitled to all unclaimed funds and other assets of the Trust Fund which remain subject hereto.

Section 11.03 Additional Termination Requirements. In the event an Option to Purchase is exercised with respect to the Mortgage Loans as provided in Section 11.01, the Trust Fund shall be terminated in accordance with the following additional requirements, unless the Trustee has been supplied with an Opinion of Counsel, at the expense of the party upon whose instruction causes the exercise of an Option to Purchase, to the effect that the failure to comply with the requirements of this Section 11.03 will not (i) result in the imposition of taxes on "prohibited transactions" on any REMIC formed hereby as defined in Section 860F of the Code or (ii) cause any REMIC formed hereby to fail to qualify as a REMIC at any time that any Certificates are outstanding:

(a) The Securities Administrator on behalf of the Trustee shall sell all of the assets of the Trust Fund to the party exercising the Option to Purchase, and, within 90 days of such sale, shall distribute to the Certificateholders the proceeds of such sale in complete liquidation of each REMIC formed hereby; and

(b) The Securities Administrator shall attach a statement to the final federal income tax return for each REMIC formed hereby stating that pursuant to Treasury Regulations Section 1.860F-1, the first day of the 90-day liquidation period for each such REMIC was the date on which the Securities Administrator on behalf of the Trustee sold the assets of the Trust Fund to the Servicer.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.01 Amendment. This Agreement may be amended from time to time by the Depositor, the Mortgage Loan Seller, the Master Servicer, the Servicer, the Securities Administrator and the Trustee, without the consent of any of the Certificateholders or the Derivative Counterparty (except to the extent that the rights or obligations of the Derivative Counterparty hereunder or under the Cap Agreement or the Swap Agreement are affected thereby, and except to the extent that the ability of the Securities Administrator to perform fully and timely its obligations under the Cap Agreement or the Swap Agreement is adversely affected, in which case prior written consent of the Derivative Counterparty is required) (i) to cure any ambiguity or mistake, (ii) to correct any defective provision herein or to supplement any provision herein which may be inconsistent with any other provision herein, (iii) to add to the duties of the Depositor, the Master Servicer, the Servicer, the Securities Administrator or the Trustee, (iv) to add any other provisions with respect to matters or questions arising hereunder, (v) to modify, alter, amend, add to or rescind any of the terms or provisions contained in this Agreement, (vi) to comply with the requirements of the Internal Revenue Code or (vii) to conform this agreement to the Offering Documents provided to investors in connection with the offering of the Certificates; provided, that any action pursuant to clause (iv) or (v) above shall not, as evidenced by an Opinion of Counsel (which Opinion of Counsel shall not be an expense of the Trustee, the Master Servicer, the Securities Administrator or the Trust Fund), adversely affect in any material respect the interests of any Certificateholder; provided, further, that any such action pursuant to clause (iv) or (v) above shall not be deemed to adversely affect in any material respect the interests of the Certificateholders if the Person requesting the amendment obtains a letter from each Rating Agency stating that the amendment would not result in the downgrading or withdrawal of the respective ratings then assigned to the Certificates; it being understood and agreed that any such letter in and of itself will not represent a determination as to the materiality of any such amendment and will represent a determination only as to the credit issues affecting any such rating. The Trustee, the Depositor, the Master Servicer, the Mortgage Loan Seller, the Servicer and the Securities Administrator also may at any time and from time to time amend this Agreement, but without the consent of the Certificateholders or the Derivative Counterparty (except to the extent that the rights or obligations of the Derivative Counterparty hereunder or under the Cap Agreement or the Swap Agreement are affected thereby, and except to the extent that the ability of the Securities Administrator to perform fully

and timely its obligations under the Cap Agreement or the Swap Agreement is adversely affected, in which case prior written consent of the Derivative Counterparty is required) to modify, eliminate or add to any of its provisions to such extent as shall be necessary or helpful to (i) maintain the qualification of each REMIC created hereunder under the Code, (ii) avoid or minimize the risk of the imposition of any tax on any REMIC created hereunder pursuant to the Code that would be a claim at any time prior to the final redemption of the Certificates or (iii) comply with any other requirements of the Code; provided , that the Trustee and the Master Servicer have been provided an Opinion of Counsel, which opinion shall be an expense of the party requesting such opinion but in any case shall not be an expense of the Trustee or the Trust Fund, to the effect that such action is necessary or helpful to, as applicable, (i) maintain such qualification, (ii) avoid or minimize the risk of the imposition of such a tax or (iii) comply with any such requirements of the Code.

This Agreement may also be amended from time to time by the Depositor, the Master Servicer, the Servicer, the Mortgage Loan Seller, the Securities Administrator and the Trustee, but with the consent of the Holders of Certificates evidencing Percentage Interests aggregating not less than 662/ 3 % of each Class of Certificates affected thereby for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or of modifying in any manner the rights of the Holders of Certificates; provided, however , that no such amendment shall (i) reduce in any manner the amount of, or delay the timing of, payments required to be distributed on any Certificate without the consent of the Holder of such Certificate, (ii) adversely affect in any material respect the interests of the Holders of any Class of Certificates in a manner other than as described in clause (i), without the consent of the Holders of Certificates of such Class evidencing, as to such Class, Percentage Interests aggregating not less than 662/ 3 %, (iii) reduce the aforesaid percentages of Certificates the Holders of which are required to consent to any such amendment, without the consent of the Holders of all such Certificates then outstanding or (iv) adversely affect the rights or obligations of the Derivative Counterparty hereunder or under the Cap Agreement or the Swap Agreement or the rights of the Securities Administrator to fully and timely perform its obligations under the Cap Agreement or the Swap Agreement without obtaining the prior written consent of the Derivative Counterparty.

Notwithstanding any contrary provision of this Agreement, the Trustee and the Master Servicer shall not consent to any amendment to this Agreement unless (i) it shall have first received an Opinion of Counsel, which opinion shall not be an expense of the Trustee, the Master Servicer or the Trust Fund, to the effect that such amendment will not cause the imposition of any tax on any REMIC created hereunder or the Certificateholders or cause any such REMIC to fail to qualify as a REMIC or the grantor trust to fail to qualify as a grantor trust at any time that any Certificates are outstanding and (ii) the party seeking such amendment shall have provided written notice to the Rating Agencies (with a copy of such notice to the Trustee, the Master Servicer and the Derivative Counterparty) of such amendment, stating the provisions of the Agreement to be amended.

Notwithstanding the foregoing provisions of this Section 12.01, with respect to any amendment that significantly modifies the permitted activities of the Trustee or the Servicer, any Certificate beneficially owned by the Depositor shall be deemed not to be outstanding (and shall not be considered when determining the percentage of Certificateholders consenting or when calculating the total number of Certificates entitled to consent) for purposes of determining if the requisite consents of Certificateholders under this Section 12.01 have been obtained.

Promptly after the execution of any amendment to this Agreement requiring the consent of Certificateholders, the Trustee shall furnish written notification of the substance or a copy of such amendment to each Certificateholder and each Rating Agency.

It shall not be necessary for the consent of Certificateholders under this Section 12.01 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof. The manner of obtaining such consents and of evidencing the authorization of the execution thereof by Certificateholders shall be subject to such reasonable regulations as the Trustee may prescribe.

Nothing in this Agreement shall require the Trustee, the Master Servicer or the Securities Administrator to enter into an amendment without receiving an Opinion of Counsel (which opinion shall not be an expense of the Trustee, the Master Servicer, the Securities Administrator or the Trust Fund), satisfactory to the Trustee, the Master

Servicer and the Securities Administrator, as applicable, that (i) such amendment is permitted and is not prohibited by this Agreement and that all requirements for amending this Agreement have been complied with and (ii) either (A) the amendment does not adversely affect in any material respect the interests of any Certificateholder or (B) the conclusion set forth in the immediately preceding clause (A) is not required to be reached pursuant to this Section 12.01.

Notwithstanding the foregoing, the consent of the Mortgage Loan Seller shall not be required to enter into any amendment to this Agreement unless such amendment would potentially have a material and adverse effect on the rights or obligations of the Mortgage Loan Seller under this Agreement.

Section 12.02 Recordation of Agreement; Counterparts . This Agreement is subject to recordation in all appropriate public offices for real property records in all the counties or other comparable jurisdictions in which any or all of the Mortgaged Properties are situated, and in any other appropriate public recording office or elsewhere, such recordation to be effected by the Servicer at the direction and expense of the Depositor, but only upon receipt of an Opinion of Counsel to the effect that such recordation materially and beneficially affects the interests of the Certificateholders.

For the purpose of facilitating the recordation of this Agreement as herein provided and for other purposes, this Agreement may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original, and such counterparts shall constitute but one and the same instrument.

Section 12.03 Governing Law . THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE SUBSTANTIVE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HERETO AND THE CERTIFICATEHOLDERS SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 12.04 Intention of Parties . (a) It is intended that the conveyance of the Depositor's right, title and interest in and to property constituting the Trust Fund pursuant to this Agreement shall constitute, and shall be construed as, a sale of such property and not a grant of a security interest to secure a loan. However, if such conveyance is deemed to be in respect of a loan, it is intended that: (1) the rights and obligations of the parties shall be established pursuant to the terms of this Agreement; (2) the Depositor hereby grants to the Trustee for the benefit of the Holders of the Certificates a first priority security interest to secure repayment of an obligation in an amount equal to the aggregate Class Principal Amount of the Certificates in all of the Depositor's right, title and interest in, to and under, whether now owned or hereafter acquired, the Trust Fund and the Supplemental Interest Trust and all proceeds of any and all property constituting the Trust Fund and the Supplemental Interest Trust to secure payment of the Certificates (such security interest being, to the extent of the assets that constitute the Supplemental Interest Trust, *pari passu* with the security interest as provided in clause (4) below); (3) this Agreement shall constitute a security agreement under applicable law; and (4) the Derivative Counterparty shall be deemed, during the term of such agreement and while such agreement is the property of the Trustee, to have a security interest in all of the assets that constitute the Supplemental Interest Trust, but only to the extent of such Derivative Counterparty's right to payment under the Derivative Agreements (such security interest being *pari passu* with the security interest as provided in clause (2) above). If such conveyance is deemed to be in respect of a loan and the trust created by this Agreement terminates prior to the satisfaction of the claims of any Person holding any Certificate, the security interest created hereby shall continue in full force and effect and the Trustee shall be deemed to be the collateral agent for the benefit of such Person, and all proceeds shall be distributed by the Securities Administrator as herein provided.

(b) The Depositor shall, to the extent consistent with this Agreement, take such reasonable actions as may be necessary to ensure that, if this Agreement were deemed to create a security interest in the Mortgage Loans and the other property described above, such security interest would be deemed to be a perfected security interest of first priority under applicable law and shall be maintained as such throughout the term of this Agreement. The Depositor shall, at its own expense, make all initial filings on or about the Closing Date and shall forward a copy of such filing or filings to the Trustee. Without limiting the generality of the foregoing, the Depositor shall prepare and forward for

filing, or shall cause to be forwarded for filing, at the expense of the Depositor, all filings necessary to maintain the effectiveness of any original filings necessary under the relevant UCC to perfect the Trustee's security interest in or lien on the Mortgage Loans, including without limitation (x) continuation statements, and (y) such other statements as may be occasioned by (1) any change of name of the Sponsor, the Depositor or the Trustee, (2) any change of location of the jurisdiction of organization of the Sponsor or the Depositor, (3) any transfer of any interest of the Sponsor or the Depositor in any Mortgage Loan or (4) any change under the relevant UCC or other applicable laws. Neither the Sponsor nor the Depositor shall organize under the law of any jurisdiction other than the State under which each is organized as of the Closing Date (whether changing its jurisdiction of organization or organizing under an additional jurisdiction) without giving 30 days prior written notice of such action to its immediate and intermediate transferee, including the Trustee. Before effecting such change, the Sponsor or the Depositor proposing to change its jurisdiction of organization shall prepare and file in the appropriate filing office any financing statements or other statements necessary to continue the perfection of the interests of its immediate and intermediate transferees, including the Trustee, in the Mortgage Loans. In connection with the transactions contemplated by this Agreement, each of the Sponsor and the Depositor authorizes its immediate or intermediate transferee to file in any filing office any initial financing statements, any amendments to financing statements, any continuation statements, or any other statements or filings described in this paragraph (b).

Section 12.05 Notices . (a) The Securities Administrator shall use its best efforts to promptly provide notice to each Rating Agency with respect to each of the following of which it has actual knowledge:

1. Any material change or amendment to this Agreement;

2. The occurrence of any Event of Default that has not been cured;

3. The resignation or termination of the Servicer, the Master Servicer, the Securities Administrator or the Trustee and the appointment of any successor;

4. The repurchase or substitution of Mortgage Loans pursuant to Section 2.03; and

5. The final payment to Certificateholders.

(b) In addition, the Securities Administrator shall promptly make available on its internet website to each Rating Agency copies of the following:

1. Each report to Certificateholders described in Section 4.03; and

2. Any notice of a purchase of a Mortgage Loan pursuant to Section 2.03.

(c) All directions, demands, consents and notices hereunder shall be in writing and shall be deemed to have been duly given when delivered to:

(i) in the case of the Depositor , HSI Asset Securitization Corporation, 452 Fifth Avenue, 10th Floor, New York, New York 10018, Attention: Head MBS Principal Finance, or such other address as may be hereafter furnished to the other parties by the Depositor in writing;

(ii) in the case of the Servicer , to National City Home Loan Services, Inc., 150 Allegheny Center, Pittsburgh, Pennsylvania 15212 (Attention: HASCO FFML 2006-FF9 or such other address furnished to the other parties by NCHLS in writing;

(iii) in the case of the Mortgage Loan Seller , to First Franklin Financial Corporation, 2150 North First Street, Suite 600, San Jose, California, (Attention: (HASCO) FFML 2006-FF9), or such other address as may be hereafter furnished to other parties by FFFC in writing;

(iv) in the case of Wells Fargo, to Wells Fargo Bank, N.A., P.O. Box 98, Columbia, Maryland 21046, with a copy to 9062 Old Annapolis Road, Columbia, Maryland 21045, Attention: Client Service

Manager-FFML 2006-FF9, or such other address as may be hereafter furnished to the to the other parties by Wells Fargo in writing;

(v) in the case of the Trustee , to the Corporate Trust Office (Attention: FF06F7), or such other address as may be hereafter furnished to the to the other parties by the Trustee in writing;

(vi) in the case of the Derivative Counterparty , The Bank of New York, One Wall Street, New York City, New York, 10286, (Attention: (HASCO) FFML 2006-FF9);

(vii) in the case of each of the Rating Agencies , the address specified therefor in the definition corresponding to the name of such Rating Agency. Notices to Certificateholders shall be deemed given when mailed, first class postage prepaid, to their respective addresses appearing in the Certificate Register.

Section 12.06 Severability of Provisions . If any one or more of the covenants, agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement or of the Certificates or the rights of the Holders thereof.

Section 12.07 Assignment . Notwithstanding anything to the contrary contained herein, except as provided in Section 6.02, this Agreement may not be assigned by the Servicer without the prior written consent of the Trustee and Depositor; provided , however , that the Servicer may pledge its interest in any reimbursements for P&I Advances or Servicing Advances hereunder.

Section 12.08 Limitation on Rights of Certificateholders . The death or incapacity of any Certificateholder shall not operate to terminate this Agreement or the trust created hereby, nor entitle such Certificateholder's legal representative or heirs to claim an accounting or to take any action or commence any proceeding in any court for a petition or winding up of the trust created hereby, or otherwise affect the rights, obligations and liabilities of the parties hereto or any of them.

No Certificateholder shall have any right to vote (except as provided herein) or in any manner otherwise control the operation and management of the Trust Fund, or the obligations of the parties hereto, nor shall anything herein set forth or contained in the terms of the Certificates be construed so as to constitute the Certificateholders from time to time as partners or members of an association; nor shall any Certificateholder be under any liability to any third party by reason of any action taken by the parties to this Agreement pursuant to any provision hereof.

No Certificateholder shall have any right by virtue or by availing itself of any provisions of this Agreement to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Agreement, unless such Holder previously shall have given to the Trustee a written notice of an Event of Default and of the continuance thereof, as herein provided, and unless the Holders of Certificates evidencing not less than 25.00% of the Voting Rights evidenced by the Certificates shall also have made written request to the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee, for 60 days after its receipt of such notice, request and offer of indemnity shall have neglected or refused to institute any such action, suit or proceeding; it being understood and intended, and being expressly covenanted by each Certificateholder with every other Certificateholder and the Trustee, that no one or more Holders of Certificates shall have any right in any manner whatever by virtue or by availing itself or themselves of any provisions of this Agreement to affect, disturb or prejudice the rights of the Holders of any other of the Certificates, or to obtain or seek to obtain priority over or preference to any other such Holder or to enforce any right under this Agreement, except in the manner herein provided and for the common benefit of all Certificateholders. For the protection and enforcement of the provisions of this Section 12.08, each and every Certificateholder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Section 12.09 Inspection and Audit Rights . The Servicer agrees that, on reasonable prior notice, which

shall not be less than two Business Days prior written notice, it will permit any representative of the Depositor or the Trustee during the Servicer's normal business hours, to examine all the books of account, records, reports and other papers of the Servicer relating to the Mortgage Loans, to make copies and extracts therefrom, to cause such books to be audited by independent certified public accountants selected by the Depositor or the Trustee and to discuss its affairs, finances and accounts relating to the Mortgage Loans with its officers, employees and independent public accountants (and by this provision the Servicer hereby authorizes said accountants to discuss with such representative such affairs, finances and accounts), all at such reasonable times and as often as may be reasonably requested. Any out-of-pocket expense of the Servicer incident to the exercise by the Depositor or the Trustee of any right under this Section 12.09 shall be borne by the Servicer.

Section 12.10 Certificates Nonassessable and Fully Paid . It is the intention of the Depositor that Certificateholders shall not be personally liable for obligations of the Trust Fund, that the interests in the Trust Fund represented by the Certificates shall be nonassessable for any reason whatsoever, and that the Certificates, upon due authentication thereof by the Securities Administrator pursuant to this Agreement, are and shall be deemed fully paid.

Section 12.11 Rule of Construction . Article and section headings are for the convenience of the reader and shall not be considered in interpreting this Agreement or the intent of the parties hereto.

Section 12.12 Waiver of Jury Trial . EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Depositor, the Trustee, Wells Fargo, National City Home Loan Services, Inc. and First Franklin Financial Corporation have caused their names to be signed hereto by their respective officers thereunto duly authorized as of the day and year first above written.

HSI ASSET SECURITIZATION CORPORATION, as Depositor

By /s/ Andrea Lenox
Name: Andrea Lenox
Title: Vice President

DEUTSCHE BANK NATIONAL TRUST COMPANY, solely as Trustee and not in its individual capacity

By: /s/ Ronaldo Reyes
Name: Ronaldo Reyes
Title: Vice President

DEUTSCHE BANK NATIONAL TRUST COMPANY, solely as Trustee and not in its individual capacity

By: /s/ Eiho Akiyama
Name: Eiho Akiyama
Title: Associate

WELLS FARGO BANK, N.A., as Master Servicer

By: /s/ Sandra Whalen
Name: Sandra Whalen
Title: Vice President

WELLS FARGO BANK, N.A., as Securities Administrator

By: /s/ Sandra Whalen
Name: Sandra Whalen
Title: Vice President

WELLS FARGO BANK, N.A., as Custodian

By: /s/ Sandra Whalen
Name: Sandra Whalen
Title: Vice President

NATIONAL CITY HOME LOAN SERVICES, INC, as Servicer

By: /s/ Steven A. Baranet
Name: Steven A. Baranet
Title: Vice President

FIRST FRANKLIN FINANCIAL CORPORATION, as Mortgage Loan Seller

By: /s/ Steve Mageras
Name: Steve Mageras
Title: Executive Vice President

ACKNOWLEDGED BY HSBC BANK USA, NATIONAL ASSOCIATION,
as Sponsor, solely for the purposes of Section 2.03(k).

By: /s/ Jon E. Voigtman
Name: Jon E. Voigtman
Title: Managing Director #14311

SCHEDULE I

Mortgage Loan Schedule

[To be retained in a separate closing binder entitled “FFML 2006-FF9 Mortgage Loan Schedules” at the Washington, D.C. offices of McKee Nelson LLP]

SCHEDULE II

First Franklin Mortgage Loan Trust, 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9

Representations and Warranties of the Servicer as to Corporate Matters

NCHLS, in its capacity as Servicer, represents, warrants and covenants to the Depositor, the Securities Administrator, the Master Servicer and the Trustee as of the Closing Date that:

(1) NCHLS is a Delaware corporation duly organized, validly existing and in good standing under the laws of Delaware and is an operating subsidiary of National City Bank of Indiana. As a national bank operating subsidiary, NCHLS is regulated by the Office of the Comptroller of the Currency and is subject to applicable laws and regulations. NCHLS has: any licenses necessary to carry out their business as now being conducted; or is licensed and qualified to transact business in and is in good standing under the laws of each state in which any Mortgaged Property is located; or is otherwise exempt under applicable law from such licensing or qualification; or is otherwise not required under applicable law to effect such licensing or qualification, and in any event NCHLS is in compliance with the applicable laws of any such state to the extent necessary to ensure the enforceability of each Mortgage Loan and the servicing of the Mortgage Loans in accordance with the terms of this Agreement. No licenses or approvals obtained by NCHLS has been suspended or revoked by any court, administrative agency, arbitrator or governmental body and no proceedings are pending which might result in such suspension or revocation;

(2) NCHLS has the full power and authority to execute, deliver and perform, and to enter into and consummate, all transactions contemplated by this Agreement. NCHLS has duly authorized the execution, delivery and performance of this Agreement, has duly executed and delivered this Agreement, and this Agreement, assuming due authorization, execution and delivery by the Purchaser, constitutes a legal, valid and binding obligation of NCHLS, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by (1) bankruptcy, insolvency, moratorium, reorganization or other similar laws now or hereafter in effect relating to creditors' rights generally, including, without limitation, the effect of statutory or other laws regarding fraudulent conveyances or preferential transfers, (2) general principles of equity upon the specific enforceability of any of the remedies, covenants or other provisions of the Agreement and upon the availability of injunctive relief or other equitable remedies and the application of principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) as such principles relate to, limit or affect the enforcement of creditors' rights generally and the discretion of the court before which any proceeding for such enforcement may be brought and (3) public policy considerations limiting the enforceability of provisions of this Agreement relating to indemnification;

(3) The execution and delivery of this Agreement by NCHLS and the performance of and compliance with the terms of this Agreement will not violate the NCHLS's articles of incorporation or by-laws or constitute a default under or result in a breach or acceleration of, any material contract, agreement or other instrument to which NCHLS is a party or which may be applicable to NCHLS or its assets;

(4) NCHLS is not in violation of, and the execution and delivery of this Agreement by NCHLS and its performance and compliance with the terms of this Agreement will not constitute a material violation with respect to, any order or decree of any court or any order or regulation of any federal, state, municipal or governmental agency having jurisdiction over NCHLS or its assets, which violation might have consequences that would materially and adversely affect the condition (financial or otherwise) or the operation of NCHLS or its assets or might have consequences that would materially and adversely affect the performance of their respective obligations and duties hereunder;

(5) NCHLS does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant contained in this Agreement;

(6) The Mortgage Note, the Mortgage, the Assignment of Mortgage and any other documents required to be delivered with respect to each Mortgage Loan pursuant to this Agreement, have been delivered to the Custodian all in compliance with the specific requirements of this Agreement.

(7) There are no actions or proceedings against, or investigations of, NCHLS before any court, administrative or other tribunal (A) that might prohibit its entering into this Agreement, (B) seeking to prevent the sale of the Mortgage Loans or the consummation of the transactions contemplated by this Agreement or (C) that might prohibit or materially and adversely affect the performance by NCHLS of its obligations under, or the validity or enforceability of, this Agreement;

(8) No consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by NCHLS of, or compliance by NCHLS with, this Agreement or the consummation of the transactions contemplated by this Agreement, except for such consents, approvals, authorizations or orders, if any, that have been obtained prior to the Closing Date;

(9) The consummation of the transactions contemplated by this Agreement are in the ordinary course of business of NCHLS;

(10) To the extent that any of the Mortgage Loans are registered with MERS, NCHLS is a member of MERS in good standing, will comply in all material respects with the rules and procedures of MERS in connection with the servicing of the Mortgage Loans that are registered with MERS and is current in payment of all fees and assessments imposed by MERS;

(11) Neither this Agreement nor any written statement, report or other document prepared and furnished or to be prepared and furnished by NCHLS as required by this Agreement or in connection with the transactions contemplated hereby contains any untrue statement of material fact or omits to state a material fact necessary to make the statements contained herein or therein not misleading.

SCHEDULE III

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9

Representations and Warranties of the Mortgage Loan Seller as to Corporate Matters

The Mortgage Loan Seller hereby makes the representations and warranties set forth in this Schedule III to the Depositor, the Securities Administrator, the Master Servicer and the Trustee, with respect to itself as of the Closing Date.

(1) The Mortgage Loan Seller is a corporation duly organized, validly existing and in good standing under the laws of the state of its organization and has all licenses necessary to carry on its business as now being conducted and is licensed, qualified and in good standing in each state wherein it owns or leases any material properties or where a Mortgaged Property is located, if the laws of such state require licensing or qualification in order to conduct business of the type conducted by the Mortgage Loan Seller, and in any event the Mortgage Loan Seller is in compliance with the laws of any such state to the extent necessary; the Mortgage Loan Seller has the full corporate power, authority and legal right to execute and deliver this Agreement and to perform its obligations hereunder; the execution, delivery and performance of this Agreement by the Mortgage Loan Seller and the consummation of the transactions contemplated hereby have been duly and validly authorized; this Agreement and all agreements contemplated hereby have been duly executed and delivered and constitute the valid, legal, binding and enforceable obligations of the Mortgage Loan Seller, regardless of whether such enforcement is sought in a proceeding in equity or at law; and all requisite corporate action has been taken by the Mortgage Loan Seller to make this Agreement and all agreements contemplated hereby valid and binding upon the Mortgage Loan Seller in accordance with their terms;

(2) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, will conflict with or result in a breach of any of the terms, conditions or provisions of the Mortgage Loan Seller's charter or by-laws or any legal restriction or any agreement or instrument to which the Mortgage Loan Seller is now a party or by which it is bound, or constitute a default or result in an acceleration under any of the foregoing, or result in the violation of any law, rule, regulation, order, judgment or decree to which the Mortgage Loan Seller or its property is subject, or result in the creation or imposition of any lien, charge or encumbrance that would have an adverse effect upon any of its properties pursuant to the terms of any mortgage, contract, deed of trust or other instrument;

(3) There is no action, suit, proceeding or investigation pending or, to the best of the Mortgage Loan Seller's knowledge, threatened against the Mortgage Loan Seller, before any court, administrative agency or other tribunal asserting the invalidity of this Agreement, seeking to prevent the consummation of any of the transactions contemplated by this Agreement or which, either in any one instance or in the aggregate, may result in any material adverse change in the business, operations, financial condition, properties or assets of the Mortgage Loan Seller, or in any material impairment of the right or ability of the Mortgage Loan Seller to carry on its business substantially as now conducted, or in any material liability on the part of the Mortgage Loan Seller, or which would draw into question the validity of this Agreement or of any action taken or to be taken in connection with the obligations of the Mortgage Loan Seller contemplated herein, or which would be likely to impair materially the ability of the Mortgage Loan Seller to perform under the terms of this Agreement; and

(4) No consent, approval, authorization or order of, or registration or filing with, or notice to any court or governmental agency or body including HUD, the FHA or the VA is required for the execution, delivery and performance by the Mortgage Loan Seller of or compliance by the Mortgage Loan Seller with this Agreement or the consummation of the transactions contemplated by this Agreement, or if required, such approval has been obtained prior to the Closing Date.

SCHEDULE IV

FFFC Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9

Representations and Warranties of the Mortgage Loan Seller as to the Individual Mortgage Loans

FFFC, in its capacity as Mortgage Loan Seller, hereby makes the representations and warranties set forth in this Schedule III as to the Mortgage Loans to the Depositor, the Securities Administrator, the Master Servicer and the Trustee on the Closing Date or such other date as may be specified below. Capitalized terms used but not otherwise defined in this Schedule IV shall have the meanings ascribed thereto in the Master MLPSA:

(1) The information set forth in the Mortgage Loan Schedule with respect to Mortgage Loans sold by FFFC to the Depositor and included in the Trust Fund is complete, true and correct;

(2) The Mortgage Loan is in compliance with all requirements set forth in the related Confirmation, and the characteristics of the related Mortgage Loan Package as set forth in the related Confirmation are true and correct;

(3) All payments required to be made up to the close of business for such Mortgage Loan under the terms of the Mortgage Note have been made; FFFC has not advanced funds, or induced, solicited or knowingly received any advance of funds from a party other than the owner of the related Mortgaged Property, directly or indirectly, for the payment of any amount required by the Mortgage Note or Mortgage; and no payment under the Mortgage Loan has been more than thirty days delinquent,, exclusive of any period of grace, at any time since the origination of the Mortgage Loan;

(4) There are no delinquent taxes, ground rents, water charges, sewer rents, assessments, insurance premiums, leasehold payments, including assessments payable in future installments or other outstanding charges affecting the related Mortgaged Property;

(5) The terms of the Mortgage Note and the Mortgage have not been impaired, waived, altered or modified in any respect, except by written instruments, recorded in the applicable public recording office if necessary to maintain the lien priority of the Mortgage, and which have been delivered to the Custodian; the substance of any such waiver, alteration or modification has been approved by the title insurer, to the extent required by the related policy, and is reflected on the related Mortgage Loan Schedule. No instrument of waiver, alteration or modification has been executed, and no Mortgagor has been released, in whole or in part, except in connection with an assumption agreement approved by the title insurer, to the extent required by the policy, and which assumption agreement has been delivered to the Custodian and the terms of which are reflected in the related Mortgage Loan Schedule;

(6) The Mortgage Note and the Mortgage are not subject to any right of rescission, set-off, counterclaim or defense, including the defense of usury, nor will the operation of any of the terms of the Mortgage Note and the Mortgage, or the exercise of any right thereunder, render the Mortgage unenforceable, in whole or in part, or subject to any right of rescission, set-off, counterclaim or defense, including the defense of usury and no such right of rescission, set-off, counterclaim or defense has been asserted with respect thereto. Each Prepayment Charge or penalty with respect to any Mortgage Loan is permissible, enforceable and collectible under applicable federal, state and local law;

(7) All buildings upon the Mortgaged Property are insured by an insurer against loss by fire, hazards of extended coverage and such other hazards as are customary in the area where the Mortgaged Property is located, in an amount not less than (i) 100% of the replacement cost of all improvements to the Mortgaged Property, (ii) the outstanding principal balance of the Mortgage Loan with respect to each first lien Mortgage Loan, or (iii) the amount necessary to fully compensate for any damage or loss to the improvements that are a part of such property on a replacement cost basis, but in no event greater than the maximum amount permitted by applicable law. All such insurance policies contain a standard mortgagee clause naming FFFC, its successors and assigns as mortgagee and all premiums thereon have been paid. If the Mortgaged Property is in an area identified on a Flood Hazard Map or Flood Insurance Rate Map issued by the Federal Emergency Management Agency as having special flood hazards (and such flood insurance has been made

available) a flood insurance policy meeting the requirements of the current guidelines of the Federal Insurance Administration is in effect which policy conforms to the requirements of prudent mortgage lenders in the secondary mortgage market. The Mortgage obligates the Mortgagor thereunder to maintain all such insurance at the Mortgagor's cost and expense, and on the Mortgagor's failure to do so, authorizes the holder of the Mortgage to maintain such insurance at Mortgagor's cost and expense and to seek reimbursement therefor from the Mortgagor;

(8) Any and all requirements of any applicable federal, state or local law including, without limitation, usury, truth in lending, real estate settlement procedures, predatory and abusive lending, consumer credit protection, equal credit opportunity, fair housing or disclosure laws applicable to the origination and servicing of mortgage loans of a type similar to the Mortgage Loans have been complied with;

(9) The Mortgage has not been satisfied, cancelled, subordinated or rescinded, in whole or in part, and the Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, nor has any instrument been executed that would effect any such satisfaction, cancellation, subordination, rescission or release;

(10) The Mortgage is a valid, existing and enforceable first lien and first priority security interest with respect to each Mortgage Loan which is indicated by FFFC to be a first lien on the Mortgaged Property, including all improvements on the Mortgaged Property subject only to (a) the lien of current real property taxes and assessments not yet due and payable, (b) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording being acceptable to mortgage lending institutions generally and specifically referred to in the lender's title insurance policy delivered to the originator of the Mortgage Loan and which do not adversely affect the Appraised Value of the Mortgaged Property, and (c) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property. Any security agreement, chattel mortgage or equivalent document related to and delivered in connection with the Mortgage Loan establishes and creates a valid, existing and enforceable first lien and first priority security interest on the property described therein and FFFC has full right to sell and assign the same to the Sponsor. The Mortgaged Property was not, as of the date of origination of the Mortgage Loan, subject to a mortgage, deed of trust, deed to secure debt or other security instrument creating a lien subordinate to the lien of the Mortgage;

(11) The Mortgage Note and the related Mortgage are genuine and each is the legal, valid and binding obligation of the maker thereof, enforceable in accordance with its terms;

(12) All parties to the Mortgage Note and the Mortgage had legal capacity to enter into the Mortgage Loan and to execute and deliver the Mortgage Note and the Mortgage, and the Mortgage Note and the Mortgage have been duly and properly executed by such parties. The Mortgagor is a natural person;

(13) The proceeds of the Mortgage Loan have been fully disbursed to or for the account of the Mortgagor and there is no obligation for the Mortgagee to advance additional funds thereunder and any and all requirements as to completion of any on-site or off-site improvement and as to disbursements of any escrow funds therefor have been complied with. All costs, fees and expenses incurred in making or closing the Mortgage Loan and the recording of the Mortgage have been paid, and the Mortgagor is not entitled to any refund of any amounts paid or due to the Mortgagee pursuant to the Mortgage Note or Mortgage;

(14) FFFC is the sole legal, beneficial and equitable owner of the Mortgage Note and the Mortgage and has full right to transfer and sell the Mortgage Loan to the Sponsor free and clear of any encumbrance, equity, lien, pledge, charge, claim or security interest;

(15) FFFC and, to the best of FFFC's knowledge all other parties which have had any interest in the Mortgage Loan, whether as mortgagee, assignee, pledgee or otherwise, are (or, during the period in which they held and disposed of such interest, were) in compliance with any and all applicable "doing business" and licensing requirements of the laws of the state wherein the Mortgaged Property is located;

(16) The Mortgage Loan is covered by an American Land Title Association ("ALTA") lender's title insurance

policy (which, in the case of an Adjustable Rate Mortgage Loan has an adjustable rate mortgage endorsement in the form of ALTA 6.0 or 6.1) acceptable to prudent lenders, issued by a title insurer acceptable to prudent lenders and qualified to do business in the jurisdiction where the Mortgaged Property is located, insuring (subject to the exceptions contained in (10) (a) and (b) above) FFFC, its successors and assigns as to the first priority lien of the Mortgage in the original principal amount of the Mortgage Loan and, with respect to any Adjustable Rate Mortgage Loan, against any loss by reason of the invalidity or unenforceability of the lien resulting from the provisions of the Mortgage providing for adjustment in the Mortgage Interest Rate and Monthly Payment. Additionally, such lender's title insurance policy affirmatively insures ingress and egress to and from the Mortgaged Property, and against encroachments by or upon the Mortgaged Property or any interest therein. FFFC is the sole insured of such lender's title insurance policy, and such lender's title insurance policy is in full force and effect and will be in full force and effect upon the consummation of the transactions contemplated by this Agreement. No claims have been made under such lender's title insurance policy, and no prior holder of the related Mortgage, including FFFC, has done, by act or omission, anything which would impair the coverage of such lender's title insurance policy;

(17) There is no default, breach, violation or event of acceleration existing under the Mortgage or the Mortgage Note and no event has occurred which, with the passage of time or with notice and the expiration of any grace or cure period, would constitute a default, breach, violation or event of acceleration, and FFFC has not waived any default, breach, violation or event of acceleration;

(18) There are no mechanics' or similar liens or claims which have been filed for work, labor or material (and no rights are outstanding that under law could give rise to such lien) affecting the related Mortgaged Property which are or may be liens prior to, or equal or coordinate with, the lien of the related Mortgage;

(19) All improvements which were considered in determining the Appraised Value of the related Mortgaged Property lay wholly within the boundaries and building restriction lines of the Mortgaged Property, and no improvements on adjoining properties encroach upon the Mortgaged Property;

(20) Principal payments on the Mortgage Loan (other than with respect to a Mortgage Loan identified on the related Mortgage Loan Schedule as an interest-only Mortgage Loan) commenced no more than sixty days after the proceeds of the Mortgage Loan were disbursed. The Mortgage Loan bears interest at the Mortgage Interest Rate. The Mortgage Note is payable on the first day of each month in Monthly Payments, which, in the case of a Fixed Rate Mortgage Loans, are sufficient to fully amortize the original principal balance over the original term thereof (other than with respect to a Mortgage Loan identified on the related Mortgage Loan Schedule as an interest-only Mortgage Loan during the interest-only period or as balloon mortgage loans) and to pay interest at the related Mortgage Interest Rate, and, in the case of an Adjustable Rate Mortgage Loan, are changed on each Adjustment Date, and in any case, are sufficient to fully amortize the original principal balance over the original term thereof (other than with respect to a Mortgage Loan identified on the related Mortgage Loan Schedule as an interest-only Mortgage Loan during the interest-only period) and to pay interest at the related Mortgage Interest Rate. With respect to each Mortgage Loan identified on the Mortgage Loan Schedule as an interest-only Mortgage Loan, the interest-only period shall not exceed five (5) years or ten (10) years, as specified on the Mortgage Loan Schedule (or such other period specified on the Mortgage Loan Schedule) and following the expiration of such interest-only period, the remaining Monthly Payments shall be sufficient to fully amortize the original principal balance over the remaining term of the Mortgage Loan, except in the case of any Mortgage Loan identified on the Mortgage Loan Schedule as a balloon mortgage loan. The Index for each Adjustable Rate Mortgage Loan is as defined in the related Confirmation. No Mortgage Loan is a Convertible Mortgage Loan;

(21) The origination, servicing and collection practices used with respect to each Mortgage Note and Mortgage including, without limitation, the establishment, maintenance and servicing of the Escrow Accounts and Escrow Payments, if any, since origination, have been in all respects legal, proper, prudent and customary in the mortgage origination and servicing industry. The Mortgage Loan has been serviced by NCHLS and any predecessor servicer in accordance with the terms of the Mortgage Note. With respect to escrow deposits and Escrow Payments, if any, all such payments are in the possession of, or under the control of, NCHLS and there exist no deficiencies in connection therewith for which customary arrangements for repayment thereof have not been made. No escrow deposits or Escrow Payments or other charges or payments due NCHLS have been capitalized under any Mortgage or the related Mortgage Note and no

such escrow deposits or Escrow Payments are being held by NCHLS for any work on a Mortgaged Property which has not been completed;

(22) As of the origination date of any Mortgage Loan, the related Mortgaged Property is free of damage and waste and there is no proceeding pending for the total or partial condemnation thereof;

(23) The Mortgage and related Mortgage Note contain customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security provided thereby, including, (a) in the case of a Mortgage designated as a deed of trust, by trustee's sale, and (b) otherwise by judicial foreclosure. With respect to each Mortgage Loan Package, unless otherwise provided in the related Confirmation, no Mortgaged Properties were subject to any bankruptcy proceeding or foreclosure proceeding in the 24 month period preceding the origination date of the Mortgage Loans. Unless otherwise provided in the related Confirmation, since the date of origination of the Mortgage Loan, the Mortgaged Property has not been subject to any bankruptcy proceeding or foreclosure proceeding and the Mortgagor has not filed for protection under applicable bankruptcy laws. There is no homestead or other exemption available to the Mortgagor which would interfere with the right to sell the Mortgaged Property at a trustee's sale or the right to foreclose the Mortgage. The Mortgagor has not notified FFFC and FFFC has no knowledge of any relief requested or allowed to the Mortgagor under the Servicemembers Civil Relief Act;

(24) The Mortgage Loan was originated for sale to FFFC by either First Franklin, a division of National City Bank of Indiana, or other qualified correspondents of the National City Bank of Indiana. The Mortgage Loan is in accordance with the underwriting standards for purchase by FFFC in effect at the time the Mortgage Loan was originated. The Mortgage Note and Mortgage (exclusive or any riders or addenda) are on forms acceptable to FNMA and FHLMC;

(25) The Mortgage Note is not and has not been secured by any collateral except the lien of the corresponding Mortgage on the Mortgaged Property and the security interest of any applicable security agreement or chattel mortgage referred to in (x) above;

(26) Either (a) the Mortgage File contains an appraisal of the related Mortgaged Property which satisfied the standards of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, and the rules and regulations thereunder, as amended from time to time, and was made and signed by an appraiser who met the minimum requirements of prudent mortgage lenders in the secondary mortgage market; or (b) the Mortgage Loan complied with FFFC's automated appraisal methodology as set forth in FFFC's underwriting guidelines. If the Mortgage File contains an appraisal, the appraisal was on appraisal form 1004 or form 2055 with an interior inspection and was made and signed, prior to the approval of the Mortgage Loan application, by a qualified appraiser who, to the best of FFFC's knowledge, had no interest, direct or indirect in the Mortgaged Property or in any loan made on the security thereof, whose compensation is not affected by the approval or disapproval of the Mortgage Loan and who met the minimum qualifications of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, and the rules and regulations thereunder;

(27) In the event the Mortgage constitutes a deed of trust, a trustee, duly qualified under applicable law to serve as such, has been properly designated and currently so serves and is named in the Mortgage, and no fees or expenses are or will become payable by the Sponsor to the trustee under the deed of trust, except in connection with a trustee's sale after default by the Mortgagor;

(28) No Mortgage Loan contains provisions pursuant to which Monthly Payments are (a) paid or partially paid with funds deposited in any separate account established by FFFC, the Mortgagor, or anyone on behalf of the Mortgagor, (b) paid by any source other than the Mortgagor or (c) contains any other similar provisions which may constitute a "buydown" provision. The Mortgage Loan is not a graduated payment mortgage loan and the Mortgage Loan does not have a shared appreciation or other contingent interest feature;

(29) If required by applicable law, the Mortgagor has executed a statement to the effect that the Mortgagor has received the disclosure materials required by applicable law with respect to the making of fixed rate mortgage loans, in the case of Fixed Rate Mortgage Loans, and adjustable rate mortgage loans, in the case of Adjustable Rate Mortgage

Loans, and rescission materials with respect to Refinanced Mortgage Loans, and such statement is and will remain in the Mortgage File;

(30) No Mortgage Loan was made in connection with (a) the construction or rehabilitation of a Mortgaged Property or (b) facilitating the trade-in or exchange of a Mortgaged Property;

(31) FFFC has no knowledge of any circumstances or condition with respect to the Mortgage, the Mortgaged Property, the Mortgagor or the Mortgagor's credit standing that can reasonably be expected to cause the Mortgage Loan to be an unacceptable investment, cause the Mortgage Loan to become delinquent, or adversely affect the value of the Mortgage Loan;

(32) No Mortgage Loan had an LTV or CLTV at origination in excess of 100%;

(33) The Mortgaged Property is lawfully occupied under applicable law; all inspections, licenses and certificates required to be made or issued with respect to all occupied portions of the Mortgaged Property and, with respect to the use and occupancy of the same, including but not limited to certificates of occupancy, have been made or obtained from the appropriate authorities;

(34) No error, omission, misrepresentation, negligence, fraud or similar occurrence with respect to a Mortgage Loan has taken place on the part of FFFC, or, to the best of FFFC's knowledge, any other person, including without limitation the Mortgagor, any appraiser, any builder or developer, or any other party involved in the origination of the Mortgage Loan or in the application of any insurance in relation to such Mortgage Loan;

(35) The Assignment of Mortgage is in recordable form, except for the name of the assignee which is blank, and is acceptable for recording under the laws of the jurisdiction in which the Mortgaged Property is located;

(36) Any principal advances made to the Mortgagor prior to the Cut-off Date have been consolidated with the outstanding principal amount secured by the Mortgage, and the secured principal amount, as consolidated, bears a single interest rate and single repayment term. The lien of the Mortgage securing the consolidated principal amount is expressly insured as having first lien priority by a title insurance policy, an endorsement to the policy insuring the mortgagee's consolidated interest or by other title evidence acceptable to prudent mortgage lenders in the secondary mortgage market. The consolidated principal amount does not exceed the original principal amount of the Mortgage Loan;

(37) The source of the down payment with respect to each Mortgage Loan has been fully verified by the Mortgage Loan's originator;

(38) Interest on each Mortgage Loan is calculated on the basis of a 360-day year consisting of twelve 30-day months;

(39) The Mortgaged Property is in material compliance with all applicable environmental laws pertaining to environmental hazards including, without limitation, asbestos, and neither FFFC nor, to FFFC's knowledge, the related Mortgagor, has received any notice of any violation or potential violation of such law;

(40) FFFC shall, at its own expense, cause each Mortgage Loan to be covered by a Tax Service Contract which is assignable to the Sponsor or its designee; provided however , that if FFFC fails to purchase such Tax Service Contract, FFFC shall be required to reimburse the Sponsor for all costs and expenses incurred by the Sponsor in connection with the purchase of any such Tax Service Contract, provided however , that such costs shall not exceed $80 per Mortgage Loan;

(41) Each Mortgage Loan is covered by a Flood Zone Service Contract which is assignable to the Sponsor or its designee or, for each Mortgage Loan not covered by such Flood Zone Service Contract, FFFC agrees to purchase such Flood Zone Service Contract;

(42) No Mortgage Loan is (a) subject to the provisions of the Homeownership and Equity Protection Act of 1994 as amended (" HOEPA "), (b) a "high cost" mortgage loan, "covered" mortgage loan, "high risk home" mortgage loan or "predatory" mortgage loan or any other comparable term, no matter how defined under any applicable federal, state or

local law, (c) subject to any comparable applicable federal, state or local statutes or regulations, or any other applicable statute or regulation providing for heightened regulatory scrutiny, or (d) a High Cost Loan or Covered Loan, as applicable (as such terms are defined in applicable state law and included in the current Standard & Poor's LEVELS® Glossary Revised, Appendix E);

(43) No predatory, abusive, or deceptive lending practices as defined under applicable law, including but not limited to, the extension of credit to a mortgagor without regard for the mortgagor's ability to repay the Mortgage Loan and the extension of credit to a mortgagor which has no apparent benefit to the mortgagor, were employed in connection with the origination of the Mortgage Loan;

(44) The debt-to-income ratio of the related Mortgagor was not greater than 55% at the origination of the related Mortgage Loan;

(45) No Mortgagor was required to purchase any credit insurance product (e.g., life, mortgage, disability, accident, unemployment or health insurance product) or debt cancellation agreement as a condition of obtaining the extension of credit. No Mortgagor obtained a prepaid single premium credit life, mortgage, disability, accident, unemployment or health insurance product in connection with the origination of the Mortgage Loan. No proceeds from any Mortgage Loan were used to purchase single premium credit insurance policies or debt cancellation agreements as part of the origination of, or as a condition to closing, such Mortgage Loan;

(46) The Mortgage Loans were not selected from the outstanding one to four-family mortgage loans in FFFC's portfolio at the Initial Sale Date as to which the representations and warranties set forth in this Agreement could be made in a manner so as to affect adversely the interests of the Sponsor;

(47) The Mortgage contains an enforceable provision for the acceleration of the payment of the unpaid principal balance of the Mortgage Loan in the event that the Mortgaged Property is sold or transferred without the prior written consent of the mortgagee thereunder;

(48) The Mortgage Loan complies with all applicable consumer credit statutes and regulations, including, without limitation, the respective Uniform Consumer Credit Code laws in effect in Colorado, Idaho, Indiana, Iowa, Kansas, Maine, Oklahoma, South Carolina, Utah and Wyoming, to the extent such laws and regulations are not preempted by federal law, has been originated by a national bank or a properly licensed entity, and in all other respects, complies with all of the material requirements of any such applicable laws and non-preempted state laws;

(49) The information set forth in the Prepayment Charge Schedule is complete, true and correct in all material respects and each Prepayment Charge is permissible, enforceable and collectable under applicable federal and state law;

(50) The Mortgage Loan was not prepaid in full prior to the Closing Date and FFFC has not received notification from a Mortgagor that a prepayment in full shall be made after the Closing Date;

(51) No Mortgage Loan is secured by cooperative housing, commercial property or mixed use property;

(52) Each Mortgage Loan is eligible for sale in the secondary market or for inclusion in a Pass-Through Transfer without unreasonable credit enhancement;

(53) Except as set forth on the related Mortgage Loan Schedule, none of the Mortgage Loans are subject to a Prepayment Charge. For any Mortgage Loan, such Prepayment Charge does not extend beyond three years after the date of origination. With respect to any Mortgage Loan that contains a provision permitting imposition of a premium upon a prepayment prior to maturity: (i) prior to the Mortgage Loan's origination, the Mortgage Loan originator's rate sheets provided a means for a Mortgagor to agree to such premium in exchange for a monetary benefit, including but not limited to a rate or fee reduction, (ii) FFFC has no knowledge that, prior to the Mortgage Loan's origination, the Mortgagor was not offered the option of obtaining a Mortgage Loan that did not require payment of such a premium, (iii) the prepayment premium is disclosed to the Mortgagor in the loan documents pursuant to applicable state and federal law, and (iv) notwithstanding any state or federal law to the contrary, FFFC shall not impose such prepayment premium in any instance

when the mortgage debt is accelerated as the result of the Mortgagor's default in making the loan payments;

(54) FFFC is in compliance with all applicable anti-money laundering laws, including the relevant provisions of the Bank Secrecy Act as amended by the USA PATRIOT ACT of 2001 (collectively, the "Patriot Act"); FFFC has established an anti-money laundering compliance program and with respect to the Patriot Act has (i) developed internal policies, procedures and controls reasonably designed to prevent it from being used for money laundering or the financing of terrorist activities; (ii) designated a compliance officer, (iii) implemented an ongoing employee training program, and, (iv) developed an independent audit function to test the compliance program; and the Company is in compliance with the implementing regulations promulgated and administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), and has established an OFAC compliance program As of the closing date of the related Mortgage Loan, no Mortgage Loan is subject to nullification pursuant to Executive Order 13224 (the "Executive Order") or the regulations promulgated by the Office of Foreign Assets Control of the United States Department of the Treasury (the "OFAC Regulations") or in violation of the Executive Order or the OFAC Regulations, and no Mortgagor is subject to the provisions of such Executive Order or the OFAC Regulations nor listed as a "blocked person" for purposes of the OFAC Regulations;

(55) No Mortgagor was encouraged or required to select a Mortgage Loan product offered by the Mortgage Loan's originator which is a higher cost product designed for less creditworthy borrowers, unless at the time of the Mortgage Loan's origination, such Mortgagor did not qualify taking into account credit history and debt to income ratios for a lower cost credit product then offered by the Mortgage Loan's originator or any affiliate of the Mortgage Loan's originator; provided that , for purposes of this subpart, the terms "Mortgage Loan's originator" and "any affiliate of the Mortgage Loan's originator" shall mean, either of and only, the FFFC and NationPoint divisions of National City Bank of Indiana;

(56) The methodology used in underwriting the extension of credit for each Mortgage Loan employs objective mathematical principles which relate the Mortgagor's income, assets and liabilities to the proposed payment and such underwriting methodology does not rely on the extent of the Mortgagor's equity in the collateral as the principal determining factor in approving such credit extension. Such underwriting methodology confirmed that at the time of origination (application/approval) the Mortgagor had a reasonable ability to make timely payments on the Mortgage Loan;

(57) With respect to each Mortgage Loan, NCHLS and any previous servicer has fully and accurately furnished complete information on the related borrower credit files to Equifax, Experian and Trans Union Credit Information Company, in accordance with the Fair Credit Reporting Act and its implementing regulations, on a monthly basis and FFFC for each Loan will furnish, in accordance with the Fair Credit Reporting Act and its implementing regulations, accurate and complete information on its borrower credit files to Equifax, Experian, and Trans Union Credit Information Company, on a monthly basis;

(58) All points and fees related to each Mortgage Loan were disclosed in writing to the related Borrower in accordance with applicable state and federal laws and regulations. All fees and charges (including finance charges) and whether or not financed, assessed, collected or to be collected in connection with the origination of each such Mortgage Loan were disclosed in writing to the related Mortgagor in accordance with applicable state and federal laws and regulations;

(59) FFFC will transmit full-file credit reporting data for each Mortgage Loan for each Mortgage Loan and Servicer agrees it shall report one of the following statuses each month as follows: new origination, current, delinquent (30-, 60-, 90-days, etc.), foreclosed, or charged-off;

(60) No Mortgage Loan is a "manufactured housing loan" or "home improvement home loan" pursuant to the New Jersey Home Ownership Act. No Mortgage Loan is a "High-Cost Home Loan" or a refinanced "Covered Home Loan," in each case, as defined in the New Jersey Home Ownership Act effective November 27, 2003 (N.J.S.A. 46;10B-22 et seq.);

(61) Each Mortgage Loan constitutes a "qualified mortgage" under Section 860G(a)(3)(A) of the Code and Treasury Regulation Section 1.860G-2(a)(1);

(62) No Mortgage Loan is secured by real property or secured by a manufactured home located in the state of Georgia unless (x) such Mortgage Loan was originated prior to October 1, 2002 or after March 6, 2003, or (y) the property securing the Mortgage Loan is not, nor will be, occupied by the Mortgagor as the Mortgagor's principal dwelling. No Mortgage Loan is a "High Cost Home Loan" as defined in the Georgia Fair Lending Act, as amended (the "Georgia Act"). Each Mortgage Loan that is a "Home Loan" under the Georgia Act complies with all applicable provisions of the Georgia Act. No Mortgage Loan secured by owner occupied real property or an owner occupied manufactured home located in the State of Georgia was originated (or modified) on or after October 1, 2002 through and including March 6, 2003;

(63) No Mortgage Loan is a "High-Cost" loan as defined under the New York Banking Law Section 6-1, effective as of April 1, 2003;

(64) No Mortgage Loan (a) is secured by property located in the State of New York; (b) had an unpaid principal balance at origination of $300,000 or less, and (c) has an application date on or after April 1, 2003, the terms of which Mortgage Loan equal or exceed either the APR or the points and fees threshold for "high-cost home loans", as defined in Section 6-1 of the New York State Banking Law;

(65) No Mortgage Loan is a "High Cost Home Loan" as defined in the Arkansas Home Loan Protection Act effective July 16, 2003 (Act 1340 or 2003);

(66) No Mortgage Loan is a "High Cost Home Loan" as defined in the Kentucky high-cost loan statute effective June 24, 2003 (Ky. Rev. Stat. Section 360.100);

(67) No Mortgage Loan secured by property located in the State of Nevada is a "home loan" as defined in the Nevada Assembly Bill No. 284;

(68) No Mortgage Loan is a subsection 10 mortgage under the Oklahoma Home Ownership and Equity protection Act;

(69) No Mortgage Loan is a "High-Cost Home Loan" as defined in the New Mexico Home Loan Protection Act effective January 1, 2004 (N.M. Stat. Ann. §§ 58-21A-1 et seq.);

(70) No Mortgage Loan is a "High-Risk Home Loan" as defined in the Illinois High-Risk Home Loan Act effective January 1, 2004 (815 Ill. Comp. Stat. 137/1 et seq.);

(71) No Mortgage Loan that is secured by property located within the State of Maine meets the definition of a (i) "high-rate, high-fee" mortgage loan under Article VIII, Title 9-A of the Maine Consumer Credit Code or (ii) "High-Cost Home Loan" as defined under the Maine House Bill 383 L.D. 494, effective as of September 13, 2003;

(72) No Mortgage Loan secured by a Mortgaged Property located in the Commonwealth of Massachusetts was made to pay off or refinance an existing loan or other debt of the related borrower (as the term "borrower" is defined in the regulations promulgated by the Massachusetts Secretary of State in connection with Massachusetts House Bill 4880 (2004)) unless either (1) (a) the related Mortgage Interest Rate (that would be effective once the introductory rate expires, with respect to Adjustable Rate Mortgage Loans) did or would not exceed by more than 2.25% the yield on United States Treasury securities having comparable periods of maturity to the maturity of the related Mortgage Loan as of the fifteenth day of the month immediately preceding the month in which the application for the extension of credit was received by the related lender or (b) the Mortgage Loan is an "open-end home loan" (as such term is used in the Massachusetts House Bill 4880 (2004)) and the related Mortgage Note provides that the related Mortgage Interest Rate may not exceed at any time the Prime rate index as published in The Wall Street Journal plus a margin of one percent, or (2) such Mortgage Loan is in the "borrower's interest," as documented by a "borrower's interest worksheet" for the particular Mortgage Loan, which worksheet incorporates the factors set forth in Massachusetts House Bill 4880 (2004) and the regulations promulgated thereunder for determining "borrower's interest," and otherwise complies in all material respects with the laws of the Commonwealth of Massachusetts;

(73) Any payment in the nature of an "average" or "yield spread premium" to a mortgage broker or a like Person has been fully disclosed to the Mortgagor on the settlement statement prepared under the Real Estate Settlement Procedures Act;

(74) The sale or transfer of the Mortgage Loan by FFFC complies with all applicable federal, state, and local laws, rules, and regulations governing such sale or transfer, including, without limitation, the provisions related to transfer of loans under the Fair and Accurate Credit Transactions Act ("FACT Act") which amended the Fair Credit Reporting Act, each as may be amended from time to time, and FFFC has not received any actual notice of any identity theft, fraud, or other misrepresentation in connection with such Mortgage Loan or any party thereto;

(75) With respect to each MOM Loan, a MIN has been assigned by MERS and such MIN is accurately provided on the Mortgage Loan Schedule. The related Assignment of Mortgage to MERS has been duly and properly recorded, or has been delivered for recording to the applicable recording office;

(76) With respect to each MOM Loan, FFFC has not received any notice of liens or legal actions with respect to such Mortgage Loan and no such notices have been electronically posted by MERS;

(77) No Mortgagor agreed to submit to arbitration to resolve any dispute arising out of or relating in any way to the Mortgage Loan transaction.

(78) Immediately prior to the payment of the purchase price for each Mortgage Loan by the Sponsor, FFFC was the owner of record of the related Mortgage and the indebtedness evidenced by the related Mortgage Note and upon the payment of the Purchase Price by the Sponsor;

(79) The transfer, assignment and conveyance of the Mortgage Notes and the Mortgages by the FFFC pursuant to the Master MLPSA were not subject to the bulk transfer or any similar statutory provisions;

(80) The transfer of the Mortgage Loans was treated as a sale on the books and records of the FFFC, and FFFC has determined that, and has treated, the disposition of the Mortgage Loans pursuant to the Master MLPSA for tax and accounting purposes as a sale. FFFC shall maintain a complete set of books and records for each Mortgage Loan which shall be clearly marked to reflect the ownership of each Mortgage Loan by the Sponsor;

(81) The consideration received by the FFFC upon the sale of the Mortgage Loans to the Sponsor constitutes fair consideration and reasonably equivalent value for such Mortgage Loans;

(82) FFFC is solvent and will not be rendered insolvent by the consummation of the transactions contemplated hereby. FFFC did not transfer any Mortgage Loan with any intent to hinder, delay or defraud any of its creditors.

EXHIBIT A

[IF THIS CERTIFICATE IS A PHYSICAL CERTIFICATE, NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE PROPOSED TRANSFEROR DELIVERS TO THE SECURITIES ADMINISTRATOR A TRANSFEROR LETTER (THE " TRANSFEROR LETTER ") IN THE FORM OF EXHIBIT H TO THE AGREEMENT REFERRED TO HEREIN AND EITHER (I) THE SECURITIES ADMINISTRATOR RECEIVES A RULE 144A INVESTMENT LETTER (THE " 144A INVESTMENT LETTER ") OR A REGULATION S INVESTMENT LETTER (THE "REGULATION S INVESTMENT LETTER") IN THE FORM OF EXHIBIT I-A AND EXHIBIT I-B, RESPECTIVELY, TO THE AGREEMENT REFERRED TO HEREIN OR (II) THE SECURITIES ADMINISTRATOR RECEIVES AN OPINION OF COUNSEL, DELIVERED AT THE EXPENSE OF THE TRANSFEROR, THAT SUCH TRANSFER MAY BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED.] [To be added to the Class M-10 Certificates while such Certificates remain Private Certificates.]

[IF THIS CERTIFICATE IS A BOOK-ENTRY CERTIFICATE, THE PROPOSED TRANSFEROR WILL BE DEEMED TO HAVE MADE EACH OF THE CERTIFICATIONS SET FORTH IN THE TRANSFEROR LETTER AND THE PROPOSED TRANSFEREE WILL BE DEEMED TO HAVE MADE EACH OF THE CERTIFICATIONS SET FORTH IN THE RULE 144A INVESTMENT LETTER OR REGULATION S INVESTMENT LETTER, AS APPLICABLE, IN EACH CASE AS IF SUCH CERTIFICATE WERE EVIDENCED BY A PHYSICAL CERTIFICATE.] [To be added to the Class M-10 Certificates while such Certificates remain Private Certificates.]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (" DTC "), TO ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE REPRESENTS AN INTEREST IN A "REGULAR INTEREST" IN A "REAL ESTATE MORTGAGE INVESTMENT CONDUIT," AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE " CODE "), AND CERTAIN OTHER ASSETS.

[PRINCIPAL WILL NOT BE DISTRIBUTABLE IN RESPECT OF THIS CERTIFICATE. INTEREST IS CALCULATED ON THE CERTIFICATES OF THIS CLASS BASED ON A SCHEDULED CLASS NOTIONAL BALANCE WHICH ADJUSTS AS PROVIDED IN THE POOLING AND SERVICING AGREEMENT.] [To be added to Class A-IO Certificates only.]

[IF THIS CERTIFICATE IS RATED "AA-" OR ITS EQUIVALENT OR HIGHER, PRIOR TO THE TERMINATION OF THE SWAP AGREEMENT AND THE CAP AGREEMENT, NO TRANSFER OF THIS CERTIFICATE SHALL BE MADE UNLESS THE TRUSTEE SHALL HAVE RECEIVED A REPRESENTATION LETTER FROM THE TRANSFEREE OF THIS CERTIFICATE TO THE EFFECT THAT EITHER (I) SUCH TRANSFEREE IS NEITHER AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT WHICH IS SUBJECT TO SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE SUCH PLAN'S OR ARRANGEMENT'S ASSETS BY REASON OF THEIR INVESTMENT IN THE ENTITY (A "PLAN") NOR A PERSON ACTING ON BEHALF OF ANY SUCH PLAN OR USING THE ASSETS OF ANY SUCH PLAN TO EFFECT SUCH TRANSFER OR (II) THE ACQUISITION AND HOLDING OF THIS CERTIFICATE ARE ELIGIBLE FOR EXEMPTIVE RELIEF UNDER PROHIBITED TRANSACTION CLASS EXEMPTION ("PTCE") 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60 OR PTCE 96-23. ANY PURPORTED TRANSFER OF THIS CERTIFICATE PRIOR TO THE TERMINATION OF THE SWAP AGREEMENT AND THE CAP AGREEMENT TO OR ON BEHALF OF A PLAN WITHOUT THE

DELIVERY TO THE TRUSTEE OF A REPRESENTATION LETTER AS DESCRIBED ABOVE SHALL BE VOID AND OF NO EFFECT. IF THIS CERTIFICATE IS A BOOK-ENTRY CERTIFICATE, THE TRANSFEREE WILL BE DEEMED TO HAVE MADE A REPRESENTATION AS PROVIDED IN CLAUSE (I) OR (II) OF THIS PARAGRAPH, AS APPLICABLE.

IF THIS CERTIFICATE IS RATED BELOW "AA-" OR ITS EQUIVALENT, NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE TRANSFERREE DELIVERS TO THE SECURITIES ADMINISTRATOR EITHER A REPRESENTATION LETTER TO THE EFFECT THAT SUCH TRANSFEREE IS NOT AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (" ERISA"), OR A PLAN SUBJECT TO SECTION 4975 OF THE CODE, OR A PLAN SUBJECT TO APPLICABLE FEDERAL, STATE OR LOCAL LAW (" SIMILAR LAW") MATERIALLY SIMILAR TO THE FOREGOING PROVISIONS OF ERISA OR THE CODE OR A PERSON INVESTING ON BEHALF OF OR WITH PLAN ASSETS OF SUCH A PLAN, OR, IF THE TRANSFEREE IS AN INSURANCE COMPANY, A REPRESENTATION LETTER THAT IT IS USING THE ASSETS OF ITS GENERAL ACCOUNT AND THAT THE PURCHASE AND HOLDING OF THIS CERTIFICATE ARE COVERED UNDER SECTIONS I AND III OF PROHIBITED TRANSACTION CLASS EXEMPTION 95-60 OR AN OPINION OF COUNSEL SATISFACTORY TO THE SECURITIES ADMINISTRATOR, TO THE EFFECT THAT THE PURCHASE OR HOLDING OF THIS CERTIFICATE WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION WITHIN THE MEANING OF ERISA, SECTION 4975 OF THE CODE OR ANY SIMILAR LAW AND WILL NOT SUBJECT THE TRUSTEE, THE DEPOSITOR, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER OR THE SERVICER TO ANY OBLIGATION IN ADDITION TO THOSE EXPRESSLY UNDERTAKEN IN THE AGREEMENT OR TO ANY LIABILITY. NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY HEREIN, ANY PURPORTED TRANSFER OF THIS CERTIFICATE TO OR ON BEHALF OF AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF ERISA, SECTION 4975 OF THE CODE OR SIMILAR LAW WITHOUT THE REPRESENTATION LETTER OR OPINION OF COUNSEL SATISFACTORY TO THE SECURITIES ADMINISTRATOR AS DESCRIBED ABOVE SHALL BE VOID AND OF NO EFFECT.] [To be added to all Class A Certificates.]

[NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE TRANSFEREE DELIVERS TO THE SECURITIES ADMINISTRATOR EITHER A REPRESENTATION LETTER TO THE EFFECT THAT SUCH TRANSFEREE IS NOT AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (" ERISA "), OR A PLAN SUBJECT TO SECTION 4975 OF THE CODE, OR A PLAN SUBJECT TO APPLICABLE FEDERAL, STATE OR LOCAL LAW (" SIMILAR LAW ") MATERIALLY SIMILAR TO THE FOREGOING PROVISIONS OF ERISA OR THE CODE OR A PERSON INVESTING ON BEHALF OF OR WITH PLAN ASSETS OF SUCH A PLAN, OR, IF THE TRANSFEREE IS AN INSURANCE COMPANY, A REPRESENTATION LETTER THAT IT IS USING THE ASSETS OF ITS GENERAL ACCOUNT AND THAT THE PURCHASE AND HOLDING OF THIS CERTIFICATE ARE COVERED UNDER SECTIONS I AND III OF PROHIBITED TRANSACTION CLASS EXEMPTION 95-60 OR AN OPINION OF COUNSEL SATISFACTORY TO THE SECURITIES ADMINISTRATOR, TO THE EFFECT THAT THE PURCHASE OR HOLDING OF THIS CERTIFICATE WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION WITHIN THE MEANING OF ERISA, SECTION 4975 OF THE CODE OR ANY SIMILAR LAW AND WILL NOT SUBJECT THE TRUSTEE, THE DEPOSITOR, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER OR THE SERVICER TO ANY OBLIGATION IN ADDITION TO THOSE EXPRESSLY UNDERTAKEN IN THE AGREEMENT OR TO ANY LIABILITY. NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY HEREIN, ANY PURPORTED TRANSFER OF THIS CERTIFICATE TO OR ON BEHALF OF AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF ERISA, SECTION 4975 OF THE CODE OR SIMILAR LAW WITHOUT THE REPRESENTATION LETTER OR OPINION OF COUNSEL SATISFACTORY TO THE SECURITIES ADMINISTRATOR AS DESCRIBED ABOVE SHALL BE VOID AND OF NO EFFECT.] [To be added to all Class M Certificates.]

[THE HOLDER OF THIS CERTIFICATE BY ITS ACCEPTANCE HEREOF REPRESENTS AND WARRANTS THAT (A) UNTIL THE EXPIRATION OF THE APPLICABLE "DISTRIBUTION COMPLIANCE PERIOD" WITHIN THE MEANING OF REGULATION S, ANY OFFER, SALE, PLEDGE OR OTHER TRANSFER OF THIS

CERTIFICATE SHALL NOT BE MADE IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (EACH AS DEFINED IN REGULATION S) AND (B) IF THIS CERTIFICATE IS HELD WITHIN THE UNITED STATES OR SUCH HOLDER IS A U.S. PERSON OR THIS CERTIFICATE IS HELD FOR THE ACCOUNT OR SUCH BENEFIT OF, A U.S. PERSON (EACH AS DEFINED IN REGULATION S) SUCH CERTIFICATE WAS ACQUIRED ONLY (1) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE 1933 ACT OR (2) BY SUCH HOLDER AS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE 1933 ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A.][For any Private Certificate to be acquired or transferred pursuant to Regulation S.]

Certificate No:		1
Cut-off Date:		June 1, 2006
First Distribution Date:		July 25, 2006
Initial Certificate Balance of this Certificate (" Denomination "):		$[ ]
Initial Certificate Balances of all Certificates of this Class:	A-IO	$421,179,000*
	I-A	$712,134,000
	II-A-1	$340,074,000
	II-A-2	$111,225,000
	II-A-3	$176,946,000
	II-A-4	$ 50,353,000
	M-1	$ 55,595,000
	M-2	$ 51,383,000
	M-3	$ 30,326,000
	M-4	$ 26,113,000
	M-5	$ 25,271,000
	M-6	$ 23,586,000
	M-7	$ 21,901,000
	M-8	$ 13,478,000
	M-9	$ 11,793,000
	M-10	$ 16,005,000

* Notional Amount

Interest Rate:	A-IO	1.50% per annum (subject to Class A-IO Available Funds Cap)
	I-A	Variable
	II-A-1	Variable
	II-A-2	Variable
	II-A-3	Variable
	II-A-4	Variable
	M-1	Variable
	M-2	Variable
	M-3	Variable
	M-4	Variable
	M-5	Variable
	M-6	Variable
	M-7	Variable
	M-8	Variable
	M-9	Variable
	M-10	Variable

CUSIP:	A-IO	320276 AA 6
	I-A	320276 AB 4
	II-A-1	320276 AC 2
	II-A-2	320276 AD 0
	II-A-3	320276 AE 8
	II-A-4	320276 AF 5
	M-1	320276 AG 3
	M-2	320276 AH 1
	M-3	320276 AJ 7
	M-4	320276 AK 4
	M-5	320276 AL 2
	M-6	320276 AM 0
	M-7	320276 AN 8
	M-8	320276 AP 3
	M-9	320276 AQ 1
	M-10	320276 AR 9

ISIN:	A-IO	US320276AA64
	I-A	US320276AB48
	II-A-1	US320276AC21
	II-A-2	US320276AD04
	II-A-3	US320276AE86
	II-A-4	US320276AF51
	M-1	US320276AG35
	M-2	US320276AH18
	M-3	US320276AJ73
	M-4	US320276AK47
	M-5	US320276AL20
	M-6	US320276AM03
	M-7	US320276AN85
	M-8	US320276AP34
	M-9	US320276AQ17
	M-10	US320276AR99

HSI ASSET SECURITIZATION CORPORATION

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9
[Class [A-IO][I-][II-][A[-__][Class M-__]

evidencing a percentage interest in the distributions allocable to the Certificates of the above-referenced Class.

[Principal in respect of this Certificate is distributable monthly as set forth herein.][*Insert for every Class A Certificate except for Class A-IO Certificate.*] [Accordingly, the Certificate Balance at any time may be less than the Certificate Balance as set forth herein.] [*Insert for every Class A Certificate except for Class A-IO Certificate.*] Interest in respect of this Certificate is distributable monthly as set forth herein based on the notional balance of this certificate up to and including the Distribution Date in September 2007; thereafter, no distributions will be made with respect to this Certificate. [*Insert for Class A-IO Certificate only*] This Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Trustee or any other party to the Agreement referred to below or any of their respective affiliates. Neither this Certificate nor the Mortgage Loans are guaranteed or insured by any governmental agency or instrumentality.

This certifies that [_____]is the registered owner of the Percentage Interest evidenced by this Certificate (obtained by dividing the [denomination of this Certificate] [*Insert for every Class A Certificate except for Class A-IO Certificate.*] [notional balance of this Certificate][*Insert for Class A-IO Certificate only*] by the [aggregate of the denominations of all Certificates] [*Insert for every Class A Certificate except for Class A-IO Certificate.*] [Class Notional Balance][*Insert for Class A-IO Certificate.*] of the Class to which this Certificate belongs) in certain monthly distributions [of principal and interest][*Insert for every Class A Certificate except for the* ***Class AI-O Certificate*** .] [of interest][*Insert for Class A-IO Certificate only (* pursuant to a Pooling and Servicing Agreement dated as of the Cut-off Date specified above (the " Agreement ") among HSI Asset Securitization Corporation, as depositor (the " Depositor "), National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller, Wells Fargo Bank, N.A., as master servicer, (in such capacity, the " Master Servicer ") securities administrator (in such capacity, the " Securities Administrator ") and custodian and Deutsche Bank National Trust Company, as trustee (the " Trustee "). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually authenticated by an authorized signatory of the Securities Administrator.

* * *

IN WITNESS WHEREOF, the Securities Administrator has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.,
not in its individual capacity, but solely as
Securities Administrator

By: _____

Authenticated:

By: _____
Authorized Signatory of
WELLS FARGO BANK, N.A.,
not in its individual capacity,
but solely as Securities Administrator

HSI ASSET SECURITIZATION CORPORATION

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates

This Certificate is one of a duly authorized issue of Certificates designated as First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, of the Series specified on the face hereof (herein collectively called the " Certificates "), and representing a beneficial ownership interest in the Trust Fund created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account or Supplemental Interest Trust Account for payment hereunder and that neither the Trustee nor the Securities Administrator is liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such day is not a Business Day, the Business Day immediately following (the " Distribution Date "), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement. [The Record Date applicable to each Distribtution Date is the Business Day immediately preceding such Distribution Date.][*Insert for every Class A Certificate except for Class A-IO Certificate and every Class M Certificate.*] [The Record Date applicable to each Distribution Date is the last Business Day of the calendar month next preceding the month of such Distribution Date.] [*Insert for Class A-IO Certificate only.*]

Distributions on this Certificate shall be made by wire transfer of immediately available funds to the account of the Holder hereof at a bank or other entity having appropriate facilities therefor, if such Certificateholder shall have so notified the Securities Administrator in writing at least five Business Days prior to the related Record Date and such Certificateholder shall satisfy the conditions to receive such form of payment set forth in the Agreement, or, if not, by check mailed by first class mail to the address of such Certificateholder appearing in the Certificate Register. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the offices designated by the Securities Administrator for such purposes or such other location specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the parties to the Agreement with the consent of the Holders of Certificates affected by such amendment evidencing the requisite Percentage Interest, as provided in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Securities Administrator upon surrender of this Certificate for registration of transfer at the offices designated by the Securities Administrator for such purposes, accompanied by a written instrument of transfer in form satisfactory to the Securities Administrator duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in

authorized denominations and evidencing the same aggregate Percentage Interest in the Trust Fund will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Trustee, the Depositor and the Securities Administrator and any agent of the Trustee, the Depositor or the Securities Administrator may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Trustee, the Depositor, the Securities Administrator nor any such agent shall be affected by any notice to the contrary.

The Master Servicer, upon the instruction of the Depositor, shall purchase the Mortgage Loans and therefore cause the termination of the Trust on any Optional Termination, which is any Distribution Date in which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or equal to 10% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date; provided, however , the Master Servicer in its own right may exercise the option to purchase the Mortgage Loans and thereby cause the termination of the Trust on any Distribution Date in which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or equal to 5% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, if the Depositor has not previously provided instructions to the Master Servicer to exercise such option on the Depositor's behalf on such Distribution Date.

The obligations and responsibilities created by the Agreement will terminate as provided in Section 11.01 of the Agreement.

Any term used herein that is defined in the Agreement shall have the meaning assigned in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

_____

_____

_____

_____

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust Fund.

I (We) further direct the Securities Administrator to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

_____

Dated:

_____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____,

_____,
for the account of _____,
account number _____, or, if mailed by check, to _____.
Applicable statements should be mailed to _____,
_____

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT B

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE PROPOSED TRANSFEROR DELIVERS TO THE SECURITIES ADMINISTRATOR A TRANSFEROR LETTER IN THE FORM OF EXHIBIT H TO THE AGREEMENT REFERRED TO HEREIN AND EITHER (I) THE SECURITIES ADMINISTRATOR RECEIVES EITHER A RULE 144A INVESTMENT LETTER OR REGULATION S INVESTMENT LETTER IN THE FORM OF EXHIBIT I-A AND EXHIBIT I-B, RESPECTIVELY, TO THE AGREEMENT REFERRED TO HEREIN OR (II) THE SECURITIES ADMINISTRATOR RECEIVES AN OPINION OF COUNSEL, DELIVERED AT THE EXPENSE OF THE TRANSFEROR, STATING THAT SUCH TRANSFER MAY BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE TRANSFEREE DELIVERS TO THE SECURITIES ADMINISTRATOR A REPRESENTATION LETTER TO THE EFFECT THAT SUCH TRANSFEREE IS NOT AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (" ERISA "), OR A PLAN SUBJECT TO SECTION 4975 OF THE CODE OR A PLAN SUBJECT TO MATERIALLY SIMILAR PROVISIONS OF APPLICABLE FEDERAL, STATE OR LOCAL LAW (" SIMILAR LAW ") OR A PERSON INVESTING ON BEHALF OF OR WITH PLAN ASSETS OF SUCH A PLAN. IN THE EVENT THAT SUCH REPRESENTATION IS VIOLATED, OR ANY ATTEMPT IS MADE TO TRANSFER TO A PLAN OR ARRANGEMENT SUBJECT TO SECTION 406 OF ERISA, A PLAN SUBJECT TO SECTION 4975 OF THE CODE OR A PLAN SUBJECT TO SIMILAR LAW, OR A PERSON ACTING ON BEHALF OF ANY SUCH PLAN OR ARRANGEMENT OR USING THE ASSETS OF ANY SUCH PLAN OR ARRANGEMENT, SUCH ATTEMPTED TRANSFER OR ACQUISITION SHALL BE VOID AND OF NO EFFECT.

Certificate No.	:	P-1
Cut-off Date	:	June 1, 2006
First Distribution Date	:	July 25, 2006
Percentage Interest of this Certificate	:	100%
Interest	:	None
CUSIP	:	320276 AS 7
ISIN	:	US320276AS72

HSI ASSET SECURITIZATION CORPORATION

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9

Class P

evidencing a percentage interest in the distribution of Prepayment Charges allocable to the Certificates of the above-referenced Class.

Distributions in respect of this Certificate are distributable monthly as set forth herein. This Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Trustee or any other party to the Agreement referred to below or any of their respective affiliates. Neither this Certificate nor the Mortgage Loans are guaranteed or insured by any governmental agency or instrumentality.

This certifies that HSBC SECURITIES (USA) INC. is the registered owner of the Percentage Interest evidenced by this Certificate in certain monthly distributions of Prepayment Charges pursuant to a Pooling and Servicing Agreement dated as of the Cut-off Date specified above (the " Agreement ") among HSI Asset Securitization Corporation, as depositor (the " Depositor "), National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller, Wells Fargo Bank, N.A., as master servicer, (in such capacity, the " Master Servicer ") securities administrator (in such capacity, the " Securities Administrator ") and custodian and Deutsche Bank National Trust Company, as trustee (the " Trustee "). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

This Certificate does not have an Interest Rate and will solely be entitled to receive distributions of Prepayment Charges to the extent set forth in the Agreement. In addition, any distribution of the proceeds of any remaining assets of the Trust will be made only upon presentment and surrender of this Certificate at the offices designated by the Securities Administrator for such purpose, or such other location specified in the notice to Certificateholders.

No transfer of a Certificate of this Class shall be made unless such disposition is exempt from the registration requirements of the Securities Act of 1933, as amended (the " 1933 Act "), and any applicable state securities laws or is made in accordance with the 1933 Act and such laws. In the event of any such transfer, the Securities Administrator shall require the transferor to execute a transferor certificate (in substantially the form attached to the Agreement) and deliver either (i) a Rule 144A Investment Letter or a Regulation S Investment Letter, as applicable, in either case substantially in the form attached as Exhibit I-A and Exhibi I-B, respectively, to the Agreement, or (ii) a written Opinion of Counsel to the Securities Administrator that such transfer may be made pursuant to an exemption, describing the applicable exemption and the basis therefor, from the 1933 Act or is being made pursuant to the 1933 Act, which Opinion of Counsel shall be an expense of the transferor.

No transfer of a Certificate of this Class shall be made unless the Securities Administrator shall have received a representation letter from the transferee of such Certificate, acceptable to and in form and substance satisfactory to the Securities Administrator, to the effect that such transferee is not an employee benefit plan subject to Section 406 of ERISA, Section 4975 of the Code or any materially similar provisions of applicable federal, state or local law (" Similar Law "), or a person acting on behalf of or investing plan assets of any such plan, which representation letter shall not be an expense of the Securities Administrator.

Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually authenticated by an authorized signatory of the Securities Administrator.

* * *

IN WITNESS WHEREOF, the Securities Administrator has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.,
not in its individual capacity, but solely as
Securities Administrator

By: _____

Authenticated:

By: _____
Authorized Signatory of
WELLS FARGO BANK, N.A.,
not in its individual capacity,
but solely as Securities Administrator

HSI ASSET SECURITIZATION CORPORATION

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates

This Certificate is one of a duly authorized issue of Certificates designated as First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, of the Series specified on the face hereof (herein collectively called the " Certificates "), and representing a beneficial ownership interest in the Trust Fund created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account or constituting Prepayment Charges for payment hereunder and that neither the Trustee nor the Securities Administrator is liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such day is not a Business Day, the Business Day immediately following (the " Distribution Date "), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement. The Record Date applicable to each Distribution Date is the last Business Day of the month next preceding the month of such Distribution Date.

Distributions on this Certificate shall be made by wire transfer of immediately available funds to the account of the Holder hereof at a bank or other entity having appropriate facilities therefor, if such Certificateholder shall have so notified the Securities Administrator in writing at least five Business Days prior to the related Record Date and such Certificateholder shall satisfy the conditions to receive such form of payment set forth in the Agreement, or, if not, by check mailed by first class mail to the address of such Certificateholder appearing in the Certificate Register. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the offices designated by the Securities Administrator for such purposes or such other location specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the parties to the Agreement with the consent of the Holders of Certificates affected by such amendment evidencing the requisite Percentage Interest, as provided in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Securities Administrator upon surrender of this Certificate for registration of transfer at the offices designated by the Securities Administrator for such purposes, accompanied by a written instrument of transfer in form satisfactory to the Securities Administrator duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust Fund will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Trustee, the Depositor and the Securities Administrator and any agent of the Trustee, the Depositor or the Securities Administrator may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Trustee, the Depositor, the Securities Administrator nor any such agent shall be affected by any notice to the contrary.

The Master Servicer, upon the instruction of the Depositor, shall purchase the Mortgage Loans and therefore cause the termination of the Trust on any Optional Termination, which is any Distribution Date in which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or equal to 10% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date; provided, however , the Master Servicer in its own right may exercise the option to purchase the Mortgage Loans and thereby cause the termination of the Trust on any Distribution Date in which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or equal to 5% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, if the Depositor has not previously provided instructions to the Master Servicer to exercise such option on the Depositor's behalf on such Distribution Date.

The obligations and responsibilities created by the Agreement will terminate as provided in Section 11.01 of the Agreement.

Any term used herein that is defined in the Agreement shall have the meaning assigned in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

_____

_____

_____

_____

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust Fund.

I (We) further direct the Securities Administrator to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

_____

Dated:

_____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____,

_____,

for the account of _____,

account number _____, or, if mailed by check, to _____.

Applicable statements should be mailed to _____,

_____

This information is provided by _____,

the assignee named above, or _____,

as its agent.

EXHIBIT C

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A "RESIDUAL INTEREST" IN TWO "REAL ESTATE MORTGAGE INVESTMENT CONDUITS," AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE " CODE ").

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE PROPOSED TRANSFEREE DELIVERS TO THE SECURITIES ADMINISTRATOR A TRANSFER AFFIDAVIT IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED (I) TO A PERSON OTHER THAN A PERMITTED TRANSFEREE IN COMPLIANCE WITH SECTION 5.02I OF THE AGREEMENT OR (II) UNLESS THE TRANSFEREE DELIVERS TO THE SECURITIES ADMINISTRATOR A REPRESENTATION LETTER TO THE EFFECT THAT SUCH TRANSFEREE IS NOT AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (" ERISA "), OR A PLAN SUBJECT TO SECTION 4975 OF THE CODE OR A PLAN SUBJECT TO MATERIALLY SIMILAR PROVISIONS OF APPLICABLE FEDERAL, STATE OR LOCAL LAW (" SIMILAR LAW ") OR A PERSON INVESTING ON BEHALF OF OR WITH PLAN ASSETS OF SUCH A PLAN. IN THE EVENT THAT SUCH REPRESENTATION IS VIOLATED, OR ANY ATTEMPT IS MADE TO TRANSFER TO A PLAN OR ARRANGEMENT SUBJECT TO SECTION 406 OF ERISA, A PLAN SUBJECT TO SECTION 4975 OF THE CODE OR A PLAN SUBJECT TO SIMILAR LAW, OR A PERSON ACTING ON BEHALF OF ANY SUCH PLAN OR ARRANGEMENT OR USING THE ASSETS OF ANY SUCH PLAN OR ARRANGEMENT, SUCH ATTEMPTED TRANSFER OR ACQUISITION SHALL BE VOID AND OF NO EFFECT.

Certificate No.	:	R-1
Cut-off Date	:	June 1, 2006
First Distribution Date	:	July 25, 2006
Percentage Interest of this Certificate	:	100.00%
Interest Rate	:	None
CUSIP	:	320276 AU 2
ISN	:	US320276AU29

HSI ASSET SECURITIZATION CORPORATION

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9

Class R

evidencing a percentage interest in the distributions allocable to the Certificates of the above-referenced Class.

Distributions in respect of this Certificate are distributable monthly as set forth herein. This Class R Certificate has no Certificate Balance and is not entitled to distributions in respect of principal or interest. This

Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Trustee or any other party to the Agreement referred to below or any of their respective affiliates. Neither this Certificate nor the Mortgage Loans are guaranteed or insured by any governmental agency or instrumentality.

This certifies that [HSBC SECURITIES (USA) INC.] is the registered owner of the Percentage Interest specified above of any monthly distributions due to the Class R Certificates pursuant to a Pooling and Servicing Agreement dated as of the Cut-off Date specified above (the " Agreement ") among HSI Asset Securitization Corporation, as depositor (the " Depositor "), National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller, Wells Fargo Bank, N.A., as master servicer, (in such capacity, the " Master Servicer ") securities administrator (in such capacity, the " Securities Administrator ") and custodian and Deutsche Bank National Trust Company, as trustee (the " Trustee "). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

Any distribution of the proceeds of any remaining assets of the Trust will be made only upon presentment and surrender of this Class R Certificate at the offices designated by the Securities Administrator for such purpose, or such other location specified in the notice to Certificateholders.

No transfer of a Class R Certificate shall be made unless the Securities Administrator shall have received a representation letter from the transferee of such Certificate, acceptable to and in form and substance satisfactory to the Securities Administrator, to the effect that such transferee is not an employee benefit plan or arrangement subject to Section 406 of ERISA, a plan or arrangement subject to Section 4975 of the Code or a plan subject to Similar Law, or a person acting on behalf of any such plan or arrangement nor using the assets of any such plan or arrangement to effect such transfer, which representation letter shall not be an expense of the Trustee, the Securities Administrator, the Depositor, the Master Servicer or the Trust Fund. In the event that such representation is violated, or any attempt is made to transfer to a plan or arrangement subject to Section 406 of ERISA or a plan subject to Section 4975 of the Code or a plan subject to Similar Law, or a person acting on behalf of any such plan or arrangement or using the assets of any such plan or arrangement, such attempted transfer or acquisition shall be void and of no effect.

Each Holder of this Class R Certificate shall be deemed by the acceptance or acquisition an Ownership Interest in this Class R Certificate to have agreed to be bound by the following provisions, and the rights of each Person acquiring any Ownership Interest in this Class R Certificate are expressly subject to the following provisions: (i) each Person holding or acquiring any Ownership Interest in this Class R Certificate shall be a Permitted Transferee and shall promptly notify the Securities Administrator of any change or impending change in its status as a Permitted Transferee, (ii) no Ownership Interest in this Class R Certificate may be registered on the Closing Date or thereafter transferred, and the Securities Administrator shall not register the Transfer of this Certificate unless, in addition to the certificates required to be delivered to the Securities Administrator under Section 5.02(b) of the Agreement, the Securities Administrator shall have been furnished with a Transfer Affidavit of the initial owner or the proposed transferee in the form attached as Exhibit G to the Agreement, (iii) each Person holding or acquiring any Ownership Interest in this Class R Certificate shall agree (A) to obtain a Transfer Affidavit from any other Person to whom such Person attempts to Transfer its Ownership Interest this Class R Certificate, (B) to obtain a Transfer Affidavit from any Person for whom such Person is acting as nominee, trustee or agent in connection with any Transfer of this Class R Certificate, (C) not to cause income with respect to the Class R Certificate to be attributable to a foreign permanent establishment or fixed base, within the meaning of an applicable income tax treaty, of such Person or any other U.S. Person and (D) not to Transfer the Ownership Interest in this Class R Certificate or to cause the Transfer of the Ownership Interest in this Class R Certificate to any other Person if it has actual knowledge that such Person is a Non-Permitted Transferee and (iv) any attempted or purported Transfer of the Ownership Interest in this Class R Certificate in violation of the provisions herein shall be absolutely null and void and shall vest no rights in the purported Transferee.

Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually authenticated by an authorized signatory of the Securities Administrator.

* * *

IN WITNESS WHEREOF, the Securities Administrator has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.,
not in its individual capacity, but solely as
Securities Administrator

By: _____

Authenticated:

By: _____
Authorized Signatory of
WELLS FARGO BANK, N.A.,
not in its individual capacity,
but solely as Securities Administrator

HSI ASSET SECURITIZATION CORPORATION

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates

This Certificate is one of a duly authorized issue of Certificates designated as First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, of the Series specified on the face hereof (herein collectively called the " Certificates "), and representing a beneficial ownership interest in the Trust Fund created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account or Supplemental Interest Trust Account for payment hereunder and that neither the Trustee nor the Securities Administrator is liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such day is not a Business Day, the Business Day immediately following (the " Distribution Date "), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement. The Record Date applicable to each Distribution Date is the last Business Day of the month next preceding the month of such Distribution Date.

Distributions on this Certificate shall be made by wire transfer of immediately available funds to the account of the Holder hereof at a bank or other entity having appropriate facilities therefor, if such Certificateholder shall have so notified the Securities Administrator in writing at least five Business Days prior to the related Record Date and such Certificateholder shall satisfy the conditions to receive such form of payment set forth in the Agreement,

or, if not, by check mailed by first class mail to the address of such Certificateholder appearing in the Certificate Register. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the offices designated by the Securities Administrator for such purpose, or such other location specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the parties to the Agreement with the consent of the Holders of Certificates affected by such amendment evidencing the requisite Percentage Interest, as provided in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Securities Administrator upon surrender of this Certificate for registration of transfer at the offices designated by the Securities Administrator for such purposes, accompanied by a written instrument of transfer in form satisfactory to the Securities Administrator duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust Fund will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Trustee, the Depositor and the Securities Administrator and any agent of the Trustee, the Depositor or the Securities Administrator may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Trustee, the Depositor, the Securities Administrator nor any such agent shall be affected by any notice to the contrary.

The Master Servicer, upon the instruction of the Depositor, shall purchase the Mortgage Loans and therefore cause the termination of the Trust on any Optional Termination, which is any Distribution Date in which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or equal to 10% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date; provided, however , the Master Servicer in its own right may exercise the option to purchase the Mortgage Loans and thereby cause the termination of the Trust on any Distribution Date in which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or equal to 5% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, if the Depositor has not previously provided instructions to the Master Servicer to exercise such option on the Depositor's behalf on such Distribution Date.

The obligations and responsibilities created by the Agreement will terminate as provided in Section 11.01 of the Agreement.

Any term used herein that is defined in the Agreement shall have the meaning assigned in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

_____

_____

_____

_____

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust Fund.

I (We) further direct the Securities Administrator to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

_____

Dated:

_____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____,

_____,
for the account of _____,
account number _____, or, if mailed by check, to _____
Applicable statements should be mailed to _____,
_____

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT D

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE REPRESENTS AN INTEREST IN A "REGULAR INTEREST" IN A "REAL ESTATE MORTGAGE INVESTMENT CONDUIT," AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE " CODE ") AND CERTAIN OTHER ASSETS.

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE PROPOSED TRANSFEROR DELIVERS TO THE SECURITIES ADMINISTRATOR A TRANSFEROR LETTER IN THE FORM OF EXHIBIT H TO THE AGREEMENT REFERRED TO HEREIN AND EITHER (I) THE SECURITIES ADMINISTRATOR RECEIVES EITHER A RULE 144A INVESTMENT LETTER OR A REGULATION S INVESTMENT LETTER IN THE FORM OF EXHIBIT I-A AND EXHIBIT I-B, RESPECTIVELY, TO THE AGREEMENT REFERRED TO HEREIN OR (II) THE SECURITIES ADMINISTRATOR RECEIVES AN OPINION OF COUNSEL, DELIVERED AT THE EXPENSE OF THE

TRANSFEROR, THAT SUCH TRANSFER MAY BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE TRANSFEREE DELIVERS TO THE SECURITIES ADMINISTRATOR A REPRESENTATION LETTER TO THE EFFECT THAT SUCH TRANSFEREE IS NOT AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (" ERISA "), OR A PLAN SUBJECT TO SECTION 4975 OF THE CODE OR A PLAN SUBJECT TO MATERIALLY SIMILAR PROVISIONS OF APPLICABLE FEDERAL, STATE OR LOCAL LAW (" SIMILAR LAW ") OR A PERSON INVESTING ON BEHALF OF OR WITH PLAN ASSETS OF SUCH A PLAN. IN THE EVENT THAT SUCH REPRESENTATION IS VIOLATED, OR ANY ATTEMPT IS MADE TO TRANSFER TO A PLAN OR ARRANGEMENT SUBJECT TO SECTION 406 OF ERISA, A PLAN SUBJECT TO SECTION 4975 OF THE CODE OR A PLAN SUBJECT TO SIMILAR LAW, OR A PERSON ACTING ON BEHALF OF ANY SUCH PLAN OR ARRANGEMENT OR USING THE ASSETS OF ANY SUCH PLAN OR ARRANGEMENT, SUCH ATTEMPTED TRANSFER OR ACQUISITION SHALL BE VOID AND OF NO EFFECT.

Certificate No.	:	X-1
Cut-off Date	:	June 1, 2006
First Distribution Date	:	July 25, 2006
Percentage Interest of this Certificate	:	100%
Interest Rate	:	None
CUSIP	:	320276 AT 5
ISIN	:	US320276AT55

HSI ASSET SECURITIZATION CORPORATION

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9

Class X

evidencing a percentage interest in the distributions allocable to the Certificates of the above-referenced Class.

Distributions in respect of this Certificate are distributable monthly as set forth herein. This Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Trustee or any other party to the Agreement referred to below or any of their respective affiliates. Neither this Certificate nor the Mortgage Loans are guaranteed or insured by any governmental agency or instrumentality.

This certifies that [_____] is the registered owner of the Percentage Interest evidenced by this Certificate (obtained by dividing the denomination of this Certificate by the aggregate of the denominations of all Certificates of the Class to which this Certificate belongs) in certain monthly distributions pursuant to a Pooling and Servicing Agreement dated as of the Cut-off Date specified above (the " Agreement ") among HSI Asset Securitization Corporation, as depositor (the " Depositor "), National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller, Wells Fargo Bank, N.A., as master servicer, (in such capacity, the " Master Servicer ") securities administrator (in such capacity, the " Securities Administrator ") and custodian and

Deutsche Bank National Trust Company, as trustee (the " Trustee "). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

This Certificate does not have a Certificate Balance or an Interest Rate and will be entitled to distributions only to the extent set forth in the Agreement. In addition, any distribution of the proceeds of any remaining assets of the Trust will be made only upon presentment and surrender of this Certificate at the offices designated by the Securities Administrator for such purpose, or such other location specified in the notice to Certificateholders.

No transfer of a Certificate of this Class shall be made unless such disposition is exempt from the registration requirements of the Securities Act of 1933, as amended (the " 1933 Act "), and any applicable state securities laws or is made in accordance with the 1933 Act and such laws. In the event of any such transfer, the Securities Administrator shall require the transferor to execute a transferor certificate (in substantially the form attached to the Agreement) and deliver either (i) a Rule 144A Investment Letter or Regulation S Investment Letter, as applicable, in either case substantially in the form attached to the Agreement, or (ii) a written Opinion of Counsel to the Securities Administrator that such transfer may be made pursuant to an exemption, describing the applicable exemption and the basis therefor, from the 1933 Act or is being made pursuant to the 1933 Act, which Opinion of Counsel shall be an expense of the transferor.

No transfer of a Certificate of this Class shall be made unless the Securities Administrator shall have received a representation letter from the transferee of such Certificate, acceptable to and in form and substance satisfactory to the Securities Administrator, to the effect that such transferee is not an employee benefit plan subject to Section 406 of ERISA, Section 4975 of the Code or any materially similar provisions of applicable federal, state or local law (" Similar Law "), or a person acting on behalf of or investing plan assets of any such plan, which representation letter shall not be an expense of the Securities Administrator.

Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually authenticated by an authorized signatory of the Securities Administrator.

* * *

IN WITNESS WHEREOF, the Securities Administrator has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.,
not in its individual capacity, but solely as
Securities Administrator

By: _____

Authenticated:

By: _____
Authorized Signatory of

WELLS FARGO BANK, N.A.,
not in its individual capacity,
but solely as Securities Administrator

HSI ASSET SECURITIZATION CORPORATION

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates

This Certificate is one of a duly authorized issue of Certificates designated as First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, of the Series specified on the face hereof (herein collectively called the " Certificates "), and representing a beneficial ownership interest in the Trust Fund created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account or Supplemental Interest Trust Account for payment hereunder and that neither the Trustee nor the Securities Administrator is liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day, the Business Day immediately following (the " Distribution Date "), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement. The Record Date applicable to each Distribution Date is the last Business Day of the month next preceding the month of such Distribution Date.

Distributions on this Certificate shall be made by wire transfer of immediately available funds to the account of the Holder hereof at a bank or other entity having appropriate facilities therefor, if such Certificateholder shall have so notified the Securities Administrator in writing at least five Business Days prior to the related Record Date and such Certificateholder shall satisfy the conditions to receive such form of payment set forth in the Agreement, or, if not, by check mailed by first class mail to the address of such Certificateholder appearing in the Certificate Register. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the offices designated by the Securities Administrator for such purposes or such other location specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the parties to the Agreement with the consent of the Holders of Certificates affected by such amendment evidencing the requisite Percentage Interest, as provided in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Securities Administrator upon surrender of this Certificate for registration of transfer at the offices designated by the Securities Administrator for such purposes, accompanied by a written instrument of transfer in form satisfactory to the Securities Administrator duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in

authorized denominations and evidencing the same aggregate Percentage Interest in the Trust Fund will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Trustee, the Depositor and the Securities Administrator and any agent of the Trustee, the Depositor or the Securities Administrator may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Trustee, the Depositor, the Securities Administrator nor any such agent shall be affected by any notice to the contrary.

The Master Servicer, upon the instruction of the Depositor, shall purchase the Mortgage Loans and therefore cause the termination of the Trust on any Optional Termination, which is any Distribution Date in which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or equal to 10% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date; provided, however , the Master Servicer in its own right may exercise the option to purchase the Mortgage Loans and thereby cause the termination of the Trust on any Distribution Date in which the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period is less than or equal to 5% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, if the Depositor has not previously provided instructions to the Master Servicer to exercise such option on the Depositor's behalf on such Distribution Date.

The obligations and responsibilities created by the Agreement will terminate as provided in Section 11.01 of the Agreement.

Any term used herein that is defined in the Agreement shall have the meaning assigned in the Agreement, and nothing herein shall be deemed inconsistent with that meaning

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

_____

_____

_____

_____

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust Fund.

I (We) further direct the Securities Administrator to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

_____

Dated:

_____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____,

_____,
for the account of _____,
account number _____, or, if mailed by check, to _____
Applicable statements should be mailed to _____,
_____

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT E

FORM OF INITIAL CERTIFICATION OF CUSTODIAN

[date]

HSI Asset Securitization Corporation
452 Fifth Avenue
New York, New York 10018
Wells Fargo Bank, N.A.
1015 10th Avenue SE
Minneapolis, Minnesota 55414
Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, California 92705-4934

Re: First Franklin Mortgage Loan Trust, Series 2006-FF9

Ladies and Gentlemen:

In accordance with Section 2.02 of the Pooling and Servicing Agreement (the " Pooling and Servicing Agreement ") dated as of June 1, 2006 among HSI Asset Securitization Corporation, as depositor, National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller, Wells Fargo Bank, N.A., as master servicer, securities administrator and custodian, and Deutsche Bank National Trust Company, as trustee, for each Mortgage Loan listed in the Mortgage Loan Schedule (other than any Mortgage Loan listed in the attached schedule), it has received:

(i) the original Mortgage Note, endorsed as provided in the following form: "Pay to the order of _____, without recourse"; and

(ii) a duly executed assignment of the Mortgage (which may be included in a blanket assignment or assignments).

Based on its review and examination and only as to the foregoing documents, such documents appear regular on their face and related to such Mortgage Loan.

The Custodian has made no independent examination of any documents contained in each Mortgage File beyond the review specifically required in the Pooling and Servicing Agreement. The Custodian makes no representations as to: (i) the validity, legality, sufficiency, enforceability or genuineness of any of the documents contained in each Mortgage File of any of the Mortgage Loans identified on the Mortgage Loan Schedule, or (ii) the collectability, insurability, effectiveness or suitability of any such Mortgage Loan.

Capitalized words and phrases used herein shall have the respective meanings assigned to them in the Pooling and Servicing Agreement.

WELLS FARGO BANK, N.A., as Custodian

By: _____
Name: _____
Title: _____

EXHIBIT F

FORM OF DOCUMENT CERTIFICATION
AND EXCEPTION REPORT OF CUSTODIAN

_____, 20___

HSI Asset Securitization Corporation
452 Fifth Avenue
New York, New York 10018

First Franklin Financial Corporation
2150 North First Street, Suite 600
San Jose, California

Wells Fargo Bank, N.A.
1015 10th Avenue SE
Minneapolis, Minnesota 55414

Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, California 92705-4934

National City Home Loan Services, Inc.
50 Allegheny Center
Pittsburgh, Pennsylvania 15212

Re: HSI Asset Securitization Corporation, Series 2006-FF9

Ladies and Gentlemen:

In accordance with Section 2.02 of the Pooling and Servicing Agreement (the " Pooling and Servicing Agreement ") dated as of June 1, 2006 among HSI Asset Securitization Corporation, as depositor, National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller, Wells Fargo Bank, N.A., as master servicer, securities administrator and custodian, and Deutsche Bank National Trust Company, as trustee,, the undersigned, as Custodian, hereby certifies that as to each Mortgage Loan listed in the Mortgage Loan Schedule (other than any Mortgage Loan paid in full or listed on the attached Document Exception Report) it has received:

(i) The original Mortgage Note, endorsed in the form provided in Section 2.01 of the Pooling and Servicing Agreement, with all intervening endorsements showing a complete chain of endorsement from the Mortgage Loan Seller to the last endorsee.

(ii) The original recorded Mortgage.

(iii) A duly executed assignment of the Mortgage in the form provided in Section 2.01 of the Pooling and Servicing Agreement; or, if the Mortgage Loan Seller has certified or the Custodian otherwise knows that the related Mortgage has not been returned from the applicable recording office, a copy of the assignment of the Mortgage (excluding information to be provided by the recording office).

(iv) The original or duplicate original recorded assignment or assignments of the Mortgage showing a complete chain of assignment from the Mortgage Loan Seller to the last endorsee.

(v) The original or duplicate original lender's title policy and all riders thereto or, any one of an original title binder, an original preliminary title report or an original title commitment, or a copy thereof certified by the title company.

Based on its review and examination and only as to the foregoing documents, (a) such documents appear regular on their face and related to such Mortgage Loan, and (b) the information set forth in items (1), (2), (3), (15), (18) and (22) of the Data Tape Information accurately reflects information set forth in the Custodial File.

The Custodian has made no independent examination of any documents contained in each Mortgage File beyond the review of the Custodial File specifically required in the Pooling and Servicing Agreement. The Custodian makes no representation as to: (i) the validity, legality, sufficiency, enforceability or genuineness of any of the documents contained in each Mortgage File of any of the Mortgage Loans identified on the Mortgage Loan Schedule, or (ii) the collectability, insurability, effectiveness or suitability of any such Mortgage Loan. Notwithstanding anything herein to the contrary, the Custodian has made no determination and makes no representations as to whether (i) any endorsement is sufficient to transfer all right, title and interest of the party so endorsing, as noteholder or assignee thereof, in and to that Mortgage Note or (ii) any assignment is in recordable form or sufficient to effect the assignment of and transfer to the assignee thereof, under the Mortgage to which the assignment relates.

Capitalized words and phrases used herein shall have the respective meanings assigned to them in the Pooling and Servicing Agreement.

WELLS FARGO BANK, N.A., as Custodian

By: _____
Name: _____
Title: _____

EXHIBIT G

FORM OF RESIDUAL TRANSFER AFFIDAVIT

First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9

STATE OF)
) ss.:
COUNTY OF)

The undersigned, being first duly sworn, deposes and says as follows:

1. The undersigned is an officer of _____, the proposed Transferee of an Ownership Interest in a Class R Certificate (the " Certificate ") issued pursuant to the Pooling and Servicing Agreement (the " Agreement "), relating to the above-referenced Series, dated as of June 1, 2006 among HSI Asset Securitization Corporation, as depositor, National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller, Wells Fargo Bank, N.A., as master servicer, securities administrator and custodian, and Deutsche Bank National Trust Company, as trustee. Capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the Agreement. The Transferee has authorized the undersigned to make this affidavit on behalf of the Transferee for the benefit of the Depositor, the Securities Administrator and the Trustee.

2. The Transferee is, as of the date hereof, and will be, as of the date of the Transfer, a Permitted Transferee. The Transferee is acquiring its Ownership Interest in the Certificate for its own account. The Transferee has no knowledge that any such affidavit is false.

3. The Transferee has been advised of, and understands that (i) a tax will be imposed on Transfers of the Certificate to Persons that are Non-Permitted Transferees; (ii) such tax will be imposed on the transferor, or, if such Transfer is through an agent (which includes a broker, nominee or middleman) for a Person that is a Non-Permitted Transferee, on the agent; and (iii) the Person otherwise liable for the tax shall be relieved of liability for the tax if the subsequent Transferee furnished to such Person an affidavit that such subsequent Transferee is a Permitted Transferee and, at the time of Transfer, such Person does not have actual knowledge that the affidavit is false.

4. The Transferee has been advised of, and understands that a tax will be imposed on a "pass-through entity" holding the Certificate if at any time during the taxable year of the pass-through entity a Person that is a Non-Permitted Transferee is the record holder of an interest in such entity. The Transferee understands that such tax will not be imposed for any period with respect to which the record holder furnishes to the pass-through entity an affidavit that such record holder is a Permitted Transferee and the pass-through entity does not have actual knowledge that such affidavit is false. (For this purpose, a "pass-through entity" includes a regulated investment company, a real estate investment trust or common trust fund, a partnership, trust or estate, and certain cooperatives and, except as may be provided in Treasury Regulations, persons holding interests in pass-through entities as a nominee for another Person.)

5. The Transferee has reviewed the provisions of Section 5.02(c) of the Agreement and understands the legal consequences of the acquisition of an Ownership Interest in the Certificate including, without limitation, the restrictions on subsequent Transfers and the provisions regarding voiding the Transfer and mandatory sales. The Transferee expressly agrees to be bound by and to abide by the provisions of Section 5.02(c) of the Agreement and the restrictions noted on the face of the Certificate. The Transferee understands and agrees that any breach of any of the representations included herein shall render the Transfer to the Transferee contemplated hereby null and void.

6. The Transferee agrees to require a Transfer Affidavit from any Person to whom the Transferee attempts to Transfer its Ownership Interest in the Certificate, and in connection with any Transfer by a Person for

whom the Transferee is acting as nominee, trustee or agent, and the Transferee will not Transfer its Ownership Interest or cause any Ownership Interest to be Transferred to any Person that the Transferee knows is a Non-Permitted Transferee. In connection with any such Transfer by the Transferee, the Transferee agrees to deliver to the Securities Administrator a certificate substantially in the form set forth as Exhibit H to the Agreement (a "Transferor Certificate") to the effect that, among other things, such Transferee has no actual knowledge that the Person to which the Transfer is to be made is a Non-Permitted Transferee.

7. The Transferee does not have the intention to impede the assessment or collection of any tax legally required to be paid with respect to the Certificate. The Transferee has historically paid its debts as they have come due and intends to pay its debts as they come due in the future. The Transferee intends to pay all taxes due with respect to the Certificate as they become due.

8. The Transferee's taxpayer identification number is _____.

9. The Transferee is not a Disqualified Non-U.S. Person as defined in the Agreement.

10. The Transferee is aware that the Certificate may be a "noneconomic residual interest" within the meaning of proposed Treasury regulations promulgated pursuant to the Code and that the transferor of a noneconomic residual interest will remain liable for any taxes due with respect to the income on such residual interest, unless no significant purpose of the transfer was to impede the assessment or collection of tax.

11. The Transferee will not cause income from the Residual Certificate to be attributable to a foreign permanent establishment or fixed base, within the meaning of an applicable income tax treaty, of the Transferee or any other U.S. Person.

12. Check the applicable paragraph:

[ ] The present value of the anticipated tax liabilities associated with holding the Certificate, as applicable, does not exceed the sum of:

(i) the present value of any consideration given to the Transferee to acquire such Certificate;

(ii) the present value of the expected future distributions on such Certificate; and

(iii) the present value of the anticipated tax savings associated with holding such Certificate as the related REMIC generates losses.

For purposes of this calculation, (i) the Transferee is assumed to pay tax at the highest rate currently specified in Section 11(b) of the Code (but the tax rate in Section 55(b)(1)(B) of the Code may be used in lieu of the highest rate specified in Section 11(b) of the Code if the Transferee has been subject to the alternative minimum tax under Section 55 of the Code in the preceding two years and will compute its taxable income in the current taxable year using the alternative minimum tax rate) and (ii) present values are computed using a discount rate equal to the short-term Federal rate prescribed by Section 1274(d) of the Code for the month of the transfer and the compounding period used by the Transferee.

[ ] The transfer of the Certificate complies with U.S. Treasury Regulations Sections 1.860E-1(c)(5) and (6) and, accordingly,

(i) the Transferee is an "eligible corporation," as defined in U.S. Treasury Regulations Section 1.860E-1(c)(6)(i), as to which income from the Certificate will only be taxed in the United States;

(ii) at the time of the transfer, and at the close of the Transferee's two fiscal years preceding the year of the transfer, the Transferee had gross assets for financial reporting purposes (excluding any obligation of a person related to the Transferee within the meaning of U.S. Treasury Regulations Section 1.860E-1(c)(6)(ii)) in excess of $100 million and net assets in excess of $10 million;

(iii) the Transferee will transfer the Certificate only to another "eligible corporation," as defined in U.S. Treasury Regulations Section 1.860E-1(c)(6)(i), in a transaction that satisfies the requirements of Sections 1.860E-1(c)(4)(i), (ii) and (iii) and Section 1.860E-1(c)(5) of the U.S. Treasury Regulations; and

(iv) the Transferee determined the consideration paid to it to acquire the Certificate based on reasonable market assumptions (including, but not limited to, borrowing and investment rates, prepayment and loss assumptions, expense and reinvestment assumptions, tax rates and other factors specific to the Transferee) that it has determined in good faith.

[ ] None of the above.

13. The Transferee is not an employee benefit plan that is subject to Title I of ERISA or a plan that is subject to Section 4975 of the Code or a plan subject to any Federal, state or local law that is substantially similar to Title I of ERISA or Section 4975 of the Code, and the Transferee is not acting on behalf of or investing plan assets of such a plan.

* * *

IN WITNESS WHEREOF, the Transferee has caused this instrument to be executed on its behalf, pursuant to authority of its Board of Directors, by its duly authorized officer and its corporate seal to be hereunto affixed, duly attested, this ___ day of _____, 20__.

_____
Print Name of Transferee

By: _____
Name:
Title:

[Corporate Seal]

ATTEST:

_____
[Assistant] Secretary

Personally appeared before me the above-named _____, known or proved to me to be the same person who executed the foregoing instrument and to be the _____ of the Transferee, and acknowledged that he executed the same as his free act and deed and the free act and deed of the Transferee.

Subscribed and sworn before me this ___ day of _____, 20__.

_____
NOTARY PUBLIC

My Commission expires the __ day
of _____, 20__

EXHIBIT H

FORM OF TRANSFEROR CERTIFICATE

_____, 20__

HSI Asset Securitization Corporation
452 Fifth Avenue
New York, New York 10018
Attention: Head MBS Principal Finance

Wells Fargo Bank, N.A.,
as Securities Administrator
Sixth Street and Marquette Avenue
Minneapolis, Minnesota 55479
Attention: Corporate Trust Services – FFML 2006-FF9

Re: First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, Series 2006-FF9, Class [__]

Ladies and Gentlemen:

In connection with our disposition of the above Certificates we certify that (a) we understand that the Certificates have not been registered under the Securities Act of 1933, as amended (the " Act "), and are being disposed by us in a transaction that is exempt from the registration requirements of the Act, (b) we have not offered or sold any Certificates to, or solicited offers to buy any Certificates from, any person, or otherwise approached or negotiated with any person with respect thereto, in a manner that would be deemed, or taken any other action which would result in, a violation of Section 5 of the Act and (c) to the extent we are disposing of a Residual Certificate, (i) we have no knowledge the Transferee is a Non-Permitted Transferee, (ii) after conducting a reasonable investigation of the financial condition of the Transferee, we have no knowledge and no reason to believe that the Transferee will not pay all taxes with respect to the Residual Certificates as they become due and (iii) we have no reason to believe that the statements made in paragraphs 7, 10 and 11 of the Transferee's Residual Transfer Affidavit are false.

In connection with any disposition of the above Certificates in accordance with Rule 904 of Regulation S we hereby certify that:

a. the offer of the Certificates was not made to a person in the United States;

b. at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf responsibly believed the transferee was outside the United States;

c. no directed selling efforts have been made in contravention of the requirements of Rule 903 or Rule 904 of Regulation S, as applicable;

d. the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act, as amended; and

e. the transferee is not a U.S. person (as defined in Regulation S)

Very truly yours,

_____
Print Name of Transferor

By: _____
Authorized Officer

EXHIBIT I-A

FORM OF RULE 144A INVESTMENT LETTER

_____, 20__

HSI Asset Securitization Corporation
452 Fifth Avenue
New York, New York 10018
Attention: Head MBS Principal Finance

Wells Fargo Bank, N.A.,
as Securities Administrator
Sixth Street and Marquette Avenue
Minneapolis, Minnesota 55479
Attention: Corporate Trust Services – FFML 2006-FF9

Re: First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9, Class [__]

Ladies and Gentlemen:

In connection with our acquisition of the above Certificates we certify that (a) we understand that the Certificates are not being registered under the Securities Act of 1933, as amended (the " Act "), or any state securities laws and are being transferred to us in a transaction that is exempt from the registration requirements of the Act and any such laws, (b) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of investments in the Certificates, (c) we have had the opportunity to ask questions of and receive answers from the Depositor concerning the purchase of the Certificates and all matters relating thereto or any additional information deemed necessary to our decision to purchase the Certificates, (d) either we are purchasing a Class A-IO, Class I-A, Class II-A-1, Class II-A-2, Class II-A-3 or Class II-A-4 Certificate or we are not an employee benefit plan that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (" ERISA "), or a plan or arrangement that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended, or a plan subject to materially similar provisions of applicable federal, state or local law, nor are we acting on behalf of any such plan or arrangement nor using the assets of any such plan or arrangement to effect such acquisition or, with respect to any Class M Certificate, such Certificate has been the subject of an ERISA-Qualifying Underwriting and the purchaser is an insurance company that is purchasing this certificate with funds contained in an "insurance company general account" (as such term is defined in Section V(e) of Prohibited Transaction Class Exemption (" PTCE ") 95-60) and that the purchase and holding of such Certificates are covered under Sections I and III of PTCE 95-60, (e) in the case of an ERISA-Restricted Derivative Certificate prior to the termination of the Cap Agreement and the Swap Agreement, either (i) we are not an employee benefit plan that is subject to Title I of ERISA, or a plan or arrangement that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended, nor a person acting on behalf of any such plan, nor are we using the assets of any such plan to effect such transfer or (ii) our acquisition and holding of the ERISA-Restricted Derivative Certificate is eligible for exemptive relief under PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60 or PTCE 96-23, (f) we have not, nor has anyone acting on our behalf offered, transferred, pledged, sold or otherwise disposed of the Certificates, any interest in the Certificates or any other similar security to, or solicited any offer to buy or accept a transfer, pledge or other disposition of the Certificates, any interest in the Certificates or any other similar security from, or otherwise approached or negotiated with respect to the Certificates, any interest in the Certificates or any other similar security with, any person in any manner, or made any general solicitation by means of general advertising or in any other manner, or taken any other action, that would constitute a distribution of the Certificates under the Securities Act or that would render the disposition of the Certificates a violation of Section 5 of

the Securities Act or require registration pursuant thereto, nor will act, nor has authorized or will authorize any person to act, in such manner with respect to the Certificates, and (g) we are a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act and have completed either of the forms of certification to that effect attached hereto as Annex 1 or Annex 2. We are aware that the sale to us is being made in reliance on Rule 144A. We are acquiring the Certificates for our own account or for resale pursuant to Rule 144A and further, understand that such Certificates may be resold, pledged or transferred only (i) to a person reasonably believed to be a qualified institutional buyer that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the resale, pledge or transfer is being made in reliance on Rule 144A, or (ii) pursuant to another exemption from registration under the Securities Act.

ANNEX 1 TO EXHIBIT I-A

QUALIFIED INSTITUTIONAL BUYER STATUS UNDER SEC RULE 144A

[For Transferees Other Than Registered Investment Companies]

The undersigned (the " Buyer ") hereby certifies as follows to the parties listed in the Rule 144A Transferee Certificate to which this certification relates with respect to the Certificates described therein:

1. As indicated below, the undersigned is the President, Chief Financial Officer, Senior Vice President or other executive officer of the Buyer.

2. In connection with purchases by the Buyer, the Buyer is a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act of 1933, as amended (" Rule 144A "), because (i) the Buyer owned and/or invested on a discretionary basis $_____ [1] in securities (except for the excluded securities referred to below) as of the end of the Buyer's most recent fiscal year (such amount being calculated in accordance with Rule 144A and (ii) the Buyer satisfies the criteria in the category marked below.

____ Corporation, etc. The Buyer is a corporation (other than a bank, savings and loan association or similar institution), Massachusetts or similar business trust, partnership, or charitable organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

____ Bank . The Buyer (a) is a national bank or banking institution organized under the laws of any State, territory or the District of Columbia, the business of which is substantially confined to banking and is supervised by the State or territorial banking commission or similar official or is a foreign bank or equivalent institution, and (b) has an audited net worth of at least $25,000,000 as demonstrated in its latest annual financial statements, a copy of which is attached hereto.

____ Savings and Loan . The Buyer (a) is a savings and loan association, building and loan association, cooperative bank, homestead association or similar institution, which is supervised and examined by a State or Federal authority having supervision over any such institutions or is a foreign savings and loan association or equivalent institution and (b) has an audited net worth of at least $25,000,000 as demonstrated in its latest annual financial statements, a copy of which is attached hereto.

____ Broker-dealer . The Buyer is a dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934.

____ Insurance Company . The Buyer is an insurance company whose primary and predominant business activity is the writing of insurance or the reinsuring of risks underwritten by insurance companies and which is subject to supervision by the insurance commissioner or a similar official or agency of a State, territory or the District of Columbia.

---

1 Buyer must own and/or invest on a discretionary basis at least $100,000,000 in securities unless Buyer is a dealer, and, in that case, Buyer must own and/or invest on a discretionary basis at least $10,000,000 in securities.

____ State or Local Plan . The Buyer is a plan established and maintained by a State, its political subdivisions, or any agency or instrumentality of the State or its political subdivisions, for the benefit of its employees.

____ ERISA Plan . The Buyer is an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974.

____ Investment Advisor . The Buyer is an investment advisor registered under the Investment Advisors Act of 1940.

____ Small Business Investment Company . Buyer is a small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.

____ Business Development Company . Buyer is a business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940.

3. The term " securities " as used herein does not include (i) securities of issuers that are affiliated with the Buyer, (ii) securities that are part of an unsold allotment to or subscription by the Buyer, if the Buyer is a dealer, (iii) securities issued or guaranteed by the U.S. or any instrumentality thereof, (iv) bank deposit notes and certificates of deposit, (v) loan participations, (vi) repurchase agreements, (vii) securities owned but subject to a repurchase agreement and (viii) currency, interest rate and commodity swaps.

4. For purposes of determining the aggregate amount of securities owned and/or invested on a discretionary basis by the Buyer, the Buyer used the cost of such securities to the Buyer and did not include any of the securities referred to in the preceding paragraph, except (i) where the Buyer reports its securities holdings in its financial statements on the basis of their market value, and (ii) no current information with respect to the cost of those securities has been published. If clause (ii) in the preceding sentence applies, the securities may be valued at market. Further, in determining such aggregate amount, the Buyer may have included securities owned by subsidiaries of the Buyer, but only if such subsidiaries are consolidated with the Buyer in its financial statements prepared in accordance with generally accepted accounting principles and if the investments of such subsidiaries are managed under the Buyer's direction. However, such securities were not included if the Buyer is a majority-owned, consolidated subsidiary of another enterprise and the Buyer is not itself a reporting company under the Securities Exchange Act of 1934, as amended.

5. The Buyer acknowledges that it is familiar with Rule 144A and understands that the seller to it and other parties related to the Certificates are relying and will continue to rely on the statements made herein because one or more sales to the Buyer may be in reliance on Rule 144A.

6. Until the date of purchase of the Rule 144A Securities, the Buyer will notify each of the parties to which this certification is made of any changes in the information and conclusions herein. Until such notice is given, the Buyer's purchase of the Certificates will constitute a reaffirmation of this certification as of the date of such purchase. In addition, if the Buyer is a bank or savings and loan is provided above, the Buyer agrees that it will furnish to such parties updated annual financial statements promptly after they become available.

_____
Print Name of Transferee

By: _____
Name:
Title:

Date: _____

ANNEX 2 TO EXHIBIT I-A

QUALIFIED INSTITUTIONAL BUYER STATUS UNDER SEC RULE 144A

[For Transferees That Are Registered Investment Companies]

The undersigned (the " Buyer ") hereby certifies as follows to the parties listed in the Rule 144A Transferee Certificate to which this certification relates with respect to the Certificates described therein:

1. As indicated below, the undersigned is the President, Chief Financial Officer or Senior Vice President of the Buyer or, if the Buyer is a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act of 1933, as amended (" Rule 144A "), because Buyer is part of a Family of Investment Companies (as defined below), is such an officer of the Adviser.

2. In connection with purchases by Buyer, the Buyer is a "qualified institutional buyer" as defined in SEC Rule 144A because (i) the Buyer is an investment company registered under the Investment Company Act of 1940, as amended, and (ii) as marked below, the Buyer alone, or the Buyer's Family of Investment Companies, owned at least $100,000,000 in securities (other than the excluded securities referred to below) as of the end of the Buyer's most recent fiscal year. For purposes of determining the amount of securities owned by the Buyer or the Buyer's Family of Investment Companies, the cost of such securities was used, except (i) where the Buyer or the Buyer's Family of Investment Companies reports its securities holdings in its financial statements on the basis of their market value, and (ii) no current information with respect to the cost of those securities has been published. If clause (ii) in the preceding sentence applies, the securities may be valued at market.

____ The Buyer owned $_____ in securities (other than the excluded securities referred to below) as of the end of the Buyer's most recent fiscal year (such amount being calculated in accordance with Rule 144A).

____ The Buyer is part of a Family of Investment Companies which owned in the aggregate $_____ in securities (other than the excluded securities referred to below) as of the end of the Buyer's most recent fiscal year (such amount being calculated in accordance with Rule 144A).

3. The term " Family of Investment Companies " as used herein means two or more registered investment companies (or series thereof) that have the same investment adviser or investment advisers that are affiliated (by virtue of being majority owned subsidiaries of the same parent or because one investment adviser is a majority owned subsidiary of the other).

4. The term " securities " as used herein does not include (i) securities of issuers that are affiliated with the Buyer or are part of the Buyer's Family of Investment Companies, (ii) securities issued or guaranteed by the U.S. or any instrumentality thereof, (iii) bank deposit notes and certificates of deposit, (iv) loan participations, (v) repurchase agreements, (vi) securities owned but subject to a repurchase agreement and (vii) currency, interest rate and commodity swaps.

5. The Buyer is familiar with Rule 144A and understands that the parties listed in the Rule 144A Transferee Certificate to which this certification relates are relying and will continue to rely on the statements made herein because one or more sales to the Buyer will be in reliance on Rule 144A. In addition, the Buyer will only purchase for the Buyer's own account.

6. Until the date of purchase of the Certificates, the undersigned will notify the parties listed in the Rule 144A Transferee Certificate to which this certification relates of any changes in the information and conclusions herein. Until such notice is given, the Buyer's purchase of the Certificates will constitute a reaffirmation of this certification by the undersigned as of the date of such purchase.

_____
Print Name of Transferee

By: _____
Name:
Title:

IF AN ADVISER:

_____
Print Name of Buyer

Date: _____

EXHIBIT I-B

FORM OF REGULATION S INVESTMENT LETTER

_____, 20__

HSI Asset Securitization Corporation
452 Fifth Avenue
New York, New York 10018
Attention: Head MBS Principal Finance

Wells Fargo Bank, N.A.,
as Securities Administrator
Sixth Street and Marquette Avenue
Minneapolis, Minnesota 55479
Attention: Corporate Trust Services – FFML 2006-FF9

Re: First Franklin Mortgage Loan Trust 2006-FF9
Mortgage Pass-Through Certificates, Series 2006-FF9, Class [__]

Ladies and Gentlemen:

In connection with our acquisition of the above Certificates we certify that (a) we understand that the Certificates are not being registered under the Securities Act of 1933, as amended (the " Act "), or any state securities laws and are being transferred to us in a transaction that is exempt from the registration requirements of the Act and any such laws, (b) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of investments in the Certificates, (c) we have had the opportunity to ask questions of and receive answers from the Depositor concerning the purchase of the Certificates and all matters relating thereto or any additional information deemed necessary to our decision to purchase the Certificates, (d) either we are purchasing a Class A-IO, Class I-A, Class II-A-1, Class II-A-2, Class II-A-3 or Class II-A-4 Certificate or we are not an employee benefit plan that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (" ERISA "), or a plan or arrangement that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended, or a plan subject to materially similar provisions of applicable federal, state or local law, nor are we acting on behalf of any such plan or arrangement nor using the assets of any such plan or arrangement to effect such acquisition or, with respect to any Class M Certificate, such Certificate has been the subject of an ERISA-Qualifying Underwriting and the purchaser is an insurance company that is purchasing this certificate with funds contained in an "insurance company general account" (as such term is defined in Section V(e) of Prohibited Transaction Class Exemption (" PTCE ") 95-60) and that the purchase and holding of such Certificates are covered under Sections I and III of PTCE 95-60, (e) in the case of an ERISA-Restricted Derivative Certificate prior to the termination of the Cap Agreement and the Swap Agreement, either (i) we are not an employee benefit plan that is subject to Title I of ERISA, or a plan or arrangement that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended, nor a person acting on behalf of any such plan, nor are we using the assets of any such plan to effect such transfer or (ii) our acquisition and holding of the ERISA-Restricted Derivative Certificate is eligible for exemptive relief under PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60 or PTCE 96-23, (f) we have not, nor has anyone acting on our behalf offered, transferred, pledged, sold or otherwise disposed of the Certificates, any interest in the Certificates or any other similar security to, or solicited any offer to buy or accept a transfer, pledge or other disposition of the Certificates, any interest in the Certificates or any other similar security from, or otherwise approached or negotiated with respect to the Certificates, any interest in the Certificates or any other similar security with, any person in any manner, or made any general solicitation by means of general advertising or in any other manner, or taken any other action, that would constitute a distribution of the Certificates under the Securities Act or that would render the disposition of the Certificates a violation of Section 5 of

the Securities Act or require registration pursuant thereto, nor will act, nor has authorized or will authorize any person to act, in such manner with respect to the Certificates, and (g) we are not a U.S. person within the meaning of Regualtion S of the Securities Act and was at the time the buy order was originated for the Class [ ] Certificates outside the United States. We are aware that the sale to us is being made in reliance on Regulation S of the Securities Act and we understand (x) that until the expiration of the 40-day distribution compliance period (within the meaning of Regulation S), no offer, sale, pledge or other transfer of such Certificates or any interest therein shall be made in the United States or to or for the account or benefit of a U.S. person (each as defined in Regulation S), (y) if in the future we decide to offer, resell, pledge or otherwise transfer such Certificates, such Certificates may be offered, resold, pledged or transferred only to (A) a person which the seller reasonably believes is a "qualified institutional buyer" (a "QIB") as defined in Rule 144A under the Securities Act, that is purchasing such Certificate for its own account or for the account of a QIB in reliance on Rule 144A or (B) in an offshore transaction (as defined in Regulation S) in compliance with the provisions of Regulation S, in each case in compliance with the requirements of the Agreement; and we will notify such transferee of the transfer restrictions specified in the Agreement.

_____

Print Name of Transferee

By: _____

Name:

Title:

IF AN ADVISER:

_____

Print Name of Buyer

Date: _____

EXHIBIT J

FORM OF REQUEST FOR RELEASE
(for Custodian)

To: Wells Fargo Bank, N.A.
1015 10th Avenue SE
Minneapolis, Minnesota 55414

Re: Pooling and Servicing Agreement (the "Pooling and Servicing Agreement") dated as of June 1, 2006 among HSI Asset Securitization Corporation, as depositor, National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller, Wells Fargo Bank, N.A., as master servicer, securities administrator and custodian, and Deutsche Bank National Trust Company, as trustee

In connection with the administration of the Mortgage Loans held by you as the Custodian on behalf of the Certificateholders, we request the release, and acknowledge receipt, of the (Custodial File/[specify documents]) for the Mortgage Loan described below, for the reason indicated.

Mortgagor's Name, Address & Zip Code :

Mortgage Loan Number :

Send Custodial File to :

Delivery Method (check one)

____1. Regular mail

____2. Overnight courier (Tracking information:)

If neither box 1 nor 2 is checked, regular mail shall be assumed.

Reason for Requesting Documents (check one)

____1. Mortgage Loan Paid in Full . (The Servicer hereby certifies that all amounts received in connection therewith have been credited to the Collection Account as provided in the Pooling and Servicing Agreement.)

____2. Mortgage Loan Repurchase Pursuant to Subsection 2.03 of the Pooling and Servicing Agreement . (The Servicer hereby certifies that the repurchase price has been credited to Collection Account as provided in the Pooling and Servicing Agreement.)

____3. Mortgage Loan Liquidated by _____. (The Servicer hereby certifies that all proceeds of foreclosure, insurance, condemnation or other liquidation have been finally received and credited to the Collection Account pursuant to the Pooling and Servicing Agreement.)

____4. Mortgage Loan in Foreclosure.

____5. Other (explain). _____

If box 1, 2 or 3 above is checked, and if all or part of the Custodial File was previously released to us, please release to us our previous request and receipt on file with you, as well as any additional documents in your possession relating to the specified Mortgage Loan.

If box 4 or 5 above is checked, upon our return of all of the above documents to you as the Trustee, please acknowledge your receipt by signing in the space indicated below, and returning this form if requested by us.

[NATIONAL CITY HOME LOAN SERVICES, INC.]

By: _____
Name:
Title:
Date:

ACKNOWLEDGED AND AGREED:

[WELLS FARGO BANK, N.A.]

By: _____
Name:
Title:
Date:

EXHIBIT K

CONTENTS OF EACH MORTGAGE FILE

With respect to each Mortgage Loan, the Mortgage File shall include each of the following items, which shall be available for inspection by the Depositor and which shall be retained by the Servicer or delivered to and retained by the Custodian:

(a) The documents or instruments set forth as items (i) to (ix) in Section 2.01(b) of the Pooling and Servicing Agreement.

(b) Residential loan application.

(c) Mortgage Loan closing statement.

(d) Verification of employment and income.

(e) Verification of acceptable evidence of source and amount of downpayment.

(f) Credit report on Mortgagor.

(g) Residential appraisal report.

(h) Photograph of the Mortgaged Property.

(i) Survey of the Mortgaged Property.

(j) Copy of each instrument necessary to complete identification of any exception set forth in the exception schedule in the title policy, i.e., map or plat, restrictions, easements, sewer agreements, home association declarations, etc.

(k) All required disclosure statements and statement of Mortgagor confirming receipt thereof.

(l) If available, termite report, structural engineer's report, water potability and septic certification.

(m) Sales contract, if applicable.

(n) Hazard insurance policy.

(o) Tax receipts, insurance premium receipts, ledger sheets, payment history from date of origination, insurance claim files, correspondence, current and historical computerized data files, and all other processing, underwriting and closing papers and records which are customarily contained in a mortgage loan file and which are required to document the Mortgage Loan or to service the Mortgage Loan.

(p) Amortization schedule, if available.

(q) Payment history for Mortgage Loans that have been closed for more than 90 days.

EXHIBIT L

FORM OF SARBANES-OXLEY CERTIFICATION TO BE PROVIDED BY MASTER SERVICER (OR OTHER CERTIFICATION PARTY) WITH FORM 10-K

First Franklin Mortgage Loan Trust 2006-FF9

Mortgage Pass-Through Certificates
Series 2006-FF9

This Certification is being made pursuant to Section 3.24 and Section 8.12 of the Pooling and Servicing Agreement dated as of June 1, 2006 (the " Pooling and Servicing Agreement ") relating to the above-referenced Series, among HSI Asset Securitization Corporation, as depositor, National City Home Loan Services, Inc., as Servicer, First Franklin Financial Corporation, as Mortgage Loan Seller, Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and Custodian, and Deutsche Bank National Trust Company, as Trustee. Capitalized terms used but not defined herein shall have the meanings assigned in the Pooling and Servicing Agreement.

1. I have reviewed this annual report on Form 10-K, and all reports on Form 10-D required to be filed in respect of the period covered by this report on Form 10-K of First Franklin Mortgage Loan Trust 2006-FF9 (the "Exchange Act periodic reports");

2. Based on my knowledge, the Exchange Act periodic reports, taken as a whole, do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, all of the distribution, servicing and other information required to be provided under Form 10-D for the period covered by this report is included in the Exchange Act periodic reports;

4. I am responsible for reviewing the activities performed by the servicer and based on my knowledge and the compliance review conducted in preparing the Servicer compliance statement required in this report under Item 1123 of Regulation AB, and except as disclosed in the Exchange Act periodic reports, the Servicer has fulfilled its obligations under the servicing agreement; and

5. All of the reports on assessment of compliance with servicing criteria for asset-backed securities and their related attestation reports on assessment of compliance with servicing criteria for asset-backed securities required to be included in this report in accordance with Item 1122 of Regulation AB and Exchange Act Rules 13 a-18 and 15d-18 have been included as an exhibit to this report, except as otherwise disclosed in this report. Any material instances of noncompliance described in such reports have been disclosed in this report on Form 10-K.

In giving the certifications above, I have reasonably relied on information provided to me by the following unaffiliated parties: NCHLS.

Wells Fargo Bank, N.A.
as Master Servicer

By: _____
Name:
Title:
Date:

EXHIBIT M

FORM OF SERVICER (OR SERVICING FUNCTION PARTICIPANT) BACK-UP CERTIFICATION

Wells Fargo Bank, N.A.,
as Master Servicer
9062 Old Annapolis Road
Columbia, Maryland 21045

Re: First Franklin Mortgage Loan Trust 2006-FF9

[____] as [____] hereby certifies to the Depositor, the Master Servicer, the Trustee and the Securities Administrator, and each of their officers, directors and affiliates that:

(1) I have reviewed the servicer compliance statement of the [____] provided in accordance with Item 1123 of Regulation AB (the "Compliance Statement"), the report on assessment of the Company's compliance with the servicing criteria set forth in Item 1122(d) of Regulation AB (the "Servicing Criteria"), provided in accordance with Rules 13a-18 and 15d-18 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Item 1122 of Regulation AB (the "Servicing Assessment"), the registered public accounting firm's attestation report provided in accordance with Rules 13a-18 and 15d-18 under the Exchange Act and Section 1122(b) of Regulation AB (the "Attestation Report"), and all servicing reports, officer's certificates and other information relating to the servicing of the Mortgage Loans by [____] during 200[ ] that were delivered by [____] to any of the Depositor, the Master Servicer, the Securities Administrator, and the Trustee pursuant to the Agreement (collectively, the "Company Servicing Information");

(2) Based on my knowledge, the Company Servicing Information, taken as a whole, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in the light of the circumstances under which such statements were made, not misleading with respect to the period of time covered by the Company Servicing Information;

(3) Based on my knowledge, all of the Company Servicing Information required to be provided by the Company under the Agreement has been provided to the Depositor, the Master Servicer, the Securities Administrator and the Trustee;

(4) I am responsible for reviewing the activities performed by [____] as [____] under the Agreement, and based on my knowledge and the compliance review conducted in preparing the Compliance Statement and except as disclosed in the Compliance Statement, the Servicing Assessment or the Attestation Report, the Servicer has fulfilled its obligations under the Agreement in all material respects; and

(5) The Compliance Statement required to be delivered by [____] pursuant to this Agreement, and the Servicing Assessment and Attestation Report required to be provided by [____] and [by any Subservicer or Subcontractor] pursuant to the Agreement, have been provided to the Depositor, the Master Servicer, the Securities Administrator and the Trustee. Any material instances of noncompliance described in such reports have been disclosed to the Depositor, the Master Servicer, the Securities Administrator and the Trustee. Any material instance of noncompliance with the Servicing Criteria has been disclosed in such reports.

Capitalized terms used but not defined herein have the meanings ascribed to them in the Pooling Servicing Agreement, dated as of June 1, 2006 (the " Pooling and Servicing Agreement "), among HSI Asset Securitization Corporation, as depositor (the " Depositor "), National City Home Loan Services, Inc., as Servicer, First Franklin Financial Corporation, as Mortgage Loan Seller, Wells Fargo Bank, N.A., as master servicer (the " Master Servicer "), securities administrator (the " Securities Administrator ") and custodian, and Deutsche Bank National Trust Company, as trustee (the " Trustee ").

[____]
as [____]

By: _____
Name:
Title:
Date:

EXHIBIT N-1

STANDARD FILE LAYOUT – MASTER SERVICING

(MONTHLY REMITTANCE ADVICE)

Column Name	Description	Decimal	Format Comment	Max Size
SER_INVESTOR_NBR	A value assigned by the Servicer to define a group of loans.		Text up to 10 digits	20
LOAN_NBR	A unique identifier assigned to each loan by the investor.		Text up to 10 digits	10
SERVICER_LOAN_NBR	A unique number assigned to a loan by the Servicer. This may be different than the LOAN_NBR.		Text up to 10 digits	10
BORROWER_NAME	The borrower name as received in the file. It is not separated by first and last name.		Maximum length of 30 (Last, First)	30
SCHED_PAY_AMT	Scheduled monthly principal and scheduled interest payment that a borrower is expected to pay, P&I constant.	2	No commas(,) or dollar signs ($)	11
NOTE_INT_RATE	The loan interest rate as reported by the Servicer.	4	Max length of 6	6
NET_INT_RATE	The loan gross interest rate less the service fee rate as reported by the Servicer.	4	Max length of 6	6
SERV_FEE_RATE	The servicer's fee rate for a loan as reported by the Servicer.	4	Max length of 6	6
SERV_FEE_AMT	The servicer's fee amount for a loan as reported by the Servicer.	2	No commas(,) or dollar signs ($)	11
NEW_PAY_AMT	The new loan payment amount as reported by the Servicer.	2	No commas(,) or dollar signs ($)	11
NEW_LOAN_RATE	The new loan rate as reported by the Servicer.	4	Max length of 6	6
ARM_INDEX_RATE	The index the Servicer is using to calculate a forecasted rate.	4	Max length of 6	6
ACTL_BEG_PRIN_BAL	The borrower's actual principal balance at the beginning of the processing cycle.	2	No commas(,) or dollar signs ($)	11
ACTL_END_PRIN_BAL	The borrower's actual principal balance at the end of the processing cycle.	2	No commas(,) or dollar signs ($)	11
BORR_NEXT_PAY_DUE_DATE	The date at the end of processing cycle that the borrower's next payment is due to the Servicer, as reported by Servicer.		MM/DD/YYYY	10
SERV_CURT_AMT_1	The first curtailment amount to be applied.	2	No commas(,) or dollar signs ($)	11
SERV_CURT_DATE_1	The curtailment date associated with the first curtailment amount.		MM/DD/YYYY	10
CURT_ADJ_ AMT_1	The curtailment interest on the first curtailment amount, if applicable.	2	No commas(,) or dollar signs ($)	11
SERV_CURT_AMT_2	The second curtailment amount to be applied.	2	No commas(,) or dollar signs ($)	11
SERV_CURT_DATE_2	The curtailment date associated with the second curtailment amount.		MM/DD/YYYY	10
CURT_ADJ_ AMT_2	The curtailment interest on the second curtailment amount, if applicable.	2	No commas(,) or dollar signs ($)	11
SERV_CURT_AMT_3	The third curtailment amount to be applied.	2	No commas(,) or dollar signs ($)	11
SERV_CURT_DATE_3	The curtailment date associated with the third curtailment amount.		MM/DD/YYYY	10
CURT_ADJ_AMT_3	The curtailment interest on the third curtailment amount, if applicable.	2	No commas(,) or dollar signs ($)	11
PIF_AMT	The loan "paid in full" amount as reported by the Servicer.	2	No commas(,) or dollar signs ($)	11
PIF_DATE	The paid in full date as reported by the Servicer.		MM/DD/YYYY	10
ACTION_CODE	The standard FNMA numeric code used to indicate the default/delinquent status of a particular loan.		Action Code Key: 15=Bankruptcy, 30=Foreclosure, , 60=PIF, 63=Substitution, 65=Repurchase,70=REO	2
INT_ADJ_AMT	The amount of the interest adjustment as reported by the Servicer.	2	No commas(,) or dollar signs ($)	11
SOLDIER_SAILOR_ADJ_AMT	The Soldier and Sailor Adjustment amount, if applicable.	2	No commas(,) or dollar signs ($)	11

NON_ADV_LOAN_AMT	The Non Recoverable Loan Amount, if applicable.	2	No commas(,) or dollar signs ($)	11
LOAN_LOSS_AMT	The amount the Servicer is passing as a loss, if applicable.	2	No commas(,) or dollar signs ($)	11
SCHED_BEG_PRIN_BAL	The scheduled outstanding principal amount due at the beginning of the cycle date to be passed through to investors.	2	No commas(,) or dollar signs ($)	11
SCHED_END_PRIN_BAL	The scheduled principal balance due to investors at the end of a processing cycle.	2	No commas(,) or dollar signs ($)	11
SCHED_PRIN_AMT	The scheduled principal amount as reported by the Servicer for the current cycle -- only applicable for Scheduled/Scheduled Loans.	2	No commas(,) or dollar signs ($)	11
SCHED_NET_INT	The scheduled gross interest amount less the service fee amount for the current cycle as reported by the Servicer -- only applicable for Scheduled/Scheduled Loans.	2	No commas(,) or dollar signs ($)	11
ACTL_PRIN_AMT	The actual principal amount collected by the Servicer for the current reporting cycle -- only applicable for Actual/Actual Loans.	2	No commas(,) or dollar signs ($)	11
ACTL_NET_INT	The actual gross interest amount less the service fee amount for the current reporting cycle as reported by the Servicer -- only applicable for Actual/Actual Loans.	2	No commas(,) or dollar signs ($)	11
PREPAY_PENALTY_ AMT	The penalty amount received when a borrower prepays on his loan as reported by the Servicer.	2	No commas(,) or dollar signs ($)	11
PREPAY_PENALTY_ WAIVED	The prepayment penalty amount for the loan waived by the servicer.	2	No commas(,) or dollar signs ($)	11
MOD_DATE	The Effective Payment Date of the Modification for the loan.		MM/DD/YYYY	10
MOD_TYPE	The Modification Type.		Varchar - value can be alpha or numeric	30
DELINQ_P&I_ADVANCE_AMT	The current outstanding principal and interest advances made by Servicer.	2	No commas(,) or dollar signs ($)	11

EXHIBIT N-2

EXHIBIT STANDARD FILE LAYOUT – DELINQUENCY REPORTING

Column/Header Name	Description	Decimal	Format Comment
SERVICER_LOAN_NBR	A unique number assigned to a loan by the Servicer. This may be different than the LOAN_NBR		
LOAN_NBR	A unique identifier assigned to each loan by the originator.		
CLIENT_NBR	Servicer Client Number		
SERV_INVESTOR_NBR	Contains a unique number as assigned by an external servicer to identify a group of loans in their system.		
BORROWER_FIRST_NAME	First Name of the Borrower.		
BORROWER_LAST_NAME	Last name of the borrower.		
PROP_ADDRESS	Street Name and Number of Property		
PROP_STATE	The state where the property located.		
PROP_ZIP	Zip code where the property is located.		
BORR_NEXT_PAY_DUE_DATE	The date that the borrower's next payment is due to the servicer at the end of processing cycle, as reported by Servicer.		MM/DD/YYYY
LOAN_TYPE	Loan Type (i.e. FHA, VA, Conv)		
BANKRUPTCY_FILED_DATE	The date a particular bankruptcy claim was filed.		MM/DD/YYYY
BANKRUPTCY_CHAPTER_CODE	The chapter under which the bankruptcy was filed.		
BANKRUPTCY_CASE_NBR	The case number assigned by the court to the bankruptcy filing.		
POST_PETITION_DUE_DATE	The payment due date once the bankruptcy has been approved by the courts		MM/DD/YYYY
BANKRUPTCY_DCHRG_DISM_DATE	The Date The Loan Is Removed From Bankruptcy. Either by Dismissal, Discharged and/or a Motion For Relief Was Granted.		MM/DD/YYYY
LOSS_MIT_APPR_DATE	The Date The Loss Mitigation Was Approved By The Servicer		MM/DD/YYYY
LOSS_MIT_TYPE	The Type Of Loss Mitigation Approved For A Loan Such As;		
LOSS_MIT_EST_COMP_DATE	The Date The Loss Mitigation /Plan Is Scheduled To End/Close		MM/DD/YYYY
LOSS_MIT_ACT_COMP_DATE	The Date The Loss Mitigation Is Actually Completed		MM/DD/YYYY
FRCLSR_APPROVED_DATE	The date DA Admin sends a letter to the servicer with instructions to begin foreclosure proceedings.		MM/DD/YYYY
ATTORNEY_REFERRAL_DATE	Date File Was Referred To Attorney to Pursue Foreclosure		MM/DD/YYYY
FIRST_LEGAL_DATE	Notice of 1st legal filed by an Attorney in a Foreclosure Action		MM/DD/YYYY
FRCLSR_SALE_EXPECTED_DATE	The date by which a foreclosure sale is expected to occur.		MM/DD/YYYY
FRCLSR_SALE_DATE	The actual date of the foreclosure sale.		MM/DD/YYYY
FRCLSR_SALE_AMT	The amount a property sold for at the foreclosure sale.	2	No commas(,) or dollar signs ($)
EVICTION_START_DATE	The date the servicer initiates eviction of the borrower.		MM/DD/YYYY
EVICTION_COMPLETED_DATE	The date the court revokes legal possession of the property from the borrower.		MM/DD/YYYY
LIST_PRICE	The price at which an REO property is marketed.	2	No commas(,) or dollar signs ($)
LIST_DATE	The date an REO property is listed at a particular price.		MM/DD/YYYY
OFFER_AMT	The dollar value of an offer for an REO property.	2	No commas(,) or dollar signs ($)
OFFER_DATE_TIME	The date an offer is received by DA Admin or by the Servicer.		MM/DD/YYYY
REO_CLOSING_DATE	The date the REO sale of the property is scheduled to close.		MM/DD/YYYY
REO_ACTUAL_CLOSING_DATE	Actual Date Of REO Sale		MM/DD/YYYY
OCCUPANT_CODE	Classification of how the property is occupied.		
PROP_CONDITION_CODE	A code that indicates the condition of the property.		
PROP_INSPECTION_DATE	The date a property inspection is performed.		MM/DD/YYYY
APPRAISAL_DATE	The date the appraisal was done.		MM/DD/YYYY
CURR_PROP_VAL	The current "as is" value of the property based on brokers price opinion or appraisal.	2	
REPAIRED_PROP_VAL	The amount the property would be worth if repairs are completed pursuant to a broker's price opinion or appraisal.	2	
If applicable:			
DELINQ_STATUS_CODE	FNMA Code Describing Status of Loan		
DELINQ_REASON_CODE	The circumstances which caused a borrower to stop paying on a loan. Code indicates the reason why the loan is in default for this		

	cycle.		
MI_CLAIM_FILED_DATE	Date Mortgage Insurance Claim Was Filed With Mortgage Insurance Company.		MM/DD/YYYY
MI_CLAIM_AMT	Amount of Mortgage Insurance Claim Filed		No commas(,) or dollar signs ($)
MI_CLAIM_PAID_DATE	Date Mortgage Insurance Company Disbursed Claim Payment		MM/DD/YYYY
MI_CLAIM_AMT_PAID	Amount Mortgage Insurance Company Paid On Claim	2	No commas(,) or dollar signs ($)
POOL_CLAIM_FILED_DATE	Date Claim Was Filed With Pool Insurance Company		MM/DD/YYYY
POOL_CLAIM_AMT	Amount of Claim Filed With Pool Insurance Company	2	No commas(,) or dollar signs ($)
POOL_CLAIM_PAID_DATE	Date Claim Was Settled and The Check Was Issued By The Pool Insurer		MM/DD/YYYY
POOL_CLAIM_AMT_PAID	Amount Paid On Claim By Pool Insurance Company	2	No commas(,) or dollar signs ($)
FHA_PART_A_CLAIM_FILED_DATE	Date FHA Part A Claim Was Filed With HUD		MM/DD/YYYY
FHA_PART_A_CLAIM_AMT	Amount of FHA Part A Claim Filed	2	No commas(,) or dollar signs ($)
FHA_PART_A_CLAIM_PAID_DATE	Date HUD Disbursed Part A Claim Payment		MM/DD/YYYY
FHA_PART_A_CLAIM_PAID_AMT	Amount HUD Paid on Part A Claim	2	No commas(,) or dollar signs ($)
FHA_PART_B_CLAIM_FILED_DATE	Date FHA Part B Claim Was Filed With HUD		MM/DD/YYYY
FHA_PART_B_CLAIM_AMT	Amount of FHA Part B Claim Filed	2	No commas(,) or dollar signs ($)
FHA_PART_B_CLAIM_PAID_DATE	Date HUD Disbursed Part B Claim Payment		MM/DD/YYYY
FHA_PART_B_CLAIM_PAID_AMT	Amount HUD Paid on Part B Claim	2	No commas(,) or dollar signs ($)
VA_CLAIM_FILED_DATE	Date VA Claim Was Filed With the Veterans Admin		MM/DD/YYYY
VA_CLAIM_PAID_DATE	Date Veterans Admin. Disbursed VA Claim Payment		MM/DD/YYYY
VA_CLAIM_PAID_AMT	Amount Veterans Admin. Paid on VA Claim	2	No commas(,) or dollar signs ($)

The **Loss Mit Type** field should show the approved Loss Mitigation Code as follows:

- ASUM- Approved Assumption
- BAP- Borrower Assistance Program
- CO- Charge Off
- DIL- Deed-in-Lieu
- FFA- Formal Forbearance Agreement
- MOD- Loan Modification
- PRE- Pre-Sale
- SS- Short Sale
- MISC- Anything else approved by the PMI or Pool Insurer

NOTE: Wells Fargo Bank will accept alternative Loss Mitigation Types to those above, provided that they are consistent with industry standards. If Loss Mitigation Types other than those above are used, the Servicer must supply Wells Fargo Bank with a description of each of the Loss Mitigation Types prior to sending the file.

The **Occupant Code** field should show the current status of the property code as follows:

- Mortgagor
- Tenant
- Unknown
- Vacant

The **Property Condition** field should show the last reported condition of the property as follows:

- Damaged
- Excellent
- Fair
- Gone
- Good
- Poor
- Special Hazard
- Unknown

The **FNMA Delinquent Reason Code** field should show the Reason for Delinquency as follows:

Delinquency Code	Delinquency Description
001	FNMA-Death of principal mortgagor
002	FNMA-Illness of principal mortgagor
003	FNMA-Illness of mortgagor's family member
004	FNMA-Death of mortgagor's family member
005	FNMA-Marital difficulties
006	FNMA-Curtailment of income
007	FNMA-Excessive Obligation
008	FNMA-Abandonment of property
009	FNMA-Distant employee transfer
011	FNMA-Property problem
012	FNMA-Inability to sell property
013	FNMA-Inability to rent property
014	FNMA-Military Service
015	FNMA-Other
016	FNMA-Unemployment
017	FNMA-Business failure
019	FNMA-Casualty loss
022	FNMA-Energy environment costs
023	FNMA-Servicing problems
026	FNMA-Payment adjustment
027	FNMA-Payment dispute
029	FNMA-Transfer of ownership pending
030	FNMA-Fraud
031	FNMA-Unable to contact borrower
INC	FNMA-Incarceration

The **FNMA Delinquent Status Code** field should show the Status of Default as follows:

Status Code	Status Description
09	Forbearance
17	Pre-foreclosure Sale Closing Plan Accepted
24	Government Seizure
26	Refinance
27	Assumption
28	Modification
29	Charge-Off
30	Third Party Sale
31	Probate
32	Military Indulgence
43	Foreclosure Started
44	Deed-in-Lieu Started
49	Assignment Completed
61	Second Lien Considerations
62	Veteran's Affairs-No Bid
63	Veteran's Affairs-Refund
64	Veteran's Affairs-Buydown
65	Chapter 7 Bankruptcy
66	Chapter 11 Bankruptcy
67	Chapter 13 Bankruptcy

EXHIBIT N-3

FORM 332 REALIZED LOSS REPORT

WELLS FARGO BANK, N.A.

Purpose

To provide the Servicer with a form for the calculation of any Realized Loss (or gain) as a result of a Mortgage Loan having been foreclosed and Liquidated.

Distribution

The Servicer will prepare the form in duplicate and send the original together with evidence of conveyance of title and appropriate supporting documentation to the Master Servicer with the Monthly Accounting Reports which supports the Mortgage Loan's removal from the Mortgage Loan Activity Report. The Servicer will retain the duplicate for its own records.

Due Date

With respect to any liquidated Mortgage Loan, the form will be submitted to the Master Servicer no later than the date on which statements are due to the Master Servicer under Section 4.02 of this Agreement (the "Statement Date") in the month following receipt of final liquidation proceeds and supporting documentation relating to such liquidated Mortgage Loan; provided, that if such Statement Date is not at least 30 days after receipt of final liquidation proceeds and supporting documentation relating to such liquidated Mortgage Loan, then the form will be submitted on the first Statement Date occurring after the 30th day following receipt of final liquidation proceeds and supporting documentation.

Preparation Instructions

The numbers on the form correspond with the numbers listed below.

1. The actual Unpaid Principal Balance of the Mortgage Loan.

2. The Total Interest Due less the aggregate amount of servicing fee that would have been earned if all delinquent payments had been made as agreed.

3-7. Complete as necessary. All line entries must be supported by copies of appropriate statements, vouchers, receipts, canceled checks, etc., to document the expense. Entries not properly documented will not be reimbursed to the Servicer.

8. Accrued Servicing Fees based upon the Stated Principal Balance of the Mortgage Loan as calculated on a monthly basis.

9. The total of lines 1 through 8 .

Exhibit : Calculation of Realized Loss/Gain Form 332– Instruction Sheet

NOTE: Do not net or combine items. Show all expenses individually and all credits as separate line items. Claim packages are due on the remittance report date. Late submissions may result in claims not being passed until the following month. The Servicer is responsible to remit all funds pending loss approval and /or resolution of any disputed items.

The numbers on the 332 form correspond with the numbers listed below.

Liquidation and Acquisition Expenses:

1. The Actual Unpaid Principal Balance of the Mortgage Loan. For documentation, an Amortization Schedule from

date of default through liquidation breaking out the net interest and servicing fees advanced is required.

2. The Total Interest Due less the aggregate amount of servicing fee that would have been earned if all delinquent payments had been made as agreed. For documentation, an Amortization Schedule from date of default through liquidation breaking out the net interest and servicing fees advanced is required.

3. Accrued Servicing Fees based upon the Scheduled Principal Balance of the Mortgage Loan as calculated on a monthly basis. For documentation, an Amortization Schedule from date of default through liquidation breaking out the net interest and servicing fees advanced is required.

4-12. Complete as applicable. Required documentation:

* For taxes and insurance advances – see page 2 of 332 form - breakdown required showing period of coverage, base tax, interest, penalty. Advances prior to default require evidence of servicer efforts to recover advances.
* For escrow advances - complete payment history (to calculate advances from last positive escrow balance forward)
* Other expenses - copies of corporate advance history showing all payments
* REO repairs > $1500 require explanation
* REO repairs >$3000 require evidence of at least 2 bids.
* Short Sale or Charge Off require P&L supporting the decision and WFB's approved Officer Certificate
* Unusual or extraordinary items may require further documentation.

13. The total of lines 1 through 12.

Credits:

14-21. Complete as applicable. Required documentation:

* Copy of the HUD 1 from the REO sale. If a 3rd Party Sale, bid instructions and Escrow Agent / Attorney Letter of Proceeds Breakdown.
* Copy of EOB for any MI or gov't guarantee
* All other credits need to be clearly defined on the 332 form

22. The total of lines 14 through 21.

Please Note: For HUD/VA loans, use line (18a) for Part A/Initial proceeds and line (18b) for Part B/Supplemental proceeds.

Total Realized Loss (or Amount of Any Gain)

23. The total derived from subtracting line 22 from 13. If the amount represents a realized gain, show the amount in parenthesis ( ).

Exhibit 3A: Calculation of Realized Loss/Gain Form 332

Prepared by: _____ Date: _____
Phone: _____ Email Address:_____

Servicer Loan No.	Servicer Name	Servicer Address

WELLS FARGO BANK, N.A. Loan No ._____

Borrower's Name: _____
Property Address: _____

Liquidation Type: REO Sale 3rd Party Sale Short Sale Charge Off

Was this loan granted a Bankruptcy deficiency or cramdown Yes No
If "Yes", provide deficiency or cramdown amount _____

Liquidation and Acquisition Expenses:

(1)	Actual Unpaid Principal Balance of Mortgage Loan	$ _____	(1)
(2)	Interest accrued at Net Rate	_____	(2)
(3)	Accrued Servicing Fees	_____	(3)
(4)	Attorney's Fees	_____	(4)
(5)	Taxes (see page 2)	_____	(5)
(6)	Property Maintenance	_____	(6)
(7)	MI/Hazard Insurance Premiums (see page 2)	_____	(7)
(8)	Utility Expenses	_____	(8)
(9)	Appraisal/BPO	_____	(9)
(10)	Property Inspections	_____	(10)
(11)	FC Costs/Other Legal Expenses	_____	(11)
(12)	Other (itemize)	_____	(12)
	Cash for Keys_____	_____	(12)
	HOA/Condo Fees_____	_____	(12)
	_____	_____	(12)
	Total Expenses	$ _____	(13)

Credits :

(14)	Escrow Balance	$ _____	(14)
(15)	HIP Refund	_____	(15)
(16)	Rental Receipts	_____	(16)
(17)	Hazard Loss Proceeds	_____	(17)
(18)	Primary Mortgage Insurance / Gov't Insurance	_____	(18a) HUD Part A
		_____	(18b) HUD Part B
(19)	Pool Insurance Proceeds	_____	(19)
(20)	Proceeds from Sale of Acquired Property	_____	(20)
(21)	Other (itemize)	_____	(21)
	_____	_____	(21)
	Total Credits	$_____	(22)
	Total Realized Loss (or Amount of Gain)	$_____	(23)

Escrow Disbursement Detail

Type (Tax /Ins.)	Date Paid	Period of Coverage	Total Paid	Base Amount	Penalties	Interest

EXHIBIT O

FORM OF SWAP AGREEMENT

EXHIBIT P

FORM OF CAP AGREEMENT

EXHIBIT Q

MASTER MORTGAGE LOAN PURCHASE AND SERVICING AGREEMENT

EXHIBIT R

[RESERVED]

EXHIBIT S

SERVICING CRITERIA MATRIX

Where there are multiple checks for criteria the attesting party will identify in their management assertion that they are attesting only to the portion of the distribution chain they are responsible for in the related transaction agreements. Capitalized terms used herein but not defined herein shall have the meanings assigned to them in the Pooling and Servicing Agreement dated as of June 1, 2006 (the "Pooling and Servicing Agreement"), by and among HSI Asset Securitization Corporation, as Depositor, National City Home Loan Services, Inc., as Servicer First Franklin Financial Corporation, as Mortgage Loan Seller, Wells Fargo Bank, N.A. as Master Servicer, Securities Administrator and Custodian and Deutsche Bank National Trust Company, as Trustee

Reg AB Reference	Servicing Criteria	Wells Fargo	Servicer*
	General Servicing Considerations		
1122(d)(1)(i)	Policies and procedures are instituted to monitor any performance or other triggers and events of default in accordance with the transaction agreements.	**X**	**X**
1122(d)(1)(ii)	If any material servicing activities are outsourced to third parties, policies and procedures are instituted to monitor the third party's performance and compliance with such servicing activities.	**X**	**X**
1122(d)(1)(iii)	Any requirements in the transaction agreements to maintain a back-up servicer for the pool assets are maintained.		
1122(d)(1)(iv)	A fidelity bond and errors and omissions policy is in effect on the party participating in the servicing function throughout the reporting period in the amount of coverage required by and otherwise in accordance with the terms of the transaction agreements.	**X**	**X**
	Cash Collection and Administration		
1122(d)(2)(i)	Payments on pool assets are deposited into the appropriate custodial bank accounts and related bank clearing accounts no more than two business days following receipt, or such other number of days specified in the transaction agreements.	**X**	**X**
1122(d)(2)(ii)	Disbursements made via wire transfer on behalf of an obligor or to an investor are made only by authorized personnel.	**X**	**X**
1122(d)(2)(iii)	Advances of funds or guarantees regarding collections, cash flows or distributions, and any interest or other fees charged for such advances, are made, reviewed and approved as specified in the transaction agreements.	**X**	**X**
1122(d)(2)(iv)	The related accounts for the transaction, such as cash reserve accounts or accounts established as a form of over collateralization, are separately maintained (e.g., with respect to commingling of cash) as set forth in the transaction agreements.	**X**	**X**
1122(d)(2)(v)	Each custodial account is maintained at a federally insured depository institution as set forth in the transaction agreements. For purposes of this criterion, "federally insured depository institution" with respect to a foreign financial institution means a foreign financial institution that meets the requirements of Rule 13k-1(b)(1) of the Securities Exchange Act.	**X**	**X**
1122(d)(2)(vi)	Unissued checks are safeguarded so as to prevent unauthorized access.	**X**	**X**
1122(d)(2)(vii)	Reconciliations are prepared on a monthly basis for all asset-backed securities related bank accounts, including custodial accounts and related bank clearing accounts. These reconciliations are (A) mathematically accurate; (B) prepared within 30 calendar days after the bank statement cutoff date, or such other number of days specified in the transaction agreements; (C) reviewed and approved by someone other than the person who prepared the reconciliation; and (D) contain explanations for reconciling items. These reconciling items are resolved within 90 calendar days of their original identification, or such other number of days specified in the transaction agreements.	**X**	**A, B & D**
	Investor Remittances and Reporting		
1122(d)(3)(i)	Reports to investors, including those to be filed with the Commission, are maintained in accordance with the transaction agreements and	**X**	**X**

	applicable Commission requirements. Specifically, such reports (A) are prepared in accordance with timeframes and other terms set forth in the transaction agreements; (B) provide information calculated in accordance with the terms specified in the transaction agreements; (C) are filed with the Commission as required by its rules and regulations; and (D) agree with investors' or the trustee's records as to the total unpaid principal balance and number of pool assets serviced by the Servicer.		
1122(d)(3)(ii)	Amounts due to investors are allocated and remitted in accordance with timeframes, distribution priority and other terms set forth in the transaction agreements.	**X**	**X**
1122(d)(3)(iii)	Disbursements made to an investor are posted within two business days to the Servicer's investor records, or such other number of days specified in the transaction agreements.	**X**	**X**
1122(d)(3)(iv)	Amounts remitted to investors per the investor reports agree with cancelled checks, or other form of payment, or custodial bank statements.	**X**	**X**
	Pool Asset Administration		
1122(d)(4)(i)	Collateral or security on pool assets is maintained as required by the transaction agreements or related pool asset documents.	**X**	**X**
1122(d)(4)(ii)	Pool assets and related documents are safeguarded as required by the transaction agreements	**X**	**X**
1122(d)(4)(iii)	Any additions, removals or substitutions to the asset pool are made, reviewed and approved in accordance with any conditions or requirements in the transaction agreements.		**X**
1122(d)(4)(iv)	Payments on pool assets, including any payoffs, made in accordance with the related pool asset documents are posted to the Servicer's obligor records maintained no more than two business days after receipt, or such other number of days specified in the transaction agreements, and allocated to principal, interest or other items (e.g., escrow) in accordance with the related pool asset documents.		**X**
1122(d)(4)(v)	The Servicer's records regarding the pool assets agree with the Servicer's records with respect to an obligor's unpaid principal balance.		**X**
1122(d)(4)(vi)	Changes with respect to the terms or status of an obligor's pool assets (e.g., loan modifications or re-agings) are made, reviewed and approved by authorized personnel in accordance with the transaction agreements and related pool asset documents.		**X**
1122(d)(4)(vii)	Loss mitigation or recovery actions (e.g., forbearance plans, modifications and deeds in lieu of foreclosure, foreclosures and repossessions, as applicable) are initiated, conducted and concluded in accordance with the timeframes or other requirements established by the transaction agreements.		**X**
1122(d)(4)(viii)	Records documenting collection efforts are maintained during the period a pool asset is delinquent in accordance with the transaction agreements. Such records are maintained on at least a monthly basis, or such other period specified in the transaction agreements, and describe the entity's activities in monitoring delinquent pool assets including, for example, phone calls, letters and payment rescheduling plans in cases where delinquency is deemed temporary (e.g., illness or unemployment).		**X**
1122(d)(4)(ix)	Adjustments to interest rates or rates of return for pool assets with variable rates are computed based on the related pool asset documents.		**X**
1122(d)(4)(x)	Regarding any funds held in trust for an obligor (such as escrow accounts): (A) such funds are analyzed, in accordance with the obligor's pool asset documents, on at least an annual basis, or such other period specified in the transaction agreements; (B) interest on such funds is paid, or credited, to obligors in accordance with applicable pool asset documents and state laws; and (C) such funds are returned to the obligor within 30 calendar days of full repayment of the related pool assets, or such other number of days specified in the transaction agreements.		**X**
1122(d)(4)(xi)	Payments made on behalf of an obligor (such as tax or insurance payments) are made on or before the related penalty or expiration		**X**

	dates, as indicated on the appropriate bills or notices for such payments, provided that such support has been received by the servicer at least 30 calendar days prior to these dates, or such other number of days specified in the transaction agreements.		
1122(d)(4)(xii)	Any late payment penalties in connection with any payment to be made on behalf of an obligor are paid from the Servicer's funds and not charged to the obligor, unless the late payment was due to the obligor's error or omission.		**X**
1122(d)(4)(xiii)	Disbursements made on behalf of an obligor are posted within two business days to the obligor's records maintained by the servicer, or such other number of days specified in the transaction agreements.		**X**
1122(d)(4)(xiv)	Delinquencies, charge-offs and uncollectible accounts are recognized and recorded in accordance with the transaction agreements.	**X**	**X**
1122(d)(4)(xv)	Any external enhancement or other support, identified in Item 1114(a)(1) through (3) or Item 1115 of Regulation AB, is maintained as set forth in the transaction agreements.	[X] if obligated under transaction documents	MI Claims

EXHIBIT T

Trustee : Deutsche Bank National Trust Company

Securities Administrator : Wells Fargo Bank, N.A.

Master Servicer : Wells Fargo Bank, N.A.

Derivative Counterparty : The Bank of New York

Servicer : National City Home Loan Services, Inc.

Mortgage Loan Seller: First Franklin Financial Corporation

Custodian : Wells Fargo Bank, N.A.

Sponsor : HSBC Bank USA, National Association

EXHIBIT U

FORM OF ANNUAL COMPLIANCE CERTIFICATE

Via Overnight Delivery

[DATE]

To: HSI Asset Securitization Corporation,
as Depositor
452 Fifth Avenue
New York, New York 10018
Attention: Head MBS Principal Finance

To: Wells Fargo Bank, N.A.,
as Securities Administrator
9062 Old Annapolis Road
Columbia, Maryland 21045
Attention: Corporate Trust Services – FFML 2006-FF9

RE: Annual officer's certificate delivered pursuant to Section 3.24 of that certain Pooling Servicing Agreement, dated as of June 1, 2006 (the " Pooling and Servicing Agreement "), among HSI Asset Securitization Corporation, as depositor (the " Depositor "), National City Home Loan Services, Inc., as Servicer, First Franklin Financial Corporation, as Mortgage Loan Seller, Wells Fargo Bank, N.A., as master servicer (the " Master Servicer "), securities administrator (the " Securities Administrator ") and custodian, and Deutsche Bank National Trust Company, as trustee (the " Trustee ")

[_____], the undersigned, a duly authorized [_____] of [the Servicer][Master Servicer][Securities Administrator][Name of Subservicer], does hereby certify the following for the [calendar year][identify other period] ending on December 31, 20[__]:

1. A review of the activities of the [Servicer][Master Servicer][Securities Administrator] during the preceding calendar year (or portion thereof) and of its performance under the Agreement for such period has been made under my supervision.

2. To the best of my knowledge, based on such review, the [Servicer][Master Servicer][Securities Administrator] has fulfilled all of its obligations under the Agreement in all material respects throughout such year (or applicable portion thereof), or, if there has been a failure to fulfill any such obligation in any material respect, I have specifically identified to the Depositor and the [Servicer][Master Servicer][Securities Administrator] each such failure known to me and the nature and status thereof, including the steps being taken by the Servicer to remedy such default.

Certified By:

_____
Name:
Title:

EXHIBIT V

ADDITIONAL FORM 10-D DISCLOSURE

ADDITIONAL FORM 10-D DISCLOSURE	
Item on Form 10-D	**Party Responsible**
Item 1: Distribution and Pool Performance Information	
Information included in the [Monthly Statement]	Master Servicer, Servicer Securities Administrator
Any information required by 1121 which is NOT included on the [Monthly Statement]	Depositor
Item 2: Legal Proceedings Any legal proceeding pending against the following entities or their respective property, that is material to Certificateholders, including any proceeding known to be contemplated by governmental authorities:	
▪ Issuing Entity (Trust Fund)	Master Servicer, Securities Administrator, Servicer and Depositor
▪ Sponsor (Seller)	Seller (if a party to the Pooling and Servicing Agreement) or Depositor
▪ Depositor	Depositor
▪ Trustee	Trustee
▪ Securities Administrator	Securities Administrator
▪ Master Servicer	Master Servicer
▪ Servicer	Servicer
▪ Custodian	Custodian
▪ 1110(b) Originator	Depositor
▪ Any 1108(a)(2) Servicer (other than the Master Servicer or Securities Administrator)	Servicer
▪ Any other party contemplated by 1100(d)(1)	Depositor
Item 3: Sale of Securities and Use of Proceeds *Information from Item 2(a) of Part II of Form 10-Q:* With respect to any sale of securities by the sponsor, depositor or issuing entity, that are backed by the same asset pool or are otherwise issued by the issuing entity, whether or not registered, provide the sales and use of proceeds information in Item 701 of Regulation S-K. Pricing information can be omitted if securities were not registered.	Depositor
Item 4: Defaults Upon Senior Securities *Information from Item 3 of Part II of Form 10-Q:* Report the occurrence of any Event of Default (after expiration of any grace period and provision	Securities Administrator

of any required notice)	
Item 5: Submission of Matters to a Vote of Security Holders *Information from Item 4 of Part II of Form 10-Q*	Securities Administrator
Item 6: Significant Obligors of Pool Assets *Item 1112(b) – Significant Obligor Financial Information**	Depositor
*This information need only be reported on the Form 10-D for the distribution period in which updated information is required pursuant to the Item.	
Item 7: Significant Enhancement Provider Information *Item 1114(b)(2) – Credit Enhancement Provider Financial Information**	
▪ Determining applicable disclosure threshold	Depositor
▪ Requesting required financial information (including any required accountants' consent to the use thereof) or effecting incorporation by reference	Depositor
*Item 1115(b) – Derivative Counterparty Financial Information**	
▪ Determining current maximum probable exposure	Depositor
▪ Determining current significance percentage	Depositor
▪ Requesting required financial information (including any required accountants' consent to the use thereof) or effecting incorporation by reference	Depositor
*This information need only be reported on the Form 10-D for the distribution period in which updated information is required pursuant to the Items.	
Item 8: Other Information *Disclose any information required to be reported on Form 8-K during the period covered by the Form 10-D but not reported*	Any party responsible for the applicable Form 8-K Disclosure item
Item 9: Exhibits *Monthly Statement to Certificateholders*	Securities Administrator
Exhibits required by Item 601 of Regulation S-K, such as material agreements	Depositor

EXHIBIT W

ADDITIONAL FORM 10-K DISCLOSURE

ADDITIONAL FORM 10-K DISCLOSURE	
Item on Form 10-K	**Party Responsible**
Item 1B: Unresolved Staff Comments	Depositor
Item 9B: Other Information Disclose any information required to be reported on Form 8-K during the fourth quarter covered by the Form 10-K but not reported	Any party responsible for disclosure items on Form 8-K
Item 15: Exhibits, Financial Statement Schedules	Securities Administrator Depositor
Reg AB Item 1112(b): Significant Obligors of Pool Assets	
*Significant Obligor Financial Information**	Depositor
*This information need only be reported on the Form 10-K if updated information is required pursuant to the Item.	
Reg AB Item 1114(b)(2): Credit Enhancement Provider Financial Information	
▪ Determining applicable disclosure threshold	Depositor
▪ Requesting required financial information (including any required accountants' consent to the use thereof) or effecting incorporation by reference	Depositor
*This information need only be reported on the Form 10-K if updated information is required pursuant to the Item.	
Reg AB Item 1115(b): Derivative Counterparty Financial Information	
▪ Determining current maximum probable exposure	Depositor
▪ Determining current significance percentage	Depositor
▪ Requesting required financial information (including any required accountants' consent to the use thereof) or effecting incorporation by reference	Depositor
*This information need only be reported on the Form 10-K if updated information is required pursuant to the Item.	
Reg AB Item 1117: Legal Proceedings Any legal proceeding pending against the following entities or their respective property, that is material to Certificateholders, including any proceeding known to be contemplated by governmental authorities:	
▪ Issuing Entity (Trust Fund)	Master Servicer, Securities Administrator, Servicer and Depositor
▪ Sponsor (Seller)	Seller (if a party to the Pooling and Servicing Agreement) or Depositor
▪ Depositor	Depositor
▪ Trustee	Trustee

▪ Securities Administrator	Securities Administrator
▪ Master Servicer	Master Servicer
▪ Servicer	Servicer
▪ Custodian	Custodian
▪ 1110(b) Originator	Depositor
▪ Any 1108(a)(2) Servicer (other than the Servicer, Master Servicer or Securities Administrator)	Servicer
▪ Any other party contemplated by 1100(d)(1)	Depositor
Reg AB Item 1119: Affiliations and Relationships	
Whether (a) the Sponsor (Seller), Depositor or Issuing Entity is an affiliate of the following parties, and (b) to the extent known and material, any of the following parties are affiliated with one another:	Depositor as to (a) Sponsor/Seller as to (a)
▪ Master Servicer	Master Servicer
▪ Servicer	Servicer
▪ Securities Administrator	Securities Administrator
▪ Trustee	Trustee
▪ Any other 1108(a)(3) servicer	Servicer
▪ Any 1110 Originator	Depositor/Sponsor
▪ Any 1112(b) Significant Obligor	Depositor/Sponsor
▪ Any 1114 Credit Enhancement Provider	Depositor/Sponsor
▪ Any 1115 Derivative Counterparty Provider	Depositor/Sponsor
▪ Any other 1101(d)(1) material party	Depositor/Sponsor
Whether there are any "outside the ordinary course business arrangements" other than would be obtained in an arm's length transaction between (a) the Sponsor (Seller), Depositor or Issuing Entity on the one hand, and (b) any of the following parties (or their affiliates) on the other hand, that exist currently or within the past two years and that are material to a Certificateholder's understanding of the Certificates:	Depositor as to (a) Sponsor/Seller as to (a)
▪ Master Servicer	Master Servicer
▪ Servicer	Servicer
▪ Securities Administrator	Securities Administrator
▪ Trustee	Depositor/Sponsor
▪ Any other 1108(a)(3) servicer	Depositor/Sponsor
▪ Any 1110 Originator	Depositor/Sponsor
▪ Any 1112(b) Significant Obligor	Depositor/Sponsor
▪ Any 1114 Credit Enhancement Provider	Depositor/Sponsor
▪ Any 1115 Derivative Counterparty Provider	Depositor/Sponsor
▪ Any other 1101(d)(1) material party	Depositor/Sponsor
Whether there are any specific relationships involving the transaction or the pool assets between (a) the Sponsor (Seller), Depositor or Issuing Entity on the one hand, and (b) any of the following parties (or their affiliates) on the other hand, that exist currently or within the past two years and that are material:	Depositor as to (a) Sponsor/Seller as to (a)
▪ Master Servicer	Master Servicer
▪ Servicer	Servicer
▪ Securities Administrator	Securities Administrator

▪ Trustee	Depositor/Sponsor
▪ Any other 1108(a)(3) servicer	Servicer
▪ Any 1110 Originator	Depositor/Sponsor
▪ Any 1112(b) Significant Obligor	Depositor/Sponsor
▪ Any 1114 Credit Enhancement Provider	Depositor/Sponsor
▪ Any 1115 Derivate Counterparty Provider	Depositor/Sponsor
▪ Any other 1101(d)(1) material party	Depositor/Sponsor

EXHIBIT X

FORM 8-K DISCLOSURE INFORMATION

FORM 8-K DISCLOSURE INFORMATION	
Item on Form 8-K	**Party Responsible**
Item 1.01- Entry into a Material Definitive Agreement Disclosure is required regarding entry into or amendment of any definitive agreement that is material to the securitization, even if depositor is not a party. Examples: servicing agreement, custodial agreement. Note: disclosure not required as to definitive agreements that are fully disclosed in the prospectus	All parties other than the Trustee
Item 1.02- Termination of a Material Definitive Agreement Disclosure is required regarding termination of any definitive agreement that is material to the securitization (other than expiration in accordance with its terms), even if depositor is not a party. Examples: servicing agreement, custodial agreement.	All parties other than the Trustee
Item 1.03- Bankruptcy or Receivership Disclosure is required regarding the bankruptcy or receivership, with respect to any of the following:	Depositor

▪ Sponsor (Seller)

	Depositor/Sponsor (Seller)
▪ Depositor	Depositor
▪ Master Servicer	Master Servicer
▪ Affiliated Servicer	Servicer
▪ Other Servicer servicing 20% or more of the pool assets at the time of the report	Servicer
▪ Other material servicers	Servicer
▪ Trustee	Trustee
▪ Securities Administrator	Securities Administrator
▪ Significant Obligor	Depositor
▪ Credit Enhancer (10% or more)	Depositor
▪ Derivative Counterparty	Depositor
▪ Custodian	Custodian
Item 2.04- Triggering Events that Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement Includes an early amortization, performance trigger or other event, including event of default, that	Depositor Master Servicer Securities Administrator

would materially alter the payment priority/distribution of cash flows/amortization schedule. Disclosure will be made of events other than waterfall triggers which are disclosed in the monthly statements to the certificateholders.	
Item 3.03- Material Modification to Rights of Security Holders Disclosure is required of any material modification to documents defining the rights of Certificateholders, including the Pooling and Servicing Agreement.	Securities Administrator Depositor
Item 5.03- Amendments of Articles of Incorporation or Bylaws; Change of Fiscal Year Disclosure is required of any amendment "to the governing documents of the issuing entity".	Depositor
Item 6.01- ABS Informational and Computational Material	Depositor
Item 6.02- Change of Servicer or Securities Administrator Requires disclosure of any removal, replacement, substitution or addition of any master servicer, affiliated servicer, other servicer servicing 10% or more of pool assets at time of report, other material servicers or trustee.	Master Servicer/Securities Administrator/Depositor/ Servicer
Reg AB disclosure about any new servicer or master servicer is also required.	Servicer/Master Servicer/Depositor
Reg AB disclosure about any new Trustee is also required.	Trustee
Item 6.03- Change in Credit Enhancement or External Support Covers termination of any enhancement in manner other than by its terms, the addition of an enhancement, or a material change in the enhancement provided. Applies to external credit enhancements as well as derivatives.	Depositor/Securities Administrator
Reg AB disclosure about any new enhancement provider is also required.	Depositor
Item 6.04- Failure to Make a Required Distribution	Securities Administrator
Item 6.05- Securities Act Updating Disclosure If any material pool characteristic differs by 5% or more at the time of issuance of the securities from the description in the final prospectus, provide updated Reg AB disclosure about the actual asset pool.	Depositor
If there are any new servicers or originators required to be disclosed under Regulation AB as a result of the foregoing, provide the information	Depositor

called for in Items 1108 and 1110 respectively.	
Item 7.01- Reg FD Disclosure	All parties other than the Trustee
Item 8.01- Other Events Any event, with respect to which information is not otherwise called for in Form 8-K, that the registrant deems of importance to certificateholders.	Depositor
Item 9.01- Financial Statements and Exhibits	Responsible party for reporting/disclosing the financial statement or exhibit

EXHIBIT Y

ADDITIONAL DISCLOSURE NOTIFICATION

****SEND TO WELLS FARGO VIA FAX TO 410-715-2380 AND VIA EMAIL TO cts.sec.notifications@wellsfargo.com AND VIA OVERNIGHT MAIL TO THE ADDRESS IMMEDIATELY BELOW. SEND TO THE DEPOSITOR AT THE ADDRESS BELOW****

Wells Fargo Bank, N.A. as Securities Administrator
9062 Old Annapolis Road
Columbia, Maryland 21045
Fax: (410) 715-2380
E-mail: cts.sec.notifications@wellsfargo.com

HSI Asset Securitization Corporation
452 Fifth Avenue
New York, New York 10018
Attention: Head MBS Principal Finance

Attn: Corporate Trust Services - [DEAL NAME]-SEC REPORT PROCESSING

RE: **Additional Form [ ] Disclosure**Required

Ladies and Gentlemen:

In accordance with Section [ ] of the Pooling and Servicing Agreement, dated as of [ ] [ ], 2006, among [ ], as [ ], [ ], as [ ], [ ], as [ ] and [ ], as [ ]. The Undersigned, as [ ], hereby notifies you that certain events have come to our attention that [will][may] need to be disclosed on Form [ ].

Description of Additional Form [ ] Disclosure :

List of Any Attachments hereto to be included in the Additional Form [ ] Disclosure:

Any inquiries related to this notification should be directed to [ ], phone number: [ ]; email address: [ ].

[NAME OF PARTY]
as [role]

By: _____
Name:
Title:

EXHIBIT Z

CLASS NOTIONAL BALANCE SCHEDULE FOR CLASS A-IO CERTIFICATES

The Class Notional Balance of the Class A-IO Certificates for each Distribution Date will be the lesser of (1) the notional balance for the applicable Distribution Date set forth in the schedule below and (2) the Pool Balance as of the first day of the related Due Period:

Distribution Date	Class Notional Balance
July 2006	$421,179,000.00
August 2006	$421,179,000.00
September 2006	$421,179,000.00
October 2006	$421,179,000.00
November 2006	$421,179,000.00
December 2006	$421,179,000.00
January 2007	$336,943,000.00
February 2007	$336,943,000.00
March 2007	$336,943,000.00
April 2007	$336,943,000.00
May 2007	$336,943,000.00
June 2007	$336,943,000.00
July 2007	$252,707,000.00
August 2007	$252,707,000.00
September 2007	$252,707,000.00
October 2007	$ 0.00

EXECUTION

MORTGAGE LOAN PURCHASE AGREEMENT

This Mortgage Loan Purchase Agreement (the "Agreement"), dated as of June 1, 2006, is between HSI Asset Securitization Corporation, a Delaware corporation (the "Company"), and HSBC Bank USA, National Association, a national banking association (the "Seller").

The Company and the Seller hereby recite and agree as follows:

1. Defined Terms . Terms used without definition herein shall have the respective meanings assigned to them in the Pooling and Servicing Agreement, dated as of June 1, 2006 (the "Pooling and Servicing Agreement"), by and among the Depositor, National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller (the "Mortgage Loan Seller"), Wells Fargo Bank, N.A., as master servicer, securities administrator and custodian and Deutsche Bank National Trust Company, as trustee (the "Trustee"), relating to the issuance of the First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, Series 2006-FF9 (the "Pooling and Servicing Agreement"). Unless otherwise defined herein, capitalized terms used herein shall have the same meanings assigned to them in the Pooling and Servicing Agreement.

2. Purchase of Mortgage Loans . The Seller hereby sells, transfers, assigns and conveys, and the Company hereby purchases the mortgage loans (the "Mortgage Loans") listed on the Mortgage Loan Schedule in Exhibit 1 .

3. Purchase Price; Purchase and Sale . The purchase price (the "Purchase Price") for the Mortgage Loans shall be $1,720,010,161.18 inclusive of accrued and unpaid interest on the Mortgage Loans at the weighted average interest rate borne by the Mortgage Loans from the date hereof to but not including the Closing Date, payable by the Company to the Seller on the Closing Date either (i) by appropriate notation of an inter-company transfer between affiliates of HSBC or (ii) in immediately available Federal funds wired to such bank as may be designated by the Seller.

Upon payment of the Purchase Price, the Seller shall be deemed to have transferred, assigned, set over and otherwise conveyed to the Company all the right, title and interest of the Seller in and to the Mortgage Loans as of the Cut-Off Date, including all interest and principal due on the Mortgage Loans after the Cut-Off Date (including Scheduled Payments due after the Cut-Off Date but received by the Seller on or before the Cut-Off Date, but not including payments of principal and interest due on the Mortgage Loans on or before the Cut-Off Date), together with all of the Seller's right, title and interest in and to the proceeds of any related title, hazard, primary mortgage or other insurance policies.

The Company hereby directs the Seller, and the Seller hereby agrees, to deliver to the Trustee all documents, instruments and agreements required to be delivered by the Company to the Trustee under the Pooling and Servicing Agreement and such other documents, instruments and agreements as the Company or the Trustee shall reasonably request.

4. Representations and Warranties . The Seller hereby represents and warrants to the Company with respect to each Mortgage Loan as of the date hereof and as of the Closing Date as follows:

(a) With respect to each Mortgage Loan in either Loan Group, as of the date hereof and as of the Closing Date:

(1) The Seller has good title to the Mortgage Loans and the Mortgage Loans were subject to no offsets, defenses or counterclaims.

(2) The information set forth in the Mortgage Loan Schedule is complete, true and correct as of the Cut-off Date.

EXHIBIT B

EXECUTION

MORTGAGE LOAN PURCHASE AGREEMENT

This Mortgage Loan Purchase Agreement (the "Agreement"), dated as of June 1, 2006, is between HSI Asset Securitization Corporation, a Delaware corporation (the "Company"), and HSBC Bank USA, National Association, a national banking association (the "Seller").

The Company and the Seller hereby recite and agree as follows:

1. Defined Terms . Terms used without definition herein shall have the respective meanings assigned to them in the Pooling and Servicing Agreement, dated as of June 1, 2006 (the "Pooling and Servicing Agreement"), by and among the Depositor, National City Home Loan Services, Inc., as servicer, First Franklin Financial Corporation, as mortgage loan seller (the "Mortgage Loan Seller"), Wells Fargo Bank, N.A., as master servicer, securities administrator and custodian and Deutsche Bank National Trust Company, as trustee (the "Trustee"), relating to the issuance of the First Franklin Mortgage Loan Trust 2006-FF9 Mortgage Pass-Through Certificates, Series 2006-FF9 (the "Pooling and Servicing Agreement"). Unless otherwise defined herein, capitalized terms used herein shall have the same meanings assigned to them in the Pooling and Servicing Agreement.

2. Purchase of Mortgage Loans . The Seller hereby sells, transfers, assigns and conveys, and the Company hereby purchases the mortgage loans (the "Mortgage Loans") listed on the Mortgage Loan Schedule in Exhibit 1 .

3. Purchase Price; Purchase and Sale . The purchase price (the "Purchase Price") for the Mortgage Loans shall be $1,720,010,161.18 inclusive of accrued and unpaid interest on the Mortgage Loans at the weighted average interest rate borne by the Mortgage Loans from the date hereof to but not including the Closing Date, payable by the Company to the Seller on the Closing Date either (i) by appropriate notation of an inter-company transfer between affiliates of HSBC or (ii) in immediately available Federal funds wired to such bank as may be designated by the Seller.

Upon payment of the Purchase Price, the Seller shall be deemed to have transferred, assigned, set over and otherwise conveyed to the Company all the right, title and interest of the Seller in and to the Mortgage Loans as of the Cut-Off Date, including all interest and principal due on the Mortgage Loans after the Cut-Off Date (including Scheduled Payments due after the Cut-Off Date but received by the Seller on or before the Cut-Off Date, but not including payments of principal and interest due on the Mortgage Loans on or before the Cut-Off Date), together with all of the Seller's right, title and interest in and to the proceeds of any related title, hazard, primary mortgage or other insurance policies.

The Company hereby directs the Seller, and the Seller hereby agrees, to deliver to the Trustee all documents, instruments and agreements required to be delivered by the Company to the Trustee under the Pooling and Servicing Agreement and such other documents, instruments and agreements as the Company or the Trustee shall reasonably request.

4. Representations and Warranties . The Seller hereby represents and warrants to the Company with respect to each Mortgage Loan as of the date hereof and as of the Closing Date as follows:

(a) With respect to each Mortgage Loan in either Loan Group, as of the date hereof and as of the Closing Date:

(1) The Seller has good title to the Mortgage Loans and the Mortgage Loans were subject to no offsets, defenses or counterclaims.

(2) The information set forth in the Mortgage Loan Schedule is complete, true and correct as of the Cut-off Date.

(3) The Mortgaged Property is free of material damage and waste and there is no proceeding pending for the total or partial condemnation of the Mortgaged Property.

(4) From and after the Initial Sale Date, there have been no delinquent taxes, ground rents, water charges, sewer rents, assessments, insurance premiums, leasehold payments, including assessments payable in future installments or other outstanding charges affecting the related Mortgaged Property.

(5) From and after the Initial Sale Date, the terms of the Mortgage Note and the Mortgage have not been impaired, waived, altered or modified in any respect, except by written instruments, recorded in the applicable public recording office if necessary to maintain the lien priority of the Mortgage, and which have been delivered to the Trustee on behalf of the Company; the substance of any such waiver, alteration or modification has been approved by the title insurer, to the extent required by the related policy, and is reflected on the related Mortgage Loan Schedule. No instrument of waiver, alteration or modification has been executed, and no borrower has been released, in whole or in part, except in connection with an assumption agreement approved by the title insurer, to the extent required by the policy, and which assumption agreement has been delivered to the Custodian and the terms of which are reflected in the related Mortgage Loan Schedule.

(6) All buildings upon the Mortgaged Property are insured by an insurer against loss by fire, hazards of extended coverage and such other hazards as are customary in the area where the Mortgaged Property is located, in an amount not less than (i) 100.00% of the replacement cost of all improvements to the Mortgaged Property, (ii) the outstanding principal balance of the Mortgage Loan, (iii) the amount necessary to avoid the operation of any co-insurance provisions with respect to the Mortgaged Property, and consistent with the amount that would have been required as of the date of origination in accordance with the underwriting guidelines or (iv) the amount necessary to fully compensate for any damage or loss to the improvements that are a part of such property on a replacement cost basis. All such insurance policies contain a standard mortgagee clause naming the originator, its successors and assigns as mortgagee and all premiums thereon have been paid. If the Mortgaged Property is in an area identified on a Flood Hazard Map or Flood Insurance Rate Map issued by the Federal Emergency Management Agency as having special flood hazards (and such flood insurance has been made available) a flood insurance policy meeting the requirements of the current guidelines of the Federal Insurance Administration is in effect which policy conforms to the requirements of the Underwriting Guidelines. The Mortgage obligates the borrower thereunder to maintain all such insurance at the borrower's cost and expense, and on the borrower's failure to do so, authorizes the holder of the Mortgage to maintain such insurance at borrower's cost and expense and to seek reimbursement therefor from the Mortgagor.

(7) The Mortgage has not been satisfied, cancelled, subordinated or rescinded, in whole or in part, and the Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, nor has any instrument been executed that would effect any such satisfaction, cancellation, subordination, rescission or release.

(8) The Mortgage is a valid, existing and enforceable first lien and first priority interest on the Mortgaged Property, including all improvements on the Mortgaged Property subject only to (a) the lien of current real property taxes and assessments not yet due and payable, (b) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording being acceptable to mortgage lending institutions generally and specifically referred to in the lender's title insurance

policy delivered to the originator of the Mortgage Loan and which do not adversely affect the Appraised Value of the Mortgaged Property, and (c) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property. Any security agreement, chattel mortgage or equivalent document related to and delivered in connection with the Mortgage Loan establishes and creates a valid, existing and enforceable first lien and first priority security interest on the property described therein and the Seller has full right to sell and assign the same to the Company.

(9) From and after the Initial Sale Date and immediately prior to the transfer and assignment of each Mortgage Loan by the Seller to the Company, the Seller was the sole legal, beneficial and equitable owner of the Mortgage Note and the Mortgage. The Seller has full right to transfer and sell the Mortgage Loan to the Purchaser free and clear of any encumbrance, equity, lien, pledge, charge, claim or security interest.

(10) There is no default, breach, violation or event of acceleration existing under the Mortgage or the Mortgage Note, no event which, with the passage of time or with notice and the expiration of any grace or cure period, would constitute a default, breach, violation or event of acceleration, and the Seller has not waived any default, breach, violation or event of acceleration.

(11) From and after the Initial Sale Date, no mechanics' or similar liens or claims have been filed for work, labor or material (and no rights are outstanding that under law could give rise to such lien) affecting the related Mortgaged Property which are or may be liens prior to, or equal or coordinate with, the lien of the related Mortgage.

(12) Since the Initial Sale Date of the Mortgage Loan, the Mortgaged Property has not been subject to any bankruptcy proceeding or foreclosure proceeding and the Mortgagor has not filed for protection under applicable bankruptcy laws. There is no homestead or other exemption available to the Mortgagor which would interfere with the right to sell the Mortgaged Property at a trustee's sale or the right to foreclose the Mortgage. The Mortgagor has not notified the Seller and the Seller has no knowledge of any relief requested by the borrower under the Servicemembers Civil Relief Act.

(13) From and after the Initial Sale Date, the Mortgaged Property is in material compliance with all applicable environmental laws pertaining to environmental hazards including, without limitation, asbestos, and neither the Seller nor, to the Seller's knowledge, the related Mortgagor, has received any notice of any violation or potential violation of such law.

(14) There is no Mortgage Loan that was originated on or after October 1, 2002 and before March 7, 2003, which is secured by property located in the state of Georgia. There is no Mortgage Loan that was originated on or after March 7, 2003, which is a "high cost home loan" as defined under the Georgia Fair Lending Act.

(15) No Mortgage Loan is (a) subject to the provisions of the Homeownership and Equity Protection Act of 1994 as amended ("HOEPA"), (b) a "high cost" mortgage loan, "covered" mortgage loan, "high risk home" mortgage loan or "predatory" mortgage loan or any other comparable term, no matter how defined under any federal, state or local law, or (c) subject to any comparable federal, state or local statutes or regulations, or any other statute or regulation providing for heightened regulatory scrutiny or assignee liability to holders of such mortgage loans, or (d) a High Cost Loan or Covered Loan, as applicable (as such terms are defined in the then current Standard & Poor's LEVELS®

Glossary).

(16) Each Mortgage Loan at the time it was made complied in all material respects with applicable local, state and federal laws, including, but not limited to, all applicable predatory and abusive lending laws.

(17) The information set forth in the Mortgage Loan Schedule with respect to Prepayment Charges is complete, true and correct in all material respects and, subject to applicable federal and state law, each Prepayment Charge is permissible, enforceable and collectible.

(18) No Mortgage Loan is (i) a "High-Cost Home Loan" as defined in the New Jersey Home Ownership Act effective November 27, 2003, (ii) a "High-Cost Home Loan" as defined in the New Mexico Home Loan Protection Act effective January 1, 2004, (iii) a "High-Cost Home Mortgage Loan" as defined in the Massachusetts Predatory Home Loan Practices Act effective November 7, 2004 or (iv) a "High Cost Home Loan" as defined in the Indiana Home Loan Practices Act effective January 1, 2005.

(b) In addition to the representations and warranties in Paragraph 4(a) above, with respect to the Group I Mortgage Loans, as of the date hereof and as of the Closing Date:

(1) The outstanding Principal Balance of each Group I Mortgage Loan does not exceed the applicable maximum original loan amount limitations with respect to first lien or subordinate lien one-to-four family residential mortgage loans, as applicable, as set forth in the Freddie Mac Selling Guide.

(2) No borrower obtained a prepaid single-premium credit life, credit disability, credit unemployment or credit property insurance policy in connection with the origination of any Group I Mortgage Loan; and no proceeds from any Group I Mortgage Loan were used to purchase single premium credit insurance policies or debt cancellation agreements as part of the origination of, or as a condition to closing, such Group I Mortgage Loan.

(3) The Servicer for each Group I Mortgage Loan has fully furnished in the past (and the Seller shall cause the Servicer to furnish in the future), in accordance with the Fair Credit Reporting Act and its implementing regulations, accurate and complete information (*i.e.* , favorable and unfavorable) on its borrower credit files to Equifax, Experian and Trans Union Credit Information Company, on a monthly basis.

(4) With respect to any Group I Mortgage Loan that contains a provision permitting imposition of a Prepayment Charge upon a prepayment prior to maturity, to the best of the Seller's knowledge: (i) the Group I Mortgage Loan provides some benefit to the borrower (e.g., a rate or fee reduction) in exchange for accepting such Prepayment Charge; (ii) the Group I Mortgage Loan's originator had a written policy of offering the borrower, or requiring third-party brokers to offer the borrower, the option of obtaining a mortgage loan that did not require payment of such Prepayment Charge; (iii) the Prepayment Charge was adequately disclosed to the borrower in the loan documents pursuant to applicable state and federal law; (iv) no subprime loan originated on or after October 1, 2002, will provide for a Prepayment Charge for a term in excess of three years and any subprime loan or non-subprime loan originated prior to such date will not provide for a Prepayment Charge for a term in excess of five years; in each case unless such loan was modified to reduce the prepayment period to no more than three years from the date of the note in the case of a subprime loan and no more than five years from the date of the note in the case of a non-subprime loan and the borrower was notified in

writing of such reduction in prepayment period, and (v) such Prepayment Charge shall not be imposed in any instance where the Group I Mortgage Loan is accelerated or paid off in connection with the workout of a delinquent mortgage or due to the borrower's default, notwithstanding that the terms of the Group I Mortgage Loan or state or federal law might permit the imposition of such Prepayment Charge.

(5) With respect to any Group I Transferred Mortgage Loan originated on or after August 1, 2004, neither the related mortgage nor the related mortgage note requires the borrower to submit to arbitration to resolve any dispute arising out of or relating in any way to the mortgage loan transaction.

(6) With respect to any Group I Mortgage Loan secured by manufactured housing, (i) each contract is secured by a "single family residence" within the meaning of Section 25(e)(10) of the Code and (ii) the manufactured housing is the principal residence of the borrower. The fair market value of the manufactured home securing each contract was at least 80% of the adjusted issue price of the contract at either (i) the time the contract was originated (determined pursuant to the REMIC provisions of the Code) or (ii) the time the contract was transferred to the Seller. Each such contract is a "qualified mortgage" under Section 860G(a)(3) of the Code.

(7) To the best of the Seller's knowledge, no borrower was encouraged or required to select a Group I Mortgage Loan product offered by the originator which is a higher cost product designed for less creditworthy borrowers, unless at the time of the originator's origination, such borrower did not qualify, taking into account such facts as, without limitation, the related Group I Mortgage Loan's requirements and the borrower's credit history, income, assets and liabilities, for a lower cost credit product then offered by the mortgage loan's originator or any affiliate of the originator. If, at the time of loan application, the borrower may have qualified for a lower cost credit product then offered by any mortgage lending affiliate of the originator, the originator referred the borrower's application to such affiliate for underwriting consideration.

(8) To the best of the Seller's knowledge, the methodology used in underwriting the extension of credit for each Group I Mortgage Loan did not rely on the borrower's equity in the collateral as the principal determining factor in approving the extension of credit, but rather related such facts as, without limitation, the borrower's credit history, income, assets or liabilities, to the proposed mortgage payment. Such underwriting methodology confirmed that at the time of origination (application/approval), the borrower had a reasonable ability to make timely payments on the related Group I Mortgage Loan.

(9) No borrower under a Group I Mortgage Loan was charged "points and fees" in an amount greater than (a) $1,000 or (b) 5% of the principal amount of such Group I Mortgage Loan, such limitation calculated in accordance with Freddie Mac's anti-predatory lending requirements as set forth in the Freddie Mac Selling Guide.

(10) No Group I Mortgage Loan was originated more than twelve months prior to the Closing Date.

It is understood and agreed that the representations and warranties of the Seller set forth in this Section 4 shall survive the Closing Date. Upon the discovery by either the Seller or the Company of a breach of any of the foregoing representations and warranties (excluding a breach with respect to the representation made in subparagraph (a)(17) of Section 4 above) that adversely and materially affects the value of the related Mortgage Loan and that does not also constitute a breach of a representation or warranty of the Mortgage Loan Seller under the Pooling and Servicing Agreement, the party discovering the breach shall give prompt written notice to the other. Within 30 days of the earlier of either discovery by or notice to the Seller of any breach of any of the foregoing representations or warranties that

materially and adversely affects the value of any Mortgage Loan, the Seller shall use its best efforts to cure such breach in all material respects and, if such defect or breach cannot be remedied, the Seller shall, at the Company's option as specified in writing and provided to the Seller, (i) if such 30 day period expires prior to the second anniversary of the Closing Date, remove such Mortgage Loan from the Trust Fund and substitute in its place a Substitute Mortgage Loan; or (ii) repurchase such Mortgage Loan at the Repurchase Price. Notwithstanding the foregoing, with respect to any of the foregoing representations and warranties made in subparagraphs (b) of this Section 4, a breach of any such representation or warranty shall be deemed to materially and adversely affect the value of the affected Mortgage Loan and the interests of Certificateholders therein, thus requiring the Seller to repurchase or substitute such Mortgage Loan irrespective of the Seller's knowledge of the breach or violation of the representation or warranty.

Notwithstanding the preceding paragraph, in connection with the Seller's representations and warranties made in subparagraph (a)(17) of Section 4 and within 90 days of the earlier of discovery by the Seller or receipt of notice from the Servicer of a breach of such representation and warranty by the Seller, which breach materially and adversely affects the interests of the Class P Certificateholders in any Prepayment Charge, the Seller shall, if (i) such representation and warranty is breached and a Principal Prepayment has occurred or (ii) if a change in law subsequent to the Closing Date limits the enforceability of the Prepayment Charge, pay, at the time of such Principal Prepayment or change in law, the amount of the scheduled Prepayment Charge, for the benefit of the holders of the Class P Certificates, by depositing such amount into the Distribution Account no later than the Remittance Date immediately following the Prepayment Period in which such Principal Prepayment on the related Mortgage Loan or such change in law has occurred.

5. Repurchase and Substitution of Mortgage Loans . In the event the Mortgage Loan Seller fails to perform its repurchase or substitution obligations under Section 2.03 of the Pooling and Servicing Agreement resulting from the insolvency or financial inability of the Mortgage Loan Seller to do so, the Seller may, in its sole discretion, opt to undertake such repurchase or substitution.

6. Underwriting . The Seller hereby agrees to furnish any and all information, documents, certificates, letters or opinions with respect to the Mortgage Loans, reasonably requested by the Company in order to perform any of its obligations or satisfy any of the conditions on its part to be performed or satisfied pursuant to the Underwriting Agreement or the Purchase Agreement at or prior to the Closing Date.

7. Notices . All demands, notices and communications hereunder shall be in writing, shall be effective only upon receipt and shall, if sent to the Company, be addressed to it at HSI Asset Securitization Corporation, 452 Fifth Avenue, 10th Floor, New York, New York 10018, Attention: Head MBS Principal Finance, or, if sent to the Seller, be addressed to it at HSBC Bank USA, National Association, 452 Fifth Avenue, 10th Floor, New York, New York 10018, Attention: Head MBS Principal Finance.

8. Miscellaneous . This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated except by a writing signed by the party against whom enforcement of such change, waiver, discharge or termination is sought. This Agreement may be signed in any number of counterparts, each of which shall be deemed an original, which taken together shall constitute one and the same instrument. This Agreement shall bind and inure to the benefit of and be enforceable by the Company and the Seller and their respective successors and assigns.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company and the Seller have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

HSI ASSET SECURITIZATION CORPORATION

By: /s/ Andrea Lenox
Name: Andrea Lenox
Title: Vice President

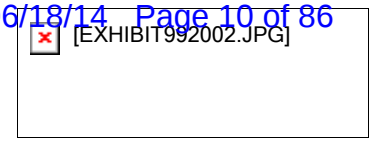
HSBC BANK USA, NATIONAL ASSOCIATION

By: /s/ Jon E. Voigtman
Name: Jon E. Voigtman
Title: Managing Director #14311

EXHIBIT 1

Mortgage Loan Schedule

[To be retained in a separate closing binder entitled “FFML 2006-FF9 Mortgage Loan Schedules” at the Washington, D.C. offices of McKee Nelson LLP]



Dated: July 7, 2006

Rate Swap Transaction

Re: BNY Reference No. 38076

Ladies and Gentlemen:

The purpose of this letter agreement ("Agreement") is to confirm the terms and conditions of the Rate Cap Transaction entered into on the Trade Date specified below (the "Transaction") between The Bank of New York ("BNY"), a trust company duly organized and existing under the laws of the State of New York, and the Supplemental Interest Trust of the First Franklin Mortgage Loan Trust 2006-FF9 (the "Counterparty"), as represented by Wells Fargo Bank, N.A. not in its individual capacity, but solely as securities administrator (the "Securities Administrator") of the Supplemental Interest Trust created under the Pooling and Servicing Agreement, dated and effective June 1, 2006, among HSI Asset Securitization Corporation, as depositor (the "Depositor"), the Securities Administrator, Wells Fargo Bank, N.A., in the additional capacities of master servicer and custodian (the "Master Servicer"), National City Home Loan Services, Inc., as servicer (the "Servicer") of the mortgage loans, First Franklin Financial Corporation, as mortgage loan seller (the "Mortgage Loan Seller"), and Deutsche Bank National Trust Company, as Trustee (the "Trustee") (the "Pooling and Servicing Agreement"). This Agreement, which evidences a complete and binding agreement between you and us to enter into the Transaction on the terms set forth below, constitutes a "Confirmation" as referred to in the "ISDA Form Master Agreement" (as defined below), as well as a "Schedule" as referred to in the ISDA Form Master Agreement.

1. This Agreement is subject to the *2000 ISDA Definitions* (the "Definitions"), as published by the International Swaps and Derivatives Association, Inc. ("ISDA"). You and we have agreed to enter into this Agreement in lieu of negotiating a Schedule to the 1992 ISDA Master Agreement (Multicurrency—Cross Border) form (the "ISDA Form Master Agreement") but, rather, an ISDA Form Master Agreement, as modified by the Schedule terms in Section 4 of this Confirmation (the "Master Agreement"), shall be deemed to have been executed by you and us on the date we entered into the Transaction. Each party hereto agrees that the Master Agreement deemed to have been executed by the parties hereto shall be the same Master Agreement referred to in the agreement setting forth the terms of transaction reference number 38077. In the event of any inconsistency between the provisions of this Agreement and the Definitions or the ISDA Form Master Agreement, this Agreement shall prevail for purposes of the Transaction. Terms capitalized but not defined herein shall have the meaning attributed to them in the Pooling and Servicing Agreement.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

Type of Transaction:	Rate Swap
Notional Amount:	With respect to any Calculation Period the amount set forth for such period on Schedule I attached hereto.
Trade Date:	June 29, 2006
Effective Date:	July 25, 2006
Termination Date:	January 25, 2010

Fixed Amounts:

Fixed Rate Payer:	Counterparty
Fixed Rate:	5.60%
Fixed Rate Payer Period End Date:	The 25th calendar day of each month during the Term of this Transaction, commencing August 25, 2006 and ending on the Termination Date, with No Adjustment.
Fixed Rate Payer Payment Date:	Early Payment shall be applicable. The Fixed Rate Payer Payment Date shall be one (1) Business Day preceding each Fixed Rate Payer Period End Date.
Fixed Rate Day Count Fraction:	30/360

Floating Amounts:

Floating Rate Payer:	BNY
Floating Rate Payer Period End Dates:	The 25th calendar day of each month during the Term of this Transaction, commencing August 25, 2006 and ending on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Payment Dates:	Early Payment shall be applicable. The Floating Rate Payer Payment Date shall be one (1) Business Day preceding each Floating Rate Payer Period End Date.
Floating Rate Option:	USD-LIBOR-BBA
Designated Maturity:	One month
Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period
Compounding:	Inapplicable
Business Days:	Any day other than (i) a Saturday or Sunday, or (ii) a day on which banking institutions in the state of New York are closed.
Business Day Convention:	Following
Calculation Agent:	BNY
Additional Payments:	Counterparty shall pay The Bank of New York, USD 1,956,000.00 on July 7, 2006

3. Additional Provisions:

(a) Each party hereto is hereby advised and acknowledges that the other party has engaged in (or refrained from engaging in) substantial financial transactions and has taken (or refrained from taking) other material actions in reliance

upon the entry by the parties into the Transaction being entered into on the terms and conditions set forth herein.

(b) Transfer, Amendment and Assignment. No transfer, amendment, waiver, supplement, assignment or other modification of this Transaction shall be permitted by either party unless each of Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc ("S&P"), Moody's Investors Service, Inc. ("Moody's") and Fitch Ratings ("Fitch"), has been provided notice of the same and confirms in writing (including by facsimile transmission) within five Business Days after such notice is given that it will not downgrade, qualify, withdraw or otherwise modify its then-current rating of the Class A-IO, Class I-A, Class II-A-1, Class II-A-2, Class II-A-3, Class II-A-4, Class M-l, Class M-2, Class M-3, Class M-4, Class M-5, Class M-6, Class M-7, Class M-8, Class M-9 and Class M-10 Certificates (the "Certificates").

4. Provisions Deemed Incorporated in a Schedule to the Master Agreement:

1) The parties agree that subparagraph (ii) of Section 2(c) of the ISDA Form Master Agreement will apply to any Transaction.

2) Termination Provisions. Subject to the provisions of paragraph 12 below, for purposes of the this Agreement:

(a) "Specified Entity" is not applicable to BNY or Counterparty for any purpose.

(b) "Breach of Agreement" provisions of Section 5(a)(ii) will not apply to BNY or Counterparty.

(c) "Credit Support Default" provisions of Section 5(a)(iii) will not apply to BNY or Counterparty.

(d) "Misrepresentation" provisions of Section 5(a)(iv) will not apply to BNY or Counterparty.

(e) "Default under Specified Transaction" is not applicable to BNY or Counterparty for any purpose, and, accordingly, Section 5(a)(v) shall not apply to BNY or Counterparty.

(f) The "Cross Default" provisions of Section 5(a)(vi) will not apply to BNY or to Counterparty.

(g) The "Bankruptcy" provisions of Section 5(a)(vii)(2) will not apply to Counterparty.

(h) The "Credit Event Upon Merger" provisions of Section 5(b)(iv) will not apply to BNY or Counterparty.

(i) The "Automatic Early Termination" provision of Section 6(a) will not apply to BNY or to Counterparty.

(j) Payments on Early Termination. For the purpose of Section 6(e) of this Agreement:

(i) Market Quotation will apply.

(ii) The Second Method will apply.

(k) "Termination Currency" means United States Dollars.

3) Tax Representations.

Payer Representations. For the purpose of Section 3(e) of this Agreement, BNY and Counterparty make the following representations:

It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax

from any payment (other than interest under Section 2(e), 6(d)(ii) or 6(e) of this Agreement) to be made by it to the other party under this Agreement. In making this representation, it may rely on:

(i) the accuracy of any representations made by the other party pursuant to Section 3(f) of this Agreement;

(ii) the satisfaction of the agreement contained in Section 4 (a)(i) or 4(a)(iii) of this Agreement and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4 (a)(i) or 4(a)(iii) of this Agreement; and

(iii) the satisfaction of the agreement of the other party contained in Section 4(d) of this Agreement, provided that it shall not be a breach of this representation where reliance is placed on clause (ii) and the other party does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice of its legal or commercial position.

Payee Representations. For the purpose of Section 3(f) of this Agreement, BNY and Counterparty make the following representations.

The following representation will apply to BNY:

BNY is a trust company duly organized and existing under the laws of the State of New York and its U.S. taxpayer identification number is 135160382.

The following representation will apply to the Counterparty:

Wells Fargo Bank, N.A., as Securities Administrator, is acting on behalf of the Counterparty under the Pooling and Servicing Agreement.

The beneficial owner of payments made to it under this Agreement is a “U.S. person” (as that term is used in section 1.1441-4(a)(3)(ii) of United States Treasury Regulations) for United States federal income tax purposes.

4) Documents to be delivered. For the purpose of Section 4(a):

(a) Tax forms, documents or certificates to be delivered are:

Party required to deliver document	**Form/Document/ Certificate**	**Date by which to be delivered**	**Covered by Section 3(d) Representation**
BNY and Counterparty	Any document required or reasonably requested to allow the other party to make payments under this Agreement without any deduction or withholding for or on the account of any tax.	Upon the execution and delivery of this Agreement	Yes

(b) Other documents to be delivered are:

BNY	A certificate of an authorized officer of the party, as to the incumbency and authority of the respective officers of the party signing this Agreement, any relevant Credit Support Document, or any Confirmation, as the case may be	Upon the execution and delivery of this Agreement	Yes
Counterparty	(i) a copy of the executed Pooling and Servicing Agreement, and (ii) an	Delivery of execution copy within 15 days of closing	Yes

	incumbency certificate verifying the true signatures and authority of the person or persons signing this Agreement on behalf of the Counterparty		
BNY	A copy of the most recent publicly available regulatory call report.	Promptly after request by the other party	Yes
BNY	Any documents required by the receiving party to evidence the authority of the delivering party or its Credit Support Provider, if any, for it to execute and deliver this Agreement, any Confirmation, and any Credit Support Documents to which it is a party, and to evidence the authority of the delivering party or its Credit Support Provider to perform its obligations under this Agreement, such Confirmation and/or Credit Support Document, as the case may be	Upon the execution and delivery of this Agreement	Yes
BNY	Legal Opinion as to enforceability of the Swap Agreement	Upon the execution and delivery of this Agreement.	Yes

5) Miscellaneous.

(a) Address for Notices: For the purposes of Section 12(a) of this Agreement:

Address for notices or communications to BNY:

The Bank of New York
Swaps and Derivative Products Group
Global Market Division
32 Old Slip 15th Floor
New York, New York 10286
Attention: Steve Lawler

with a copy to:

The Bank of New York
Swaps and Derivative Products Group
32 Old Slip 16th Floor
New York, New York 10286
Attention: Andrew Schwartz
Tele: 212-804-5103
Fax: 212-804-5818/5837

(For all purposes)

Address for notices or communications to the Counterparty:

HSI Asset Securitization Corporation
452 Fifth Avenue, 10th Floor

New York, New York 10018
Attention: Head MBS Principal Finance

with a copy to:

Wells Fargo Bank NA
9062 Old Annapolis Road
Columbia, MD 21045
Fax: 410-715-2380
Phone: 410-884-2000
Attn: Client Manager - FFML 2006-FF9

(For all purposes)

(b) Process Agent. For the purpose of Section 13(c) of this Agreement:

BNY appoints as its
Process Agent: Not Applicable

The Counterparty appoints as its
Process Agent: Not Applicable

(c) Offices. The provisions of Section 10(a) will not apply to this Agreement; neither BNY nor the Counterparty have any Offices other than as set forth in the Notices Section and BNY agrees that, for purposes of Section 6 (b) of this Agreement, it shall not in future have any Office other than one in the United States.

(d) Multibranch Party. For the purpose of Section 10(c) of this Agreement:

BNY is not a Multibranch Party.

The Counterparty is not a Multibranch Party.

(e) Calculation Agent. The Calculation Agent is BNY.

(f) Credit Support Document. Not applicable for either BNY or the Counterparty.

(g) Credit Support Provider.

BNY: Not Applicable

The Counterparty: Not Applicable

(h) Governing Law. The parties to this Agreement hereby agree that the law of the State of New York shall govern their rights and duties in whole, without regard to conflict of law provisions thereof other than New York General Obligations Law Sections 5-1401 and 5-1402.

(i) Severability. If any term, provision, covenant, or condition of this Agreement, or the application thereof to any party or circumstance, shall be held to be invalid or unenforceable (in whole or in part) for any reason, the remaining terms, provisions, covenants, and conditions hereof shall continue in full force and effect as if this Agreement had been executed with the invalid or unenforceable portion eliminated, so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter of this Agreement and the deletion of such portion of this Agreement will not substantially impair the respective benefits or expectations of the parties.

The parties shall endeavor to engage in good faith negotiations to replace any invalid or unenforceable term,

provision, covenant or condition with a valid or enforceable term, provision, covenant or condition, the economic effect of which comes as close as possible to that of the invalid or unenforceable term, provision, covenant or condition.

(j) Consent to Recording. Each party hereto consents to the monitoring or recording, at any time and from time to time, by the other party of any and all communications between officers or employees of the parties, waives any further notice of such monitoring or recording, and agrees to notify its officers and employees of such monitoring or recording.

(k) Waiver of Jury Trial. Each party waives any right it may have to a trial by jury in respect of any Proceedings relating to this Agreement or any Credit Support Document.

(l) Non-Recourse. Notwithstanding any provision herein or in the ISDA Form Master Agreement to the contrary, the obligations of Counterparty hereunder are limited recourse obligations of Counterparty, payable solely from the Trust Fund (as defined in the Pooling and Servicing Agreement) and the proceeds thereof to satisfy Counterparty's obligations hereunder. In the event that the Trust Fund and proceeds thereof should be insufficient to satisfy all claims outstanding and following the liquidation of the Trust Fund and the distribution of the proceeds thereof in accordance with the Pooling and Servicing Agreement, any claims against or obligations of Counterparty under the ISDA Form Master Agreement or any other confirmation thereunder, still outstanding shall be extinguished and thereafter not revive.

(m) Proceedings. BNY shall not institute against or cause any other person to institute against, or join any other person in instituting against the Counterparty, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any of the laws of the United States or any other jurisdiction for a period of one year and one day (or, if longer, the applicable preference period) following indefeasible payment in full of the Certificates.

(n) The ISDA Form Master Agreement in hereby amended as follows:

The word "third" shall be replaced by the word "second" in the third line of Section 5(a)(i) of the ISDA Form Master Agreement.

(o) "Affiliate" will have the meaning specified in Section 14 of the ISDA Form Master Agreement, provided that the Counterparty shall not be deemed to have any Affiliates for purposes of this Agreement, including for purposes of Section 6(b)(ii).

(p) Securities Administrator's Capacity. It is expressly understood and agreed by the parties hereto that insofar as this Confirmation is executed by the Securities Administrator (i) this Confirmation is executed and delivered by Wells Fargo Bank, N.A., not in its individual capacity but solely as Securities Administrator pursuant to the Pooling and Servicing Agreement in the exercise of the powers and authority conferred and vested in it thereunder (ii) each of the representations, undertakings and agreements herein made on behalf of the Supplemental Interest Trust is made and intended not as personal representations of the Securities Administrator but is made and intended for the purpose of binding only the Supplemental Interest Trust, and (iii) under no circumstances will Wells Fargo Bank, N. A. in its individual capacity be personally liable for the payment of any indebtedness or expenses or be personally liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken under this Confirmation.

(q) Securities Administrator's Representation. Wells Fargo Bank, N.A., as Securities Administrator, represents and warrants that:

It has been directed under the Pooling and Servicing Agreement to enter into this Agreement as Securities Administrator on behalf of First Franklin Mortgage Loan Trust 2006-FF9.

6) Section 3 of the ISDA Form Master Agreement is hereby amended, by substituting for the words "Section 3(f)" in

the introductory sentence thereof the words "Sections 3(f) and 3(h)", and by adding, at the end thereof, the following Sections 3(g) and 3(h):

"(g) Relationship Between Parties.

Each party represents to the other party on each date when it enters into a Transaction that:

(1) Nonreliance. It is not relying on any statement or representation of the other party regarding the Transaction (whether written or oral), other than the representations expressly made in this Agreement or the Confirmation in respect of that Transaction.

(2) Evaluation and Understanding.

(i) BNY is acting for its own account and Wells Fargo Bank, N.A. is acting on behalf of the Supplemental Interest Trust as Securities Administrator under the Pooling and Servicing Agreement and not for its own account and each party has the capacity to evaluate (internally or through independent professional advice) the Transaction and has made its own decision to enter into the Transaction. Neither party is relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into such transaction; it being understood that information and explanations related to the terms and conditions of such transaction shall not be considered investment advice or a recommendation to enter into such transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of the transaction; and

(ii) It understands the terms, conditions and risks of the Transaction and is willing and able to accept those terms and conditions and to assume (and does, in fact assume) those risks, financially and otherwise.

(3) Purpose. (A) It is an "eligible contract participant" within the meaning of Section la(12) of the Commodity Exchange Act, as amended; (B) this Agreement and each Transaction is subject to individual negotiation by such party; and (C) neither this Agreement nor any Transaction will be executed or traded on a "trading facility" within the meaning of Section la(33) of the Commodity Exchange Act, as amended.

(4) Principal. The other party is not acting as a fiduciary or an advisor for it in respect of this Transaction.

(h) ERISA. (Pension Plans). Each party represents and warrants at all times hereunder that it is not a pension plan or employee benefits plan and that it is not using assets of any such plan or assets deemed to be assets of such a plan in connection with this Transaction.

7) Set-off. Notwithstanding any provision of this Agreement or any other existing or future agreement, each party irrevocably waives any and all rights it may have to set off, net, recoup or otherwise withhold or suspend or condition payment or performance of any obligation between it and the other party hereunder against any obligation between it and the other party under any other agreements. The last sentence of the first paragraph of Section 6(e) of the ISDA Form Master Agreement shall not apply for purposes of this Transaction.

8) Additional Termination Events. The following Additional Termination Events will apply, in each case with respect to the Counterparty as the sole Affected Party (unless otherwise provided below):

(i) BNY fails to comply with the Downgrade Provisions as set forth in Section 9. For all purposes of this Agreement, BNY shall be the sole Affected Party with respect to the occurrence of a Termination Event described in this Section 8(i).

(ii) Notice of Master Servicer's intention to exercise its option (either at the direction of the Depositor or in

its own right) to purchase the Mortgage Loans pursuant to Section 11.01 of the Pooling and Servicing Agreement, is given by the Securities Administrator to Certificateholders pursuant to Section 11.02 of the Pooling and Servicing Agreement. The Early Termination Date with respect to such Additional Termination Event shall be the Distribution Date upon which the Trust Fund shall terminate and final payment is made in respect of the Certificates.

(iii) If the Trustee is unable to pay its Class A Certificates or fails or admits in writing its inability to pay its Class A Certificates as they become due, then an Additional Termination Event shall have occurred with respect to Counterparty and Counterparty shall be the sole Affected Party with respect to such Additional Termination Event.

(iv) If the Trustee (as defined in the Pooling and Servicing Agreement) permits the Pooling and Servicing Agreement to be amended in a manner which could have a material adverse affect on BNY without first obtaining the prior written consent of BNY, where such consent is required under the Pooling and Servicing Agreement.

9) **Provisions Relating to Downgrade of BNY Debt Ratings.**

(i) For purposes of this Transaction:

(a) " ***Qualifying Ratings*** " means, with respect to the debt of any assignee or guarantor under Paragraph 4.9(ii) below,

(x) a short-term unsecured and unsubordinated debt rating of "P-1" (not on watch for downgrade), and a long-term unsecured and unsubordinated debt of "Al" (not on watch for downgrade) (or, if it has no short-term unsecured and unsubordinated debt rating, a long term rating of "Aa3" (not on watch for downgrade) by Moody's, or

(y) a short-term unsecured and unsubordinated debt rating of "A-l" by S&P.

(b) A " ***Collateralization Event*** " shall occur with respect to BNY (or any applicable credit support provider) if:

(x) its short-term unsecured and unsubordinated debt rating is reduced to "P-l on watch for downgrade" or below, and its long-term unsecured and unsubordinated debt is reduced to "Al on watch for downgrade" or below (or, if it has no short-term unsecured and unsubordinated debt rating, its long term rating is reduced to "Aa3 on watch for downgrade" or below) by Moody's, or

(y) its short-term unsecured and unsubordinated debt rating is reduced below "A-l" by S&P.

(c) A " ***Ratings Event*** " shall occur with respect to BNY (or any applicable credit support provider) if:

(x) its short-term unsecured and unsubordinated debt rating is withdrawn or reduced to "P-2" or below by Moody's and its long-term unsecured and unsubordinated debt is reduced to "A3" or below (or, if it has no short-term unsecured and unsubordinated debt rating, its long term rating is reduced to "A2" or below) by Moody's, or

(y) its long-term unsecured and unsubordinated debt rating is withdrawn or reduced below "BBB-" by S&P.

For purposes of (b) and (c) above, such events include those occurring in connection with a merger, consolidation or other similar transaction by BNY or any applicable credit support provider, but they shall be deemed not to occur if, within 30 days thereafter each of Moody's and S&P has reconfirmed the ratings of the Certificates, as applicable, which were in effect immediately prior thereto. For the avoidance of doubt, a downgrade of the rating on the Certificates could occur in the event that BNY does not post sufficient collateral.

(d) "***Rating Agency Condition***" means, with respect to any particular proposed act or omission to act hereunder, that the Trustee shall have received prior written confirmation from each of Moody's and S&P, and shall have provided notice thereof to BNY, that the proposed action or inaction would not cause a downgrade or withdrawal of their then-current ratings of the Certificates.

(ii) Subject, in each case set forth in (a) and (b) below, to satisfaction of the Rating Agency Condition:

(a) ***Collateralization Event*** . If a Collateralization Event occurs with respect to BNY (or any applicable credit support provider), then BNY shall, at its own expense, within thirty (30) days of such Collateralization Event:

(w) post collateral under agreements and other instruments approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld, and satisfactory to Moody's and S&P, which will be sufficient to restore the immediately prior ratings of the Certificates,

(x) assign this Transaction to a third party, the ratings of the debt of which (or the ratings of the debt of the credit support provider of which) meet or exceed the Qualifying Ratings, on terms substantially similar to this Confirmation, which party is approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld,

(y) obtain a guaranty of, or a contingent agreement of, another person, the ratings of the debt of which (or the ratings of the debt of the credit support provider of which) meet or exceed the Qualifying Ratings, to honor BNY's obligations under this Agreement, *provided that* such other person is approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld, or

(z) establish any other arrangement approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld and satisfactory to Moody's and S&P which will be sufficient to restore the immediately prior ratings of their Certificates.

(b) ***Ratings Event*** . If a Ratings Event occurs with respect to BNY (or any applicable credit support provider), then BNY shall, at its own expense, within ten (10) Business Days of such Ratings Event:

(x) assign this Transaction to a third party, the ratings of the debt of which (or the ratings of the debt of the credit support provider of which) meet or exceed the Qualifying Ratings, on terms substantially similar to this Confirmation, which party is approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld, or

(y) obtain a guaranty of, or a contingent agreement of, another person, the ratings of the debt of which (or the ratings of the debt of the credit support provider of which) meet or exceed the Qualifying Ratings, to honor BNY's obligations under this Agreement, *provided that* such other person is approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld, or

(z) establish any other arrangement approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld and satisfactory to Moody's and S&P which will be sufficient to restore the immediately prior ratings of their Certificates.

BNY shall, for so long as a Ratings Event is outstanding, post collateral in an amount and manner that satisfies the Rating Condition, while it pursues the remedies in this Paragraph 4(9)(ii)(b).

10) Additional Provisions. Notwithstanding the terms of Sections 5 and 6 of the ISDA Form Master Agreement, if Counterparty has satisfied its payment obligations under Section 2(a)(i) of the ISDA Form Master Agreement, then unless BNY is required pursuant to appropriate proceedings to return to Counterparty or otherwise returns to Counterparty upon demand of Counterparty any portion of such payment, (a) the occurrence of an event described in Section 5(a) of the ISDA Form Master Agreement with respect to Counterparty shall not constitute an Event of Default or Potential Event of Default with respect to Counterparty as the Defaulting Party and (b) BNY shall be entitled to designate an Early Termination Date pursuant to Section 6 of the ISDA Form Master Agreement only as a result of a Termination Event set forth in either Section 5(b)(i) or Section 5(b)(ii) of the ISDA Form Master Agreement with respect to BNY as the Affected Party or Section 5(b)(iii) of the ISDA Form Master Agreement with respect to BNY as the Burdened Party. For purposes of the Transaction to which this Agreement relates, Counterparty's only obligation under Section 2(a)(i) of the ISDA Form Master Agreement is to pay the Fixed Amount on the Fixed Rate Payer Payment Date.

11) BNY will, unless otherwise directed by the Securities Administrator, make all payments hereunder to the Securities Administrator. Payment made to the Securities Administrator at the account specified herein or to another account specified in writing by the Securities Administrator shall satisfy the payment obligations of BNY hereunder to the extent of such payment.

Account Details and Settlement Information:

Payments to BNY:
The Bank of New York
Derivative Products Support Department
32 Old Slip, 16th Floor
New York, New York 10286
Attention: Renee Etheart
ABA #021000018
Account #890-0068-175
Reference: Interest Rate Swap

Payments to Counterparty:

Wells Fargo Bank NA
ABA #121000248
Account Name: SAS Clearing
Account #3970771416
FFC to: FFML 2006-FF9 Swap acct # 50932900

This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing this agreement and returning it via facsimile to Derivative Products Support Dept., Attn: Kenny Au-Yeung at 212-804-5818/5837. Once we receive this we will send you two original confirmations for execution.

We are very pleased to have executed this Transaction with you and we look forward to completing other transactions with you in the near future.

Very truly yours,

THE BANK OF NEW YORK

By: /s/ Andrew Schwartz
Name: Andrew Schwartz
Title: Assistant Vice President

Counterparty, acting through its duly authorized signatory, hereby agrees to, accepts and confirms the terms of the foregoing as of the Trade Date.

SUPPLEMENTAL INTEREST TRUST, FIRST FRANKLIN MORTGAGE LOAN TRUST 2006-FF9

By: Wells Fargo Bank, N.A., not in its individual capacity but solely as Securities Administrator

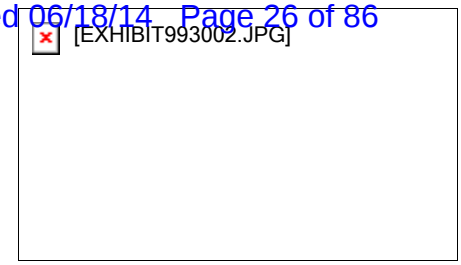
By: /s/ Sandra Whalen
Name: Sandra Whalen
Title: Vice President

SCHEDULE I

(subject to adjustment in accordance with the Following Business Day Convention with respect to the Floating Amounts and No Adjustment with respect to the Fixed Amounts)

Accrual Start Date	Accrual End Date	Notional Amount (in USD)
07/25/06	08/25/06	1,634,573,456.00
08/25/06	09/25/06	1,612,576,281.00
09/25/06	10/25/06	1,585,008,042.00
10/25/06	11/25/06	1,551,898,224.00
11/25/06	12/25/06	1,513,329,557.00
12/25/06	01/25/07	1,469,440,033.00
01/25/07	02/25/07	1,420,428,429.00
02/25/07	03/25/07	1,366,546,770.00
03/25/07	04/25/07	1,308,104,403.00
04/25/07	05/25/07	1,245,472,022.00
05/25/07	06/25/07	1,185,842,622.00
06/25/07	07/25/07	1,129,071,124.00
07/25/07	08/25/07	1,075,020,404.00
08/25/07	09/25/07	1,023,559,922.00
09/25/07	10/25/07	974,565,410.00
10/25/07	11/25/07	927,918,568.00
11/25/07	12/25/07	883,506,976.00
12/25/07	01/25/08	841,223,208.00
01/25/08	02/25/08	800,965,202.00
02/25/08	03/25/08	762,622,149.00
03/25/08	04/25/08	696,169,451.00
04/25/08	05/25/08	636,207,638.00
05/25/08	06/25/08	582,114,482.00
06/25/08	07/25/08	533,224,816.00
07/25/08	08/25/08	488,991,829.00
08/25/08	09/25/08	462,532,793.00
09/25/08	10/25/08	437,531,807.00
10/25/08	11/25/08	413,903,983.00
11/25/08	12/25/08	386,456,196.00
12/25/08	01/25/09	361,046,860.00
01/25/09	02/25/09	337,506,273.00
02/25/09	03/25/09	315,686,414.00
03/25/09	04/25/09	295,440,014.00
04/25/09	05/25/09	276,639,756.00
05/25/09	06/25/09	259,177,346.00
06/25/09	07/25/09	244,778,140.00
07/25/09	08/25/09	231,193,561.00
08/25/09	09/25/09	218,376,823.00
09/25/09	10/25/09	206,283,860.00

10/25/09	11/25/09	194,873,164.00
11/25/09	12/25/09	184,105,751.00
12/25/09	01/25/10	173,944,667.00



Dated: July 7, 2006

Rate Cap Transaction

Re: BNY Reference No. 38077

Ladies and Gentlemen:

The purpose of this letter agreement ("Agreement") is to confirm the terms and conditions of the Rate Cap Transaction entered into on the Trade Date specified below (the "Transaction") between The Bank of New York ("BNY"), a trust company duly organized and existing under the laws of the State of New York, and the Supplemental Interest Trust of the First Franklin Mortgage Loan Trust 2006-FF9 (the "Counterparty"), as represented by Wells Fargo Bank, N.A. not in its individual capacity, but solely as securities administrator (the "Securities Administrator") of the Supplemental Interest Trust created under the Pooling and Servicing Agreement, dated and effective June 1, 2006, among HSI Asset Securitization Corporation, as depositor (the "Depositor"), the Securities Administrator, Wells Fargo Bank, N.A., in the additional capacities of master servicer and custodian (the "Master Servicer"), National City Home Loan Services, Inc., as servicer (the "Servicer") of the mortgage loans, First Franklin Financial Corporation, as mortgage loan seller (the "Mortgage Loan Seller"), and Deutsche Bank National Trust Company, as Trustee (the "Trustee") (the "Pooling and Servicing Agreement"). This Agreement, which evidences a complete and binding agreement between you and us to enter into the Transaction on the terms set forth below, constitutes a "Confirmation" as referred to in the "ISDA Form Master Agreement" (as defined below), as well as a "Schedule" as referred to in the ISDA Form Master Agreement.

1. This Agreement is subject to the *2000 ISDA Definitions* (the "Definitions"), as published by the International Swaps and Derivatives Association, Inc. ("ISDA"). You and we have agreed to enter into this Agreement in lieu of negotiating a Schedule to the 1992 ISDA Master Agreement (Multicurrency—Cross Border) form (the "ISDA Form Master Agreement") but, rather, an ISDA Form Master Agreement, as modified by the Schedule terms in Section 4 of this Confirmation (the "Master Agreement"), shall be deemed to have been executed by you and us on the date we entered into the Transaction. Each party hereto agrees that the Master Agreement deemed to have been executed by the parties hereto shall be the same Master Agreement referred to in the agreement setting forth the terms of transaction reference number 38076. In the event of any inconsistency between the provisions of this Agreement and the Definitions or the ISDA Form Master Agreement, this Agreement shall prevail for purposes of the Transaction. Terms capitalized but not defined herein shall have the meaning attributed to them in the Pooling and Servicing Agreement.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

Type of Transaction:	Rate Cap
Notional Amount:	With respect to any Calculation Period the amount set forth on Schedule I attached hereto for such Calculation Period
Trade Date:	June 29, 2006
Effective Date:	December 25, 2006
Termination Date:	July 25, 2013, subject to adjustment in accordance with the Following Business Day Convention.

Fixed Amounts:

Fixed Amount Payer:	Counterparty
Fixed Amount:	USD 3,600,000.00
Fixed Amount Payment Date:	July 7, 2006

Floating Amounts:

Floating Rate Payer:	BNY
Cap Rate:	6.50%
Floating Rate Payer Period End Dates:	The 25th calendar day of each month during the Term of this Transaction, commencing January 25, 2007 and ending on the Termination Date, subject to adjustment in accordance with the Following Business Day Convention.
Floating Rate Payer Payment Dates:	Early Payment shall be applicable. The Floating Rate Payer Payment Date shall be one (1) Business Day preceding each Floating Rate Payer Period End Date.
Floating Rate Option:	USD-LIBOR-BBA, provided however, the Relevant Rate for the initial Calculation Period shall be determined on December 21, 2006.
Designated Maturity:	One month
Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period
Compounding:	Inapplicable
Business Days:	Any day other than (i) a Saturday or Sunday, or (ii) a day on which banking institutions in the state of New York are closed.
Business Day Convention:	Following
Calculation Agent:	BNY

3. Additional Provisions:

(a) Each party hereto is hereby advised and acknowledges that the other party has engaged in (or refrained from engaging in) substantial financial transactions and has taken (or refrained from taking) other material actions in reliance upon the entry by the parties into the Transaction being entered into on the terms and conditions set forth herein.

(b) Transfer, Amendment and Assignment. No transfer, amendment, waiver, supplement, assignment or other modification of this Transaction shall be permitted by either party unless each of Moody's Investor Service, Inc. ("Moody's"), Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc. ("S&P") and Fitch, Inc. ("Fitch"), has been provided notice of the same and confirms in writing (including by facsimile transmission) within five Business Days after such notice is given that it will not downgrade, qualify, withdraw or otherwise modify its then-current rating of any of the Class A-IO, Class I-A, Class II-A-1, Class II-A-2, Class II-A-3, Class H-A-4, Class M-l, Class M-2, Class M-3, Class M-4, Class M-5, Class M-6, Class M-7, Class M-8, Class M-9 and Class M-10 Certificates (collectively the "LIBOR Certificates").

4. Provisions Deemed Incorporated in a Schedule to the Master Agreement:

1) The parties agree that subparagraph (ii) of Section 2(c) of the ISDA Form Master Agreement will apply to

any Transaction.

2) Termination Provisions. Subject to the provisions of paragraph 12 below, for purposes of this Master Agreement:

(a) "Specified Entity" is not applicable to BNY or Counterparty for any purpose.

(b) "Breach of Agreement" provisions of Section 5(a)(ii) will not apply to BNY or Counterparty.

(c) "Credit Support Default" provisions of Section 5(a)(iii) will not apply to BNY or Counterparty.

(d) "Misrepresentation" provisions of Section 5(a)(iv) will not apply to BNY or Counterparty.

(e) "Default under Specified Transaction" is not applicable to BNY or Counterparty for any purpose, and, accordingly, Section 5(a)(v) shall not apply to BNY or Counterparty.

(f) The "Cross Default" provisions of Section 5(a)(vi) will not apply to BNY or to Counterparty.

(g) The "Bankruptcy" provisions of Section 5(a)(vii)(2) will not apply to Counterparty.

(h) The "Credit Event Upon Merger" provisions of Section 5(b)(iv) will not apply to BNY or Counterparty.

(i) The "Automatic Early Termination" provision of Section 6(a) will not apply to BNY or to Counterparty.

(j) Payments on Early Termination. For the purpose of Section 6(e) of this Agreement:

(i) Market Quotation will apply.

(ii) The Second Method will apply.

(k) "Termination Currency" means United States Dollars.

3) Tax Representations.

Payer Representations. For the purpose of Section 3(e) of this Agreement, BNY and Counterparty make the following representations:

It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 2(e), 6(d)(ii) or 6(e) of this Agreement) to be made by it to the other party under this Agreement. In making this representation, it may rely on:

the accuracy of any representations made by the other party pursuant to Section 3(f) of this Agreement;

the satisfaction of the agreement contained in Section 4 (a)(i) or 4(a)(iii) of this Agreement and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4 (a)(i) or 4(a)(iii) of this Agreement; and

the satisfaction of the agreement of the other party contained in Section 4(d) of this Agreement, provided that it shall not be a breach of this representation where reliance is placed on clause (ii) and the other party does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice of its legal or commercial position.

Payee Representations. For the purpose of Section 3(f) of this Agreement, BNY and Counterparty make

the following representations:

The following representation will apply to BNY:

BNY is a trust company duly organized and existing under the laws of the State of New York and its U.S. taxpayer identification number is 135160382.

The following representation will apply to the Counterparty:

(i) Wells Fargo Bank, N.A., as Securities Administrator, is acting on behalf of the Counterparty under the Pooling and Servicing Agreement.

(ii) The beneficial owner of payments made to it under this Agreement is a "U.S. person" (as that term is used in section 1.1441-4(a)(3)(ii) of United States Treasury Regulations) for United States federal income tax purposes.

4) Documents to be delivered. For the purpose of Section 4(a):

(a) Tax forms, documents or certificates to be delivered are:

Party required to deliver document	**Form/Document/ Certificate**	**Date by which to be delivered**	**Covered by Section 3(d) Representation**
BNY and Counterparty	Any document required or reasonably requested to allow the other party to make payments under this Agreement without any deduction or withholding for or on the account of any tax.	Upon the execution and delivery of this Agreement	Yes

(b) Other documents to be delivered are:

BNY	A certificate of an authorized officer of the party, as to the incumbency and authority of the respective officers of the party signing this Agreement, any relevant Credit Support Document, or any Confirmation, as the case may be	Upon the execution and delivery of this Agreement	Yes
Counterparty	(i) a copy of the executed Pooling and Servicing Agreement, and (ii) an incumbency certificate verifying the true signatures and authority of the person or persons signing this Agreement on behalf of the Counterparty	Delivery of execution copy within 15 days of closing	Yes
BNY	A copy of the most recent publicly available	Promptly after request by the other party	Yes

	regulatory call report.		
BNY	Any documents required by the receiving party to evidence the authority of the delivering party or its Credit Support Provider, if any, for it to execute and deliver this Agreement, any Confirmation, and any Credit Support Documents to which it is a party, and to evidence the authority of the delivering party or its Credit Support Provider to perform its obligations under this Agreement, such Confirmation and/or Credit Support Document, as the case may be	Upon the execution and delivery of this Agreement	Yes

5) Miscellaneous.

(a) Address for Notices: For the purposes of Section 12(a) of this Agreement:

Address for notices or communications to BNY:

The Bank of New York
Swaps and Derivative Products Group
Global Market Division
32 Old Slip 15th Floor
New York, New York 10286
Attention: Steve Lawler

with a copy to:

The Bank of New York
Swaps and Derivative Products Group
32 Old Slip 16th Floor
New York, New York 10286
Attention: Andrew Schwartz
Tele: 212-804-5103
Fax: 212-804-5818/5837

(For all purposes)

Address for notices or communications to the Counterparty:

HSI Asset Securitization Corporation
452 Fifth Avenue, 10th Floor
New York, New York 10018
Attention: Head MBS Principal Finance

with a copy to:
Wells Fargo Bank NA
9062 Old Annapolis Road
Columbia, MD 21045
Fax: 410-715-2380
Phone: 410-884-2000 Attn: Client Manager - FFML 2006-FF9

(For all purposes)

(b) Process Agent. For the purpose of Section 13(c) of this Agreement:

BNY appoints as its
Process Agent: Not Applicable

The Counterparty appoints as its
Process Agent: Not Applicable

(c) Offices. The provisions of Section 10(a) will not apply to this Agreement; neither BNY nor the Counterparty have any Offices other than as set forth in the Notices Section and BNY agrees that, for purposes of Section 6 (b) of this Agreement, it shall not in future have any Office other than one in the United States.

(d) Multibranch Party. For the purpose of Section 10(c) of this Agreement:

BNY is not a Multibranch Party.

The Counterparty is not a Multibranch Party.

(e) Calculation Agent. The Calculation Agent is BNY.

(f) Credit Support Document. Not applicable for either BNY or the Counterparty.

(g) Credit Support Provider.

BNY: Not Applicable

The Counterparty: Not Applicable

(h) Governing Law. The parties to this Agreement hereby agree that the law of the State of New York shall govern their rights and duties in whole, without regard to conflict of law provisions thereof other than New York General Obligations Law Sections 5-1401 and 5-1402.

(i) Severability. If any term, provision, covenant, or condition of this Agreement, or the application thereof to any party or circumstance, shall be held to be invalid or unenforceable (in whole or in part) for any reason, the remaining terms, provisions, covenants, and conditions hereof shall continue in full force and effect as if this Agreement had been executed with the invalid or unenforceable portion eliminated, so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter of this Agreement and the deletion of such portion of this Agreement will not substantially impair the respective benefits or expectations of the parties.

The parties shall endeavor to engage in good faith negotiations to replace any invalid or unenforceable term, provision, covenant or condition with a valid or enforceable term, provision, covenant or condition, the economic effect of which comes as close as possible to that of the invalid or unenforceable term, provision, covenant or condition.

(j) Consent to Recording. Each party hereto consents to the monitoring or recording, at any time and from time to time, by the other party of any and all communications between officers or employees of the parties, waives any further notice of such monitoring or recording, and agrees to notify its officers and employees of such monitoring or recording.

(k) Waiver of Jury Trial. Each party waives any right it may have to a trial by jury in respect of any Proceedings relating to this Agreement or any Credit Support Document.

(l) Non-Recourse. Notwithstanding any provision herein or in the ISDA Form Master Agreement to the contrary, the obligations of Counterparty hereunder are limited recourse obligations of Counterparty, payable solely from the Trust Fund (as defined in the Pooling and Servicing Agreement) and the proceeds thereof to satisfy Counterparty's obligations hereunder. In the event that the Trust Fund and proceeds thereof should be insufficient to satisfy all claims outstanding and following the liquidation of the Trust Fund and the distribution of the proceeds thereof in accordance with the Pooling and Servicing Agreement, any claims against or obligations of Counterparty under the ISDA Form Master Agreement or any other confirmation thereunder, still outstanding shall be extinguished and thereafter not revive.

(m) Proceedings. BNY shall not institute against or cause any other person to institute against, or join any other person in instituting against the Counterparty, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any of the laws of the United States, or any other jurisdiction for a period of one year and one day (or, if longer, the applicable preference period) following indefeasible payment in full of the Certificates.

(n) The ISDA Form Master Agreement in hereby amended as follows:

The word "third" shall be replaced by the word "second" in the third line of Section 5(a)(i) of the ISDA Form Master Agreement.

(o) "Affiliate" will have the meaning specified in Section 14 of the ISDA Form Master Agreement, provided that the Counterparty shall not be deemed to have any Affiliates for purposes of this Agreement, including for purposes of Section 6(b)(ii).

(p) Securities Administrator's Capacity. It is expressly understood and agreed by the parties hereto that insofar as this Confirmation is executed by the Securities Administrator (i) this Confirmation is executed and delivered by Wells Fargo Bank, N.A., not in its individual capacity but solely as Securities Administrator pursuant to the Pooling and Servicing Agreement in the exercise of the powers and authority conferred and vested in it thereunder (ii) each of the representations, undertakings and agreements herein made on behalf of Supplemental Interest Trust is made and intended not as personal representations of the Securities Administrator but is made and intended for the purpose of binding only the Supplemental Interest Trust, and (iii) under no circumstances will Wells Fargo Bank, N.A. in its individual capacity be personally liable for the payment of any indebtedness or expenses or be personally liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken under this Confirmation.

(q) Securities Administrator's Representation. Wells Fargo Bank, N.A. as Securities Administrator, represents and warrants that:

It has been directed under the Pooling and Servicing Agreement to enter into this Agreement as Securities Administrator on behalf of First Franklin Mortgage Loan Trust 2006-FF9.

6) Section 3 of the ISDA Form Master Agreement is hereby amended, by substituting for the words "Section 3(f)" in the introductory sentence thereof the words "Sections 3(f) and 3(h)", and by adding, at the end thereof, the following Sections 3(g) and 3(h):

"(g) Relationship Between Parties.

Each party represents to the other party on each date when it enters into a Transaction that:

(1) Nonreliance. It is not relying on any statement or representation of the other party regarding the Transaction (whether written or oral), other than the representations expressly made in this Agreement or the Confirmation in respect of that Transaction.

(2) Evaluation and Understanding.

(i) BNY is acting for its own account and Wells Fargo Bank, N.A. is acting on behalf of the Supplemental Interest Trust as Securities Administrator under the Pooling and Servicing Agreement and not for its own account and each party has the capacity to evaluate (internally or through independent professional advice) the Transaction and has made its own decision to enter into the Transaction. Neither party is relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into such transaction; it being understood that information and explanations related to the terms and conditions of such transaction shall not be considered investment advice or a recommendation to enter into such transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of the transaction; and

(ii) It understands the terms, conditions and risks of the Transaction and is willing and able to accept those terms and conditions and to assume (and does, in fact assume) those risks, financially and otherwise.

(3) Purpose. (A) It is an "eligible contract participant" within the meaning of Section la(12) of the Commodity Exchange Act, as amended; (B) this Agreement and each Transaction is subject to individual negotiation by such party; and (C) neither this Agreement nor any Transaction will be executed or traded on a "trading facility" within the meaning of Section la(33) of the Commodity Exchange Act, as amended.

(4) Principal. The other party is not acting as a fiduciary or an advisor for it in respect of this Transaction.

(h) ERISA. (Pension Plans). Each party represents and warrants at all times hereunder that it is not a pension plan or employee benefits plan and that it is not using assets of any such plan or assets deemed to be assets of such a plan in connection with this Transaction.

7) Set-off. Notwithstanding any provision of this Agreement or any other existing or future agreement, each party irrevocably waives any and all rights it may have to set off, net, recoup or otherwise withhold or suspend or condition payment or performance of any obligation between it and the other party hereunder against any obligation between it and the other party under any other agreements. The last sentence of the first paragraph of Section 6(e) of the ISDA Form Master Agreement shall not apply for purposes of this Transaction.

8) Additional Termination Events. Additional Termination Events will apply. If a Ratings Event has occurred and BNY has not, within 30 days, complied with Section 9 below, then an Additional Termination Event shall have occurred with respect to BNY and BNY shall be the sole Affected Party with respect to such an Additional Termination Event.

9) **Provisions Relating to Downgrade of BNY Debt Ratings** .

(i) For purposes of this Transaction:

(a) " ***Qualifying Ratings*** " means, with respect to the debt of any assignee or guarantor

under Paragraph 4.9(ii) below;

(x) a short-term unsecured and unsubordinated debt rating of "P-1" (not on watch for downgrade), and a long-term unsecured and unsubordinated debt of "Al" (not on watch for downgrade) (or, if it has no short-term unsecured and unsubordinated debt rating, a long term rating of "Aa3" (not on watch for downgrade) by Moody's, or

(y) a short-term unsecured and unsubordinated debt rating of "A-1" by S&P.

(b) A " ***Collateralization Event*** " shall occur with respect to BNY (or any applicable credit support provider) if:

(x) its short-term unsecured and unsubordinated debt rating is reduced to "P-l on watch for downgrade" or below, and its long-term unsecured and unsubordinated debt is reduced to "Al on watch for downgrade" or below (or, if it has no short-term unsecured and unsubordinated debt rating, its long term rating is reduced to "Aa3 on watch for downgrade" or below) by Moody's, or

(y) its short-term unsecured and unsubordinated debt rating is reduced below "A-l" by S&P.

(c) A " ***Ratings Event*** " shall occur with respect to BNY (or any applicable credit support provider) if:

(x) its short-term unsecured and unsubordinated debt rating is withdrawn or reduced to "P-2" or below by Moody's and its long-term unsecured and unsubordinated debt is reduced to "A3" or below (or, if it has no short-term unsecured and unsubordinated debt rating, its long term rating is reduced to "A2" or below) by Moody's, or

(y) its long-term unsecured and unsubordinated debt rating is withdrawn or reduced below "BBB-" by S&P.

For purposes of (b) and (c) above, such events include those occurring in connection with a merger, consolidation or other similar transaction by BNY or any applicable credit support provider, but they shall be deemed not to occur if, within 30 days thereafter each of Moody's and S&P has reconfirmed the ratings of the Certificates, as applicable, which were in effect immediately prior thereto. For the avoidance of doubt, a downgrade of the rating on the Certificates could occur in the event that BNY does not post sufficient collateral.

(d) " ***Rating Agency Condition*** " means, with respect to any particular proposed act or omission to act hereunder, that the Trustee shall have received prior written confirmation from each of Moody's and S&P, and shall have provided notice thereof to BNY, that the proposed action or inaction would not cause a downgrade or withdrawal of their then-current ratings of the Certificates.

(ii) Subject, in each case set forth in (a) and (b) below, to satisfaction of the Rating Agency Condition:

(a) ***Collateralization Event*** . If a Collateralization Event occurs with respect to BNY (or any applicable credit support provider), then BNY shall, at its own expense, within thirty (30) days of such Collateralization Event:

(w) post collateral under agreements and other instruments approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld, and satisfactory to Moody's and S&P, which will be sufficient to restore the immediately prior ratings of the Certificates,

(x) assign this Transaction to a third party, the ratings of the debt of which (or the ratings of the debt of the credit support provider of which) meet or exceed the Qualifying Ratings, on terms substantially similar to this Confirmation, which party is approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld,

(y) obtain a guaranty of, or a contingent agreement of, another person, the ratings of the debt of which (or the ratings of the debt of the credit support provider of which) meet or exceed the Qualifying Ratings, to honor BNY's obligations under this Agreement, provided that such other person is approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld, or

(z) establish any other arrangement approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld and satisfactory to Moody's and S&P which will be sufficient to restore the immediately prior ratings of their Certificates.

(b) **Ratings Event** . If a Ratings Event occurs with respect to BNY (or any applicable credit support provider), then BNY shall, at its own expense, within ten (10) Business Days of such Ratings Event:

(x) assign this Transaction to a third party, the ratings of the debt of which (or the ratings of the debt of the credit support provider of which) meet or exceed the Qualifying Ratings, on terms substantially similar to this Confirmation, which party is approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld, or

(y) obtain a guaranty of, or a contingent agreement of, another person, the ratings of the debt of which (or the ratings of the debt of the credit support provider of which) meet or exceed the Qualifying Ratings, to honor BNY's obligations under this Agreement, provided that such other person is approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld, or

(z) establish any other arrangement approved by the Counterparty and the NIMS Insurer, such approval not to be unreasonably withheld and satisfactory to Moody's and S&P which will be sufficient to restore the immediately prior ratings of their Certificates.

BNY shall, for so long as a Ratings Event is outstanding, post collateral in an amount and manner that satisfies the Rating Condition, while it pursues the remedies in this Paragraph 4(9)(ii)(b).

10) Additional Provisions. Notwithstanding the terms of Sections 5 and 6 of the ISDA Form Master Agreement, if Counterparty has satisfied its payment obligations under Section 2(a)(i) of the ISDA Form Master Agreement, then unless BNY is required pursuant to appropriate proceedings to return to Counterparty or otherwise returns to Counterparty upon demand of Counterparty any portion of such payment, (a) the occurrence of an event described in Section 5(a) of the ISDA Form Master Agreement with respect to Counterparty shall not constitute an Event of Default or Potential Event of Default with respect to Counterparty as the Defaulting Party and (b)

BNY shall be entitled to designate an Early Termination Date pursuant to Section 6 of the ISDA Form Master Agreement only as a result of a Termination Event set forth in either Section 5(b)(i) or Section 5(b)(ii) of the ISDA Form Master Agreement with respect to BNY as the Affected Party or Section 5(b)(iii) of the ISDA Form Master Agreement with respect to BNY as the Burdened Party. For purposes of the Transaction to which this Agreement relates, Counterparty's only obligation under Section 2(a)(i) of the ISDA Form Master Agreement is to pay the Fixed Amount on the Fixed Amount Payment Payment Date.

11) BNY will, unless otherwise directed by the Securities Administrator, make all payments hereunder to the Securities Administrator. Payment made to the Securities Administrator at the account specified herein or to another account specified in writing by the Securities Administrator shall satisfy the payment obligations of BNY hereunder to the extent of such payment.

Account Details and
Settlement Information:

Payments to BNY:
The Bank of New York
Derivative Products Support Department
32 Old Slip, 16th Floor
New York, New York 10286
Attention: Renee Etheart
ABA #021000018
Account #890-0068-175
Reference: Interest Rate Caps

Payments to Counterparty:
Wells Fargo Bank NA
ABA #121000248
Account Name: SAS Clearing
Account #3970771416
FFC to: FFML 2006-FF9 Cap acct # 50932900

This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing this agreement and returning it via facsimile to Derivative Products Support Dept., Attn: Kenny Au-Yeung at 212-804-5818/5837. Once we receive this we will send you two original confirmations for execution.

We are very pleased to have executed this Transaction with you and we look forward to completing other transactions with you in the near future.

Very truly yours,

THE BANK OF NEW YORK

By: /s/ Andrew Schwartz
Name: Andrew Schwartz
Title: Assistant Vice President

Counterparty, acting through its duly authorized signatory, hereby agrees to, accepts and confirms the terms of the foregoing as of the Trade Date,

SUPPLEMENTAL INTEREST TRUST, FIRST FRANKLIN MORTGAGE LOAN TRUST 2006-FF9

By: Wells Fargo Bank, N.A., not in its individual capacity but solely as Securities Administrator

By: /s/ Sandra Whalen
Name: Sandra Whalen
Title: Vice President

SCHEDULE I

All dates subject to adjustment in accordance with the Following Business Day Convention.

Accrual Start Date	Accrual End Date	Notional Amount (in USD)
12/25/06	01/25/07	62,182,104.00
01/25/07	02/25/07	79,094,442.00
02/25/07	03/25/07	97,614,466.00
03/25/07	04/25/07	117,569,673.00
04/25/07	05/25/07	138,752,856.00
05/25/07	06/25/07	158,137,325.00
06/25/07	07/25/07	175,832,133.00
07/25/07	08/25/07	191,940,519.00
08/25/07	09/25/07	206,560,118.00
09/25/07	10/25/07	219,783,248.00
10/25/07	11/25/07	231,697,186.00
11/25/07	12/25/07	242,384,482.00
12/25/07	01/25/08	251,923,046.00
01/25/08	02/25/08	260,386,538.00
02/25/08	03/25/08	267,849,975.00
03/25/08	04/25/08	286,240,163.00
04/25/08	05/25/08	300,566,069.00
05/25/08	06/25/08	311,405,154.00
06/25/08	07/25/08	319,207,643.00
07/25/08	08/25/08	324,398,950.00
08/25/08	09/25/08	324,278,681.00
09/25/08	10/25/08	323,577,958.00
10/25/08	11/25/08	322,350,154.00
11/25/08	12/25/08	322,132,767.00
12/25/08	01/25/09	320,982,808.00
01/25/09	02/25/09	319,022,684.00
02/25/09	03/25/09	316,361,398.00
03/25/09	04/25/09	313,096,462.00
04/25/09	05/25/09	309,314,113.00
05/25/09	06/25/09	305,100,087.00
06/25/09	07/25/09	300,551,304.00
07/25/09	08/25/09	295,829,898.00
08/25/09	09/25/09	290,960,723.00
09/25/09	10/25/09	285,966,668.00
10/25/09	11/25/09	280,868,791.00
11/25/09	12/25/09	275,686,644.00
12/25/09	01/25/10	270,437,781.00
01/25/10	02/25/10	265,138,485.00
02/25/10	03/25/10	259,803,656.00
03/25/10	04/25/10	254,446,918.00

04/25/10	05/25/10	249,080,698.00
05/25/10	06/25/10	243,716,318.00
06/25/10	07/25/10	238,364,069.00
07/25/10	08/25/10	233,033,283.00
08/25/10	09/25/10	227,732,405.00
09/25/10	10/25/10	222,469,056.00
10/25/10	11/25/10	217,250,092.00
11/25/10	12/25/10	212,081,662.00
12/25/10	01/25/11	206,969,257.00
01/25/11	02/25/11	201,917,703.00
02/25/11	03/25/11	196,931,382.00
03/25/11	04/25/11	192,014,099.00
04/25/11	05/25/11	187,168,633.00
05/25/11	06/25/11	182,351,580.00
06/25/11	07/25/11	177,614,314.00
07/25/11	08/25/11	172,958,894.00
08/25/11	09/25/11	168,387,032.00
09/25/11	10/25/11	163,900,118.00
10/25/11	11/25/11	159,499,250.00
11/25/11	12/25/11	155,185,322.00
12/25/11	01/25/12	150,958,845.00
01/25/12	02/25/12	146,820,174.00
02/25/12	03/25/12	142,769,460.00
03/25/12	04/25/12	138,806,669.00
04/25/12	05/25/12	134,931,594.00
05/25/12	06/25/12	131,143,876.00
06/25/12	07/25/12	127,443,014.00
07/25/12	08/25/12	123,828,385.00
08/25/12	09/25/12	120,299,251.00
09/25/12	10/25/12	116,854,773.00
10/25/12	11/25/12	113,494,021.00
11/25/12	12/25/12	110,215,986.00
12/25/12	01/25/13	107,019,589.00
01/25/13	02/25/13	103,903,683.00
02/25/13	03/25/13	100,867,075.00
03/25/13	04/25/13	97,908,518.00
04/25/13	05/25/13	95,026,726.00
05/25/13	06/25/13	92,220,382.00
06/25/13	07/25/13	89,488,138.00

HSBC

FFML 2006-FF9

Group 1

Selection Criteria:
Group 1
Table of Contents

1. Summary Statistics (as of the Sample Pool Calculation Date)

Aggregate Principal Balance: $862,669,985.88

Number of Mortgage Loans: 6,375

Average Principal Balance: $135,320.78

Aggregate Principal Balance (Fixed Rate): $202,446,728.98

Aggregate Principal Balance (Adjustable Rate): $660,223,256.90

% Fixed Rate Mortgages: 23.47%

% Adjustable Rate Mortgages: 76.53%

Weighted Average Current Mortgage Rate: 8.048%

Non-zero Weighted Average Credit Score: 641

Weighted Average Original LTV: 82.19%

Weighted Average Original Combined LTV: 88.69%

Non-zero Weighted Average Debt Ratio: 43.02

Weighted Average Stated Remaining Term: 355

Weighted Average Stated Original Term: 357

Weighted Average Months to Roll: 25

Weighted Average Margin: 5.706%

Weighted Average Initial Rate Cap: 2.990%

Weighted Average Periodic Rate Cap: 1.000%

Weighted Average Maximum Rate: 14.103%

Weighted Average Minimum Rate: 8.103%

% Second Lien: 0.00%

% Silent & Simultaneous Seconds: 33.59%

% California Loans: 10.05%

2. Product Type

Product Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
15 Year Fixed	100	9,045,712	1.05	90,457	7.541	74.06	74.31	649	38.48
20 Year Fixed	9	822,105	0.1	91,345	7.857	75.35	77.58	652	38.83
30 Year Fixed	1,222	148,243,016	17.18	121,312	7.78	78.57	81.95	656	40.65
30 Year Fixed 5 Year Interest Only	110	20,015,284	2.32	181,957	8.257	78.66	81.68	610	44.09
15 Year Fixed 5 Year Interest Only	11	2,110,600	0.24	191,873	8.311	72.82	72.82	582	42.64
15/30 Year Fixed (Balloon)	4	358,118	0.04	89,529	7.607	71.24	74.94	707	33.08
30/40 Year Fixed (Balloon)	128	21,851,894	2.53	170,718	8.217	81.67	84.21	644	44.33
ARM 30 Year	4	433,899	0.05	108,475	7.128	77.08	84.57	698	37.48
ARM 5 Year Interest Only	8	1,992,300	0.23	249,038	7.467	84.38	90.71	669	42.05
1/29 ARM	11	1,716,046	0.2	156,004	8.219	86.4	87.38	646	34.97
2/28 ARM	2,083	241,671,901	28.01	116,021	8.35	84.5	90.64	628	41.69
2/28 ARM 5 Year	852	147,248,649	17.07	172,827	7.762	80.81	90.89	652	45.67

Interest Only									
3/27 ARM	644	77,811,382	9.02	120,825	8.145	83.89	90.4	640	41.64
3/27 ARM 5 Year Interest Only	280	43,097,436	5	153,919	7.707	80.94	92.22	650	45.24
5/25 ARM	36	5,076,912	0.59	141,025	7.231	80.74	90.48	683	41.26
5/25 ARM 10 Year Interest Only	29	4,916,126	0.57	169,522	7.548	79.71	91.59	672	43.7
30/40 Year ARM 2/28 (Balloon)	782	126,688,769	14.69	162,006	8.204	84.2	90.87	630	45.24
30/40 Year ARM 3/27 (Balloon)	34	5,504,781	0.64	161,905	8.378	90.53	91.78	646	47.06
30/40 Year ARM 5/25 (Balloon)	28	4,065,056	0.47	145,181	7.805	82.58	91.87	665	45.31
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

3. Range of Gross Mortgage Rates (%)

Range of Gross Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
5.000 - 5.499	33	6,409,954	0.74	194,241	5.267	57.84	57.92	749	37.87
5.500 - 5.999	119	22,161,811	2.57	186,234	5.804	66.09	70.51	727	40.03
6.000 - 6.499	164	29,281,169	3.39	178,544	6.283	73.84	81.46	695	41.95
6.500 - 6.999	554	92,521,694	10.73	167,007	6.759	76.53	86.3	674	44.2
7.000 - 7.499	613	91,949,483	10.66	149,999	7.236	77.54	88.45	652	44.48
7.500 - 7.999	1,305	184,763,938	21.42	141,582	7.736	79.51	88.31	637	43.33
8.000 - 8.499	947	123,702,682	14.34	130,626	8.211	81.99	89.03	630	42.81
8.500 - 8.999	1,185	149,633,903	17.35	126,273	8.711	86.3	90.63	627	42.56
9.000 - 9.499	614	71,966,336	8.34	117,209	9.201	89.84	91.65	618	42.09
9.500 - 9.999	562	63,058,883	7.31	112,204	9.708	92.87	94.19	615	42.87
10.000 - 10.499	173	18,051,549	2.09	104,344	10.179	95.21	95.86	607	43.69
10.500 - 10.999	74	6,681,763	0.77	90,294	10.666	99.31	99.61	596	42.15
11.000 - 11.499	23	1,809,313	0.21	78,666	11.169	100	100	590	39.46
11.500 - 11.999	9	677,510	0.08	75,279	11.564	98.06	100	585	40.65
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Weighted Average Gross Mortgage Rate (%): 8.048

Minimum Gross Mortgage Rate (%): 5.125

Maximum Gross Mortgage Rate (%): 11.750

Standard Deviation Gross Mortgage Rate (%): 1.073

4. Range of Cut-off Date Principal Balances ($)

Range of Cut-off Date Principal Balances ($)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
0.01 - 50,000.00	366	15,257,452	1.77	41,687	9.066	84.71	89.09	625	36.34
50,000.01 - 100,000.00	2,096	159,725,572	18.52	76,205	8.426	84.21	92.23	634	40.84
100,000.01 - 150,000.00	1,851	228,526,925	26.49	123,461	8.061	82.53	91.74	638	43.42
150,000.01 - 200,000.00	1,061	183,475,014	21.27	172,926	7.932	81.44	88.01	642	43.96
200,000.01 - 250,000.00	469	104,905,251	12.16	223,679	7.932	82.21	86.95	647	43.7
250,000.01 - 300,000.00	251	68,795,351	7.97	274,085	7.784	79.87	83.56	642	44.03
300,000.01 - 350,000.00	128	41,603,201	4.82	325,025	7.847	81.67	83.75	641	44.19
350,000.01 - 400,000.00	112	42,165,560	4.89	376,478	7.75	80.43	82.34	651	43.26
400,000.01 - 450,000.00	29	11,963,720	1.39	412,542	7.534	77.17	79.06	668	40.9
450,000.01 - 500,000.00	5	2,382,931	0.28	476,586	8.434	84.96	84.96	660	48.23
500,000.01 - 550,000.00	6	3,121,852	0.36	520,309	8.164	86.6	86.6	649	43.5
700,000.01 - 750,000.00	1	747,157	0.09	747,157	6.375	75	75	678	33
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Average Cut-off Date Principal Balance ($): 135,320.78

Minimum Cut-off Date Principal Balance ($): 16,981.83

Maximum Cut-off Date Principal Balance ($): 747,157.04

Standard Deviation Cut-off Date Principal Balance ($): 76,409.79

5. Range of Original Principal Balances ($)

Range of Original	Number of	Aggregate Sample Pool Calculation Date	% of Mortgage Pool by Aggregate Sample Pool Calculation Date	Avg. Sample Pool Calculation Date	Weighted Average Gross	Weighted Average	Weighted Average Original	Weighted	Weighted

Principal Balances ($)	Mortgage Loans	Principal Balance ($)	Principal Balance	Principal Balance ($)	Interest Rate (%)	Original LTV (%)	Combined LTV (%)	Average FICO Score	Average Debt Ratio
0.01 - 50,000.00	365	15,207,472	1.76	41,664	9.063	84.77	89.17	625	36.33
50,000.01 - 100,000.00	2,094	159,476,355	18.49	76,159	8.429	84.21	92.23	634	40.82
100,000.01 - 150,000.00	1,854	228,826,121	26.53	123,423	8.06	82.53	91.74	638	43.43
150,000.01 - 200,000.00	1,058	182,895,233	21.2	172,869	7.937	81.5	88.1	642	44.01
200,000.01 - 250,000.00	471	105,302,348	12.21	223,572	7.928	82.11	86.83	647	43.67
250,000.01 - 300,000.00	252	68,978,035	8	273,722	7.779	79.85	83.53	643	43.97
300,000.01 - 350,000.00	128	41,603,201	4.82	325,025	7.847	81.67	83.75	641	44.19
350,000.01 - 400,000.00	112	42,165,560	4.89	376,478	7.75	80.43	82.34	651	43.26
400,000.01 - 450,000.00	29	11,963,720	1.39	412,542	7.534	77.17	79.06	668	40.9
450,000.01 - 500,000.00	5	2,382,931	0.28	476,586	8.434	84.96	84.96	660	48.23
500,000.01 - 550,000.00	6	3,121,852	0.36	520,309	8.164	86.6	86.6	649	43.5
700,000.01 - 750,000.00	1	747,157	0.09	747,157	6.375	75	75	678	33
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Average Orig Balance ($): 135,484.51

Minimum Orig Balance ($): 17,000.00

Maximum Orig Balance ($): 749,250.00

Standard Deviation Orig Balance ($): 76,485.02

6. Range of Stated Remaining Terms (months)

Range of Stated Remaining Terms (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
171 - 180	115	11,514,430	1.33	100,125	7.684	73.74	74.05	639	39.07
231 - 240	9	822,105	0.1	91,345	7.857	75.35	77.58	652	38.83
351 - 360	6,251	850,333,451	98.57	136,032	8.053	82.31	88.89	641	43.07
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Weighted Average Remaining Term: 355

Minimum Remaining Term: 175

Maximum Remaining Term: 359

Standard Deviation

7. Stated Original Term (months)

Stated Original Term (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
180	115	11,514,430	1.33	100,125	7.684	73.74	74.05	639	39.07
240	9	822,105	0.1	91,345	7.857	75.35	77.58	652	38.83
360	6,251	850,333,451	98.57	136,032	8.053	82.31	88.89	641	43.07
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Weighted Average Original Term: 357

Minimum Original Term: 180

Maximum Original Term: 360

Standard Deviation Original Term: 24

8. Range of Original LTV Ratios (%)

Range of Original LTV Ratios (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
<= 30.00	21	2,194,468	0.25	104,498	6.743	25.98	25.98	678	38.7
30.01 - 35.00	13	1,193,400	0.14	91,800	6.879	32.22	32.22	647	31.69
35.01 - 40.00	23	3,637,851	0.42	158,167	6.882	37.53	37.53	693	37.46
40.01 - 45.00	37	5,671,347	0.66	153,280	6.643	43.1	43.1	677	39.27
45.01 - 50.00	55	8,026,321	0.93	145,933	7.391	47.6	47.6	628	40.95
50.01 - 55.00	66	10,057,026	1.17	152,379	7.237	52.81	52.81	635	40.8
55.01 - 60.00	101	16,054,331	1.86	158,954	7.311	57.85	57.89	633	38.06
60.01 - 65.00	122	20,203,338	2.34	165,601	7.284	63.21	63.38	634	40.55
65.01 - 70.00	187	29,794,875	3.45	159,331	7.486	68.49	68.7	628	39.94
70.01 - 75.00	225	39,651,915	4.6	176,231	7.541	73.77	74.22	637	39.87
75.01 - 80.00	3,099	406,825,565	47.16	131,276	7.653	79.79	93.48	645	44.27
80.01 - 85.00	368	56,050,707	6.5	152,312	8.471	84.45	84.5	610	41.98
85.01 - 90.00	565	81,656,817	9.47	144,525	8.686	89.61	89.61	624	41.23
90.01 - 95.00	417	61,343,035	7.11	147,106	8.575	94.63	94.63	662	42.96
95.01 - 100.00	1,067	119,013,010	13.8	111,540	9.28	99.94	99.94	645	44.21

100.01 >=	9	1,295,980	0.15	143,998	8.178	102.89	102.89	699	46.76
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Weighted Average Original LTV (%): 82.19

Minimum Original LTV (%): 9.58

Maximum Original LTV (%): 103.00

Standard Deviation Original LTV (%): 12.13

9. Range of Original Combined LTV Ratios (%)

Range of Original Combined LTV Ratios (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
<= 30.00	21	2,194,468	0.25	104,498	6.743	25.98	25.98	678	38.7
30.01 - 35.00	13	1,193,400	0.14	91,800	6.879	32.22	32.22	647	31.69
35.01 - 40.00	23	3,637,851	0.42	158,167	6.882	37.53	37.53	693	37.46
40.01 - 45.00	37	5,671,347	0.66	153,280	6.643	43.1	43.1	677	39.27
45.01 - 50.00	55	8,026,321	0.93	145,933	7.391	47.6	47.6	628	40.95
50.01 - 55.00	66	10,057,026	1.17	152,379	7.237	52.81	52.81	635	40.8
55.01 - 60.00	101	16,054,331	1.86	158,954	7.311	57.85	57.89	633	38.06
60.01 - 65.00	121	20,112,738	2.33	166,221	7.282	63.22	63.22	634	40.5
65.01 - 70.00	185	29,420,292	3.41	159,029	7.492	68.47	68.47	628	40.2
70.01 - 75.00	217	38,316,645	4.44	176,574	7.546	73.79	73.79	636	40.07
75.01 - 80.00	768	119,846,957	13.89	156,051	7.707	79.32	79.33	629	41.3
80.01 - 85.00	374	57,564,256	6.67	153,915	8.432	84.28	84.43	610	42.09
85.01 - 90.00	597	87,883,223	10.19	147,208	8.593	88.89	89.58	627	41.38
90.01 - 95.00	507	77,661,498	9	153,178	8.311	91.5	94.61	661	43.35
95.01 - 100.00	3,281	383,733,653	44.48	116,956	8.161	86.17	99.95	649	45.1
100.01 >=	9	1,295,980	0.15	143,998	8.178	102.89	102.89	699	46.76
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Weighted Average Original Combined LTV (%): 88.69

Minimum Original Combined LTV (%): 9.58

Maximum Original Combined LTV (%): 103.00

Standard Deviation Original Combined LTV (%): 13.95

10. Range of Gross Margins (%)

Range of Gross Margins (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
3.000 - 3.249	3	493,362	0.07	164,454	6.687	70.97	70.97	714	39.46
4.500 - 4.749	1	400,000	0.06	400,000	6.25	80	100	647	55
4.750 - 4.999	5	644,138	0.1	128,828	7.832	78.53	91.02	670	40.29
5.000 - 5.249	231	41,051,556	6.22	177,712	7.171	76.52	87.05	644	43.14
5.250 - 5.499	2,197	304,871,061	46.18	138,767	7.676	77.12	89.44	639	44.32
5.500 - 5.749	255	39,026,120	5.91	153,044	7.873	81.13	88.4	636	41.6
5.750 - 5.999	646	97,106,317	14.71	150,319	8.444	85.34	87.78	621	42.02
6.000 - 6.249	181	24,820,133	3.76	137,128	8.366	87.79	92.74	637	43.55
6.250 - 6.499	981	120,244,709	18.21	122,574	9.024	97.04	97.51	648	44.1
6.500 - 6.749	113	12,501,080	1.89	110,629	8.784	88.93	93.11	641	42.54
6.750 - 6.999	78	8,889,257	1.35	113,965	9.015	92.47	94.55	635	40.74
7.000 - 7.249	55	6,229,167	0.94	113,258	9.076	96.13	96.13	655	39.63
7.250 - 7.499	21	2,211,830	0.34	105,325	9.622	96.97	97.59	629	44.85
7.500 - 7.749	16	1,241,859	0.19	77,616	9.568	97.38	98.08	642	43.07
7.750 - 7.999	5	340,917	0.05	68,183	10.389	100	100	615	39.7
8.000 - 8.249	3	151,751	0.02	50,584	10.389	98.14	98.14	617	37.69
Total:	**4,791**	**660,223,257**	**100**	**137,805**	**8.103**	**83.29**	**90.83**	**638**	**43.54**

Weighted Average Margin (%): 5.706

Minimum Margin (%): 3.000

Maximum Margin (%): 8.000

Standard Deviation Margin (%): 0.514

11. Range of Minimum Mortgage Rates (%)

Range of Minimum Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
5.000 - 5.499	2	377,455	0.06	188,727	5.317	70.78	70.78	725	37.84
5.500 - 5.999	32	5,266,106	0.8	164,566	5.815	75.57	87.73	707	44.33
6.000 - 6.499	89	17,156,226	2.6	192,767	6.291	75.91	86.05	686	43.11
6.500 - 6.999	405	68,868,349	10.43	170,045	6.762	77.36	88.82	673	45.08
7.000 - 7.499	499	75,259,465	11.4	150,821	7.231	78.24	90.21	651	44.79
7.500 - 7.999	1,085	157,510,693	23.86	145,171	7.733	80.24	89.98	638	43.76

8.000 - 8.499	758	101,436,253	15.36	133,821	8.208	82.44	89.98	633	42.92
8.500 - 8.999	874	115,770,214	17.54	132,460	8.705	86.73	91.54	629	42.99
9.000 - 9.499	425	51,541,734	7.81	121,275	9.2	90.41	92.63	618	42.4
9.500 - 9.999	386	44,562,071	6.75	115,446	9.701	93.32	94.79	613	42.97
10.000 - 10.499	130	13,306,105	2.02	102,355	10.172	95.79	96.64	607	43.75
10.500 - 10.999	74	6,681,763	1.01	90,294	10.666	99.31	99.61	596	42.15
11.000 - 11.499	23	1,809,313	0.27	78,666	11.169	100	100	590	39.46
11.500 - 11.999	9	677,510	0.1	75,279	11.564	98.06	100	585	40.65
Total:	**4,791**	**660,223,257**	**100**	**137,805**	**8.103**	**83.29**	**90.83**	**638**	**43.54**

Weighted Average Minimum Rate (%): 8.103

Minimum Minimum Rate (%): 5.250

Maximum Minimum Rate (%): 11.750

Standard Deviation Minimum Rate (%): 1.017

12. Range of Maximum Mortgage Rates (%)

Range of Maximum Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
11.000 - 11.499	2	377,455	0.06	188,727	5.317	70.78	70.78	725	37.84
11.500 - 11.999	32	5,266,106	0.8	164,566	5.815	75.57	87.73	707	44.33
12.000 - 12.499	89	17,156,226	2.6	192,767	6.291	75.91	86.05	686	43.11
12.500 - 12.999	405	68,868,349	10.43	170,045	6.762	77.36	88.82	673	45.08
13.000 - 13.499	499	75,259,465	11.4	150,821	7.231	78.24	90.21	651	44.79
13.500 - 13.999	1,085	157,510,693	23.86	145,171	7.733	80.24	89.98	638	43.76
14.000 - 14.499	758	101,436,253	15.36	133,821	8.208	82.44	89.98	633	42.92
14.500 - 14.999	874	115,770,214	17.54	132,460	8.705	86.73	91.54	629	42.99
15.000 - 15.499	425	51,541,734	7.81	121,275	9.2	90.41	92.63	618	42.4
15.500 - 15.999	386	44,562,071	6.75	115,446	9.701	93.32	94.79	613	42.97
16.000 - 16.499	130	13,306,105	2.02	102,355	10.172	95.79	96.64	607	43.75
16.500 - 16.999	74	6,681,763	1.01	90,294	10.666	99.31	99.61	596	42.15
17.000 - 17.499	23	1,809,313	0.27	78,666	11.169	100	100	590	39.46
17.500 - 17.999	9	677,510	0.1	75,279	11.564	98.06	100	585	40.65
Total:	**4,791**	**660,223,257**	**100**	**137,805**	**8.103**	**83.29**	**90.83**	**638**	**43.54**

Weighted Average Maximum Rate (%): 14.103

Minimum Maximum Rate (%): 11.250

Maximum Maximum Rate (%): 17.750

Standard Deviation Maximum Rate (%): 1.017

13. Initial Periodic Cap (%)

Initial Periodic Cap (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
1	12	2,426,199	0.37	202,183	7.406	83.07	89.61	674	41.23
2	11	1,716,046	0.26	156,004	8.219	86.4	87.38	646	34.97
3	4,768	656,081,012	99.37	137,601	8.106	83.28	90.84	638	43.58
Total:	**4,791**	**660,223,257**	**100**	**137,805**	**8.103**	**83.29**	**90.83**	**638**	**43.54**

Weighted Average Initial Cap (%): 2.990

Minimum Initial Cap (%): 1.000

Maximum Initial Cap (%): 3.000

Standard Deviation Initial Cap (%): 0.111

14. Subsequent Periodic Cap (%)

Subsequent Periodic Cap (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
1	4,791	660,223,257	100	137,805	8.103	83.29	90.83	638	43.54
Total:	**4,791**	**660,223,257**	**100**	**137,805**	**8.103**	**83.29**	**90.83**	**638**	**43.54**

Weighted Average Subsequent Periodic Cap (%): 1.000

Minimum Subsequent Periodic Cap (%): 1.000

Maximum Subsequent Periodic Cap (%): 1.000

Standard Deviation Subsequent Periodic Cap (%): 0.000

15. Next Rate Adjustment Dates

Next Rate Adjustment Dates	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Sep-06	2	523,100	0.08	261,550	6.632	80	100	651	53.12
Oct-06	10	1,903,099	0.29	190,310	7.619	83.91	86.76	681	37.96
Mar-07	1	99,872	0.02	99,872	6.625	89.98	89.98	654	55
Apr-07	9	1,550,861	0.23	172,318	8.294	85.8	86.89	643	33.26
May-07	1	65,313	0.01	65,313	8.875	95	95	700	45
Nov-07	1	59,652	0.01	59,652	8	88.24	88.24	613	14
Dec-07	1	319,500	0.05	319,500	7.625	90	90	696	39
Jan-08	8	1,309,206	0.2	163,651	8.167	84.85	86.37	603	42.44
Feb-08	6	1,259,147	0.19	209,858	7.297	76.2	85	665	46.24
Mar-08	259	35,681,453	5.4	137,766	8.162	83.32	91.3	637	43.62
Apr-08	3,433	475,256,159	71.98	138,438	8.147	83.38	90.77	635	43.71
May-08	9	1,724,203	0.26	191,578	8.477	83.7	86.11	641	44.18
Jan-09	4	766,267	0.12	191,567	8.008	86.73	90.05	591	50.2
Feb-09	1	98,787	0.01	98,787	9.125	100	100	623	54
Mar-09	80	10,705,078	1.62	133,813	8.019	83.7	90.36	641	40.07
Apr-09	872	114,667,311	17.37	131,499	8.002	83.1	91.17	645	43.32
May-09	1	176,156	0.03	176,156	9.125	75	75	541	54
Nov-10	1	66,181	0.01	66,181	7.999	95	95	613	21
Jan-11	2	289,555	0.04	144,778	6.919	83.2	83.2	718	43.61
Mar-11	5	627,314	0.1	125,463	8.109	81.3	85.1	667	45.4
Apr-11	85	13,075,043	1.98	153,824	7.49	80.77	91.73	674	43.29
Total:	**4,791**	**660,223,257**	**100**	**137,805**	**8.103**	**83.29**	**90.83**	**638**	**43.54**

Weighted Average Next Rate Adjustment Date: June 2008

Minimum Next Rate Adjustment Date: September 2006

Maximum Next Rate Adjustment Date: April 2011

16. Geograghic Distribution of Mortgaged Properties

Geograghic Distribution of Mortgaged Properties	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
California	331	86,668,918	10.05	261,840	7.289	73.45	76.72	662	43.83

Illinois	481	72,600,537	8.35	149,689	8.462	84.29	89.48	634	43.02
Florida	430	68,225,878	7.91	158,665	7.864	78.71	84.59	642	43.69
Texas	441	43,258,715	5.01	98,092	7.959	80.73	89.16	640	42.01
Ohio	424	41,381,437	4.8	97,598	8.47	88.11	93.37	630	42.82
Michigan	364	39,804,548	4.61	109,353	8.443	88.18	93.29	635	43.03
Georgia	301	38,334,134	4.44	127,356	8.306	85.92	95.06	638	43.58
New York	255	33,467,814	3.88	131,246	8.17	83.63	87.66	644	42.96
North Carolina	245	27,439,974	3.18	112,000	8.263	84.92	93.51	639	41.4
Minnesota	164	26,721,619	3.1	162,937	7.958	82.13	90.31	641	42.64
Oregon	164	26,630,671	3.09	162,382	7.47	79.54	89.33	648	43.19
Arizona	146	26,599,252	3.08	182,187	7.51	76.8	81.12	643	41.85
Tennessee	272	26,110,454	3.03	95,994	8.241	82.94	96.96	636	43.82
New Jersey	129	24,918,302	2.89	193,165	8.094	81.14	83.2	635	42.51
Washington	133	23,293,670	2.7	175,140	7.582	79.51	87.26	653	43.75
Other	2,095	257,814,062	29.89	123,062	8.189	83.92	91.07	637	42.9
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

17. Occupancy

Occupancy	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Primary	5,969	808,011,191	93.66	135,368	8.036	82.18	89.11	638	43.21
Investment	353	45,434,160	5.27	128,709	8.2	81.42	81.45	683	39.86
Second Home	53	9,224,634	1.07	174,050	8.375	87.4	87.4	691	41.79
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

18. Property Type

Property Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Single Family	5,005	645,193,456	74.79	128,910	8.103	82.46	88.55	638	42.53
Planned Unit Development	743	119,574,060	13.86	160,934	7.784	81.14	89.67	647	44.09
Condominium	388	54,503,707	6.32	140,473	7.971	81.86	90.78	654	45.07
Two-to-Four Family	235	42,759,893	4.96	181,957	8.073	81.65	85.49	651	44.75
Modular Homes	4	638,870	0.07	159,718	7.383	77.51	77.51	673	36.39
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

19. Loan Purpose

Loan Purpose	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Purchase	3,667	409,958,944	47.52	111,797	8.163	85.23	96.79	649	44.39
Refinance - Cashout	2,358	398,150,857	46.15	168,851	7.984	79.73	81.61	632	42.03
Refinance - Rate Term	350	54,560,185	6.32	155,886	7.657	77.35	79.38	639	39.86
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

20. Documentation Type

Documentation Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Full Documentation	5,006	653,895,725	75.8	130,622	7.881	81.31	88.39	637	43.21
Stated Documentation	794	104,747,479	12.14	131,924	8.52	83.22	92.46	670	42.28
Limited Documentation	16	2,692,828	0.31	168,302	8.03	78.42	80.54	614	38.93
Alternative Documentation	559	101,333,954	11.75	181,277	8.638	86.91	86.91	637	42.65
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

21. Range of Debt Ratio

Range of Debt Ratio	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
0.01 - 30.00	800	89,909,538	10.42	112,387	7.933	78.72	81.87	644	24.02
30.01 - 35.00	673	81,716,675	9.47	121,422	8.069	81.32	85.95	640	33.19
35.01 - 40.00	872	111,736,973	12.95	128,139	8.1	81.8	87.09	639	38.16

40.01 - 45.00	1,195	165,821,964	19.22	138,763	8.119	82.14	88.85	643	43.09
45.01 - 50.00	1,639	236,007,458	27.36	143,995	8.221	83.83	90.68	637	48.17
50.01 - 55.00	1,196	177,477,378	20.57	148,392	7.769	82.49	91.59	643	53.3
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Non-zero Weighted Average DTI: 43.02

Minimum DTI: 3.00

Maximum DTI: 55.00

Standard Deviation DTI: 9.46

22. Range of Credit Scores

Range of Credit Scores	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
540 - 559	251	33,106,245	3.84	131,897	8.735	74.88	75.66	549	42.11
560 - 579	473	65,297,575	7.57	138,050	8.545	78.18	78.58	570	41.82
580 - 599	732	88,480,029	10.26	120,874	8.86	83.03	87.07	589	42.1
600 - 619	1,177	145,426,340	16.86	123,557	8.316	82.74	90.87	609	43.75
620 - 639	833	112,141,698	13	134,624	8.217	83.86	91.33	628	43.58
640 - 659	1,000	137,693,379	15.96	137,693	7.949	83.78	91.7	648	43.84
660 - 679	696	97,795,175	11.34	140,510	7.717	84.02	91.36	668	42.89
680 - 699	395	59,279,496	6.87	150,075	7.418	81.84	90.36	689	43.06
700 - 719	310	47,242,975	5.48	152,397	7.404	82.55	90.86	708	43.34
720 - 739	184	27,019,280	3.13	146,844	7.247	81.68	88.47	729	42.84
740 - 759	144	21,587,973	2.5	149,916	7.453	83.23	88.96	748	42.37
760 - 779	97	14,670,730	1.7	151,245	6.781	74.21	81.38	770	41.81
780 - 799	56	9,512,551	1.1	169,867	6.588	72.05	75.71	789	37.53
800 - 819	26	3,347,723	0.39	128,759	6.852	75.52	81.27	808	39.84
>= 820	1	68,816	0.01	68,816	6.625	54.52	54.52	832	29
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

Non-zero Weighted Average FICO: 641

Minimum FICO: 540

Maximum FICO: 832

Standard Deviation FICO: 52

23. Prepayment Penalty Term (months)

	% of Mortgage

Prepayment Penalty Term (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
None	1,904	260,688,812	30.22	136,916	8.255	83.1	88.81	642	42.44
12	178	25,396,640	2.94	142,678	8.312	81.69	87.53	643	42.47
24	2,415	332,612,504	38.56	137,728	8.057	82.45	90.5	635	43.61
36	1,878	243,972,031	28.28	129,911	7.788	80.93	86.2	647	42.87
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

24. Lien Position

Lien Position	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
1st Lien	6,375	862,669,986	100	135,321	8.048	82.19	88.69	641	43.02
Total:	**6,375**	**862,669,986**	**100**	**135,321**	**8.048**	**82.19**	**88.69**	**641**	**43.02**

HSBC

FFML 2006-FF9

Group 2

Selection Criteria: Group 2

Table of Contents

9. Range of Original Combined LTV Ratios (%)

10. Range of Gross Margins (%)

11. Range of Minimum Mortgage Rates (%)

12. Range of Maximum Mortgage Rates (%)

13. Initial Periodic Cap (%)

14. Subsequent Periodic Cap (%)

15. Next Rate Adjustment Dates

16. Geograghic Distribution of Mortgaged Properties

17. Occupancy

18. Property Type

19. Loan Purpose

20. Documentation Type

21. Range of Debt Ratio

22. Range of Credit Scores

23. Prepayment Penalty Term (months)

24. Lien Position

1. Summary Statistics (as of the Sample Pool Calculation Date)

Aggregate Principal Balance: $822,044,868.05

Number of Mortgage Loans: 2,792

Average Principal Balance: $294,428.68

Aggregate Principal Balance (Fixed Rate): $90,883,129.76

Aggregate Principal Balance (Adjustable Rate): $731,161,738.29

% Fixed Rate Mortgages: 11.06%

% Adjustable Rate Mortgages: 88.94%

Weighted Average Current Mortgage Rate: 7.730%

Non-zero Weighted Average Credit Score: 665

Weighted Average Original LTV: 81.88%

Weighted Average Original Combined LTV: 95.52%

Non-zero Weighted Average Debt Ratio: 42.69

Weighted Average Stated Remaining Term: 357

Weighted Average Stated Original Term: 359

Weighted Average Months to Roll: 25

Weighted Average Margin: 5.524%

Weighted Average Initial Rate Cap: 2.991%

Weighted Average Periodic Rate Cap: 1.000%

Weighted Average Maximum Rate: 13.763%

Weighted Average Minimum Rate: 7.763%

% Second Lien: 0.00%

% Silent & Simultaneous Seconds: 70.31%

% California Loans: 38.46%

2. Product Type

Product Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
15 Year Fixed	5	1,201,750	0.15	240,350	6.363	65.55	65.55	755	23.09
20 Year Fixed	1	468,653	0.06	468,653	9.375	79.66	79.66	627	29
30 Year Fixed	306	65,172,166	7.93	212,981	7.284	79.98	88.32	682	39.2
30 Year Fixed 5 Year Interest Only	36	12,544,756	1.53	348,465	8.196	84.06	91.09	660	42.64
15 Year Fixed 5 Year Interest Only	3	1,038,000	0.13	346,000	9.506	89.98	89.98	595	49.69
15/30 Year Fixed (Balloon)	1	216,186	0.03	216,186	7.625	100	100	702	49
30/40 Year Fixed (Balloon)	40	10,241,618	1.25	256,040	7.627	83.07	92.35	673	42.3
ARM 30 Year	1	216,407	0.03	216,407	6.5	80	100	650	45
ARM 5 Year Interest Only	3	959,900	0.12	319,967	6.749	80	100	676	46.49
1/29 ARM	11	4,057,018	0.49	368,820	8.787	89.22	96.91	687	40.39
2/28 ARM	580	130,324,065	15.85	224,697	8.112	83.51	96.13	649	40.71
2/28 ARM 5 Year Interest Only	914	329,034,615	40.03	359,994	7.674	80.71	96.93	669	44.37
3/27 ARM	232	52,210,126	6.35	225,044	7.824	83.6	95.26	661	41.38
3/27 ARM 5 Year Interest Only	215	73,275,988	8.91	340,819	7.459	82.08	96.36	675	43.13
5/25 ARM	15	3,074,274	0.37	204,952	7.164	81.4	95.03	681	42.75
5/25 ARM 10 Year Interest Only	30	10,974,148	1.33	365,805	7.15	77.43	90.2	674	45.54
30/40 Year ARM 2/28 (Balloon)	380	120,650,627	14.68	317,502	7.847	83.32	96.11	658	42.42
30/40 Year ARM 3/27 (Balloon)	11	3,884,844	0.47	353,168	7.838	84.56	90.73	665	42.07
30/40 Year ARM 5/25 (Balloon)	8	2,499,727	0.3	312,466	6.77	80	99.01	700	43.72
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

3. Range of Gross Mortgage Rates (%)

Range of Gross Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio

5.000 - 5.499	6	2,875,533	0.35	479,256	5.318	63.73	91.08	746	41.63
5.500 - 5.999	87	32,141,000	3.91	369,437	5.839	75.6	85.42	722	40.91
6.000 - 6.499	106	37,631,854	4.58	355,017	6.25	78.59	92.23	699	41.76
6.500 - 6.999	449	155,518,604	18.92	346,367	6.786	79.46	95.55	684	42.63
7.000 - 7.499	342	107,324,717	13.06	313,815	7.245	79.55	96.21	664	43.16
7.500 - 7.999	674	195,254,962	23.75	289,696	7.731	80.87	96.75	663	43.57
8.000 - 8.499	372	106,499,419	12.96	286,289	8.203	81.63	95.38	652	42.28
8.500 - 8.999	352	97,887,318	11.91	278,089	8.735	84.33	96.48	653	42.04
9.000 - 9.499	138	36,742,163	4.47	266,248	9.188	89.13	95.21	642	42.47
9.500 - 9.999	103	25,149,971	3.06	244,174	9.703	94.34	97.88	636	43.59
10.000 - 10.499	52	11,122,115	1.35	213,887	10.222	97.98	98.44	626	43.21
10.500 - 10.999	81	11,204,467	1.36	138,327	10.672	97.97	97.97	596	40.99
11.000 - 11.499	22	1,893,694	0.23	86,077	11.161	99.23	99.23	589	34.69
11.500 - 11.999	7	639,051	0.08	91,293	11.701	100	100	588	44.37
12.000 - 12.499	1	160,000	0.02	160,000	12.125	100	100	598	45
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Weighted Average Gross Mortgage Rate (%): 7.730

Minimum Gross Mortgage Rate (%): 5.125

Maximum Gross Mortgage Rate (%): 12.125

Standard Deviation Gross Mortgage Rate (%): 1.133

4. Range of Cut-off Date Principal Balances ($)

Range of Cut-off Date Principal Balances ($)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
0.01 - 50,000.00	35	1,435,334	0.17	41,010	10.737	97.77	98.35	615	35.72
50,000.01 - 100,000.00	196	15,447,034	1.88	78,811	8.666	85.84	98.17	640	36.25
100,000.01 - 150,000.00	410	52,223,639	6.35	127,375	8.074	83.53	98.56	644	39.25
150,000.01 - 200,000.00	436	76,774,005	9.34	176,087	7.901	82.88	98.55	654	41.67
200,000.01 - 250,000.00	380	85,259,729	10.37	224,368	7.74	81.58	98.28	661	43.69
250,000.01 - 300,000.00	308	84,688,977	10.3	274,964	7.749	82.57	97.73	666	43.62
300,000.01 - 350,000.00	208	67,345,694	8.19	323,777	7.825	82.85	98.19	669	45.23
350,000.01 - 400,000.00	179	67,317,650	8.19	376,076	7.776	82.2	98.52	668	44.45
400,000.01 - 450,000.00	150	63,933,833	7.78	426,226	7.706	81.64	94.23	663	44.65
450,000.01 - 500,000.00	140	66,813,168	8.13	477,237	7.67	80.42	92.31	672	44.15
500,000.01 - 550,000.00	85	44,593,459	5.42	524,629	7.32	81.9	91.77	670	44.78
550,000.01 -	75	43,163,527	5.25	575,514	7.749	83.94	93.82	672	44.31

600,000.00									
600,000.01 - 650,000.00	38	23,790,820	2.89	626,074	7.662	81.85	90.5	661	41.66
650,000.01 - 700,000.00	31	21,126,407	2.57	681,497	7.693	81.71	91.14	646	41.39
700,000.01 - 750,000.00	32	23,317,921	2.84	728,685	7.338	78.57	89.45	680	37.72
750,000.01 - 800,000.00	18	13,987,497	1.7	777,083	7.814	80.6	91.67	670	38.18
800,000.01 - 850,000.00	12	9,981,172	1.21	831,764	7.13	78.27	89.21	663	38.62
850,000.01 - 900,000.00	13	11,433,613	1.39	879,509	7.841	80.55	92.11	688	35.88
900,000.01 - 950,000.00	7	6,499,838	0.79	928,548	7.772	78.62	95.69	692	43.01
950,000.01 - 1,000,000.00	15	14,808,306	1.8	987,220	7.66	78.83	90.03	678	38.65
1,000,000.01 >=	24	28,103,244	3.42	1,170,968	6.923	77.25	91.37	705	40.37
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Average Cut-off Date Principal Balance ($): 294,428.68

Minimum Cut-off Date Principal Balance ($): 24,869.29

Maximum Cut-off Date Principal Balance ($): 1,700,000.00

Standard Deviation Cut-off Date Principal Balance ($): 195,403.78

5. Range of Original Principal Balances ($)

Range of Original Principal Balances ($)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
0.01 - 50,000.00	35	1,435,334	0.17	41,010	10.737	97.77	98.35	615	35.72
50,000.01 - 100,000.00	196	15,447,034	1.88	78,811	8.666	85.84	98.17	640	36.25
100,000.01 - 150,000.00	410	52,223,639	6.35	127,375	8.074	83.53	98.56	644	39.25
150,000.01 - 200,000.00	436	76,774,005	9.34	176,087	7.901	82.88	98.55	654	41.67
200,000.01 - 250,000.00	378	84,759,805	10.31	224,232	7.745	81.59	98.27	661	43.65
250,000.01 - 300,000.00	308	84,600,869	10.29	274,678	7.744	82.58	97.73	666	43.62
300,000.01 - 350,000.00	208	67,284,142	8.18	323,481	7.827	82.86	98.19	670	45.2
350,000.01 - 400,000.00	180	67,586,435	8.22	375,480	7.764	82.08	98.53	667	44.51
400,000.01 - 450,000.00	150	63,865,032	7.77	425,767	7.73	81.73	94.33	663	44.6
450,000.01 - 500,000.00	141	67,262,769	8.18	477,041	7.659	80.45	92.26	672	44.21
500,000.01 - 550,000.00	83	43,525,930	5.29	524,409	7.304	81.71	91.82	670	44.62

550,000.01 - 600,000.00	76	43,713,000	5.32	575,171	7.758	83.89	95.65	671	44.45
600,000.01 - 650,000.00	38	23,790,820	2.89	626,074	7.662	81.85	90.5	661	41.66
650,000.01 - 700,000.00	31	20,945,210	2.55	675,652	7.743	82.22	91.07	649	41.4
700,000.01 - 750,000.00	33	24,017,175	2.92	727,793	7.336	78.61	89.76	678	37.93
750,000.01 - 800,000.00	18	13,987,497	1.7	777,083	7.814	80.6	91.67	670	38.18
800,000.01 - 850,000.00	12	9,981,172	1.21	831,764	7.13	78.27	89.21	663	38.62
850,000.01 - 900,000.00	13	11,433,613	1.39	879,509	7.841	80.55	92.11	688	35.88
900,000.01 - 950,000.00	7	6,499,838	0.79	928,548	7.772	78.62	95.69	692	43.01
950,000.01 - 1,000,000.00	15	14,808,306	1.8	987,220	7.66	78.83	90.03	678	38.65
1,000,000.01 >=	24	28,103,244	3.42	1,170,968	6.923	77.25	91.37	705	40.37
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Average Orig Balance ($): 294,719.73

Minimum Orig Balance ($): 24,900.00

Maximum Orig Balance ($): 1,700,000.00

Standard Deviation Orig Balance ($): 195,579.77

6. Range of Stated Remaining Terms (months)

Range of Stated Remaining Terms (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
171 - 180	9	2,455,936	0.3	272,882	7.803	78.91	78.91	683	36.61
231 - 240	1	468,653	0.06	468,653	9.375	79.66	79.66	627	29
351 - 360	2,782	819,120,279	99.64	294,436	7.729	81.89	95.58	665	42.71
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Weighted Average Remaining Term: 357

Minimum Remaining Term: 177

Maximum Remaining Term: 359

Standard Deviation Remaining Term: 10

7. Stated Original Term (months)

Stated Original Term (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
180	9	2,455,936	0.3	272,882	7.803	78.91	78.91	683	36.61
240	1	468,653	0.06	468,653	9.375	79.66	79.66	627	29
360	2,782	819,120,279	99.64	294,436	7.729	81.89	95.58	665	42.71
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Weighted Average Original Term: 359

Minimum Original Term: 180

Maximum Original Term: 360

Standard Deviation Original Term: 10

8. Range of Original LTV Ratios (%)

Range of Original LTV Ratios (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
40.01 - 45.00	1	75,664	0.01	75,664	5.25	40.43	40.43	803	24
45.01 - 50.00	6	2,015,484	0.25	335,914	5.95	48.05	48.05	768	28.77
50.01 - 55.00	3	1,673,077	0.2	557,692	6.101	51.23	51.23	717	38.21
55.01 - 60.00	9	4,518,764	0.55	502,085	7.269	57.84	59.8	661	32.36
60.01 - 65.00	19	6,936,907	0.84	365,100	7.179	63.24	66.9	673	42.36
65.01 - 70.00	25	14,870,447	1.81	594,818	7.007	68.53	70.46	670	33.54
70.01 - 75.00	41	22,880,933	2.78	558,072	7.131	74.01	80.21	662	43.28
75.01 - 80.00	2,134	624,788,245	76	292,778	7.502	79.91	97.52	669	43.04
80.01 - 85.00	37	13,670,844	1.66	369,482	8.295	84.6	85.26	619	46.52
85.01 - 90.00	101	32,507,949	3.95	321,861	8.662	89.79	89.79	629	41.96
90.01 - 95.00	68	20,885,720	2.54	307,143	8.423	94.95	94.95	646	38.96
95.01 - 100.00	342	75,630,237	9.2	221,141	9.402	99.94	99.94	656	43.12
100.01 >=	6	1,590,596	0.19	265,099	8.18	102.99	102.99	696	44.79
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Weighted Average Original LTV (%): 81.88

Minimum Original LTV (%): 40.43

Maximum Original LTV (%): 103.00

Standard Deviation Original LTV (%): 7.78

9. Range of Original Combined LTV Ratios (%)

Range of Original Combined LTV Ratios (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
40.01 - 45.00	1	75,664	0.01	75,664	5.25	40.43	40.43	803	24
45.01 - 50.00	6	2,015,484	0.25	335,914	5.95	48.05	48.05	768	28.77
50.01 - 55.00	3	1,673,077	0.2	557,692	6.101	51.23	51.23	717	38.21
55.01 - 60.00	8	4,297,414	0.52	537,177	7.244	57.73	57.73	655	32.12
60.01 - 65.00	17	5,265,604	0.64	309,741	7.451	63.1	63.1	657	42.79
65.01 - 70.00	22	12,436,332	1.51	565,288	6.923	68.51	68.51	677	36.23
70.01 - 75.00	30	16,126,235	1.96	537,541	7.029	73.05	73.96	662	42.39
75.01 - 80.00	134	60,460,022	7.35	451,194	7.262	79.38	79.39	656	40.64
80.01 - 85.00	41	16,622,901	2.02	405,437	8.11	82.21	84.74	626	43.07
85.01 - 90.00	140	54,132,567	6.59	386,661	8.124	84.93	89.72	645	41.71
90.01 - 95.00	127	44,807,979	5.45	352,819	7.926	86.76	94.84	658	39.73
95.01 - 100.00	2,255	602,225,234	73.26	267,062	7.768	82.48	99.96	669	43.46
100.01 >=	8	1,906,355	0.23	238,294	8.181	99.19	102.51	691	44.51
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Weighted Average Original Combined LTV (%): 95.52

Minimum Original Combined LTV (%): 40.43

Maximum Original Combined LTV (%): 103.00

Standard Deviation Original Combined LTV (%): 7.67

10. Range of Gross Margins (%)

Range of Gross Margins (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
3.000 - 3.249	1	489,022	0.07	489,022	5.999	70	70	782	29
4.500 - 4.749	1	488,000	0.07	488,000	6.75	80	100	707	46
4.750 - 4.999	3	627,387	0.09	209,129	6.551	80	100	640	43.99
5.000 - 5.249	244	80,925,587	11.07	331,662	7.172	79.42	96.49	665	44.35

5.250 - 5.499	1,510	456,863,688	62.48	302,559	7.571	79.32	96.74	667	43.16
5.500 - 5.749	91	33,362,308	4.56	366,619	7.465	79.8	92.72	670	42.78
5.750 - 5.999	165	54,150,159	7.41	328,183	8.329	85.18	91.05	641	42.62
6.000 - 6.249	52	16,113,007	2.2	309,866	8.034	85.58	97.79	664	42.19
6.250 - 6.499	272	73,321,641	10.03	269,565	9.021	97.25	98.69	656	41.87
6.500 - 6.749	26	5,578,164	0.76	214,545	8.554	85.37	97.83	649	37.09
6.750 - 6.999	11	2,067,313	0.28	187,938	9.098	98.21	98.9	642	43.88
7.000 - 7.249	8	2,685,734	0.37	335,717	9.278	96.72	96.72	669	46.26
7.250 - 7.499	10	3,007,629	0.41	300,763	9.45	99.57	100	679	40.93
7.500 - 7.749	4	828,891	0.11	207,223	10.459	99.27	99.27	640	40.63
7.750 - 7.999	2	653,207	0.09	326,604	10.053	97.86	97.86	683	45.28
Total:	**2,400**	**731,161,738**	**100**	**304,651**	**7.762**	**82**	**96.35**	**664**	**43.03**

Weighted Average Margin (%): 5.524

Minimum Margin (%): 3.000

Maximum Margin (%): 7.750

Standard Deviation Margin (%): 0.432

11. Range of Minimum Mortgage Rates (%)

Range of Minimum Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
5.500 - 5.999	42	13,876,921	1.9	330,403	5.853	79.52	95.57	705	45.4
6.000 - 6.499	77	27,734,293	3.79	360,186	6.253	79.24	95.63	694	43.19
6.500 - 6.999	396	141,037,344	19.29	356,155	6.791	79.54	96	684	43.02
7.000 - 7.499	321	100,845,171	13.79	314,159	7.241	79.5	96.23	664	43.27
7.500 - 7.999	625	185,726,800	25.4	297,163	7.731	80.83	96.93	664	43.73
8.000 - 8.499	350	101,544,290	13.89	290,127	8.202	81.61	95.52	653	42.02
8.500 - 8.999	312	89,108,085	12.19	285,603	8.727	84.33	96.81	653	42.05
9.000 - 9.499	122	33,581,529	4.59	275,258	9.183	89.02	95.26	643	42.58
9.500 - 9.999	85	21,909,524	3	257,759	9.699	94.09	97.7	634	43.85
10.000 - 10.499	36	8,881,162	1.21	246,699	10.211	98.43	98.59	632	44.84
10.500 - 10.999	27	5,710,635	0.78	211,505	10.693	97.81	97.81	593	41.29
11.000 - 11.499	5	816,984	0.11	163,397	11.152	100	100	588	32.46
11.500 - 11.999	1	229,000	0.03	229,000	11.75	100	100	586	49
12.000 - 12.499	1	160,000	0.02	160,000	12.125	100	100	598	45
Total:	**2,400**	**731,161,738**	**100**	**304,651**	**7.762**	**82**	**96.35**	**664**	**43.03**

Weighted Average Minimum Rate (%): 7.763

Minimum Minimum Rate (%): 5.500

Maximum Minimum Rate (%): 12.125

Standard Deviation Minimum Rate (%): 0.975

12. Range of Maximum Mortgage Rates (%)

Range of Maximum Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
11.500 - 11.999	42	13,876,921	1.9	330,403	5.853	79.52	95.57	705	45.4
12.000 - 12.499	77	27,734,293	3.79	360,186	6.253	79.24	95.63	694	43.19
12.500 - 12.999	396	141,037,344	19.29	356,155	6.791	79.54	96	684	43.02
13.000 - 13.499	321	100,845,171	13.79	314,159	7.241	79.5	96.23	664	43.27
13.500 - 13.999	625	185,726,800	25.4	297,163	7.731	80.83	96.93	664	43.73
14.000 - 14.499	350	101,544,290	13.89	290,127	8.202	81.61	95.52	653	42.02
14.500 - 14.999	312	89,108,085	12.19	285,603	8.727	84.33	96.81	653	42.05
15.000 - 15.499	122	33,581,529	4.59	275,258	9.183	89.02	95.26	643	42.58
15.500 - 15.999	85	21,909,524	3	257,759	9.699	94.09	97.7	634	43.85
16.000 - 16.499	36	8,881,162	1.21	246,699	10.211	98.43	98.59	632	44.84
16.500 - 16.999	27	5,710,635	0.78	211,505	10.693	97.81	97.81	593	41.29
17.000 - 17.499	5	816,984	0.11	163,397	11.152	100	100	588	32.46
17.500 - 17.999	1	229,000	0.03	229,000	11.75	100	100	586	49
18.000 - 18.499	1	160,000	0.02	160,000	12.125	100	100	598	45
Total:	**2,400**	**731,161,738**	**100**	**304,651**	**7.762**	**82**	**96.35**	**664**	**43.03**

Weighted Average Maximum Rate (%): 13.763

Minimum Maximum Rate (%): 11.500

Maximum Maximum Rate (%): 18.125

Standard Deviation Maximum Rate (%): 0.975

13. Initial Periodic Cap (%)

Initial Periodic Cap (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
1	4	1,176,307	0.16	294,077	6.704	80	100	671	46.21
2	11	4,057,018	0.55	368,820	8.787	89.22	96.91	687	40.39
3	2,385	725,928,413	99.28	304,373	7.758	81.96	96.34	664	43.04
Total:	**2,400**	**731,161,738**	**100**	**304,651**	**7.762**	**82**	**96.35**	**664**	**43.03**

Weighted Average Initial Cap (%): 2.991

Minimum Initial Cap (%): 1.000

Maximum Initial Cap (%): 3.000

Standard Deviation Initial Cap (%): 0.106

14. Subsequent Periodic Cap (%)

Subsequent Periodic Cap (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
1	2,400	731,161,738	100	304,651	7.762	82	96.35	664	43.03
Total:	**2,400**	**731,161,738**	**100**	**304,651**	**7.762**	**82**	**96.35**	**664**	**43.03**

Weighted Average Subsequent Periodic Cap (%): 1.000

Minimum Subsequent Periodic Cap (%): 1.000

Maximum Subsequent Periodic Cap (%): 1.000

Standard Deviation Subsequent Periodic Cap (%): 0.000

15. Next Rate Adjustment Dates

Next Rate Adjustment Dates	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Oct-06	4	1,176,307	0.16	294,077	6.704	80	100	671	46.21
Apr-07	11	4,057,018	0.55	368,820	8.787	89.22	96.91	687	40.39
Sep-07	1	205,756	0.03	205,756	8.125	99.5	99.5	673	45
Oct-07	1	222,300	0.03	222,300	7	79.99	100	693	48
Nov-07	1	165,951	0.02	165,951	6.625	79.9	79.9	641	27
Feb-08	5	965,373	0.13	193,075	7.59	80	98.7	675	42.2
Mar-08	144	49,322,949	6.75	342,520	7.671	81.59	96.35	662	43.27
Apr-08	1,718	528,176,564	72.24	307,437	7.822	81.91	96.61	662	43.14
May-08	4	950,412	0.13	237,603	8.088	82.75	90.94	645	38.15
Oct-08	1	557,750	0.08	557,750	7.625	97	97	722	47
Mar-09	29	7,760,155	1.06	267,592	7.543	81.78	91.95	674	42.15
Apr-09	428	121,053,053	16.56	282,834	7.623	82.76	95.98	669	42.39
Dec-10	1	163,905	0.02	163,905	7.5	102.97	102.97	769	37

Feb-11	1	156,790	0.02	156,790	7.999	80	100	616	34
Mar-11	5	626,101	0.09	125,220	7.656	82.82	100	702	43.87
Apr-11	45	15,471,475	2.12	343,811	7.064	78.1	91.87	678	44.96
May-11	1	135,877	0.02	135,877	6.5	80	100	670	45
Total:	**2,400**	**731,161,738**	**100**	**304,651**	**7.762**	**82**	**96.35**	**664**	**43.03**

Weighted Average Next Rate Adjustment Date: June 2008

Minimum Next Rate Adjustment Date: October 2006

Maximum Next Rate Adjustment Date: May 2011

16. Geograghic Distribution of Mortgaged Properties

Geograghic Distribution of Mortgaged Properties	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
California	724	316,126,422	38.46	436,639	7.353	79.9	94.31	674	44.22
Florida	359	94,062,501	11.44	262,013	8.035	82	97.44	663	42.76
New York	151	51,128,578	6.22	338,600	7.838	84.53	97.12	678	44.23
Texas	228	38,661,256	4.7	169,567	7.804	81.34	96.6	653	39.29
Illinois	122	31,669,399	3.85	259,585	8.17	85.42	96.13	664	41.6
New Jersey	77	24,218,936	2.95	314,532	8.206	86.07	94.59	666	43.05
Nevada	80	23,729,625	2.89	296,620	7.562	80.81	96.77	664	43.35
North Carolina	97	20,231,759	2.46	208,575	7.915	85.49	98.41	669	42.47
Arizona	52	16,696,156	2.03	321,080	7.742	81.27	93.39	651	40.07
Maryland	44	16,191,060	1.97	367,979	8.116	83.9	93.14	655	44.73
Georgia	71	15,481,705	1.88	218,052	8.182	84.72	97.46	656	41.29
Colorado	42	14,762,517	1.8	351,489	7.763	80.81	96.07	659	37.9
Massachusetts	51	14,480,093	1.76	283,923	7.97	78.82	93.14	656	41.51
Virginia	40	14,311,739	1.74	357,793	7.889	82.64	94.66	667	44.35
Michigan	63	13,110,950	1.59	208,110	8.128	86.51	98.29	653	41.78
Other	591	117,182,171	14.25	198,278	8.005	83.23	95.84	650	40
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

17. Occupancy

Occupancy	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio

Primary	2,783	818,032,289	99.51	293,939	7.727	81.88	95.59	665	42.68
Investment	7	2,798,209	0.34	399,744	8.553	78.1	78.1	675	46.97
Second Home	2	1,214,370	0.15	607,185	8.365	90	90	675	35.69
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

18. Property Type

Property Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Single Family	1,808	513,092,195	62.42	283,790	7.764	81.83	94.89	664	42.63
Planned Unit Development	634	199,218,132	24.23	314,224	7.622	81.5	95.79	665	41.95
Condominium	221	59,384,314	7.22	268,707	7.826	82.28	97.86	668	43.6
Two-to-Four Family	128	50,245,349	6.11	392,542	7.701	83.32	98.04	682	45.19
Modular Homes	1	104,879	0.01	104,879	8.75	100	100	733	22
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

19. Loan Purpose

Loan Purpose	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Purchase	2,576	702,067,274	85.4	272,542	7.772	82.37	97.76	666	42.89
Refinance - Cashout	188	104,112,090	12.67	553,788	7.551	79.48	83.07	657	42.09
Refinance - Rate Term	28	15,865,504	1.93	566,625	7.077	75.54	77.75	690	37.54
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

20. Documentation Type

		Aggregate Sample Pool	% of Mortgage Pool by Aggregate Sample Pool	Avg. Sample Pool	Weighted		Weighted

Documentation Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
Full Documentation	1,813	528,466,780	64.29	291,487	7.447	81.37	94.59	656	42.13
Stated Documentation	910	264,191,192	32.14	290,320	8.233	82.53	98.36	685	43.78
Limited Documentation	14	3,341,875	0.41	238,705	7.753	81.21	94.28	651	39.95
Alternative Documentation	55	26,045,021	3.17	473,546	8.383	85.59	85.59	657	43.24
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

21. Range of Debt Ratio

Range of Debt Ratio	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
0.01 - 30.00	334	89,870,719	10.93	269,074	7.599	80.82	92.33	663	21.83
30.01 - 35.00	237	57,541,819	7	242,792	7.747	81.69	95.19	667	33.2
35.01 - 40.00	408	116,508,082	14.17	285,559	7.696	80.9	94.58	668	38.16
40.01 - 45.00	573	165,003,324	20.07	287,964	7.753	82.27	95.77	671	43.36
45.01 - 50.00	836	262,409,843	31.92	313,887	8.006	82.84	96.83	665	48.24
50.01 - 55.00	404	130,711,081	15.9	323,542	7.262	81.11	95.74	658	53.25
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Non-zero Weighted Average DTI: 42.69

Minimum DTI: 3.00

Maximum DTI: 55.00

Standard Deviation DTI: 9.53

22. Range of Credit Scores

Range of Credit Scores	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
540 - 559	16	4,302,317	0.52	268,895	8.886	78.81	80.91	547	41.83
560 - 579	49	15,617,780	1.9	318,730	8.673	79.32	79.41	569	41.77
580 - 599	218	42,694,815	5.19	195,848	9.293	87.27	93.2	589	41.21

600 - 619	342	83,574,482	10.17	244,370	7.998	82.24	95.63	609	43.74
620 - 639	316	84,831,265	10.32	268,453	7.962	82.66	95.36	628	42.11
640 - 659	567	165,007,592	20.07	291,019	7.843	82.18	96.91	648	42.86
660 - 679	438	127,798,614	15.55	291,778	7.605	82.05	96.98	668	43.34
680 - 699	279	92,257,151	11.22	330,671	7.555	81.16	96.84	688	42.79
700 - 719	251	96,210,744	11.7	383,310	7.219	80.7	95.57	708	42.94
720 - 739	135	46,272,223	5.63	342,757	7.172	81.38	95.91	729	42.43
740 - 759	82	26,575,962	3.23	324,097	7.18	81.82	96.42	748	42.99
760 - 779	52	18,256,716	2.22	351,091	7.19	80.83	95.25	770	41.33
780 - 799	38	15,686,961	1.91	412,815	6.842	74.39	86.6	788	38.28
800 - 819	9	2,958,245	0.36	328,694	7.295	79.66	87.27	804	40.7
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

Non-zero Weighted Average FICO: 665

Minimum FICO: 540

Maximum FICO: 815

Standard Deviation FICO: 49

23. Prepayment Penalty Term (months)

Prepayment Penalty Term (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
None	724	205,783,459	25.03	284,231	8.084	83.3	94.59	671	41.59
12	161	63,615,940	7.74	395,130	8.072	82.19	94.68	664	41.53
24	1,311	390,654,834	47.52	297,982	7.666	81.41	96.83	661	43.67
36	596	161,990,635	19.71	271,796	7.303	81.08	93.87	669	42.17
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

24. Lien Position

Lien Position	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Weighted Average Gross Interest Rate (%)	Weighted Average Original LTV (%)	Weighted Average Original Combined LTV (%)	Weighted Average FICO Score	Weighted Average Debt Ratio
1st Lien	2,792	822,044,868	100	294,429	7.73	81.88	95.52	665	42.69
Total:	**2,792**	**822,044,868**	**100**	**294,429**	**7.73**	**81.88**	**95.52**	**665**	**42.69**

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HSBC

FFML 2006-FF9

All records

Selection Criteria: All records

Table of Contents

1. Summary Statistics (as of the Sample Pool Calculation Date)

Aggregate Principal Balance: $1,684,714,853.93

Number of Mortgage Loans: 9,167

Average Principal Balance: $183,780.39

Aggregate Principal Balance (Fixed Rate): $293,329,858.74

Aggregate Principal Balance (Adjustable Rate): $1,391,384,995.19

% Fixed Rate Mortgages: 17.41%

% Adjustable Rate Mortgages: 82.59%

Weighted Average Current Mortgage Rate: 7.893%

Non-zero Weighted Average Credit Score: 653

Weighted Average Original LTV: 82.04%

Weighted Average Original Combined LTV: 92.02%

Non-zero Weighted Average Debt Ratio: 42.86

Weighted Average Stated Remaining Term: 356

Weighted Average Stated Original Term: 358

Weighted Average Months to Roll: 25

Weighted Average Margin: 5.610%

Weighted Average Initial Rate Cap: 2.991%

Weighted Average Periodic Rate Cap: 1.000%

Weighted Average Maximum Rate: 13.924%

Weighted Average Minimum Rate: 7.924%

% Second Lien: 0.00%

% Silent & Simultaneous Seconds: 51.51%

% California Loans: 23.91%

2. Product Type

Product Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
15 Year Fixed	105	10,247,462	0.61	97,595	
20 Year Fixed	10	1,290,758	0.08	129,076	
30 Year Fixed	1,528	213,415,182	12.67	139,670	
30 Year Fixed 5 Year Interest Only	146	32,560,040	1.93	223,014	
15 Year Fixed 5 Year Interest Only	14	3,148,600	0.19	224,900	
15/30 Year Fixed (Balloon)	5	574,304	0.03	114,861	
30/40 Year Fixed (Balloon)	168	32,093,512	1.9	191,033	
ARM 30 Year	5	650,306	0.04	130,061	
ARM 5 Year Interest Only	11	2,952,200	0.18	268,382	
1/29 ARM	22	5,773,065	0.34	262,412	
2/28 ARM	2,663	371,995,966	22.08	139,691	
2/28 ARM 5 Year Interest Only	1,766	476,283,264	28.27	269,696	
3/27 ARM	876	130,021,508	7.72	148,426	
3/27 ARM 5 Year Interest Only	495	116,373,425	6.91	235,098	
5/25 ARM	51	8,151,185	0.48	159,827	
5/25 ARM 10 Year Interest Only	59	15,890,273	0.94	269,327	
30/40 Year ARM 2/28 (Balloon)	1,162	247,339,397	14.68	212,857	
30/40 Year ARM 3/27 (Balloon)	45	9,389,624	0.56	208,658	

30/40 Year ARM 5/25 (Balloon)	36	6,564,783	0.39	182,355
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**

3. Range of Gross Mortgage Rates (%)

Range of Gross Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
5.000 - 5.499	39	9,285,487	0.55	238,089	
5.500 - 5.999	206	54,302,811	3.22	263,606	
6.000 - 6.499	270	66,913,023	3.97	247,826	
6.500 - 6.999	1,003	248,040,298	14.72	247,298	
7.000 - 7.499	955	199,274,200	11.83	208,664	
7.500 - 7.999	1,979	380,018,900	22.56	192,026	
8.000 - 8.499	1,319	230,202,100	13.66	174,528	
8.500 - 8.999	1,537	247,521,220	14.69	161,042	
9.000 - 9.499	752	108,708,499	6.45	144,559	
9.500 - 9.999	665	88,208,854	5.24	132,645	
10.000 - 10.499	225	29,173,664	1.73	129,661	
10.500 - 10.999	155	17,886,230	1.06	115,395	
11.000 - 11.499	45	3,703,007	0.22	82,289	
11.500 - 11.999	16	1,316,560	0.08	82,285	
12.000 - 12.499	1	160,000	0.01	160,000	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

Weighted Average Gross Mortgage Rate (%): 7.893

Minimum Gross Mortgage Rate (%): 5.125

Maximum Gross Mortgage Rate (%): 12.125

Standard Deviation Gross Mortgage Rate (%): 1.101

4. Range of Cut-off Date Principal Balances ($)

Range of Cut-off Date Principal Balances ($)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
0.01 - 50,000.00	401	16,692,786	0.99	41,628	
50,000.01 - 100,000.00	2,292	175,172,606	10.4	76,428	
100,000.01 - 150,000.00	2,261	280,750,564	16.66	124,171	
150,000.01 - 200,000.00	1,497	260,249,019	15.45	173,847	
200,000.01 - 250,000.00	849	190,164,979	11.29	223,987	
250,000.01 - 300,000.00	559	153,484,328	9.11	274,569	
300,000.01 - 350,000.00	336	108,948,896	6.47	324,253	
350,000.01 - 400,000.00	291	109,483,210	6.5	376,231	

400,000.01 - 450,000.00	179	75,897,353	4.51	424,009
450,000.01 - 500,000.00	145	69,196,100	4.11	477,214
500,000.01 - 550,000.00	91	47,715,311	2.83	524,344
550,000.01 - 600,000.00	75	43,163,527	2.56	575,514
600,000.01 - 650,000.00	38	23,790,820	1.41	626,074
650,000.01 - 700,000.00	31	21,126,407	1.25	681,497
700,000.01 - 750,000.00	33	24,065,078	1.43	729,245
750,000.01 - 800,000.00	18	13,987,497	0.83	777,083
800,000.01 - 850,000.00	12	9,981,172	0.59	831,764
850,000.01 - 900,000.00	13	11,433,613	0.68	879,509
900,000.01 - 950,000.00	7	6,499,838	0.39	928,548
950,000.01 - 1,000,000.00	15	14,808,306	0.88	987,220
1,000,000.01 >=	24	28,103,244	1.67	1,170,968
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**

Average Cut-off Date Principal Balance ($): 183,780.39

Minimum Cut-off Date Principal Balance ($): 16,981.83

Maximum Cut-off Date Principal Balance ($): 1,700,000.00

Standard Deviation Cut-off Date Principal Balance ($): 145,082.78

5. Range of Original Principal Balances ($)

Range of Original Principal Balances ($)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
0.01 - 50,000.00	400	16,642,806	0.99	41,607	
50,000.01 - 100,000.00	2,290	174,923,389	10.38	76,386	
100,000.01 - 150,000.00	2,264	281,049,760	16.68	124,139	
150,000.01 - 200,000.00	1,494	259,669,237	15.41	173,808	
200,000.01 - 250,000.00	849	190,062,153	11.28	223,866	
250,000.01 - 300,000.00	560	153,578,904	9.12	274,248	
300,000.01 - 350,000.00	336	108,887,344	6.46	324,069	
350,000.01 - 400,000.00	292	109,751,995	6.51	375,863	
400,000.01 - 450,000.00	179	75,828,752	4.5	423,624	
450,000.01 - 500,000.00	146	69,645,700	4.13	477,025	
500,000.01 - 550,000.00	89	46,647,781	2.77	524,132	
550,000.01 - 600,000.00	76	43,713,000	2.59	575,171	
600,000.01 - 650,000.00	38	23,790,820	1.41	626,074	
650,000.01 - 700,000.00	31	20,945,210	1.24	675,652	
700,000.01 - 750,000.00	34	24,764,332	1.47	728,363	
750,000.01 - 800,000.00	18	13,987,497	0.83	777,083	
800,000.01 - 850,000.00	12	9,981,172	0.59	831,764	
850,000.01 - 900,000.00	13	11,433,613	0.68	879,509	
900,000.01 - 950,000.00	7	6,499,838	0.39	928,548	
950,000.01 - 1,000,000.00	15	14,808,306	0.88	987,220	
1,000,000.01 >=	24	28,103,244	1.67	1,170,968	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

Average Orig Balance ($): 183,982.90

Minimum Orig Balance ($): 17,000.00

Maximum Orig Balance ($): 1,700,000.00

Standard Deviation Orig Balance ($): 145,212.09

6. Range of Stated Remaining Terms (months)

Range of Stated Remaining Terms (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
171 - 180	124	13,970,366	0.83	112,664	
231 - 240	10	1,290,758	0.08	129,076	
351 - 360	9,033	1,669,453,730	99.09	184,817	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

Weighted Average Remaining Term: 356

Minimum Remaining Term: 175

Maximum Remaining Term: 359

Standard Deviation Remaining Term: 21

7. Stated Original Term (months)

Stated Original Term (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
180	124	13,970,366	0.83	112,664	
240	10	1,290,758	0.08	129,076	
360	9,033	1,669,453,730	99.09	184,817	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

Weighted Average Original Term: 358

Minimum Original Term: 180

Maximum Original Term: 360

Standard Deviation Original Term: 21

8. Range of Original LTV Ratios (%)

		Aggregate	% of Mortgage Pool by Aggregate

Range of Original LTV Ratios (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
<= 30.00	21	2,194,468	0.13	104,498	
30.01 - 35.00	13	1,193,400	0.07	91,800	
35.01 - 40.00	23	3,637,851	0.22	158,167	
40.01 - 45.00	38	5,747,011	0.34	151,237	
45.01 - 50.00	61	10,041,805	0.6	164,620	
50.01 - 55.00	69	11,730,103	0.7	170,001	
55.01 - 60.00	110	20,573,095	1.22	187,028	
60.01 - 65.00	141	27,140,245	1.61	192,484	
65.01 - 70.00	212	44,665,322	2.65	210,685	
70.01 - 75.00	266	62,532,848	3.71	235,086	
75.01 - 80.00	5,233	1,031,613,810	61.23	197,136	
80.01 - 85.00	405	69,721,551	4.14	172,152	
85.01 - 90.00	666	114,164,766	6.78	171,419	
90.01 - 95.00	485	82,228,755	4.88	169,544	
95.01 - 100.00	1,409	194,643,247	11.55	138,143	
100.01 >=	15	2,886,576	0.17	192,438	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

Weighted Average Original LTV (%): 82.04

Minimum Original LTV (%): 9.58

Maximum Original LTV (%): 103.00

Standard Deviation Original LTV (%): 10.99

9. Range of Original Combined LTV Ratios (%)

Range of Original Combined LTV Ratios (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
<= 30.00	21	2,194,468	0.13	104,498	
30.01 - 35.00	13	1,193,400	0.07	91,800	
35.01 - 40.00	23	3,637,851	0.22	158,167	
40.01 - 45.00	38	5,747,011	0.34	151,237	
45.01 - 50.00	61	10,041,805	0.6	164,620	
50.01 - 55.00	69	11,730,103	0.7	170,001	
55.01 - 60.00	109	20,351,745	1.21	186,713	
60.01 - 65.00	138	25,378,342	1.51	183,901	
65.01 - 70.00	207	41,856,625	2.48	202,206	
70.01 - 75.00	247	54,442,880	3.23	220,417	
75.01 - 80.00	902	180,306,979	10.7	199,897	
80.01 - 85.00	415	74,187,157	4.4	178,764	
85.01 - 90.00	737	142,015,790	8.43	192,694	
90.01 - 95.00	634	122,469,477	7.27	193,170	
95.01 - 100.00	5,536	985,958,887	58.52	178,100	
100.01 >=	17	3,202,335	0.19	188,373	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

Weighted Average Original Combined LTV (%): 92.02

Minimum Original Combined LTV (%): 9.58

Maximum Original Combined LTV (%): 103.00

Standard Deviation Original Combined LTV (%): 12.78

10. Range of Gross Margins (%)

Range of Gross Margins (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
3.000 - 3.249	4	982,384	0.07	245,596	
4.500 - 4.749	2	888,000	0.06	444,000	
4.750 - 4.999	8	1,271,526	0.09	158,941	
5.000 - 5.249	475	121,977,143	8.77	256,794	
5.250 - 5.499	3,707	761,734,749	54.75	205,486	
5.500 - 5.749	346	72,388,428	5.2	209,215	
5.750 - 5.999	811	151,256,476	10.87	186,506	
6.000 - 6.249	233	40,933,140	2.94	175,679	
6.250 - 6.499	1,253	193,566,350	13.91	154,482	
6.500 - 6.749	139	18,079,244	1.3	130,067	
6.750 - 6.999	89	10,956,571	0.79	123,108	
7.000 - 7.249	63	8,914,901	0.64	141,506	
7.250 - 7.499	31	5,219,459	0.38	168,370	
7.500 - 7.749	20	2,070,751	0.15	103,538	
7.750 - 7.999	7	994,125	0.07	142,018	
8.000 - 8.249	3	151,751	0.01	50,584	
Total:	**7,191**	**1,391,384,995**	**100**	**193,490**	

Weighted Average Margin (%): 5.610

Minimum Margin (%): 3.000

Maximum Margin (%): 8.000

Standard Deviation Margin (%): 0.498

11. Range of Minimum Mortgage Rates (%)

Range of Minimum Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
5.000 - 5.499	2	377,455	0.03	188,727	
5.500 - 5.999	74	19,143,027	1.38	258,690	
6.000 - 6.499	166	44,890,519	3.23	270,425	
6.500 - 6.999	801	209,905,694	15.09	262,055	
7.000 - 7.499	820	176,104,636	12.66	214,762	
7.500 - 7.999	1,710	343,237,493	24.67	200,724	
8.000 - 8.499	1,108	202,980,543	14.59	183,195	

8.500 - 8.999	1,186	204,878,299	14.72	172,747
9.000 - 9.499	547	85,123,263	6.12	155,618
9.500 - 9.999	471	66,471,595	4.78	141,129
10.000 - 10.499	166	22,187,266	1.59	133,658
10.500 - 10.999	101	12,392,398	0.89	122,697
11.000 - 11.499	28	2,626,296	0.19	93,796
11.500 - 11.999	10	906,510	0.07	90,651
12.000 - 12.499	1	160,000	0.01	160,000
Total:	**7,191**	**1,391,384,995**	**100**	**193,490**

Weighted Average Minimum Rate (%): 7.924

Minimum Minimum Rate (%): 5.250

Maximum Minimum Rate (%): 12.125

Standard Deviation Minimum Rate (%): 1.019

12. Range of Maximum Mortgage Rates (%)

Range of Maximum Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
11.000 - 11.499	2	377,455	0.03	188,727	
11.500 - 11.999	74	19,143,027	1.38	258,690	
12.000 - 12.499	166	44,890,519	3.23	270,425	
12.500 - 12.999	801	209,905,694	15.09	262,055	
13.000 - 13.499	820	176,104,636	12.66	214,762	
13.500 - 13.999	1,710	343,237,493	24.67	200,724	
14.000 - 14.499	1,108	202,980,543	14.59	183,195	
14.500 - 14.999	1,186	204,878,299	14.72	172,747	
15.000 - 15.499	547	85,123,263	6.12	155,618	
15.500 - 15.999	471	66,471,595	4.78	141,129	
16.000 - 16.499	166	22,187,266	1.59	133,658	
16.500 - 16.999	101	12,392,398	0.89	122,697	
17.000 - 17.499	28	2,626,296	0.19	93,796	
17.500 - 17.999	10	906,510	0.07	90,651	
18.000 - 18.499	1	160,000	0.01	160,000	
Total:	**7,191**	**1,391,384,995**	**100**	**193,490**	

Weighted Average Maximum Rate (%): 13.924

Minimum Maximum Rate (%): 11.250

Maximum Maximum Rate (%): 18.125

Standard Deviation Maximum Rate (%): 1.019

13. Initial Periodic Cap (%)

Initial Periodic Cap (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
1	16	3,602,506	0.26	225,157	
2	22	5,773,065	0.41	262,412	
3	7,153	1,382,009,425	99.33	193,207	
Total:	**7,191**	**1,391,384,995**	**100**	**193,490**	

Weighted Average Initial Cap (%): 2.991

Minimum Initial Cap (%): 1.000

Maximum Initial Cap (%): 3.000

Standard Deviation Initial Cap (%): 0.109

14. Subsequent Periodic Cap (%)

Subsequent Periodic Cap (%)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
1	7,191	1,391,384,995	100	193,490	
Total:	**7,191**	**1,391,384,995**	**100**	**193,490**	

Weighted Average Subsequent Periodic Cap (%): 1.000

Minimum Subsequent Periodic Cap (%): 1.000

Maximum Subsequent Periodic Cap (%): 1.000

Standard Deviation Subsequent Periodic Cap (%): 0.000

15. Next Rate Adjustment Dates

Next Rate Adjustment Dates	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
Sep-06	2	523,100	0.04	261,550	
Oct-06	14	3,079,406	0.22	219,958	
Mar-07	1	99,872	0.01	99,872	
Apr-07	20	5,607,879	0.4	280,394	
May-07	1	65,313	0	65,313	
Sep-07	1	205,756	0.01	205,756	
Oct-07	1	222,300	0.02	222,300	
Nov-07	2	225,604	0.02	112,802	
Dec-07	1	319,500	0.02	319,500	

Jan-08	8	1,309,206	0.09	163,651
Feb-08	11	2,224,521	0.16	202,229
Mar-08	403	85,004,402	6.11	210,929
Apr-08	5,151	1,003,432,724	72.12	194,803
May-08	13	2,674,615	0.19	205,740
Oct-08	1	557,750	0.04	557,750
Jan-09	4	766,267	0.06	191,567
Feb-09	1	98,787	0.01	98,787
Mar-09	109	18,465,233	1.33	169,406
Apr-09	1,300	235,720,364	16.94	181,323
May-09	1	176,156	0.01	176,156
Nov-10	1	66,181	0	66,181
Dec-10	1	163,905	0.01	163,905
Jan-11	2	289,555	0.02	144,778
Feb-11	1	150,790	0.01	150,790
Mar-11	10	1,253,415	0.09	125,341
Apr-11	130	28,546,518	2.05	219,589
May-11	1	135,877	0.01	135,877
Total:	**7,191**	**1,391,384,995**	**100**	**193,490**

Weighted Average Next Rate Adjustment Date: June 2008

Minimum Next Rate Adjustment Date: September 2006

Maximum Next Rate Adjustment Date: May 2011

16. Geograghic Distribution of Mortgaged Properties

Geograghic Distribution of Mortgaged Properties	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
California	1,055	402,795,340	23.91	381,797	
Florida	789	162,288,379	9.63	205,689	
Illinois	603	103,669,936	6.15	171,924	
New York	406	84,596,392	5.02	208,365	
Texas	669	81,919,971	4.86	122,451	
Georgia	372	53,815,839	3.19	144,666	
Michigan	427	52,915,498	3.14	123,924	
Ohio	491	51,636,403	3.06	105,166	
New Jersey	206	49,137,239	2.92	238,530	
North Carolina	342	47,671,733	2.83	139,391	
Arizona	198	43,295,408	2.57	218,664	
Nevada	168	40,608,805	2.41	241,719	
Oregon	214	38,147,940	2.26	178,261	
Maryland	148	36,695,406	2.18	247,942	
Minnesota	188	35,221,428	2.09	187,348	
Other	2,891	400,299,137	23.76	138,464	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

17. Occupancy

Occupancy	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
Primary	8,752	1,626,043,481	96.52	185,791	
Investment	360	48,232,369	2.86	133,979	
Second Home	55	10,439,004	0.62	189,800	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

18. Property Type

Property Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
Single Family	6,813	1,158,285,651	68.75	170,011	
Planned Unit Development	1,377	318,792,192	18.92	231,512	
Condominium	609	113,888,021	6.76	187,008	
Two-to-Four Family	363	93,005,241	5.52	256,213	
Modular Homes	5	743,749	0.04	148,750	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

19. Loan Purpose

Loan Purpose	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
Purchase	6,243	1,112,026,218	66.01	178,124	
Refinance - Cashout	2,546	502,262,947	29.81	197,275	
Refinance - Rate Term	378	70,425,689	4.18	186,311	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

20. Documentation Type

			% of Mortgage Pool by

Documentation Type	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
Full Documentation	6,819	1,182,362,505	70.18	173,392	
Stated Documentation	1,704	368,938,671	21.9	216,513	
Limited Documentation	30	6,034,703	0.36	201,157	
Alternative Documentation	614	127,378,975	7.56	207,458	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

21. Range of Debt Ratio

Range of Debt Ratio	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
0.01 - 30.00	1,134	179,780,257	10.67	158,536	
30.01 - 35.00	910	139,258,494	8.27	153,031	
35.01 - 40.00	1,280	228,245,055	13.55	178,316	
40.01 - 45.00	1,768	330,825,288	19.64	187,118	
45.01 - 50.00	2,475	498,417,301	29.58	201,381	
50.01 - 55.00	1,600	308,188,459	18.29	192,618	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

Non-zero Weighted Average DTI: 42.86

Minimum DTI: 3.00

Maximum DTI: 55.00

Standard Deviation DTI: 9.48

22. Range of Credit Scores

Range of Credit Scores	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
540 - 559	267	37,408,562	2.22	140,107	
560 - 579	522	80,915,354	4.8	155,010	
580 - 599	950	131,174,844	7.79	138,079	
600 - 619	1,519	229,000,822	13.59	150,758	
620 - 639	1,149	196,972,964	11.69	171,430	
640 - 659	1,567	302,700,971	17.97	193,172	
660 - 679	1,134	225,593,789	13.39	198,936	
680 - 699	674	151,536,647	8.99	224,832	
700 - 719	561	143,453,719	8.52	255,711	
720 - 739	319	73,291,504	4.35	229,754	
740 - 759	226	48,163,935	2.86	213,115	
760 - 779	149	32,927,447	1.95	220,990	

780 - 799	94	25,199,512	1.5	268,080
800 - 819	35	6,305,968	0.37	180,171
>= 820	1	68,816	0	68,816
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**

Non-zero Weighted Average FICO: 653

Minimum FICO: 540

Maximum FICO: 832

Standard Deviation FICO: 52

23. Prepayment Penalty Term (months)

Prepayment Penalty Term (months)	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
None	2,628	466,472,270	27.69	177,501	
12	339	89,012,580	5.28	262,574	
24	3,726	723,267,338	42.93	194,114	
36	2,474	405,962,666	24.1	164,092	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

24. Lien Position

Lien Position	Number of Mortgage Loans	Aggregate Sample Pool Calculation Date Principal Balance ($)	% of Mortgage Pool by Aggregate Sample Pool Calculation Date Principal Balance	Avg. Sample Pool Calculation Date Principal Balance ($)	Av Inte
1st Lien	9,167	1,684,714,854	100	183,780	
Total:	**9,167**	**1,684,714,854**	**100**	**183,780**	

EXHIBIT C

STANDARD TERMS

TO

MASTER SERVICING

AND

TRUST AGREEMENT

GS Mortgage Securities Corp.
Depositor

GSR Mortgage Loan Trust 2007-AR2
Mortgage Pass-Through Certificates, Series 2007-AR2

May 2007 Edition

TABLE OF CONTENTS

RECITALS

GS Mortgage Securities Corp. (the " Depositor "), a trustee (together with its successors and assigns, the " Trustee "), a securities administrator (together with its successors and assigns, the " Securities Administrator "), custodians (together with their successors and assigns, the " Custodians "), and a master servicer (together with its successors and assigns, the " Master Servicer ") identified in the Trust Agreement (as defined below) have entered into the Trust Agreement that provides for the issuance of mortgage pass-through certificates (the " Certificates ") that in the aggregate evidence the entire interest in Mortgage Loans or certificates or securities evidencing an interest therein and other property owned by the Trust created by such Trust Agreement. These Standard Terms are a part of, and are incorporated by reference into, the Trust Agreement.

STANDARD PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises, covenants, representations, and warranties made in the Trust Agreement and as hereinafter set forth, the Depositor, the Trustee, the Securities Administrator, the Custodians and the Master Servicer agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Defined Terms.

Except as otherwise specified herein or in the Trust Agreement or as the context may otherwise require, whenever used in these Standard Terms, the following words and phrases shall have the meanings specified in this Article. Capitalized words and phrases used herein but not defined herein or in the Trust Agreement shall, when applied to a Trust, have the meanings set forth in the Servicing Agreement(s) assigned to such Trust as in effect on the date of this Agreement. In the event of a conflict between the Trust Agreement and these Standard Terms, the Trust Agreement shall govern. Unless otherwise specified, all calculations described herein shall be made on the basis of a 360-day year consisting of twelve 30-day months.

"10-K Filing Deadline" : As defined in Section 3.02.

"Accounting Date" : With respect to each Distribution Date, the last day of the month preceding the month in which such Distribution Date occurs.

" ***Additional Form 10-D Disclosure*** ": As defined in Section 3.02.

" ***Additional Form 10-K Disclosure*** ": As defined in Section 3.02.

" ***Additional Servicer*** ": Each affiliate of each Servicer that Services any of the Mortgage Loans and each Person that is not an affiliate of each such Servicer, that Services 10% or more of the Mortgage Loans. For the avoidance of doubt, the Master Servicer and Securities Administrator are Additional Servicers.

"Administrative Cost Rate" : Not applicable.

"Advance" : The aggregate amount of the (i) advances made by a Servicer on any Servicer Remittance Date in respect of delinquent Monthly Payments pursuant to the applicable Sale and Servicing Agreement, (ii) any advances made by the Master Servicer (or by the Trustee, as successor Master Servicer, pursuant to Section 3.05 in the event the Master Servicer fails to make such advances as required) in respect of any such delinquent Monthly Payment pursuant to Section 3.05 and (iii) amounts necessary to preserve the Trust's interest in the Mortgaged Premises or the Mortgage Loans, including without limitation, property taxes or insurance premiums not paid as required by the Mortgagor and advanced by the related Servicer or successor servicer.

"Affiliate" : Any person or entity controlling, controlled by, or under common Control with the Depositor, the Trustee, the Securities Administrator, a Custodian, the Master Servicer or any Servicer. "Control" means the power to direct the management and policies of a person or entity, directly or indirectly, whether through ownership of voting securities, by contract or otherwise. "Controlling" and "controlled" shall have meanings correlative to the foregoing.

"Aggregate Principal Distribution Amount" : The amount specified in the Trust Agreement.

"ARM Loan" : An "adjustable rate" Mortgage Loan, the Note Rate of which is subject to periodic adjustment in accordance with the terms of the Note.

"Assignment Agreement" : Any Assignment, Assumption and Recognition Agreement or Agreements identified in the Trust Agreement to which the Depositor is a party.

"Available Distribution Amount" : Unless otherwise provided in the Trust Agreement, on each Distribution Date the Available Distribution Amount shall equal (i) the sum of the following: (A) all amounts credited to the Collection Account as of the close of business on the related Distribution Date, (B) an amount equal to Monthly Advances made on or before the previous Distribution Date, to the extent such Monthly Advance was made from funds on deposit in any related Collection Account held for future distribution, (C) all Monthly Advances made with respect to such Distribution Date (to the extent not included in clause (B) above) and (D) all amounts deposited into the Certificate Account to effect a Terminating Purchase in accordance with Section 10.02 *minus* (ii) the sum of (A) any Principal Prepayments (including Liquidation Proceeds, Insurance Proceeds and Condemnation Proceeds) or Payoffs received after the related Principal Prepayment Period, (B) Monthly Payments collected but due on a Due Date or Dates subsequent to the related Due Period and (C) reinvestment income on amounts deposited in any Collection Account to the extent included in (i) above.

"Back-Up Certification" : As defined in Section 3.02.

"Bankruptcy Loss" : Any reduction in the total amount owed by a Borrower on a Mortgage Loan occurring as a result of a final order of a court in a bankruptcy proceeding.

"Beneficial Owner" : With respect to a Book-Entry Security, the Person who is registered as owner of that Certificate in the books of the Clearing Agency for that Certificate or in the books of a Person maintaining an account with such Clearing Agency.

"Benefit Plan Affidavit" : An affidavit substantially in the form of Exhibit E hereto.

"Benefit Plan Opinion" : An opinion of counsel satisfactory to the Trustee and the Securities Administrator (and upon which the Trustee, the Master Servicer, the Securities Administrator and the Depositor shall be entitled to rely) to the effect that the purchase or holding of such Certificate by the prospective transferee will not result in any non-exempt prohibited transactions under Section 406 of ERISA or Section 4975 of the Code and will not subject the Trustee, the Securities Administrator, the Master Servicer or the Depositor to any obligation in addition to those undertaken by such parties in the Trust Agreement, which opinion of counsel shall not be an expense of the Trust or any of the above parties.

" Bond Level Reports " : Shall mean the reports prepared by the Securities Administrator in substantially the form attached as Schedule I hereto.

"Book-Entry Custodian" : The custodian appointed pursuant to Section 5.03(d).

"Book-Entry Securities" : The Classes of Certificates, if any, specified as such in the Trust Agreement for a Series.

"Borrower" : The individual or individuals obligated to repay a Mortgage Loan.

"Business Day" : Any day that is not (i) a Saturday or Sunday, or (ii) a legal holiday in the State of New York and the state in which the Corporate Trust Office or the principal offices of the Securities Administrator, the Master Servicer or any Servicer are located, or (iii) a day on which the banking or savings and loan institutions in the State of New York and the state in which the Corporate Trust Office or the principal office of the Securities Administrator, the Master Servicer or any Servicer is located are authorized or obligated by law or executive order to be closed.

"Certificate" : Any security issued under the Trust Agreement and designated as such.

"Certificate Account" : The account or accounts created and maintained for a Trust pursuant to Section 3.01 hereof.

"Certificate Balance" : With respect to each Class of Certificates or Interests, as of the close of business on any Distribution Date, the initial balance of such Class of Certificates or Interests set forth in the Trust Agreement reduced by (a) all principal payments previously distributed to such Class of Certificates or Interests in accordance with the Trust Agreement, and (b) all Realized Losses, if any, previously allocated to such Class of Certificates or Interests pursuant to the Trust Agreement.

"Certificate of Title Insurance" : A certificate of title insurance issued pursuant to a master title insurance policy.

"Certificate Rate" : With respect to the Certificates, as to each Distribution Date, the rate specified as such in the Trust Agreement.

"Certificate Register" and ***"Certificate Registrar" :*** The register maintained and the registrar appointed pursuant to Section 5.04 hereof.

"Certificated Subordinated Certificates" : The Classes of Certificates, if any, specified as such in the Trust Agreement for a Series.

" ***Certification Parties*** ": As defined in Section 3.02.

" ***Certifying Person*** ": As defined in Section 3.02.

"Class" : Collectively, all of the Certificates bearing the same designation.

"Class B Interests" : As set forth in the Trust Agreement.

"Clearing Agency" : The Depository Trust Company, or any successor organization or any other organization registered as a "clearing agency" pursuant to Section 17A of the Securities Exchange Act of 1934, as amended, and the regulations of the Commission thereunder.

"Clearing Agency Participant" : A broker, dealer, bank, other financial institution or other Person for whom from time to time a Clearing Agency effects book-entry transfers and pledges of securities deposited with the Clearing Agency.

"Closing Date" : The date on which Certificates are issued by a Trust as set forth in the related Trust Agreement.

"Code" : The Internal Revenue Code of 1986, as amended.

"Collection Account" : The collection account or accounts identified in or established in connection with the Servicing Agreement or Agreements identified in the Trust Agreement.

"Commission" : The United States Securities and Exchange Commission.

"Compensating Interest Payment" : With respect to the Mortgage Loans and any Distribution Date, an amount equal to the excess of (x) the aggregate of any Prepayment Interest Shortfalls with respect to the Mortgage Loans and such Distribution Date over (y) the aggregate of any amounts required to be paid by any Servicer in respect of such shortfalls but not paid; provided that the aggregate Compensating Interest Payment to be paid by the Master Servicer for any Distribution Date shall not exceed the Master Servicing Fee that would be payable to the Master Servicer in respect of the Mortgage Loans and Distribution Date without giving effect to any Compensating Interest Payment.

"Condemnation Proceeds" : All awards or settlements in respect of a taking of an entire Mortgaged Premises or a part thereof by exercise of the power of eminent domain or condemnation.

"Contract of Insurance Holder" : Any FHA approved mortgagee identified as such in the Trust Agreement or any Servicing Agreement.

"Contractually Delinquent" : With respect to any Mortgage Loan, having one or more uncured delinquencies in respect of payment at any time during the term of such Mortgage Loan.

" ***Controlling Person*** ": With respect to any Person, any other Person who "controls" such Person within the meaning of the Securities Act.

"Corporate Trust Office" : The respective principal corporate trust office of the Trustee or the Securities Administrator, as applicable, at which at any particular time its corporate trust business shall be administered.

"Custodian" : The Custodian or Custodians identified in the Trust Agreement, which shall hold all or a portion of the Trustee Mortgage Loan Files with respect to a Series.

"Custodial Agreement" : The Master Custodial Agreement or other Custodial Agreements identified in the Trust Agreement.

"Cut-off Date" : The date specified as such in the Trust Agreement.

"Defect Discovery Date" : With respect to a Mortgage Loan, the date on which any of the Trustee, the Securities Administrator, the Master Servicer or any Servicer first discovers a Qualification Defect affecting the Mortgage Loan.

"Depositor" : GS Mortgage Securities Corp., a Delaware corporation, and its successors.

"Disqualified Organization" : Either (a) the United States, (b) any state or political subdivision thereof, (c) any foreign government, (d) any international organization, (e) any agency or instrumentality of any of the foregoing, (f) any tax-exempt organization (other than a cooperative described in Section 521 of the Code) that is exempt from federal income tax unless such organization is subject to tax under the unrelated business taxable income provisions of the Code, (g) any organization described in Section 1381(a)(2)(C) of the Code, or (h) any other entity identified as a disqualified organization by the REMIC Provisions. A corporation will not be treated as an instrumentality of the United States or any state or political subdivision thereof if all of its activities are subject to tax and, with the exception of the Federal Home Loan Mortgage Corporation, a majority of its board of directors is not selected by such governmental unit.

" Distribution Account " : An Eligible Account maintained by the Securities Administrator on behalf of the Trustee for the REMIC. Unless otherwise provided in the Trust Agreement, the Distribution Account shall be considered an asset of the REMIC.

"Distribution Date" : Shall have the meaning set forth in the Trust Agreement.

"Distribution Statement" : As defined in Section 4.01.

"Due Date" : The first day of a calendar month.

"Due Period" : With respect to any Distribution Date, the period commencing on the second day of the calendar month preceding the calendar month in which such Distribution Date occurs and continuing through the first day of the month in which such Distribution Date occurs.

"Early Payment Default" : With respect to each Mortgage Loan, shall occur if the related Mortgagor fails to make its first payment after the Mortgage Loan was purchased from the related Seller.

"EDGAR" : The Commission's Electronic Data Gathering and Retrieval System.

"Eligible Account" : A trust account (i) maintained by a depository institution, the long-term unsecured debt obligations are rated by the Rating Agency in one of its two highest rating categories at the time of any deposit therein, (ii) maintained with the Securities Administrator or the Trustee and satisfies either clause (i) or (iii) hereof or (iii) an account otherwise deemed an Eligible Account by the Rating Agencies. If the definition of Eligible Account is met, any Certificate Account may be maintained with the Trustee, the Securities Administrator or the Master Servicer or any of their respective Affiliates.

"ERISA" : The Employee Retirement Income Security Act of 1974, as amended.

"Errors and Omissions Insurance Policy" : An errors and omissions insurance policy to be maintained by the Master Servicer pursuant to Section 8.02 or a Servicer pursuant to the related Servicing Agreement.

"Event of Default" : With respect to each Servicer, a Servicer Event of Default and with respect to the Master Servicer, a Master Servicer Event of Default.

"Exchange Act" : The Securities Exchange Act of 1934, as amended.

"FHLMC" : The Federal Home Loan Mortgage Corporation, a corporate instrumentality of the United States created and existing under Title III of the Emergency Home Finance Act of 1970, as amended, or any successor thereto.

"Fidelity Bond" : A fidelity bond to be maintained by the Master Servicer pursuant to Section 8.02 or a Servicer pursuant to the related Servicing Agreement.

"Final Certification" : A certification as to the completeness of each Trustee Mortgage Loan File substantially in the form of Exhibit B hereto provided by a Custodian on or before the first anniversary of the Closing Date pursuant to Section 2.02 hereof.

"Fiscal Year" : Unless otherwise provided in the Trust Agreement, the fiscal year of the Trust shall run from May 1 (or from the Closing Date, in the case of the first fiscal year) through the last day of December.

"FNMA" : The Federal National Mortgage Association, a federally chartered and privately owned corporation organized and existing under the Federal National Mortgage Association Charter Act, or any successor thereto.

" ***Form 8-K Disclosure Information*** ": As defined in Section 3.02.

"Fraud Losses" : Losses on Mortgage Loans resulting from fraud, dishonesty or misrepresentation in the origination of such Mortgage Loans.

"GSMC" or the ***"Sponsor"*** **:** Goldman Sachs Mortgage Company, and its successors and assigns.

"Holders" or ***"Certificateholders" :*** The holders of the Certificates, as shown on the Certificate Register.

"Independent" : When used with respect to any specified Person, another Person who (a) is in fact independent of the Depositor, the Initial Purchaser, the Trustee, the Securities Administrator, the Master Servicer, each Servicer or GSMC, any obligor upon the Certificates or any Affiliate of the Depositor, the Initial Purchaser, the Trustee, the Securities Administrator, the Master Servicer, each Servicer or GSMC or such obligor, (b) does not have any direct financial interest or any material indirect financial interest in the Depositor, the Initial Purchaser, the Trustee, the Securities Administrator, the Master Servicer, each Servicer or GSMC or in any such obligor or in an Affiliate of the Depositor, the Trustee, the Securities Administrator, the Master Servicer, each Servicer or GSMC or such obligor, and (c) is not connected with the Depositor, the Initial Purchaser, the Trustee, the Securities Administrator, the Master Servicer, each Servicer or GSMC or any such obligor as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions. Whenever it is provided herein that any Independent Person's opinion or certificate shall be furnished to the Trustee or the Securities Administrator, such Person shall be appointed by the Depositor, the Initial Purchaser, the Trustee, the Securities Administrator, the Master Servicer, any applicable Servicer or GSMC in the exercise of reasonable care by such Person, as the case may be, and approved by the Securities Administrator, and such opinion or certificate shall state that the Person executing the same has read this definition and that such Person is independent within the meaning thereof.

"Initial Certificate Balance" : With respect to any Certificate or Class of Certificates, the Certificate Balance of such Certificate or Class of Certificates as of the Closing Date.

"Initial Purchaser" : Goldman, Sachs & Co.

"Insurance Proceeds" : Proceeds of any federal insurance, title policy, hazard policy or other insurance policy covering a Mortgage Loan, if any, to the extent such proceeds are not to be applied to the restoration of the related Mortgaged Property or released to the Mortgagor in accordance with the procedures that the related Servicer would follow in servicing mortgage loans held for its own account.

"Insurer" : Any issuer of an insurance policy relating to the Mortgage Loans or Certificates of a Series.

"Interest" : The REMIC interests that are established by the Trust for purposes of the REMIC Provisions. The Interests shall be Regular Interests in, and assets of, the REMICs specified in the Trust Agreement.

" ***Interest Rate Cap Counterparty*** " Shall have the meaning set forth in the Trust Agreement.

"LIBOR" : For any Interest Accrual Period (other than the initial Interest Accrual Period), the offered rate for one-month United States dollar deposits which appears on Reuters Screen LIBOR01, as reported by Bloomberg Financial Markets Commodities News, as of 11:00 a.m. (London time) on the LIBOR Determination Date applicable to such Interest Accrual Period. If such rate does not appear on Reuters Screen LIBOR01, the rate for that day will be determined on the basis of the rates at which deposits in United States dollars are offered by the Reference Banks at approximately 11:00 a.m., London time, on that day to leading banks in the London interbank market for a period of one month commencing on the first day of the relevant Interest Accrual Period. The Securities Administrator will request the principal London office of each of the Reference Banks to provide a quotation of its rate to the Securities Administrator. If at least two such quotations are provided, the rate for that day will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that day will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Securities Administrator, at approximately 11:00 a.m., New York City time, on that day for loans in United States dollars to leading European banks for a one-month period (commencing on the first day of the relevant Interest Accrual Period). If none of such major banks selected by the Securities Administrator quotes such rate to the Securities Administrator, LIBOR for such LIBOR Determination Date will be the rate in effect with respect to the immediately preceding LIBOR Determination Date.

"LIBOR Determination Date" : With respect to any Interest Accrual Period and any Floating Rate Certificate, the second London Business Day prior to the date on which such Interest Accrual Period commences. Absent manifest error, the Securities Administrator's determination of LIBOR will be conclusive.

"Liquidated Mortgage Loan" : Any Mortgage Loan for which the applicable Servicer has determined (and reported to the Master Servicer) that it has received all amounts that it expects to recover from or on account of such Mortgage Loan, whether from Insurance Proceeds, Liquidation Proceeds or otherwise.

"Liquidation Loss" : With respect to any Liquidated Mortgage Loan, the excess of (a) the sum of (i) the outstanding principal balance of such Mortgage Loan, (ii) all accrued and unpaid interest thereon, and (iii) the amount of all Advances and other expenses incurred with respect to such Mortgage Loan (including expenses of enforcement and foreclosure) over (b) Liquidation Proceeds realized from such Mortgage Loan.

"Liquidation Proceeds" : Amounts, other than Insurance Proceeds and Condemnation Proceeds, received by the related Servicer in connection with the liquidation of a defaulted Mortgage Loan through trustee's sale, foreclosure sale or otherwise, including amounts received following the disposition of an REO Property pursuant to the applicable Servicing Agreement less costs and expenses of such foreclosure sale.

" Loan Level Report " : Shall mean the report prepared by the Master Servicer in substantially the form set forth in Schedule II hereto.

"Loan-to-Value Ratio" : For purposes of the REMIC Provisions, the ratio that results when the Unpaid Principal Balance of a Mortgage Loan is divided by the fair market value of the Mortgaged Premises (or, in the case of a Mortgage Loan that is secured by a leasehold interest, the fair market value of the leasehold interest and any improvements thereon). For purposes of determining that ratio, the fair market value of the Mortgaged Premises (or leasehold interest, as the case may be) must be reduced by (i) the full amount of any lien on the Mortgaged Premises (or leasehold interest, as the case may be) that is senior to the Mortgage Loan and (ii) a pro rata portion of any lien that is in parity with the Mortgage Loan.

"London Business Day" **:** A day on which commercial banks in London are open for business (including dealings in foreign exchange and foreign currency deposits).

"Lost Document Affidavit" : An affidavit, in recordable form, in which the Seller of a Mortgage Loan represents, warrants and covenants that: (i) immediately prior to the transfer of such Mortgage Loan under the related Sale Agreement, such Seller was the lawful owner of the Mortgage Loan and the Seller has not canceled, altered, assigned or hypothecated the mortgage note or the related Mortgage, (ii) the missing document was not located after a thorough and diligent search by the Seller, (iii) in the event that the missing document ever comes into the Seller's possession, custody or power, the Seller covenants immediately and without further consideration to surrender such document to the respective Custodian, and (iv) that it shall indemnify and hold harmless the Trust, its successors, and assigns, against any loss, liability, or damage, including reasonable attorney's fees, resulting from the unavailability of any originals of any such documents or of a complete chain of intervening endorsements, as the case may be.

" Master Servicer" : Shall have the meaning set forth in the recitals hereto.

" Master Servicer Account" : An Eligible Account established by the Master Servicer pursuant to Section 3.01 hereof.

" Master Servicer Event of Default" : Those events of default described in Section 8.04 hereof.

" Master Servicer Fee Rate" : Not applicable.

" Master Servicer Remittance Date" : With respect to each Distribution Date, shall be a date which occurs two Business Days prior to such Distribution Date, unless the Securities Administrator and Master Servicer are the same person, and then the Distribution Date.

" Master Servicing Fee" : Shall have the meaning set forth in the Trust Agreement.

"Modification Loss" : A decrease in the total payments due from a Borrower as a result of a modification of such Mortgage Loans following a default or reasonably expected default thereon. If a Modification Loss results in a decrease in the Note Rate of a Mortgage Loan, such Modification Loss shall be treated as occurring on each Due Date to the extent of such decrease.

"Month End Interest Shortfall" : For any Distribution Date, the aggregate Prepayment Interest Shortfall Amount for the Mortgage Loans, to the extent not paid out of the Servicer's Servicing Fee pursuant to the applicable Servicing Agreement.

"Monthly Advance" : The aggregate amount of the (i) advances made by a Servicer on any Servicer Remittance Date in respect of delinquent Monthly Payments pursuant to the applicable Servicing Agreement and (ii) any advances made by the Master Servicer (or the Trustee, as successor Master Servicer, pursuant to Section 3.05 in the event the Master Servicer fails to make such advances as required) in respect of any such delinquent Monthly Payment pursuant to Section 3.05.

"Monthly Payment" : With respect to any Mortgage Loan, the scheduled monthly payment of principal thereof and interest thereon due in any month under the terms thereof.

"Mortgage Loan" : The mortgage loans sold by the Depositor to the Trust as listed on the Mortgage Loan Schedule to the Trust Agreement. Unless the context indicates otherwise the term "Mortgage Loan" includes any REO Property held by the Trust.

"Mortgage Loan Schedule" : The list of Mortgage Loans sold by the Depositor to the Trust, which Schedule is attached to the Trust Agreement and to the applicable Custodial Agreement, and which shall set forth for each Mortgage Loan the following information:

(a) the Originator's loan number;

(b) the Borrower's name;

(c) the original principal balance;

(d) the Scheduled Principal Balance as of the close of business on the Cut off Date;

(e) the maturity date of the mortgage loan; and

(f) the mortgage loan interest rate;

together with such additional information as may be reasonably requested by the Securities Administrator or the Master Servicer.

"Mortgaged Premises" : The real property securing repayment of the debt evidenced by a Note.

"Mortgagor" : Borrower.

"Net Rate" : Unless otherwise provided in the Trust Agreement, with respect to each Mortgage Loan, the Note Rate of that Mortgage Loan less the Administrative Cost Rate applicable thereto.

"Non-U.S. Person" : A foreign person within the meaning of Treasury Regulation Section 1.860G-3(a)(1) (*i.e.* , a person other than (i) a citizen or resident of the United States, (ii) a corporation or partnership that is organized under the laws of the United States or any jurisdiction thereof or therein, (iii) an estate that is subject to United States federal income tax regardless of the source of its income or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of such trust and one or more United States Persons have the authority to control all substantial decisions of the trust) who would be subject to United States income tax withholding pursuant to Section 1441 or 1442 of the Code on income derived from the Residual Certificates.

"Non-U.S. Person Affidavit" : An affidavit substantially in the form of Exhibit G-1 hereto.

"Note" : A manually executed written instrument evidencing the Borrower's promise to repay a stated sum of money, *plus* interest, to the holder of the Note by a specific date according to a schedule of principal and interest payments.

"Note Rate" : The rate of interest borne by each Note according to its terms.

"Opinion of Counsel" : A written opinion of counsel, who may be counsel for the Depositor or a Servicer, acceptable to the Trustee, the Securities Administrator, the Master Servicer and the Servicer, as applicable. An Opinion of Counsel relating to tax matters must be an opinion of Independent counsel.

"Originator" : Any other originator contemplated by Item 1110 (§ 229.1110) of Regulation AB.

"Paying Agent" : The paying agent appointed pursuant to Section 5.08 hereof.

"Payoff" : Any payment or other recovery of principal on a Mortgage Loan equal to the Unpaid Principal Balance of such Mortgage Loan, received in advance of the last scheduled Due Date, including any prepayment penalty or premium thereon, which is accompanied by an amount of interest representing scheduled interest from the Due Date interest was last paid by the Mortgagor to the date of such prepayment.

" ***PCAOB*** ": The Public Company Accounting Oversight Board.

"Percentage Interest" : With respect to any Certificate to which principal is assigned as of the Closing Date, the portion of the Class evidenced by such Certificate, expressed as a percentage, the numerator of which is the initial Certificate Balance of such Certificate and the denominator of which is the aggregate Certificate Balance of all of the Certificates of such Class as of the Closing Date. With respect to any Certificate to which a principal balance is not assigned as of the Closing Date, the portion of the Class evidenced by such Certificate, expressed as a percentage, as stated on the face of such Certificate.

"Permitted Investments" : Permitted Investments shall consist of the following:

(i) direct obligations of, or obligations fully guaranteed as to principal and interest by, the United States or any agency or instrumentality thereof, *provided* such obligations are backed by the full faith and credit of the United States;

(ii) repurchase obligations (the collateral for which is held by a third party, the Trustee or the Securities Administrator, or any of their respective affiliates) with respect to any security described in clause (i) above, *provided* that the long-term or short-term unsecured debt obligations of the party agreeing to repurchase such obligations are at the time rated by each Rating Agency in its highest long-term unsecured debt rating categories;

(iii) certificates of deposit, time deposits and bankers' acceptances of any bank or trust company (including the Trustee or the Securities Administrator or an affiliate of either) incorporated under the laws of the United States or any state, *provided* that the long-term unsecured debt obligations of such bank or trust company at the date of acquisition thereof have been rated by each Rating Agency in one of its two highest long-term unsecured debt rating categories;

(iv) commercial paper (having original maturities of not more than 270 days) of any corporation (including an affiliate of the Trustee or the Securities Administrator) incorporated under the laws of the United States or any state thereof which on the date of acquisition has been rated by each Rating Agency in its highest short-term unsecured debt rating available (*i.e.* , "P-1" by Moody's Investors Service, Inc., "A-1+" by Standard & Poor's Ratings Services and "F1+" by Fitch, if rated by such rating agency);

(v) money market funds administered by the Trustee or the Securities Administrator or any of their respective affiliates provided that such money market funds are rated by each Rating Agency (i) in its highest short-term unsecured debt rating category available (i.e., "P-1" by Moody's Investors Service, Inc. "A-1+" by Standard & Poor's Ratings Services and "F-1+" by Fitch, Inc.) or (ii) in one of its two highest long-term unsecured debt rating categories; and

(vi) any other demand, money market or time deposit or obligation, or interest-bearing or other security or investment as would not affect the then current rating of the Certificates by any Rating Agency (which shall include money market funds rated in the highest long-term rating category with portfolios consisting solely of obligations in clauses (i) through (iv) above);

provided, however, that no investment described above shall constitute a Permitted Investment (A) if such investment evidences either the right to receive (i) only interest with respect to the obligations underlying such instrument or (ii) both principal and interest payments derived from obligations underlying such instrument if the interest and principal payments with respect to such instrument provide a yield to maturity at par greater than 120% of the yield to maturity at par of the underlying obligations or (B) if such investment is not a "permitted investment" for purposes of the REMIC Provisions; and *provided further,* that no investment described above shall constitute a Permitted Investment unless such investment matures no later than the Business Day immediately preceding the Distribution Date or the Master Servicer Remittance Date, as applicable, on which the funds invested therein are required to be distributed (or, in the case of an investment that is an obligation of the institution in which the account is maintained, no later than such Distribution Date). Neither the Securities Administrator nor the Master Servicer shall sell or permit the sale of any Permitted Investment unless they shall have determined that such a sale would not result in a prohibited transaction in which a gain would be realized under the REMIC Provisions.

"Person" : Any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization or government or any agency or political subdivision thereof.

"Plan" : Any employee benefit plan or retirement arrangement, including individual retirement accounts, educational savings accounts and annuities, Keogh plans and collective investment funds in which such plans, accounts, annuities or arrangements are invested, that are described in or subject to the Plan Asset Regulations, ERISA or corresponding provisions of the Code.

"Plan Asset Regulations" : The Department of Labor regulations set forth in 29 C.F.R. § 2510.3-101, as amended from time to time.

"Plan Investor" : Any Plan, any Person acting on behalf of a Plan or any Person using the assets of a Plan.

"Prepayment Period" : Unless otherwise specified in the Trust Agreement, with respect to each Distribution Date, the calendar month preceding the month in which such Distribution Date occurs.

"Prepayment Interest Shortfall" : With respect to any Distribution Date and any Principal Prepayment Amount, the difference between (i) one full month's interest at the applicable Note Rate (after giving effect to any applicable Relief Act Reduction), as reduced by the applicable Servicing Fee Rate, on the outstanding principal balance of such Mortgage Loan immediately prior to such prepayment and (ii) the amount of interest actually received with respect to such Mortgage Loan in connection with such Principal Prepayment Amount.

"Prime Rate" : With respect to any Distribution Date, the rate published as the "Prime Rate" in the "Money Rates" section or other comparable section of *The Wall Street Journal* on such date. In the event *The Wall Street Journal* publishes a prime rate range, the average of that range, as determined by the Securities Administrator, shall be the Prime Rate. In the event *The Wall Street Journal* no longer publishes a "Prime Rate" entry, the Securities Administrator shall designate a new methodology for determining the Prime Rate based on comparable data.

"Principal Prepayment Amount" : As defined in the Trust Agreement.

"Private Residual Certificate" : Any Class of Certificates designated as such in the Trust Agreement.

"Private Certificate" : Any Class of Certificates designated as such in the Trust Agreement.

"Purchase Price" : With respect to a Mortgage Loan purchased from the Trust, an amount equal to the Scheduled Principal Balance of the Mortgage Loan, *plus* accrued and unpaid interest thereon at the Note Rate to the last day of the month in which the purchase occurs, *plus* the amount of any costs and damages incurred by the Trust as a result of any violation of any applicable federal, state, or local predatory or abusive lending law arising from or in connection with the origination of such Mortgage Loan, and *less* any amounts received in respect of such Mortgage Loan and being held in the Collection Account.

"Purchaser" : The Person that purchases a Mortgage Loan from the Trust pursuant to Section 2.03 hereof.

"QIB Certificate" : As defined in Section 5.5(a), a Rule 144A Agreement or a certificate substantially to the same effect.

"Qualification Defect" : With respect to a Mortgage Loan, (a) a defective document in the Trustee Mortgage Loan File, (b) the absence of a document in the Trustee Mortgage Loan File, or (c) the breach of any representation, warranty or covenant with respect to the Mortgage Loan made by the applicable Seller or Servicer or the Depositor but only if the affected Mortgage Loan would cease to qualify as a "qualified mortgage" for purposes of the REMIC Provisions. With respect to a REMIC Regular Interest or a mortgage certificate described in Section 860G(a)(3) of the Code, the failure to qualify as a "qualified mortgage" for purposes of the REMIC Provisions.

"Qualified Institutional Buyer" : Any "qualified institutional buyer" as defined in clause (a)(1) of Rule 144A.

"Rating Agency" : Any nationally recognized statistical rating agency, or its successor, that on the Closing Date rated one or more Classes of the Certificates at the request of the Depositor and identified in the Trust Agreement. If such agency or a successor is no longer in existence, the "Rating Agency" shall be such nationally recognized statistical rating agency, or other comparable Person, designated by the Depositor, notice of which designation shall be given to the Securities Administrator. References herein to any long-term rating category of a Rating Agency shall mean such rating category without regard to any plus or minus or numerical designation.

"Realized Loss" : A Liquidation Loss, a Modification Loss or a Bankruptcy Loss, in each case, to the extent not covered by Insurance Proceeds.

"Record Date" : Shall have the meaning set forth in the Trust Agreement.

"Regular Interest" : An interest in a REMIC that is designated in the Trust Agreement as a "regular interest" under the REMIC Provisions.

"Regular Certificate" : Any Certificate other than a Residual Certificate and that represents a Regular Interest in a REMIC or a combination of Regular Interests in a REMIC.

"Reference Banks" : Four major banks in the London interbank market selected by the Securities Administrator.

"Regulation AB" : Subpart 229.1100 - Asset Backed Securities (Regulation AB), 17 C.F.R. §§229.1100-229.1123, as such may be amended from time to time, and subject to such clarification and interpretation as have been provided by the Commission in the adopting release (Asset-Backed Securities, Securities Act Release No. 33-8518, 70 Fed. Reg. 1,506, 1,531 (Jan. 7, 2005)) or by the staff of the Commission, or as may be provided by the Commission or its staff from time to time.

" ***Regulation S*** ": Regulation S promulgated under the Securities Act or any successor provision thereto, in each case as the same may be amended from time to time; and all references to any rule, section or subsection of, or definition or term contained in, Regulation S means such rule, section, subsection, definition or term, as the case may be, or any successor thereto, in each case as the same may be amended from time to time.

" ***Regulation S Global Security*** ": The meaning specified in Section 5.05(b).

" ***Relevant Servicing Criteria*** ": The Servicing Criteria applicable to each party, as set forth on Exhibit J attached hereto and on any similar exhibit set forth in each Servicing Agreement and each Custodial Agreement. Multiple parties can have responsibility for the same Relevant Servicing Criteria. With respect to a Servicing Function Participant engaged by the Master Servicer, the Securities Administrator or each Servicer, the term "Relevant Servicing Criteria" may refer to a portion of the Relevant Servicing Criteria applicable to such parties.

"REMIC" : With respect to each Trust, each real estate mortgage investment conduit, within the meaning of the REMIC Provisions, for such Trust.

"REMIC Provisions" : Provisions of the Code relating to real estate mortgage investment conduits, which appear at Sections 860A through 860G of the Code, related Code provisions, and regulations, announcements and rulings thereunder, as the foregoing may be in effect from time to time.

"Remittance Report" : The report (either a data file or hard copy) that is prepared by each Servicer for the Master Servicer which contains the information specified in Schedule III hereto.

"REO Disposition" : The receipt by the applicable Servicer of Insurance Proceeds and other payments and recoveries (including Liquidation Proceeds) which the Servicer recovers from the sale or other disposition of an REO Property.

"REO Property" : Mortgaged Premises acquired by the Trust in foreclosure or similar actions.

" Reportable Event " : As defined in Section 3.02.

" Reporting Servicer " : As defined in Section 3.02.

"Request for Release" : A request signed by an Officer of any Servicer, requesting that the Trustee (or applicable Custodian) release the Trustee Mortgage Loan File to such Servicer for the purpose set forth in such release, in accordance with the terms of the Servicing Agreement and these Standard Terms.

"Reserve Fund" : Unless otherwise provided in the Trust Agreement, any fund in the Trust Estate other than (a) the Certificate Account, Distribution Account, the Master Servicer Account and Termination Account and (b) any other fund that is expressly excluded from a REMIC.

"Residual Certificate" : The Class RC and Class R Certificates designated as such in the Trust Agreement.

"Residual Interest" : An interest in a REMIC that is designated as a "residual interest" under the REMIC Provisions.

"Residual Transferee Agreement" : An agreement substantially in the form of Exhibit F hereto.

"Responsible Officer" : When used with respect to the Trustee or the Securities Administrator, any senior vice president, any vice president, any assistant vice president, any assistant treasurer, any trust officer, any assistant secretary in the Corporate Trust Office of the Trustee or the Securities Administrator, as the case may be, or any other officer of the Trustee or the Securities Administrator customarily performing functions similar to those performed by the persons who at the time shall be such officers and having direct responsibility for the administration of this Agreement, and also to whom with respect to a particular corporate trust matter such matter is referred because of such officer's knowledge of and familiarity with the particular subject; *provided, however* , when used with respect to the Master Servicer, any senior vice president, any assistant vice president, any trust officer, or any other officer of the Master Servicer customarily performing functions similar to those performed by any such named officer and having direct responsibility for the master servicing of the Mortgage Loans under this Trust Agreement. With respect to any other Person, the chairman of the board, the president, a vice president (however designated), the treasurer or controller.

"Rule 144A" : Rule 144A promulgated by the Commission under the Securities Act, as the same may be amended from time to time.

"Rule 144A Agreement" : An agreement substantially in the form of Exhibit C hereto.

"Rule 144A Certificates" : Any Class of Certificates designated as such in the Trust Agreement.

"Sale Agreement" : The Sale and Servicing Agreement or Sale and Servicing Agreements, as defined in the Trust Agreement.

" ***Sarbanes-Oxley Act*** ": The Sarbanes-Oxley Act of 2002 and the rules and regulations of the Commission promulgated thereunder (including any interpretations thereof by the Commission's staff).

" ***Sarbanes-Oxley Certification*** ": A written certification covering the activities of all Servicing Function Participants that complies with (i) the Sarbanes-Oxley Act, as amended from time to time, and (ii) Exchange Act Rules 13a-14(d) and 15d-14(d), as in effect from time to time; *provided that* if, after the Closing Date (a) the Sarbanes-Oxley Act is amended, (b) the Rules referred to in clause (ii) are modified or superseded by any subsequent statement, rule or regulation of the Commission or any statement of a division thereof, or (c) any future releases, rules and regulations are published by the Commission from time to time pursuant to the Sarbanes-Oxley Act, which in any such case affects the form or substance of the required certification and results in the required certification being, in the reasonable judgment of the Master Servicer, materially more onerous than the form of the required certification as of the Closing Date, the Sarbanes-Oxley Certification shall be as agreed to by the Master Servicer and the Depositor following a negotiation in good faith to determine how to comply with any such new requirements.

"Scheduled Principal Balance" : For any Mortgage Loan as of any Due Date subsequent to the Cut-off Date up to and including the date on which such Mortgage Loan is finally liquidated or repurchased from the Trustee, the scheduled principal balance thereof as of the Cut-off Date, increased by the amount of negative amortization, if any, with respect thereto, and reduced by (i) the principal portion of all Monthly Payments due on or before such Due Date, whether or not paid by the Borrower or advanced by a Servicer, the Master Servicer, the Securities Administrator or an Insurer, net of any portion thereof that represents principal due on a Due Date occurring on or before the date on which such proceeds were received, (ii) the principal portion of all Prepayments, including Liquidation Proceeds, Condemnation Proceeds and Insurance Proceeds, and Payoffs received on or before the last day of the Prepayment Period preceding such date of determination, and (iii) without duplication, the amount of any Realized Loss that has occurred with respect to such Mortgage Loan.

"Securities Account" : As set forth in the Trust Agreement.

"Securities Act" : The Securities Act of 1933, as amended.

"Securities Administrator" : As set forth in the Trust Agreement.

"Securities Intermediary" : As set forth in the Trust Agreement.

"Seller" : The Loan Seller or Loan Sellers identified in the Trust Agreement.

"Senior Collateral Group Percentage" : The percentage, if any, calculated as set forth in the Trust Agreement.

"Senior Prepayment Percentage" : The percentage, if any, calculated as set forth in the Trust Agreement.

"Series" : A group of Certificates issued by a separate Trust.

"Servicemembers Shortfall" : Interest losses on a Mortgage Loan resulting from application of the Servicemembers' Civil Relief Act, as amended.

"Servicer" : The Servicer or Servicers identified in the Servicing Agreement or Agreements.

" ***Service(s)(ing)*** " With respect to Regulation AB, the act of servicing and administering the Mortgage Loans or any other assets of the Trust by an entity that meets the definition of "servicer" set forth in Item 1101 of Regulation AB and is subject to the disclosure requirements set forth in 1108 of Regulation AB. Any uncapitalized occurrence of this term shall have the meaning commonly understood by participants in the residential mortgage-backed securitization market.

"Servicer Compensation" : The Servicing Fee and any additional compensation as specified in the Servicing Agreement or Agreements.

" Servicer Event of Default" : With respect to each Servicer, shall have the meaning set forth in the applicable Servicing Agreement.

"Servicer Mortgage Loan File" : With respect to each Mortgage Loan, the related Mortgage File, as that term is defined in the related Servicing Agreement.

" Servicer Remittance Date" : Shall mean the 18 th day of each month or, if such day is not a Business Day, the immediately preceding Business Day, or such other day as set forth in the related Sale and Servicing Agreement.

"Servicing Advance" : Amounts advanced by the applicable Servicer as necessary to preserve the Trust's interest in the Mortgaged Premises or the Mortgage Loans.

"Servicing Agreement" : The Sale and Servicing Agreement or Sale and Servicing Agreements, as defined in the Trust Agreement.

" ***Servicing Criteria*** ": The criteria set forth in paragraph (d) of Item 1122 of Regulation AB, as such may be amended from time to time.

"Servicing Fee" : Unless otherwise provided in the Trust Agreement, in any month, an amount equal to one-twelfth of the Servicing Fee Rate multiplied by the aggregate Scheduled Principal Balance of the Mortgage Loans as of the Due Date preceding a Distribution Date without taking into account any payment of principal due or made on such Due Date.

"Servicing Fee Rate" : The rate or rates specified as such in the related Trust Agreement or the applicable Servicing Agreement.

" ***Servicing Function Participant*** ": Any Subservicer, Subcontractor or any other Person, other than each Servicer, the Master Servicer and the Securities Administrator, that is participating in the "servicing function" within the meaning of Regulation AB, unless such Person's activities relate only to 5% or less of the Mortgage Loans.

"Shortfall" : Month End Interest Shortfall and Servicemembers' Shortfall.

"Special Tax Consent" : The written consent of the Holder of a Residual Certificate to any tax (or risk thereof) arising out of a proposed transaction or activity that may be imposed upon such Holder or that may affect adversely the value of such Holder's Residual Certificate.

"Special Tax Opinion" : An Opinion of Counsel that a proposed transaction or activity will not (a) affect adversely the status of any REMIC as a REMIC or of the Regular Interests as the "regular interests" therein under the REMIC Provisions, (b) affect the payment of interest or principal on the Regular Interests, or (c) result in the encumbrance of the Mortgage Loans by a tax lien.

"Standard Terms" : These Standard Terms, as amended or supplemented, incorporated by reference in a Trust Agreement.

"Subcontractor" : Any vendor, subcontractor or other Person that is not responsible for the overall servicing (as "servicing" is commonly understood by participants in the mortgage-backed securities market) of Mortgage Loans but performs one or more discrete functions identified in Item 1122(d) of Regulation AB with respect to Mortgage Loans under the direction or authority of a Servicer or related Subservicer.

"Subservicer" : Any Person that services Mortgage Loans on behalf of a Servicer or any Subservicer and is responsible for the performance (whether directly or through Subservicers or Subcontractors) of a substantial portion of the material servicing functions require to be performed by a Servicer under the applicable Servicing Agreement that are identified in Item 1122(d) of Regulation AB.

"Supplemental Trust Agreement" : Any Supplemental Trust Agreement by and between the Trustee, the Master Servicer and the Securities Administrator.

"Tax Matters Person" : The Securities Administrator which will act as tax matters person (within the meaning of the REMIC Provisions) of a REMIC.

"Terminating Purchase" : The purchase of all Mortgage Loans and each REO Property owned by a Trust pursuant to Section 10.02 hereof.

"Termination Account" : An escrow account maintained by the Securities Administrator into which any Trust funds not distributed on the Distribution Date on which the earlier of (a) a Terminating Purchase or (b) the final payment or other Liquidation of the last Mortgage Loan remaining in the Trust or the disposition of the last REO Property remaining in the Trust is made are deposited. The Termination Account shall be an Eligible Account.

"Termination Price" : An amount equal to the greater of (a) the sum of (i) 100% of the aggregate outstanding principal balance of each Mortgage Loan (other than Liquidated Mortgage Loans) remaining in the Trust on the day of such purchase, plus accrued interest thereon at the Note Rate and the amount of any outstanding Servicing Advances on such Mortgage Loans to the Due Date in the month in which the Termination Price is distributed to Certificateholders, less Bankruptcy Losses that would otherwise have been allocated to the Certificates and (ii) the lesser of (A) the Scheduled Principal Balance of the Mortgage Loan for each REO Property or other property remaining in the Trust, plus accrued interest thereon at the Note Rate (less the related Servicing Fee Rate) to the Due Date in the month in which the Termination Price is distributed to Certificateholders, and (B) the sum of the aggregate fair market value of any such REO Property and all other property of the Trust, and (b) the aggregate fair market value of all of the Mortgage Loans remaining in the Trust on the date of such purchase, plus all REO Property and any other property remaining in the Trust on the date of such purchase. The respective amounts under clause (a)(ii)(B) and clause (b) above shall be determined by the Securities Administrator in consultation with the Initial Purchaser (or, if the Initial Purchaser is unwilling or unable to serve in that capacity, a financial advisor selected by the Securities Administrator in a commercially reasonable manner, whose fees will be an expense of the Depositor (or other party causing the Termination Purchase)), based upon the mean of bids from at least three recognized broker/dealers that deal in similar assets) as of the close of business on the third Business Day preceding the date upon which notice of any such termination is furnished to Certificateholders pursuant to Section 9.03; *provided, however* , that in determining such aggregate fair market value, the Securities Administrator shall be entitled to conclusively rely on such bids or the opinion of a nationally recognized investment banker (the fees of which shall be an expense of the Trust). The fair market value of the REO Property and other property of the Trust shall be based upon the inclusion of (i) accrued interest to the last day of the month in which the Termination Price is distributed to the Certificateholders, at the applicable Note Rate (less the related Servicing Fee Rate) on the Scheduled Principal Balance of each Mortgage Loan related to an REO Property and (ii) the amount of any costs and damages incurred by the Trust as a result of any violation of any applicable federal, state, or local predatory or abusive lending law arising from or in connection with the origination of any Mortgage Loans remaining in the Trust.

"Transferee Agreement" : An agreement substantially in the form of Exhibit D hereto.

"Trust" or "Trust Fund" : The trust fund formed pursuant to the Trust Agreement.

"Trust Agreement" *or this* ***"Agreement"*** : The Master Servicing and Trust Agreement, dated as of May 1, 2007, among the Depositor, the Custodians, the Master Servicer, the Securities Administrator and the Trustee relating to the issuance of Certificates, and into which these Standard Terms are incorporated by reference.

"Trust Estate" : The segregated pool of assets sold and assigned to the Trustee for the benefit of the Certificateholders by the Depositor pursuant to the conveyance clause of the Trust Agreement.

"Trust Receipt" : A certification as to the completeness of each Trustee Mortgage Loan File substantially in the form of Exhibit A hereto provided by a Custodian pursuant to Section 2.02 hereof.

"Trustee" : The bank or trust company identified as the Trustee in the Trust Agreement, and its successors and assigns.

"Trustee Advance" : Not applicable.

"Trustee Fee" : Not applicable.

"Trustee Fee Rate" : Not applicable.

"Trustee Mortgage Loan File" : With respect to each Mortgage Loan, unless otherwise provided in the Trust Agreement, collectively, the following documents, together with any other Mortgage Loan documents held by the Trustee or the related Custodian with respect to such Mortgage Loan:

(a) The original executed mortgage note endorsed, "Pay to the order of _____ or in the name of the Trustee, Deutsche Bank National Trust Company, as trustee under a Master Servicing and Trust Agreement, dated as of May 1, 2007, without recourse", and signed in the name of the Seller (or an affiliate of such Seller, if applicable) by an officer of such Seller (or an affiliate of such Seller, if applicable), or a Lost Document Affidavit with a copy of the original mortgage note attached; provided that unless otherwise provided in the related Sale and Servicing Agreement or if the mortgage note has been left blank, the words "Deutsche Bank National Trust Company, as trustee under a Master Servicing and Trust Agreement, dated as of May 1, 2007" shall be inserted into the blank; and provided that the mortgage note shall include all intervening original endorsements showing a complete chain of title from the originator to such Seller (or an affiliate of such Seller, if applicable);

(b) The original executed Mortgage, or a certified copy thereof, in either case with evidence of recording noted thereon;

(c) Except for Mortgage Loans registered on MERS, the original assignment of each Mortgage from the related Seller (or its affiliate, if applicable) delivered in blank in recordable form;

(d) The original or copy of a policy of title insurance, a certificate of title, or attorney's opinion of title (accompanied by an abstract of title), as the case may be, with respect to each Mortgage Loan;

(e) Except for Mortgage Loans originated through MERS, originals of any intervening assignments of the mortgage necessary to show a complete chain of title from the original mortgagee to the Seller, or certified copies thereof, in either case with evidence of recording noted thereon; provided, that such intervening assignments may be in the form of blanket assignments, a copy of which, with evidence of recording noted thereon, shall be acceptable;

(f) Originals of all modification agreements, or certified copies thereof, in either case with evidence of recording noted thereon if recordation is required to maintain the lien of the mortgage or is otherwise required, or, if recordation is not so required, an original or copy of any such modification agreement;

(g) To the extent applicable, an original power of attorney, or a certified copy thereof, in either case with evidence of recordation thereon if necessary to maintain the lien on the Mortgage or if the document to which such power of attorney relates is required to be recorded, or, if recordation is not so required, an original or copy of such power of attorney; and

(h) An original or copy of any surety agreement or guaranty agreement.

Notwithstanding the foregoing, with respect to any power of attorney, mortgage, assignment, intervening assignment, assumption agreement, modification agreement or deed of sale for which a certified copy is delivered in accordance with the foregoing, the copy must be certified as true and complete by the appropriate public recording office, or, if the original has been submitted for recording but has not yet been returned from the applicable recording office, an officer of the Seller (or a predecessor owner, a title company, closing/settlement/escrow agent or company or closing attorney) must certify the copy as a true copy of the original submitted for recordation. Copies of blanket intervening assignments, however, need not be certified.

"UCC" : The Uniform Commercial Code as in effect in the jurisdiction that governs the interpretation of the substantive provisions of the Trust Agreement, as such Uniform Commercial Code may be amended from time to time.

"Underlying MBS" : Not applicable.

"Unpaid Principal Balance" : With respect to any Mortgage Loan, the outstanding principal balance payable by the related Borrower under the terms of the Note.

"U.S. Person" : A Person other than a Non-U.S. Person.

"Voting Rights" : The portion of the voting rights of all of the Certificates which is allocated to any Certificate. Unless otherwise provided in the Trust Agreement, (a) if any Class of Certificates does not have a Certificate Balance or has an initial Certificate Balance that is less than or equal to 1% of the aggregate Certificate Balance of all of the Certificates, then 1% of Voting Rights shall be allocated to each Class of such Certificates having no Certificate Balance or a Certificate Balance equal to or less than 1% of the aggregate Certificate Balance of all Certificates; *provided , however* , that each class of Residual Interest Certificateholders in a multiple REMIC Series shall be treated as a separate Class of Certificateholders, and the balance of Voting Rights shall be allocated among the remaining Classes of Certificates in proportion to their respective Certificate Balances following the most recent Distribution Date, and (b) if no Class of Certificates has an initial Certificate Balance less than 1% of the aggregate Certificate Balance, then all of the Voting Rights shall be allocated among all the Classes of Certificates in proportion to their respective Certificate Balances following the most recent Distribution Date. Voting Rights allocated to each Class of Certificates shall be allocated in proportion to the respective Percentage Interests of the Holders thereof.

"Wells Fargo Bank" : Wells Fargo Bank, N.A., and its successors.

"Withholding Agent" : The Securities Administrator or its designated Paying Agent or other person who is liable to withhold federal income tax from a distribution on a Residual Certificate under Sections 1441 and 1442 of the Code and the Treasury regulations thereunder.

ARTICLE II

MORTGAGE LOAN FILES

Section 2.01 Mortgage Loan Files.

Pursuant to the Trust Agreement, the Depositor has sold to the Trustee, for the benefit of the Certificateholders, without recourse all the right, title and interest of the Depositor in and to the Mortgage Loans, any and all rights, privileges and benefits accruing to the Depositor under each Assignment Agreement, each Custodial Agreement, each Sale Agreement, and each Servicing Agreement with respect to the Mortgage Loans, including the rights and remedies with respect to the enforcement of any and all representations, warranties and covenants under such agreements and all other agreements and assets included or to be included in the Trust for the benefit of the Certificateholders as set forth in the conveyance clause of the Trust Agreement. Such assignment includes all of the Depositor's rights to Monthly Payments on the Mortgage Loans due after the Cut-off Date, and all other payments of principal (and interest) made on or after the Cut-off Date that are reflected in the initial aggregate Certificate Balance for a Trust.

In connection with such transfer and assignment, the Depositor shall deliver, or has caused to be delivered, to the Trustee or the related Custodian on or before the Closing Date, with respect to each Mortgage Loan, the Trustee Mortgage Loan File that was delivered to such Custodian by the Servicer. If any Mortgage or an assignment of a Mortgage to the Trustee or any prior assignment is in the process of being recorded on the Closing Date, the Depositor shall cause each such original recorded document or certified copy thereof, to be delivered to the Trustee or the related Custodian promptly following its recordation and return to the Depositor.

The Depositor hereby directs the Trustee and the Securities Administrator, not in their individual capacities but solely in such capacities, to enter into the Supplemental Trust Agreement, and (solely in the case of the Trustee) each Step 2 Assignment Agreement, to make any representations and warranties of such party set forth therein and to perform their respective obligations thereunder.

Section 2.02 Acceptance by the Trustee.

(a) By its execution of the Trust Agreement, the Trustee acknowledges and declares that it or the applicable Custodian holds and will hold or has agreed to hold (in each case through the applicable Custodian) all documents delivered to it or any such Custodian from time to time with respect to a Mortgage Loan and all assets included in the definition of "Trust Estate" in the Trust Agreement in trust for the exclusive use and benefit of all present and future Certificateholders. The Trustee represents and warrants that (i) it acquired the Mortgage Loans on behalf of the Trust from the Depositor in good faith, for value, and without actual notice or actual knowledge of any adverse claim, lien, charge, encumbrance or security interest (including, without limitation, federal tax liens or liens arising under ERISA) (it being understood that the Trustee has not undertaken searches (lien records or otherwise) of any public records), (ii) except as permitted in the Trust Agreement, it has not and will not, in any capacity, assert any claim or interest in the Mortgage Loans and will hold (or its agent will hold) such Mortgage Loans and the proceeds thereof in trust pursuant to the terms of the Trust Agreement, and (iii) it has not encumbered or transferred its right, title or interest in the Mortgage Loans.

(b) The applicable Custodian has reviewed, for the benefit of the Certificateholders and the parties hereto, each Trustee Mortgage Loan File and has delivered to the Trustee (with a copy to the Depositor) on the Closing Date a Trust Receipt, in the form annexed hereto as Exhibit A (the " Trust Receipt ") with respect to each Mortgage Loan to the effect that, except as specifically noted on a schedule of exceptions thereto (the " Exceptions List "):

(i) all documents required to be delivered to it pursuant to clause (a) through (e) and (g) of the definition of Trustee Mortgage Loan File are in the Trustee's or applicable Custodian's possession, *provided* that,

(A) such Custodian shall have no obligation to verify the receipt of any such documents the existence of which was not made known to such Custodian by the Trustee Mortgage Loan File, and

(B) such Custodian shall have no obligation to determine whether recordation of any such modification is necessary;

(ii) all documents have been examined by such Custodian and appear regular on their face and to relate to the Mortgage Loans;

(iii) based only on such Custodian's examination of the foregoing documents, the information set forth on the Mortgage Loan Schedule representing each Mortgage Loan accurately reflects the Originator loan number, the borrower's name, the original principal balance, the maturity date of the mortgage loan and the mortgage loan interest rate; and

(iv) that each mortgage note has been endorsed and each assignment of mortgage has been assigned as described in the definition of Trustee Mortgage Loan File, *provided* that such Custodian shall have no obligation to confirm that the assignments are in recordable form.

In making the verification required by this Section 2.02(b), the applicable Custodian has conclusively relied on the Mortgage Loan Schedule attached hereto, and such Custodian shall have no obligation to independently verify the correctness of such Mortgage Loan Schedule.

(c) It is understood that before delivering the Trust Receipt, the applicable Custodian, on behalf of the Trustee, has examined the Mortgage Loan Documents to confirm the following (and shall report any exceptions to these confirmations in the Exceptions Report attached to the Trust Receipt):

(i) each mortgage note, mortgage, guaranty and deed of sale bears a signature or signatures that appear on their face to be original and that purport to be that of the Person or Persons named as the maker and mortgagor/trustor or, if photocopies are permitted, that such copies bear a reproduction of such signature or signatures;

(ii) the mortgage and the assignment include the endorsement required pursuant to clause (a) of the definition of Trustee Mortgage Loan File;

(iii) the original principal amount of the indebtedness secured by the mortgage is identical to the original principal amount of the mortgage note;

(iv) the interest rate shown on the Mortgage Loan Schedule is identical to the interest rate shown on the mortgage note;

(v) the assignment of the mortgage from the related Seller (or its affiliate, if applicable) to the Trustee is in the form required pursuant to clause (c) of the definition of Trustee Mortgage Loan File, and bears the signature of the related Seller (or its affiliate, if applicable) that appears to be an original or, if photocopies are permitted, such copies bear a reproduction of such signature or signatures; and

(vi) if intervening assignments are included in the Trustee Mortgage Loan File, each such intervening assignment bears the signature of the mortgagee and/or the Purchaser (and any subsequent assignors) that appears to be an original or, if photocopies are permitted, that such copies bear a reproduction of such signature or signatures.

(d) On or before May 24, 2008, each Custodian shall deliver to the Trustee (or any assignee of the Trustee) a Final Certification in the form of Exhibit B evidencing the completeness of such Trustee Mortgage Loan File for each related Mortgage Loan (*provided, however* , that such Custodian shall not be required nor does it intend to re-examine the contents of the Trustee Mortgage Loan File for any of the Mortgage Loans in connection with entering into this Agreement). An updated exceptions report for the Mortgage Loans is attached to such Custodian's Final Certification to be delivered under this Section 2.02.

(e) Upon the written request of a Servicer, the Depositor or the Trustee, no later than the fifth Business Day of each month, commencing in June 2007, each Custodian shall deliver to each related Servicer (or such other party responsible for recordation of any mortgages and/or assignments as specified in the related Sale and Servicing Agreement), GS Mortgage Securities Corp., as depositor, and the Trustee in hard copy format (and if requested, in electronic format), the exceptions list required by this Section 2.02, updated to remove exceptions cured since the date on which the applicable Custodial Receipt was issued. In addition, such monthly reports shall list any document with respect to which the applicable Seller delivered a copy certifying that the original had been sent for recording, until such time as the applicable Seller delivers to the applicable Custodian the original of such document or a copy thereof certified by the appropriate public recording office. The data collection schedule attached to the applicable Trust Receipt shall not be included unless specifically requested in advance by such Servicer, the Depositor or the Trustee; *provided* , that in no event shall the WFB Custodian be required to furnish a data collection schedule. No Custodian shall be under a duty to review, inspect or examine such documents to determine that any of them are genuine, recordable, enforceable or appropriate for their prescribed purpose. During the term of this Agreement, in the event a Custodian discovers any nonconformity with the review set forth in this Section 2.02 with respect to such Trustee Mortgage Loan Files, such Custodian shall give written notice of such defect to such Servicer, the Depositor and the Trustee.

(f) In lieu of the Trustee's taking possession of the Trustee Mortgage Loan Files and reviewing such files itself, the Trustee shall, if so provided in the Trust Agreement, and may, in accordance with Section 9.11 hereof, appoint one or more Custodians to hold the Trustee Mortgage Loan Files on its behalf and to review them as provided in this Section 2.02. The Depositor shall, upon notice of the appointment of a Custodian, deliver or cause to be delivered all documents to such Custodian that would otherwise be deliverable to the Trustee. In such event, each such Custodian shall provide to the Trustee, within the specified times, the Trust Receipt and the Final Certifications with respect to those Mortgage Loans held and reviewed by such Custodian and may deliver (or cause such Custodian to deliver) such Certifications and electronically deliver Reports to the Depositor in satisfaction of the Trustee's obligation to prepare such Certifications and Reports (it being understood that absent actual knowledge that the information in any such Certification or Report is inaccurate or incomplete, the Trustee may conclusively rely thereon). The Trustee shall notify the applicable Custodian of any notices delivered to the Trustee with respect to those Trustee Mortgage Loan Files.

Section 2.03 Purchase of Mortgage Loans by a Servicer, a Seller, GSMC or the Depositor.

(a) Servicer Breach . In addition to taking any action required pursuant to Section 7.01 hereof, upon discovery by a Responsible Officer of the Master Servicer, the Securities Administrator or the Trustee of any breach by any Servicer of any representation, warranty or covenant under the related Servicing Agreement, which breach materially and adversely affects the value of any Mortgage Loan or the interest of the Trust therein (it being understood that any such breach shall be deemed to have materially and adversely affected the value of the related Mortgage Loan or the interest of the Trust therein if the Trust incurs or may incur a loss as a result of such breach), the party discovering such breach shall give prompt written notice thereof to the other applicable parties (including, without limitation, the Depositor, the Securities Administrator, the Trustee and the applicable responsible party). Upon discovery by a Responsible Officer of the Securities Administrator of such breach or receipt of notice thereof, the Securities Administrator shall promptly request in writing that such Servicer of such Mortgage Loan correct or cure such breach in accordance with the Trust Agreement. Upon discovery by a Responsible Officer of the Securities Administrator of a breach of a representation or warranty, the Securities Administrator shall provide to the Trustee and the Depositor written notice of each Mortgage Loan in breach of a representation or warranty (i) for which cure, repurchase or substitution has been requested and (ii) for which cure, repurchase or substitution has been requested, but which has not been satisfactorily cured, repurchased or substituted for within the cure period set forth in the related Servicing Agreement. If by the end of such cure period set forth in the related Servicing Agreement such Servicer does not cure such breach in all material respects, the Securities Administrator shall notify the Depositor in writing of such failure. The Trustee shall enforce such Servicer's obligation under such Servicing Agreement to purchase such Mortgage Loan from the Trustee. Notwithstanding the foregoing, however, if such breach results in or is a Qualification Defect, such cure, purchase or substitution must take place within 75 days of the Defect Discovery Date.

(b) Sellers' Breach . Upon discovery by a Responsible Officer of the Master Servicer, the Securities Administrator or the Trustee or notice to the Master Servicer, the Securities Administrator or the Trustee of any defective or missing document (as described in the related Sale Agreement) in a Trustee Mortgage Loan File, or of any breach by any Seller of any representation, warranty or covenant under the related Sale Agreement, which defect or breach materially and adversely affects the value of any Mortgage Loan or the interest of the Trust therein (it being understood that any such defect or breach shall be deemed to have materially and adversely affected the value of the related Mortgage Loan or the interest of the Trust therein if the Trust incurs a loss as a result of such defect or breach), the parties discovering or receiving notice of such defect or breach shall notify the applicable parties (including, without limitation, the Depositor, the Securities Administrator, the Trustee and the applicable responsible party) in writing of such defect or breach of representation, warranty or covenant. Upon discovering or receipt of written notice of such breach, the Securities Administrator shall promptly request that such Seller cure such breach. Upon discovery by a Responsible Officer of the Securities Administrator of a breach of a representation or warranty, the Securities Administrator shall provide to the Trustee and the Depositor written notice of each Mortgage Loan in breach of a representation or warranty (i) for which cure, repurchase or substitution has been requested and (ii) for which cure, repurchase or substitution has been requested, but which has not been satisfactorily cured, repurchased or substituted for within the cure period specified in such Sale Agreement. If such Seller does not cure such defect or breach in all material respects by the end of the cure period specified in such Sale Agreement and any extension of the cure period granted as permitted by such Sale Agreement, the Securities Administrator shall notify the Depositor in writing of such failure.

In the event any Servicer has breached a representation or warranty under the related Servicing Agreement that is substantially identical to a representation or warranty breached by a Seller, upon receipt of notice in accordance with Section 2.03, the Trustee shall first proceed against such Servicer. If such Servicer does not within 60 days (or such other period provided in the related Servicing Agreement) after notification of the breach, either take steps to cure such breach (which may be evidenced by a certificate asking for an extension of time in which to effectuate a cure) or complete the purchase of the Mortgage Loan, then (i) the Trustee, shall enforce the obligations of the Seller under the related Sale Agreement to cure such breach or to purchase the Mortgage Loan from the Trust, and (ii) such Seller shall succeed to the rights of the Trustee to enforce the obligations of the Servicer to cure such breach or repurchase such Mortgage Loan under the Servicing Agreement with respect to such Mortgage Loan.

Notwithstanding the foregoing, however, if any breach of a representation or warranty by the Servicer or of a Seller is a Qualification Defect, a cure or purchase must take place within 75 days of the Defect Discovery Date.

(c) GSMC Breach . Upon its discovery or notice to it of any breach by GSMC of any representation, warranty or covenant under any Assignment Agreement which materially and adversely affects the value of any Mortgage Loan or the interest of the Trust therein (it being understood that any such defect or breach shall be deemed to have materially and adversely affected the value of the related Mortgage Loan or the interest of the Trust therein if the Trust incurs a loss as a result of such defect or breach), the Securities Administrator, shall promptly request that GSMC cure such breach and, if GSMC does not cure such breach in all material respects within 90 days from the date on which it is notified of the breach, shall enforce GSMC's obligation under such Assignment Agreement to purchase such Mortgage Loan from the Trustee.

(d) Depositor Breach . Within 90 days of the earlier of its discovery or receipt of notice by the Depositor of the breach of any of its representations or warranties set forth in Section 2.04 hereof with respect to any Mortgage Loan, which breach materially and adversely affects the value of the related Mortgage Loan or the interest of the Trust therein (it being understood that any such defect or breach shall be deemed to have materially and adversely affected the value of the related Mortgage Loan or the interest of the Trust therein if the Trust incurs a loss as a result of such defect or breach), the Depositor shall (i) cure such breach in all material respects, or (ii) purchase the Mortgage Loan from the Trustee.

In the event the Depositor has breached a representation or warranty under Section 2.04 hereof that is substantially identical to a representation or warranty breached by a Servicer or Seller, upon receipt of notice in accordance with Section 2.03, the Trustee shall first proceed against the applicable Servicer or Seller, as appropriate. If such Servicer or Seller, as appropriate, does not within the cure period set forth in the related Sale Agreement or Servicing Agreement, as applicable, either take steps to cure such breach (which may be evidenced by a certificate asking for an extension of time in which to effectuate a cure) or complete the purchase of or substitution for the Mortgage Loan, then (i) the Trustee shall enforce the obligations of the Depositor to cure such breach or to purchase the Mortgage Loan from the Trust, and (ii) the Depositor shall succeed to the rights of the Trustee to enforce the obligations of such Servicer or Seller to cure such breach or repurchase such Mortgage Loan under the related Servicing Agreement or Sale Agreement, as applicable, with respect to such Mortgage Loan.

Notwithstanding the foregoing, however, if any breach of a representation or warranty by the Depositor is a Qualification Defect, a cure or purchase must take place within 75 days of the Defect Discovery Date.

(e) Purchase Price . The purchase of any Mortgage Loan from the Trust pursuant to this Section 2.03 shall be effected for its Purchase Price. If the Purchaser is the related Servicer, the Purchase Price shall be deposited in the Collection Account. If the Purchaser is other than such Servicer, an amount equal to the Purchase Price shall be deposited into the Certificate Account. Within five Business Days of its receipt of such funds or certification by the appropriate Servicer that such funds have been deposited in the related Collection Account, the Trustee shall release or cause the related Servicer to cause the applicable Custodian to release to the Purchaser or its designee the related Trustee Mortgage Loan File and, at the request of the Purchaser, the Trustee shall execute and deliver such instruments of transfer or assignment, in each case without recourse, in form as presented by the Purchaser and satisfactory to the Trustee, as shall be necessary to vest in the Purchaser title to any Mortgage Loan released pursuant hereto and the Trustee shall have no further responsibility with regard to such Trustee Mortgage Loan File.

(f) Determination of Purchase Price . The Securities Administrator will be responsible for determining the Purchase Price for any Mortgage Loan that is sold by the Trust or with respect to which provision is made for the escrow of funds pursuant to this Section 2.03 and shall at the time of any purchase or escrow certify such amounts to the Depositor; *provided* that the Securities Administrator may consult with the Servicer to determine the Purchase Price unless such Servicer is the Purchaser of such Mortgage Loan. If, for whatever reason, the Securities Administrator shall determine that there is a miscalculation of the amount to be paid to the Trust, the Securities Administrator shall from monies in a Distribution Account return any overpayment that the Trust received as a result of such miscalculation to the applicable Purchaser upon the discovery of such overpayment, and the Securities Administrator shall collect from the applicable Purchaser for deposit to the Securities Account any underpayment that resulted from such miscalculation upon the discovery of such underpayment. Recovery may be made either directly or by set-off of all or any part of such underpayment against amounts owed by the Trust to such Purchaser.

(g) Qualification Defect . If (A) any person required to cure or purchase under subsections 2.03(a), 2.03(b), 2.03(c) or 2.03(d) of these Standard Terms or under a separate agreement for a Mortgage Loan affected by a Qualification Defect fails to perform within the earlier of (1) 75 days of the Defect Discovery Date or (2) the time limit set forth in those subsections or that separate agreement or (B) no person is obligated to cure or purchase a Mortgage Loan affected by a Qualification Defect, the Trustee shall dispose of such Mortgage Loan in such manner and for such price as the Trustee determines are appropriate, *provided* that the removal of such Mortgage Loan occurs no later than the 90th day from the Defect Discovery Date. If the Servicer is not the person required to cure or repurchase the Mortgage Loan, the Trustee may consult with such Servicer to determine an appropriate manner of disposition for and price for such Mortgage Loan. It is the express intent of the parties that a Mortgage Loan affected by a Qualification Defect be removed from the Trust by the 90th day from the Defect Discovery Date so that the related REMIC(s) will continue to qualify as a REMIC. Accordingly, the Trustee is not required to sell an affected Mortgage Loan for its fair market value nor shall the Trustee be required to make up any shortfall resulting from the sale of such Mortgage Loan. The person failing to perform under subsections 2.03(a), 2.03(b), 2.03(c) or 2.03(d) of these Standard Terms shall be liable to the Trust for (i) any difference between (A) the Unpaid Principal Balance of the Mortgage Loan *plus* accrued and unpaid interest thereon at the Note Rate to the date of disposition and (B) the net amount received by the Trustee from the disposition (after the payment of related expenses), (ii) interest on such difference at the Note Rate (less the Administrative Cost Rate) from the date of disposition to the date of payment and (iii) any legal and other expenses incurred by or on behalf of the Trust in seeking such payments. The Trustee shall pursue the legal remedies of the Trust on the Trust's behalf and the Trust shall reimburse the Trustee for any legal or other expenses of the Trustee related to such pursuit not recovered from such person.

(h) Unless otherwise provided in the applicable Sale Agreement, and notwithstanding Section 2.03(b) hereof, if a Seller concludes at the end of any applicable cure period (and any extension thereof) that a document required to be included in the Trustee Mortgage Loan File cannot be found or replaced, the Seller may, in lieu of immediately repurchasing the related Mortgage Loan, provide (a) a Lost Document Affidavit and (b) Opinion of Counsel that the missing document does not constitute a Qualification Defect. In that event, the Trustee shall not require such Seller immediately to repurchase the Mortgage Loan, but, if at any time there is any loss, liability, or damage, including reasonable attorney's fees, resulting from the unavailability of any originals of any such documents or of a complete chain of intervening endorsements, as the case may be (collectively, " Losses "), the Trustee shall enforce the Seller's obligation to indemnify the Trust for such Losses. Expenses of the Trustee related to such enforcement not recovered from the Seller shall be reimbursed by the Trust.

(i) Notices . Any Person required under this Section 2.03 to give notice or to make a request of another Person to give notice shall give such notice or make such request promptly.

(j) No Other Enforcement Obligation . Except as specifically set forth herein, none of the Master Servicer, the Securities Administrator or the Trustee shall have any responsibility to enforce any provision of a Sale Agreement, Servicing Agreement or Assignment Agreement assigned to it hereunder, to oversee compliance thereof, or to take notice of any breach or default thereof. No successor servicer shall have any obligation to repurchase a Mortgage Loan except to the extent specifically set forth in the Servicing Agreement signed by such substitute servicer.

Section 2.04 Representations and Warranties of the Depositor.

The Depositor hereby represents and warrants to the Trustee that as of the Closing Date or as of such other date specifically provided herein:

(a) The Depositor has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware with full power and authority (corporate and other) to enter into and perform its obligations under the Trust Agreement;

(b) The Trust Agreement has been duly executed and delivered by the Depositor, and, assuming due authorization, execution and delivery by the Trustee, the Securities Administrator and the Master Servicer, constitutes a legal, valid and binding agreement of the Depositor, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law;

(c) The execution, delivery and performance by the Depositor of the Trust Agreement and the consummation of the transactions contemplated thereby do not require the consent or approval of, the giving of notice to, the registration with, or the taking of any other action in respect of, any state, federal or other governmental authority or agency, except such as has been obtained, given, effected or taken prior to the date thereof;

(d) The execution and delivery of this Trust Agreement have been duly authorized by all necessary corporate action on the part of the Depositor; neither the execution and delivery by the Depositor of the Trust Agreement, nor the consummation by the Depositor of the transactions therein contemplated, nor consummation of the transactions therein contemplated, nor compliance by the Depositor with the provisions thereof, will conflict with or result in a breach of, or constitute a default under, any of the provisions of the articles of incorporation or by-laws of the Depositor or any law, governmental rule or regulation or any judgment, decree or order binding on the Depositor or any of its properties, or any of the provisions of any indenture, mortgage, deed of trust, contract or other instrument to which the Depositor is a party or by which it is bound;

(e) There are no actions, suits or proceedings pending or, to the knowledge of the Depositor, threatened against the Depositor, before or by any court, administrative agency, arbitrator or governmental body (A) with respect to any of the transactions contemplated by the Trust Agreement or (B) with respect to any other matter which in the judgment of the Depositor will be determined adversely to the Depositor and will if determined adversely to the Depositor materially adversely affect its ability to perform its obligations under the Trust Agreement;

(f) Except for the sale to the Trustee, the Depositor has not assigned or pledged any mortgage note or the related mortgage or any interest or participation therein;

(g) The Depositor has acquired its ownership in the Mortgage Loans in good faith and without notice of any adverse claim ; and

(h) The Depositor has not canceled, satisfied or subordinated in whole or in part, or rescinded any Mortgage, and the Depositor has not released any Mortgaged Premises from the lien of the related mortgage, in whole or in part, nor has the Depositor executed an instrument that would effect any such release, cancellation, subordination or rescission (except in connection with an assumption agreement or other agreement offered by the related federal insurer, to the extent such approval was required).

It is understood and agreed that the representations and warranties set forth in this Section 2.04 shall survive delivery of the respective Trustee Mortgage Loan Files to the Trustee (or the applicable Custodian) and shall inure to the benefit of the Trustee notwithstanding any restrictive or qualified endorsement or assignment. Upon the discovery by the Depositor, the Master Servicer, the Securities Administrator or the Trustee of a breach of the foregoing representations and warranties, the party discovering such breach shall give prompt written notice to the other parties to the Trust Agreement, and in no event later than two Business Days from the date of such discovery. It is understood and agreed that the obligations of the Depositor set forth in Section 2.03(d) to cure or repurchase a Mortgage Loan constitute the sole remedies available to the Certificateholders or to the Trustee on their behalf respecting a breach of the representations and warranties contained in this Section 2.04. It is further understood and agreed that the Depositor shall be deemed not to have made the representations and warranties in this Section 2.04 with respect to, and to the extent of, representations and warranties made, as to the matters covered in this Section 2.04, by the Servicer in any Servicing Agreement or the Seller in any Sale Agreement assigned to the Trustee.

It is understood and agreed that the Depositor has made no representations or warranties to the Trust other than those contained in this Section 2.04 and any Assignment Agreement. GSMC has made no representations or warranties to the Trust other than those in any Assignment Agreement, or in any Sale Agreement under which GSMC is acting as Seller, and no other Affiliate of the Depositor has made any representations or warranty of any kind to the Trustee or the Trust. Neither the Depositor, GSMC, nor any of the directors, officers, employees or agents of either such entity shall be under any liability to the Trust or the Certificateholders and all such Persons shall be indemnified and held harmless by the Trust for any claims, losses, penalties, forfeitures, legal fees and related costs, judgments, and any other costs, fees and expenses that such Persons may sustain as a result of or arising out of or based upon any breach of a representation, warranty or covenant made by any Servicer or Seller or any failure by any Servicer or Seller to perform its obligations in strict compliance with the terms of the related Servicing or Sale Agreement or the failure of the Securities Administrator or the Trustee to perform its duties hereunder; provided, however, that this provision shall not protect the Depositor against any breach of warranties or representations made in Section 2.04 herein, or the Depositor against any breach of representations or warranties made in any Assignment Agreement or Sale Agreement.

ARTICLE III

ADMINISTRATION OF THE TRUST

Section 3.01 The Collection Accounts; the Master Servicer Account; the Distribution Accounts and the Certificate .

(a) Servicer and Master Servicer Remittances .

(i) On or prior to the Closing Date, the Servicers shall have established one or more separate Collection Accounts as provided in the related Servicing Agreement, each of which shall be an Eligible Account. All Monthly Payments and other amounts collected by each Servicer on the Mortgage Loans, shall, to the extent provided in the related Servicing Agreement, be deposited by such Servicer within one Business Day of receipt (or within 2 Business Days in the case of Liquidation Proceeds, Insurance Proceeds and Condemnation Proceeds) into the related Collection Account.

(ii) On each Servicer Remittance Date, each Servicer is required to remit to the Master Servicer all payments received during the related Due Period or Prepayment Period in respect of the Mortgage Loans serviced by it, less certain deductions as described herein and in each Servicing Agreement. The Master Servicer will establish and maintain a separate account in its own name in trust for the benefit of the Certificateholders (the " Master Servicer Account ") which account may be a sub-account of the Certificate Account, and shall be an Eligible Account for so long as Wells Fargo Bank is both the Master Servicer and the Securities Administrator. The amounts remitted by the Servicers to the Master Servicer shall be credited to the Master Servicer Account.

(iii) On each Master Servicer Remittance Date, the Master Servicer shall remit to the Securities Administrator the amounts received from the Servicers on the related Servicer Remittance Date, net of any fees, expenses and other amounts payable to the Master Servicer hereunder. The amounts remitted by the Master Servicer to the Securities Administrator will be credited to the REMIC I Distribution Account which will be established and maintained by the Securities Administrator.

(iv) On each Distribution Date, amounts on deposit in the REMIC I Distribution Account (net of any expenses payable to the Securities Administrator under Section 11.04 hereof or to the Trustee under Section 9.05 hereof) will be allocated by the Securities Administrator to pay amounts due on the REMIC I Interests, in accordance with Section 3.01 of the Trust Agreement. Such amounts will then be passed through to the Certificate Account for distribution to the Certificateholders in accordance with Section 3.01 of the Trust Agreement.

(b) Accounts . The Securities Administrator shall establish and maintain one or more Eligible Accounts in its own name in trust for the benefit of the Certificateholders. The account held by the REMIC that directly owns the Mortgage Loans shall be the " REMIC I Distribution Account " which account may be a sub-account of the Certificate Account. In addition, the Securities Administrator shall establish and maintain an account for the benefit of the Certificateholders into which it shall deposit all amounts to be distributed on each Distribution Date (the " Certificate Account "). Each such account shall be an Eligible Account. On each Distribution Date, the Securities Administrator shall deposit into the REMIC I Distribution Account the following amounts, to the extent not previously deposited therein:

(i) all amounts remitted by the Master Servicer to the Securities Administrator pursuant to Section 3.01(a)(iii);

(ii) all Monthly Advances made pursuant to Section 3.05; and

(iii) the amount (if any) required to effect a redemption in accordance with the terms of the Trust Agreement and received from the Master Servicer or the Depositor.

(c) Deposits . In the event a Servicer or the Securities Administrator has remitted to the Master Servicer Account or to the REMIC I Distribution Account, respectively, in error, any amount not required to be remitted in accordance with the definition of Available Distribution Amount, such party may at any time direct the Master Servicer or the Securities Administrator, as applicable, to withdraw such amount from such account for repayment to such Servicer or Master Servicer, as applicable, by delivery of an Officer's Certificate to the Master Servicer or the Securities Administrator which describes the amount deposited in error and the Master Servicer or the Securities Administrator, as applicable, shall withdraw such amount from the Master Servicer Account or the REMIC I Distribution Account, as applicable, and pay such amount as directed, but only to the extent it agrees that the amount so described was deposited in error.

(d) Withdrawal . On each Distribution Date, the Securities Administrator shall transfer the Available Distribution Amount on deposit in the REMIC I Distribution Account to the Certificate Account in accordance with the amounts set forth in the statement prepared pursuant to Section 4.01 and shall distribute such amounts to holders of the Regular Interests and Residual Interest of the applicable REMICs, in accordance with Article III of the Trust Agreement, in the order of priority set forth therein.

(e) Accounting . The Master Servicer shall keep and maintain separate accounting (to the extent provided to it by each Servicer), on a Mortgage Loan by Mortgage Loan basis, for the purpose of justifying any payment to and from the Master Servicer Account. No later than 21 days after each Distribution Date, the Master Servicer shall, upon written request, forward to the Depositor and the Securities Administrator, a statement setting forth the balance of the Master Servicer Account as of the close of business on the last day of the month of the Distribution Date and showing, for the one calendar month covered by the statement, any deposits and or withdrawals from the Master Servicer Account.

(f) Investments by the Master Servicer or the Securities Administrator . Other than during the Master Servicer Investment Period, the Depositor shall direct the investment of funds in the Certificate Account in one or more Permitted Investments. Absent such direction, the Securities Administrator shall invest such funds during such period in the Wells Fargo Advantage Prime Investment Money Market Fund so long as such fund is a Permitted Investment. All income and gain realized from any such investment of amounts in the Master Servicer Account shall be for the benefit of the Master Servicer and shall be subject to its withdrawal on order from time to time, and shall not be part of the Trust Estate. All income and gain realized from any such investment of amounts in the Certificate Account shall be for the benefit of the Securities Administrator and shall be subject to its withdrawal on order from time to time. In the event of a loss or reduction in the amount to be remitted by the Master Servicer to the Securities Administrator on the Master Servicer Remittance Date or the amount to be remitted by the Securities Administrator on the Distribution Date because of a loss on a Permitted Investment, the Master Servicer or the Securities Administrator, as applicable, shall be required to deposit the amount of such loss into the Master Servicer Account or the Certificate Account, as applicable, within one Business Day of realization of such loss from its own funds without reimbursement.

(g) Compensating Interest . The amount of the Master Servicing Fee payable to the Master Servicer in respect of any Distribution Date shall be reduced by the amount of any Compensating Interest Payment for such Distribution Date, but only to the extent such Compensating Interest Payment is not actually made by a Servicer on the applicable Servicer Remittance Date. Such amount shall not be treated as an Advance and shall not be reimbursable to the Master Servicer.

Section 3.02 Filings with the Commission.

(a) As further set forth in Section 8.01(e), the Master Servicer and the Securities Administrator shall deliver (and the Master Servicer and Securities Administrator shall cause any Additional Servicer engaged by it to deliver) to the Depositor and the Securities Administrator on or before March 15 of each year, commencing in March 2008, an officer's certificate, substantially in the form of Exhibit H and Exhibit I hereto, respectively, stating, as to the signer thereof, that (i) a review of such party's activities during the preceding calendar year or portion thereof and of such party's performance under this Agreement, or such other applicable agreement in the case of an Additional Servicer, has been made under such officer's supervision and (ii) to the best of such officer's knowledge, based on such review, such party has fulfilled all its obligations under this Agreement, or such other applicable agreement in the case of an Additional Servicer, in all material respects throughout such year or portion thereof, or, if there has been a failure to fulfill any such obligation in any material respect, specifying each such failure known to such officer and the nature and status thereof. Promptly after receipt of each such officer's certificate, the Depositor shall review such officer's certificate and consult with each such party, as applicable, as to the nature of any failures by such party, in the fulfillment of any of such party's obligations hereunder or, in the case of an Additional Servicer, under such other applicable agreement.

On or before March 15 th of each calendar year, beginning with March 15, 2008, until a Form 15 Suspension Notification is filed with respect to the relevant securitization (as GSMC shall confirm to the Custodians), each Custodian shall deliver to the Trustee, the Securities Administrator and the Depositor a report regarding such Custodian's assessment of compliance with the Relevant Servicing Criteria identified in Exhibit J attached hereto, as of and for the period ending the end of the fiscal year ending no later than December 31 of the year prior to the year of delivery of the report, with respect to asset-backed security transactions taken as a whole in which such Custodian is performing any of the Relevant Servicing Criteria specified in Exhibit J and that are backed by the same asset type backing such asset-backed securities, and a registered public accounting firm's attestation report on such assessment of compliance. Each such report shall include (i) a statement of the party's responsibility for assessing compliance with the servicing criteria applicable to such party, (ii) a statement that such party used the criteria identified in Item 1122(d)(4)(i) and Item 1122(d)(4)(ii) of Regulation AB (as defined herein) to assess compliance with the applicable servicing criteria, (iii) disclosure of any material instance of noncompliance identified by such party, and (iv) a statement that a registered public accounting firm has issued an attestation report on such party's assessment of compliance with the applicable servicing criteria. To the extent that any Custodian engages any Subcontractor in connection with the performance of any of its material duties under this Agreement, such Custodian shall promptly notify the Depositor in writing of such engagement. To the extent the Depositor notifies such Custodian that it has determined that such affiliates or third party vendors are participating in the servicing function with respect to the Mortgage Loans within the meaning of Item 1122 of Regulation AB, such Custodian shall require such affiliates or third party vendors to prepare a separate annual assessment and attestation report, as contemplated by this paragraph.

The Master Servicer shall enforce any obligation of the Servicers, to the extent set forth in the related Servicing Agreement, to deliver to the Master Servicer an annual statement of compliance within the time frame set forth in, and in such form and substance as may be required pursuant to, the related Servicing Agreement The Master Servicer shall include such annual statements of compliance with its own annual statement of compliance to be submitted to the Securities Administrator pursuant to this Section.

(b) The Depositor shall prepare or cause to be prepared the initial current report on Form 8-K. Thereafter within four Business Days after the occurrence of an event requiring disclosure in a current report on Form 8-K (each such event, a " Reportable Event "), and if requested by the Depositor, the Master Servicer shall sign on behalf of the Depositor and the Securities Administrator shall prepare and file with the Commission any Form 8-K, as required by the Exchange Act. Any disclosure or information related to a Reportable Event or that is otherwise required to be included on Form 8-K (" Form 8-K Disclosure Information ") shall be determined and prepared by and at the direction of the Depositor pursuant to this Section 3.02 and the Securities Administrator shall have no duty or liability for any failure hereunder to determine or prepare any Form 8-K Disclosure Information or any Form 8-K, except as set forth in this Section 3.02.

As set forth on Exhibit K hereto, for so long as the Trust is subject to the Exchange Act reporting requirements, no later than the end of business on the second Business Day after the occurrence of a Reportable Event (i) certain parties to the GSR Mortgage Loan Trust 2007-AR2 Mortgage Pass-Through Certificates, Series 2007-AR2 transaction shall be required to provide to the Securities Administrator and Depositor, to the extent known, in form compatible with the Commission's Electronic Data Gathering and Retrieval System ("EDGAR"), or in such other form as otherwise agreed upon by the Securities Administrator and such party, the form and substance of any Form 8-K Disclosure Information, if applicable and (ii) the Depositor shall approve, as to form and substance, or disapprove, as the case may be, the inclusion of the Form 8-K Disclosure Information. The Depositor shall be responsible for any reasonable fees and expenses assessed or incurred by the Securities Administrator in connection with including any Form 8-K Disclosure Information on Form 8- K pursuant to this paragraph.

After preparing the Form 8-K, the Securities Administrator shall forward electronically a draft copy of the Form 8-K to the Depositor for review. No later than 12:00 noon New York City time on the fourth Business Day after the Reportable Event, a duly authorized representative of the Master Servicer in charge of the master servicing function shall sign the Form 8-K and return such signed Form 8-K to the Securities Administrator, and no later than 5:00 p.m. New York City time on such Business Day the Securities Administrator shall file such Form 8-K with the Commission. If a Form 8-K cannot be filed on time or if a previously filed Form 8-K needs to be amended, the Securities Administrator will follow the procedures set forth in Section 3.02(e). Promptly (but no later than one Business Day) after filing with the Commission, the Securities Administrator will make available on its internet website (located at www.ctslink.com) a final executed copy of each Form 8-K prepared by the Securities Administrator. The signing party at the Master Servicer can be contacted at 9062 Old Annapolis Road, Columbia, Maryland 21045-1951, Attention: Client Manager, GSR 2007-AR2. The parties to this Agreement acknowledge that the performance by the Securities Administrator of its duties under this Section 3.02(b) related to the timely preparation and filing of Form 8-K is contingent upon such parties strictly observing all applicable deadlines in the performance of their duties under this Section 3.02. The Securities Administrator shall have no liability for any loss, expense, damage, claim arising out of or with respect to any failure to properly prepare and/or timely file such Form 8-K, where such failure results from the Securities Administrator's inability or failure to receive on a timely basis, any information from any other party hereto needed to prepare, arrange for execution or file such Form 8-K, not resulting from its own negligence, bad faith or willful misconduct.

(c) Within fifteen days after each Distribution Date (subject to permitted extensions under the Exchange Act), the Securities Administrator shall prepare and file, and the Master Servicer shall sign on behalf of the Depositor and file with the Commission any distribution report on Form 10-D required by the Exchange Act, in form and substance as required by the Exchange Act. The Securities Administrator shall file each Form 10-D with a copy of the related Monthly Statement attached thereto. Any disclosure in addition to the monthly statement that is required to be included on Form 10-D ("Additional Form 10-D Disclosure") shall be determined and prepared by and at the direction of the Depositor pursuant to the following paragraph and the Securities Administrator will have no duty or liability for any failure hereunder to determine or prepare any Additional Form 10-D Disclosure, except as set forth in this Section 3.02.

As set forth on Exhibit L hereto, within five calendar days after the related Distribution Date, (i) certain parties to the GSR Mortgage Loan Trust 2007-AR2 Mortgage Pass-Through Certificates, Series 2007-AR2 transaction shall be required to provide to the Securities Administrator and the Depositor, to the extent known, in EDGAR-compatible form, or in such other form as otherwise agreed upon by the Securities Administrator and such party, the form and substance of any Additional Form 10-D Disclosure, if applicable and (ii) the Depositor will approve, as to form and substance, or disapprove, as the case may be, the inclusion of the Additional Form 10-D Disclosure on Form 10-D. The Depositor shall be responsible for any reasonable fees and expenses assessed or incurred by the Securities Administrator in connection with any Additional Form 10-D Disclosure on Form 10-D pursuant to this Section 3.02(c).

After preparing the Form 10-D, the Securities Administrator shall forward electronically a draft copy of the Form 10-D to the Depositor for review. No later than two Business Days following the tenth calendar day after the related Distribution Date, a duly authorized representative of the Master Servicer in charge of the master servicing function shall sign the Form 10-D and return such signed Form 10-D to the Securities Administrator and Depositor, and no later than 5:00 p.m. New York City time on the fifteenth calendar day after such Distribution Date the Securities Administrator shall file such Form 10-D with the Commission. If a Form 10-D cannot be filed on time or if a previously filed Form 10-D needs to be amended, the Securities Administrator will follow the procedures set forth in Section 3.02(e). Promptly (but no later than one Business Day) after filing with the Commission, the Securities Administrator will make available on its internet website (located at www.ctslink.com) a final executed copy of each Form 10-D prepared by the Securities Administrator. The signing party at the Master Servicer can be contacted at 9062 Old Annapolis Road, Columbia, Maryland 21045-1951, Attention: Client Manager, GSR 2007-AR2. Each party to this Agreement acknowledges that the performance by the Securities Administrator of its duties under this Section 3.02(c) related to the timely preparation and filing of Form 10-D is contingent upon such parties strictly observing all applicable deadlines in the performance of their duties under this Section 3.02. The Securities Administrator shall have no liability for any loss, expense, damage or claim arising out of or with respect to any failure to properly prepare and/or timely file such Form 10-D, where such failure results from the Securities Administrator's inability or failure to receive on a timely basis, any information from any other party hereto needed to prepare, arrange for execution or file such Form 10-D, not resulting from its own negligence, bad faith or willful misconduct.

Form 10-D requires the registrant to indicate (by checking "yes" or "no") that it "(1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days." The Depositor hereby represents to the Securities Administrator that the Depositor has filed all such required reports during the preceding 12 months and that it has been subject to such filing requirement for the past 90 days. The Depositor shall notify the Securities Administrator in writing, no later than the fifth calendar day after the related Distribution Date with respect to the filing of a report on Form 10-D, if the answer to the questions should be no. The Securities Administrator shall be entitled to rely on such representations in preparing, executing and/or filing any such report.

(d) Within 90 days after the end of each fiscal year of the Trust or such earlier date as may be required by the Exchange Act (the " 10-K Filing Deadline ") (it being understood that the fiscal year for the Trust ends on December 31 of each year), commencing in March 2008, the Securities Administrator shall prepare and file on behalf of the Depositor an annual report on Form 10-K, in form and substance as required by the Exchange Act. Each such Form 10-K shall include the following items, in each case to the extent they have been delivered to the Securities Administrator within the applicable time frames set forth in this Agreement and the related Servicing Agreement: (i) an annual compliance statement for each Servicer, each Additional Servicer, the Master Servicer and the Securities Administrator (each, a " Reporting Servicer ") as described under Section 3.02(a), (ii)(A) the annual reports on assessment of compliance with servicing criteria for each Reporting Servicer, as described under Section 8.01(e) and Section 11.01(c), and (B) if each Reporting Servicer's report on assessment of compliance with servicing criteria described under Section 8.01(e) and Section 11.01(c) identifies any material instance of noncompliance, disclosure identifying such instance of noncompliance, or if each Reporting Servicer's report on assessment of compliance with servicing criteria described under Section 8.01(e) and Section 11.01(c) is not included as an exhibit to such Form 10-K, disclosure that such report is not included and an explanation why such report is not included, (iii)(A) the registered public accounting firm attestation report for each Reporting Servicer, as described under Section 8.01(f) and Section 11.01(d), and (B) if any registered public accounting firm attestation report described under Section 8.01(f) and Section 11.01(d) identifies any material instance of noncompliance, disclosure identifying such instance of noncompliance, or if any such registered public accounting firm attestation report is not included as an exhibit to such Form 10-K, disclosure that such report is not included and an explanation why such report is not included, and (iv) a Sarbanes-Oxley Certification as described in Section 3.02(f). Any disclosure or information in addition to the disclosure or information specified in items (i) through (iv) above that is required to be included on Form 10-K (" Additional Form 10-K Disclosure ") shall be determined and prepared by and at the direction of the Depositor pursuant to the following paragraph and the Securities Administrator shall have no duty or liability for any failure hereunder to determine or prepare any Additional Form 10-K Disclosure, except as set forth in this Section 3.02(d).

As set forth on Exhibit M hereto, no later than March 1 of each year that the Trust is subject to the Exchange Act reporting requirements, commencing in 2008, (i) certain parties to the GSR Mortgage Loan Trust 2007-AR2 Mortgage Pass-Through Certificates, Series 2007-AR2 transaction shall be required to provide to the Securities Administrator and the Depositor, to the extent known, in EDGAR-compatible form, or in such other form as otherwise agreed upon by the Securities Administrator and such party, the form and substance of any Additional Form 10-K Disclosure, if applicable and (ii) the Depositor shall approve, as to form and substance, or disapprove, as the case may be, the inclusion of the Additional Form 10-K Disclosure on Form 10-K. The Depositor shall be responsible for any reasonable fees and expenses assessed or incurred by the Securities Administrator in connection with including any Additional Form 10-K Disclosure on Form 10-K pursuant to this Section 3.02(d).

After preparing the Form 10-K, the Securities Administrator shall forward electronically a draft copy of the Form 10-K to the Depositor for review. No later than 12:00 noon New York City time on the fourth Business Day prior to the 10-K Filing Deadline, a senior officer of the Depositor shall sign the Form 10-K and return such signed Form 10-K to the Securities Administrator. If a Form 10-K cannot be filed on time or if a previously filed Form 10-K needs to be amended, the Securities Administrator will follow the procedures set forth in 3.02 (e). Promptly (but no later than one Business Day) after filing with the Commission, the Securities Administrator will make available on its internet website located at (located at www.ctslink.com) a final executed copy of each Form 10-K prepared by the Securities Administrator. The parties to this Agreement acknowledge that the performance by the Securities Administrator of its duties under this Section 3.02(d) related to the timely preparation and filing of Form 10-K is contingent upon such parties (and any Additional Servicer or Servicing Function Participant) strictly observing all applicable deadlines in the performance of their duties under this Section 3.02(d), Section 3.02(f), Section 3.02(a), Sections 8.01(e) and (f) and Sections 11.01(c) and (d). The Securities Administrator shall have no liability for any loss, expense, damage, claim arising out of or with respect to any failure to properly prepare and/or timely file such Form 10-K, where such failure results from the Securities Administrator’s inability or failure to receive on a timely basis, any information from any other party hereto needed to prepare, arrange for execution or file such Form 10-K, not resulting from its own negligence, bad faith or willful misconduct.

Form 10-K requires the registrant to indicate (by checking "yes" or "no") that it "(1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days." The Depositor hereby represents to the Securities Administrator that the Depositor has filed all such required reports during the preceding 12 months and that it has been subject to such filing requirement for the past 90 days. The Depositor shall notify the Securities Administrator in writing no later than March 15 th if the answer to the questions should be no. The Securities Administrator shall be entitled to rely on such representations in preparing, executing and/or filing any such report.

(e) Prior to January 30 of the first year in which the Securities Administrator is able to do so under applicable law, the Master Servicer shall sign and the Securities Administrator shall prepare and file a Form 15 relating to the automatic suspension of reporting in respect of the Trust under the Exchange Act.

In the event that the Securities Administrator becomes aware that it will be unable to timely file with the Commission all or any required portion of any Form 8-K, 10-D or 10-K required to be filed by this Agreement because required disclosure information was either not delivered to it or delivered to it after the delivery deadlines set forth in this Agreement or for any other reason, the Securities Administrator will immediately notify the Depositor. In the case of Form 10-D and 10-K, the parties to this Agreement will cooperate and cause such other Servicers or Servicing Function Participants, as applicable, to cooperate, to prepare and file a Form 12b-25 and a 10-D/A and 10-K/A, as applicable, pursuant to Rule 12b-25 of the Exchange Act. In the case of Form 8-K, the Securities Administrator will, upon receipt of all required Form 8-K Disclosure Information and upon the approval and direction of the Depositor, include such disclosure information on the next Form 10-D. In the event that any previously filed Form 10-D or 10-K needs to be amended, the Securities Administrator shall notify the Depositor and prepare any necessary 10-D/A or 10-K/A. Any Form 15, Form 12b-25 or any amendment to Form 8-K or 10-D shall be signed by a duly authorized representative of the Master Servicer in charge of the master servicing function. Any amendment to Form 10-K shall be signed by the Depositor. The parties to this Agreement acknowledge that the performance by the Securities Administrator of its duties under this Section 3.02(e) related to the timely preparation and filing of Form 15, a Form 12b-25 or any amendment to Form 8-K, 10-D or 10-K is contingent upon each such party performing its duties under this Section. The Securities Administrator shall have no liability for any loss, expense, damage or claim arising out of or with respect to any failure to properly prepare and/or timely file any such Form 15, Form 12b-25 or any amendments to Forms 8-K, 10-D or 10-K, where such failure results from the Securities Administrator's inability or failure to receive on a timely basis, any information from or on behalf of any other party hereto needed to prepare, arrange for execution or file such Form 15, Form 12b-25 or any amendments to Forms 8-K, 10-D or 10-K, not resulting from its own negligence, bad faith or willful misconduct.

(f) Each Form 10-K shall include a Sarbanes-Oxley Certification, required to be included therewith pursuant to the Sarbanes-Oxley Act. Each Servicer, the Securities Administrator and the Master Servicer shall cause any Servicing Function Participant engaged by it to provide to the Person who signs the Sarbanes-Oxley Certification (the " Certifying Person "), by March 15 of each year in which the Trust is subject to the reporting requirements of the Exchange Act and otherwise within a reasonable period of time upon request, a certification (each, a " Back-Up Certification "), in the form attached hereto as Exhibit I , upon which the Certifying Person, the entity for which the Certifying Person acts as an officer, and such entity's officers, directors and Affiliates (collectively with the Certifying Person, " Certification Parties ") can reasonably rely. The senior officer of the Depositor shall serve as the Certifying Person on behalf of the Trust. In the event the Master Servicer, the Securities Administrator, the Trustee or any Servicing Function Participant engaged by parties is terminated or resigns pursuant to the terms of this Agreement, or any applicable sub-servicing agreement, as the case may be, such party shall provide a Back-Up Certification to the Certifying Person pursuant to this Section 3.02(f) with respect to the period of time it was subject to this Agreement or any applicable sub-servicing agreement, as the case may be.

The Master Servicer shall enforce any obligation of the Servicers, to the extent set forth in the related Servicing Agreement, to deliver to the Master Servicer a certification similar to the Back-Up Certification within the time frame set forth in, and in such form and substance as may be required pursuant to, the related Servicing Agreement.

(g) The Securities Administrator shall promptly file, and exercise its reasonable best efforts to obtain a favorable response to, no-action requests, or other appropriate exemptive relief with the Commission seeking the usual and customary exemption from such reporting requirements granted to issuers of securities similar to the Certificates if and to the extent the Depositor shall deem any such relief to be necessary or appropriate. Unless otherwise advised by the Depositor, the Securities Administrator shall assume that the Depositor is in compliance with the preceding sentence. In no event shall the Securities Administrator have any liability for the execution or content of any document required to be filed by the 1934 Act. The Depositor agrees to promptly furnish to the Securities Administrator, from time to time upon request, such further information, reports, and financial statements within its control related to the Trust Agreement and the Mortgage Loans as the Depositor reasonably deems appropriate to prepare and file all necessary reports with the Commission.

Section 3.03 Securities Administrator to Cooperate; Release of Mortgage Files.

The Trustee, shall, if requested by any Servicer, execute a power of attorney pursuant to which such Servicer, on behalf of the Trustee, shall authorize, make, constitute and appoint designated officers of such Servicer with full power to execute in the name of the Trustee (without recourse, representation or warranty) any deed of reconveyance, any substitution of trustee documents or any other document to release, satisfy, cancel or discharge any Mortgage or Mortgage Loan serviced by such Servicer upon its payment in full or other liquidation; provided, however, that such power of appointment shall be limited to the powers limited above; and provided, further, that such Servicer shall promptly forward to the Trustee for its files copies of all documents executed pursuant to such power of appointment.

Pursuant to the Custodial Agreement, any Servicer may submit a Request for Release to have delivered to it the related Trustee Mortgage Loan File and a release of the Mortgaged Premises from the lien of the Mortgage. No expenses incurred in connection with any instrument of satisfaction or deed of reconveyance shall be chargeable to a Collection Account, the Master Servicer Account or the Certificate Account.

Upon receipt of any other Request for Release for purposes of servicing a Mortgage Loan, including but not limited to, collection under any Insurance Policy, title insurance policy, primary mortgage insurance policy, flood insurance policy or hazard insurance policy or to effect a partial release of any Mortgaged Premises from the lien of the Mortgage, the Securities Administrator, on behalf of the Trustee, within five Business Days of receipt of such Request for Release, shall release, or shall cause the related Servicer to cause the applicable Custodian to release, the related Trustee Mortgage Loan File to such Servicer. Upon receipt of an Officer's Certificate of the Servicer stating that such Mortgage Loan was liquidated and that all amounts received or to be received in connection with such liquidation which are required to be deposited into the Collection Account or the Certificate Account have been so deposited, or that such Mortgage Loan has become an REO Property, the related Trustee Mortgage Loan File shall be released by the Trustee (or the applicable Custodian) to such Servicer.

Any Servicer may execute a written certification to have delivered to it, pursuant to the Custodial Agreement, court pleadings, requests for trustee's sale or other documents necessary to the foreclosure or trustee's sale in respect of a Mortgaged Premises or to any legal action brought to obtain judgment against any Borrower on the Note or Mortgage or to obtain a deficiency judgment, or to enforce any other remedies or rights provided by the Note or Mortgage or otherwise available at law or in equity.

Section 3.04 Amendments to Servicing Agreement.

Each Servicing Agreement may be amended or supplemented from time to time by the related Servicer, the Master Servicer, the Securities Administrator and the Trustee without the consent of any of the Certificateholders to (a) cure any ambiguity, (b) correct or supplement any provisions therein which may be inconsistent with any other provisions therein, (c) modify, eliminate or add to any of its provisions to such extent as shall be necessary or appropriate to maintain the qualification of the Trust (or certain assets thereof) as one or more REMICs, at all times that any Certificates are outstanding or (d) make any other provisions with respect to matters or questions arising under such Servicing Agreement or matters arising with respect to the servicing of the Mortgage Loans which are not covered by such Servicing Agreement which shall not be inconsistent with the provisions of such Servicing Agreement, provided that such action shall not adversely affect in any material respect the interests of any Certificateholder. Any such amendment or supplement shall be deemed not to adversely affect in any material respect any Certificateholder if there is delivered to the Trustee and the Securities Administrator written notification from each Rating Agency that rated the applicable Certificates to the effect that such amendment or supplement will not cause that Rating Agency to reduce or qualify the then current rating assigned to such Certificates, as well as an Opinion of Counsel (at the expense of the applicable Servicer) that such amendment or supplement will not result in the loss by the Trust or the assets thereof of REMIC status or result in the imposition of any taxes on the Trust or any REMIC.

Each Servicing Agreement may also be amended from time to time by the related Servicer, the Master Servicer, the Securities Administrator and the Trustee with the consent of the Holders of Certificates entitled to at least 66% of the Voting Rights for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of such Servicing Agreement or of modifying in any manner the rights of the Holders of Certificates; *provided, however*, that no such amendment shall (A) reduce in any manner the amount of, or delay the timing of, payments received on Mortgage Loans which are required to be distributed on any Certificate without the consent of the Holder of such Certificate, (B) adversely affect in any material respect the interests of the Holders of any Class of Certificates, or (C) reduce the aforesaid percentage of Certificates the Holders of which are required to consent to any such amendment, unless each Holder of a Certificate affected by such amendment consents. For purposes of the giving or withholding of consents pursuant to this Section 3.04, Certificates registered in the name of the Depositor or an Affiliate thereof shall be entitled to Voting Rights with respect to matters affecting such Certificates.

Upon delivery of a written request to the Trustee, the Securities Administrator and/or the Master Servicer together with a certification from the related Servicer that any such amendment or supplement is permitted hereby, the Securities Administrator and Trustee shall join in any such amendment or supplement.

Promptly after the execution of any such amendment the Securities Administrator shall notify each Certificateholder and the Master Servicer of such amendment and, upon written request, shall furnish a copy of such amendment to each Certificateholder.

It shall not be necessary for the consent of Certificateholders under this Section 3.04 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof. The manner of obtaining such consents and of evidencing the authorization of the execution thereof by Certificateholders shall be subject to such reasonable regulations as the Securities Administrator may prescribe. Prior to consenting to any amendment pursuant to this Section 3.04, the Trustee, the Securities Administrator and the Master Servicer shall be entitled to receive an Opinion of Counsel (at the expense of the applicable Servicer) that such amendment is authorized and permitted pursuant to the terms of this Trust Agreement and the applicable Servicing Agreement.

Section 3.05 Monthly Advances by Master Servicer or Trustee.

(a) Under the terms of each Servicing Agreement, on the Business Day prior to each Servicer Remittance Date, the related Servicer is obligated to make a Monthly Advance with respect to any delinquencies as of the related Distribution Date, unless such Servicer furnishes to the Master Servicer, an Officer's Certificate evidencing the determination by such Servicer, in its reasonable judgment, that such Monthly Advance would be non-recoverable from Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds or otherwise with respect to such Mortgage Loan (a " Non-Recoverability Certificate "). If (i) a Servicer reports a delinquency on a Remittance Report, and (ii) such Servicer, by 11:00 a.m. (New York Time) on the related Distribution Date, neither makes a Monthly Advance nor provides the Securities Administrator and the Master Servicer or Trustee, as applicable, with a Non-Recoverability Certificate with respect to such delinquency, then subject to paragraph (b) below, the Master Servicer shall deposit, from its own funds, on the Master Servicer Remittance Date, the amount of such Monthly Advance not made by the Servicer into the Certificate Account for distribution to Certificateholders as provided in the Trust Agreement. If the Master Servicer fails to make a Monthly Advance as required by the preceding sentence, then the Securities Administrator shall notify the Trustee of such failure, and the Trustee (as successor to the Master Servicer pursuant to Section 8.06) shall deposit, from its own funds, on the Distribution Date, the amount of such Monthly Advance into the Certificate Account. Notwithstanding the foregoing, if either the Master Servicer or the Trustee (as successor to the Master Servicer pursuant to Section 8.06), in their reasonable judgment, determine that such Monthly Advance would be non-recoverable from Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds or otherwise with respect to such Mortgage Loan, then neither the Master Servicer nor the Trustee, as applicable, shall be obligated to make such Monthly Advance.

(b) Each Servicer is obligated under the applicable Servicing Agreement to remit to the Master Servicer the required remittance on each Servicer Remittance Date. If (i) a Servicer fails to remit such remittance on any Servicer Remittance Date and (ii) such failure is not cured by 11 a.m. (New York Time) on the related Master Servicer Remittance Date, then, to the extent permitted by the related Servicing Agreement, the Master Servicer shall withdraw the amount of such required remittance from such Collection Account, to the extent that such amount is on deposit in such Collection Account, and shall deposit such amount in the Certificate Account.

(c) All Monthly Advances (together with, in the case of the Master Servicer and the Trustee, interest thereon at a rate equal to the prevailing Prime Rate *plus* 2.0%) shall be reimbursable to the related Servicer, the Master Servicer or the Trustee, as the case may be, on a first priority basis from deposits to the Collection Account of late collections, Insurance Proceeds, Liquidation Proceeds and Condemnation Proceeds from the related Mortgage Loan as to which a Monthly Advance has been made. The Master Servicer or the Trustee's right to reimbursement as provided in this paragraph (c) shall not negate its obligation to continue to make Monthly Advances as provided in paragraph (a) of this Section 3.05. To the extent Monthly Advances are not recoverable as set forth in the first sentence of this paragraph (c), the Master Servicer or the Trustee, as the case may be, shall be entitled to recover such Monthly Advances as provided in Section 3.01(b).

(d) To the extent that any Servicer is required to pay penalty interest pursuant to the related Servicing Agreement, and the Master Servicer or the Trustee makes any Monthly Advance, the Master Servicer or the Trustee, as applicable, in its individual capacity shall be entitled to retain such penalty interest.

Section 3.06 Enforcement of Servicing Agreement.

Subject to Article VIII hereof, the Master Servicer agrees to comply with the terms of each Servicing Agreement and to enforce the terms and provisions thereof against the related Servicer for the benefit of the Certificateholders.

ARTICLE IV

REPORTING/REMITTING TO CERTIFICATEHOLDERS

Section 4.01 Statements to Certificateholders .

(a) Distribution Date Statement . On each Distribution Date, the Securities Administrator shall prepare a statement as to such distribution (the " Distribution Statement "), based solely on information provided by the Servicers in the related Remittance Reports, and on each Distribution Date, such statement will be made available at a website located at www.ctslink.com to the Depositor, any Interest Rate Cap Counterparty and each Certificateholder, setting forth:

(i) the class factor for each Class of Certificates;

(ii) the aggregate Scheduled Principal Balance of each Pool and/or Group of Mortgage Loans;

(iii) the Available Distribution Amount, the Aggregate Principal Distribution Amount and the Principal Prepayment Amount for such Distribution Date;

(iv) the amount of such distribution to the Holders of Certificates of each Class to be applied to reduce the Certificate Balance thereof, separately identifying the amounts, if any, of any Payoffs, Principal Prepayments made by the Mortgagor, Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds;

(v) the amount of distributions to the Holders of Certificates of each Class allocable to interest, and the Certificate Rate applicable to each Class (separately identifying (A) the amount of such interest accrued during the calendar month preceding the month of such Distribution Date, and (B) the amount of interest from previous calendar months;

(vi) the aggregate amount of the Servicing Fees and the Master Servicing Fee paid as required under the Servicing Agreements and the Trust Agreement and any other fees or expenses paid out of the Available Distribution Amount for such Distribution Date as permitted hereunder;

(vii) if applicable, the aggregate amount of outstanding Monthly Advances included in such distribution, the aggregate amount of Monthly Advances reimbursed during the calendar month preceding the Distribution Date (including such amounts reimbursed to the Master Servicer or Trustee) and the aggregate amount of unreimbursed Monthly Advances at the close of business on such Distribution Date;

(viii) LIBOR for such Distribution Date;

(ix) the Certificate Rate for each Class of Certificates for such Distribution Date;

(x) the amount of any Basis Risk Shortfalls on any Floating Rate Certificates that have the benefit of an Interest Rate Cap Agreement;

(xi) the amount of any Interest Rate Cap Amounts on any such Certificates referenced in clause (xii) above;

(xii) the amounts, if any, deposited into any Basis Risk Reserve Fund on such Distribution Date, and the balance of each Basis Risk Reserve Fund, after such deposits, on such Distribution Date;

(xiii) the number and aggregate Scheduled Principal Balance of the Mortgage Loans outstanding as of the last Business Day of the calendar month preceding such Distribution Date;

(xiv) the number and aggregate Scheduled Principal Balance of Mortgage Loans as reported to the Securities Administrator by the Servicer, (A) that are current, 30 days contractually delinquent, 60 days contractually delinquent, 90 days contractually delinquent or 120 days or more contractually delinquent (each to be calculated using the Mortgage Bankers Association (MBA) method), (B) as to which foreclosure proceedings have been commenced, (C) as to which the Mortgagor is subject to a bankruptcy proceeding and (D) secured by REO Properties;

(xv) with respect to any mortgaged property acquired on behalf of Certificateholders through foreclosure or deed in lieu of foreclosure during the preceding calendar month, the Scheduled Principal Balance of the related Mortgage Loan as of the last Business Day of the calendar month preceding the Distribution Date;

(xvi) the aggregate Certificate Balance of each Class of Certificates (and, in the case of any Certificate with no Certificate Balance, the notional amount of such Class) after giving effect to the distribution to be made on such Distribution Date, and separately identifying any reduction thereof on account of Realized Losses;

(xvii) the aggregate amount of (A) Payoffs and Principal Prepayments made by Mortgagors, (B) Liquidation Proceeds, Condemnation Proceeds and Insurance Proceeds, and (C) Realized Losses incurred during the related Prepayment Period;

(xviii) the aggregate amount of any Mortgage Loan that has been repurchased from the Trust;

(xix) the aggregate Shortfall, if any, allocated to each Class of Certificates at the close of business on such Distribution Date;

(xx) the Certificate Rate for each Class of Certificates applicable to such Distribution Date; and

(xxi) the Senior Collateral Group Percentages, the Senior Prepayment Percentages and the Subordinate Percentages, if any, for such Distribution Date.

In the case of information furnished pursuant to clauses (i) through (iii) above, the amounts shall be expressed, with respect to any Certificate, as a dollar amount per $1,000 denomination; *provided, however,* that if any Class of Certificates does not have a Certificate Balance, then the amounts shall be expressed as a dollar amount per 10% Percentage Interest.

In addition to the Distribution Statement that includes the information listed above, the Securities Administrator shall prepare and file a statement including s uch other information as is required by Form 10-D, including, but not limited to, the information required by Item 1121 (§229.1121) of Regulation AB.

In addition to the Distribution Statement specified above, the Securities Administrator shall prepare and make available to each Certificateholder (with respect to clauses (i) and (ii) below) and each Holder of a Residual Certificate (with respect to clauses (iii) and (iv) below), if any, on each Distribution Date a statement setting forth: (i) in the case of a Trust with respect to which one or more REMIC elections have been or will be made, any reports required to be provided to Holders by the REMIC Provisions; (ii) such other customary information as the Securities Administrator deems necessary or desirable, or which a Certificateholder reasonably requests, to enable Certificateholders to prepare their tax returns; (iii) the amounts actually distributed with respect to the Residual Certificates of such Class on such Distribution Date; and (iv) the aggregate Certificate Balance, if any, of the Residual Certificates of such Class after giving effect to any distribution made on such Distribution Date, separately identifying the amount of Realized Losses allocated to such Residual Certificates of such Class on such Distribution Date.

Within a reasonable period of time after the end of each calendar year, the Securities Administrator shall prepare and furnish a statement, containing the information set forth in clauses (i) through (iv) above (based on information provided by the Master Servicer), to each Person who at any time during the calendar year was a Holder that requests such statement, aggregated for such calendar year or portion thereof during which such Person was a Certificateholder. Such obligation of the Securities Administrator shall be deemed to have been satisfied to the extent that substantially comparable information shall be provided by the Master Servicer or the Securities Administrator pursuant to any requirements of the Code as from time to time are in force.

Within a reasonable period of time after the end of each calendar year, the Securities Administrator shall prepare and shall furnish to each Person who at any time during the calendar year was a Holder of a Residual Certificate a statement, upon request, containing the information provided pursuant to the second preceding paragraph aggregated for such calendar year thereof during which such Person was a Certificateholder. Such obligation of the Securities Administrator shall be deemed to have been satisfied to the extent that substantially comparable information shall be provided by the Securities Administrator pursuant to any requirements of the Code as from time to time are in force.

Section 4.02 Remittance Reports and other Reports from the Servicers.

To the extent received from any Servicer and the Master Servicer, the Securities Administrator shall make the information in each Remittance Report available to the Depositor, the Trustee, or any Certificateholder upon written request therefor. In addition, upon written request from the Depositor, the Trustee, the Securities Administrator or any Certificateholder (such party, the " Requesting Party "), the Securities Administrator shall use commercially reasonable efforts to obtain from each Servicer and subsequently provide to the Requesting Party any other reports or information that may be obtained by the Securities Administrator from any Servicer pursuant to the related Servicing Agreement; provided, however, that if the Securities Administrator incurs costs pursuant to the Servicing Agreement with respect to any particular request, the Securities Administrator shall be entitled to reimbursement from the Requesting Party for such costs, together with any other reasonable costs incurred by it for obtaining or delivering the reports or information specified by such request. Upon the request of the Depositor, if permitted pursuant to a Sale and Servicing Agreement, the Master Servicer shall request, on an annual basis beginning one year after the Closing Date, copies of the related Servicer's internal quality control reports (it being understood that the Master Servicer shall have no responsibility for, or be deemed to have, constructive notice of any information contained therein or determinable therefrom). Neither the Master Servicer, the Securities Administrator nor any agent of the Securities Administrator shall be under any duty to recalculate, verify or recompute the information provided to it under any Servicing Agreement by the applicable Servicer.

Section 4.03 Compliance with Withholding Requirements.

Notwithstanding any other provisions of the Trust Agreement, the Securities Administrator shall comply with all federal withholding requirements respecting payments of interest or principal to the extent of accrued original issue discount on Certificates to each Holder of such Certificates who (a) is not a "United States person," within the meaning of Code Section 7701(a)(30), (b) fails to furnish its TIN to the Securities Administrator, (c) furnishes the Securities Administrator an incorrect TIN, (d) fails to report properly interest and dividends, (e) under certain circumstances, fails to provide the Securities Administrator or the Certificateholder's securities broker with a certified statement, signed under penalties of perjury, that the TIN provided by such Certificateholder to the Securities Administrator or such broker is correct and that the Certificateholder is not subject to backup withholding or (f) otherwise fails to satisfy any applicable certification requirements relating to the withholding tax. The consent of such a Certificateholder shall not be required for such withholding. In the event the Securities Administrator, on behalf of the Trustee, does withhold the amount of any otherwise required distribution from interest payments on the Mortgage Loans (including principal payments to the extent of accrued original issue discount) or Monthly Advances thereof to any Certificateholder pursuant to federal withholding requirements, the Securities Administrator shall indicate with any payments to such Certificateholders the amount withheld. In addition, if any United States federal income tax is due at the time a Non-U.S. Person transfers a Residual Certificate, the Securities Administrator, on behalf of the Trustee, or other Withholding Agent may (1) withhold an amount equal to the taxes due upon disposition of such Residual Certificate from future distributions made with respect to such Residual Certificate to the transferee thereof (after giving effect to the withholding of taxes imposed on such transferee), and (2) pay the withheld amount to the Internal Revenue Service unless satisfactory written evidence of payment by the transferor of the taxes due has been provided to the Securities Administrator or such Withholding Agent. Moreover, the Securities Administrator, on behalf of the Trustee, or other Withholding Agent may (1) hold distributions on a Residual Certificate, without interest, pending determination of amounts to be withheld, (2) withhold other amounts, if any, required to be withheld pursuant to United States federal income tax law from distributions that otherwise would be made to such transferee on each Residual Certificate that it holds, and (3) pay to the Internal Revenue Service all such amounts withheld.

Section 4.04 Reports of Certificate Balances to The Depository Trust Company .

If and for so long as any Certificate is held by The Depository Trust Company, on each Distribution Date, the Securities Administrator shall give notice to The Depository Trust Company (and shall promptly thereafter confirm in writing) the following: (a) the amount to be reported pursuant to clause (c) and (d) of each statement provided to Holders of Certificates pursuant to Section 4.01 in respect of the next succeeding distribution, (b) the Record Date for such distribution, (c) the Distribution Date for such distribution and (d) the aggregate Certificate Balance of each Class of Certificates to be reported pursuant to clause (i) of the first paragraph of Section 4.01 in such month.

Section 4.05 Preparation of Regulatory Reports .

Notwithstanding any other provision of this Agreement, the Securities Administrator has not assumed, and shall not by its performance hereunder be deemed to have assumed, any of the duties or obligations of the Depositor or any other Person with respect to (a) the registration of the Certificates pursuant to the Securities Act, (b) the issuance or sale of the Certificates, or (c) compliance with the provisions of the Securities Act, the Exchange Act, or any offering circular, applicable federal or state securities or other laws including, without limitation, any requirement to update the registration statement or prospectus relating to the Certificates in order to render the same not materially misleading to investors.

Section 4.06 Management and Disposition of REO Property.

The Master Servicer shall enforce the obligation of each Servicer under any Servicing Agreement to dispose of any REO Property acquired by such Servicer on behalf of the Trust before the end of the third calendar year following the calendar year in which the related REO Property was acquired; provided that the Master Servicer shall waive such requirement if the Master Servicer, the Trustee and the Securities Administrator (a) receive an Opinion of Counsel (obtained at the expense of the party requesting such Opinion of Counsel) indicating that, under then-current law, the REMIC may hold such REO Property for a period longer than three years without threatening the REMIC status of any related REMIC or causing the imposition of a tax upon any such REMIC or (b) such Servicer applies for and is granted an extension of such three year period pursuant to Code Sections 860G(a)(8) and 856(e)(3) (the applicable period provided pursuant to such Opinion of Counsel or such Code Section being referred to herein as an " Extended Holding Period "). In that event, the Master Servicer shall direct such Servicer to sell any REO Property remaining after such date in an auction before the end of the Extended Holding Period.

ARTICLE V

THE INTERESTS AND THE SECURITIES

Section 5.01 REMIC Interests .

The Trust Agreement will set forth the terms of the Regular Interests and Residual Interest of each REMIC. Unless otherwise specified in the Trust Agreement, (a) the Regular Interests in each REMIC will be "regular interests" for purposes of the REMIC Provisions; (b) the Trustee will be the owner of the Regular Interests in any REMIC held by another REMIC formed pursuant to the terms of the Trust Agreement, and such Regular Interests may not be transferred to any person other than a successor trustee appointed pursuant to Section 8.07 hereof unless the party desiring the transfer obtains a Special Tax Opinion; and (c) such Regular Interests will be represented by the respective Interests.

Section 5.02 The Certificates .

The Certificates shall be designated in the Trust Agreement. The Certificates in the aggregate will represent the entire beneficial ownership interest in the Trust Estate. On the Closing Date, the aggregate Certificate Balance of the Certificates will equal the aggregate Scheduled Principal Balance of the Mortgage Loans as of the Cut-off Date. The Certificates will be substantially in the forms annexed to the Trust Agreement. Unless otherwise provided in the Trust Agreement, the Certificates of each Class will be issuable in registered form, in denominations of authorized Percentage Interests as described in the definition thereof. Each Certificate will share ratably in all rights of the related Class.

Upon original issue, the Trustee shall have the Certificates executed and delivered by the Securities Administrator and the Securities Administrator shall cause the Certificates to be authenticated by the Certificate Registrar to or upon the order of the Depositor upon receipt by the Trustee of the documents specified in Section 2.01. The Certificates shall be executed and attested by manual or facsimile signature on behalf of the Trustee by an authorized Officer under its seal imprinted thereon. Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper Officers of the Trustee shall bind the Trustee, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Certificates or did not hold such offices at the date of such Certificates. No Certificate shall be entitled to any benefit under this Agreement or be valid for any purpose, unless there appears on such Certificate a certificate of authentication substantially in the form provided in the Trust Agreement executed by the Certificate Registrar by manual signature, and such certificate of authentication shall be conclusive evidence, and the only evidence, that such Certificate has been duly authenticated and delivered hereunder. All Certificates shall be dated the date of their execution.

Section 5.03 Book-Entry Securities.

(a) The Book-Entry Securities will be represented initially by one or more certificates registered in the name designated by the Clearing Agency. The Depositor and the Securities Administrator may for all intents and purposes (including the making of payments on the Book-Entry Securities) deal with the Clearing Agency as the authorized representative of the Beneficial Owners of the Book-Entry Securities for as long as those Certificates are registered in the name of the Clearing Agency. The rights of Beneficial Owners of the Book-Entry Securities shall be limited by law to those established by law and agreements between such Beneficial Owners and the Clearing Agency and Clearing Agency Participants. The Beneficial Owners of the Book-Entry Securities shall not be entitled to certificates for the Book-Entry Securities as to which they are the Beneficial Owners, except as provided in subsection (c) below. Requests and directions from, and votes of, the Clearing Agency, as Holder, shall not be deemed to be inconsistent if they are made with respect to different Beneficial Owners. Without the consent of the Depositor, the Trustee and the Securities Administrator, a Book-Entry Security may not be transferred by the Clearing Agency except to another Clearing Agency that agrees to hold the Book-Entry Security for the account of the respective Clearing Agency Participants and Beneficial Owners.

(b) Neither the Depositor, the Trustee nor the Securities Administrator will have any liability for any aspect of the records relating to or payment made on account of Beneficial Owners of the Book-Entry Securities held by the Clearing Agency, for monitoring or restricting any transfer of beneficial ownership in a Book-Entry Security or for maintaining, supervising or reviewing any records relating to such Beneficial Owners.

(c) A Book-Entry Security will be registered in fully registered, certificated form to Beneficial Owners of Book-Entry Securities or their nominees, rather than to the Clearing Agency or its nominee, if (a) the Depositor advises the Securities Administrator and Trustee in writing that the Clearing Agency is no longer willing or able to discharge properly its responsibilities as depository with respect to the Book-Entry Securities, and the Depositor is unable to locate a qualified successor within 30 days, (b) the Depositor, at its option, elects to terminate the book-entry system operating through the Clearing Agency or (c) after the occurrence of an Event of Default, Beneficial Owners representing at least a majority of the aggregate outstanding Certificate Balance of the Book-Entry Securities advise the Clearing Agency in writing that the continuation of a book-entry system through the Clearing Agency is no longer in the best interests of the Beneficial Owners. Upon the occurrence of any such event, the Securities Administrator shall notify the Clearing Agency, which in turn will notify all Beneficial Owners of Book-Entry Securities through Clearing Agency Participants, of the availability of certificated Certificates. Upon surrender by the Clearing Agency or the Book-Entry Custodian of the certificates representing the Book-Entry Securities and receipt of instructions for re-registration, the Securities Administrator will reissue the Book-Entry Securities as certificated Certificates to the Beneficial Owners identified in writing by the Clearing Agency. Neither the Depositor, the Trustee nor the Securities Administrator shall be liable for any delay in the delivery of such instructions and may rely conclusively on, and shall be protected in relying on, such instructions. Such certificated Certificates shall not constitute Book-Entry Securities. All reasonable costs associated with the preparation and delivery of certificated Certificates shall be borne by the Trust.

(d) The Securities Administrator is hereby initially appointed as Book-Entry Custodian with respect to the Book-Entry Securities, and hereby agrees to act as such in accordance herewith and in accordance with the agreement that it has with the Clearing Agency authorizing it to act as such (it being understood that should any conflict arise between the provisions hereof and the provisions of the agreement between the Securities Administrator and the Clearing Agency, the agreement with the Clearing Agency will control). The Book-Entry Custodian may, and, if it is no longer qualified to act as such, the Book-Entry Custodian shall, appoint, by a written instrument delivered to the Depositor and, if the Securities Administrator is not the Book-Entry Custodian, the Securities Administrator, any other transfer agent (including the Clearing Agency or any successor Clearing Agency) to act as Book-Entry Custodian under such conditions as the predecessor Book-Entry Custodian and the Clearing Agency or any successor Clearing Agency may prescribe; *provided* that the predecessor Book-Entry Custodian shall not be relieved of any of its duties or responsibilities by reason of such appointment of other than the Clearing Agency. If the Securities Administrator resigns or is removed in accordance with the terms hereof, the successor securities administrator, or, if it so elects, the Clearing Agency shall immediately succeed to its predecessor's duties as Book-Entry Custodian. The Depositor shall have the right to inspect, and to obtain copies of, any Certificates held as Book-Entry Securities by the Book-Entry Custodian.

Section 5.04 Registration of Transfer and Exchange of Certificates .

The Securities Administrator shall cause to be kept at its Corporate Trust Office a Certificate Register in which, subject to such reasonable regulations as it may prescribe, the Securities Administrator shall provide for the registration of Certificates and of transfers and exchanges of Certificates as herein provided. The Securities Administrator will initially serve as Certificate Registrar for the purpose of registering Certificates and transfers and exchanges of Certificates as herein provided. The Securities Administrator may appoint any other Person to act as Certificate Registrar hereunder.

Subject to Section 5.05, upon surrender for registration of transfer of any Certificate at the Corporate Trust Office of the Securities Administrator or at any other office or agency of the Securities Administrator maintained for such purpose, the Securities Administrator shall execute and the Certificate Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Certificates of the same Class of a like aggregate Percentage Interest.

At the option of the Certificateholders, each Certificate may be exchanged for other Certificates of the same Class with the same and authorized denominations and a like aggregate Percentage Interest, upon surrender of such Certificate to be exchanged at any such office or agency. Whenever any Certificates are so surrendered for exchange, the Securities Administrator shall execute and cause the Certificate Registrar to authenticate and deliver the Certificates which the Certificateholder making the exchange is entitled to receive. Every Certificate presented or surrendered for transfer or exchange shall (if so required by the Securities Administrator) be duly endorsed by, or be accompanied by a written instrument of transfer in the form satisfactory to the Securities Administrator duly executed by, the Holder thereof or his attorney duly authorized in writing.

No service charge to the Certificateholders shall be made for any transfer or exchange of Certificates, but the Securities Administrator may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

All Certificates surrendered for transfer and exchange shall be destroyed by the Certificate Registrar.

The Securities Administrator will cause the Certificate Registrar (unless the Securities Administrator is acting as Certificate Registrar) to provide notice to the Securities Administrator of each transfer of a Certificate, and the Certificate Registrar will provide the Securities Administrator with an updated copy of the Certificate Register on May 1 and July 1 of each year.

Section 5.05 Restrictions on Transfer.

(a) No transfer of any Private Certificate shall be made unless that transfer is made pursuant to an effective registration statement under the Securities Act and effective registration or qualification under applicable state securities laws, or is made in a transaction that does not require such registration or qualification. Any Holder of a Private Certificate shall, and, by acceptance of such Private Certificate, does agree to, indemnify the Depositor, the Certificate Registrar and the Securities Administrator against any liability that may result if any transfer of such Certificates by such Holder is not exempt from registration under the Securities Act and all applicable state securities laws or is not made in accordance with such federal and state laws. Neither the Depositor, the Certificate Registrar nor the Securities Administrator is obligated to register or qualify any Private Certificate under the Securities Act or any other securities law or to take any action not otherwise required under this Agreement to permit the transfer of such Certificates without such registration or qualification. Neither the Certificate Registrar nor the Securities Administrator shall register any transfer of a Private Certificate (other than a Residual Certificate) unless and until the prospective transferee provides the Securities Administrator with an agreement certifying to facts which, if true, would mean that the proposed transferee is a Qualified Institutional Buyer (a " QIB Certificate "), or, if the Private Certificate to be transferred is not a Rule 144A Certificate, a Transferee Agreement, and in any case unless and until the transfer otherwise complies with the provisions of this Section 5.05. If so provided in the Trust Agreement, the prospective transferee will be deemed to have provided a QIB Certificate upon acceptance of the Certificate. If a proposed transfer does not involve a Rule 144A Certificate, the Securities Administrator or the Certificate Registrar shall require that the transferor and transferee certify as to the factual basis for the registration exemption(s) relied upon, and if the transfer is made within two years of the acquisition thereof by a non-Affiliate of the Depositor from the Depositor or an Affiliate of the Depositor, the Securities Administrator or the Certificate Registrar also may require an Opinion of Counsel that such transfer may be made without registration or qualification under the Securities Act and applicable state securities laws, which Opinion of Counsel shall not be obtained at the expense of the Depositor, the Certificate Registrar or the Securities Administrator. Notwithstanding the foregoing, no QIB Certificate, Transferee Agreement or Opinion of Counsel shall be required in connection with the initial transfer of the Private Certificates and no Opinion of Counsel shall be required in connection with the transfer of the Private Certificates by a broker or dealer, if such broker or dealer was the initial transferee.

(b) Any Private Certificate sold in offshore transactions in reliance on Regulation S shall be issued initially in the form of one or more permanent global Certificates in definitive, fully registered form without interest coupons with the applicable legends set forth in Exhibit A to the Trust Agreement added to the forms of such Certificates (each, a " ***Regulation S Global Security*** "), which shall be deposited on behalf of the subscribers for such Certificates represented thereby with the Trustee, as custodian for DTC and registered in the name of a nominee of DTC, duly executed and authenticated by the Trustee as hereinafter provided. The aggregate principal amounts of the Regulation S Global Securities may from time to time be increased or decreased by adjustments made on the records of the Trustee or DTC or its nominee, as the case may be, as hereinafter provided.

(c) By acceptance of a Rule 144A Certificate or a Regulation S Global Security, whether upon original issuance or subsequent transfer, each Holder of such a Certificate acknowledges the restrictions on the transfer of such Certificate set forth thereon and agrees that it will transfer such a Certificate only as provided herein. In addition, each Holder of a Regulation S Global Security shall be deemed to have represented and warranted to the Trustee, the Certificate Registrar, the Securities Administrator and the Depositor and any of their respective successors that: (i) such Person is not a U.S. person within the meaning of Regulation S and was, at the time the buy order was originated, outside the United States and (ii) such Person understands that such Certificates have not been registered under the Securities Act, and that (x) until the expiration of the 40-day distribution compliance period (within the meaning of Regulation S), no offer, sale, pledge or other transfer of such Certificates or any interest therein shall be made in the United States or to or for the account or benefit of a U.S. person (each as defined in Regulation S), (y) if in the future it decides to offer, resell, pledge or otherwise transfer such Certificates, such Certificates may be offered, resold, pledged or otherwise transferred only (A) to a person which the seller reasonably believes is a "qualified institutional buyer" (a "QIB") as defined in Rule 144A, that is purchasing such Certificates for its own account or for the account of a qualified institutional buyer to which notice is given that the transfer is being made in reliance on Rule 144A or (B) in an offshore transaction (as defined in Regulation S) in compliance with the provisions of Regulation S, in each case in compliance with the requirements of this Agreement; and it will notify such transferee of the transfer restrictions specified in this Section.

The Depositor (or, upon direction of the Depositor, the Securities Administrator, which directions shall specify the information to be provided, and at the expense of the Depositor or the Securities Administrator) shall provide to any Holder of a Rule 144A Certificate and any prospective transferee designated by such Holder information regarding the related Certificates and the Mortgage Loans and such other information as shall be necessary to satisfy the condition to eligibility set forth in Rule 144A(d)(4) for transfer of any such Rule 144A Certificate without registration thereof under the Securities Act pursuant to the registration exemption provided by Rule 144A.

(d) Notwithstanding any provision to the contrary herein, so long as a global security representing any Private Certificate remains outstanding and is held by or on behalf of DTC, transfers of a global security representing any such Certificates, in whole or in part, shall only be made in accordance with this Section 5.05(d).

(A) Subject to clauses (B) and (C) of this Section 5.05(d), transfers of a global security representing any Private Certificate shall be limited to transfers of such Global Security, in whole or in part, to nominees of DTC or to a successor of DTC or such successor's nominee.

(B) Rule 144A Certificate to Regulation S Global Security . If a holder of a beneficial interest in a Rule 144A Certificate deposited with or on behalf of DTC wishes at any time to exchange its interest in such Rule 144A Certificate for an interest in a Regulation S Global Security, or to transfer its interest in such Rule 144A Certificate to a Person who wishes to take delivery thereof in the form of an interest in a Regulation S Global Security, such holder, *provided* such holder or proposed transferee is not a U.S. person, may, subject to the rules and procedures of DTC, exchange or cause the exchange of such interest for an equivalent beneficial interest in the Regulation S Global Security. Upon receipt by the Securities Administrator, as Certificate Registrar, of (I) instructions from DTC directing the Securities Administrator, as Certificate Registrar, to be credited a beneficial interest in a Regulation S Global Security in an amount equal to the beneficial interest in such Rule 144A Certificate to be exchanged but not less than the minimum denomination applicable to such holder's Certificates held through a Regulation S Global Security, (II) a written order given in accordance with DTC's procedures containing information regarding the participant account of DTC and, in the case of a transfer pursuant to and in accordance with Regulation S, the Euroclear or Clearstream account to be credited with such increase and (III) a certificate in the form of Exhibit C-2 hereto given by the holder of such beneficial interest stating that the exchange or transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Securities, including that the holder is not a U.S. person, and pursuant to and in accordance with Regulation S, the Securities Administrator, as Certificate Registrar, shall reduce the principal amount of the Rule 144A Certificate and increase the principal amount of the Regulation S Global Security by the aggregate principal amount of the beneficial interest in the Rule 144A Certificate to be exchanged, and shall instruct Euroclear or Clearstream, as applicable, concurrently with such reduction, to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in the Regulation S Global Security equal to the reduction in the principal amount of the Rule 144A Certificate.

(C) Regulation S Global Security to Rule 144A Certificate . If a holder of a beneficial interest in a Regulation S Global Security deposited with or on behalf of DTC wishes at any time to transfer its interest in such Regulation S Global Security to a Person who wishes to take delivery thereof in the form of an interest in a Rule 144A Certificate, such holder may, subject to the rules and procedures of DTC, exchange or cause the exchange of such interest for an equivalent beneficial interest in a Rule 144A Certificate. Upon receipt by the Securities Administrator, as Certificate Registrar, of (I) instructions from DTC directing the Securities Administrator, as Certificate Registrar, to cause to be credited a beneficial interest in a Rule 144A Certificate in an amount equal to the beneficial interest in such Regulation S Global Security to be exchanged but not less than the minimum denomination applicable to such holder's Certificates held through a Rule 144A Certificate, to be exchanged, such instructions to contain information regarding the participant account with DTC to be credited with such increase, and (II) a certificate in the form of Exhibit C-3 hereto given by the holder of such beneficial interest and stating, among other things, that the Person transferring such interest in such Regulation S Global Security reasonably believes that the Person acquiring such interest in a Rule 144A Certificate is a QIB, is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any State of the United States or any other jurisdiction, then the Securities Administrator, as Certificate Registrar, will reduce the principal amount of the Regulation S Global Security and increase the principal amount of the Rule 144A Certificate by the aggregate principal amount of the beneficial interest in the Regulation S Global Security to be transferred and the Securities Administrator, as Certificate Registrar, shall instruct DTC, concurrently with such reduction, to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in the Rule 144A Certificate equal to the reduction in the principal amount of the Regulation S Global Security.

(D) Other Exchanges . In the event that a global security is exchanged for Certificates in definitive registered form without interest coupons, pursuant to Section 5.03(c) hereof, such Certificates may be exchanged for one another only in accordance with such procedures as are substantially consistent with the provisions above (including certification requirements intended to insure that such transfers comply with Rule 144A, comply with Rule 501(a)(1), (2), (3) or (7) or are to non-U.S. persons in compliance with Regulation S under the Securities Act, as the case may be).

(E) Restrictions on U.S. Transfers . Transfers of interests in the Regulation S Global Security to U.S. persons (as defined in Regulation S) shall be limited to transfers made pursuant to the provisions of Section 5.05(d)(C).

(e) ERISA Restrictions . No Private Certificate (a " Certificated Subordinated Security ") or Residual Certificate shall be transferred unless the prospective transferee provides the Securities Administrator and Certificate Registrar with a properly completed Benefit Plan Affidavit. The holder of any Private Certificate or Residual Certificate in book-entry form shall be deemed to make the representations in the Benefit Plan Affidavit.

Prior to the termination of any class of certificates which have the benefit of an interest rate cap agreement, each beneficial owner of a Certificate of such class or any interest therein, will be deemed to have represented, by virtue of its acquisition or holding of a such Certificate, or interest therein, that either (i) it is not a Plan or (ii) the acquisition and holding of such Certificate are eligible for the exemptive relief available under the statutory exemption for nonfiduciary service providers under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code, Department of Labor Prohibited Transaction Class Exemption 84-14, 90-1, 91-38, 95-60 or 96-23 or some other applicable exemption.

(f) Residual Certificates . No Residual Certificate (including any beneficial interest therein) may be transferred to a Disqualified Organization. In addition, no Residual Certificate (including any beneficial interest therein) may be transferred unless (i) the proposed transferee provides the Securities Administrator or the Certificate Registrar with (A) a Residual Transferee Agreement, (B) if the proposed transferee is a U.S. Person, a U.S. Person Affidavit and Affidavit Pursuant to Sections 860D(a)(6)(A) and 860E(e)(4) of the Code, and (C) if the proposed transferee is a Non-U.S. Person, a Non-U.S. Person Affidavit and Affidavit Pursuant to Sections 860D(a)(6)(A) and 860E(e)(4) of the Code, and (ii) the interest transferred involves the entire interest in a Residual Certificate or an undivided interest therein (unless the transferor or the transferee provides the Securities Administrator or the Certificate Registrar with an Opinion of Counsel (which shall not be an expense of the Securities Administrator or the Certificate Registrar, as applicable) that the transfer will not jeopardize the REMIC status of any related REMIC). Furthermore, if a proposed transfer involves a Rule 144A Certificate, the Securities Administrator or the Certificate Registrar shall require the transferee to certify as to facts that, if true, would mean that the proposed transferee is a Qualified Institutional Buyer; and, if a proposed transfer involves a Private Certificate that is not a Rule 144A Certificate, (1) the Securities Administrator or the Certificate Registrar shall require that the transferee certify as to the factual basis for the registration exemption(s) relied upon, and (2) if the transfer is made within two years from the acquisition of the Certificate by a non-Affiliate of the Depositor from the Depositor or an Affiliate of the Depositor, the Securities Administrator or the Certificate Registrar also may require an Opinion of Counsel that such transfer may be made without registration or qualification under the Securities Act and applicable state securities laws, which Opinion of Counsel shall not be obtained at the expense of the Securities Administrator or the Certificate Registrar, as applicable. In any event, neither the Securities Administrator nor the Certificate Registrar shall effect any transfer of a Residual Certificate except upon notification of such transfer to the Securities Administrator or the Certificate Registrar, as applicable. Notwithstanding the foregoing, no Opinion of Counsel shall be required in connection with the initial transfer of the Residual Certificates or their transfer by a broker or dealer, if such broker or dealer was the initial transferee. Notwithstanding the fulfillment of the prerequisites described above, the Securities Administrator or the Certificate Registrar may refuse to recognize any transfer to the extent necessary to avoid a risk of disqualification of any related REMIC as a REMIC or the imposition of a tax upon any such REMIC.

Upon notice to the Securities Administrator that any legal or beneficial interest in any portion of the Residual Certificates has been transferred, directly or indirectly, to a Disqualified Organization or agent thereof (including a broker, nominee, or middleman) in contravention of the foregoing restrictions, such transferee shall be deemed to hold the Residual Certificate in constructive trust for the last transferor who was not a Disqualified Organization or agent thereof, and such transferor shall be restored as the owner of such Residual Certificate as completely as if such transfer had never occurred, *provided that* the Securities Administrator may, but is not required to, recover any distributions made to such transferee with respect to the Residual Certificate and return such recovery to the transferor. The Securities Administrator, on behalf of the Trustee, agrees to furnish to the Internal Revenue Service and to any transferor of the Residual Certificate or such agent (within 60 days of the request therefor by the transferor or agent) such information necessary for the computation of the tax imposed under Section 860E(e) of the Code and as otherwise may be required by the Code, including but not limited to the present value of the total anticipated excess inclusions with respect to the Residual Certificate (or portion thereof) for periods after such transfer. At the election of the Securities Administrator, the cost to the Securities Administrator of computing and furnishing such information may be charged to the transferor or such agent referred to above; however, the Securities Administrator shall not be excused from furnishing such information.

If a tax or a reporting cost is borne by any REMIC as a result of the transfer of a Residual Certificate or any beneficial interest therein in violation of the restrictions set forth in this Section, the transferor shall pay such tax or cost and, if such tax or cost is not so paid, the Securities Administrator, on behalf of the Trustee, shall pay such tax or cost with amounts that otherwise would have been paid to the transferee of the Residual Certificate (or beneficial interest therein). In that event, neither the transferee nor the transferor shall have any right to seek repayment of such amounts from the Depositor, the Securities Administrator, any REMIC, or the other Holders of any of the Certificates, and none of such parties shall have any liability for payment of any such tax or reporting cost.

Section 5.06 Mutilated, Destroyed, Lost or Stolen Certificates .

If (a) any mutilated Certificate is surrendered to the Securities Administrator or the Certificate Registrar, or the Securities Administrator and the Certificate Registrar receive evidence to their satisfaction of the destruction, loss or theft of any Certificate, and (b) there is delivered to the Securities Administrator, the Trustee and the Certificate Registrar such security or indemnity as may be required by them to save each of them harmless, then, in the absence of actual knowledge by the Securities Administrator or the Certificate Registrar that such Certificate has been acquired by a bona fide purchaser, the Securities Administrator shall execute and cause the Certificate Registrar to authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Certificate of the same Class and of like tenor and Percentage Interest. Upon the issuance of any new Certificate pursuant to this Section, the Securities Administrator may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Certificate Registrar) connected therewith. Any replacement Certificate issued pursuant to this Section shall constitute complete and indefeasible evidence of ownership in the Trust, as if originally issued, whether or not the destroyed, lost or stolen Certificate shall be found at any time.

Section 5.07 Persons Deemed Owners .

Prior to due presentation of a Certificate for registration of transfer, the Securities Administrator, the Certificate Registrar and any agent of any of them may treat the person in whose name any Certificate is registered as the owner of such Certificate for the purpose of receiving distributions and for all other purposes whatsoever, and neither the Securities Administrator, the Certificate Registrar nor any agent of any of them shall be affected by notice to the contrary.

Section 5.08 Appointment of Paying Agent .

The Securities Administrator may, with the consent of the Trustee (if such Paying Agent is other than Wells Fargo), appoint a Paying Agent for the purpose of making distributions to Certificateholders. The Securities Administrator shall cause such Paying Agent (if other than the Securities Administrator) to execute and deliver to the Securities Administrator an instrument in which such Paying Agent shall agree with the Securities Administrator that such Paying Agent will hold all sums held by it for the payment to Certificateholders in an Eligible Account in trust for the benefit of the Certificateholders entitled thereto until such sums shall be paid to the Certificateholders. All funds remitted by the Securities Administrator to any such Paying Agent for the purpose of making distributions shall be paid to Certificateholders on each Distribution Date and any amounts not so paid shall be returned on such Distribution Date to the Securities Administrator. The initial Paying Agent shall be Wells Fargo Bank.

ARTICLE VI

THE DEPOSITOR

Section 6.01 Liability of the Depositor .

The Depositor shall be liable in accordance herewith only to the extent of the obligations specifically imposed by the Trust Agreement and undertaken by the Depositor under the Trust Agreement.

Section 6.02 Merger or Consolidation of the Depositor .

Subject to the following paragraph, the Depositor will keep in full effect its corporate existence, rights and franchises under the laws of the jurisdiction of its organization, and will obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of the Trust Agreement, the Certificates or any of the Mortgage Loans and to perform its duties under the Trust Agreement.

The Depositor may be merged or consolidated with or into any Person, or transfer all or substantially all of its assets to any Person, in which case any Person resulting from any merger or consolidation to which the Depositor shall be a party, or any Person succeeding to the business of the Depositor, shall be the successor of the Depositor without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE VII

TERMINATION OF SERVICING ARRANGEMENTS

Section 7.01 Termination and Substitution of Servicer .

Upon the occurrence of any Servicer Event of Default for which any Servicer may be terminated pursuant to the related Servicing Agreement, the Master Servicer, in accordance with Section 8.01(a) hereof, may, and shall, at the direction of the Certificateholders holding 51% of the Voting Rights, terminate such Servicing Agreement. The Holders of Certificates evidencing at least 51% of the Voting Rights of Certificates affected by a Servicer Event of Default may waive such Servicer Event of Default; *provided , however , that* (a) a Servicer Event of Default with respect to any Servicer's obligation to make Monthly Advances may be waived only by all of the holders of the Certificates affected by such Servicer Event of Default and (b) no such waiver is permitted that would materially adversely affect any non-consenting Certificateholder. Subject to the conditions set forth below in this Section 7.01, the Master Servicer, at the direction of the Certificateholders holding 66% of the Voting Rights, shall, concurrently with such termination, either assume the duties of the terminated Servicer under the applicable Servicing Agreement or appoint another servicer to enter into such Servicing Agreement.

Notwithstanding the foregoing, the Master Servicer may not terminate a Servicer without cause unless the Master Servicer or a successor servicer is appointed concurrently with such termination. There may be a transition period of not longer than ninety (90) days prior to the effective date of the servicing transfer to the successor Servicer or Master Servicer, as applicable, *provided, however , that* during such transition period, the Master Servicer or successor servicer shall use commercially reasonable efforts to perform the duties of the terminated Servicer in its capacity as successor servicer.

If the Master Servicer terminates a Servicer, the Master Servicer may name another mortgage loan service company and such mortgage loan service company shall be acceptable to each Rating Agency and such mortgage loan service company shall assume, satisfy, perform and carry out all liabilities, duties, responsibilities and obligations that are to be, or otherwise were to have been, satisfied, performed and carried out by such terminated Servicer under the related Servicing Agreement. Such successor servicer shall be a mortgage loan servicing institution, with a net worth of at least $25,000,000. In the event that the Master Servicer cannot appoint a substitute servicer, it shall petition a court of competent jurisdiction for the appointment of a substitute servicer meeting the foregoing requirements.

In the event any Servicer resigns or is terminated as provided above and the Master Servicer has not appointed a successor servicer (or no successor servicer has accepted such appointment) prior to the effective date of such resignation or termination, then the Master Servicer shall serve as successor servicer and shall succeed to, satisfy, perform and carry out all obligations which otherwise were to have been satisfied, performed and carried out by such Servicer under the terminated Servicing Agreement until another successor servicer has been appointed and has accepted its appointment. In no event shall the Master Servicer be deemed to have assumed the obligations of a Servicer to purchase any Mortgage Loan from the Trust pursuant to any Servicing Agreement or any obligations of a Servicer which were incurred thereunder prior to the date the Master Servicer assumes the obligations of the Servicer under the related Servicing Agreement. As compensation to the Master Servicer for any servicing obligations fulfilled or assumed by the Master Servicer, the Master Servicer shall be entitled to any servicing compensation to which such Servicer would have been entitled if the Servicing Agreement with such Servicer had not been terminated; *provided, however, that* the Master Servicer shall not be (a) liable for any acts or omissions of the terminated Servicer, (b) obligated to make Advances if it is prohibited from doing so under applicable law, (c) responsible for expenses of the terminated Servicer pursuant to the terms of the Servicing Agreement or (d) obligated to deposit losses on any Permitted Investments directed by the terminated Servicer.

In no event shall the Master Servicer be deemed to have assumed the obligations of a Servicer to purchase any Mortgage Loan from the Trust. Notwithstanding the foregoing, if a Servicer Event of Default shall occur and if the Servicer is to be terminated under this Section 7.01, the Master Servicer shall, by notice in writing to the applicable Servicer, which may be delivered by telecopy, immediately terminate all of the rights and obligations of such Servicer thereafter arising under the applicable Servicing Agreement, but without prejudice to any rights it may have as a Certificateholder or to reimbursement of Advances and other advances of its own funds, and the Master Servicer shall act as provided in this Section 7.01 to carry out the duties of such Servicer, including the obligation to make any Advance the nonpayment of which was a Servicer Event of Default. Any such action taken by the Master Servicer must be prior to the distribution of the relevant Distribution Date.

The Servicer being terminated as a result of an Event of Default shall bear all costs of a servicing transfer as set forth in the applicable Servicing Agreement.

As set forth in the applicable Servicing Agreement, the Master Servicer shall be entitled to be reimbursed from such Servicer (or by the Trust Estate, if such Servicer is unable to fulfill its obligations hereunder) for all costs associated with the transfer of servicing from the predecessor Servicer, including, without limitation, any costs or expenses associated with the complete transfer of all servicing data and the completion, correction or manipulation of such servicing data as may be required by the succeeding servicer to correct any errors or insufficiencies in the servicing data or otherwise to enable the succeeding servicer to service the Mortgage Loans properly and effectively. If the terminated Servicer does not pay such reimbursement within thirty (30) days of its receipt of an invoice therefor, such reimbursement shall be an expense of the Trust and the Master Servicer shall be entitled to withdraw such reimbursement from amounts on deposit in the Certificate Account pursuant to the terms hereof; *provided that*, in accordance with the applicable Servicing Agreement, the terminated Servicer shall reimburse the Trust for any such expense incurred by the Trust; and *provided , further , that* the Master Servicer shall decide whether and to what extent it is in the best interest of the Certificateholders to pursue any remedy against any party obligated to make such reimbursement.

No Certificateholder, solely by virtue of such holder's status as a Certificateholder, will have any right under the Trust Agreement to institute any proceeding with respect to the Trust Agreement or any Servicing Agreement, Custodial Agreement or any Assignment Agreement, unless such holder previously has given to the Trustee written notice of default and unless the Certificateholders evidencing at least 25% of Voting Rights have made written request upon the Trustee to institute such proceeding in its own name and have offered to the Trustee reasonable indemnity, and the Trustee for 60 days has neglected or refused to institute any such proceeding.

Section 7.02 Notification to Certificateholders.

(a) Upon any termination pursuant to Section 7.01 above or appointment of a successor to any Servicer or the Master Servicer, the Securities Administrator shall give prompt written notice thereof to the Certificateholders at their respective addresses appearing in the Certificate Register, and to each Rating Agency.

(b) Within sixty (60) days after the occurrence of any Servicer Event of Default involving any Servicer, the Securities Administrator shall transmit by mail to all Holders of Certificates and each Rating Agency, the Trustee and the Master Servicer notice of each such Servicer Event of Default or occurrence known to a Responsible Officer of the Trustee unless such default shall have been cured or waived.

ARTICLE VIII

ADMINISTRATION AND SERVICING OF MORTGAGE LOANS BY THE MASTER SERVICER

Section 8.01 Duties of the Master Servicer; Enforcement of Servicer's and Master Servicer's Obligations .

(a) The Master Servicer, on behalf of the Trustee, the Securities Administrator, the Depositor and the Certificateholders, shall monitor the performance of the Servicers under the Servicing Agreements, and (except as set forth below) shall use its reasonable good faith efforts to cause the Servicers to duly and punctually to perform their duties and obligations thereunder. Upon the occurrence of a Servicer Event of Default of which a Responsible Officer of the Master Servicer has actual knowledge under a Servicing Agreement, the Master Servicer shall promptly notify the Securities Administrator and Trustee and shall specify in such notice the action, if any, the Master Servicer plans to take in respect of such default. So long as any such default shall be continuing, the Master Servicer may (i) terminate all of the rights and powers of such Servicer pursuant to the applicable provisions of the Servicing Agreement; (ii) exercise any rights it may have to enforce the Servicing Agreement against such Servicer; (iii) waive any such default under the Servicing Agreement in accordance with Section 7.01 hereof or (iv) take any other action with respect to such default as is permitted thereunder. Except as set forth in Section 4.06 hereof, the Master Servicer shall have no duty to supervise any Servicer's activities related to the servicing or administration of defaulted or delinquent Mortgage Loans or the management and disposition of any REO Properties.

(b) The Master Servicer shall pay the costs of monitoring the Servicers as required hereunder (including costs associated with (i) termination of any Servicer or (ii) the appointment of a successor servicer and shall, to the extent permitted by the related Servicing Agreement, seek reimbursement therefor initially from the terminated Servicer. In the event the full costs associated with the transition of servicing responsibilities to the Master Servicer are not paid for by the predecessor Servicer or successor servicer (*provided that* such successor Servicer is not the Master Servicer), the Master Servicer may be reimbursed therefor by the Trust for out of pocket costs incurred by the Master Servicer associated with any such transfer of servicing duties from a Servicer to any other successor servicer.

(c) None of the Depositor, the Securities Administrator nor the Trustee shall consent to the assignment by any Servicer of such Servicer's rights and obligations under the related Servicing Agreement without the prior written consent of the Master Servicer, which consent shall not be unreasonably withheld.

(d) The Master Servicer shall not assume liability for any Servicer's representations and warranties if it becomes a successor servicer.

(e) On or before March 15 of each year, commencing in March 2008, the Master Servicer, at its own expense, shall furnish, and shall cause any Servicing Function Participant engaged by it to furnish, each at its own expense, to the Securities Administrator and the Depositor, an assessment of compliance with the Relevant Servicing Criteria that contains (i) a statement by such party of its responsibility for assessing compliance with the Servicing Criteria, (ii) a statement that such party used the Servicing Criteria to assess compliance with the Relevant Servicing Criteria, (iii) such party's assessment of compliance with the Relevant Servicing Criteria as of and for the fiscal year covered by the Form 10-K required to be filed pursuant to Section 3.02(e), including, if there has been any material instance of noncompliance with the Relevant Servicing Criteria, a discussion of each such failure and the nature and status thereof, and (iv) a statement that a registered public accounting firm has issued an attestation report on such party's assessment of compliance with the Relevant Servicing Criteria as of and for such period.

No later than the end of each fiscal year for the Trust for which a 10-K is required to be filed, the Master Servicer shall forward to the Securities Administrator the name of each Servicing Function Participant engaged by it and what Relevant Servicing Criteria will be addressed in the report on assessment of compliance prepared by such Servicing Function Participant. When the Master Servicer and the Trustee (or any Servicing Function Participant engaged by them) submits its assessment to the Securities Administrator, such parties will also at such time include the assessment and attestation pursuant to Section 8.01(f) and 11.01(d) of each Servicing Function Participant engaged by it.

Promptly after receipt of each such report on assessment of compliance, (i) the Depositor shall review each such report and, if applicable, consult with the Master Servicer, the Securities Administrator and any Servicing Function Participant engaged by such parties as to the nature of any material instance of noncompliance with the Relevant Servicing Criteria by each such party, and (ii) the Securities Administrator shall confirm that the assessments, taken as a whole, address all of the Servicing Criteria and, taken individually, address the Relevant Servicing Criteria for each party as set forth on Exhibit J and on any similar exhibit set forth in each Servicing Agreement and each Custodial Agreement in respect of the applicable Servicer or Custodian and notify the Depositor of any exceptions. None of such parties shall be required to deliver any such assessments until April 15 in any given year so long as such party has received written confirmation from the Depositor that a Form 10-K is not required to be filed in respect of the Trust for the preceding calendar year.

The Master Servicer shall enforce any obligation of a Servicer (and the applicable Servicing Agreement will provide that each Servicer shall enforce any obligations of an Additional Servicer engaged by such Servicer), to the extent set forth in the related Servicing Agreement (or, in the case of an Additional Servicer, such applicable agreement), to deliver to the Master Servicer an annual report on assessment of compliance within the time frame set forth in, and in such form and substance as may be required pursuant to, the related Servicing Agreement (or, in the case of an Additional Servicer, such applicable agreement). The Master Servicer shall include such annual report on assessment of compliance with its own assessment of compliance to be submitted to the Securities Administrator pursuant to this Section 8.01.

(f) On or before March 15 of each calendar year, commencing in March 2008, the Master Servicer, at its own expense, shall cause, and shall cause any Servicing Function Participant engaged by it to cause, each at its own expense, a registered public accounting firm (which may also render other services to the Master Servicer or such other Servicing Function Participants, as the case may be) that is a member of the American Institute of Certified Public Accountants to furnish a report to the Securities Administrator and the Depositor (and, in the case of any other Servicing Function Participant, the Master Servicer) to the effect that (i) it has obtained a representation regarding certain matters from the management of such party, which includes an assertion that such party has complied with the Relevant Servicing Criteria, and (ii) on the basis of an examination conducted by such firm in accordance with standards for attestation engagements issued or adopted by the PCAOB, it is expressing an opinion as to whether such party's compliance with the Relevant Servicing Criteria was fairly stated in all material respects, or it cannot express an overall opinion regarding such party's assessment of compliance with the Relevant Servicing Criteria. In the event that an overall opinion cannot be expressed, such registered public accounting firm shall state in such report why it was unable to express such an opinion. Such report must be available for general use and not contain restricted use language.

Promptly after receipt of such report from the Master Servicer or any Servicing Function Participant engaged by the Master Servicer, (i) the Depositor shall review the report and, if applicable, consult with such parties as to the nature of any defaults by such parties, in the fulfillment of any of each such party's obligations hereunder or under any other applicable agreement, and (ii) the Securities Administrator shall confirm that each assessment submitted pursuant to Section 8.01(e) and Section 11.01(c) is coupled with an attestation meeting the requirements of this Section and shall notify the Depositor of any exceptions. Neither the Master Servicer nor any Servicing Function Participant engaged by the Master Servicer shall be required to deliver or cause the delivery of such reports until April 15 in any given year so long as it has received written confirmation from the Depositor that a 10-K is not required to be filed in respect of the Trust for the preceding fiscal year.

The Master Servicer shall enforce any obligation of a Servicer (and the applicable Servicing Agreement will provide that each Servicer shall enforce any obligations of an Additional Servicer engaged by such Servicer), to the extent set forth in the related Servicing Agreement (or, in the case of an Additional Servicer, such applicable agreement), to deliver to the Master Servicer an attestation within the time frame set forth in, and in such form and substance as may be required pursuant to, the related Servicing Agreement (or, in the case of an Additional Servicer, such applicable agreement). The Master Servicer shall include such annual report on assessment of compliance with its own assessment of compliance to be submitted to the Securities Administrator pursuant to this Section 8.01.

(g) The Master Servicer shall give prior written notice to the Depositor of the appointment of any Subcontractor by it and a written description (in form and substance satisfactory to the Depositor) of the role and function of each Subcontractor utilized by the Master Servicer, specifying (i) the identity of each such Subcontractor and (ii) which elements of the servicing criteria set forth under Item 1122(d) of Regulation AB will be addressed in assessments of compliance provided by each such Subcontractor.

(h) The Master Servicer shall notify the Depositor and the Sponsor within five days of its gaining knowledge thereof (i) of any legal proceedings pending against the Master Servicer of the type described in Item 1117 (§ 229.1117) of Regulation AB, (ii) of any merger, consolidation or sale of substantially all of the assets of the Master Servicer and (iii) if the Master Servicer shall become (but only to the extent not previously disclosed) at any time an affiliate of any of the Depositor, any Servicer, any Originator contemplated by Item 1110 (§ 229.1110) of Regulation AB, any significant obligor contemplated by Item 1112 (§ 229.1112) of Regulation AB, any enhancement or support provider contemplated by Items 1114 or 1115 (§§ 229.1114-1115) of Regulation AB or any successor thereto or any other material party to the Trust Fund contemplated by Item 1100(d)(1) (§ 229.1100(d)(1)) of Regulation AB, as applicable, and identified as such to the Master Servicer.

Section 8.02 Maintenance of Fidelity Bond and Errors and Omissions Insurance.

(a) The Master Servicer shall maintain with responsible companies, at its own expense, a blanket Fidelity Bond and an Errors and Omissions Insurance Policy, with broad coverage on all directors, officers, employees or other persons acting in any capacity requiring such persons to handle funds, money, documents or papers relating to the related Mortgage Loans (" Master Servicing Employees "). Any such Fidelity Bond and Errors and Omissions Insurance Policy shall be in the form of the Mortgage Banker's Blanket Bond or the Financial Institution Bond and shall protect and insure the Master Servicer against losses, including forgery, theft, embezzlement, fraud, errors and omissions and negligent acts of the Master Servicer Employees. Such Fidelity Bond and Errors and Omissions Insurance Policy also shall protect and insure the Master Servicer against losses in connection with the release or satisfaction of a related Mortgage Loan without having obtained payment in full of the indebtedness secured thereby. No provision of this Section 8.02 requiring such Fidelity Bond and Errors and Omissions Insurance Policy shall diminish or relieve the Master Servicer from its duties and obligations as set forth in this Agreement. The minimum coverage under any such bond and insurance policy shall be at least equal to the corresponding amounts required by Fannie Mae or Freddie Mac. Upon the request of the Securities Administrator, the Master Servicer shall cause to be delivered to the Securities Administrator a certificate of insurance of the insurer and the surety including a statement from the surety and the insurer that such fidelity bond and insurance policy shall in no event be terminated or materially modified without thirty (30) days' prior written notice to the Securities Administrator. The Master Servicer shall (i) require each Servicer to maintain an Errors and Omissions Insurance Policy and a Fidelity Bond in accordance with the provisions of the applicable Servicing Agreement, (ii) cause each Servicer to provide to the Master Servicer certificates evidencing that such policy and bond is in effect and to furnish to the Master Servicer any notice of cancellation, non-renewal or modification of the policy or bond received by it, as and to the extent provided in the applicable Servicing Agreement, and (iii) furnish copies of the certificates and notices referred to in clause (ii) to the Securities Administrator upon its request.

(b) The Master Servicer shall promptly report to the Securities Administrator any material changes that may occur in the Master Servicer Fidelity Bond or the Master Servicer Errors and Omissions Insurance Policy and shall furnish to the Securities Administrator, on request, certificates evidencing that such bond and insurance policy are in full force and effect. The Master Servicer shall promptly report to the Securities Administrator, to the best of its knowledge, all cases of forgery, theft, embezzlement, fraud, errors or omissions, if such events involve funds relating to the Mortgage Loans. The total losses, regardless of whether claims are filed with the applicable insurer or surety, shall be disclosed in such reports together with the amount of such losses covered by insurance. If a bond or insurance claim report is filed with any of such bonding companies or insurers, the Master Servicer shall promptly furnish a copy of such report to the Securities Administrator. Any amounts relating to the Mortgage Loans collected by the Master Servicer under any such bond or policy shall be promptly remitted by the Master Servicer to the Securities Administrator for deposit into the Certificate Account. Any amounts relating to the Mortgage Loans collected by any Servicer under any such bond or policy shall be remitted to the Master Servicer to the extent provided in the applicable Servicing Agreement.

Section 8.03 Representations and Warranties of the Master Servicer.

(a) The Master Servicer hereby represents and warrants to the Depositor, the Securities Administrator and the Trustee, for the benefit of the Certificateholders, as of the Closing Date that:

(i) it is a national banking association validly existing and in good standing under the laws of the United States, and as Master Servicer has full power and authority to transact any and all business contemplated by this Trust Agreement and to execute, deliver and comply with its obligations under the terms of this Trust Agreement, the execution, delivery and performance of which have been duly authorized by all necessary corporate action on the part of the Master Servicer;

(ii) the execution and delivery of this Trust Agreement by the Master Servicer and its performance and compliance with the terms of this Trust Agreement will not (A) violate the Master Servicer's charter or bylaws, (B) violate any law or regulation or any administrative decree or order to which it is subject or (C) constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the breach of, any material contract, agreement or other instrument to which the Master Servicer is a party or by which it is bound or to which any of its assets are subject, which violation, default or breach would materially and adversely affect the Master Servicer's ability to perform its obligations under this Trust Agreement;

(iii) this Trust Agreement constitutes, assuming due authorization, execution and delivery hereof by the other respective parties hereto, a legal, valid and binding obligation of the Master Servicer, enforceable against it in accordance with the terms hereof, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general, and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law);

(iv) the Master Servicer is not in default with respect to any order or decree of any court or any order or regulation of any federal, state, municipal or governmental agency to the extent that any such default would materially and adversely affect its performance hereunder;

(v) the Master Servicer is not a party to or bound by any agreement or instrument or subject to any charter provision, bylaw or any other corporate restriction or any judgment, order, writ, injunction, decree, law or regulation that may materially and adversely affect its ability as Master Servicer to perform its obligations under this Trust Agreement or that requires the consent of any third person to the execution of this Trust Agreement or the performance by the Master Servicer of its obligations under this Trust Agreement;

(vi) no litigation is pending or, to the best of the Master Servicer's knowledge, threatened against the Master Servicer that would prohibit its entering into this Trust Agreement or performing its obligations under this Trust Agreement;

(vii) the Master Servicer, or an affiliate thereof the primary business of which is the servicing of conventional residential mortgage loans, is a FNMA and FHLMC approved seller/servicer;

(viii) no consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by the Master Servicer of or compliance by the Master Servicer with this Trust Agreement or the consummation of the transactions contemplated by this Trust Agreement, except for such consents, approvals, authorizations and orders (if any) as have been obtained; and

(ix) the consummation of the transactions contemplated by this Trust Agreement are in the ordinary course of business of the Master Servicer.

(b) It is understood and agreed that the representations and warranties set forth in this Section shall survive the execution and delivery of this Trust Agreement. The Master Servicer shall indemnify the Depositor, the Securities Administrator and the Trustee and hold them harmless against any loss, damages, penalties, fines, forfeitures, reasonable legal fees and related costs, judgments, and other reasonable costs and expenses resulting from any claim, demand, defense or assertion based on or grounded upon, or resulting from, a material breach of the Master Servicer's representations and warranties contained in Section 8.03(a) above. It is understood and agreed that the enforcement of the obligation of the Master Servicer set forth in this Section to indemnify the Depositor, the Securities Administrator and the Trustee constitutes the sole remedy of the Depositor and the Trustee, respecting a breach of the foregoing representations and warranties. Such indemnification shall survive any termination of the Master Servicer as Master Servicer hereunder and any termination of this Trust Agreement.

Any cause of action against the Master Servicer relating to or arising out of the breach of any representations and warranties made in this Section shall accrue upon discovery of such breach by either the Depositor, the Master Servicer, the Securities Administrator or the Trustee or notice thereof by any one of such parties to the other parties.

Section 8.04 Master Servicer Events of Default .

Each of the following shall constitute a Master Servicer Event of Default:

(a) any failure by the Master Servicer to remit to the Securities Administrator any payment required to be made under the terms of this Trust Agreement which continues unremedied for a period of two (2) Business Days after the date upon which written notice of such failure, requiring the same to be remedied, shall have been given to the Master Servicer (with a copy to the Trustee) by the Securities Administrator;

(b) failure by the Master Servicer to duly observe or perform, in any material respect, any other covenants, obligations or agreements of the Master Servicer as set forth in this Trust Agreement which failure continues unremedied for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Master Servicer by the Securities Administrator;

(c) failure by the Master Servicer to maintain its license to do business in any jurisdiction where the Mortgaged Premises are located if such license is required;

(d) a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Master Servicer and such decree or order shall have remained in force, undischarged or unstayed for a period of sixty (60) days;

(e) the Master Servicer shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to the Master Servicer or relating to all or substantially all of its property;

(f) the Master Servicer shall admit in writing its inability to pay its debts as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors, or voluntarily suspend payment of its obligations for three (3) Business Days;

(g) an affiliate of the Master Servicer that performs any back-up servicer duties of the Master Servicer or any servicing duties assumed by the Master Servicer as successor servicer under any Servicing Agreement ceases to meet the qualifications of a FNMA or FHLMC servicer;

(h) the Master Servicer attempts to assign this Trust Agreement or its responsibilities hereunder or to delegate its duties hereunder (or any portion thereof) without the consent of the Trustee and the Depositor; or

(i) the indictment of the Master Servicer for the taking of any action by the Master Servicer, any employee thereof, any Affiliate or any director or employee thereof that constitutes fraud or criminal activity in the performance of its obligations under the Trust Agreement, in each case, where such indictment materially and adversely affects the ability of the Master Servicer to perform its obligations under the Trust Agreement (subject to the condition that such indictment is not dismissed within ninety (90) days).

In each and every such case, so long as a Master Servicer Event of Default shall not have been remedied, in addition to whatever rights the Trustee may have at law or equity to damages, including injunctive relief and specific performance, the Trustee, by notice in writing to the Master Servicer, may terminate with cause all the rights and obligations of the Master Servicer under this Trust Agreement.

Upon receipt by the Master Servicer of such written notice, all authority and power of the Master Servicer under this Trust Agreement, shall pass to and be vested in any successor master servicer appointed hereunder that accepts such appointments. Upon written request from the Trustee, the Master Servicer shall prepare, execute and deliver to the successor entity designated by the Trustee any and all documents and other instruments related to the performance of its duties hereunder as the Master Servicer and, place in such successor's possession all such documents, together with any Mortgage Files related to any pool of Mortgage Loans with respect to which it acts as a successor servicer, and do or cause to be done all other acts or things necessary or appropriate to effect the purposes of such notice of termination, at the Master Servicer's sole expense. The Master Servicer shall cooperate with the Trustee and such successor master servicer in effecting the termination of the Master Servicer's responsibilities and rights hereunder, including without limitation, the transfer to such successor master servicer for administration by it of all cash amounts that shall at the time be credited to the Master Servicer Account or are thereafter received with respect to the Mortgage Loans.

The Master Servicer being terminated shall bear and agrees to reimburse the Trustee and the successor master servicer from all costs, damages, expenses and liabilities incurred by them in connection with the transfer of master servicing, including but not limited to, legal fees and expenses, accounting fees and expenses. If the terminated Master Servicer does not pay any such costs and expenses within thirty (30) days of its receipt of an invoice therefor, the Trust shall reimburse the Trustee (or successor master servicer therefor) and the Trustee shall be entitled to withdraw such reimbursement from amounts on deposit in the Certificate Account pursuant to Section 3.01(a)(iv); provided that the terminated Master Servicer shall reimburse the Trust for any such expense incurred by the Trust.

Section 8.05 Waiver of Default .

By a written notice, the Trustee may, and shall, at the direction of the Certificateholders holding 66% of the Voting Rights, waive any default by the Master Servicer in the performance of its obligations hereunder and its consequences. Upon any waiver of a past default, such default shall cease to exist, and any Master Servicer Event of Default arising therefrom shall be deemed to have been remedied for every purpose of this Trust Agreement. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived.

Section 8.06 Successor to the Master Servicer .

Upon termination of the Master Servicer's responsibilities and duties under this Trust Agreement, the Trustee, at the direction of the Depositor, shall appoint a successor, which shall succeed to all rights and assume all of the responsibilities, duties and liabilities of the Master Servicer under this Trust Agreement prior to the termination of the Master Servicer. In connection with such appointment and assumption, the Trustee may make such arrangements for the compensation of such successor out of payments on Mortgage Loans as it and such successor shall agree; *provided, however*, that in no event shall the Master Servicing Fee paid to such successor master servicer exceed that paid to the Master Servicer hereunder. In the event that the Master Servicer's duties, responsibilities and liabilities under this Trust Agreement are terminated, the Master Servicer shall continue to discharge its duties and responsibilities hereunder until the effective date of such termination with the same degree of diligence and prudence that it is obligated to exercise under this Trust Agreement and shall take no action whatsoever that might impair or prejudice the rights of its successor. The termination of the Master Servicer shall not become effective until a successor shall be appointed pursuant hereto and shall in no event (a) relieve the Master Servicer of responsibility for the representations and warranties made pursuant to Section 8.03(a) hereof and the remedies available to the Trustee under Section 8.03(b) hereof, it being understood and agreed that the provisions of Section 8.03 hereof shall be applicable to the Master Servicer notwithstanding any such sale, assignment, resignation or termination of the Master Servicer or the termination of this Trust Agreement; or (b) affect the right of the Master Servicer to receive payment and/or reimbursement of any amounts accruing to it hereunder prior to the date of termination (or during any transition period in which the Master Servicer continues to perform its duties hereunder prior to the date the successor master servicer fully assumes its duties).

If no successor master servicer has accepted its appointment within ninety (90) days of the time the Trustee receives the resignation of the Master Servicer, the Trustee shall be the successor master servicer in all respects under the Trust Agreement and shall have all the rights and powers and be subject to all the responsibilities, duties and liabilities relating thereto, including the obligation to make Monthly Advances; *provided, however , that* any failure to perform any duties or responsibilities caused by the Master Servicer's failure to provide information required by these Standard Terms shall not be considered a default by the Trustee hereunder. In the Trustee's capacity as such successor, the Trustee shall have the same limitations on liability herein granted to the Master Servicer. As compensation therefor, the Trustee shall be entitled to receive the compensation, reimbursement and indemnities otherwise payable to the Master Servicer under these Standard Terms, including the fees and other amounts payable pursuant to Section 8.07 hereof.

Any successor master servicer appointed as provided herein, shall execute, acknowledge and deliver to the Master Servicer and to the Trustee an instrument accepting such appointment hereunder, wherein the successor shall make the representations and warranties set forth in Section 8.03(a) hereof, and whereupon such successor shall become fully vested with all of the rights, powers, duties, responsibilities, obligations and liabilities of the Master Servicer, with like effect as if originally named as a party to this Trust Agreement. Any termination or resignation of the Master Servicer or termination of this Trust Agreement shall not affect any claims that the Trustee may have against the Master Servicer arising out of the Master Servicer's actions or failure to act prior to any such termination or resignation.

Upon a successor's acceptance of appointment as such, the Master Servicer shall notify by mail the Trustee of such appointment.

Section 8.07 Fees and Other Amounts Payable to the Master Servicer .

The Master Servicer and the Trustee, as successor Master Servicer, shall be entitled to either retain or withdraw from the Master Servicer Account, (a) the Master Servicing Fee, (b) amounts necessary to reimburse itself for any previously unreimbursed Advances and any Advances the Master Servicer deems to be non-recoverable from the related Mortgage Loan proceeds, (c) an aggregate annual amount to indemnify the Master Servicer for amounts due in accordance with Section 8.01(b), 8.11 and 8.12 hereof, and (d) any other amounts that it or the Trustee, as successor Master Servicer is entitled to receive hereunder for reimbursement, indemnification or otherwise. The Master Servicer shall be required to pay all expenses incurred by it in connection with its activities hereunder and shall not be entitled to reimbursement therefor except as provided in this Trust Agreement.

Section 8.08 Merger or Consolidation.

Any Person into which the Master Servicer may be merged or consolidated, or any Person resulting from any merger, conversion, other change in form or consolidation to which the Master Servicer shall be a party, or any Person succeeding to the business of the Master Servicer, shall be the successor to the Master Servicer hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; *provided, however*, that the successor or resulting Person to the Master Servicer shall (a) be a Person (or have an Affiliate) that is qualified and approved to service mortgage loans for Fannie Mae and FHLMC (*provided that* a successor master servicer that satisfies subclause (a) through an Affiliate agrees to service the Mortgage Loans in accordance with all applicable Fannie Mae and FHLMC guidelines) and (b) have a net worth of not less than $25,000,000.

Section 8.09 Resignation and Removal of Master Servicer.

Except as otherwise provided in Sections 8.08 and 8.10 hereof, the Master Servicer shall not resign from the obligations and duties hereby imposed on it unless the Master Servicer's duties hereunder are no longer permissible under applicable law or are in material conflict by reason of applicable law with any other activities carried on by it and cannot be cured. Any such determination permitting the resignation of the Master Servicer shall be evidenced by an Opinion of Counsel that shall be Independent to such effect delivered to the Trustee. No such resignation shall become effective until a successor master servicer shall have been appointed by the Trustee, at the direction of the Depositor, and until such successor shall have assumed, the Master Servicer's responsibilities and obligations under this Trust Agreement. Notice of such resignation shall be given promptly by the Master Servicer and the Depositor to the Trustee.

In the event that the Master Servicer fails to comply with the provisions of Section 3.02, the Depositor may at any such time remove the Master Servicer by written instrument, in duplicate, which instrument shall be delivered to the Master Servicer so removed and to the Trustee. In any such event the Trustee shall appoint a successor master servicer, at the direction of the Depositor, by written instrument, in duplicate, which instrument shall be delivered to the Master Servicer so removed, to the Depositor and to the successor master servicer. If the Trustee and Depositor execute such an instrument, then the Trustee shall deliver copies of such instrument to the Certificateholders and each Servicer.

Section 8.10 Assignment or Delegation of Duties by the Master Servicer.

Except as expressly provided herein, the Master Servicer shall not assign or transfer any of its rights, benefits or privileges hereunder to any other Person, or delegate to or subcontract with, or authorize or appoint any other Person to perform any of the duties, covenants or obligations to be performed by the Master Servicer without the prior written consent of Freddie Mac; *provided, however,* that the Master Servicer shall have the right with the prior written consent of the Trustee and the Depositor (which shall not be unreasonably withheld) and upon delivery to the Trustee and the Depositor of a letter from each Rating Agency to the effect that such action shall not result in a downgrade or withdrawal of the ratings assigned to any of the Certificates, to delegate or assign to or subcontract with or authorize or appoint any qualified Person to perform and carry out any duties, covenants or obligations to be performed and carried out by the Master Servicer hereunder. Notice of such permitted assignment shall be given promptly by the Master Servicer to the Depositor and the Trustee. If, pursuant to any provision hereof, the duties of the Master Servicer are transferred to a successor master servicer, the entire amount of the Master Servicing Fee and other compensation payable to the Master Servicer pursuant hereto shall thereafter be payable to such successor master servicer, but in no event shall the Master Servicing Fee payable to the successor master servicer exceed that payable to the predecessor master servicer.

Section 8.11 Limitation on Liability of the Master Servicer and Others.

Neither the Master Servicer nor any of the directors, officers, employees or agents of the Master Servicer shall be under any liability to the Trustee, the Depositor, the Securities Administrator or the Certificateholders for any action taken or for refraining from the taking of any action in good faith pursuant to this Trust Agreement, or for errors in judgment; *provided, however,* that this provision shall not protect the Master Servicer or any such person against any liability that would otherwise be imposed by reason of willful malfeasance, bad faith or negligence in the performance of its duties or by reason of reckless disregard for its obligations and duties under this Trust Agreement. The Master Servicer and any director, officer, employee or agent of the Master Servicer may rely in good faith on any document *prima facie* properly executed and submitted by any Person respecting any matters arising hereunder. The Master Servicer shall be under no obligation to appear in, prosecute or defend any legal action that is not incidental to its duties as Master Servicer with respect to the Mortgage Loans under this Trust Agreement and that in its opinion may involve it in any expenses or liability; *provided, however,* that the Master Servicer may in its sole discretion undertake any such action that it may deem necessary or desirable in respect to this Trust Agreement and the rights and duties of the parties hereto and the interests of the Certificateholders hereunder. In such event, the legal expenses and costs of such action and any liability resulting therefrom, shall be liabilities of the Trust, and the Master Servicer shall be entitled to be reimbursed therefor out of the Master Servicer Account in accordance with the provisions of Section 8.07 and Section 8.12.

The Master Servicer shall not be liable for any acts or omissions of any Servicer except to the extent that damages or expenses are incurred as a result of such act or omissions and such damages and expenses would not have been incurred but for the negligence, willful malfeasance, bad faith or recklessness of the Master Servicer in supervising, monitoring and overseeing the obligations of each Servicer under this Trust Agreement.

Section 8.12 Indemnification; Third-Party Claims.

The Master Servicer agrees to indemnify the Depositor, the Securities Administrator and the Trustee, and hold them harmless against, any and all claims, losses, penalties, fines, forfeitures, legal fees and related costs, judgments, and any other costs, liability, fees and expenses that the Depositor, the Securities Administrator or the Trustee may sustain as a result of the Master Servicer's willful malfeasance, bad faith or negligence in the performance of its duties hereunder or by reason of its reckless disregard for its obligations and duties under this Trust Agreement. Each of the Depositor, the Securities Administrator and the Trustee shall, immediately upon notice to it, notify the Master Servicer if a claim is made by a third party with respect to this Trust Agreement or the Mortgage Loans which would entitle the Depositor, the Securities Administrator or the Trustee, as the case may be, to indemnification under this Section 8.12, whereupon the Master Servicer shall assume the defense of any such claim and pay all expenses in connection therewith, including counsel fees and expenses, and promptly pay, discharge and satisfy any judgment or decree which may be entered against it or them in respect of such claim.

The Trust will indemnify the Master Servicer and hold it harmless against any and all claims, losses, penalties, fines, forfeitures, legal fees and related costs, judgments, and any other costs, liabilities, fees and expenses that the Master Servicer may incur or sustain in connection with, arising out of or related to this Trust Agreement, any Servicing Agreement, any Assignment Agreement, the Custodial Agreement or the Certificates, except to the extent that any such loss, liability or expense (a) is related to (i) a material breach of the Master Servicer's representations and warranties in the Trust Agreement or (ii) the Master Servicer's willful malfeasance, bad faith or negligence or by reason of its reckless disregard of its duties and obligations under any such agreement or (b) does not constitute an "unanticipated expense" within the meaning of Treasury Regulation Section 1.860G-1(b)(3)(ii). The Master Servicer shall be entitled to reimburse itself for any such indemnified amount from funds on deposit in the Master Servicer Account.

ARTICLE IX

CONCERNING THE TRUSTEE

Section 9.01 Duties of Trustee .

The Trustee, prior to the occurrence of a Master Servicer Event of Default and after the curing of any such Master Servicer Event of Default, undertakes to perform such duties and only such duties as are specifically set forth in the Trust Agreement. Notwithstanding anything to the contrary herein, the appointment by the Trustee of Wells Fargo Bank as Securities Administrator to perform the duties and obligations specifically set forth in Sections 2.03, 3.01, 3.02, 3.03, 3.05, 4.01, 4.03, 4.04, 5.02, 5.03, 5.04, 5.08, 7.01, 7.02 and 10.03 hereof, and any other duties and obligations as may be set forth in a letter agreement between Wells Fargo Bank, and the Trustee, shall not release the Trustee from its duty to perform such duties and obligations hereunder; *provided , however* , that the Trustee shall not be liable for any action or failure to act by the Securities Administrator hereunder. During a Master Servicer Event of Default of which a Responsible Officer of the Trustee has notice, the Trustee shall exercise such of the rights and powers vested in it by the Trust Agreement, and use the same degree of care and skill in its exercise thereof as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

The Trustee upon receipt of all resolutions, certificates, statements, reports, documents, orders or other instruments created by any Person other than itself and furnished to it which are specifically required to be furnished pursuant to any provision of the Trust Agreement, Custodial Agreement, Servicing Agreement, Sale Agreement or Assignment Agreement shall examine them to determine whether they conform on their face to the requirements of such agreement; *provided, however,* that the Trustee shall not be under any duty to recalculate, verify or recompute the information provided to it hereunder by any Servicer or the Depositor. If any such instrument is found not to conform to the requirements of such agreement in a material manner, the Trustee shall take action as it deems appropriate to have the instrument corrected, and if the instrument is not corrected to its satisfaction, then it will provide notice thereof to the other parties hereto and to the Certificateholders.

No provision of the Trust Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct; *provided, however,* that:

(a) Prior to the occurrence of any Master Servicer Event of Default and after the curing of all of such Events of Default, the respective duties and obligations of the Trustee shall be determined solely by the express provisions of the Trust Agreement (including the obligation of the Trustee to enforce each Custodial Agreement against the related Custodian, each Sale Agreement against the related Seller, each Assignment Agreement against GSMC and otherwise to act as owner under such agreements for the benefit of the Certificateholders), the Trustee shall not be liable except for the performance of the respective duties and obligations as are specifically set forth in the Trust Agreement, no implied covenants or obligations shall be read into the Trust Agreement against the Trustee and, in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee that conform to the requirements of the Trust Agreement;

(b) The Trustee shall not be personally liable for an error of judgment made in good faith by an Officer of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(c) The Trustee shall not be personally liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with the direction of Holders of Certificates entitled to at least 25% of the Voting Rights relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under the Trust Agreement;

(d) Any determination of negligence, bad faith, willful misconduct or breach of conduct of the Trustee shall be made only upon a finding that there is clear and convincing evidence (and not upon the mere preponderance of evidence) thereof in a proceeding before a court of competent jurisdiction in which the Trustee has had an opportunity to defend; and

(e) In no event shall the Trustee be held liable for the actions or omissions of the Master Servicer, Securities Administrator, any Servicer or Custodian (excepting the Trustee's own actions as Servicer or Custodian).

Section 9.02 Certain Matters Affecting the Trustee.

(a) Except as otherwise provided in Section 9.01 hereof:

(i) The Trustee may request and rely and shall be protected in acting or refraining from acting upon any resolution, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Further, the Trustee may accept a copy of the vote of the Board of Directors of any party certified by its clerk or assistant clerk or secretary or assistant secretary as conclusive evidence of the authority of any person to act in accordance with such vote, and such vote may be considered as in full force and effect until receipt by the Trustee of written notice to the contrary;

(ii) The Trustee may, in the absence of bad faith on its part, rely upon a certificate of an Officer of the appropriate Person whenever in the administration of the Trust Agreement the Trustee shall deem it desirable that a matter be proved or established (unless other evidence be herein specifically prescribed) prior to taking, suffering or omitting any action hereunder;

(iii) The Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or Opinion of Counsel;

(iv) The Trustee shall not be under any obligation to exercise any of the trusts or powers vested in it by the Trust Agreement or to institute, conduct or defend any litigation thereunder or in relation thereto at the request, order or direction of any of the Certificateholders, pursuant to the provisions of the Trust Agreement, unless such Certificateholders shall have offered to the Trustee security or indemnity reasonably satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby;

(v) The Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Trust Agreement;

(vi) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing to do so by Holders of Certificates entitled to at least 25% of the Voting Rights; *provided, however,* that if the payment reasonably satisfactory to it within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee not assured to the Trustee by the security afforded to it by the terms of the Trust Agreement, the Trustee may require indemnity reasonably satisfactory to it against such expense or liability as a condition to taking any such action;

(vii) The Trustee may execute any of the trusts or powers under the Trust Agreement or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it under the Trust Agreement, provided that any agent appointed by the Trustee hereunder shall be entitled to all of the protections of the Trustee under this Agreement including, without limitation, the indemnification provided for under Section 9.05 hereof;

(viii) Whenever the Trustee is authorized herein to require acts or documents in addition to those required to be provided it in any matter, it shall be under no obligation to make any determination whether or not such additional acts or documents should be required unless obligated to do so under Section 9.01;

(ix) The permissive right or authority of the Trustee to take any action enumerated in this Agreement shall not be construed as a duty or obligation;

(x) The Trustee shall not be deemed to have notice of any matter, including without limitation any Event of Default, unless one of its Responsible Officers has actual knowledge thereof or unless written notice thereof is received by the Trustee at its Corporate Trust Office and such notice references the applicable Certificates generally, the applicable Servicer or Seller, the Trust or this Agreement;

(xi) The Trustee shall not be required to expend or risk its own funds or otherwise incur financial liability for the performance of any of its duties hereunder or the exercise of any of its rights or powers (except with respect to its obligation to make Monthly Advances as successor Master Servicer pursuant hereto) if there is reasonable ground for believing that the repayment of such funds or indemnity reasonably satisfactory to it against such risk or liability is not assured to it, and none of the provisions contained in this Agreement shall in any event require the Trustee to perform, or be responsible for the manner of performance of, any of the obligations of the Securities Administrator, any Servicer or the Master Servicer under this Agreement except with respect to the Trustee's obligation to make Monthly Advances pursuant hereto as successor Master Servicer or any successor master servicer under this Agreement and during such time, if any, as the Trustee shall be the successor to, and be vested with the rights, duties, powers and privileges of the Master Servicer in accordance with the terms of this Agreement;

(xii) Subject to the other provisions of this Agreement and without limiting the generality of this Section 9.02, the Trustee shall not have any duty (A) to see to any recording, filing or depositing of this Agreement or any agreement referred to herein or any financing statement or continuation statement evidencing a security interest, or to see the maintenance of any such recording of filing or depositing or to any rerecording, refiling or redepositing any thereof, (B) to see to any insurance, (C) to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Trust Estate other than from funds available in the Certificate Account, or (D) to confirm or verify the contents of any reports or certificates of any Servicer delivered to the Trustee pursuant to this Agreement believed by the Trustee to be genuine and to have been signed or presented by the proper party or parties;

(xiii) The Trustee shall not be required to give any bond or surety in respect of the execution of the Trust Estate created hereby or the powers granted hereunder; and

(xiv) Anything in this Agreement to the contrary notwithstanding, in no event shall the Trustee be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(b) All rights of action under the Trust Agreement or under any of the Certificates, enforceable by the Trustee may be enforced by it without the possession of any of the Certificates, or the production thereof at the trial or other proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Holders of such Certificates, subject to the provisions of the Trust Agreement. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders in respect of which such judgment has been recovered.

Section 9.03 Trustee Not Liable for Certificates or Mortgage Loans .

The recitals contained in the Trust Agreement and in the Certificates (other than the signature of the Trustee, the acknowledgments by the Trustee in Section 2.02 hereof and the representations and warranties made in Section 9.13 hereof) shall be taken as the statements of the Depositor, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations or warranties as to the validity or sufficiency of the Trust Agreement, any Supplemental Trust Agreement or of the Certificates (other than the signature of the Trustee on the Certificates) or of any Mortgage Loan or related document. The Trustee shall not be accountable for the use or application by the Depositor of any of the Certificates or of the proceeds of such Certificates, or for the use or application of any funds paid to the Depositor in respect of the Mortgage Loans or deposited in or withdrawn from any Collection Account, the Master Servicer Account or the Certificate Account or Collection Account other than any funds, if any, held by the Trustee in accordance with Sections 3.01 and 3.02 or as owner of the Regular Interests of any REMIC.

Section 9.04 Trustee May Own Certificates .

The Trustee in its individual capacity or any other capacity may become the owner or pledgee of Certificates with the same rights it would have if it were not Trustee.

Section 9.05 Trustee’s Fees and Expenses and Indemnification .

Pursuant to the Trust Agreement, the Trustee shall be paid by the Securities Administrator. The Trustee shall be entitled to reimbursement for all reasonable expenses and disbursements incurred or made by the Trustee in accordance with any of the provisions of the Trust Agreement (including but not limited to the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence, bad faith, willful misconduct or breach of contract by the Trustee. The Trustee and any director, officer, employee or agent of the Trustee shall be indemnified and held harmless by the Trust against any loss, liability or expense thereof, including reasonable attorney’s fees and expenses, incurred, arising out of or in connection with the Trust Agreement, any Custodial Agreement, any Supplemental Trust Agreement or the Certificates, including, but not limited to, any such loss, liability, or expense including counsel fees and expenses, incurred in connection with any legal action against the Trust or the Trustee or any director, officer, employee or agent thereof, or the performance of any of the Trustee’s duties under the Trust Agreement other than any loss, liability or expense incurred by reason of willful misfeasance, bad faith, negligence, willful misconduct or breach of contract in the performance of duties under the Trust Agreement or by reason of reckless disregard of obligations and duties under the Trust Agreement or that do not constitute “unanticipated expenses” within the meaning of Treasury Regulation Section 1.860G-1(b)(3)(ii). The provisions of this Section 9.05 shall survive the resignation or removal of the Trustee and the termination of this Agreement.

Section 9.06 Eligibility Requirements for Trustee .

The Trustee shall at all times be a corporation or national banking association that is not an Affiliate of the Depositor organized and doing business under the laws of any state or the United States of America, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by federal or state authority. If such corporation publishes reports of its conditions at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of conditions so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, the Trustee shall resign immediately in the manner and with the effect specified in Section 9.07.

Section 9.07 Resignation and Removal of the Trustee .

The Trustee may at any time resign and be discharged from the trusts created pursuant to the Trust Agreement by giving sixty (60) days prior written notice thereof to the Depositor, the Master Servicer and to all Certificateholders. Upon receiving such notice of resignation, the Depositor shall promptly appoint a successor trustee by written instrument, in triplicate, which instrument shall be delivered to the resigning Trustee and to the successor trustee. A copy of such instrument shall be delivered to the Depositor, the Certificateholders, the Master Servicer, the Securities Administrator and each Servicer by the Depositor. If no successor trustee shall have been so appointed and have accepted appointment within thirty (30) days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor trustee.

The Depositor may at any time remove the Trustee and appoint a successor trustee upon sixty (60) days prior written notice, in duplicate, which instrument shall be delivered to the Trustee so removed and to the successor trustee. If the Depositor executes such an instrument, then the Depositor shall deliver a copy of such instrument to the Certificateholders, the Trustee, the Master Servicer, the Securities Administrator and each Servicer.

The Holders of Certificates entitled to at least 51% of the Voting Rights may at any time remove the Trustee and appoint a successor trustee by written instrument or instruments, in triplicate, signed by such Holders or their attorneys-in-fact duly authorized, one complete set of which instruments shall be delivered to each of the Depositor, the Trustee so removed and the successor trustee so appointed. A copy of such instrument shall be delivered to the Certificateholders, the Master Servicer, the Securities Administrator and each Servicer and Seller by the Depositor.

Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section shall not become effective until acceptance of appointment by the successor trustee as provided in Section 9.08 hereof.

Section 9.08 Successor Trustee .

Any successor trustee appointed as provided in Section 9.07 shall execute, acknowledge and deliver to the Depositor and to the predecessor trustee an instrument accepting such appointment under the Trust Agreement and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor thereunder, with the like effect as if originally named as trustee therein. The predecessor trustee shall deliver to the successor trustee all Trustee Mortgage Loan Files and related documents and statements held by it under the Trust Agreement and the Depositor and the predecessor trustee shall execute and deliver such instruments and do such other things as may reasonably be required for more fully and certainly vesting and confirming in the successor trustee, all such rights, powers, duties and obligations.

No successor trustee shall accept appointment as provided in this Section unless at the time of such acceptance such successor trustee shall be eligible under the provisions of Section 9.06 hereof.

Upon acceptance of appointment by a successor trustee as provided in this Section, the Depositor shall mail notice of the succession of such trustee under the Trust Agreement to all Holders of Certificates at their addresses as shown in the Certificate Register. If the Depositor fails to mail such notice within ten (10) days after acceptance of appointment by the successor trustee, the Trustee shall cause such notice to be mailed at the expense of the Depositor.

Notwithstanding anything to the contrary contained herein, the appointment of any successor Trustee pursuant to any provisions of this Agreement will be subject to the prior written consent of the Trustee, which consent will not be unreasonably withheld.

Section 9.09 Merger or Consolidation of Trustee .

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to the corporate trust business of the Trustee shall be the successor of the Trustee under the Trust Agreement, *provided* such corporation shall be eligible under the provisions of Section 9.06, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 9.10 Appointment of Co-Trustee or Separate Trustee .

For the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust or property securing the same may at the time be located, the Depositor and the Trustee acting jointly shall have the power and shall execute and deliver all instruments to appoint one or more Persons approved by the Trustee to act as co-trustee or co-trustees, jointly with the Trustee, or separate trustee or trustees, of all or any part of the Trust, and to vest in such Person or Persons, in such capacity, such title to the Trust, or any part thereof, and, subject to the other provisions of this Section 9.10, such powers, duties, obligations, rights and trusts as the Depositor and the Trustee may consider necessary or desirable. If the Depositor shall not have joined in such appointment within fifteen (15) days after the receipt by it of a request so to do, the Trustee alone shall have the power to make such appointment. No co-trustee or separate trustee(s) hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 9.06 hereof and no notice to Holders of Certificates of the appointment of co-trustee (s) or separate trustee(s) shall be required under Section 9.08 hereof.

In the case of any appointment of a co-trustee or separate trustee pursuant to this Section 9.10 all rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee and such separate trustee or co-trustee jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Trust or any portion thereof in any such jurisdiction) shall be exercised and performed by such separate trustee or co-trustee at the direction of the Trustee.

Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to the Trust Agreement and the conditions of this Article IX. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Trustee or separately, as may be provided therein, subject to all the provisions of the Trust Agreement, specifically including every provision of the Trust Agreement relating to the conduct of, affecting the liability of, or affording protection to, the Trustee. Every such instrument shall be filed with the Trustee. No trustee (including the Trustee) shall be responsible for the actions of any co-trustee.

Any separate trustee or co-trustee may, at any time, constitute the Trustee, its agent or attorney-in-fact, with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of the Trust Agreement on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 9.11 Appointment of Custodians .

The Trustee may appoint one or more Custodians to hold all or a portion of the Trustee Mortgage Loan Files as agent for the Trustee. The appointment of any Custodian may at any time be terminated and a substitute custodian appointed therefor by the Trustee. Subject to this Article IX, the Trustee agrees to comply with the terms of each Custodial Agreement related to such appointment and to enforce the terms and provisions thereof against the Custodians for the benefit of the Certificateholders. Each Custodian shall be a depository institution or trust company subject to supervision by federal or state authority, shall have combined capital and surplus of at least $10,000,000 and shall be qualified to do business in the jurisdiction in which it holds any Trustee Mortgage Loan File. The Trustee shall not be responsible or liable for the acts or omissions of any Custodian appointed by it hereunder (except for a Custodian which is an affiliate of the Trustee). Any indemnification due a Custodian under a Custodial Agreement shall be an obligation of the Purchaser, as stated in such Custodial Agreement.

Section 9.12 Appointment of Officer or Agent.

The parties hereto hereby acknowledge, and the Certificateholders by acceptance of their Certificates shall be deemed to acknowledge, that the Trustee may delegate or assign to or subcontract with or authorize or appoint any qualified Person to perform and carry out certain non-fiduciary duties or obligations relating to the administration of the Trust; *provided*, *however* , in no event shall any such delegation, assignment, authorization or appointment relieve the Trustee of its liability with regard to any fiduciary duties or obligations hereunder. Any such agent shall nevertheless be entitled to all the rights, benefits and protections afforded to the Trustee under Article IX, to the extent assigned to any such agent by the Trustee.

Section 9.13 Representation and Warranties of the Trustee.

The Trustee hereby represents and warrants to the Depositor that as of the Closing Date or as of such other date specifically provided herein:

(a) It is a national banking association and has been duly organized, and is validly existing in good standing under the laws of the United States of America with full power and authority (corporate and other) to enter into and perform its obligations under the Trust Agreement;

(b) The Trust Agreement has been duly executed and delivered by it, and, assuming due authorization, execution and delivery by the Depositor and the other parties hereto, constitutes a legal, valid and binding agreement of such entity, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law;

(c) The execution, delivery and performance by it of the Trust Agreement and the consummation of the transactions contemplated thereby do not require the consent or approval of, the giving of notice to, the registration with, or the taking of any other action in respect of, any state, federal or other governmental authority or agency, except such as has been obtained, given, effected or taken prior to the date thereof;

(d) The execution and delivery of this Trust Agreement by it have been duly authorized by all necessary corporate action on its part; neither the execution and delivery by it of the Trust Agreement, consummation of the transactions therein contemplated, nor compliance by it with the provisions thereof, will conflict with or result in a breach of, or constitute a default under, any of the provisions of its articles of organization or by-laws or any law, governmental rule or regulation or any judgment, decree or order binding on it to its knowledge or any of its properties, or any of the provisions of any indenture, mortgage, deed of trust, contract or other instrument to which it is a party or by which it is bound;

(e) There are no actions, suits or proceedings pending or, to its knowledge, threatened or asserted against it, before or by any court, administrative agency, arbitrator or governmental body (i) with respect to any of the transactions contemplated by the Trust Agreement or (ii) with respect to any other matter which in its judgment will be determined adversely to it and will if determined adversely to it materially adversely affect its ability to perform its obligations under the Trust Agreement ; and

(f) It meets all of the eligibility requirements set forth in Section 9.06 hereof.

ARTICLE X

TERMINATION OF TRUST

Section 10.01 Qualified Liquidation .

The Provisions of this Article X are subject to the requirement that any termination shall be a “qualified liquidation” of each associated REMIC unless 100% of the affected holders of interests in each such REMIC have consented to waive such requirements. For this purpose “affected holders” shall mean each holder of a regular or residual interest which would likely receive a smaller amount in final distributions if the termination were not a “qualified liquidation” and such REMIC owed taxes as a result hereof.

Section 10.02 Termination .

The party designated in Section 4.03 of the Trust Agreement may, at its option, make or cause a Person to make a Terminating Purchase for the Termination Price at the time and on the terms and conditions specified in the Trust Agreement. Upon such Terminating Purchase or the final payment or other liquidation (or any advance with respect thereto) of the last Mortgage Loan remaining in the Trust or the disposition of the last REO Property remaining in the Trust, the respective obligations and responsibilities under the Trust Agreement of the Depositor, the Master Servicer, the Trustee and the Securities Administrator shall terminate upon payment to the Certificateholders of all amounts held by or on behalf of the Securities Administrator and required hereunder to be so paid and upon deposit of unclaimed funds otherwise distributable to Certificateholders in the Termination Account. Notwithstanding the foregoing, in no event shall the Trust created hereby continue beyond the expiration of twenty-one (21) years from the death of the last survivor of the descendants of Joseph P. Kennedy, the late ambassador of the United States to the Court of St. James, living on the date hereof.

The Trust also may be terminated and the Certificates retired if the Securities Administrator determines, based upon an Opinion of Counsel, that the REMIC status of any related REMIC has been lost or that a substantial risk exists that such REMIC status will be lost for the then-current taxable year.

Section 10.03 Procedure for Termination .

The party designated in Section 4.03 of the Trust Agreement shall advise the Securities Administrator in writing of its election to cause a Terminating Purchase, no later than the Distribution Date in the month preceding the Distribution Date on which the Terminating Purchase will occur.

Notice of the Distribution Date on which any such termination shall occur (or the Distribution Date on which final payment or other Liquidation of the last Mortgage Loan remaining in the Trust or the disposition of the last REO Property remaining in the Trust will be distributed to Certificateholders, as reflected in the Remittance Report for such month (the " Final Distribution Date ") shall be given promptly by the Securities Administrator by letter to Certificateholders mailed (a) in the event such notice is given in connection with a Terminating Purchase, not earlier than the 15th day of the month preceding such final distribution and not later than the 5 th day of the month of such final distribution or (b) otherwise during the month of such final distribution on or before the Servicer Remittance Date in such month, in each case specifying (i) the Final Distribution Date and that final payment of the Certificates will be made upon presentation and surrender of Certificates at the office of the Securities Administrator therein designated on that date, (ii) the amount of any such final payment and (iii) that the Record Date otherwise applicable to such Final Distribution Date is not applicable, payments being made only upon presentation and surrender of the Certificates at the office of the Securities Administrator. The Securities Administrator shall give such notice to the Certificate Registrar at the time such notice is given to Certificateholders. In the event such notice is given in connection with a Terminating Purchase, the purchaser shall deliver to the Securities Administrator for deposit in the Certificate Account on the Business Day immediately preceding the Final Distribution Date an amount in next day funds equal to the Termination Price, as the case may be.

Upon presentation and surrender of the Certificates on a Distribution Date by Certificateholders, the Securities Administrator shall distribute to Certificateholders (a) the amount otherwise distributable on such Distribution Date, if not in connection with Terminating Purchase, or (b) if in connection with a Terminating Purchase, an amount determined as follows: with respect to each Certificate with an outstanding Certificate Balance, the outstanding Certificate Balance thereof, *plus* interest thereon through the Accounting Date preceding the Distribution Date fixed for termination and any previously unpaid interest, net of unrealized losses, Realized Interest Shortfall and Shortfall with respect thereto; and in addition, with respect to each Residual Certificate, the Percentage Interest evidenced thereby multiplied by the difference between the Termination Price and the aggregate amount to be distributed as provided in the first clause of this sentence.

Upon the receipt of a request for release from the Master Servicer, the applicable Custodian shall promptly release to the purchaser the Trustee Mortgage Loan Files for the remaining Mortgage Loans and shall execute all assignments, endorsements and other instruments without recourse necessary to effectuate such transfer. The Trust shall terminate immediately following the deposit of funds in the Termination Account as provided below.

In the event that all of the Certificateholders shall not surrender their Certificates within six months after the Final Distribution Date specified in the above-mentioned written notice, the Securities Administrator shall give a second written notice to the remaining Certificateholders to surrender their Certificates and receive the final distribution with respect thereto, net of the cost of such second notice. If within one year after the second notice all the Certificates shall not have been surrendered for cancellation, the Securities Administrator may take appropriate steps, or may appoint an agent to take appropriate steps, to contact the remaining Certificateholders concerning surrender of their Certificates, and the cost thereof shall be paid out of the amounts otherwise payable on such Certificates. Any funds payable to Certificateholders that are not distributed on the Final Distribution Date shall be deposited in a Termination Account, which shall be an Eligible Account, to be held for the benefit of Certificateholders not presenting and surrendering their Certificates in the aforesaid manner, and shall be disposed of in accordance with this Section. The Securities Administrator shall establish the Termination Accounts, which shall be Eligible Accounts, on or about the Closing Date.

Section 10.04 Additional Termination Requirements.

(a) In the event of a Terminating Purchase as provided in Section 10.02, the Trust shall be terminated in accordance with the following additional requirements, unless the Securities Administrator and the Trustee receive (i) a Special Tax Opinion and (ii) a Special Tax Consent from each of the Holders of the Residual Certificates (unless the Special Tax Opinion specially provides that no REMIC-level tax will result from the Terminating Purchase):

(i) Within ninety (90) days prior to the Final Distribution Date, the Depositor and the Trustee on behalf of the related REMIC shall adopt a plan of complete liquidation meeting the requirements of a qualified liquidation under the REMIC Provisions (which plan may be adopted by the Securities Administrator's attachment of a statement specifying the first day of the 90-day liquidation period to the REMIC's final federal income tax return) and the REMIC will sell all of its assets (other than cash);

(ii) Upon making final payment on the Regular Certificates or the deposit of any unclaimed funds otherwise distributable to the holders of the Regular Certificates in the Termination Account on the Final Distribution Date, the Securities Administrator shall distribute or credit, or cause to be distributed or credited, *pro rata* , to the Holders of the Residual Certificates representing ownership of the residual interest in such REMIC all cash on hand relating to such REMIC after such final payment (other than cash retained to meet claims), and such REMIC shall terminate at that time; and

(iii) In no event may the final payment on the Certificates be made after the 90th day from the date on which the plan of complete liquidation is adopted. A payment into the Termination Account with respect to any Certificate pursuant to Section 10.03 shall be deemed a final payment on, or final distribution with respect to, such Certificate for the purposes of this clause.

(b) By its acceptance of a Residual Certificate, the Holder thereof hereby (i) authorizes such action as may be necessary to adopt a plan of complete liquidation of any related REMIC and (ii) agrees to take such action as may be necessary to adopt a plan of complete liquidation of any related REMIC upon the written request of the Trustee, which authorization shall be binding upon all successor Holders of Residual Certificates.

ARTICLE XI

CONCERNING THE SECURITIES ADMINISTRATOR

Section 11.01 Certain Matters Affecting the Securities Administrator.

(a) Except as otherwise provided herein:

(i) The Securities Administrator may rely and shall be protected in acting or refraining from acting upon any resolution, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Further, the Securities Administrator may accept a copy of the vote of the board of directors of any party certified by its clerk or assistant clerk or secretary or assistant secretary as conclusive evidence of the authority of any person to act in accordance with such vote, and such vote may be considered as in full force and effect until receipt by the Securities Administrator of written notice to the contrary;

(ii) The Securities Administrator may, in the absence of bad faith on its part, rely upon a certificate of an Officer of the appropriate Person whenever in the administration of the Trust Agreement the Securities Administrator shall deem it desirable that a matter be proved or established (unless other evidence be herein specifically prescribed) prior to taking, suffering or omitting any action hereunder;

(iii) The Securities Administrator may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such written advice or Opinion of Counsel;

(iv) The Securities Administrator shall not be under any obligation to exercise any of the trusts or powers vested in it by the Trust Agreement or to institute, conduct or defend any litigation thereunder or in relation thereto at the request, order or direction of any of the Certificateholders, pursuant to the provisions of the Trust Agreement, unless such Certificateholders shall have offered to the Securities Administrator reasonable security or indemnity against the costs, expenses and liabilities which may be incurred therein or thereby;

(v) The Securities Administrator shall not be personally liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Trust Agreement;

(vi) The Securities Administrator shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing to do so by Holders of Certificates entitled to at least 25% of the Voting Rights; provided, however, that if the payment within a reasonable time to the Securities Administrator of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Securities Administrator not assured to the Securities Administrator by the security afforded to it by the terms of the Trust Agreement, the Securities Administrator may require indemnity against such expense or liability as a condition to taking any such action;

(vii) The Securities Administrator may execute any of the trusts or powers under the Trust Agreement or perform any duties hereunder either directly or by or through agents or attorneys, and the Securities Administrator shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it under the Trust Agreement, provided that any agent appointed by the Securities Administrator hereunder shall be entitled to all of the protections of the Securities Administrator under this Agreement;

(viii) Whenever the Securities Administrator is authorized herein to require acts or documents in addition to those required to be provided it in any matter, it shall be under no obligation to make any determination whether or not such additional acts or documents should be required unless obligated to do so hereunder;

(ix) The permissive right or authority of the Securities Administrator to take any action enumerated in this Agreement shall not be construed as a duty or obligation;

(x) The Securities Administrator shall not be deemed to have notice of any matter, including without limitation any Event of Default, unless one of its Responsible Officers has actual knowledge thereof or unless written notice thereof is received by the Securities Administrator at its Corporate Trust Office and such notice references the applicable Certificates generally, the applicable Servicer or Seller, the Trust or this Agreement;

(xi) The Securities Administrator shall not be required to expend or risk its own funds or otherwise incur financial liability for the performance of any of its duties hereunder or the exercise of any of its rights or powers if there is reasonable ground for believing that the repayment of such funds or adequate indemnity against such risk or liability is not assured to it, and none of the provisions contained in this Agreement shall in any event require the Securities Administrator to perform, or be responsible for the manner of performance of, any of the obligations of any Servicer or the Master Servicer under this Agreement;

(xii) Subject to the other provisions of this Agreement and without limiting the generality of this Section 11.01, the Securities Administrator shall not have any duty (A) to see to any recording, filing or depositing of this Agreement or any agreement referred to herein or any financing statement or continuation statement evidencing a security interest, or to see the maintenance of any such recording of filing or depositing or to any rerecording, refiling or redepositing any thereof, (B) to see to any insurance, (C) to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Trust Estate other than from funds available in the Certificate Account, or (D) to confirm or verify the contents of any reports or certificates of any Servicer delivered to the Securities Administrator pursuant to this Agreement believed by the Securities Administrator to be genuine and to have been signed or presented by the proper party or parties;

(xiii) The Securities Administrator shall not be required to give any bond or surety in respect of the execution of the Trust Estate created hereby or the powers granted hereunder; and

(xiv) Anything in this Agreement to the contrary notwithstanding, in no event shall the Securities Administrator be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Securities Administrator has been advised of the likelihood of such loss or damage and regardless of the form of action.

(b) All rights of action under the Trust Agreement or under any of the Certificates, enforceable by the Securities Administrator may be enforced by it without the possession of any of the Certificates, or the production thereof at the trial or other proceeding relating thereto, and any such suit, action or proceeding instituted by the Securities Administrator shall be brought in name of the Trustee for the benefit of all the Holders of such Certificates, subject to the provisions of the Trust Agreement. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Securities Administrator, its agents and counsel, be for the ratable benefit of the Holders in respect of which such judgment has been recovered.

(c) On or before March 15 of each year, commencing in March 2008, the Securities Administrator, at its own expense, shall furnish, and each such party shall cause any Servicing Function Participant engaged by it to furnish, each at its own expense, to the Securities Administrator and the Depositor, a report on an assessment of compliance with the Relevant Servicing Criteria that contains (i) a statement by such party of its responsibility for assessing compliance with the Servicing Criteria, (ii) a statement that such party used the Servicing Criteria to assess compliance with the Relevant Servicing Criteria, (iii) such party's assessment of compliance with the Relevant Servicing Criteria as of and for the fiscal year covered by the Form 10-K required to be filed pursuant to Section 3.02(e), including, if there has been any material instance of noncompliance with the Relevant Servicing Criteria, a discussion of each such failure and the nature and status thereof, and (iv) a statement that a registered public accounting firm has issued an attestation report on such party's assessment of compliance with the Relevant Servicing Criteria as of and for such period.

Promptly after receipt of each such report on assessment of compliance, (i) the Depositor shall review each such report and, if applicable, consult with the Master Servicer, the Securities Administrator and any Servicing Function Participant engaged by such parties as to the nature of any material instance of noncompliance with the Relevant Servicing Criteria by each such party, and (ii) the Securities Administrator shall confirm that the assessments, taken as a whole, address all of the Servicing Criteria and, taken individually, address the Relevant Servicing Criteria for each party as set forth on Exhibit J and on any similar exhibit set forth in each Servicing Agreement and each Custodial Agreement in respect of the applicable Servicer or Custodian and notify the Depositor of any exceptions. None of such parties shall be required to deliver any such assessment until April 15 in any given year if such party has received written confirmation from the Depositor that a Form 10-K is not required to be filed in respect of the Trust for the preceding calendar year.

(d) On or before March 15 of each year, commencing in March 2008, the Securities Administrator, at its own expense, shall cause, and shall cause any Servicing Function Participant engaged by it to cause, each at its own expense, a registered public accounting firm (which may also render other services to the Securities Administrator, or such other Servicing Function Participants, as the case may be) that is a member of the American Institute of Certified Public Accountants to furnish a report to the Depositor (and, in the case of any other Servicing Function Participant, the Master Servicer) to the effect that (i) it has obtained a representation regarding certain matters from the management of such party, which includes an assertion that such party has complied with the Relevant Servicing Criteria, and (ii) on the basis of an examination conducted by such firm in accordance with standards for attestation engagements issued or adopted by the PCAOB, it is expressing an opinion as to whether such party's compliance with the Relevant Servicing Criteria was fairly stated in all material respects, or it cannot express an overall opinion regarding such party's assessment of compliance with the Relevant Servicing Criteria. In the event that an overall opinion cannot be expressed, such registered public accounting firm shall state in such report why it was unable to express such an opinion. Such report must be available for general use and not contain restricted use language.

Promptly after receipt of such report from the Securities Administrator or any Servicing Function Participant engaged by such parties, (i) the Depositor shall review the report and, if applicable, consult with or cause the Master Servicer to consult with such parties as to the nature of any defaults by such parties, in the fulfillment of any of each such party's obligations hereunder or under any other applicable agreement and (ii) the Securities Administrator shall confirm that each assessment submitted pursuant to Section 8.01(e) or Section 11.01(c) is coupled with an attestation meeting the requirements of this Section and shall notify the Depositor of any exceptions. Neither the Securities Administrator nor any Servicing Function Participant shall be required to deliver any such assessment until April 15 in any given year if such party has received written confirmation from the Depositor that a Form 10-K is not required to be filed in respect of the Trust for the preceding calendar year.

(e) The Securities Administrator shall give prior written notice to the Depositor of the appointment of any Subcontractor by it and a written description (in form and substance satisfactory to the Depositor) of the role and function of each Subcontractor utilized by the Securities Administrator, specifying (i) the identity of each such Subcontractor and (ii) which elements of the servicing criteria set forth under Item 1122(d) of Regulation AB will be addressed in assessments of compliance provided by each such Subcontractor.

(f) The Securities Administrator shall notify the Depositor and the Sponsor within five (5) days of its gaining knowledge thereof (i) of any legal proceedings pending against the Securities Administrator of the type described in Item 1117 (§ 229.1117) of Regulation AB, (ii) of any merger, consolidation or sale of substantially all of the assets of the Securities Administrator and (iii) if the Securities Administrator shall become (but only to the extent not previously disclosed) at any time an affiliate of any of the Depositor, any Servicer, any Originator contemplated by Item 1110 (§ 229.1110) of Regulation AB, any significant obligor contemplated by Item 1112 (§ 229.1112) of Regulation AB, any enhancement or support provider contemplated by Items 1114 or 1115 (§§ 229.1114-1115) of Regulation AB or any successor thereto or any other material party to the Trust Fund contemplated by Item 1100(d)(1) (§ 229.1100(d)(1)) of Regulation AB, as applicable, and identified as such to the Securities Administrator.

Section 11.02 Securities Administrator Not Liable for Certificates or Mortgage Loans.

The recitals contained in the Trust Agreement and in the Certificates (other than the signature of the Securities Administrator and the representations and warranties made in Section 11.07 hereof) shall be taken as the statements of the Depositor, and the Securities Administrator assumes no responsibility for their correctness. The Securities Administrator makes no representations or warranties as to the validity or sufficiency of the Trust Agreement, any Supplemental Trust Agreement or of the Certificates (other than the signature of the Securities Administrator on the Certificates) or of any Mortgage Loan or related document. The Securities Administrator shall not be accountable for the use or application by the Depositor of any of the Certificates or of the proceeds of such Certificates, or for the use or application of any funds paid to the Depositor in respect of the Mortgage Loans or deposited in or withdrawn from any Collection Account, the Master Servicer Account or the Certificate Account other than any funds held by or on behalf of the Securities Administrator in accordance with Sections 3.01 and 3.05.

Section 11.03 Securities Administrator May Own Certificates.

The Securities Administrator in its individual capacity or any other capacity may become the owner or pledgee of Certificates with the same rights it would have if it were not Securities Administrator.

Section 11.04 Securities Administrator's Fees, Expenses and Indemnification.

The Securities Administrator shall be entitled to reimbursement for all reasonable expenses and disbursements incurred or made by the Securities Administrator in accordance with any of the provisions of the Trust Agreement (including but not limited to the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ) except any such expense, disbursement or advance as may arise from its negligence, bad faith, willful misconduct or breach of contract by the Securities Administrator or any expense that does not constitute an "unanticipated expense" with the meaning of Treasury Regulation Section 1.860G-1(b)(3)(ii). On each Distribution Date, the Securities Administrator may withdraw from the amount on deposit in the REMIC I Distribution Account, its expenses (in accordance with this agreement). The Securities Administrator, each Custodian and any director, officer, employee or agent of the Securities Administrator and each Custodian shall be indemnified and held harmless by the Trust against any loss, liability or expense thereof, including reasonable attorney's fees and expenses, incurred, arising out of or in connection with the Trust Agreement, any custodial agreement, any Supplemental Trust Agreement or the Certificates, including, but not limited to, any such loss, liability, or expense incurred in connection with any legal action against the Trust, such Custodian or the Securities Administrator or any director, officer, employee or agent thereof, or the performance of any of the Securities Administrator's or Custodian's duties under the Trust Agreement, any custodial agreement or any Supplemental Trust Agreement other than any loss, liability or expense incurred by reason of willful misfeasance, bad faith, negligence, willful misconduct or breach of contract (except with respect to a Custodian) in the performance of its respective duties under the Trust Agreement, any custodial agreement or any Supplemental Trust Agreement or by reason of reckless disregard of obligations and duties under the Trust Agreement, any custodial agreement or any Supplemental Trust Agreement or any expense that does not constitute an "unanticipated expense" with the meaning of Treasury Regulation Section 1.860G-1(b)(3)(ii). The Securities Administrator hereby agrees to pay the fees and expenses of the Custodians pursuant to the terms of a separate agreement between each Custodian and the Securities Administrator and the payment of such fees and expenses (as set forth in such separate agreement) shall be the sole obligation of the Securities Administrator; provided, however, that the Depositor shall pay any indemnified amounts to the Custodians. The provisions of this Section 11.04 shall survive (a) the termination of the Trust Agreement, any custodial agreement or any Supplemental Trust Agreement and (b) the resignation or removal of the Securities Administrator or a Custodian, as the case may be.

Section 11.05 Resignation and Removal of the Securities Administrator.

The Securities Administrator may at any time resign and be discharged from the trusts created pursuant to the Trust Agreement and any Supplemental Trust Agreement by giving written notice thereof to the Depositor, the Master Servicer, the Trustee and to all Certificateholders. Upon receiving such notice of resignation, the Trustee shall promptly appoint a successor securities administrator (which may be the Trustee) by written instrument, in triplicate, which instrument shall be delivered to the resigning Securities Administrator and to the successor securities administrator. A copy of such instrument shall be delivered to the Depositor, the Certificateholders and each Servicer by the Trustee. If no successor securities administrator shall have been so appointed and have accepted appointment within sixty (60) days after the giving of such notice of resignation, the resigning Securities Administrator may petition any court of competent jurisdiction for the appointment of a successor securities administrator.

The Trustee may at any time remove the Securities Administrator and appoint a successor securities administrator by written instrument, in duplicate, which instrument shall be delivered to the Securities Administrator so removed and to the successor securities administrator. If the Trustee executes such an instrument, then the Trustee shall deliver a copy of such instrument to the Certificateholders, the Depositor and each Servicer.

The Holders of Certificates entitled to at least 51% of the Voting Rights may at any time remove the Securities Administrator and appoint a successor securities administrator by written instrument or instruments, in triplicate, signed by such Holders or their attorneys-in-fact duly authorized, one complete set of which instruments shall be delivered to each of the Depositor, the Trustee, the Securities Administrator so removed and the successor securities administrator so appointed. A copy of such instrument shall be delivered to the Certificateholders and each Servicer and Seller by the Securities Administrator.

In the event that the Securities Administrator fails to comply with the provisions of Section 3.02 and such failure is not a result of the Securities Administrator's inability or failure to receive, in a timely fashion, any information from any other party hereto and under the applicable Servicing Agreement needed to prepare for execution or file such form, and such failure is not a result of the Securities Administrator's own negligence, bad faith or willful misconduct, the Depositor may at any such time remove the Securities Administrator by written instrument, in duplicate, which instrument shall be delivered to the Securities Administrator so removed and to the Trustee. In any such event the Trustee shall appoint a successor securities administrator by written instrument, in duplicate, which instrument shall be delivered to the Securities Administrator so removed, to the Depositor and to the successor securities administrator. If the Trustee and Depositor execute such an instruments, then the Trustee shall deliver copies of such instruments to the Certificateholders and each Servicer.

Any resignation or removal of the Securities Administrator and appointment of a successor securities administrator pursuant to any of the provisions of this Section shall not become effective until acceptance of appointment by the successor securities administrator as provided in Section 11.06 hereof.

Section 11.06 Successor Securities Administrator.

Any successor securities administrator appointed as provided in Section 11.05 shall execute, acknowledge and deliver to the Trustee and to the predecessor Securities Administrator an instrument accepting such appointment under the Trust Agreement and any Supplemental Trust Agreement and thereupon the resignation or removal of the predecessor Securities Administrator shall become effective and such successor securities administrator without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor thereunder, with the like effect as if originally named as securities administrator therein. The predecessor Securities Administrator shall deliver to the successor securities administrator, all Trustee Mortgage Loan Files and related documents and statements held by it under the Trust Agreement and the Trustee and the predecessor Securities Administrator shall execute and deliver such instruments and do such other things as may reasonably be required for more fully and certainly vesting and confirming in the successor securities administrator, all such rights, powers, duties and obligations.

Upon acceptance of appointment by a successor securities administrator as provided in this Section, the Trustee shall mail notice of the succession of such securities administrator under the Trust Agreement to all Holders of Certificates at their addresses as shown in the Certificate Register.

Notwithstanding anything to the contrary contained herein, the appointment of any successor securities administrator pursuant to any provisions of this Agreement will be subject to the prior written consent of the Trustee, which consent will not be unreasonably withheld.

Section 11.07 Representations and Warranties of the Securities Administrator.

The Securities Administrator hereby represents and warrants to the Depositor, the Master Servicer and the Trustee that as of the Closing Date or as of such other date specifically provided herein:

(a) It is a national banking association and has been duly organized, and is validly existing in good standing under the laws of the United States with full power and authority (corporate and other) to enter into and perform its obligations under the Trust Agreement;

(b) The Trust Agreement has been duly executed and delivered by it, and, assuming due authorization, execution and delivery by the Depositor, constitutes a legal, valid and binding agreement of such entity, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law;

(c) The execution, delivery and performance by it of the Trust Agreement and the consummation of the transactions contemplated thereby do not require the consent or approval of, the giving of notice to, the registration with, or the taking of any other action in respect of, any state, federal or other governmental authority or agency, except such as has been obtained, given, effected or taken prior to the date thereof,

(d) The execution and delivery of this Trust Agreement by it have been duly authorized by all necessary corporate action on its part; none of the execution and delivery by it of the Trust Agreement, consummation of the transactions therein contemplated, or compliance by it with the provisions thereof, will conflict with or result in a breach of, or constitute a default under, any of the provisions of its articles of organization or by-laws or any law, governmental rule or regulation or any judgment, decree or order binding on it to its knowledge or any of its properties, or any of the provisions of any indenture, mortgage, deed of trust, contract or other instrument to which it is a party or by which it is bound; and

(e) There are no actions, suits or proceedings pending or, to its knowledge, threatened or asserted against it, before or by any court, administrative agency, arbitrator or government body (A) with respect to any of the transactions contemplated by the Trust Agreement or (B) with respect to any other matter which in its judgment will be determined adversely to it and will if determined adversely to it materially adversely affect its ability to perform its obligations under the Trust Agreement.

Section 11.08 Eligibility Requirements for the Securities Administrator.

The Securities Administrator shall at all times be a corporation or national banking association that is not an Affiliate of the Depositor organized and doing business under the laws of any state or the United States of America, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by federal or state authority. If such corporation or national banking association publishes reports of its conditions at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of conditions so published. In case at any time the Securities Administrator shall cease to be eligible in accordance with the provisions of this Section, the Securities Administrator shall resign immediately in the manner and with the effect specified in Section 11.05. In addition, the Securities Administrator (a) may not be an originator of Mortgage Loans, the Master Servicer, a Servicer, the Depositor or an affiliate of the Depositor unless the Securities Administrator is in an institutional trust department of the Securities Administrator and (b) must be rated at least “A/F1” by Fitch, if Fitch is a Rating Agency that has rated the Securities Administrator, or the equivalent rating by S&P or Moody’s.

ARTICLE XII

REMIC TAX PROVISIONS

Section 12.01 REMIC Administration.

(a) (i)Unless otherwise specified in the Trust Agreement, the Securities Administrator shall elect (on behalf of each REMIC to be created) to have the Trust (or designated assets thereof) treated as one or more REMICs on Form 1066 or other appropriate federal tax or information return for the taxable year ending on the last day of the calendar year in which the Certificates are issued as well as on any corresponding state tax or information return necessary to have the Trust (or such assets) treated as a REMIC under state law.

(ii) In order to enable the Securities Administrator to perform its duties as set forth herein, the Depositor shall provide or cause to be provided to the Securities Administrator, within ten (10) days after the Closing Date, all information or data that the Securities Administrator reasonably determines to be relevant for tax purposes to the valuations and offering prices of the Certificates (security instruments), including, without limitation, the price, yield, prepayment assumption and projected cash flows of the Certificates and the Mortgage Loans. Thereafter, the Depositor shall provide to the Securities Administrator, promptly upon request therefor, any additional information or data that the Securities Administrator may from time to time reasonably request in order to enable the Securities Administrator to perform its duties as set forth herein.

(b) The Securities Administrator shall pay any and all tax related expenses (not including taxes) of each REMIC, including but not limited to any professional fees or expenses related to audits or any administrative or judicial proceedings with respect to such REMIC that involve the Internal Revenue Service or state tax authorities, but only to the extent that (i) such expenses are ordinary or routine expenses, including expenses of a routine audit but not expenses of litigation (except as described in (ii)); or (ii) such expenses or liabilities (including taxes and penalties) are attributable to the negligence or willful misconduct of the Securities Administrator in fulfilling its duties hereunder (including its duties as tax return preparer). The Securities Administrator shall be entitled to reimbursement of the expenses to the extent provided in clause (i) above from the Certificate Account, but only to the extent such expenses are “unanticipated expenses” for purposes of Treasury Regulation Section 1.860G-1(b)(3)(ii).

(c) The Securities Administrator shall prepare any necessary forms for election as well as all of the Trust’s and each REMIC’s federal and any appropriate state tax and information returns. The Trustee shall sign and the Securities Administrator shall file such returns on behalf of each REMIC. The expenses of preparing and filing such returns shall be borne by the Securities Administrator.

(d) The Securities Administrator shall perform all reporting and other tax compliance duties that are the responsibility of the Trust and each REMIC under the REMIC Provisions or New York tax law. Among its other duties, if required by the REMIC Provisions, the Securities Administrator acting as agent of each REMIC, shall provide (i) to the Treasury or other governmental authority such information as is necessary for the application of any tax relating to the transfer of a Residual Certificate to any Disqualified Organization and (ii) to the Securities Administrator such information as is necessary for the Securities Administrator to discharge its obligations under the REMIC Provisions to report tax information to the Certificateholders.

(e) The Depositor, the Securities Administrator, the Trustee and the Holders of the Residual Certificates shall take any action or cause any REMIC to take any action necessary to create or maintain the status of such REMIC as a REMIC under the REMIC Provisions and shall assist each other as necessary to create or maintain such status.

(f) The Depositor, the Securities Administrator, the Trustee and the Holders of the Residual Certificates shall not take any action, or fail to take any action, or cause any REMIC to take any action or fail to take any action that, if taken or not taken, as the case may be, could endanger the status of any such REMIC as a REMIC unless the Securities Administrator has received an Opinion of Counsel (at the expense of the party seeking to take or to fail to take such action) to the effect that the contemplated action or failure to act will not endanger such status.

(g) Any taxes that are imposed upon the Trust or any REMIC by federal or state (including local) governmental authorities (other than taxes paid by a party pursuant to Section 10.02 hereof) shall be allocated in the same manner as Realized Losses are allocated.

(h) Wells Fargo Bank shall acquire a Residual Certificate in each REMIC and Wells Fargo Bank will act as the Tax Matters Person of each REMIC and perform various tax administration functions of each REMIC as its agent, as set forth in this Section, provided that Wells Fargo Bank shall not have to sign a Residual Transferee Agreement as required under Section 5.05(c) of these Standard Terms. If Wells Fargo Bank or an Affiliate is unable for any reason to fulfill its duties as Tax Matters Person for a REMIC, the holder of the largest Percentage Interest of the Residual Certificates in such REMIC shall become the successor Tax Matters Person of such REMIC.

(i) The Tax Matters Person shall apply for an employer identification number with the Internal Revenue Service via a Form SS-4 or other comparable method for each REMIC, for the trust created for any Supplemental Interest Trust and for any other trust created pursuant to the Trust Agreement or any other document named therein. In connection with the foregoing, the Tax Matters Person shall provide the name and address of the person who can be contacted to obtain information required to be reported to the holders of Regular Interests in each REMIC as required by IRS Form 8811.

(j) For purposes of compliance with the REMIC Provisions, the amount of any expenses payable from the Trust Fund or the Termination Price, in each case pursuant to Section 4.03 of the Trust Agreement, that reduces amounts otherwise distributable to the Certificates (other than the Residual Certificates) and that do not constitute “unanticipated expenses” of a REMIC within the meaning of Treasury Regulation Section 1.860G-1(b)(3)(ii) shall be treated, first, as having been distributed on the Certificates that suffered such reduction to the extent of such reduction and, next, as having been paid by the beneficial holders of such Certificates to the parties to whom such expenses were payable.

Section 12.02 Prohibited Activities .

Except as otherwise provided in the Trust Agreement, none of the Depositor, the Trustee, the Securities Administrator, each Servicer, the Master Servicer nor the Holders of the Residual Certificates shall engage in, nor shall the Master Servicer permit (to the extent within its control), any of the following transactions or activities unless it has received (a) a Special Tax Opinion and (b) a Special Tax Consent from each of the Holders of the Residual Certificates (unless the Special Tax Opinion specially provides that no REMIC-level tax will result from the transaction or activity in question):

(i) the sale or other disposition of, or substitution for, any of the Mortgage Loans except pursuant to (A) a foreclosure or default with respect to such Mortgage Loans, (B) the bankruptcy or insolvency of any REMIC, (C) the termination of any REMIC pursuant to Section 10.02, or (D) a purchase (but not a substitution) in accordance with Section 2.03;

(ii) the acquisition of any Mortgage Loans for the Trust after the Closing Date except during the three-month period beginning on the Closing Date pursuant to a fixed price contract in effect on the Closing Date that has been reviewed and approved by tax counsel acceptable to the Securities Administrator;

(iii) the sale or other disposition of any investment in the Certificate Account or the Distribution Account at a gain;

(iv) the sale or other disposition of any asset held in a Reserve Fund for a period of less than three months (a " Short-Term Reserve Fund Investment ") if such sale or disposition would cause 30% or more of a REMIC's income from such Reserve Fund for the taxable year to consist of a gain from the sale or disposition of Short-Term Reserve Fund Investments;

(v) the withdrawal of any amounts from any Reserve Fund except (A) for the distribution *pro rata* to the Holders of the Residual Certificates representing ownership of the residual interest in the related REMIC or (B) to provide for the payment of Trust expenses or amounts payable on the Certificates in the event of defaults or late payments on the Mortgage Loans or lower than expected returns on funds held in the Certificate Account or the Distribution Account, as provided under Section 860G(a)(7) of the Code;

(vi) the acceptance of any contribution to the Trust except the following cash contributions: (A) a contribution received during the three-month period beginning on the Closing Date, (B) a contribution to a Reserve Fund owned by a REMIC that is made *pro rata* by the Holders of the Residual Certificates representing ownership of the residual interest in the related REMIC, (C) a contribution to facilitate a Terminating Purchase that is made within the 90-day period beginning on the date on which a plan of complete liquidation is adopted pursuant to Section 10.04(a)(i), or (D) any other contribution approved by the Securities Administrator after consultation with tax counsel;

(vii) except in the case of a Mortgage Loan that is a default, or as to which, in the reasonable judgment of any Servicer, default is reasonably foreseeable, the Master Servicer shall not permit any modification of any material term of a Mortgage Loan (including, but not limited to, the interest rate, the principal balance, the amortization schedule, the remaining term to maturity, or any other term affecting the amount or timing of payments on the Mortgage Loan) unless the Master Servicer has received an Opinion of Counsel (at the expense of the party seeking to modify the Mortgage Loan) to the effect that such modification would not be treated as giving rise to a new debt instrument for REMIC purposes; or

(viii) any other transaction or activity that is not contemplated by the Trust Agreement.

Any party causing the Trust to engage in any of the activities prohibited in this Section shall be liable for the payment of any tax and any associated cost imposed on the Trust pursuant to Code Section 860F(a)(1) or 860G(d) as a result of the Trust engaging in such activities and indemnify the Trust and the Master Servicer for such amounts.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 13.01 Amendment of Trust Agreement .

The Trust Agreement may be amended or supplemented from time to time by the Master Servicer, the Depositor, the Securities Administrator and the Trustee without the consent of any of the Certificateholders to (a) cure any ambiguity, (b) correct or supplement any provisions herein which may be inconsistent with any other provisions herein, (c) modify, eliminate or add to any of its provisions to such extent as shall be necessary or appropriate to maintain the qualification of the Trust (or any assets thereof) as a REMIC under the Code at all times that any Certificates are outstanding, (d) to conform the terms of this Agreement to the terms described in the Prospectus dated February 13, 2007, together with the Prospectus Supplement thereto dated May 23, 2007, (e) to add any other provisions with respect to matters or questions arising hereunder, or (f) to modify, alter, amend, add to or rescind any of the terms or provisions contained in this Agreement, *provided* , that any action pursuant to clause (e) or (f) above shall not be deemed to adversely affect in any material respect the interests of any Certificateholder; *provided, further* , that the amendment shall not be deemed to adversely affect in any material respect the interests of the Certificateholders if the Person requesting the amendment obtains a letter from each Rating Agency stating that the amendment would not result in the downgrading or withdrawal of the respective ratings then assigned to the Certificates, as well as an Opinion of Counsel (at the expense of the applicable Servicer) that such amendment or supplement will not result in the loss by the Trust or the assets thereof of REMIC status or result in the imposition of any taxes on the Trust or any REMIC.

The Trust Agreement may also be amended from time to time by the Depositor, the Master Servicer, the Securities Administrator and the Trustee with the consent of the Holders of Certificates entitled to at least 66% of the Voting Rights for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Trust Agreement or of modifying in any manner the rights of the Holders of Certificates; *provided, however,* that no such amendment shall (a) reduce in any manner the amount of, or delay the timing of, payments received on Mortgage Loans which are required to be distributed on any Certificate without the consent of the Holder of such Certificate, (b) adversely affect in any material respect the interests of the Holders of any Class of Certificates, or (c) reduce the aforesaid percentage of Certificates the Holders of which are required to consent to any such amendment, unless each Holder of a Certificate affected by such amendment consents. For purposes of the giving or withholding of consents pursuant to this Section 13.01, Certificates registered in the name of the Depositor or an Affiliate shall be entitled to Voting Rights with respect to matters affecting such Certificates.

Prior to consenting to any amendment, each of the Securities Administrator, the Trustee and the Master Servicer shall be entitled to receive an Opinion of Counsel from the Depositor stating that the proposed amendment is authorized and permitted pursuant to this Trust Agreement and that all conditions precedent have been satisfied. No amendment affecting the rights, duties and indemnities of the Custodians shall be entered into without the Custodians' consent.

Promptly after the execution of any such amendment, the Securities Administrator shall notify Certificateholders of such amendment and, upon written request, furnish a copy of such amendment to any Certificateholder.

It shall not be necessary for the consent of Certificateholders under this Section 13.01 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof. The manner of obtaining such consents and of evidencing the authorization of the execution thereof by Certificateholders shall be subject to such reasonable regulations as the Securities Administrator may prescribe.

Section 13.02 Recordation of Agreement; Counterparts .

To the extent required by applicable law, the Trust Agreement is subject to recordation in all appropriate public offices for real property records in all the counties or other comparable jurisdictions in which any or all of the properties subject to the Mortgages are situated, and in any other appropriate public recording office or elsewhere, such recordation to be effected by the applicable Custodian (except with respect to Deutsche Bank), on behalf of the Trustee, at the expense of the Trust, but only if such recordation is requested by the Depositor and accompanied by an Opinion of Counsel (which shall not be an expense of the Depositor or any Custodian) to the effect that such recordation materially and beneficially affects the interests of the Certificateholders.

For the purpose of facilitating the recordation of the Trust Agreement as herein provided, and for any other purpose, the Trust Agreement may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original, and such counterparts shall constitute but one and the same instrument.

Section 13.03 Limitation on Rights of Certificateholders .

The death or incapacity of any Certificateholder shall not operate to terminate the Trust Agreement or the Trust, nor entitle such Certificateholder's legal representatives or heirs to claim an accounting or to take any action or proceeding in any court for a partition or winding up of the Trust, nor otherwise affect the rights, obligations and liabilities of the parties hereto or any of them.

No Certificateholder shall have any right to vote (except as expressly provided for herein) or in any manner otherwise control the operation and management of the Trust, or the obligations of the parties hereto, nor shall anything herein set forth, or contained in the terms of the Certificates, be construed so as to constitute the Certificateholders from time to time as partners or members of an association; nor shall any Certificateholder be under any liability to any third person by reason of any action taken by the parties to the Trust Agreement pursuant to any provision hereof.

No Certificateholder shall have any right by virtue of any provision of the Trust Agreement to institute any suit, action or proceeding in equity or at law upon or under or with respect to the Trust Agreement or any Sale Agreement, Servicing Agreement, Custodial Agreement or Assignment Agreement, unless such Holder previously shall have given to the Securities Administrator a written notice of default and of the continuance thereof, as hereinbefore provided, and unless also the Holders of Certificates entitled to at least 25% of the Voting Rights shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee under the Trust Agreement and shall have offered to the Trustee indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee, for fifteen (15) days after its receipt of such notice, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding. It is understood and intended, and expressly covenanted by each Certificateholder with every other Certificateholder and the Securities Administrator, that no one or more Holders of Certificates shall have any right in any manner whatever by virtue of any provision of the Trust Agreement to affect, disturb or prejudice the rights of the Holders of any other of such Certificates, or to obtain or seek to obtain priority over or preference to any other such Holder, or to enforce any right under the Trust Agreement, except in the manner therein provided and for the equal, ratable and common benefit of all Certificateholders. For the protection and enforcement of the provisions of this Section, each and every Certificateholder, the Master Servicer, the Securities Administrator and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Section 13.04 Optional Purchase of Delinquent Mortgage Loans.

The Depositor (or its assignee), in it sole discretion, shall have the option, but shall not be obligated, to purchase from the Trust Fund any Mortgage Loan that (i) is ninety (90) days or more delinquent or (ii) has experienced an Early Payment Default; *provided* , that, with respect to a purchase under clause (i) above, the outstanding principal balance as of the Cut-off Date of such purchased Mortgage Loans shall not exceed 5% of the aggregate principal balance as of the Cut-off Date of all the Mortgage Loans in the Trust Fund. The purchase price for any purchased Mortgage Loan shall be 100% of the Scheduled Principal Balance of such Mortgage Loan plus accrued and unpaid interest on the related Mortgage Loan at the applicable mortgage interest rate, plus the amount of any unreimbursed Servicing Advances made by the Servicer. Upon receipt of such purchase price, the Servicer shall provide to the applicable Custodian a Request for Release and the applicable Custodian shall promptly release to the Depositor or the Servicer, as applicable, the Mortgage File relating to the Mortgage Loan being repurchased.

Section 13.05 Notices .

All demands and notices under the Trust Agreement shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by first-class mail, postage prepaid, or by express delivery service, to addresses, telecopy numbers or email addresses set forth in the Trust Agreement. Any notice required or permitted to be mailed to a Certificateholder shall be given by first-class mail, postage prepaid, or by express delivery service, at the address of such Holder as shown in the Certificate Register. Any notice so mailed within the time prescribed in the Trust Agreement shall be conclusively presumed to have been duly given, whether or not the Certificateholder receives such notice. A copy of any notice required to be telecopied hereunder also shall be mailed to the appropriate party in the manner set forth above. A copy of any notice given hereunder to any other party shall be delivered to the Securities Administrator.

Section 13.06 Severability of Provision.

If any one or more of the covenants, agreements, provisions or terms of the Trust Agreement shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of the Trust Agreement and shall in no way affect the validity or enforceability of the other provisions of the Trust Agreement or of the Certificates or the rights of the Holders thereof.

Section 13.07 Sale of Mortgage Loans .

It is the express intent of the Depositor and the Trustee that the conveyance of the Mortgage Loans by the Depositor to the Trustee pursuant to the Trust Agreement be construed as a sale of the Mortgage Loans by the Depositor to the Trustee. It is, further, not the intention of the Depositor and the Trustee that such conveyance be deemed a pledge of the Mortgage Loans by the Depositor to the Trustee to secure a debt or other obligation of the Depositor. However, in the event that, notwithstanding the intent of the parties, the Mortgage Loans are held to continue to be property of the Depositor then (a) the Trust Agreement also shall be deemed to be a security agreement within the meaning of Article 9 of the UCC; (b) the conveyance by the Depositor provided for in the Trust Agreement shall be deemed to be a grant by the Depositor to the Trustee of a security interest in all of the Depositor's right, title and interest in and to the Mortgage Loans and all amounts payable to the holders of the Mortgage Loans in accordance with the terms thereof and all proceeds of the conversion, voluntary or involuntary, of the foregoing into cash, instruments, securities or other property, including without limitation all amounts, other than investment earnings, from time to time held or invested in any Collection Account or the Certificate Account, whether in the form of cash, instruments, securities or other property; (c) the possession by the Trustee or its agent of Notes and such other items of property as constitute instruments, money, negotiable documents or chattel paper shall be deemed to be "possession by the secured party" for purposes of perfecting the security interest pursuant to Section 9-313 of the UCC; and (d) notifications to persons holding such property, and acknowledgments, receipts or confirmations from persons holding such property, shall be deemed notifications to, or acknowledgments, receipts or confirmations from, financial intermediaries, bailees or agents (as applicable) of the Trustee for the purpose of perfecting such security interest under applicable law. The Depositor and the Trustee shall, to the extent consistent with the Trust Agreement, take such actions as may be necessary to ensure that, if the Trust Agreement were deemed to create a security interest in the Mortgage Loans, such security interest would be deemed to be a perfected security interest of first priority under applicable law and will be maintained as such throughout the term of the Trust Agreement.

Section 13.08 Notice to Rating Agencies

(a) The Securities Administrator shall use its best efforts promptly to provide notice to each Rating Agency with respect to each of the following of which an Officer of the Securities Administrator has actual knowledge:

(i) any material change or amendment to the Trust Agreement or any agreement assigned to the Trust;

(ii) the occurrence of any Event of Default under a Servicing Agreement;

(iii) the resignation, termination or merger of the Depositor, the Securities Administrator, the Trustee or any Servicer or Custodian;

(iv) the purchase of Mortgage Loans pursuant to Section 2.03;

(v) the final payment to Certificateholders;

(vi) any change in the location of any Collection Account, Reserve Fund or Certificate Account; and

(vii) any event that would result in the inability of any Servicer to make Advances regarding delinquent Mortgage Loans.

(b) The Securities Administrator shall promptly make available, through a website located at www.ctslink.com, if practicable, to each Rating Agency copies of the following:

(i) each report to Certificateholders described in Section 4.01; and

(ii) upon written request of any such Person, a hard copy of each Annual Compliance Statement and other reports provided by the Servicer under each Servicing Agreement.

(c) Any notice pursuant to this Section 13.08 shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by first class mail, postage prepaid or by express delivery service to each Rating Agency at the address specified in the Trust Agreement.

Section 13.09 Custodians' Limitation of Liability.

Each Custodian shall be entitled to the same rights, protections, immunities and indemnities hereunder as afforded under its respective Custodial Agreement and the Trust Agreement.

Exhibit A

FORM OF TRUST RECEIPT

[See each Custodial Agreement]

Exhibit B

FORM OF FINAL CERTIFICATION

[Date]

Goldman Sachs Mortgage Company
85 Broad Street
New York, New York 10004
Attn.: Christina House

Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, CA 92705-4934
Attention: GSR 2007-AR2

RE: The Master Servicing and Trust Agreement dated as of May 1, 2007 (the " Trust Agreement "), among GS Mortgage Securities Corp., as Depositor, Deutsche Bank National Trust Company, as a Custodian and as Trustee and Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and a Custodian, and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto (the " Standard Terms ")

Ladies and Gentlemen:

In accordance with the provision of Section 2.02 of the above-referenced Standard Terms , the undersigned, as the Custodian, hereby certifies (subject to any exceptions listed on the exception report attached hereto) that as to each Mortgage Loan listed on the attached Mortgage Loan Schedule, it has reviewed the Trustee Mortgage Loan File and has determined that (a) (i) all documents required to be delivered to it pursuant to clauses (a) through (e) and (g) of the definition of Trustee Mortgage Loan File are in its possession; *provided* that the Custodian has no obligation to verify the receipt of any such documents the existence of which was not made known to the Custodian by the Trustee Mortgage Loan File , and *provided , further,* that the Custodian has no obligation to determine whether recordation of any such modification is necessary; (b) such documents have been reviewed by it and appear regular on their face and to relate to such Mortgage Loans; *provided , however* , that the Custodian makes no representation and has no responsibilities as to the authenticity of such documents, their compliance with applicable law, or the collectability of any of the Mortgage Loans relating thereto; and (c) each Mortgage Note has been endorsed and each assignment has been assigned as required under Section 2.02 of the Standard Terms .

[DEUTSCHE BANK NATIONAL TRUST COMPANY , as Custodian] [**WELLS FARGO BANK, N.A.** , as Custodian]

By: _____
Name:
Title:

Exhibit C-1

FORM OF RULE 144A AGREEMENT — QIB CERTIFICATION

_____, 20__

Wells Fargo Bank, N.A.
Sixth Street and Marquette Avenue
Minneapolis
Minnesota 55479
Attention: Corporate Trust Group—GSR 2007-AR2

GS Mortgage Securities Corp.
85 Broad Street
New York, New York 10004

Re: GS Mortgage Securities Corp., Depositor
GSR Mortgage Loan Trust 2007-AR2,
Pass-Through Certificates Series 2007-AR2
having an original principal amount of $

Ladies and Gentlemen:

In connection with our proposed purchase of the Certificates referred to above (the " Certificates "), we confirm that:

(A) We have received a copy of the Offering Supplement dated _____ __, 20__ (the " Offering Circular "), relating to the Certificates and such other information and documents as we deem necessary in order to make our investment decision. We acknowledge that we have read and agree to the restrictions on duplication and circulation of the Offering Circular and the matters stated in the section entitled "Notice to Investors."

(B) We are a "qualified institutional buyer" (as that term is defined in Rule 144A under the Securities Act). We area aware that the sale of the Certificates to us is being made in reliance on Rule 144A under the Securities Act. We are acquiring the Certificates for our own account or for the account of a qualified institutional buyer.

(C) We understand that the offer and sale of the Certificates has not been registered under the Securities Act and that the Certificates may not be offered, sold, or otherwise transferred in the absence of such registration or an applicable exemption therefrom. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that we will not offer, sell, pledge or otherwise transfer any Certificate, or any interest therein, except (1) (A) in accordance with Rule 144A under the Securities Act to a "qualified institutional buyer" (as defined therein), or (B) pursuant to an effective registration statement under the Securities Act, and (2) in accordance with all applicable securities laws of the states of the United States or any other applicable jurisdiction.

(D) We understand that, on any proposed resale of any Certificates, we will be required to furnish to the Depositor and to the Trustee such certificates, legal opinions and other information as the Depositor, or the Trustee may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Certificates purchased by us will bear a legend to the foregoing effect.

(E) We acknowledge that none of the Depositor, Goldman, Sachs & Co. (the " Initial Purchaser "), the Trustee, the Securities Administrator, or any person acting on behalf of the Depositor, the Initial Purchaser, the Trustee or the Securities Administrator has made any representations concerning the Trust or the offer and sale of the Certificates, except as set forth in the Offering Circular.

(F) We acknowledge that the Depositor, the Initial Purchaser, the Trustee and the Securities Administrator and others will rely on the truth and accuracy of the foregoing acknowledgments, representations and agreements, and agree that if any of the foregoing acknowledgments, representations and agreements are no longer accurate we shall promptly notify the Depositor, the Initial Purchaser, and the Trustee.

The Transferee hereby agrees to indemnify and hold harmless the Depositor, the Trustee and the Initial Purchaser from and against any and all loss, damage or liability (including attorney's fees) due to or arising out of a breach of any representation or warranty, confirmation or statement contained in this letter.

The Depositor, the Trustee, the Securities Administrator and the Initial Purchaser are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Master Servicing and Trust Agreement, dated as of May 1, 2007, among GS Mortgage Securities Corp., as Depositor, Deutsche Bank National Trust Company, as a Custodian and as Trustee and Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and a Custodian, and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto.

Sincerely,

[Name of Transferee]

By: _____
Name: _____
Title: _____

EXHIBIT C-2

FORM OF TRANSFER CERTIFICATE
FOR TRANSFER FROM RULE 144A CERTIFICATE
TO REGULATION S GLOBAL SECURITY
(Transfers pursuant to § 5.05(d)(B)
of the Agreement)

Wells Fargo Bank, N.A.
Sixth Street and Marquette Avenue
Minneapolis
Minnesota 55479
Attention: Corporate Trust Group—GSR 2007-AR2

GS Mortgage Securities Corp.
85 Broad Street
New York, New York 10004

Re: GS Mortgage Securities Corp., Depositor
GSR Mortgage Loan Trust 2007-AR2,
Pass-Through Certificates Series 2007-AR2

Reference is hereby made to the Master Servicing and Trust Agreement dated as of May 1, 2007 (the "Trust Agreement"), among GS Mortgage Securities Corp., as Depositor, Deutsche Bank National Trust Company, as a Custodian and as Trustee and Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and a Custodian, and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto (the "Standard Terms" and together with the Trust Agreement, the "Agreement") Capitalized terms used but not defined herein shall have the meanings given to them in the Agreement.

This letter relates to U.S. $ _____aggregate principal amount of Securities which are held in the form of a Rule 144A Certificate with DTC in the name of [name of transferor] _____(the "Transferor") to effect the transfer of the Securities in exchange for an equivalent beneficial interest in a Regulation S Global Security.

In connection with such request, the Transferor does hereby certify that such transfer has been effected in accordance with the transfer restrictions set forth in the Agreement and the Securities and in accordance with Rule 904 of Regulation S, and that:

a. the offer of the Securities was not made to a person in the United States;

b. at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States;

c. no directed selling efforts have been made in contravention of the requirements of Rule 903 or 904 of Regulation S, as applicable;

d. the transaction is not part of a plan or scheme to evade the registration requirements of the United States Securities Act of 1933, as amended; and

e. the transferee is not a U.S. person (as defined in Regulation S).

You are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

_____
[Name of Transferor]

By: _____
Name:
Title:

Date: _____, ___

EXHIBIT C-3

FORM OF TRANSFER CERTIFICATE FOR TRANSFER
FROM REGULATION S GLOBAL SECURITY
TO RULE 144A CERTIFICATE
(Transfers pursuant to § 5.05(d)(C)
of the Agreement)

Wells Fargo Bank, N.A.
Sixth Street and Marquette Avenue
Minneapolis
Minnesota 55479
Attention: Corporate Trust Group—GSR 2007-AR2

GS Mortgage Securities Corp.
85 Broad Street
New York, New York 10004

Re: GS Mortgage Securities Corp., Depositor
GSR Mortgage Loan Trust 2007-AR2,
Pass-Through Certificates Series 2007-AR2

Reference is hereby made to the Master Servicing and Trust Agreement dated as of May 1, 2007 (the "Trust Agreement"), among GS Mortgage Securities Corp., as Depositor, Deutsche Bank National Trust Company, as a Custodian and as Trustee and Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and a Custodian, and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto (the "Standard Terms" and together with the Trust Agreement, the "Agreement"). Capitalized terms used but not defined herein shall have the meanings given to them in the Agreement.

This letter relates to U.S. $ _____aggregate principal amount of Securities which are held in the form of a Regulations S Global Security in the name of [name of transferor] _____(the "Transferor") to effect the transfer of the Securities in exchange for an equivalent beneficial interest in a Rule 144A Certificate.

In connection with such request, and in respect of such Securities, the Transferor does hereby certify that such Securities are being transferred in accordance with (i) the transfer restrictions set forth in the Agreement and the Securities and (ii) Rule 144A under the United States Securities Act of 1933, as amended, to a transferee that the Transferor reasonably believes is purchasing the Securities for its own account or an account with respect to which the transferee exercises sole investment discretion, the transferee and any such account is a qualified institutional buyer within the meaning of Rule 144A, in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

_____
[Name of Transferor]

By: _____
Name:
Title:

Date: _____, ___

Exh. C-3-2

Exhibit D

FORM OF TRANSFEREE AGREEMENT

_____, 20___

Wells Fargo Bank, N.A.
Sixth Street and Marquette Avenue
Minneapolis
Minnesota 55479
Attention: Corporate Trust Group—GSR 2007-AR2

GS Mortgage Securities Corp.
85 Broad Street
New York, New York 10004

Re: GS Mortgage Securities Corp., Depositor
GSR Mortgage Loan Trust 2007-AR2,
Pass-Through Certificates Series 2007-AR2
having an original principal amount of $

Ladies and Gentlemen:

In connection with our proposed purchase of the Certificates referred to above (the " Certificates "), we confirm that:

(A) We have received a copy of the Offering Supplement, dated _____ ___, 20 _(the " Offering Circular "), relating to the Certificates and such other information and documents as we deem necessary in order to make our investment decision. We acknowledge that we have read and agree to the matters stated in the Section entitled "Notice to Investors," and the restrictions on duplication and circulation of the Offering Circular.

(B) We understand that any subsequent transfer of the Certificates is subject to certain restrictions and conditions set forth in the Master Servicing and Trust Agreement, dated as of May 1, 2007, among GS Mortgage Securities Corp., as Depositor, Deutsche Bank National Trust Company, as a Custodian and as Trustee and Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and a Custodian , and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto (the " Trust Agreement "), and we agree to be bound by, and not to resell, pledge or otherwise transfer the Certificates except in compliance with such restrictions and conditions and the Securities Act of 1933, as amended (the " Securities Act ") and our failure to comply with the foregoing agreement shall render any purported transfer to be null and void.

(C) We understand that the offer and sale of the Certificates has not been registered under the Securities Act and that the Certificates may not be offered, sold, or otherwise transferred in the absence of such registration or an applicable exemption thereof. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that we will not offer, sell, pledge or otherwise transfer any Certificate or any interest therein, except (A) in accordance with Rule 144A under the Securities Act to a "qualified institutional buyer" (as defined therein), (B) to an institutional "accredited investor" (as defined below) that, prior to such transfer, furnishes to the Trustee a signed letter contained certain representations and agreements relating to the restrictions on transfer of the Certificates (the form of which letter can be obtained from the Trustee), (C) pursuant to an effective registration statement under the Securities Act or (D) to Non-U.S. Persons in an offshore transaction pursuant to Rules 901 through 905 of Regulation S under the Securities Act, and we further agree to provide to any person purchasing any of the Certificates from us a notice advising such person that resale of the Certificates are restricted as stated herein.

(D) We understand that, on any proposed resale of any Certificates, we will be required to furnish to the Depositor and to the Trustee of such certificates, legal opinions and other information as the Depositor or the Trustee may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Certificates purchased by us will bear a legend to the foregoing effect.

(E) We are an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) and have knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Certificates, and we and any accounts for which we are acting are each able to bear the economic risks of our or their investment.

(F) We are acquiring the Certificates purchased by us for our own account or for one or more accounts (each of which is an institutional "accredited investor") as to each of which we exercise sole investment discretion.

(G) We are acquiring at least the required minimum principal amount of the Certificates for each account for which we are purchasing such Certificates and will not offer, sell, pledge or otherwise transfer any such Certificates or any interest therein at any time except in the Required Minimum denomination.

(H) We have been furnished all information regarding the Certificates that we have requested from the Depositor and the Trustee.

(I) We acknowledge that neither the Trust, the Depositor, Goldman, Sachs & Co. (the " Initial Purchaser ") nor the Trustee nor any person acting on behalf of the Trust, the Depositor, the Initial Purchaser or the Trustee has made any representations concerning the Trust or the offer and sale of the Certificates, except as set forth in the Offering Circular.

(J) We have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of purchasing the Certificates.

(K) If we are acquiring any of the Certificates as fiduciary or agent for one or more accounts, we represent that we have sole investment discretion with respect to each such amount and that we have full power to make the forgoing acknowledgments, representations and agreements with respect to each such account as set forth.

(L) We acknowledge that the Depositor, the Initial Purchaser, the Trustee, and others will rely on the truth and accuracy of the foregoing acknowledgments, representations and agreements, and agree that if any of the foregoing acknowledgments, representations and agreements are no longer accurate we shall promptly notify the Depositor, the Initial Purchaser and the Trustee.

The Transferee hereby agrees to indemnify and hold harmless the Trust, the Depositor, the Trustee, and the Initial Purchaser from and against any and all loss, damage or liability (including attorney's fees) due to or arising out of a breach of any representation or warranty, confirmation or statement contained in this letter.

The Depositor, the Trustee, the Securities Administrator and the Initial Purchaser are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Trust Agreement.

Sincerely,

[Name of Transferee]

By: _____
Name: _____
Title: _____

Exhibit E

FORM OF BENEFIT PLAN AFFIDAVIT

Re: GS Mortgage Securities Corp.,
as Depositor
GSR Mortgage Loan Trust
2007-AR2 (the " Trust ")

STATE OF _____)
) ss.:
COUNTY OF _____)

Under penalties of perjury, I, the undersigned, declare that, to the best of my knowledge and belief, the following representations are true, correct, and complete.

1. I am a duly authorized signatory of _____, a _____ (the " Transferee "), whose taxpayer identification number is _____, and on behalf of which I have the authority to make this affidavit.

2. The Transferee is acquiring the _____ and _____ Certificates (the " Certificates "), each representing an interest in the Trust, for certain assets of which one or more real estate mortgage investment conduit (" REMIC ") elections are to be made under Section 860D of the Internal Revenue Code of 1986, as amended (the " Code ").

3. The Transferee understands that the Certificates will bear the following legend:

> NO TRANSFER OF THIS CERTIFICATE SHALL BE REGISTERED UNLESS THE PROSPECTIVE TRANSFEREE PROVIDES THE TRUSTEE WITH (A) A CERTIFICATION TO THE EFFECT THAT SUCH TRANSFEREE (1) IS NEITHER AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT SUBJECT TO SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (COLLECTIVELY, A "PLAN") NOR A PERSON ACTING ON BEHALF OF, OR USING THE ASSETS OF, ANY SUCH PLAN OR (2) IF THE CERTIFICATE HAS BEEN SUBJECT TO AN ERISA-QUALIFYING UNDERWRITING, IS AN INSURANCE COMPANY PURCHASING SUCH CERTIFICATES WITH FUNDS CONTAINED IN AN "INSURANCE COMPANY GENERAL ACCOUNT" (AS SUCH TERM IS DEFINED IN SECTION V(E) OF THE PROHIBITED TRANSACTION CLASS EXEMPTION 95-60 ("PTCE 95-60")) AND THE PURCHASE AND HOLDING OF SUCH CERTIFICATE ARE COVERED UNDER SECTIONS I AND III OF PTCE 95-60; OR (B) AN OPINION OF COUNSEL SATISFACTORY TO THE TRUSTEE AND THE SECURITIES ADMINISTRATOR, UPON WHICH THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER AND THE DEPOSITOR SHALL BE ENTITLED TO RELY TO THE EFFECT THAT THE PURCHASE OR HOLDING OF SUCH CERTIFICATE BY THE PROSPECTIVE TRANSFEREE WILL NOT RESULT IN ANY NON-EXEMPT PROHIBITED TRANSACTIONS UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE AND WILL NOT SUBJECT THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER OR THE DEPOSITOR TO ANY OBLIGATION IN ADDITION TO THOSE UNDERTAKEN BY SUCH PARTIES IN THE TRUST AGREEMENT, WHICH OPINION OF COUNSEL SHALL NOT BE AN EXPENSE OF THE TRUST FUND OR ANY OF THE ABOVE PARTIES. A TRANSFEREE OF A BOOK-ENTRY CERTIFICATE SHALL BE DEEMED TO HAVE MADE A REPRESENTATION AS REQUIRED IN THE TRUST AGREEMENT.

4. The Transferee either:

(a) is neither an employee benefit plan or other retirement arrangement subject to section 406 of the Employee Retirement Income Security Act of 1974, as amended (" ERISA "), or Section 4975 of the Internal Revenue Code of 1986, as amended (the " Code "), nor a person acting on behalf of, or using the assets of, any such plan or arrangement; or

(b) if the Certificates have been subject to an ERISA-Qualifying Underwriting, is an insurance company purchasing such Certificates with funds contained in an "insurance company general account" (as such term is defined in Section V(e) of the Prohibited Transaction Class Exemption 95-60 (" PTCE 95-60 ")) and the purchase and holding of such Certificate are covered under Sections I and III of PTCE 95-60; or

(c) has provided a Benefit Plan Opinion satisfactory to the Trustee and the Securities Administrator, upon which the Trustee, the Securities Administrator, the Master Servicer and the Depositor shall be entitled to rely to the effect that the purchase or holding of such Certificate by the prospective transferee will not result in any non-exempt prohibited transactions under Section 406 of ERISA or Section 4975 of the Code and will not subject the Trustee, the Securities Administrator, the Master Servicer or the Depositor to any obligation in addition to those undertaken by such parties in the Trust Agreement, which Benefit Plan Opinion shall not be an expense of the Trust or any of the above parties.

IN WITNESS WHEREOF, the Transferee has caused this instrument to be duly executed on its behalf, by its duly authorized officer on this ____day of _____, 20 _.

[Name of Transferee]

By: _____
Name:
Title:

Personally appeared before me _____, known or proved to me to be the same person who executed the foregoing instrument and to be a _____ of the Transferee, and acknowledged to me that he executed the same as his or her free act and deed and as the free act and deed of the Transferee.

Subscribed and sworn to before me this
_____ day of _____, 20 _.

_____
Notary Public

My commission expires: _____

Exhibit E-3

Exhibit F

FORM OF RESIDUAL TRANSFEREE AGREEMENT

_____
(DATE)

GS Mortgage Securities Corp.
85 Broad Street
New York, New York 10004

Wells Fargo Bank, N.A.
Sixth Street and Marquette Avenue
Minneapolis
Minnesota 55479
Attention: Corporate Trust Group—GSR 2007-AR2

Re: Master Servicing and Trust Agreement, dated as of May 1 , 2007, among GS Mortgage Securities Corp., as Depositor, Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and a Custodian and Deutsche Bank National Trust Company, as a Custodian and Trustee of GSR Mortgage Loan Trust 2007-AR2

Ladies and Gentlemen:

In connection with the purchase on the date hereof of the captioned securities (the " Residual Certificate "), to be issued pursuant to the Master Servicing and Trust Agreement, dated as of May 1 , 2007, among GS Mortgage Securities Corp., Wells Fargo Bank, N.A. , as Master Servicer, Securities Administrator and a Custodian and Deutsche Bank National Trust Company, as Trustee and a Custodian (the " Trustee "), which incorporates by reference the Standard Terms to Trust Agreement, May 2007 Edition (the " Standard Terms to Trust Agreement ") (collectively, the " Trust Agreement "), the undersigned hereby certifies and covenants to the transferor, the Depositor, the Trustee and the Trust as follows:

1. We certify that on the date hereof we have simultaneously herewith delivered to you an affidavit certifying, among other things, that (A) we are not a Disqualified Organization and (B) we are not purchasing such Residual Certificate on behalf of a Disqualified Organization. We understand that any breach by us of this certification may cause us to be liable for a tax imposed upon transfers to Disqualified Organizations.

2. We acknowledge that we will be the beneficial owner of the Residual Certificate and that the Residual Certificate will be registered in our name and not in the name of a nominee.

3. We certify that no purpose of our purchase of the Residual Certificate is to avoid or impede the assessment or collection of tax.

4. (A) We understand that the Residual Certificate represents for federal income tax purposes a "residual interest" in a real estate mortgage investment conduit and (B) we understand that as the holder of the Residual Certificate we will be required to take into account, in determining our taxable income, our pro rata percentage interest of the taxable income of each REMIC formed pursuant to the Trust Agreement in accordance with all applicable provisions of the Internal Revenue Code of 1986, as amended (the " Code ").

5. We understand that if, notwithstanding the transfer restrictions, any of the Residual Certificates is in fact transferred to a Disqualified Organization, a tax may be imposed on the transferor of such Residual Certificate. We agree that any breach by us of these representations shall render such transfer of such Residual Certificate by us absolutely null and void and shall cause no rights in the Residual Certificate to vest in the transferee.

6. The sale to us and our purchase of the Residual Certificates constitutes a sale for tax and all other purposes and each party thereto has received due and adequate consideration. In our view, the transaction represents fair value, representing the results of arms length negotiations and taking into account our analysis of the tax and other consequences of investment in the Residual Certificates.

7. Unless this provision is explicitly waived by the transferor to us of the Residual Certificates, we expect that the purchase of the Residual Certificates, together with the receipt of the price, if any, therefor will be economically neutral or profitable to us overall, after all related expenses (including taxes) have been paid and based on conservative assumptions with respect to discount rates, prepayments and other factors necessary to evaluate profitability.

8. We are a "U.S. Person" within the meaning of Section 7701(a)(30) of the Code. We are duly organized and validly existing under the laws of the jurisdiction of our organization. We are neither bankrupt nor insolvent nor do we have reason to believe that we will become bankrupt or insolvent. We have conducted and are conducting our business so as to comply in all material respects with all applicable statutes and regulations. The person executing and delivering this letter on our behalf is duly authorized to do so, the execution and delivery by us of this letter and the consummation of the transaction on the terms set forth herein are within our corporate power, and upon such execution and delivery, this letter will constitute our legal, valid and binding obligation, enforceable against us in accordance with its terms, subject, as to the enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting the right of creditors generally and to general principles of equity and the discretion of the court (regardless of whether enforcement of such remedies is considered in a proceeding in equity or at law).

9. Neither the execution and delivery by us of this letter, nor the compliance by us with the provisions hereof, nor the consummation by us of the transactions as set forth herein, will (A) conflict with or result in a breach of, or constitute a default or result in the acceleration of any obligation under, our certificate of incorporation or by-laws or, after giving effect to the consents or the taking of the actions contemplated by clause (B) of this subparagraph, any of the provisions of any law, governmental rule, regulation, judgment, decree or order binding on us or our properties, or any of the provisions of any indenture or mortgage or any other contract or instrument to which we are a party or by which we or any of our properties is bound, or (B) require the consent of or notice to or any filing with, any person, entity or governmental body, which has not been obtained or made by us.

10. We anticipate being a profit-making entity on an ongoing basis.

11. We have filed all required federal and state income tax returns and have paid all federal and state income taxes due; we intend to file and pay all such returns and taxes in the future. We acknowledge that as the holder of the Residual Certificates, to the extent the Residual Certificates would be treated as a noneconomic residual interest within the meaning of U.S. Treasury Regulation Section 1.860E-1(c)(2), we may incur tax liabilities in excess of cash flows generated by the Residual Certificates and that we intend to pay taxes associated with holding the Residual Certificates as they become due.

12. We agree that in the event that at some future time we wish to transfer any interest in the Residual Certificates, we will transfer such interest in the Residual Certificates only to a transferee that:

(a) is not a Disqualified Organization and is not purchasing such interest in the Residual Certificates on behalf of a Disqualified Organization, and

(b) has delivered to the Securities Administrator a transferee agreement in the form of Exhibit D to the Standard Terms to Trust Agreement and an affidavit in the form of Exhibit G-1 or Exhibit G-2, as applicable, to the Standard Terms to Trust Agreement and, if requested by the Securities Administrator, an opinion of counsel, in form acceptable to the Securities Administrator, that the proposed transfer will not cause the Residual Certificates to be held by a Disqualified Organization.

13. We are knowledgeable and experienced in financial, business and tax matters generally and in particular, the investment risks and tax consequences of REMIC residuals that provide little or no cash flow, and are capable of evaluating the merits and risks of an investment in the Residual Certificates; we are able to bear the economic risks of an investment in the Residual Certificates.

14. In addition, we acknowledge that the Securities Administrator will not register the transfer of a Residual Certificate to a transferee that is not a “U.S. Person” within the meaning of Section 7701(a)(30) of the Code unless the Securities Administrator has received the affidavit required pursuant to Section 5.05(f) of the Standard Terms to Trust Agreement.

15. Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Standard Terms to Trust Agreement.

16. We hereby designate the Securities Administrator as our fiduciary to perform the duties of the tax matters person for each REMIC formed pursuant to the Trust Agreement.

(signature page follows)

IN WITNESS WHEREOF, the undersigned has caused this Agreement be validly executed by its duly authorized representative as of the day and year first above written.

_____
[Name of Transferee]

By: _____

Its: _____

Taxpayer ID # _____

Personally appeared before me _____, known or proved to me to be the same person who executed the foregoing instrument and to be a _____ of the Transferee, and acknowledged to me that he executed the same as his or her free act and deed and as the free act and deed of the Transferee.

Subscribed and sworn to before me this
_____ day of _____, 20 _.

_____
Notary Public

My commission expires: _____

Exhibit G-1

FORM OF NON-U.S. PERSON AFFIDAVIT
AND AFFIDAVIT PURSUANT TO SECTIONS
860D(a)(6)(A) and 860E(e)(4)
OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

Re: GS Mortgage Securities Corp., Depositor
GSR Mortgage Loan Trust
2007-AR2 (the " Trust ")

STATE OF _____)
) ss.:
CITY OF _____)

Under penalties of perjury, I, the undersigned, declare that to the best of my knowledge and belief, the following representations are true, correct and complete:

1. I am a duly authorized officer of _____ (the " Transferee "), and on behalf of which I have the authority to make this affidavit.

2. The Transferee is acquiring all or a portion of the securities (the " Residual Certificates "), which represent a residual interest in one or more real estate mortgage investment conduits (each, a " REMIC ") for which elections are to be made under Section 860D of the Internal Revenue Code of 1986, as amended (the " Code ").

3. The Transferee is a foreign person within the meaning of Treasury Regulation Section 1.860G-3(a)(1) (*i.e.* , a person other than (i) a citizen or resident of the United States, (ii) a corporation or partnership that is organized under the laws of the United States or any jurisdiction thereof or therein, (iii) an estate that is subject to United States federal income tax regardless of the source of its income or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of such trust and one or more United States Persons have the authority to control all substantial decisions of the trust) who would be subject to United States income tax withholding pursuant to Section 1441 or 1442 of the Code on income derived from the Residual Certificates (a " Non-U.S. Person ").

4. The Transferee agrees that it will not hold the Residual Certificates in connection with a trade or business in the United States, and the Transferee understands that it will be subject to United States federal income tax under Sections 871 and 881 of the Code in accordance with Section 860G of the Code and any Treasury regulations issued thereunder on "excess inclusions" that accrue with respect to the Residual Certificates during the period the Transferee holds the Residual Certificates.

5. The Transferee understands that the federal income tax on excess inclusions with respect to the Residual Certificates may be withheld in accordance with Section 860G(b) of the Code from distributions that otherwise would be made to the Transferee on the Residual Certificates and, to the extent that such tax has not been imposed previously, that such tax may be imposed at the time of disposition of any such Residual Certificate pursuant to Section 860G(b) of the Code.

6. The Transferee agrees (i) to file a timely United States federal income tax return for the year in which disposition of a Residual Certificate it holds occurs (or earlier if required by law) and will pay any United States federal income tax due at that time and (ii) if any tax is due at that time, to provide satisfactory written evidence of payment of such tax to the Trustee or its designated paying agent or other person who is liable to withhold federal income tax from a distribution on the Residual Certificates under Sections 1441 and 1442 of the Code and the regulations thereunder (the " Withholding Agent ").

7. The Transferee understands that until it provides written evidence of the payment of tax due upon the disposition of a Residual Certificate to the Withholding Agent pursuant to paragraph 6 above, the Withholding Agent may (i) withhold an amount equal to such tax from future distributions made with respect to the Residual Certificate to subsequent transferees (after giving effect to the withholding of taxes imposed on such subsequent transferees), and (ii) pay the withheld amount to the Internal Revenue Service.

8. The Transferee understands that (i) the Withholding Agent may withhold other amounts required to be withheld pursuant to United States federal income tax law, if any, from distributions that otherwise would be made to such transferee on each Residual Certificate it holds and (ii) the Withholding Agent may pay to the Internal Revenue Service amounts withheld on behalf of any and all former holders of each Residual Certificate held by the Transferee.

9. The Transferee understands that if it transfers a Residual Certificate (or any interest therein) to a United States Person (including a foreign person who is subject to net United States federal income taxation with respect to such Residual Certificate), the Withholding Agent may disregard the transfer for federal income tax purposes if the transfer would have the effect of allowing the Transferee to avoid tax on accrued excess inclusions and may continue to withhold tax from future distributions as though the Residual Certificate were still held by the Transferee.

10. The Transferee understands that a transfer of a Residual Certificate (or any interest therein) to a Non-U.S. Person (*i.e.* , a foreign person who is not subject to net United States federal income tax with respect to such Residual Certificate) will not be recognized unless the Withholding Agent has received from the transferee an affidavit in substantially the same form as this affidavit containing these same agreements and representations.

11. The Transferee understands that distributions on a Residual Certificate may be delayed, without interest, pending determination of amounts to be withheld.

12. The Transferee is not a "Disqualified Organization" (as defined below), and the Transferee is not acquiring a Residual Certificate for the account of, or as agent or nominee of, or with a view to the transfer of direct or indirect record or beneficial ownership to, a Disqualified Organization. For the purposes hereof, a Disqualified Organization is any of the following: (i) the United States, any State or political subdivision thereof, any foreign government, any international organization, or any agency or instrumentality of any of the foregoing; (ii) any organization (other than a farmer's cooperative as defined in Section 521 of the Code) that is exempt from federal income taxation (including taxation under the unrelated business taxable income provisions of the Code); (iii) any rural telephone or electrical service cooperative described in Section 1381(a)(2)(C) of the Code; or (iv) any other entity treated as a "disqualified organization" within the meaning of Section 860E(e)(5) of the Code. In addition, a corporation will not be treated as an instrumentality of the United States or of any state or political subdivision thereof if all of its activities are subject to tax and, with the exception of the Federal Home Loan Mortgage Corporation, a majority of its board of directors is not selected by such governmental unit.

13. The Transferee agrees to consent to any amendment of the Trust Agreement that shall be deemed necessary by the Depositor (upon the advice of counsel to the Depositor) to constitute a reasonable arrangement to ensure that no interest in a Residual Certificate will be owned directly or indirectly by a Disqualified Organization.

14. The Transferee acknowledges that Section 860E(e) of the Code would impose a substantial tax on the transferor or, in certain circumstances, on an agent for the Transferee, with respect to any transfer of any interest in any Residual Certificate to a Disqualified Organization.

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Master Servicing and Trust Agreement, dated as of May 1, 2007, among GS Mortgage Securities Corp., as Depositor, Deutsche Bank National Trust Company, as a Custodian and as Trustee and Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and a Custodian , and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto .

IN WITNESS WHEREOF, the Transferee has caused this instrument to be duly executed on its behalf, by its duly authorized officer as of the _____ day of _____, 20__.

_____
[Name of Transferee]

By: _____

Its: _____

Personally appeared before me _____, known or proved to me to be the same person who executed the foregoing instrument and to be a _____ of the Transferee, and acknowledged to me that he or she executed the same as his or her free act and deed and as the free act and deed of the Transferee.

Subscribed and sworn before me this _____ day of _____, 20__.

_____
Notary Public

My commission expires the _____ day of _____, 20__.

Exhibit G-2

FORM OF U.S. PERSON AFFIDAVIT
AND AFFIDAVIT PURSUANT TO SECTIONS
860D(a)(6)(A) and 860E(e)(4)
OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

Re: GS Mortgage Securities Corp., Depositor
GSR Mortgage Loan Trust
2007-AR2 (the " Trust ")

STATE OF _____)
) ss.:
CITY OF _____)

Under penalties of perjury, I, the undersigned declare that, to the best of my knowledge and belief, the following representations are true, correct and complete:

1. I am a duly authorized officer of _____ (the " Transferee "), on behalf of which I have the authority to make this affidavit.

2. The Transferee is acquiring all or a portion of the securities (the "Residual Certificates"), which represent a residual interest in one or more real estate mortgage investment conduits (each, a " REMIC ") for which elections are to be made under Section 860D of the Internal Revenue Code of 1986, as amended (the " Code ").

3. The Transferee either is (i) a citizen or resident of the United States, (ii) a domestic partnership or corporation, (iii) an estate that is subject to United States federal income tax regardless of the source of its income, (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of such trust and one or more United States Persons have the authority to control all substantial decisions of the trust, or (v) a foreign person who would be subject to United States income taxation on a net basis on income derived from the Residual Certificates (a " U.S. Person ").

4. The Transferee is a not a "Disqualified Organization" (as defined below), and the Transferee is not acquiring a Residual Certificate for the account of, or as agent or nominee of, or with a view to the transfer of direct or indirect record or beneficial ownership to, a Disqualified Organization. For the purposes hereof, a Disqualified Organization is any of the following: (i) the United States, any state or political subdivision thereof, any foreign government, any international organization, or any agency or instrumentality of any of the foregoing; (ii) any organization (other than a farmer's cooperative as defined in Section 521 of the Code) that is exempt from federal income taxation (including taxation under the unrelated business taxable income provisions of the Code); (iii) any rural telephone or electrical service cooperative described in § 1381(a)(2)(C) of the Code; or (iv) any other entity treated as a "disqualified organization" within the meaning of Section 860E(e)(5) of the Code. In addition, a corporation will not be treated as an instrumentality of the United States or of any state or political subdivision thereof if all of its activities are subject to tax and, with the exception of the Federal Home Loan Mortgage Corporation, a majority of its board of directors is not selected by such governmental unit.

5. The Transferee agrees to consent to any amendment of the Trust Agreement that shall be deemed necessary by the Depositor (upon the advice of counsel to the Depositor) to constitute a reasonable arrangement to ensure that no interest in a Residual Certificate will be owned directly or indirectly by a Disqualified Organization.

6. The Transferee acknowledges that Section 860E(e) of the Code would impose a substantial tax on the transferor or, in certain circumstances, on an agent for the Transferee, with respect to any transfer of any interest in any Residual Certificate to a Disqualified Organization.

Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Master Servicing and Trust Agreement, dated as of May 1, 2007, among GS Mortgage Securities Corp., as Depositor, Deutsche Bank National Trust Company, as a Custodian and as Trustee and Wells Fargo Bank, N.A., as Master Servicer, Securities Administrator and a Custodian , and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto .

IN WITNESS WHEREOF, the Transferee has caused this instrument to be duly executed on its behalf, by its duly authorized officer this ____ day of _____, 20__.

_____
[Name of Transferee]

By: _____

Its: _____

Personally appeared before me _____, known or proved to me to be the same person who executed the foregoing instrument and to be a _____ of the Transferee, and acknowledged to me that he or she executed the same as his or her free act and deed and as the free act and deed of the Transferee.

Subscribed and sworn before me this ____ day of _____, 20__.

_____
Notary Public

My commission expires the ____ day of _____, 20__.

Exhibit H

FORM OF CERTIFICATION TO BE PROVIDED TO THE DEPOSITOR BY THE SECURITIES ADMINISTRATOR

GS Mortgage Securities Corp.
85 Broad Street
New York, New York 10004

Re: GS Mortgage Securities Corp., Depositor
GSR Mortgage Loan Trust 2007-AR2 (the " Trust ")

Reference is made to the Master Servicing and Trust Agreement, dated as of May 1, 2007 (the " Trust Agreement "), by and among Wells Fargo Bank, N.A., as Master Servicer (the " Master Servicer "), as Securities Administrator (the " Securities Administrator ") and as a Custodian, Deutsche Bank National Trust Company, as Trustee (the " Trustee ") and as a Custodian, and GS Mortgage Securities Corp., as Depositor (the " Depositor ") and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto . The Securities Administrator hereby certifies to the Depositor, and its officers, directors and affiliates, and with the knowledge and intent that they will rely upon this certification, that:

(i) The Securities Administrator has reviewed the annual report on Form 10-K for the fiscal year [ ], and all reports on Form 10-D containing distribution reports filed in respect of periods included in the year covered by that annual report, relating to the above-referenced trust;

(ii) Subject to paragraph (iv), the distribution information in the distribution reports contained in all Monthly Form 10-D's included in the year covered by the annual report on Form 10-K for the calendar year [___], taken as a whole, does not contain any untrue statement of a material fact or omit to state a material fact required by the Trust Agreement to be included therein and necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading as of the last day of the period covered by that annual report;

(iii) The distribution information required to be provided by the Securities Administrator under the Trust Agreement is included in these reports.

(iv) In compiling the distribution information and making the foregoing certifications, the Securities Administrator has relied upon information furnished to it by the Master Servicer under the Trust Agreement. The Securities Administrator shall have no responsibility or liability for any inaccuracy in such reports resulting from information so provided by the Master Servicer.

(signature page follows)

Date:

Wells Fargo Bank, N.A.,
as Securities Administrator

By: _____
Name: _____
Title: _____

Exhibit H-2

Exhibit I

FORM OF CERTIFICATION TO BE PROVIDED TO THE DEPOSITOR BY THE MASTER SERVICER

GS Mortgage Securities Corp.
85 Broad Street
New York, New York 10004

Re: GS Mortgage Securities Corp., Depositor
GSR Mortgage Loan Trust 2007-AR2 (the " Trust ")

Reference is made to the Master Servicing and Trust Agreement, dated as of May 1, 2007 (the " Trust Agreement "), by and among Wells Fargo Bank, N.A., as Master Servicer (the " Master Servicer "), as Securities Administrator (the " Securities Administrator ") and as a Custodian, Deutsche Bank National Trust Company, as Trustee (the " Trustee ") and as a Custodian, and GS Mortgage Securities Corp., as Depositor (the " Depositor ") and the Standard Terms to Master Servicing and Trust Agreement (May 2007 Edition) incorporated by reference thereto . The Master Servicer hereby certifies to the Depositor, the Securities Administrator and the Trustee, and their respective officers, directors and affiliates, and with the knowledge and intent that they will rely upon this certification, that:

(i) Based on our knowledge, the information prepared by the Master Servicer and relating to the mortgage loans master serviced by the Master Servicer and provided by the Master Servicer to the Securities Administrator and the Trustee and in its reports to the Securities Administrator and the Trustee is accurate and complete in all material respects as of the last day of the period covered by such report;

(ii) Based on our knowledge, the servicing information required to be provided to the Securities Administrator and the Trustee by the Master Servicer pursuant to the Trust Agreement has been provided to the Securities Administrator and the Trustee;

(iii) Based upon the review required under the Trust Agreement, and except as disclosed in its reports, the Master Servicer as of the last day of the period covered by such reports has fulfilled its obligations under the Trust Agreement; and

(iv) In compiling the distribution information and making the foregoing certifications, the Master Servicer has relied upon information furnished to it by the servicers under the respective servicing agreements. The Master Servicer shall have no responsibility or liability for any inaccuracy in such reports resulting from information so provided by such servicers.

Date:

Wells Fargo Bank, N.A.,
as Master Servicer

By: _____
Name: _____
Title: _____

Exhibit I-2

Exhibit J

RELEVANT SERVICING CRITERIA

	Servicing Criteria	*Applicable Servicing Criteria for Custodians*	*Applicable Servicing Criteria for Wells Fargo*
Reference	**Criteria**		
	General Servicing Considerations		
1122(d)(1)(i)	Policies and procedures are instituted to monitor any performance or other triggers and events of default in accordance with the transaction agreements.		X
1122(d)(1)(ii)	If any material servicing activities are outsourced to third parties, policies and procedures are instituted to monitor the third party's performance and compliance with such servicing activities.		X
1122(d)(1)(iii)	Any requirements in the transaction agreements to maintain a back-up servicer for the mortgage loans are maintained.		
1122(d)(1)(iv)	A fidelity bond and errors and omissions policy is in effect on the party participating in the servicing function throughout the reporting period in the amount of coverage required by and otherwise in accordance with the terms of the transaction agreements.		X
	Cash Collection and Administration		
1122(d)(2)(i)	Payments on mortgage loans are deposited into the appropriate custodial bank accounts and related bank clearing accounts no more than two business days following receipt, or such other number of days specified in the transaction agreements.		X
1122(d)(2)(ii)	Disbursements made via wire transfer on behalf of an obligor or to an investor are made only by authorized personnel.		X
1122(d)(2)(iii)	Advances of funds or guarantees regarding collections, cash flows or distributions, and any interest or other fees charged for such advances, are made, reviewed and approved as specified in the transaction agreements.		X
1122(d)(2)(iv)	The related accounts for the transaction, such as cash reserve accounts or accounts established as a form of overcollateralization, are separately maintained (e.g., with respect to commingling of cash) as set forth in the transaction agreements.		X
1122(d)(2)(v)	Each custodial account is maintained at a federally insured depository institution as set forth in the transaction agreements. For purposes of this criterion, "federally insured depository institution" with respect to a foreign financial institution means a foreign financial institution that meets the requirements of Rule 13k-1(b)(1) of the Securities Exchange Act.		X

Reference	*Servicing Criteria* Criteria	*Applicable Servicing Criteria for Custodians*	*Applicable Servicing Criteria for Wells Fargo*
1122(d)(2)(vi)	Unissued checks are safeguarded so as to prevent unauthorized access.		X
1122(d)(2)(vii)	Reconciliations are prepared on a monthly basis for all asset-backed securities related bank accounts, including custodial accounts and related bank clearing accounts. These reconciliations are (A) mathematically accurate; (B) prepared within 30 calendar days after the bank statement cutoff date, or such other number of days specified in the transaction agreements; (C) reviewed and approved by someone other than the person who prepared the reconciliation; and (D) contain explanations for reconciling items. These reconciling items are resolved within 90 calendar days of their original identification, or such other number of days specified in the transaction agreements.		X
	Investor Remittances and Reporting		
1122(d)(3)(i)	Reports to investors, including those to be filed with the Commission, are maintained in accordance with the transaction agreements and applicable Commission requirements. Specifically, such reports (A) are prepared in accordance with timeframes and other terms set forth in the transaction agreements; (B) provide information calculated in accordance with the terms specified in the transaction agreements; (C) are filed with the Commission as required by its rules and regulations; and (D) agree with investors' or the trustee's records as to the total unpaid principal balance and number of mortgage loans serviced by the Servicer.		X
1122(d)(3)(ii)	Amounts due to investors are allocated and remitted in accordance with timeframes, distribution priority and other terms set forth in the transaction agreements.		X
1122(d)(3)(iii)	Disbursements made to an investor are posted within two business days to the Servicer's investor records, or such other number of days specified in the transaction agreements.		X
1122(d)(3)(iv)	Amounts remitted to investors per the investor reports agree with cancelled checks, or other form of payment, or custodial bank statements.		X
	Pool Asset Administration		
1122(d)(4)(i)	Collateral or security on mortgage loans is maintained as required by the transaction agreements or related mortgage loan documents.	X	X
1122(d)(4)(ii)	Mortgage loan and related documents are safeguarded as required by the transaction agreements.	X	X
1122(d)(4)(iii)	Any additions, removals or substitutions to the asset pool are made, reviewed and approved in accordance with any conditions or requirements in the transaction agreements.		

	Servicing Criteria	*Applicable Servicing Criteria for Custodians*	*Applicable Servicing Criteria for Wells Fargo*
Reference	**Criteria**		
1122(d)(4)(iv)	Payments on mortgage loans, including any payoffs, made in accordance with the related mortgage loan documents are posted to the Servicer's obligor records maintained no more than two business days after receipt, or such other number of days specified in the transaction agreements, and allocated to principal, interest or other items (e.g., escrow) in accordance with the related mortgage loan documents.		
1122(d)(4)(v)	The Servicer's records regarding the mortgage loans agree with the Servicer's records with respect to an obligor's unpaid principal balance.		
1122(d)(4)(vi)	Changes with respect to the terms or status of an obligor's mortgage loans (e.g., loan modifications or re-agings) are made, reviewed and approved by authorized personnel in accordance with the transaction agreements and related pool asset documents.		
1122(d)(4)(vii)	Loss mitigation or recovery actions (e.g., forbearance plans, modifications and deeds in lieu of foreclosure, foreclosures and repossessions, as applicable) are initiated, conducted and concluded in accordance with the timeframes or other requirements established by the transaction agreements.		
1122(d)(4)(viii)	Records documenting collection efforts are maintained during the period a mortgage loan is delinquent in accordance with the transaction agreements. Such records are maintained on at least a monthly basis, or such other period specified in the transaction agreements, and describe the entity's activities in monitoring delinquent mortgage loans including, for example, phone calls, letters and payment rescheduling plans in cases where delinquency is deemed temporary (e.g., illness or unemployment).		
1122(d)(4)(ix)	Adjustments to interest rates or rates of return for mortgage loans with variable rates are computed based on the related mortgage loan documents.		
1122(d)(4)(x)	Regarding any funds held in trust for an obligor (such as escrow accounts): (A) such funds are analyzed, in accordance with the obligor's mortgage loan documents, on at least an annual basis, or such other period specified in the transaction agreements; (B) interest on such funds is paid, or credited, to obligors in accordance with applicable mortgage loan documents and state laws; and (C) such funds are returned to the obligor within 30 calendar days of full repayment of the related mortgage loans, or such other number of days specified in the transaction agreements.		
1122(d)(4)(xi)	Payments made on behalf of an obligor (such as tax or insurance payments) are made on or before the related penalty or expiration dates, as indicated on the appropriate bills or notices for such payments, provided that such support has been received by the servicer at least 30 calendar days prior to these dates, or such other number of days specified in the transaction agreements.		

	Servicing Criteria	*Applicable Servicing Criteria for Custodians*	*Applicable Servicing Criteria for Wells Fargo*
Reference	**Criteria**		
1122(d)(4)(xii)	Any late payment penalties in connection with any payment to be made on behalf of an obligor are paid from the servicer's funds and not charged to the obligor, unless the late payment was due to the obligor's error or omission.		
1122(d)(4)(xiii)	Disbursements made on behalf of an obligor are posted within two business days to the obligor's records maintained by the servicer, or such other number of days specified in the transaction agreements.		
1122(d)(4)(xiv)	Delinquencies, charge-offs and uncollectible accounts are recognized and recorded in accordance with the transaction agreements.		**X**

EXHIBIT K

Form 8-K Disclosure Information

FORM 8-K DISCLOSURE INFORMATION	
Item on Form 8-K	**Party Responsible**
Item 1.01- Entry into a Material Definitive Agreement Disclosure is required regarding entry into or amendment of any definitive agreement that is material to the securitization, even if depositor is not a party. Examples: servicing agreement, custodial agreement. Note: disclosure not required as to definitive agreements that are fully disclosed in the prospectus	All parties (other than the Custodians) entering into such material definitive agreement
Item 1.02- Termination of a Material Definitive Agreement Disclosure is required regarding termination of any definitive agreement that is material to the securitization (other than expiration in accordance with its terms), even if depositor is not a party. Examples: servicing agreement, custodial agreement.	All parties (other than the Custodians) requesting the termination of a material definitive agreement
Item 1.03- Bankruptcy or Receivership Disclosure is required regarding the bankruptcy or receivership, with respect to any of the following:	Depositor
▪ Sponsor (Seller)	Depositor/Sponsor (Seller)
▪ Depositor	Depositor
▪ Master Servicer	Master Servicer
▪ Affiliated Servicer	Servicer
▪ Other Servicer servicing 20% or more of the pool assets at the time of the report	Servicer
▪ Other material servicers	Servicer
▪ Trustee	Trustee
▪ Securities Administrator	Securities Administrator
▪ Significant Obligor	Depositor
▪ Credit Enhancer (10% or more)	Depositor

FORM 8-K DISCLOSURE INFORMATION	
Item on Form 8-K	**Party Responsible**
▪ Derivative Counterparty	Depositor
▪ Custodian	Custodian
Item 2.04- Triggering Events that Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement Includes an early amortization, performance trigger or other event, including event of default, that would materially alter the payment priority/distribution of cash flows/amortization schedule. Disclosure will be made of events other than waterfall triggers which are disclosed in the monthly statements to the certificateholders.	Depositor Master Servicer Securities Administrator
Item 3.03- Material Modification to Rights of Security Holders Disclosure is required of any material modification to documents defining the rights of Certificateholders, including the Pooling and Servicing Agreement.	Securities Administrator Depositor
Item 5.03- Amendments of Articles of Incorporation or Bylaws; Change of Fiscal Year Disclosure is required of any amendment "to the governing documents of the issuing entity".	Depositor
Item 6.01- ABS Informational and Computational Material	Depositor
Item 6.02- Change of Servicer or Securities Administrator Requires disclosure of any removal, replacement, substitution or addition of any master servicer, affiliated servicer, other servicer servicing 10% or more of pool assets at time of report, other material servicers or trustee.	Master Servicer/Securities Administrator/Depositor/ Servicer
Reg AB disclosure about any new servicer or master servicer is also required.	Servicer/Master Servicer/Depositor
Reg AB disclosure about any new Trustee is also required.	Successor Trustee
Item 6.03- Change in Credit Enhancement or External Support Covers termination of any enhancement in manner other than by its terms, the addition of an enhancement, or a material change in the enhancement provided. Applies to external credit enhancements as well as derivatives.	Depositor/Securities Administrator

FORM 8-K DISCLOSURE INFORMATION	
Item on Form 8-K	**Party Responsible**
Reg AB disclosure about any new enhancement provider is also required.	Depositor
Item 6.04- Failure to Make a Required Distribution	Securities Administrator
Item 6.05- Securities Act Updating Disclosure If any material pool characteristic differs by 5% or more at the time of issuance of the securities from the description in the final prospectus, provide updated Reg AB disclosure about the actual asset pool.	Depositor
If there are any new servicers or originators required to be disclosed under Regulation AB as a result of the foregoing, provide the information called for in Items 1108 and 1110 respectively.	Depositor
Item 7.01- Reg FD Disclosure	All parties (other than the Custodians and the Trustee)
Item 8.01- Other Events Any event, with respect to which information is not otherwise called for in Form 8-K, that the registrant deems of importance to certificateholders.	Depositor
Item 9.01- Financial Statements and Exhibits	Responsible party for reporting/disclosing the financial statement or exhibit

EXHIBIT L

Additional Form 10-D Disclosure

ADDITIONAL FORM 10-D DISCLOSURE	
Item on Form 10-D	**Party Responsible**
Item 1: Distribution and Pool Performance Information	
Information included in the [Monthly Statement]	Servicer Master Servicer Securities Administrator
Any information required by 1121 which is NOT included on the [Monthly Statement]	Depositor
Item 2: Legal Proceedings Any legal proceeding pending against the following entities or their respective property, that is material to Certificateholders, including any proceedings known to be contemplated by governmental authorities:	
▪ Issuing Entity (Trust Fund)	Master Servicer, Securities Administrator and Depositor
▪ Sponsor (Seller)	Seller (if a party to the Pooling and Servicing Agreement) or Depositor
▪ Depositor	Depositor
▪ Trustee	Trustee
▪ Securities Administrator	Securities Administrator
▪ Master Servicer	Master Servicer
▪ Custodian	Custodian
▪ 1110(b) Originator	Depositor
▪ Any 1108(a)(2) Servicer (other than the Master Servicer or Securities Administrator)	Servicer
▪ Any other party contemplated by 1100(d)(1)	Depositor
Item 3: Sale of Securities and Use of Proceeds *Information from Item 2(a) of Part II of Form 10-Q:* With respect to any sale of securities by the sponsor, depositor or issuing entity, that are backed by the same asset pool or are otherwise issued by the issuing entity, whether or not registered, provide the sales and use of proceeds information in Item 701 of Regulation S-K. Pricing information can be omitted if securities were not registered.	Depositor

ADDITIONAL FORM 10-D DISCLOSURE	
Item on Form 10-D	**Party Responsible**
Item 4: Defaults Upon Senior Securities *Information from Item 3 of Part II of Form 10-Q:* Report the occurrence of any Event of Default (after expiration of any grace period and provision of any required notice)	Securities Administrator
Item 5: Submission of Matters to a Vote of Security Holders *Information from Item 4 of Part II of Form 10-Q*	Securities Administrator
Item 6: Significant Obligors of Pool Assets *Item 1112(b) - Significant Obligor Financial Information**	Depositor
*This information need only be reported on the Form 10-D for the distribution period in which updated information is required pursuant to the Item.	
Item 7: Significant Enhancement Provider Information *Item 1114(b)(2) - Credit Enhancement Provider Financial Information**	
▪ Determining applicable disclosure threshold	Depositor
▪ Requesting required financial information (including any required accountants' consent to the use thereof) or effecting incorporation by reference	Depositor
*Item 1115(b) - Derivative Counterparty Financial Information**	
▪ Determining current maximum probable exposure	Depositor
▪ Determining current significance percentage	Depositor
▪ Requesting required financial information (including any required accountants' consent to the use thereof) or effecting incorporation by reference	Depositor
*This information need only be reported on the Form 10-D for the distribution period in which updated information is required pursuant to the Items.	

ADDITIONAL FORM 10-D DISCLOSURE	
Item on Form 10-D	**Party Responsible**
Item 8: Other Information *Disclose any information required to be reported on Form 8-K during the period covered by the Form 10-D but not reported*	Any party responsible for the applicable Form 8-K Disclosure item
Item 9: Exhibits	
Monthly Statement to Certificateholders	Securities Administrator
Exhibits required by Item 601 of Regulation S-K, such as material agreements	Depositor

EXHIBIT M

Additional Form 10-K Disclosure

ADDITIONAL FORM 10-K DISCLOSURE	
Item on Form 10-K	**Party Responsible**
Item 1B: Unresolved Staff Comments	Depositor
Item 9B: Other Information Disclose any information required to be reported on Form 8-K during the fourth quarter covered by the Form 10-K but not reported	Any party responsible for disclosure items on Form 8-K
Item 15: Exhibits, Financial Statement Schedules	Securities Administrator Depositor
Reg AB Item 1112(b): Significant Obligors of Pool Assets	
*Significant Obligor Financial Information**	Depositor
*This information need only be reported on the Form 10-D for the distribution period in which updated information is required pursuant to the Item.	
Reg AB Item 1114(b)(2): Credit Enhancement Provider Financial Information	
▪ Determining applicable disclosure threshold	Depositor
▪ Requesting required financial information (including any required accountants' consent to the use thereof) or effecting incorporation by reference	Depositor
*This information need only be reported on the Form 10-D for the distribution period in which updated information is required pursuant to the Items.	
Reg AB Item 1115(b): Derivative Counterparty Financial Information	
▪ Determining current maximum probable exposure	Depositor
▪ Determining current significance percentage	Depositor
▪ Requesting required financial information (including any required accountants' consent to the use thereof) or effecting incorporation by reference	Depositor
*This information need only be reported on the Form 10-D for the distribution period in which updated information is required pursuant to the Items.	

ADDITIONAL FORM 10-K DISCLOSURE	
Item on Form 10-K	**Party Responsible**
Reg AB Item 1117: Legal Proceedings Any legal proceeding pending against the following entities or their respective property, that is material to Certificateholders, including any proceedings known to be contemplated by governmental authorities:	
▪ Issuing Entity (Trust Fund)	Master Servicer, Securities Administrator and Depositor
▪ Sponsor (Seller)	Seller (if a party to the Pooling and Servicing Agreement) or Depositor
▪ Depositor	Depositor
▪ Trustee	Trustee
▪ Securities Administrator	Securities Administrator
▪ Master Servicer	Master Servicer
▪ Custodian	Custodian
▪ 1110(b) Originator	Depositor
▪ Any 1108(a)(2) Servicer (other than the Master Servicer or Securities Administrator)	Servicer
▪ Any other party contemplated by 1100(d)(1)	Depositor
Reg AB Item 1119: Affiliations and Relationships	
Whether (a) the Sponsor (Seller), Depositor or Issuing Entity is an affiliate of the following parties, and (b) to the extent known and material, any of the following parties are affiliated with one another:	Depositor as to (a) Sponsor/Seller as to (a)
▪ Master Servicer	Master Servicer
▪ Securities Administrator	Securities Administrator
▪ Trustee	Trustee
▪ Any other 1108(a)(3) servicer	Servicer
▪ Any 1110 Originator	Depositor/Sponsor
▪ Any 1112(b) Significant Obligor	Depositor/Sponsor
▪ Any 1114 Credit Enhancement Provider	Depositor/Sponsor
▪ Any 1115 Derivate Counterparty Provider	Depositor/Sponsor
▪ Any other 1101(d)(1) material party	Depositor/Sponsor
Whether there are any "outside the ordinary course business arrangements" other than would be obtained in an arm's length transaction between (a) the Sponsor (Seller), Depositor or Issuing Entity on the one hand, and (b) any of the following parties (or their affiliates) on the other hand, that exist currently or within the past two years and that are material to a Certificateholder's understanding of the Certificates:	Depositor as to (a) Sponsor/Seller as to (a)

ADDITIONAL FORM 10-K DISCLOSURE	
Item on Form 10-K	**Party Responsible**
▪ Master Servicer	Master Servicer
▪ Securities Administrator	Securities Administrator
▪ Trustee	Trustee
▪ Any other 1108(a)(3) servicer	Servicer
▪ Any 1110 Originator	Depositor/Sponsor
▪ Any 1112(b) Significant Obligor	Depositor/Sponsor
▪ Any 1114 Credit Enhancement Provider	Depositor/Sponsor
▪ Any 1115 Derivate Counterparty Provider	Depositor/Sponsor
▪ Any other 1101(d)(1) material party	Depositor/Sponsor
Whether there are any specific relationships involving the transaction or the pool assets between (a) the Sponsor (Seller), Depositor or Issuing Entity on the one hand, and (b) any of the following parties (or their affiliates) on the other hand, that exist currently or within the past two years and that are material:	Depositor as to (a) Sponsor/Seller as to (a)
▪ Master Servicer	Master Servicer
▪ Securities Administrator	Securities Administrator
▪ Trustee	Trustee
▪ Any other 1108(a)(3) servicer	Servicer
▪ Any 1110 Originator	Depositor/Sponsor
▪ Any 1112(b) Significant Obligor	Depositor/Sponsor
▪ Any 1114 Credit Enhancement Provider	Depositor/Sponsor
▪ Any 1115 Derivate Counterparty Provider	Depositor/Sponsor
▪ Any other 1101(d)(1) material party	Depositor/Sponsor

SCHEDULE I

BOND LEVEL REPORT

SCHEDULE II

LOAN LEVEL REPORT

SCHEDULE III

REMITTANCE REPORT

Data Field	Investor_ID	Category_ID	Servicer loan number	Investor Loan #	PIF Principal Amount	PIF Net Interest Paid	PIF date	Beginning scheduled note rate	Ending note rate	Beginning schedule service fee	Ending service fee
Format	Number (no decimals)	Number (no decimals)	Number (no decimals)	Number (no decimals)	Number (two decimals)	Number (two decimals)	Date (mm/dd/yy) format	Number (seven Decimals)	Number (seven decimals)	Number (seven decimals)	Number (seven decimals)
Description	ID number used by your company for the investor	ID number used by your company for the specific deal.	Servicer Loan Number - loan number used at your company.	Loan number used by Investor	Paid-in-full principal balance amount	Net interest paid the loan was paid-in-full	Enter the date the loan was paid-in-full. Leave blank if no PIF transaction.	Beginning scheduled note rate before the servicer's monthly activity. Can be blank for act/act pools.	Ending scheduled loan note rate after servicer's monthly activity (sch/sch) or the ending actual loan note rate after servicer's activity (act/act).	Beginning scheduled servicer service fee rate before the servicer's monthly activity. Can be blank for act/act pools.	Ending scheduled servicer service fee rate after the servicer's monthly activity.
Example:	1000	2	1234	56789	0.00	0.00		0.0887500	0.0887500	0.0025000	0.0025000

Ending due date	Beginning schedule 100% P&I	Ending 100% P&I	Beginning security balance	Ending security balance	Ending part UPB	Ending 100% UPB	Principal remitted	Interest remitted	Principal	Curtailment
Date (mm/dd/yy) format	Number (two decimals)	Number (two decimals)	Number (two decimals)	Number (two decimals)	Number (two decimals)	Number (two decimals)	Number (two decimals)	Number (two decimals)	Number (two decimals)	Number (two decimals)
Ending actual loan due date	Beginning scheduled 100% monthly payment amount before the servicer's monthly activity. Can be blank for act/act pools.	Ending 100% scheduled monthly loan payment amount after servicer's monthly activity (sch/sch) or the ending 100% actual monthly loan payment amount after servicer's activity (act/act).	(Sch/Sch) beginning scheduled balance. (Act/Act) beginning 100% Actual balance or the beginning participation Actual balance for participation loans.	(Sch/Sch) Ending scheduled balance. (Act/Act) Ending 100% Actual balance or the ending participation Actual balance for participation loans.	Ending actual participation loan principal balance after servicer's monthly activity.	Ending 100% actual principal balance after servicer's monthly activity.	(Sch/Sch) --- Add scheduled principal + Curtailments + payoff/liquidation amount (Act/Act) --- Add actual principal + curtailments + payoff/liquidation amounts.	For Sch/Sch loans, enter the scheduled **net interest** amount remitted. For Act/Act loans, enter the net interest amount remitted. Net Interest should equal the Gross Interest Amount minus Service Fee Amount.	(Sch/Sch) --- scheduled principal (Act/Act) --- actual principal paid	Curtailment amount
07/01/02	4475.51	4475.51	557866.38	557516.76	557866.38	557866.38	349.62	4009.67	349.62	0.00

GS MORTGAGE SECURITIES CORP., DEPOSITOR

MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2

CLASS [ ]A[ ] CERTIFICATE

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (" DTC "), TO THE SECURITIES ADMINISTRATOR OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CLASS [ ]A[ ] CERTIFICATE REPRESENTS A REMIC REGULAR INTEREST FOR FEDERAL INCOME TAX PURPOSES.

THE PRINCIPAL OF THIS CLASS [ ]A[ ] CERTIFICATE IS SUBJECT TO PREPAYMENT FROM TIME TO TIME WITHOUT SURRENDER OF OR NOTATION ON THIS CERTIFICATE. ACCORDINGLY, THE CERTIFICATE PRINCIPAL BALANCE OF THIS CERTIFICATE MAY BE LESS THAN THAT SET FORTH BELOW. ANYONE ACQUIRING THIS CERTIFICATE MAY ASCERTAIN ITS CURRENT CERTIFICATE PRINCIPAL BALANCE BY INQUIRY OF THE SECURITIES ADMINISTRATOR.

GS MORTGAGE SECURITIES CORP., DEPOSITOR

MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2

CLASS [ ]A[ ] CERTIFICATE

INITIAL CERTIFICATE RATE
PER ANNUM: [ ]% [1]

APPROXIMATE AGGREGATE INITIAL CERTIFICATE PRINCIPAL BALANCE OF THE CLASS [ ]A[ ] CERTIFICATES AS OF THE CLOSING DATE: $[ ]

APPROXIMATE INITIAL CERTIFICATE PRINCIPAL BALANCE OF THIS CLASS [ ]A[ ] CERTIFICATE AS OF THE CLOSING DATE: $[ ]

PERCENTAGE INTEREST: [ ]%

MINIMUM DENOMINATION: [ ]

$[ ] AND $1 IN EXCESS OF $[ ]

DATE OF THE TRUST AGREEMENT:
MAY 1, 2007

APPROXIMATE AGGREGATE SCHEDULED PRINCIPAL BALANCE AS OF THE CUT-OFF DATE OF THE MORTGAGE LOANS HELD BY THE TRUST: $[ ]

CLOSING DATE:
MAY 24, 2007

FIRST DISTRIBUTION DATE:
JUNE 25, 2007

FINAL SCHEDULED DISTRIBUTION DATE:
[ ]

TRUSTEE: DEUTSCHE BANK NATIONAL TRUST COMPANY
SECURITIES ADMINISTRATOR: WELLS FARGO BANK, N.A.

NO. [ ]

CUSIP NUMBER: [ ]
ISIN NUMBER: [ ]

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[1] For each Distribution Date, the Certificate Rate for the Class 1A[ ] Certificates will equal a variable rate determined in accordance with the Trust Agreement.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS [ ]A[ ] CERTIFICATE

evidencing a beneficial ownership interest in a Trust consisting of the entire beneficial ownership of a pool of certain interest only and conventional, hybrid, adjustable-rate, fully amortizing and ballon, first lien, one- to four-family residential Mortgage Loans formed and sold by

GS MORTGAGE SECURITIES CORP.

THIS CERTIFICATE DOES NOT REPRESENT AN OBLIGATION OF, OR INTEREST IN, AND IS NOT GUARANTEED BY, GS MORTGAGE SECURITIES CORP., THE SERVICERS, THE MASTER SERVICER, THE SECURITIES ADMINISTRATOR, THE TRUSTEE, THE WFB CUSTODIAN, THE DB CUSTODIAN OR ANY OF THEIR AFFILIATES. NEITHER THIS CERTIFICATE NOR THE UNDERLYING MORTGAGE LOANS ARE GUARANTEED BY ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES.

THIS CERTIFIES THAT:

[ ]

is the registered owner of the Percentage Interest evidenced by this Certificate in the Class [ ]A[ ] Certificates (the " Class [ ]A[ ] Certificates ") issued by the trust (the " Trust ") created pursuant to a Master Servicing and Trust Agreement dated as specified above (the " Trust Agreement ") among GS Mortgage Securities Corp., as depositor (hereinafter the " Depositor ," which term includes any successor entity under the Trust Agreement), Deutsche Bank National Trust Company, as trustee (the " Trustee ") and as a custodian (the " DB Custodian ") and Wells Fargo Bank, N.A., as securities administrator, master servicer and a custodian (in such capacities, respectively, the " Securities Administrator ," " Master Servicer " and " WFB Custodian "), a summary of certain of the pertinent provisions of which is set forth hereafter. The Trust consists primarily of a pool of Mortgage Loans. This Certificate is issued under and is subject to the terms, provisions and conditions of the Trust Agreement and also is subject to certain terms and conditions set forth in the Sale and Servicing Agreements, to which Sale and Servicing Agreements the Holder of this Certificate, by virtue of the acceptance hereof assents and by which such Certificateholder is bound.

Distributions on this Certificate (including the final distribution on this Certificate) will be made out of the Available Distribution Amount, to the extent and subject to the limitations set forth in the Trust Agreement, on the 25th day of each month, or if such day is not a Business Day, the next succeeding Business Day, beginning in June 2007 (each, a " Distribution Date "), commencing on the first Distribution Date specified above, to the Person in whose name this Certificate is registered at the close of business on the last Business Day of the Interest Accrual Period related to such Distribution Date (the " Record Date "). Distributions on this Certificate will generally be made from collections on the related Mortgage Loans as provided in the Trust Agreement. All sums distributable on this Certificate are payable in the coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Distributions on this Certificate will be paid in accordance with the terms of the Trust Agreement and the Sale and Servicing Agreements. Distributions allocated to this Certificate on any Distribution Date will be an amount equal to this Certificate's Percentage Interest of the Available Distribution Amount to be distributed on this Class of Certificates as of such Distribution Date, with a final distribution to be made upon retirement of this Certificate as set forth in the Trust Agreement.

This Certificate is one of a duly authorized issue of Certificates designated as Mortgage Pass-Through Certificates, Series 2007-AR2 (herein called the " Certificates "), and representing a Percentage Interest in the Class of Certificates specified on the face hereof equal to the quotient, expressed as a percentage, obtained by dividing the denomination of this Certificate specified on the face hereof by the aggregate Certificate Principal Balance of all the Class [ ]A[ ] Certificates. The Certificates are issued in multiple Classes designated as specifically set forth in the Trust Agreement. The Certificates will evidence in the aggregate 100% of the beneficial ownership of the Trust.

Realized Losses and interest shortfalls on the Mortgage Loans shall be allocated among the Classes of Certificates on the applicable Distribution Date in the manner set forth in the Trust Agreement. To the extent provided in the Trust Agreement, with respect to Realized Losses and interest shortfalls, the Subordinate Certificates will be subordinated to the Senior Certificates and each of the Subordinate Certificates will be subordinated to each of the other Subordinate Certificates with a lower numerical class designation, if any. All Realized Losses and interest shortfalls on the Mortgage Loans allocated to any Class of Certificates will be allocated *pro rata* among the outstanding Certificates of such Class, as described in the Trust Agreement.

The Certificates are limited in right of payment to certain collections and recoveries respecting the Mortgage Loans, all as more specifically set forth in the Trust Agreement. As provided in the Trust Agreement, withdrawals from the Collection Accounts, the Certificate Account and related accounts shall be made from time to time for purposes other than distributions to Holders, such purposes including reimbursement of Advances made, or certain expenses incurred, with respect to the Mortgage Loans and administration of the Trust.

[All distributions or allocations made with respect to each Class on any Distribution Date shall be allocated in accordance with the Trust Agreement. Payment shall be made either (1) by check mailed to the address of each Certificateholder as it appears in the Certificate Register on the Record Date immediately prior to such Distribution Date or (2) by wire transfer of immediately available funds to the account of a Certificateholder at a bank or other entity having appropriate facilities therefor, if such Certificateholder shall have so notified the Securities Administrator in writing by the Record Date immediately prior to such Distribution Date and such Certificateholder is the registered owner of an initial Certificate Principal Balance of at least $1,000,000. The Securities Administrator may charge the Certificateholder a fee for any payment made by wire transfer. Final distribution on the Certificates will be made only upon surrender of the Certificates at the offices of the Certificate Registrar set forth in the notice of such final distribution.]

The Trust Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Depositor, the Securities Administrator, the Trustee, the Master Servicer, the DB Custodian and the WFB Custodian and the rights of the Certificateholders under the Trust Agreement at any time by the Depositor, the Master Servicer, the Securities Administrator and the Trustee with the consent of the Certificateholders entitled to at least 51% of the Voting Rights. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Certificateholder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Trust Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Certificateholders.

The Certificates are issuable in fully registered form only, without coupons, in denominations specified in the Trust Agreement. As provided in the Trust Agreement and subject to any limitations on transfer of this Certificate by a Depository or its nominee and certain limitations set forth in the Trust Agreement, the transfer of this Certificate is registrable in the Certificate Register upon surrender of this Certificate for registration of transfer at the principal Corporate Trust Office of the Securities Administrator or such other offices or agencies appointed by the Securities Administrator for that purpose and such other locations provided in the Trust Agreement, duly endorsed by or accompanied by an assignment in the form below or other written instrument of transfer in form satisfactory to, the Trustee and the Certificate Registrar duly executed by the Certificateholder hereof, or such Certificateholder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in the same aggregate Certificate Principal Balance will be issued to the designated transferee or transferees.

As provided in the Trust Agreement and subject to certain limitations therein set forth, this Certificate is exchangeable for a new Certificate of the same Class in the same denomination. No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

The Depositor, the Securities Administrator, the Trustee and the Certificate Registrar and any agent of the Depositor, the Securities Administrator, the Trustee or the Certificate Registrar may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and none of the Depositor, the Securities Administrator, the Trustee, the Certificate Registrar or any such agent shall be affected by notice to the contrary.

The obligations created by the Trust Agreement will terminate upon payment to the applicable Certificateholders of all applicable amounts held in the Collection Account, the Certificate Account and the REMIC II Distribution Account required to be paid to such Certificateholders pursuant to the Trust Agreement, following the earlier of: (i) the final payment or other liquidation (or any Advance with respect thereto) of the last Mortgage Loan remaining in the Trust or the disposition of all property acquired upon foreclosure of any such Mortgage Loan and (ii) the repurchase of all of the assets of the Trust by Avelo or the Master Servicer upon the date on which the aggregate Scheduled Principal Balance of the Mortgage Loans is equal to or less than 10% of the aggregate Scheduled Principal Balance of such Mortgage Loans as of the Cut-Off Date. Written notice of any such termination shall be given to each applicable Certificateholder, and the final distribution shall be made only upon surrender and cancellation of such Certificates at an office or agency appointed by the Trustee which will be specified in the notice of termination.

Any such repurchase of Mortgage Loans and property acquired in respect of the Mortgage Loans shall be made at the Termination Price.

Unless the certificate of authentication hereon has been executed by the Certificate Registrar, by manual signature, this Certificate shall not be entitled to any benefit under the Trust Agreement or be valid for any purpose.

THIS CERTIFICATE AND THE TRUST AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

The Trustee has executed this Certificate on behalf of the Trust as Trustee under the Trust Agreement, and the Trustee shall be liable hereunder only in respect of the assets of the Trust.

Capitalized terms used herein and not defined herein shall have the meaning assigned to them in the Trust Agreement.

In the event that the terms of this Certificate conflict with the terms of the Trust Agreement, the terms of the Trust Agreement shall control.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.
as Securities Administrator

By: _____
AUTHORIZED OFFICER

CERTIFICATE OF AUTHENTICATION

THIS IS ONE OF THE CERTIFICATES REFERRED TO IN THE WITHIN-MENTIONED TRUST AGREEMENT.

WELLS FARGO BANK, N.A. ,
as Certificate Registrar

By: _____
AUTHORIZED OFFICER

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM—as tenants in common
TEN ENT—as tenants by the entireties

JT TEN—as joint tenants with rights of survivorship and not as Tenants in Common

UNIF GIFT MIN ACT— ____Custodian_____
(Cust) (Minor)

Under Uniform Gifts to Minors Act_____
(State)

Additional abbreviations may also be used
though not in the above list.

FORM OF TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF
ASSIGNEE _____

_____

(Please print or typewrite name and address of assignee)

the within Certificate and does hereby irrevocably constitute and, appoint _____

(Attorney) to transfer the said Certificate in the Certificate Register of the within-named Trust,

with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of this certificate in every particular without alteration or enlargement or any change whatever.

_____

SIGNATURE GUARANTEED: The signature must be guaranteed by a commercial bank or trust company or by a member firm of the New York Stock Exchange or another national certificates exchange. Notarized or witnessed signatures are not acceptable.

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distribution shall be made, by wire transfer or otherwise, in immediately available funds, to _____, for the account of _____, account number _____, or if mailed by check to _____. Applicable reports and statements should be mailed to _____. This information is provided by _____, the assignee named above, or _____, as agent.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS B[1][2][3] CERTIFICATE

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE SECURITIES ADMINISTRATOR OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CLASS B[1][2][3] CERTIFICATE IS SUBORDINATED TO THE EXTENT DESCRIBED HEREIN AND IN THE TRUST AGREEMENT REFERENCED HEREIN.

THIS CLASS B[1][2][3] CERTIFICATE REPRESENTS A REMIC REGULAR INTEREST FOR FEDERAL INCOME TAX PURPOSES.

THE PRINCIPAL OF THIS CLASS B[1][2][3] CERTIFICATE IS SUBJECT TO PREPAYMENT FROM TIME TO TIME WITHOUT SURRENDER OF OR NOTATION ON THIS CERTIFICATE. ACCORDINGLY, THE CERTIFICATE PRINCIPAL BALANCE OF THIS CERTIFICATE MAY BE LESS THAN THAT SET FORTH BELOW. ANYONE ACQUIRING THIS CERTIFICATE MAY ASCERTAIN ITS CURRENT CERTIFICATE PRINCIPAL BALANCE BY INQUIRY OF THE SECURITIES ADMINISTRATOR.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS B[1][2][3] CERTIFICATE

INITIAL CERTIFICATE RATE PER ANNUM: [ ]% [2]

APPROXIMATE AGGREGATE INITIAL CERTIFICATE PRINCIPAL BALANCE OF THE CLASS B[1][2][3] CERTIFICATES AS OF THE CLOSING DATE: $[ ]

APPROXIMATE INITIAL CERTIFICATE PRINCIPAL BALANCE OF THIS CLASS B[1][2][3] CERTIFICATE AS OF THE CLOSING DATE: $[ ]

PERCENTAGE INTEREST: [ ]%

MINIMUM DENOMINATION: [ ]

$[ ] AND $1 IN EXCESS OF $[ ]

DATE OF THE TRUST AGREEMENT:
MAY 1, 2007

APPROXIMATE AGGREGATE SCHEDULED PRINCIPAL BALANCE AS OF THE CUT-OFF DATE OF THE MORTGAGE LOANS HELD BY THE TRUST: $[ ]

CLOSING DATE:
MAY 24, 2007

FIRST DISTRIBUTION DATE:
JUNE 25, 2007

FINAL SCHEDULED DISTRIBUTION DATE:
[ ]

TRUSTEE: DEUTSCHE BANK NATIONAL TRUST COMPANY
SECURITIES ADMINISTRATOR: WELLS FARGO BANK, N.A.

NO. [ ]

CUSIP NUMBER: [ ]
ISIN NUMBER: [ ]

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[1] For each Distribution Date, the Certificate Rate for the Class B[1][2][3] Certificates will equal a variable rate determined in accordance with the Trust Agreement.

evidencing a beneficial ownership interest in a Trust consisting of the entire beneficial ownership of a pool of certain interest only and conventional, hybrid, adjustable-rate, fully amortizing and ballon, first lien, one- to four-family residential Mortgage Loans formed and sold by

GS MORTGAGE SECURITIES CORP.

THIS CERTIFICATE DOES NOT REPRESENT AN OBLIGATION OF, OR INTEREST IN, AND IS NOT GUARANTEED BY, GS MORTGAGE SECURITIES CORP., THE SERVICERS, THE MASTER SERVICER, THE SECURITIES ADMINISTRATOR, THE TRUSTEE, THE WFB CUSTODIAN, THE DB CUSTODIAN OR ANY OF THEIR AFFILIATES. NEITHER THIS CERTIFICATE NOR THE UNDERLYING MORTGAGE LOANS ARE GUARANTEED BY ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES.

THIS CERTIFIES THAT:

[ ]

is the registered owner of the Percentage Interest evidenced by this Certificate in the Class B[1][2][3] Certificates (the " Class B[1][2][3] Certificates ") issued by the trust (the " Trust ") created pursuant to a Master Servicing and Trust Agreement dated as specified above (the " Trust Agreement ") among GS Mortgage Securities Corp., as depositor (hereinafter the " Depositor ," which term includes any successor entity under the Trust Agreement), Deutsche Bank National Trust Company, as trustee (the " Trustee ") and as a custodian (the " DB Custodian ") and Wells Fargo Bank, N.A., as securities administrator, master servicer and a custodian (in such capacities, respectively, the " Securities Administrator ," " Master Servicer " and " WFB Custodian "), a summary of certain of the pertinent provisions of which is set forth hereafter. The Trust consists primarily of a pool of Mortgage Loans. This Certificate is issued under and is subject to the terms, provisions and conditions of the Trust Agreement and also is subject to certain terms and conditions set forth in the Sale and Servicing Agreements, to which Sale and Servicing Agreements the Holder of this Certificate, by virtue of the acceptance hereof assents and by which such Certificateholder is bound.

Distributions on this Certificate (including the final distribution on this Certificate) will be made out of the Available Distribution Amount, to the extent and subject to the limitations set forth in the Trust Agreement, on the 25th day of each month, or if such day is not a Business Day, the next succeeding Business Day, beginning in June 2007 (each, a " Distribution Date "), commencing on the first Distribution Date specified above, to the Person in whose name this Certificate is registered at the close of business on the last Business Day of the Interest Accrual Period related to such Distribution Date (the " Record Date "). Distributions on this Certificate will generally be made from collections on the related Mortgage Loans as provided in the Trust Agreement. All sums distributable on this Certificate are payable in the coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Distributions on this Certificate will be paid in accordance with the terms of the Trust Agreement and the Sale and Servicing Agreements. Distributions allocated to this Certificate on any Distribution Date will be an amount equal to this Certificate's Percentage Interest of the Available Distribution Amount to be distributed on this Class of Certificates as of such Distribution Date, with a final distribution to be made upon retirement of this Certificate as set forth in the Trust Agreement.

This Certificate is one of a duly authorized issue of Certificates designated as Mortgage Pass-Through Certificates, Series 2007-AR2 (herein called the " Certificates "), and representing a Percentage Interest in the Class of Certificates specified on the face hereof equal to the quotient, expressed as a percentage, obtained by dividing the denomination of this Certificate specified on the face hereof by the aggregate Certificate Principal Balance of all the Class B[1][2][3] Certificates. The Certificates are issued in multiple Classes designated as specifically set forth in the Trust Agreement. The Certificates will evidence in the aggregate 100% of the beneficial ownership of the Trust.

Realized Losses and interest shortfalls on the Mortgage Loans shall be allocated among the Classes of Certificates on the applicable Distribution Date in the manner set forth in the Trust Agreement. To the extent provided in the Trust Agreement, with respect to Realized Losses and interest shortfalls, the Subordinate Certificates will be subordinated to the Senior Certificates and each of the Subordinate Certificates will be subordinated to each of the other Subordinate Certificates with a lower numerical class designation, if any. All Realized Losses and interest shortfalls on the Mortgage Loans allocated to any Class of Certificates will be allocated *pro rata* among the outstanding Certificates of such Class, as described in the Trust Agreement.

The Certificates are limited in right of payment to certain collections and recoveries respecting the Mortgage Loans, all as more specifically set forth in the Trust Agreement. As provided in the Trust Agreement, withdrawals from the Collection Accounts, the Certificate Account and related accounts shall be made from time to time for purposes other than distributions to Holders, such purposes including reimbursement of Advances made, or certain expenses incurred, with respect to the Mortgage Loans and administration of the Trust.

All distributions or allocations made with respect to each Class on any Distribution Date shall be allocated in accordance with the Trust Agreement. Payment shall be made either (1) by check mailed to the address of each Certificateholder as it appears in the Certificate Register on the Record Date immediately prior to such Distribution Date or (2) by wire transfer of immediately available funds to the account of a Certificateholder at a bank or other entity having appropriate facilities therefor, if such Certificateholder shall have so notified the Securities Administrator in writing by the Record Date immediately prior to such Distribution Date and such Certificateholder is the registered owner of an initial Certificate Principal Balance of at least $1,000,000. The Securities Administrator may charge the Certificateholder a fee for any payment made by wire transfer. Final distribution on the Certificates will be made only upon surrender of the Certificates at the offices of the Certificate Registrar set forth in the notice of such final distribution.

The Trust Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Depositor, the Securities Administrator, the Trustee, the Master Servicer, the DB Custodian and the WFB Custodian and the rights of the Certificateholders under the Trust Agreement at any time by the Depositor, the Master Servicer, the Securities Administrator and the Trustee with the consent of the Certificateholders entitled to at least 51% of the Voting Rights. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Certificateholder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Trust Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Certificateholders.

The Certificates are issuable in fully registered form only, without coupons, in denominations specified in the Trust Agreement. As provided in the Trust Agreement and subject to any limitations on transfer of this Certificate by a Depository or its nominee and certain limitations set forth in the Trust Agreement, the transfer of this Certificate is registrable in the Certificate Register upon surrender of this Certificate for registration of transfer at the principal Corporate Trust Office of the Securities Administrator or such other offices or agencies appointed by the Securities Administrator for that purpose and such other locations provided in the Trust Agreement, duly endorsed by or accompanied by an assignment in the form below or other written instrument of transfer in form satisfactory to, the Trustee and the Certificate Registrar duly executed by the Certificateholder hereof, or such Certificateholder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in the same aggregate Certificate Principal Balance will be issued to the designated transferee or transferees.

As provided in the Trust Agreement and subject to certain limitations therein set forth, this Certificate is exchangeable for a new Certificate of the same Class in the same denomination. No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

The Depositor, the Securities Administrator, the Trustee and the Certificate Registrar and any agent of the Depositor, the Securities Administrator, the Trustee or the Certificate Registrar may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and none of the Depositor, the Securities Administrator, the Trustee, the Certificate Registrar or any such agent shall be affected by notice to the contrary.

The obligations created by the Trust Agreement will terminate upon payment to the applicable Certificateholders of all applicable amounts held in the Collection Account, the Certificate Account and the REMIC II Distribution Account required to be paid to such Certificateholders pursuant to the Trust Agreement, following the earlier of: (i) the final payment or other liquidation (or any Advance with respect thereto) of the last Mortgage Loan remaining in the Trust or the disposition of all property acquired upon foreclosure of any such Mortgage Loan and (ii) the repurchase of all of the assets of the Trust by Avelo or the Master Servicer upon the date on which the aggregate Scheduled Principal Balance of the Mortgage Loans is equal to or less than 10% of the aggregate Scheduled Principal Balance of such Mortgage Loans as of the Cut-Off Date. Written notice of any such termination shall be given to each applicable Certificateholder, and the final distribution shall be made only upon surrender and cancellation of such Certificates at an office or agency appointed by the Trustee which will be specified in the notice of termination.

Any such repurchase of Mortgage Loans and property acquired in respect of the Mortgage Loans shall be made at the Termination Price.

Unless the certificate of authentication hereon has been executed by the Certificate Registrar, by manual signature, this Certificate shall not be entitled to any benefit under the Trust Agreement or be valid for any purpose.

THIS CERTIFICATE AND THE TRUST AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

The Trustee has executed this Certificate on behalf of the Trust as Trustee under the Trust Agreement, and the Trustee shall be liable hereunder only in respect of the assets of the Trust.

Capitalized terms used herein and not defined herein shall have the meaning assigned to them in the Trust Agreement.

In the event that the terms of this Certificate conflict with the terms of the Trust Agreement, the terms of the Trust Agreement shall control.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.
as Securities Administrator

By: _____
AUTHORIZED OFFICER

CERTIFICATE OF AUTHENTICATION

THIS IS ONE OF THE CERTIFICATES REFERRED TO IN THE WITHIN-MENTIONED TRUST AGREEMENT.

WELLS FARGO BANK, N.A. ,
as Certificate Registrar

By: _____
AUTHORIZED SIGNATORY

FORM OF TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF
ASSIGNEE _____

_____

(Please print or typewrite name and address of assignee)

the within Certificate and does hereby irrevocably constitute and, appoint _____

(Attorney) to transfer the said Certificate in the Certificate Register of the within-named Trust,

with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of this certificate in every particular without alteration or enlargement or any change whatever.

_____

SIGNATURE GUARANTEED: The signature must be guaranteed by a commercial bank or trust company or by a member firm of the New York Stock Exchange or another national certificates exchange. Notarized or witnessed signatures are not acceptable.

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distribution shall be made, by wire transfer or otherwise, in immediately available funds, to _____, for the account of _____, account number _____, or if mailed by check to _____. Applicable reports and statements should be mailed to _____. This information is provided by _____, the assignee named above, or _____, as agent.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS B[4][5][6] CERTIFICATE

THE CERTIFICATE EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT (A)(1) TO A BUYER THAT THE SELLER OF SUCH CERTIFICATE REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE SECURITIES ADMINISTRATOR OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CLASS B[4][5][6] CERTIFICATE IS SUBORDINATED TO THE EXTENT DESCRIBED HEREIN AND IN THE TRUST AGREEMENT REFERENCED HEREIN.

THIS CLASS B[4][5][6] CERTIFICATE REPRESENTS A REMIC REGULAR INTEREST FOR FEDERAL INCOME TAX PURPOSES.

THE PRINCIPAL OF THIS CLASS B[4][5][6] CERTIFICATE IS SUBJECT TO PREPAYMENT FROM TIME TO TIME WITHOUT SURRENDER OF OR NOTATION ON THIS CERTIFICATE. ACCORDINGLY, THE CERTIFICATE PRINCIPAL BALANCE OF THIS CERTIFICATE MAY BE LESS THAN THAT SET FORTH BELOW. ANYONE ACQUIRING THIS CERTIFICATE MAY ASCERTAIN ITS CURRENT CERTIFICATE PRINCIPAL BALANCE BY INQUIRY OF THE SECURITIES ADMINISTRATOR.

NO TRANSFER OF THIS CERTIFICATE SHALL BE REGISTERED UNLESS THE PROSPECTIVE TRANSFEREE PROVIDES THE TRUSTEE WITH (A) A CERTIFICATION

TO THE EFFECT THAT SUCH TRANSFEREE (1) IS NEITHER AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT SUBJECT TO SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (COLLECTIVELY, A "PLAN") NOR A PERSON ACTING ON BEHALF OF, OR USING THE ASSETS OF, ANY SUCH PLAN OR (2) IF THE CERTIFICATE HAS BEEN SUBJECT TO AN ERISA-QUALIFYING UNDERWRITING, IS AN INSURANCE COMPANY PURCHASING SUCH CERTIFICATES WITH FUNDS CONTAINED IN AN "INSURANCE COMPANY GENERAL ACCOUNT" (AS SUCH TERM IS DEFINED IN SECTION V(E) OF THE PROHIBITED TRANSACTION CLASS EXEMPTION 95-60 ("PTCE 95-60")) AND THE PURCHASE AND HOLDING OF SUCH CERTIFICATE ARE COVERED UNDER SECTIONS I AND III OF PTCE 95-60; OR (B) AN OPINION OF COUNSEL SATISFACTORY TO THE TRUSTEE AND THE SECURITIES ADMINISTRATOR, UPON WHICH THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER AND THE DEPOSITOR SHALL BE ENTITLED TO RELY TO THE EFFECT THAT THE PURCHASE OR HOLDING OF SUCH CERTIFICATE BY THE PROSPECTIVE TRANSFEREE WILL NOT RESULT IN ANY NON-EXEMPT PROHIBITED TRANSACTIONS UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE AND WILL NOT SUBJECT THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER OR THE DEPOSITOR TO ANY OBLIGATION IN ADDITION TO THOSE UNDERTAKEN BY SUCH PARTIES IN THE TRUST AGREEMENT, WHICH OPINION OF COUNSEL SHALL NOT BE AN EXPENSE OF THE TRUST FUND OR ANY OF THE ABOVE PARTIES. A TRANSFEREE OF A BOOK-ENTRY CERTIFICATE SHALL BE DEEMED TO HAVE MADE A REPRESENTATION AS REQUIRED IN THE TRUST AGREEMENT.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM—as tenants in common
TEN ENT—as tenants by the entireties

JT TEN—as joint tenants with rights of survivorship and not as Tenants in Common

UNIF GIFT MIN ACT— ____Custodian_____
(Cust) (Minor)

Under Uniform Gifts to Minors Act_____
(State)

Additional abbreviations may also be used
though not in the above list.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS B[4][5][6] CERTIFICATE

INITIAL CERTIFICATE RATE PER ANNUM: [ ]% [1]

APPROXIMATE AGGREGATE INITIAL CERTIFICATE PRINCIPAL BALANCE OF THE CLASS B[4][5][6] CERTIFICATES AS OF THE CLOSING DATE: $[ ]

APROXIMATE INITIAL CERTIFICATE PRINCIPAL BALANCE OF THIS CLASS B[4][5][6] CERTIFICATE AS OF THE CLOSING DATE: $[ ]

PERCENTAGE INTEREST: [ ]%

MINIMUM DENOMINATION: [ ]

$[ ] AND $1 IN EXCESS OF $[ ]

DATE OF THE TRUST AGREEMENT:
MAY 1, 2007

APPROXIMATE AGGREGATE SCHEDULED PRINCIPAL BALANCE AS OF THE CUT-OFF DATE OF THE MORTGAGE LOANS HELD BY THE TRUST: $[ ]

CLOSING DATE:
MAY 24, 2007

FIRST DISTRIBUTION DATE:
JUNE 25, 2007

FINAL SCHEDULED DISTRIBUTION DATE:
[ ]

TRUSTEE: DEUTSCHE BANK NATIONAL TRUST COMPANY
SECURITIES ADMINISTRATOR: WELLS FARGO BANK, N.A.

NO. [ ]

CUSIP NUMBER: [ ]
ISIN NUMBER: [ ]

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[1] For each Distribution Date, the Certificate Rate for the Class B[4][5][6] Certificates will equal a variable rate determined in accordance with the Trust Agreement.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS B[4][5][6] CERTIFICATE

evidencing a beneficial ownership interest in a Trust consisting of the entire beneficial ownership of a pool of certain interest only and conventional, hybrid, adjustable-rate, fully amortizing and ballon, first lien, one- to four-family residential Mortgage Loans formed and sold by

GS MORTGAGE SECURITIES CORP.

THIS CERTIFICATE DOES NOT REPRESENT AN OBLIGATION OF, OR INTEREST IN, AND IS NOT GUARANTEED BY, GS MORTGAGE SECURITIES CORP., THE SERVICERS, THE MASTER SERVICER, THE SECURITIES ADMINISTRATOR, THE TRUSTEE, THE WFB CUSTODIAN, THE DB CUSTODIAN OR ANY OF THEIR AFFILIATES. NEITHER THIS CERTIFICATE NOR THE UNDERLYING MORTGAGE LOANS ARE GUARANTEED BY ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES.

THIS CERTIFIES THAT:

[ ]

is the registered owner of the Percentage Interest evidenced by this Certificate in the Class B[4][5][6] Certificates (the " Class B[4][5][6] Certificates ") issued by the trust (the " Trust ") created pursuant to a Master Servicing and Trust Agreement dated as specified above (the " Trust Agreement ") among GS Mortgage Securities Corp., as depositor (hereinafter the " Depositor ," which term includes any successor entity under the Trust Agreement), Deutsche Bank National Trust Company, as trustee (the " Trustee ") and as a custodian (the " DB Custodian ") and Wells Fargo Bank, N.A., as securities administrator, master servicer and a custodian (in such capacities, respectively, the " Securities Administrator ," " Master Servicer " and " WFB Custodian "), a summary of certain of the pertinent provisions of which is set forth hereafter. The Trust consists primarily of a pool of Mortgage Loans. This Certificate is issued under and is subject to the terms, provisions and conditions of the Trust Agreement and also is subject to certain terms and conditions set forth in the Sale and Servicing Agreements, to which Sale and Servicing Agreements the Holder of this Certificate, by virtue of the acceptance hereof assents and by which such Certificateholder is bound.

Distributions on this Certificate (including the final distribution on this Certificate) will be made out of the related Available Distribution Amount, to the extent and subject to the limitations set forth in the Trust Agreement, on the 25th day of each month, or if such day is not a Business Day, the next succeeding Business Day, beginning in June 2007 (each, a " Distribution Date "), commencing on the first Distribution Date specified above, to the Person in whose name this Certificate is registered at the close of business on the last Business Day of the Interest Accrual Period related to such Distribution Date (the " Record Date "). Distributions on this Certificate will generally be made from collections on the related Mortgage Loans as provided in the Trust Agreement. All sums distributable on this Certificate are payable in the coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Distributions on this Certificate will be paid in accordance with the terms of the Trust Agreement and the Sale and Servicing Agreements. Distributions allocated to this Certificate on any Distribution Date will be an amount equal to this Certificate's Percentage Interest of the related Available Distribution Amount to be distributed on this Class of Certificates as of such Distribution Date, with a final distribution to be made upon retirement of this Certificate as set forth in the Trust Agreement.

By receipt of this Certificate, the Holder is deemed to represent that: (1) it (A) is a Qualified Institutional Buyer, (B) is aware that the sale of this Certificate to it is being made in reliance on Rule 144A and (C) is acquiring this Certificate for its own account or for the account of a Qualified Institutional Buyer, as the case may be and (2) it understands that this Certificate has not been and will not be registered under the Securities Act and may not be reoffered, resold, or otherwise transferred except (A) to person who the Holder reasonably believes is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A, and (B) in accordance with all applicable state securities laws.

This Certificate is one of a duly authorized issue of Certificates designated as Mortgage Pass-Through Certificates, Series 2007-AR2 (herein called the " Certificates "), and representing a Percentage Interest in the Class of Certificates specified on the face hereof equal to the quotient, expressed as a percentage, obtained by dividing the denomination of this Certificate specified on the face hereof by the aggregate Certificate Principal Balance of all the Class B[4][5][6] Certificates. The Certificates are issued in multiple Classes designated as specifically set forth in the Trust Agreement. The Certificates will evidence in the aggregate 100% of the beneficial ownership of the Trust.

Realized Losses and interest shortfalls on the Mortgage Loans shall be allocated among the Classes of Certificates on the applicable Distribution Date in the manner set forth in the Trust Agreement. To the extent provided in the Trust Agreement, with respect to Realized Losses and interest shortfalls, the Subordinate Certificates will be subordinated to the Senior Certificates and each of the Subordinate Certificates will be subordinated to each of the other Subordinate Certificates with a lower numerical class designation, if any. All Realized Losses and interest shortfalls on the Mortgage Loans allocated to any Class of Certificates will be allocated *pro rata* among the outstanding Certificates of such Class, as described in the Trust Agreement.

The Certificates are limited in right of payment to certain collections and recoveries respecting the Mortgage Loans, all as more specifically set forth in the Trust Agreement. As provided in the Trust Agreement, withdrawals from the Collection Accounts, the Certificate Account and related accounts shall be made from time to time for purposes other than distributions to Holders, such purposes including reimbursement of Advances made, or certain expenses incurred, with respect to the Mortgage Loans and administration of the Trust.

All distributions or allocations made with respect to each Class on any Distribution Date shall be allocated in accordance with the Trust Agreement. Payment shall be made either (1) by check mailed to the address of each Certificateholder as it appears in the Certificate Register on the Record Date immediately prior to such Distribution Date or (2) by wire transfer of immediately available funds to the account of a Certificateholder at a bank or other entity having appropriate facilities therefor, if such Certificateholder shall have so notified the Securities Administrator in writing by the Record Date immediately prior to such Distribution Date and such Certificateholder is the registered owner of an initial Certificate Principal Balance of at least $1,000,000. The Securities Administrator may charge the Certificateholder a fee for any payment made by wire transfer. Final distribution on the Certificates will be made only upon surrender of the Certificates at the offices of the Certificate Registrar set forth in the notice of such final distribution.

The Trust Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Depositor, the Securities Administrator, the Trustee, the Master Servicer, the DB Custodian and the WFB Custodian and the rights of the Certificateholders under the Trust Agreement at any time by the Depositor, the Master Servicer, the Securities Administrator and the Trustee with the consent of the Certificateholders entitled to at least 51% of the Voting Rights. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Certificateholder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Trust Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Certificateholders.

The Certificates are issuable in fully registered form only, without coupons, in denominations specified in the Trust Agreement. As provided in the Trust Agreement and subject to any limitations on transfer of this Certificate by a Depository or its nominee and certain limitations set forth in the Trust Agreement, the transfer of this Certificate is registrable in the Certificate Register upon surrender of this Certificate for registration of transfer at the principal Corporate Trust Office of the Securities Administrator or such other offices or agencies appointed by the Securities Administrator for that purpose and such other locations provided in the Trust Agreement, duly endorsed by or accompanied by an assignment in the form below or other written instrument of transfer in form satisfactory to, the Trustee and the Certificate Registrar duly executed by the Certificateholder hereof, or such Certificateholder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in the same aggregate Certificate Principal Balance will be issued to the designated transferee or transferees.

As provided in the Trust Agreement and subject to certain limitations therein set forth, this Certificate is exchangeable for a new Certificate of the same Class in the same denomination. No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

The Depositor, the Securities Administrator, the Trustee and the Certificate Registrar and any agent of the Depositor, the Securities Administrator, the Trustee or the Certificate Registrar may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and none of the Depositor, the Securities Administrator, the Trustee, the Certificate Registrar or any such agent shall be affected by notice to the contrary.

The obligations created by the Trust Agreement will terminate upon payment to the applicable Certificateholders of all applicable amounts held in the Collection Account, the Certificate Account and the REMIC II Distribution Account required to be paid to such Certificateholders pursuant to the Trust Agreement, following the earlier of: (i) the final payment or other liquidation (or any Advance with respect thereto) of the last Mortgage Loan remaining in the Trust or the disposition of all property acquired upon foreclosure of any such Mortgage Loan and (ii) the repurchase of all of the assets of the Trust by Avelo or the Master Servicer upon the date on which the aggregate Scheduled Principal Balance of the Mortgage Loans is equal to or less than 10% of the aggregate Scheduled Principal Balance of such Mortgage Loans as of the Cut-Off Date. Written notice of any such termination shall be given to each applicable Certificateholder, and the final distribution shall be made only upon surrender and cancellation of such Certificates at an office or agency appointed by the Trustee which will be specified in the notice of termination.

Any such repurchase of Mortgage Loans and property acquired in respect of the Mortgage Loans shall be made at the Termination Price.

Unless the certificate of authentication hereon has been executed by the Certificate Registrar, by manual signature, this Certificate shall not be entitled to any benefit under the Trust Agreement or be valid for any purpose.

No transfer of a Certificate of this Class shall be made unless the Trustee and the Securities Administrator shall have received either (i) a representation letter from the transferee of such Certificate, acceptable to and in form and substance satisfactory to the Trsutee and Securities Administrator, to the effect that such transferee is not an employee benefit plan subject to Section 406 of ERISA or Section 4975 of the Code or any materially similar provisions of applicable federal, state or local law ("Similar Law") or a person acting on behalf of or investing plan assets of any such plan, which representation letter shall not be an expense of the Trustee or the Securities Administrator, or (ii) if the transferee is an insurance company and the certificate has been the subject of an ERISA-Qualifying Underwriting, a representation letter that it is purchasing such Certificates with the assets of its general account and that the purchase and holding of such Certificates satisfy the requirements for exemptive relief under Sections I and III of PTCE 95-60, or (iii) in the case of a Certificate presented for registration in the name of an employee benefit plan subject to ERISA, or a plan or arrangement subject to Section 4975 of the Code (or comparable provisions of any subsequent enactments) or a plan subject to Similar Law, or a trustee of any such plan or any other person acting on behalf of any such plan or arrangement or using such plan's or arrangement's assets, an Opinion of Counsel satisfactory to the Trustee and the Securities Administrator, upon which the Trustee, the Securities Administrator, the Master Servicer and the Depositor shall be entitled to rely, which Opinion of Counsel shall not be an expense of the Trust or any of the above parties, to the effect that the purchase and holding of such Certificate will not constitute or result in a non-exempt prohibited transaction within the meaning of ERISA, Section 4975 of the Code or any Similar Law and will not subject the Trustee, the Depositor, the Master Servicer or the Securities Administrator to any obligation in addition to those expressly undertaken in this Agreement or to any liability. If this Certificate is a book-entry certificate, the transferee will be deemed to have made a representation as provided in this paragraph, as applicable.

THIS CERTIFICATE AND THE TRUST AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

The Trustee has executed this Certificate on behalf of the Trust as Trustee under the Trust Agreement, and the Trustee shall be liable hereunder only in respect of the assets of the Trust.

Capitalized terms used herein and not defined herein shall have the meaning assigned to them in the Trust Agreement.

In the event that the terms of this Certificate conflict with the terms of the Trust Agreement, the terms of the Trust Agreement shall control.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.
as Securities Administrator

By: _____
AUTHORIZED OFFICER

CERTIFICATE OF AUTHENTICATION

THIS IS ONE OF THE CERTIFICATES REFERRED TO IN THE WITHIN-MENTIONED TRUST AGREEMENT.

WELLS FARGO BANK, N.A. ,
as Certificate Registrar

By: _____
AUTHORIZED SIGNATORY

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM—as tenants in common	UNIF GIFT MIN ACT— ____Custodian_____
TEN ENT—as tenants by the entireties	(Cust) (Minor)
JT TEN—as joint tenants with rights of survivorship and not as Tenants in Common	Under Uniform Gifts to Minors Act_____ (State)

Additional abbreviations may also be used
though not in the above list.

FORM OF TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF
ASSIGNEE _____

_____

(Please print or typewrite name and address of assignee)

the within Certificate and does hereby irrevocably constitute and, appoint _____

(Attorney) to transfer the said Certificate in the Certificate Register of the within-named Trust,

with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of this certificate in every particular without alteration or enlargement or any change whatever.

_____

SIGNATURE GUARANTEED: The signature must be guaranteed by a commercial bank or trust company or by a member firm of the New York Stock Exchange or another national certificates exchange. Notarized or witnessed signatures are not acceptable.

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distribution shall be made, by wire transfer or otherwise, in immediately available funds, to _____, for the account of _____, account number _____, or if mailed by check to _____. Applicable reports and statements should be mailed to _____. This information is provided by _____, the assignee named above, or _____, as agent.

CLASS B[4][5][6] CERTIFICATE

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS B[4][5][6] CERTIFICATE (REGULATION S SECURITY)

THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS CERTIFICATE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES (AS DEFINED IN RULES 901 THROUGH 905 OF THE SECURITIES ACT ("REGULATION S")) OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S), IN THE ABSENCE OF SUCH REGISTRATION, UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION.

THE HOLDER OF THIS CERTIFICATE BY ITS ACCEPTANCE HEREOF IS DEEMED TO HAVE REPRESENTED AND WARRANTED THAT (A) UNTIL THE EXPIRATION OF THE APPLICABLE "DISTRIBUTION COMPLIANCE PERIOD" WITHIN THE MEANING OF REGULATION S, ANY OFFER, SALE, PLEDGE OR OTHER TRANSFER OF THIS CERTIFICATE SHALL NOT BE MADE IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (EACH AS DEFINED IN REGULATION S) AND (B) IF THIS CERTIFICATE IS HELD WITHIN THE UNITED STATES OR SUCH HOLDER IS A U.S. PERSON OR THIS CERTIFICATES IS HELD FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (EACH AS DEFINED IN REGULATION S) SUCH CERTIFICATE WAS ACQUIRED ONLY (1) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR (2) BY SUCH HOLDER AS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE SECURITIES ADMINISTRATOR OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CLASS B[4][5][6] CERTIFICATE IS SUBORDINATED TO THE EXTENT DESCRIBED HEREIN AND IN THE TRUST AGREEMENT REFERENCED HEREIN.

THIS CLASS B[4][5][6] CERTIFICATE REPRESENTS A REMIC REGULAR INTEREST FOR FEDERAL INCOME TAX PURPOSES.

THE PRINCIPAL OF THIS CLASS B[4][5][6] CERTIFICATE IS SUBJECT TO PREPAYMENT FROM TIME TO TIME WITHOUT SURRENDER OF OR NOTATION ON THIS CERTIFICATE. ACCORDINGLY, THE CERTIFICATE PRINCIPAL BALANCE OF THIS CERTIFICATE MAY BE LESS THAN THAT SET FORTH BELOW. ANYONE ACQUIRING THIS CERTIFICATE MAY ASCERTAIN ITS CURRENT CERTIFICATE PRINCIPAL BALANCE BY INQUIRY OF THE SECURITIES ADMINISTRATOR.

NO TRANSFER OF THIS CERTIFICATE SHALL BE REGISTERED UNLESS THE PROSPECTIVE TRANSFEREE PROVIDES THE TRUSTEE WITH (A) A CERTIFICATION TO THE EFFECT THAT SUCH TRANSFEREE (1) IS NEITHER AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT SUBJECT TO SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (COLLECTIVELY, A "PLAN") NOR A PERSON ACTING ON BEHALF OF, OR USING THE ASSETS OF, ANY SUCH PLAN OR (2) IF THE CERTIFICATE HAS BEEN SUBJECT TO AN ERISA-QUALIFYING UNDERWRITING, IS AN INSURANCE COMPANY PURCHASING SUCH CERTIFICATES WITH FUNDS CONTAINED IN AN "INSURANCE COMPANY GENERAL ACCOUNT" (AS SUCH TERM IS DEFINED IN SECTION V(E) OF THE PROHIBITED TRANSACTION CLASS EXEMPTION 95-60 ("PTCE 95-60")) AND THE PURCHASE AND HOLDING OF SUCH CERTIFICATE ARE COVERED UNDER SECTIONS I AND III OF PTCE 95-60; OR (B) AN OPINION OF COUNSEL SATISFACTORY TO THE TRUSTEE AND THE SECURITIES ADMINISTRATOR, UPON WHICH THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER AND THE DEPOSITOR SHALL BE ENTITLED TO RELY TO THE EFFECT THAT THE PURCHASE OR HOLDING OF SUCH CERTIFICATE BY THE PROSPECTIVE TRANSFEREE WILL NOT RESULT IN ANY NON-EXEMPT PROHIBITED TRANSACTIONS UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE AND WILL NOT SUBJECT THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER OR THE DEPOSITOR TO ANY OBLIGATION IN ADDITION TO THOSE UNDERTAKEN BY SUCH PARTIES IN THE TRUST AGREEMENT, WHICH OPINION OF COUNSEL SHALL NOT BE AN EXPENSE OF THE TRUST FUND OR ANY OF THE ABOVE PARTIES. A TRANSFEREE OF A BOOK-ENTRY CERTIFICATE SHALL BE DEEMED TO HAVE MADE A REPRESENTATION AS REQUIRED IN THE TRUST AGREEMENT.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS B[4][5][6] CERTIFICATE

INITIAL CERTIFICATE RATE
PER ANNUM: [ ]% [3]

AGGREGATE INITIAL CERTIFICATE PRINCIPAL BALANCE OF THE CLASS B[4][5][6] CERTIFICATES AS OF THE CLOSING DATE: $[ ]

INITIAL CERTIFICATE PRINCIPAL BALANCE OF THIS CLASS B[4][5][6] CERTIFICATE AS OF THE CLOSING DATE: $[ ]

PERCENTAGE INTEREST: [ ]%

MINIMUM DENOMINATION: [ ]

$[ ] AND $1 IN EXCESS OF $[ ]

DATE OF THE TRUST AGREEMENT:
May 1, 2007

APPROXIMATE AGGREGATE SCHEDULED PRINCIPAL BALANCE AS OF THE CUT-OFF DATE OF THE MORTGAGE LOANS HELD BY THE TRUST: $[ ]

CLOSING DATE:
MAY 24, 2007

FIRST DISTRIBUTION DATE:
JUNE 25, 2007

FINAL SCHEDULED DISTRIBUTION DATE:
[ ]

TRUSTEE: DEUTSCHE BANK NATIONAL TRUST COMPANY
SECURITIES ADMINISTRATOR: WELLS FARGO BANK, N.A.

NO. [ ]

CUSIP NUMBER: [ ]
ISIN NUMBER: [ ]

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS B[4][5][6] CERTIFICATE

evidencing a beneficial ownership interest in a Trust consisting of the entire beneficial ownership of a pool of certain payment-option or hybrid payment option, adjustable-rate, first lien, one- to four-family residential Mortgage Loans with a negative amortization feature, formed and sold by

GS MORTGAGE SECURITIES CORP.

THIS CERTIFICATE DOES NOT REPRESENT AN OBLIGATION OF, OR INTEREST IN, AND IS NOT GUARANTEED BY, GS MORTGAGE SECURITIES CORP., THE SERVICERS, THE MASTER SERVICER, THE SECURITIES ADMINISTRATOR, THE TRUSTEE, THE WFB CUSTODIAN, THE USB CUSTODIAN, THE DB CUSTODIAN OR ANY OF THEIR AFFILIATES. NEITHER THIS CERTIFICATE NOR THE UNDERLYING MORTGAGE LOANS ARE GUARANTEED BY ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES.

THIS CERTIFIES THAT:

[ ]

is the registered owner of the Percentage Interest evidenced by this Certificate in the Class B[4][5][6] Certificates (the " Class B[4][5][6] Certificates ") issued by the trust (the " Trust ") created pursuant to a Master Servicing and Trust Agreement dated as specified above (the " Trust Agreement ") among GS Mortgage Securities Corp., as depositor (hereinafter the " Depositor ," which term includes any successor entity under the Trust Agreement), Deutsche Bank National Trust Company, as trustee (the " Trustee ") and as a custodian (the " DB Custodian ") and Wells Fargo Bank, N.A., as securities administrator, master servicer and a custodian (in such capacities, respectively, the " Securities Administrator ," " Master Servicer " and " WFB Custodian "), a summary of certain of the pertinent provisions of which is set forth hereafter. The Trust consists primarily of a pool of Mortgage Loans. This Certificate is issued under and is subject to the terms, provisions and conditions of the Trust Agreement and also is subject to certain terms and conditions set forth in the Sale and Servicing Agreements, to which Sale and Servicing Agreements the Holder of this Certificate, by virtue of the acceptance hereof assents and by which such Certificateholder is bound.

Distributions on this Certificate (including the final distribution on this Certificate) will be made out of the Available Distribution Amount, to the extent and subject to the limitations set forth in the Trust Agreement, on the 25th day of each month, or if such day is not a Business Day, the next succeeding Business Day, beginning in June 2007 (each, a " Distribution Date "), commencing on the first Distribution Date specified above, to the Person in whose name this Certificate is registered at the close of business on the last Business Day of the Interest Accrual Period related to such Distribution Date (the " Record Date "). Distributions on this Certificate will generally be made from collections on the related Mortgage Loans as provided in the Trust Agreement. All sums distributable on this Certificate are payable in the coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Distributions on this Certificate will be paid in accordance with the terms of the Trust Agreement and the Sale and Servicing Agreements. Distributions allocated to this Certificate on any Distribution Date will be an amount equal to this Certificate's Percentage Interest of the Available Distribution Amount to be distributed on this Class of Certificates as of such Distribution Date, with a final distribution to be made upon retirement of this Certificate as set forth in the Trust Agreement.

The Holder of this certificate by its acceptance hereof is deemed to have represented and warranted that (a) until the expiration of the applicable "Distribution Compliance Period" within the meaning of Regulation S, any offer, sale, pledge or other transfer of this certificate shall not be made in the United States or to, or for the account or benefit of, any U.S. Person or this certificate is held for the account or benefit of, a U.S. Person (each as defined in Regulation S) and (B) if this certificate is held within the United States or such Holder is a U.S. Person (each as defined in Regulation S) such certificate was acquired only (1) pursuant to a registration statement which has been declared effective under the 1933 Act or (2) by such Holder as a "Qualified Institutional Buyer: as defined in Rule 144A under the 1933 Act that purchases for its own account or for the account of a Qualified Institutional Buyer to whom notice is given that the transfer is being made in reliance on Rule 144A.

This Certificate is one of a duly authorized issue of Certificates designated as Mortgage Pass-Through Certificates, Series 2007-AR2 (herein called the " Certificates "), and representing a Percentage Interest in the Class of Certificates specified on the face hereof equal to the quotient, expressed as a percentage, obtained by dividing the denomination of this Certificate specified on the face hereof by the aggregate Certificate Principal Balance of all the Class B[4][5][6] Certificates. The Certificates are issued in multiple Classes designated as specifically set forth in the Trust Agreement. The Certificates will evidence in the aggregate 100% of the beneficial ownership of the Trust.

Realized Losses and interest shortfalls on the Mortgage Loans shall be allocated among the Classes of Certificates on the applicable Distribution Date in the manner set forth in the Trust Agreement. To the extent provided in the Trust Agreement, with respect to Realized Losses and interest shortfalls, the Subordinate Certificates will be subordinated to the Senior Certificates and each of the Subordinate Certificates will be subordinated to each of the other Subordinate Certificates with a lower numerical class designation, if any. All Realized Losses and interest shortfalls on the Mortgage Loans allocated to any Class of Certificates will be allocated *pro rata* among the outstanding Certificates of such Class, as described in the Trust Agreement.

The Certificates are limited in right of payment to certain collections and recoveries respecting the Mortgage Loans, all as more specifically set forth in the Trust Agreement. As provided in the Trust Agreement, withdrawals from the Collection Accounts, the Certificate Account and related accounts shall be made from time to time for purposes other than distributions to Holders, such purposes including reimbursement of Advances made, or certain expenses incurred, with respect to the Mortgage Loans and administration of the Trust.

Distributions on this Certificate shall be made by wire transfer of immediately available funds to the account of the Holder hereof at a bank or other entity having appropriate facilities therefor, if such Certificateholder shall have so notified the Securities Administrator in writing at least five (5) Business Days prior to the related Record Date and such Certificateholder shall satisfy the conditions to receive such form of payment set forth in the Agreement, or, if not, by check mailed by first class mail to the address of such Certificateholder appearing in the Certificate Register. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office designated by the Securities Administrator for such purposes or such other location specified in the notice to Certificateholders of such final distribution.

The Trust Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Depositor, the Securities Administrator, the Trustee, the Master Servicer, and the Custodian and the rights of the Certificateholders under the Trust Agreement at any time by the Depositor, the Master Servicer, the Securities Administrator and the Trustee with the consent of the Certificateholders entitled to at least 51% of the Voting Rights. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Certificateholder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Trust Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Certificateholders.

The Certificates are issuable in fully registered form only, without coupons, in denominations specified in the Trust Agreement. As provided in the Trust Agreement and subject to any limitations on transfer of this Certificate by a Depository or its nominee and certain limitations set forth in the Trust Agreement, the transfer of this Certificate is registrable in the Certificate Register upon surrender of this Certificate for registration of transfer at the principal Corporate Trust Office of the Securities Administrator or such other offices or agencies appointed by the Securities Administrator for that purpose and such other locations provided in the Trust Agreement, duly endorsed by or accompanied by an assignment in the form below or other written instrument of transfer in form satisfactory to, the Trustee and the Certificate Registrar duly executed by the Certificateholder hereof, or such Certificateholder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in the same aggregate Certificate Principal Balance will be issued to the designated transferee or transferees.

As provided in the Trust Agreement and subject to certain limitations therein set forth, this Certificate is exchangeable for a new Certificate of the same Class in the same denomination. No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

The Depositor, the Securities Administrator, the Trustee and the Certificate Registrar and any agent of the Depositor, the Securities Administrator, the Trustee or the Certificate Registrar may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and none of the Depositor, the Securities Administrator, the Trustee, the Certificate Registrar or any such agent shall be affected by notice to the contrary.

On any Distribution Date on which the aggregate Stated Principal Balance of the Mortgage Loans is less than or equal to 5% of the Cut-Off Date Pool Principal Balance, the Person specified in Section 11.01 of the Agreement will have the option to effectuate the purchase, in whole, from the Trust Fund all remaining Mortgage Loans and all property acquired in respect of the Mortgage Loans at a purchase price determined and in the manner as provided in the Agreement. The obligations and responsibilities created by this Agreement will terminate as provided in Section 11.01 of the Agreement.

Any such repurchase of Mortgage Loans and property acquired in respect of the Mortgage Loans shall be made at the Termination Price.

Unless the certificate of authentication hereon has been executed by the Certificate Registrar, by manual signature, this Certificate shall not be entitled to any benefit under the Trust Agreement or be valid for any purpose.

No transfer of a Certificate of this Class shall be made unless the Trustee and the Securities Administrator shall have received either (i) a representation letter from the transferee of such Certificate, acceptable to and in form and substance satisfactory to the Trsutee and Securities Administrator, to the effect that such transferee is not an employee benefit plan subject to Section 406 of ERISA or Section 4975 of the Code or any materially similar provisions of applicable federal, state or local law ("Similar Law") or a person acting on behalf of or investing plan assets of any such plan, which representation letter shall not be an expense of the Trustee or the Securities Administrator, or (ii) if the transferee is an insurance company and the certificate has been the subject of an ERISA-Qualifying Underwriting, a representation letter that it is purchasing such Certificates with the assets of its general account and that the purchase and holding of such Certificates satisfy the requirements for exemptive relief under Sections I and III of PTCE 95-60, or (iii) in the case of a Certificate presented for registration in the name of an employee benefit plan subject to ERISA, or a plan or arrangement subject to Section 4975 of the Code (or comparable provisions of any subsequent enactments) or a plan subject to Similar Law, or a trustee of any such plan or any other person acting on behalf of any such plan or arrangement or using such plan's or arrangement's assets, an Opinion of Counsel satisfactory to the Trustee and the Securities Administrator, upon which the Trustee, the Securities Administrator, the Master Servicer and the Depositor shall be entitled to rely, which Opinion of Counsel shall not be an expense of the Trust or any of the above parties, to the effect that the purchase and holding of such Certificate will not constitute or result in a non-exempt prohibited transaction within the meaning of ERISA, Section 4975 of the Code or any Similar Law and will not subject the Trustee, the Depositor, the Master Servicer or the Securities Administrator to any obligation in addition to those expressly undertaken in this Agreement or to any liability. If this Certificate is a book-entry certificate, the transferee will be deemed to have made a representation as provided in this paragraph, as applicable.

THIS CERTIFICATE AND THE TRUST AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

The Trustee has executed this Certificate on behalf of the Trust as Trustee under the Trust Agreement, and the Trustee shall be liable hereunder only in respect of the assets of the Trust.

Capitalized terms used herein and not defined herein shall have the meaning assigned to them in the Trust Agreement.

In the event that the terms of this Certificate conflict with the terms of the Trust Agreement, the terms of the Trust Agreement shall control.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.
as Securities Administrator

By: _____
AUTHORIZED OFFICER

CERTIFICATE OF AUTHENTICATION

THIS IS ONE OF THE CERTIFICATES REFERRED TO IN THE WITHIN-MENTIONED TRUST AGREEMENT.

WELLS FARGO BANK, N.A. ,
as Certificate Registrar

By: _____
AUTHORIZED SIGNATORY

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM—as tenants in common
TEN ENT—as tenants by the entireties

JT TEN—as joint tenants with rights of survivorship and not as Tenants in Common

UNIF GIFT MIN ACT— ____ Custodian _____
(Cust) (Minor)

Under Uniform Gifts to Minors Act_____
(State)

Additional abbreviations may also be used
though not in the above list.

FORM OF TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF
ASSIGNEE _____

_____

(Please print or typewrite name and address of assignee)

the within Certificate and does hereby irrevocably constitute and, appoint _____

(Attorney) to transfer the said Certificate in the Certificate Register of the within-named Trust,

with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of this certificate in every particular without alteration or enlargement or any change whatever.

_____

SIGNATURE GUARANTEED: The signature must be guaranteed by a commercial bank or trust company or by a member firm of the New York Stock Exchange or another national certificates exchange. Notarized or witnessed signatures are not acceptable.

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:
Distribution shall be made, by wire transfer or otherwise, in immediately available funds, to _____, for the account of _____, account number _____, or if mailed by check to _____. Applicable reports and statements should be mailed to _____. This information is provided by _____, the assignee named above, or _____, as agent

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS R CERTIFICATE

ANY TRANSFEREE OF THIS CERTIFICATE MUST DELIVER TO THE CERTIFICATE REGISTRAR A RESIDUAL TRANSFEREE AFFIDAVIT CONTAINING CERTAIN REPRESENTATIONS AND COVENANTS, AND AN AFFIDAVIT RELATING TO VARIOUS TAX MATTERS, ALL AS DESCRIBED IN THE TRUST AGREEMENT REFERRED TO HEREIN. NO TRANSFER OF A CLASS R CERTIFICATE SHALL BE PERMITTED TO BE MADE TO A DISQUALIFIED ORGANIZATION, WHICH GENERALLY INCLUDES ANY ENTITY THAT WOULD BE EXEMPT FROM FEDERAL INCOME TAXATION (INCLUDING THE TAX ON UNRELATED BUSINESS TAXABLE INCOME) ON INCOME DERIVED FROM THIS CLASS R CERTIFICATE. NOTWITHSTANDING THE FULFILLMENT OF THE PREREQUISITES DESCRIBED ABOVE, THE CERTIFICATE REGISTRAR MAY REFUSE TO RECOGNIZE A TRANSFER TO THE EXTENT NECESSARY TO AVOID A RISK OF (1) DISQUALIFICATION OF ANY RELATED REMIC AS A REMIC OR (2) THE IMPOSITION OF A TAX UPON ANY SUCH REMIC. NO TRANSFER OF LESS THAN AN ENTIRE INTEREST IN A CLASS R CERTIFICATE MAY BE MADE UNLESS (1) THE INTEREST TRANSFERRED IS AN UNDIVIDED INTEREST OR (2) THE TRANSFEROR OR THE TRANSFEREE HAS PROVIDED THE CERTIFICATE REGISTRAR WITH AN OPINION THAT THE TRANSFER WILL NOT JEOPARDIZE THE REMIC STATUS OF ANY RELATED REMIC. RESTRICTIONS ON TRANSFER OF THIS CERTIFICATE ARE DESCRIBED MORE FULLY HEREIN.

NO TRANSFER OF THIS CERTIFICATE SHALL BE REGISTERED UNLESS THE PROSPECTIVE TRANSFEREE PROVIDES THE TRUSTEE WITH (A) A CERTIFICATION TO THE EFFECT THAT SUCH TRANSFEREE (1) IS NEITHER AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT SUBJECT TO SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (COLLECTIVELY, A "PLAN") NOR A PERSON ACTING ON BEHALF OF, OR USING THE ASSETS OF, ANY SUCH PLAN OR (2) IF THE CERTIFICATE HAS BEEN SUBJECT TO AN ERISA-QUALIFYING UNDERWRITING, IS AN INSURANCE COMPANY PURCHASING SUCH CERTIFICATES WITH FUNDS CONTAINED IN AN "INSURANCE COMPANY GENERAL ACCOUNT" (AS SUCH TERM IS DEFINED IN SECTION V (E) OF THE PROHIBITED TRANSACTION CLASS EXEMPTION 95-60 ("PTCE 95-60")) AND THE PURCHASE AND HOLDING OF SUCH CERTIFICATE ARE COVERED UNDER SECTIONS I AND III OF PTCE 95-60; OR (B) AN OPINION OF COUNSEL SATISFACTORY TO THE TRUSTEE AND THE SECURITIES ADMINISTRATOR, UPON WHICH THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER AND THE DEPOSITOR SHALL BE ENTITLED TO RELY TO THE EFFECT THAT THE PURCHASE OR HOLDING OF SUCH CERTIFICATE BY THE PROSPECTIVE TRANSFEREE WILL NOT RESULT IN ANY NON-EXEMPT PROHIBITED TRANSACTIONS UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE AND WILL NOT SUBJECT THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER OR THE DEPOSITOR TO ANY OBLIGATION IN ADDITION TO THOSE UNDERTAKEN BY SUCH PARTIES IN THE TRUST AGREEMENT, WHICH OPINION OF COUNSEL SHALL NOT BE AN EXPENSE OF THE TRUST FUND OR ANY OF THE ABOVE PARTIES. A TRANSFEREE OF A BOOK-ENTRY CERTIFICATE SHALL BE DEEMED TO HAVE MADE A REPRESENTATION AS REQUIRED IN THE TRUST AGREEMENT.

THIS CLASS R CERTIFICATE REPRESENTS A REMIC RESIDUAL INTEREST IN ONE OR MORE "REMICS," AS DESCRIBED IN THE TRUST AGREEMENT UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, FOR FEDERAL INCOME TAX PURPOSES.

THE PRINCIPAL OF THIS CLASS R CERTIFICATE IS SUBJECT TO PREPAYMENT FROM TIME TO TIME WITHOUT SURRENDER OF OR NOTATION ON THIS CERTIFICATE. ACCORDINGLY, THE CERTIFICATE PRINCIPAL BALANCE OF THIS CERTIFICATE MAY BE LESS THAN THAT SET FORTH BELOW. ANYONE ACQUIRING THIS CERTIFICATE MAY ASCERTAIN ITS CURRENT CERTIFICATE PRINCIPAL BALANCE BY INQUIRY OF THE SECURITIES ADMINISTRATOR.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS R CERTIFICATE

INITIAL CERTIFICATE RATE
PER ANNUM: [ ]% [1]

AGGREGATE INITIAL CERTIFICATE
PRINCIPAL BALANCE OF THE CLASS R CERTIFICATE: $[ ]

PERCENTAGE INTEREST: [ ]%

DATE OF THE TRUST
AGREEMENT:
MAY 1, 2007

APPROXIMATE AGGREGATE SCHEDULED PRINCIPAL
BALANCE AS OF THE CUT-OFF DATE OF THE MORTGAGE
LOANS HELD BY THE TRUST: $[ ]

CLOSING DATE:
MAY 24, 2007

FIRST DISTRIBUTION DATE:
JUNE 25, 2007

FINAL SCHEDULED
DISTRIBUTION DATE:
[ ]

TRUSTEE: DEUTSCHE BANK NATIONAL TRUST COMPANY
SECURITIES ADMINISTRATOR: WELLS FARGO BANK, N.A.

NO. [ ]

CUSIP NUMBER: [ ]
ISIN NUMBER: [ ]

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[1] For each Distribution Date, the Certificate Rate for the Class R Certificates will equal a variable rate determined in accordance with the Trust Agreement.

GS MORTGAGE SECURITIES CORP.
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS R CERTIFICATE

evidencing a beneficial ownership interest in a Trust consisting of the entire beneficial ownership of a pool of certain interest only and conventional, hybrid, adjustable-rate, fully amortizing and ballon, first lien, one- to four-family residential Mortgage Loans formed and sold by

GS MORTGAGE SECURITIES CORP.

THIS CERTIFICATE DOES NOT REPRESENT AN OBLIGATION OF, OR INTEREST IN, AND IS NOT GUARANTEED BY, GS MORTGAGE SECURITIES CORP., THE SERVICERS, THE MASTER SERVICER, THE SECURITIES ADMINISTRATOR, THE TRUSTEE, THE WFB CUSTODIAN, THE DB CUSTODIAN OR ANY OF THEIR AFFILIATES. NEITHER THIS CERTIFICATE NOR THE UNDERLYING MORTGAGE LOANS ARE GUARANTEED BY ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES.

THIS CERTIFIES THAT:

[ ]

is the registered owner of the Percentage Interest evidenced by this Certificate in the Class R Certificates (the " Class R Certificates ") issued by the trust (the " Trust ") created pursuant to a Master Servicing and Trust Agreement dated as specified above (the " Trust Agreement ") among GS Mortgage Securities Corp., as depositor (hereinafter the " Depositor ," which term includes any successor entity under the Trust Agreement), Deutsche Bank National Trust Company, as trustee (the " Trustee ") and as a custodian (the " DB Custodian ") and Wells Fargo Bank, N.A., as securities administrator, master servicer and a custodian (in such capacities, respectively, the " Securities Administrator ," " Master Servicer " and " WFB Custodian "), a summary of certain of the pertinent provisions of which is set forth hereafter. The Trust consists primarily of a pool of Mortgage Loans. This Certificate is issued under and is subject to the terms, provisions and conditions of the Trust Agreement and also is subject to certain terms and conditions set forth in the Sale and Servicing Agreements, to which Sale and Servicing Agreements the Holder of this Certificate, by virtue of the acceptance hereof assents and by which such Certificateholder is bound.

Distributions on this Certificate (including the final distribution on this Certificate) will be made out of the Available Distribution Amount, to the extent and subject to the limitations set forth in the Trust Agreement, on the 25th day of each month, or if such day is not a Business Day, the next succeeding Business Day, beginning in June 2007 (each, a " Distribution Date "), commencing on the first Distribution Date specified above, to the Person in whose name this Certificate is registered at the close of business on the last Business Day of the Interest Accrual Period related to such Distribution Date (the " Record Date "). All sums distributable on this Certificate are payable in the coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Distributions on this Certificate will be paid in accordance with the terms of the Trust Agreement. Distributions allocated to this Certificate on any Distribution Date will be an amount equal to this Certificate's Percentage Interest of the Available Distribution Amount to be distributed on this Class of Certificates as of such Distribution Date, with a final distribution to be made upon retirement of this Certificate as set forth in the Trust Agreement.

This Certificate is one of a duly authorized issue of Certificates designated as Mortgage Pass-Through Certificates, Series 2007-AR2 (herein called the " Certificates "), and representing a Percentage Interest in the Class of Certificates specified on the face hereof equal to the quotient, expressed as a percentage, obtained by dividing the denomination of this Certificate specified on the face hereof by the aggregate Certificate Principal Balance of the Class R Certificate. The Certificates are issued in multiple Classes designated as specifically set forth in the Trust Agreement. This Certificate will evidence in the aggregate 99.99% of the balance of the Class R Certificate.

Realized Losses and interest shortfalls on the Mortgage Loans shall be allocated among the Classes of Certificates on the applicable Distribution Date in the manner set forth in the Trust Agreement. To the extent provided in the Trust Agreement, with respect to Realized Losses and interest shortfalls, the Subordinate Certificates will be subordinated to the Senior Certificates and each of the Subordinate Certificates will be subordinated to each of the other Subordinate Certificates with a lower numerical class designation, if any. All Realized Losses and interest shortfalls on the Mortgage Loans allocated to any Class of Certificates will be allocated *pro rata* among the outstanding Certificates of such Class, as described in the Trust Agreement.

The Certificates are limited in right of payment to certain collections and recoveries in respect of the Mortgage Loans, all as more specifically set forth in the Trust Agreement. As provided in the Trust Agreement, withdrawals from the Collection Accounts, the Master Servicing Account, the Certificate Account and related accounts shall be made from time to time for purposes other than distributions to Certificateholders, such purposes including reimbursement of Advances made, or certain expenses incurred, with respect to the Mortgage Loans and administration of the Trust.

All distributions or allocations made with respect to each Class on any Distribution Date shall be allocated *pro rata* among the outstanding Certificates of such Class based on the Certificate Principal Balance of each such Certificate. Payment shall be made by check mailed to the address of each Certificateholder as it appears in the Certificate Register on the Record Date immediately prior to such Distribution Date. Final distribution on the Certificates will be made only upon surrender of the Certificates at the offices of the Certificate Registrar set forth in the notice of such final distribution.

Elections will be made to treat the segregated portions of the Trust as multiple real estate mortgage investment conduits (each, a " REMIC ") under the Internal Revenue Code of 1986, as amended (the " Code "). Assuming that the election is made properly and that certain qualification requirements concerning the Mortgage Loans and the Certificates are met, the Holder of this Certificate will be treated for federal income tax purposes as the beneficial owner of the "residual interest" in one or more REMICs as specified in the Trust Agreement. Accordingly, the Holder of this Class R Certificate will be subject to tax on its *pro rata* share of the taxable income or net loss on such Holder's "residual interest" in each such REMIC. The requirement that the Holder of this Class R Certificate report its *pro rata* share of such income or loss will continue until there are no Certificates of any Class outstanding.

Pursuant to (and subject to the limitations set forth in) the Trust Agreement, the Securities Administrator or one of its affiliates, as agent of each REMIC (the " Tax Matters Person " or " TMP "), will provide each Holder of a Class R Certificate with information sufficient to enable such Certificateholder to prepare (i) its federal income tax and information returns and (ii) any reports required by the Code regarding the Certificates, except where such information is provided to each such Certificateholder by the Trustee pursuant to the Trust Agreement. As the holder of the residual interest in one or more REMICs, the Holder of a Class R Certificate will have continuing administrative rights and obligations generally similar to those of a partner with respect to its partnership. Such rights and obligations principally concern each REMIC's federal income tax and information returns and the representation of each REMIC in administrative or judicial proceedings involving the Internal Revenue Service. The TMP, however, will act on behalf of the Holders of the Class R Certificate as each REMIC's representative for such proceedings. Each REMIC's federal tax and information returns will be prepared by the TMP, and signed and filed by the Trustee. Pursuant to the Trust Agreement, if the TMP is unable for any reason to fulfill its duties as TMP, then the Holder of the largest Percentage Interest of the Class R Certificate, without compensation, shall become the successor TMP for each related REMIC.

By accepting this Certificate, the Holder of this Certificate agrees to be bound by the provisions of the Trust Agreement, and in particular, agrees that it shall (i) take any action required by the Code or Treasury regulations thereunder in order to create or maintain the REMIC status of any REMIC and (ii) refrain from taking any action that could endanger such status.

The Trust Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Depositor, the Securities Administrator, the Trustee, the Master Servicer, the DB Custodian and the WFB Custodian and the rights of the Certificateholders under the Trust Agreement at any time by the Depositor, the Master Servicer, the Securities Administrator and the Trustee with the consent of the Certificateholders entitled to at least 51% of the Voting Rights. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Certificateholder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Trust Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Certificateholders.

The Certificates are issuable in fully registered form only, without coupons, in denominations specified in the Trust Agreement. As provided in the Trust Agreement and subject to certain limitations set forth in the Trust Agreement, the transfer of this Certificate is registrable in the Certificate Register upon surrender of this Certificate for registration of transfer at the principal Corporate Trust Office of the Securities Administrator or such other offices or agencies appointed by the Securities Administrator for that purpose and such other locations provided in the Trust Agreement, duly endorsed by, or accompanied by an assignment in the form below or other written instrument of transfer in form satisfactory to, the Trustee and the Certificate Registrar duly executed by the Certificateholder hereof, or such Certificateholder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in the same aggregate Certificate Principal Balance will be issued to the designated transferee or transferees.

As provided in the Trust Agreement and subject to certain limitations therein set forth, this Certificate is exchangeable for a new Certificate of the same Class in the same denomination. No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

No transfer of any Class R Certificate shall be made unless that transfer is made pursuant to an effective registration statement under the Securities Act of 1933, as amended (the " Act ") and effective registration or qualification under applicable state certificates laws, or is made in a transaction that does not require such registration or qualification. In the event that a transfer is to be made without registration or qualification under the Act and applicable state certificates laws, the Certificate Registrar shall require that the transferee certify as to facts that, if true, would mean that the proposed transferee is a Qualified Institutional Buyer. Neither the Depositor nor the Certificate Registrar is obligated to register or qualify any of the Class R Certificate under the Act or any other certificates law or to take any action not otherwise required under the Trust Agreement to permit the transfer of such Certificates without such registration or qualification. Any such Certificateholder desiring to effect such transfer shall, and does hereby agree to, indemnify the Depositor and the Certificate Registrar against any liability that may result if the transfer is not exempt from registration under the Act and all applicable state certificates laws or is not made in accordance with such federal and state laws.

No transfer of a Certificate of this Class shall be made unless the Trustee and the Securities Administrator shall have received either (i) a representation letter from the transferee of such Certificate, acceptable to and in form and substance satisfactory to the Trsutee and Securities Administrator, to the effect that such transferee is not an employee benefit plan subject to Section 406 of ERISA or Section 4975 of the Code or any materially similar provisions of applicable federal, state or local law ("Similar Law") or a person acting on behalf of or investing plan assets of any such plan, which representation letter shall not be an expense of the Trustee or the Securities Administrator, or (ii) if the transferee is an insurance company and the certificate has been the subject of an ERISA-Qualifying Underwriting, a representation letter that it is purchasing such Certificates with the assets of its general account and that the purchase and holding of such Certificates satisfy the requirements for exemptive relief under Sections I and III of PTCE 95-60, or (iii) in the case of a Certificate presented for registration in the name of an employee benefit plan subject to ERISA, or a plan or arrangement subject to Section 4975 of the Code (or comparable provisions of any subsequent enactments) or a plan subject to Similar Law, or a trustee of any such plan or any other person acting on behalf of any such plan or arrangement or using such plan's or arrangement's assets, an Opinion of Counsel satisfactory to the Trustee and the Securities Administrator, upon which the Trustee, the Securities Administrator, the Master Servicer and the Depositor shall be entitled to rely, which Opinion of Counsel shall not be an expense of the Trust or any of the above parties, to the effect that the purchase and holding of such Certificate will not constitute or result in a non-exempt prohibited transaction within the meaning of ERISA, Section 4975 of the Code or any Similar Law and will not subject the Trustee, the Depositor, the Master Servicer or the Securities Administrator to any obligation in addition to those expressly undertaken in this Agreement or to any liability. If this Certificate is a book-entry certificate, the transferee will be deemed to have made a representation as provided in this paragraph, as applicable.

[In addition, the Certificate Registrar shall not register any transfer of a Class R Certificate (including any beneficial interest therein) to a Disqualified Organization. In addition, no Class R Certificate (or any beneficial interest therein) may be transferred unless the proposed transferee thereof provides the Certificate Registrar with a Residual Transferee Affidavit, which is an affidavit of the proposed transferee substantially in the form attached as Exhibit F to the Standard Terms, and the proposed transferor provides a certificate substantially in the form attached as Exhibit G to the Standard Terms. Notwithstanding the fulfillment of the prerequisites described above, the Certificate Registrar may refuse to recognize any transfer to the extent necessary to avoid a risk of (i) disqualification of any REMIC created pursuant to Section 2.03 of the Trust Agreement as a REMIC or (ii) the imposition of a tax upon any REMIC. Any attempted transfer in violation of the foregoing restrictions shall be null and void and shall not be recognized by the Certificate Registrar.]

If a tax or a reporting cost is borne by any REMIC as a result of the transfer of a Class R Certificate (or any beneficial interest therein) in violation of the restrictions set forth herein and in the Trust Agreement, the Trustee shall pay such tax or reporting cost with amounts that otherwise would have been paid to the transferee of the Class R Certificate (or beneficial interest therein). In that event, neither the transferee nor the transferor shall have any right to seek repayment of such amounts from the Depositor or the Trustee, the Trust, any REMIC, or any other Holders, and none of such parties shall have any liability for payment of any such tax or reporting cost.

The Depositor, the Securities Administrator, the Trustee and the Certificate Registrar and any agent of the Depositor, the Securities Administrator, the Trustee or the Certificate Registrar may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and none of the Depositor, the Securities Administrator, the Trustee, the Certificate Registrar or any such agent shall be affected by notice to the contrary.

The obligations created by the Trust Agreement will terminate upon payment to the applicable Certificateholders of all applicable amounts held in the Collection Account, the Certificate Account and the REMIC II Distribution Account required to be paid to such Certificateholders pursuant to the Trust Agreement, following the earlier of: (i) the final payment or other liquidation (or any Advance with respect thereto) of the last Mortgage Loan remaining in the Trust or the disposition of all property acquired upon foreclosure of any such Mortgage Loan and (ii) the repurchase of all of the assets of the Trust by Avelo or the Master Servicer upon the date on which the aggregate Scheduled Principal Balance of the Mortgage Loans is equal to or less than 10% of the aggregate Scheduled Principal Balance of such Mortgage Loans as of the Cut-Off Date. Written notice of any such termination shall be given to each applicable Certificateholder, and the final distribution shall be made only upon surrender and cancellation of such Certificates at an office or agency appointed by the Trustee which will be specified in the notice of termination.

Any such repurchase of Mortgage Loans and property acquired in respect of the Mortgage Loans shall be made at the Termination Price.

Unless the certificate of authentication hereon has been executed by the Certificate Registrar, by manual signature, this Certificate shall not be entitled to any benefit under the Trust Agreement or be valid for any purpose.

THIS CERTIFICATE AND THE TRUST AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

The Trustee has executed this Certificate on behalf of the Trust as Trustee under the Trust Agreement, and the Trustee shall be liable hereunder only in respect of the assets of the Trust.

Capitalized terms used herein and not otherwise defined shall have the meaning given them in the Trust Agreement.

In the event that the terms of this Certificate conflict with the terms of the Trust Agreement, the terms of the Trust Agreement shall control.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.
as Securities Administrator

By: _____
AUTHORIZED OFFICER

CERTIFICATE OF AUTHENTICATION

THIS IS ONE OF THE CERTIFICATES REFERRED TO IN THE WITHIN-MENTIONED TRUST AGREEMENT.

WELLS FARGO BANK, N.A. ,
as Certificate Registrar

By: _____
AUTHORIZED SIGNATORY

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM—as tenants in common
TEN ENT—as tenants by the entireties

JT TEN—as joint tenants with rights of survivorship and not as Tenants in Common

UNIF GIFT MIN ACT— ____Custodian_____
(Cust) (Minor)

Under Uniform Gifts to Minors Act_____
(State)

Additional abbreviations may also be used
though not in the above list.

FORM OF TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF
ASSIGNEE _____

_____

(Please print or typewrite name and address of assignee)

the within Certificate and does hereby irrevocably constitute and, appoint _____

(Attorney) to transfer the said Certificate in the Certificate Register of the within-named Trust,

with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of this certificate in every particular without alteration or enlargement or any change whatever.

_____

SIGNATURE GUARANTEED: The signature must be guaranteed by a commercial bank or trust company or by a member firm of the New York Stock Exchange or another national certificates exchange. Notarized or witnessed signatures are not acceptable.

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distribution shall be made, by wire transfer or otherwise, in immediately available funds, to _____, for the account of _____, account number _____, or if mailed by check to _____. Applicable reports and statements should be mailed to _____. This information is provided by _____, the assignee named above, or _____, as agent.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS RC CERTIFICATE

ANY TRANSFEREE OF THIS CERTIFICATE MUST DELIVER TO THE CERTIFICATE REGISTRAR A RESIDUAL TRANSFEREE AFFIDAVIT CONTAINING CERTAIN REPRESENTATIONS AND COVENANTS, AND AN AFFIDAVIT RELATING TO VARIOUS TAX MATTERS, ALL AS DESCRIBED IN THE TRUST AGREEMENT REFERRED TO HEREIN. NO TRANSFER OF A CLASS RC CERTIFICATE SHALL BE PERMITTED TO BE MADE TO A DISQUALIFIED ORGANIZATION, WHICH GENERALLY INCLUDES ANY ENTITY THAT WOULD BE EXEMPT FROM FEDERAL INCOME TAXATION (INCLUDING THE TAX ON UNRELATED BUSINESS TAXABLE INCOME) ON INCOME DERIVED FROM THIS CLASS RC CERTIFICATE. NOTWITHSTANDING THE FULFILLMENT OF THE PREREQUISITES DESCRIBED ABOVE, THE CERTIFICATE REGISTRAR MAY REFUSE TO RECOGNIZE A TRANSFER TO THE EXTENT NECESSARY TO AVOID A RISK OF (1) DISQUALIFICATION OF ANY RELATED REMIC AS A REMIC OR (2) THE IMPOSITION OF A TAX UPON ANY SUCH REMIC. NO TRANSFER OF LESS THAN AN ENTIRE INTEREST IN A CLASS RC CERTIFICATE MAY BE MADE UNLESS (1) THE INTEREST TRANSFERRED IS AN UNDIVIDED INTEREST OR (2) THE TRANSFEROR OR THE TRANSFEREE HAS PROVIDED THE CERTIFICATE REGISTRAR WITH AN OPINION THAT THE TRANSFER WILL NOT JEOPARDIZE THE REMIC STATUS OF ANY RELATED REMIC. RESTRICTIONS ON TRANSFER OF THIS CERTIFICATE ARE DESCRIBED MORE FULLY HEREIN.

NO TRANSFER OF THIS CERTIFICATE SHALL BE REGISTERED UNLESS THE PROSPECTIVE TRANSFEREE PROVIDES THE TRUSTEE WITH (A) A CERTIFICATION TO THE EFFECT THAT SUCH TRANSFEREE (1) IS NEITHER AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT SUBJECT TO SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (COLLECTIVELY, A "PLAN") NOR A PERSON ACTING ON BEHALF OF, OR USING THE ASSETS OF, ANY SUCH PLAN OR (2) IF THE CERTIFICATE HAS BEEN SUBJECT TO AN ERISA-QUALIFYING UNDERWRITING, IS AN INSURANCE COMPANY PURCHASING SUCH CERTIFICATES WITH FUNDS CONTAINED IN AN "INSURANCE COMPANY GENERAL ACCOUNT" (AS SUCH TERM IS DEFINED IN SECTION V (E) OF THE PROHIBITED TRANSACTION CLASS EXEMPTION 95-60 ("PTCE 95-60")) AND THE PURCHASE AND HOLDING OF SUCH CERTIFICATE ARE COVERED UNDER SECTIONS I AND III OF PTCE 95-60; OR (B) AN OPINION OF COUNSEL SATISFACTORY TO THE TRUSTEE AND THE SECURITIES ADMINISTRATOR, UPON WHICH THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER AND THE DEPOSITOR SHALL BE ENTITLED TO RELY TO THE EFFECT THAT THE PURCHASE OR HOLDING OF SUCH CERTIFICATE BY THE PROSPECTIVE TRANSFEREE WILL NOT RESULT IN ANY NON-EXEMPT PROHIBITED TRANSACTIONS UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE AND WILL NOT SUBJECT THE TRUSTEE, THE SECURITIES ADMINISTRATOR, THE MASTER SERVICER OR THE DEPOSITOR TO ANY OBLIGATION IN ADDITION TO THOSE UNDERTAKEN BY SUCH PARTIES IN THE TRUST AGREEMENT, WHICH OPINION OF COUNSEL SHALL NOT BE AN EXPENSE OF THE TRUST FUND OR ANY OF THE ABOVE PARTIES. A TRANSFEREE OF A BOOK-ENTRY CERTIFICATE SHALL BE DEEMED TO HAVE MADE A REPRESENTATION AS REQUIRED IN THE TRUST AGREEMENT.

THIS CLASS RC CERTIFICATE REPRESENTS A REMIC RESIDUAL INTEREST IN ONE OR MORE "REMICS," AS DESCRIBED IN THE TRUST AGREEMENT UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, FOR FEDERAL INCOME TAX PURPOSES.

THE PRINCIPAL OF THIS CLASS RC CERTIFICATE IS SUBJECT TO PREPAYMENT FROM TIME TO TIME WITHOUT SURRENDER OF OR NOTATION ON THIS CERTIFICATE. ACCORDINGLY, THE CERTIFICATE PRINCIPAL BALANCE OF THIS CERTIFICATE MAY BE LESS THAN THAT SET FORTH BELOW. ANYONE ACQUIRING THIS CERTIFICATE MAY ASCERTAIN ITS CURRENT CERTIFICATE PRINCIPAL BALANCE BY INQUIRY OF THE SECURITIES ADMINISTRATOR.

GS MORTGAGE SECURITIES CORP., DEPOSITOR
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS RC CERTIFICATE

INITIAL CERTIFICATE RATE
PER ANNUM: [ ]% [1]

AGGREGATE INITIAL CERTIFICATE
PRINCIPAL BALANCE OF THE CLASS RC CERTIFICATE: $[ ]

PERCENTAGE INTEREST: [ ]%

DATE OF THE TRUST
AGREEMENT:
MAY 1, 2007

APPROXIMATE AGGREGATE SCHEDULED PRINCIPAL
BALANCE AS OF THE CUT-OFF DATE OF THE MORTGAGE
LOANS HELD BY THE TRUST: $[ ]

CLOSING DATE:
MAY 24, 2007

FIRST DISTRIBUTION DATE:
JUNE 25, 2007

FINAL SCHEDULED
DISTRIBUTION DATE:
MAY 2037

TRUSTEE: DEUTSCHE BANK NATIONAL TRUST COMPANY
SECURITIES ADMINISTRATOR: WELLS FARGO BANK, N.A.

NO. [ ]

CUSIP NUMBER: [ ]
ISIN NUMBER: [ ]

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[1] For each Distribution Date, the Certificate Rate for the Class RC Certificates will equal a variable rate determined in accordance with the Trust Agreement.

GS MORTGAGE SECURITIES CORP.
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-AR2
CLASS RC CERTIFICATE

evidencing a beneficial ownership interest in a Trust consisting of the entire beneficial ownership of a pool of certain interest only and conventional, hybrid, adjustable-rate, fully amortizing and ballon, first lien, one- to four-family residential Mortgage Loans formed and sold by

GS MORTGAGE SECURITIES CORP.

THIS CERTIFICATE DOES NOT REPRESENT AN OBLIGATION OF, OR INTEREST IN, AND IS NOT GUARANTEED BY, GS MORTGAGE SECURITIES CORP., THE SERVICERS, THE MASTER SERVICER, THE SECURITIES ADMINISTRATOR, THE TRUSTEE, THE WFB CUSTODIAN, THE DB CUSTODIAN OR ANY OF THEIR AFFILIATES. NEITHER THIS CERTIFICATE NOR THE UNDERLYING MORTGAGE LOANS ARE GUARANTEED BY ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES.

THIS CERTIFIES THAT:

[ ]

is the registered owner of the Percentage Interest evidenced by this Certificate in the Class RC Certificates (the " Class RC Certificates ") issued by the trust (the " Trust ") created pursuant to a Master Servicing and Trust Agreement dated as specified above (the " Trust Agreement ") among GS Mortgage Securities Corp., as depositor (hereinafter the " Depositor ," which term includes any successor entity under the Trust Agreement), Deutsche Bank National Trust Company, as trustee (the " Trustee ") and as a custodian (the " DB Custodian ") and Wells Fargo Bank, N.A., as securities administrator, master servicer and a custodian (in such capacities, respectively, the " Securities Administrator ," " Master Servicer " and " WFB Custodian "), a summary of certain of the pertinent provisions of which is set forth hereafter. The Trust consists primarily of a pool of Mortgage Loans. This Certificate is issued under and is subject to the terms, provisions and conditions of the Trust Agreement and also is subject to certain terms and conditions set forth in the Sale and Servicing Agreements, to which Sale and Servicing Agreements the Holder of this Certificate, by virtue of the acceptance hereof assents and by which such Certificateholder is bound.

Distributions on this Certificate (including the final distribution on this Certificate) will be made out of the Available Distribution Amount, to the extent and subject to the limitations set forth in the Trust Agreement, on the 25th day of each month, or if such day is not a Business Day, the next succeeding Business Day, beginning in June 2007 (each, a " Distribution Date "), commencing on the first Distribution Date specified above, to the Person in whose name this Certificate is registered at the close of business on the last Business Day of the Interest Accrual Period related to such Distribution Date (the " Record Date "). All sums distributable on this Certificate are payable in the coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Distributions on this Certificate will be paid in accordance with the terms of the Trust Agreement. Distributions allocated to this Certificate on any Distribution Date will be an amount equal to this Certificate's Percentage Interest of the Available Distribution Amount to be distributed on this Class of Certificates as of such Distribution Date, with a final distribution to be made upon retirement of this Certificate as set forth in the Trust Agreement.

This Certificate is one of a duly authorized issue of Certificates designated as Mortgage Pass-Through Certificates, Series 2007-AR2 (herein called the " Certificates "), and representing a Percentage Interest in the Class of Certificates specified on the face hereof equal to the quotient, expressed as a percentage, obtained by dividing the denomination of this Certificate specified on the face hereof by the aggregate Certificate Principal Balance of the Class RC Certificate. The Certificates are issued in multiple Classes designated as specifically set forth in the Trust Agreement. This Certificate will evidence in the aggregate 99.99% of the balance of the Class RC Certificate.

Realized Losses and interest shortfalls on the Mortgage Loans shall be allocated among the Classes of Certificates on the applicable Distribution Date in the manner set forth in the Trust Agreement. To the extent provided in the Trust Agreement, with respect to Realized Losses and interest shortfalls, the Subordinate Certificates will be subordinated to the Senior Certificates and each of the Subordinate Certificates will be subordinated to each of the other Subordinate Certificates with a lower numerical class designation, if any. All Realized Losses and interest shortfalls on the Mortgage Loans allocated to any Class of Certificates will be allocated *pro rata* among the outstanding Certificates of such Class, as described in the Trust Agreement.

The Certificates are limited in right of payment to certain collections and recoveries in respect of the Mortgage Loans, all as more specifically set forth in the Trust Agreement. As provided in the Trust Agreement, withdrawals from the Collection Accounts, the Master Servicing Account, the Certificate Account and related accounts shall be made from time to time for purposes other than distributions to Certificateholders, such purposes including reimbursement of Advances made, or certain expenses incurred, with respect to the Mortgage Loans and administration of the Trust.

All distributions or allocations made with respect to each Class on any Distribution Date shall be allocated *pro rata* among the outstanding Certificates of such Class based on the Certificate Principal Balance of each such Certificate. Payment shall be made by check mailed to the address of each Certificateholder as it appears in the Certificate Register on the Record Date immediately prior to such Distribution Date. Final distribution on the Certificates will be made only upon surrender of the Certificates at the offices of the Certificate Registrar set forth in the notice of such final distribution.

Elections will be made to treat the segregated portions of the Trust as multiple real estate mortgage investment conduits (each, a " REMIC ") under the Internal Revenue Code of 1986, as amended (the " Code "). Assuming that the election is made properly and that certain qualification requirements concerning the Mortgage Loans and the Certificates are met, the Holder of this Certificate will be treated for federal income tax purposes as the beneficial owner of the "residual interest" in one or more REMICs as specified in the Trust Agreement. Accordingly, the Holder of this Class RC Certificate will be subject to tax on its *pro rata* share of the taxable income or net loss on such Holder's "residual interest" in each REMIC. The requirement that the Holder of this Class RC Certificate report its *pro rata* share of such income or loss will continue until there are no Certificates of any Class outstanding.

Pursuant to (and subject to the limitations set forth in) the Trust Agreement, the Securities Administrator or one of its affiliates, as agent of each REMIC (the " Tax Matters Person " or " TMP "), will provide each Holder of a Class RC Certificate with information sufficient to enable such Certificateholder to prepare (i) its federal income tax and information returns and (ii) any reports required by the Code regarding the Certificates, except where such information is provided to each such Certificateholder by the Trustee pursuant to the Trust Agreement. As the holder of the residual interest in one or more REMICs, the Holder of a Class RC Certificate will have continuing administrative rights and obligations generally similar to those of a partner with respect to its partnership. Such rights and obligations principally concern each REMIC's federal income tax and information returns and the representation of each REMIC in administrative or judicial proceedings involving the Internal Revenue Service. The TMP, however, will act on behalf of the Holders of the Class RC Certificate as each REMIC's representative for such proceedings. Each REMIC's federal tax and information returns will be prepared by the TMP, and signed and filed by the Trustee. Pursuant to the Trust Agreement, if the TMP is unable for any reason to fulfill its duties as TMP, then the Holder of the largest Percentage Interest of the Class RC Certificate, without compensation, shall become the successor TMP for each related REMIC.

By accepting this Certificate, the Holder of this Certificate agrees to be bound by the provisions of the Trust Agreement, and in particular, agrees that it shall (i) take any action required by the Code or Treasury regulations thereunder in order to create or maintain the REMIC status of any REMIC and (ii) refrain from taking any action that could endanger such status.

The Trust Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Depositor, the Securities Administrator, the Trustee, the Master Servicer, the DB Custodian and the WFB Custodian and the rights of the Certificateholders under the Trust Agreement at any time by the Depositor, the Master Servicer, the Securities Administrator and the Trustee with the consent of the Certificateholders entitled to at least 51% of the Voting Rights. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Certificateholder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Trust Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Certificateholders.

The Certificates are issuable in fully registered form only, without coupons, in denominations specified in the Trust Agreement. As provided in the Trust Agreement and subject to certain limitations set forth in the Trust Agreement, the transfer of this Certificate is registrable in the Certificate Register upon surrender of this Certificate for registration of transfer at the principal Corporate Trust Office of the Securities Administrator or such other offices or agencies appointed by the Securities Administrator for that purpose and such other locations provided in the Trust Agreement, duly endorsed by, or accompanied by an assignment in the form below or other written instrument of transfer in form satisfactory to, the Trustee and the Certificate Registrar duly executed by the Certificateholder hereof, or such Certificateholder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in the same aggregate Certificate Principal Balance will be issued to the designated transferee or transferees.

As provided in the Trust Agreement and subject to certain limitations therein set forth, this Certificate is exchangeable for a new Certificate of the same Class in the same denomination. No service charge will be made for any such registration of transfer or exchange, but the Securities Administrator may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

No transfer of any Class RC Certificate shall be made unless that transfer is made pursuant to an effective registration statement under the Securities Act of 1933, as amended (the " Act ") and effective registration or qualification under applicable state certificates laws, or is made in a transaction that does not require such registration or qualification. In the event that a transfer is to be made without registration or qualification under the Act and applicable state certificates laws, the Certificate Registrar shall require that the transferee certify as to facts that, if true, would mean that the proposed transferee is a Qualified Institutional Buyer. Neither the Depositor nor the Certificate Registrar is obligated to register or qualify any of the Class RC Certificate under the Act or any other certificates law or to take any action not otherwise required under the Trust Agreement to permit the transfer of such Certificates without such registration or qualification. Any such Certificateholder desiring to effect such transfer shall, and does hereby agree to, indemnify the Depositor and the Certificate Registrar against any liability that may result if the transfer is not exempt from registration under the Act and all applicable state certificates laws or is not made in accordance with such federal and state laws.

No transfer of a Certificate of this Class shall be made unless the Trustee and the Securities Administrator shall have received either (i) a representation letter from the transferee of such Certificate, acceptable to and in form and substance satisfactory to the Trsutee and Securities Administrator, to the effect that such transferee is not an employee benefit plan subject to Section 406 of ERISA or Section 4975 of the Code or any materially similar provisions of applicable federal, state or local law ("Similar Law") or a person acting on behalf of or investing plan assets of any such plan, which representation letter shall not be an expense of the Trustee or the Securities Administrator, or (ii) if the transferee is an insurance company and the certificate has been the subject of an ERISA-Qualifying Underwriting, a representation letter that it is purchasing such Certificates with the assets of its general account and that the purchase and holding of such Certificates satisfy the requirements for exemptive relief under Sections I and III of PTCE 95-60, or (iii) in the case of a Certificate presented for registration in the name of an employee benefit plan subject to ERISA, or a plan or arrangement subject to Section 4975 of the Code (or comparable provisions of any subsequent enactments) or a plan subject to Similar Law, or a trustee of any such plan or any other person acting on behalf of any such plan or arrangement or using such plan's or arrangement's assets, an Opinion of Counsel satisfactory to the Trustee and the Securities Administrator, upon which the Trustee, the Securities Administrator, the Master Servicer and the Depositor shall be entitled to rely, which Opinion of Counsel shall not be an expense of the Trust or any of the above parties, to the effect that the purchase and holding of such Certificate will not constitute or result in a non-exempt prohibited transaction within the meaning of ERISA, Section 4975 of the Code or any Similar Law and will not subject the Trustee, the Depositor, the Master Servicer or the Securities Administrator to any obligation in addition to those expressly undertaken in this Agreement or to any liability. If this Certificate is a book-entry certificate, the transferee will be deemed to have made a representation as provided in this paragraph, as applicable.

In addition, the Certificate Registrar shall not register any transfer of a Class RC Certificate (including any beneficial interest therein) to a Disqualified Organization. In addition, no Class RC Certificate (or any beneficial interest therein) may be transferred unless the proposed transferee thereof provides the Certificate Registrar with a Residual Transferee Affidavit, which is an affidavit of the proposed transferee substantially in the form attached as Exhibit F to the Standard Terms, and the proposed transferor provides a certificate substantially in the form attached as Exhibit G to the Standard Terms. Notwithstanding the fulfillment of the prerequisites described above, the Certificate Registrar may refuse to recognize any transfer to the extent necessary to avoid a risk of (i) disqualification of any REMIC created pursuant to Section 2.03 of the Trust Agreement as a REMIC or (ii) the imposition of a tax upon any REMIC. Any attempted transfer in violation of the foregoing restrictions shall be null and void and shall not be recognized by the Certificate Registrar.

If a tax or a reporting cost is borne by any REMIC as a result of the transfer of a Class RC Certificate (or any beneficial interest therein) in violation of the restrictions set forth herein and in the Trust Agreement, the Trustee shall pay such tax or reporting cost with amounts that otherwise would have been paid to the transferee of the Class RC Certificate (or beneficial interest therein). In that event, neither the transferee nor the transferor shall have any right to seek repayment of such amounts from the Depositor or the Trustee, the Trust, any REMIC, or any other Holders, and none of such parties shall have any liability for payment of any such tax or reporting cost.

The Depositor, the Securities Administrator, the Trustee and the Certificate Registrar and any agent of the Depositor, the Securities Administrator, the Trustee or the Certificate Registrar may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and none of the Depositor, the Securities Administrator, the Trustee, the Certificate Registrar or any such agent shall be affected by notice to the contrary.

The obligations created by the Trust Agreement will terminate upon payment to the applicable Certificateholders of all applicable amounts held in the Collection Account, the Certificate Account and the REMIC II Distribution Account required to be paid to such Certificateholders pursuant to the Trust Agreement, following the earlier of: (i) the final payment or other liquidation (or any Advance with respect thereto) of the last Mortgage Loan remaining in the Trust or the disposition of all property acquired upon foreclosure of any such Mortgage Loan and (ii) the repurchase of all of the assets of the Trust by Avelo or the Master Servicer upon the date on which the aggregate Scheduled Principal Balance of the Mortgage Loans is equal to or less than 10% of the aggregate Scheduled Principal Balance of such Mortgage Loans as of the Cut-Off Date. Written notice of any such termination shall be given to each applicable Certificateholder, and the final distribution shall be made only upon surrender and cancellation of such Certificates at an office or agency appointed by the Trustee which will be specified in the notice of termination.

Any such repurchase of Mortgage Loans and property acquired in respect of the Mortgage Loans shall be made at the Termination Price.

Unless the certificate of authentication hereon has been executed by the Certificate Registrar, by manual signature, this Certificate shall not be entitled to any benefit under the Trust Agreement or be valid for any purpose.

THIS CERTIFICATE AND THE TRUST AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

The Trustee has executed this Certificate on behalf of the Trust as Trustee under the Trust Agreement, and the Trustee shall be liable hereunder only in respect of the assets of the Trust.

Capitalized terms used herein and not otherwise defined shall have the meaning given them in the Trust Agreement.

In the event that the terms of this Certificate conflict with the terms of the Trust Agreement, the terms of the Trust Agreement shall control.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be duly executed.

Dated:

WELLS FARGO BANK, N.A.
as Securities Administrator

By: _____
AUTHORIZED OFFICER

CERTIFICATE OF AUTHENTICATION

THIS IS ONE OF THE CERTIFICATES REFERRED TO IN THE WITHIN-MENTIONED TRUST AGREEMENT.

WELLS FARGO BANK, N.A. ,
as Certificate Registrar

By: _____
AUTHORIZED SIGNATORY

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM—as tenants in common
TEN ENT—as tenants by the entireties

JT TEN—as joint tenants with rights of survivorship and not as Tenants in Common

UNIF GIFT MIN ACT— ____Custodian_____
(Cust) (Minor)

Under Uniform Gifts to Minors Act_____
(State)

Additional abbreviations may also be used
though not in the above list.

FORM OF TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF
ASSIGNEE _____

_____

(Please print or typewrite name and address of assignee)

the within Certificate and does hereby irrevocably constitute and, appoint _____

(Attorney) to transfer the said Certificate in the Certificate Register of the within-named Trust,

with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of this certificate in every particular without alteration or enlargement or any change whatever.

_____

SIGNATURE GUARANTEED: The signature must be guaranteed by a commercial bank or trust company or by a member firm of the New York Stock Exchange or another national certificates exchange. Notarized or witnessed signatures are not acceptable.

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distribution shall be made, by wire transfer or otherwise, in immediately available funds, to _____, for the account of _____, account number _____, or if mailed by check to _____. Applicable reports and statements should be mailed to _____. This information is provided by _____, the assignee named above, or _____, as agent.