# LETTER AGREEMENT

THIS LETTER AGREEMENT, dated as of July 11, 2008 (this "Agreement"), is hereby executed among MAX-MM Limited (the "Company"), AIG Financial Products Corp. ("AIGFP"), Deutsche Bank Securities Inc. ("DBSI"), LaSalle Bank National Association ("LaSalle"), Deutsche Bank AG, New York Branch ("DBAG NY") and Deutsche Bank AG, Cayman Islands Branch ("DBAG Cayman").

W I T N E S S E T H:

WHEREAS, AIGFP has entered into an ISDA Master Agreement, dated as of March 10, 2005 (as amended from time to time, the "Put Agreement"), with the Company, whereby each of the parties thereto has agreed to make certain payments pursuant to the terms thereof, and in connection with the Put Agreement, the Company, DBAG NY and LaSalle have entered into a Second Amended and Restated Administration Agreement, dated as of October 24, 2007 (as amended from time to time, the "Administration Agreement"), the Company and DBSI have entered into an Amended and Restated Dealer Agreement, dated as of October 24, 2007 (as amended from time to time, the "Dealer Agreement") and AIGFP, the Company, DBSI and DBAG NY have entered into an Amended and Restated Letter Agreement, dated as of October 24, 2007 (as amended from time to time, the "Letter Agreement"); and

WHEREAS, the parties hereto desire to agree as to the terms that will govern the exercise of the Put (and the Options associated therewith) pursuant to the Put Agreement (the "Put") with respect to the Maturing Notes (as defined on Exhibit A) and certain other related matters;

NOW, THEREFORE, in consideration of the mutual promises, covenants, representations and warranties hereinafter set forth or incorporated herein, the Company, AIGFP, DBSI, LaSalle, DBAG NY and DBAG Cayman hereby agree as follows:

Section 1. **Definitions**. Capitalized terms used herein but not defined in this Agreement (including Exhibit A hereto) shall have the respective meanings assigned to such terms in, or incorporated by reference into, the Put Agreement or the Administration Agreement.

Section 2. **Agreement as to Effectiveness of Terms set forth in Exhibit A**. The parties hereto agree that the terms set forth on Exhibit A shall govern and be binding on all parties on the first Expected Final Payment Date following receipt by AIGFP and LaSalle of notice from DBAG Cayman or DBSI that either (i) approval from the board of directors of DBAG Cayman with respect to the entry into the transactions contemplated on Exhibit A to the letter agreement, dated the date hereof, between AIGFP and DBAG Cayman (the "Agreed Terms") has been granted or (ii) approval from the board of directors of DBAG Cayman is not required for the entry into the Agreed Terms (such Expected Final Payment Date, the "Effective Date"). If such notice is delivered at or prior to 9:30 am (New York time) on an Expected Final Payment Date, the Effective Date shall be such Expected Final Payment Date and if such notice is delivered after 9:30 am (New York time) on an Expected Final Payment Date, the Effective Date shall be the

Expected Final Payment Date immediately following the Expected Final Payment Date on which such notice was delivered. Such notice shall be effective as to AIGFP upon either delivery via electronic mail to alan.frost@aigfpc.com, jake.sun@aigfpc.com and william.shirley@aigfpc.com or delivery to AIGFP in accordance with the provisions of the Put Agreement and such notice shall be effective as to LaSalle upon delivery via electronic mail to Michael.oliver@lasallegts.com or delivery to LaSalle in accordance with the provisions of the Administration Agreement. Upon receipt of approval from the board of directors of DBAG Cayman or a determination that approval from the board of directors of DBAG Cayman is not required for the entry into the Agreed Terms as described in this Section 2, DBAG Cayman or DBSI shall provide prompt written notice thereof to AIGFP (which notice requirement shall be met by delivery to AIGFP in accordance with the preceding sentence).

Section 3. **Termination**. Notwithstanding anything to the contrary in this Letter Agreement, the parties hereto agree that if the Effective Date fails to occur prior to July 22, 2008 for any reason, this Letter Agreement will terminate and be of no further force or effect, in which event, all parties hereto expressly reserve all rights they had prior to the execution of this Agreement and the Letter Agreement, dated as of July 11, 2008, between AIGFP and DBAG Cayman, with respect to the Program Documents, as amended from time to time.

Section 4. **Miscellaneous**.

(a) **Counterparts**. This Agreement may be executed by the parties hereto in separate counterparts, each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

(b) **Amendments**. This Agreement may be supplemented, modified or amended by written instrument signed on behalf of each of the parties hereto.

(c) **GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

(d) **Non-Recourse.** No recourse under or with respect to any obligation, covenant or agreement of the Company as contained in this Agreement or any other agreement, instrument or document to which the Company is a party shall be had against any incorporator, stockholder, Affiliate, officer, employee or director of the Company, as such, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that the agreements of the Company contained in this Agreement and all other agreements, instruments and documents entered into pursuant hereto or in connection herewith are, in each case, solely corporate obligations of the Company, and that no personal liability whatsoever shall attach to or be incurred by the incorporators, stockholders, Affiliates, officers, employees or directors of the Company, as such, or any of them, under or by reason of any of the respective obligations, covenants or agreements of the Company contained in this Agreement or any other such agreements, instruments or documents, or implied therefrom, and that any and all personal liability of every such incorporator, stockholder,

Affiliate, officer, employee or director of the Company for breaches by the Company, of any such respective obligation, covenant or agreement, which liability may arise either at common law or at equity, by statute or constitution, or otherwise, is hereby expressly waived as a condition of and in consideration for the execution of this Agreement. Notwithstanding any provisions contained in this Agreement to the contrary, the Company shall not, and shall not be obligated to pay any fees, costs, expenses or other monies due or payable in connection with this Agreement (including, without limitation, as a result of any indemnity, breach of obligation or warranty or misrepresentation) unless the Company has received funds which may be used to make such payment in accordance with the Administration Agreement and which funds are not required to repay the Notes when due in accordance with the priority of payments contained in the Administration Agreement. Any such fees, costs, expenses or other monies which the Company does not pay pursuant to the operation of the preceding sentence shall not constitute a claim (as defined in §101 of the United States Bankruptcy Reform Act of 1978 (11 U.S.C. §101, et seq.) as amended from time to time) against or corporate obligation of the Company for any such insufficiency. The provisions of this paragraph shall survive the termination of this Agreement.

(e) **Non-Petition**. Each of the parties hereto hereby severally agree that it shall not institute against, or join any other Person in instituting against, the Company any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any federal or state bankruptcy or similar law, for one year and one day after the Note with the latest possible Legal Final Payment Date issued by the Company is paid in full. The provisions of this paragraph shall survive the termination of this Agreement.

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

**MAX-MM LIMITED**

By: _____
Name: Cleveland Stewart
Title: Director

**AIG FINANCIAL PRODUCTS CORP.**

By: _____
Name:
Title:

**LASALLE BANK NATIONAL ASSOCIATION**

By: _____
Name:
Title:

**DEUTSCHE BANK SECURITIES INC.**

By: _____
Name:
Title:

By: _____
Name:
Title:

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

**MAX-MM LIMITED**

By: _____
Name:
Title:

**AIG FINANCIAL PRODUCTS CORP.**

By: _____
Name:
Title: Jonathan Liebergall
Executive Vice President

**LASALLE BANK NATIONAL ASSOCIATION**

By: _____
Name:
Title:

**DEUTSCHE BANK SECURITIES INC.**

By: _____
Name:
Title:

By: _____
Name:
Title:

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

**MAX-MM LIMITED**

By: _____
Name:
Title:

**AIG FINANCIAL PRODUCTS CORP.**

By: _____
Name:
Title:

**LASALLE BANK NATIONAL ASSOCIATION**

By: _____
Name: David Jason
Title: Assistant Vice President

**DEUTSCHE BANK SECURITIES INC.**

By: _____
Name:
Title:

By: _____
Name:
Title:

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**MAX-MM LIMITED**

By: _____
Name:
Title:

**AIG FINANCIAL PRODUCTS CORP.**

By: _____
Name:
Title:

**LASALLE BANK NATIONAL ASSOCIATION**

By: _____
Name:
Title:

**DEUTSCHE BANK SECURITIES INC.**

By: _____
Name: Emile Van den Bol
Title: Managing Director

By: _____
Name: R. Chris Jones
Title: Director

**DEUTSCHE BANK AG, NEW YORK BRANCH**

By: _____
Name:
Title: Emile Van den Bol
Managing Director

By: _____
Name:
Title: R. Chris Jones
Director

**DEUTSCHE BANK AG, CAYMAN ISLANDS BRANCH**

By: _____
Name:
Title: Emile Van den Bol
Managing Director

By: _____
Name:
Title: R. Chris Jones
Director

# EXHIBIT A

Section 1. **Exercise of Put pursuant to Put Agreement**. The parties hereto acknowledge and agree that the Put is hereby exercised on the Effective Date with respect to the Notes having an Expected Final Payment Date on the Effective Date (the "Maturing Notes") and waive any requirements set forth in the Put Agreement to receive notice of the same. The Put Settlement Date shall be the Effective Date. The Calculation Balance of the Maturing Notes, after giving effect to all payments expected to be made on the Effective Date from (i) funds on deposit in the Collection Account at 11:00 a.m. (New York time) on the Effective Date, (ii) funds received by the Depositary on the Counterparty's behalf on the Effective Date at or prior to 11:00 a.m. (New York time) on such Effective Date and (iii) the aggregate principal amount of Firm Bids (as defined in the Dealer Agreement) received by the Administrator from the Dealer at or prior to 11:00 a.m. (New York time) on the Effective Date, will be $1,000,000,000, which the Company hereby confirms is the Option Strike Price for the Settlement Securities to be purchased by AIGFP. Normal Operating Conditions exist as of the Effective Date.

Section 2. **Election to Finance Settlement Securities.** AIGFP hereby elects to finance its purchase of the Settlement Securities on the Effective Date pursuant to the terms of the amended and restated total return swap agreement, dated November 14, 2007 (the "Total Return Swap") and the asset swap agreement, dated March 10, 2005 (the "Asset Swap"), each entered in between Deutsche Bank AG, Cayman Islands Branch and AIGFP, as the same may be amended, supplemented or restated from time to time. As set forth in Section 3 of that certain letter agreement, dated March 10, 2005, among LaSalle, AIGFP, DBSI, DBAG Cayman and the Company, LaSalle is directed to deliver the Settlement Securities to DBAG Cayman and DBAG Cayman is directed to deliver any Party A Initial Exchange Amounts (as defined in each of the Total Return Swap and the Asset Swap) to LaSalle in its capacity as administrator.

Section 3. **Selection of Settlement Securities, Expected Final Payment Date and Interest Rate**. Pursuant to Section 3.02(a) of the Administration Agreement, Section 2 of the confirmation to the Put Agreement and Section 2(d) of the Letter Agreement, AIGFP elects that the Settlement Securities be newly issued Subject Securities with an Expected Final Payment Date of January 22, 2009 (the "New Notes"), and the parties hereto hereby consent to such election. Such New Notes shall bear interest at a rate equal to LIBOR plus 0.30% per annum minus the sum of (i) the applicable Structuring Fee Rate set forth in that certain letter agreement dated as of March 10, 2005 between the Company and AIGFP and (ii) the weighted average of the applicable Fixed Rates set forth in clause 2(a) of the Letter Agreement.

Section 4. **Notice Requirements**. The parties hereto acknowledge that a Successful Remarketing at the Maximum Targeted Interest Rate has not occurred on the Effective Date and waive the requirement set forth in Section 1.2 of the Dealer Agreement for the delivery of such notice. AIGFP further acknowledges that DBSI has inquired as to whether it wishes to increase the Maximum Interest Rate by utilizing one or more of the methodologies set forth in the definition of Maximum Interest Rate and that it does not wish to do so. The parties further waive any requirements set forth in Program Documents to receive notice of the exercise of the Put.