

**LIMITED LIABILITY COMPANY INTEREST  
SALE AND ASSIGNMENT AGREEMENT**

**by and among**

**AMTRUST-NP SFR VENTURE, LLC  
FEDERAL DEPOSIT INSURANCE CORPORATION,**

**AS RECEIVER FOR AMTRUST BANK OF CLEVELAND, OHIO**

**and**

**AMTRUST ACQUISITION, LLC**

Dated as of July 9, 2010

**LIMITED LIABILITY COMPANY INTEREST  
SALE AND ASSIGNMENT AGREEMENT**

THIS LIMITED LIABILITY COMPANY INTEREST SALE AND ASSIGNMENT AGREEMENT (this "**Agreement**") is made as of July 9, 2010, by and among AmTrust Acquisition, LLC, a limited liability company organized and existing under the Laws of Delaware (the "**Private Owner**"), and the Federal Deposit Insurance Corporation (in any capacity, the "**FDIC**"), in its capacity as receiver with respect to the Failed Bank (as defined below) and including its successors and assigns thereto (collectively, the "**Initial Member**"), and AmTrust-NP SFR Venture, LLC, a limited liability company organized and existing under the Laws of Delaware (the "**Company**"). Capitalized terms used and not defined in this Agreement shall have the respective meanings set forth in the LLC Operating Agreement (as hereinafter defined).

**RECITALS**

WHEREAS, the FDIC has been appointed receiver for AmTrust Bank of Cleveland, Ohio (the "**Failed Bank**"); and

WHEREAS, the Initial Member formed the Company by causing the Certificate of Formation of the Company to be filed with the Secretary of State of the State of Delaware on June 21, 2010, holds the sole limited liability company interest (as such term is defined in the Act) in the Company (an "**LLC Interest**"), and has entered into that certain Agreement dated as of July 9, 2010, with the Company as the "limited liability company agreement" (as such term is defined in the Act) of the Company (the "**Original LLC Operating Agreement**"); and

WHEREAS, the Initial Member and the Company have entered into a Mortgage Loan Contribution and Sale Agreement dated of even date hereof (the "**Contribution Agreement**"), pursuant to which the Initial Member has contributed in part and sold in part to the Company all of the Initial Member's right, title and interest in and to the Mortgage Loans (as defined in the Contribution Agreement, and as so defined, the "**Mortgage Loans**"); and

WHEREAS, after conducting a sealed bid sale for a forty percent (40%) LLC Interest (the "**Transferred LLC Interest**"), the FDIC selected a consortium of Residential Credit Solutions, Inc., CVI Global Value Fund US LLC, and RBS Financial Products Inc., (the "**Sponsor**") as the successful bidder pursuant to the bid submitted by it (the "**Bid**") and, in accordance with the instructions governing the sealed bid sale, the Sponsor has deposited \$6,645,533.74 (the "**Earnest Money Deposit**") with the FDIC; and

WHEREAS, following its selection as the successful bidder, the Sponsor formed the Private Owner as a Qualified Transferee; and

WHEREAS, the Initial Member desires to transfer the Transferred LLC Interest to the Private Owner (upon which the Initial Member will retain a sixty percent (60%) LLC

Interest (the "**Initial Member's LLC Interest**") and enter into the Amended and Restated Limited Liability Company Operating Agreement among the Company, the Private Owner and the Initial Member dated as of the date hereof and attached hereto as **Exhibit A** (the "**LLC Operating Agreement**"), and the Private Owner desires to acquire the Transferred LLC Interest and enter into the LLC Operating Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and agreements hereinafter contained, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Initial Member, the Private Owner and the Company hereby agree as follows:

1. **Sale and Assignment; Purchase Price; Closing.**

(a) **Sale and Assignment.** Subject to the terms and conditions of this Agreement, the Initial Member hereby sells to the Private Owner, and the Private Owner hereby purchases from the Initial Member, all of the Initial Member's right, title and interest in and to the Transferred LLC Interest for a purchase price of \$66,455,337.35 (the "**Transferred LLC Interest Sale Price**"). On the date hereof, in satisfaction of its obligation to pay the Transferred LLC Interest Sale Price, the Private Owner shall (i) remit to the Initial Member, by wire transfer of immediately available funds, to such account as the Initial Member may direct in writing, an amount (the "**Purchase Price Payment**") equal to the positive difference (if any) between (x) the Transferred LLC Interest Sale Price and (y) the Earnest Money Deposit.

(b) **Closing Procedure.** Upon (i) the receipt by the Initial Member of the Purchase Price Payment, (ii) the delivery of the executed LLC Operating Agreement by the parties thereto (as required by **Section 2**), (iii) the delivery of the completed Mortgage Loan Value Schedule, in the form attached hereto as **Exhibit B**, allocating the Transferred LLC Interest Sale Price among the Mortgage Loans (the "**Mortgage Loan Value Schedule**"), which shall be appended to the Contribution Agreement as the Mortgage Loan Value Schedule thereunder, (iv) the delivery of the executed Transferee Acknowledgment and Certification, in the form attached hereto as **Exhibit C**, and (v) the delivery of the executed Joinder and Consent Agreement, in the form attached hereto as **Exhibit D**, the sale and assignment of the Transferred LLC Interest to the Private Owner and the closing of the other transactions contemplated hereby (collectively, the "**Closing**") shall be effective.

2. **LLC Operating Agreement.** Contemporaneously with the execution and delivery of this Agreement, the Private Owner shall execute and deliver to the Company and the Initial Member the LLC Operating Agreement.

3. **[reserved]**

4. **Representations and Warranties of Private Owner.** The Private Owner hereby represents and warrants separately to each of the Initial Member and the Company as follows:

(a) The Private Owner is a “Qualified Transferee,” as such term is defined in the LLC Operating Agreement, and as such, represents and warrants that each item included in such definition is true and correct in all respects as of the date hereof as if set forth herein.

(b) All information and documents provided to the Initial Member or its agents by or on behalf of the Private Owner or any Affiliate thereof (including the Sponsor) in connection with this Agreement and the transactions contemplated hereby, including, but not limited to, the Purchaser Eligibility Certification, the Bid Certification, the Structured Transaction Qualification Request, the Bidder Qualification Request and the Confidentiality Agreement, are true and correct in all respects as of the date hereof and do not fail to state any fact necessary to make the information contained therein not misleading.

5. **Exclusivity of Representations.** THE TRANSFERRED LLC INTEREST IS SOLD “AS IS” AND “WITH ALL FAULTS,” WITHOUT ANY REPRESENTATION, WARRANTY, GUARANTY OR RECOURSE WHATSOEVER, INCLUDING AS TO ITS VALUE (OR THE VALUE, COLLECTABILITY OR CONDITION OF THE MORTGAGE LOANS HELD BY THE COMPANY OR ANY OF THE COLLATERAL FOR SUCH MORTGAGE LOANS), FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, FITNESS FOR A SPECIFIC PURPOSE OR ANY OTHER MATTER, WHETHER EXPRESS OR IMPLIED OR BY OPERATION OF LAW OR OTHERWISE, AND INITIAL MEMBER SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, EXPRESS OR IMPLIED, CONCERNING THE TRANSFERRED LLC INTEREST, THE MORTGAGE LOANS, OR THE COLLATERAL SECURING THE MORTGAGE LOANS.

6. **Assignment.** This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs (in the case of any individual), successors and permitted assigns; provided, however, that the Private Owner may not assign this Agreement or any of its rights, interests or obligations hereunder. Any purported assignment or delegation in violation of this Agreement shall be null and void *ab initio*.

7. **Beneficiaries.** This Agreement shall inure to the benefit of, and may be enforced by, the Initial Member, the Private Owner and the Company and their respective successors and assigns. Except for the FDIC (in its corporate capacity), which shall be considered a third party beneficiary to this Agreement, there shall be no other third party beneficiaries hereunder.

8. **Waivers and Amendments.** No amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and executed by the Initial Member, the Private Owner, the Company and the FDIC (in its corporate capacity).

9. **Failure to Consummate Transaction.** If for any reason, without fault of the Initial Member, the Private Owner fails to consummate the purchase of the Transferred LLC Interest upon the terms and conditions set forth in this Agreement, the Initial Member's liquidated damages, and sole and exclusive remedy, shall be to retain the Earnest Money Deposit. The Private Owner and the Initial Member agree that the failure or refusal of the Initial Member to alter or modify, in any way, the terms or conditions of this Agreement, the LLC Operating Agreement or any Ancillary Document shall not constitute fault on the part of the Initial Member. The Private Owner shall not be liable for any of the foregoing damages if the Private Owner is forced to withdraw its Bid after award as the result of a supervisory directive given by the FDIC or any other federal or state financial regulatory agency, provided that the Initial Member shall be satisfied that such supervisory directive is legally effective. In such event, the Initial Member shall refund the Earnest Money Deposit.

10. **Governing Law.** THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. Nothing in this Agreement shall require any unlawful action or inaction by any party hereto.

11. **Jurisdiction; Venue and Service.**

(a) Each of the Private Owner and the Company, in each case on behalf of itself and its Affiliates, hereby irrevocably and unconditionally:

(i) consents to the jurisdiction of the United States District Court for the Southern District of New York and to the jurisdiction of the United States District Court for the District of Columbia for any suit, action or proceeding against it or any of its Affiliates commenced by the Initial Member arising out of, relating to, or in connection with this Agreement or any Ancillary Document, and waives any right to:

(A) remove or transfer such suit, action or proceeding to any court or dispute-resolution forum (other than the court in which the Initial Member files the action, suit or proceeding) without the consent of the Initial Member;

(B) assert that venue is improper in either the United States District Court for the Southern District of New York or the United States District Court for the District of Columbia; or

(C) assert that the United States District Court for the Southern District of New York or the United States District Court for the District of Columbia is an inconvenient forum;

(ii) consents to the jurisdiction of the Supreme Court of the State of New York, County of New York, for any suit, action or proceeding against it or

any of its Affiliates commenced by the Initial Member arising out of, relating to, or in connection with this Agreement or any Ancillary Document (other than the LLC Operating Agreement), and waives any right to:

(A) remove or transfer such suit, action or proceeding to any other court or dispute-resolution forum without the consent of the Initial Member);

(B) assert that venue is improper in the Supreme Court of the State of New York, County of New York; or

(C) assert that the Supreme Court of the State of New York, County of New York is an inconvenient forum;

(iii) agrees to bring any suit, action or proceeding by it or any of its Affiliates against the Initial Member arising out of, relating to, or in connection with this Agreement or any Ancillary Document (other than the LLC Operating Agreement) in only the United States District Court for the Southern District of New York or the United States District Court for the District of Columbia, and waives any right to remove or transfer such suit, action or proceeding to any other court or dispute-resolution forum without the consent of the Initial Member, and agrees to consent thereafter to transfer of the suit, action or proceeding to either the United States District Court for the Southern District of New York or the United States District Court for the District of Columbia at the option of the Initial Member; and

(iv) agrees, if the United States District Court for the Southern District of New York and the United States District Court for the District of Columbia both lack jurisdiction to hear a suit, action or proceeding falling within Section 11(a)(iii), to bring that suit, action or proceeding in only the Supreme Court of the State of New York, County of New York, and waives any right to remove or transfer such suit, action or proceeding to any other court or dispute-resolution forum without the consent of the Initial Member.

(b) Each of the Private Owner and the Company, in each case on behalf of itself and its Affiliates, hereby irrevocably and unconditionally agrees that any final judgment entered against it in any suit, action or proceeding falling within Section 11(a) may be enforced in any court of competent jurisdiction.

(c) Subject to the provisions of Section 11(d), each of the Private Owner and the Company, in each case on behalf of itself and its Affiliates, and the Initial Member, hereby irrevocably and unconditionally agrees that service of all writs, process and summonses in any suit, action or proceeding pursuant to Section 11(a) or Section 11(b) may be effected by the mailing of copies thereof by registered or certified mail, postage prepaid, to it at its address for notices pursuant to this Section 11 (with copies to such other Persons as specified therein); provided, however, that nothing contained in this Section 11(c) shall affect the right of any party to serve process in any other manner permitted by Law.

(d) Nothing in this Section 11 shall constitute consent to jurisdiction in any court by the FDIC, other than as expressly provided in Section 11(a)(iii) and Section 11(a)(iv), or in any way limit the FDIC's right to remove, transfer, seek to dismiss, or otherwise respond to any suit, action, or proceeding against the FDIC in any forum.

12. **Waiver of Jury Trial.** EACH OF THE PRIVATE OWNER AND THE COMPANY, FOR ITSELF AND ITS AFFILIATES, AND THE INITIAL MEMBER, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

13. **Notices.** All notices, requests, demands and other communications required or permitted to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be given by certified or registered mail, postage prepaid, by delivery by hand or by nationally recognized courier service, or by electronic mail, in each case mailed or delivered to the applicable address or electronic mail address specified in, or in the manner provided in, this Section 13 below. All such notices, requests, demands and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt (or refusal thereof) by the relevant party hereto and (ii) (A) if delivered by hand or by nationally recognized courier service, when signed for (or refused) by or on behalf of the relevant party hereto; (B) if delivered by mail, when delivered (or refused), and (C) if delivered by electronic mail (which form of delivery is subject to the provisions of this paragraph), when delivered and capable of being accessed from the recipient's office computer, provided, that any notice, request, demand or other communication that is received other than during regular business hours of the recipient shall be deemed to have been given at the opening of business on the next business day of the recipient. In no event shall a voice mail message be effective as a notice, communication or confirmation hereunder. From time to time, any party may designate a new address for purposes of notice to it hereunder by notice to such effect to the other parties hereto in the manner set forth in this Section 13.

If to the Initial Member, to:

Manager, Capital Markets & Resolutions  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, NW (Room F-7014)  
Washington, D.C. 20429-0002  
Attention: Ralph Malami  
Email Address: Rmalami@fdic.gov

with a copy to:

Senior Counsel  
FDIC Legal Division  
Litigation and Resolutions Branch, Receivership Section  
Special Issues Unit  
3501 Fairfax Drive (Room E-7056)  
Arlington, Virginia 22226  
Attention: David Gearin  
Email Address: Dgearin@fdic.gov

If to the Private Owner or to the Company, to:  
AmTrust Acquisition, LLC  
4282 North Freeway  
Fort Worth, Texas 76137  
Attention: Dennis G. Stowe, President and Chief Executive Officer  
Email Address: [REDACTED]  
Facsimile No.: [REDACTED]

with a copy to:

Phillip J. Kardis, II, Esq.  
K&L Gates LLP  
1601 K Street, N.W.  
Washington, DC 20006  
Email Address: [REDACTED]  
Facsimile No.: [REDACTED]

14. **Counterparts; Facsimile Signatures.** This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall together constitute one and the same instrument. It shall not be necessary for any counterpart to bear the signature of all parties hereto. This Agreement and any amendments hereto, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Agreement shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

15. **Headings.** Paragraph titles or captions contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provisions hereof. All Section and paragraph references contained herein shall refer to Sections and paragraphs in this Agreement unless otherwise specified.



16. **Compliance with Law; Rules of Construction.** Except as otherwise specifically provided herein, each party to this Agreement shall, at its own cost and expense, obey and comply with all Laws, as they may pertain to such party's performance of its obligations hereunder. Section 1.2 of the Contribution Agreement is hereby incorporated by reference into this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

**PRIVATE OWNER:**



AmTrust Acquisition, LLC

By: Residential Credit Solutions, Inc., its  
Managing Member

By:   
Name: Dennis G. Stowe  
Title: President 

**INITIAL MEMBER:**

**FEDERAL DEPOSIT INSURANCE  
CORPORATION, IN ITS CAPACITY  
AS RECEIVER FOR AMTRUST BANK  
OF CLEVELAND, OHIO**

  
By:   
Name: Robert T. Petrine  
Title: Attorney-in-Fact

**COMPANY:**

AMTRUST-NP SFR VENTURES, LLC

By: Federal Deposit Insurance Corporation,  
as Receiver for AmTrust Bank of Cleveland,  
Ohio



  
By:   
Name: Robert T. Petrine  
Title: Attorney-in-Fact

Exhibit A

**Form of LLC Operating Agreement**

**LIMITED LIABILITY COMPANY OPERATING AGREEMENT**

**AMTRUST – NP SFR VENTURE, LLC**

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**AMTRUST – NP SFR VENTURE, LLC  
LIMITED LIABILITY COMPANY OPERATING AGREEMENT**

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT (as the same may be amended or modified from time to time in accordance with the terms hereof, this “**Agreement**”), is made and effective as of June 21, 2010, by and among the Federal Deposit Insurance Corporation (in any capacity, the “**FDIC**”), as the Receiver defined below (including its successors and assigns hereto, the “**Initial Member**”), and AmTrust – NP SFR Venture, LLC, a Delaware limited liability company (the “**Company**”).

**WHEREAS**, the FDIC was appointed as receiver for the failed financial institution listed on Schedule I hereto (the “**Receiver**”); and

**WHEREAS**, on June 21, 2010, the Initial Member formed the Company as a Delaware limited liability company; and

**WHEREAS**, the parties desire to set forth herein the terms and conditions that will govern the ownership and operation of the Company.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual promises and agreements contained herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE I**

**Certain Definitions**

1.1. **Definitions.** For purposes of this Agreement, the following terms shall have the meanings and definitions hereinafter respectively set forth (terms defined in the singular to include the plural and vice versa).

“**Act**” shall mean the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 et seq.

“**Affiliate**” shall mean, with respect to any specified Person, (i) any other Person directly or indirectly Controlling or Controlled by or under common Control with such specified Person, (ii) any Person owning or Controlling ten percent (10%) or more of the outstanding voting securities, voting equity interests, or beneficial interests of the Person specified, (iii) any officer, director, general partner, managing member, trustee, employee or promoter of the Person specified or any Immediate Family Member of such officer, director, general partner, managing member, trustee, employee or promoter, (iv) any corporation, partnership, limited liability company or trust for which any Person referred to in clause (ii) or (iii) acts in that capacity, or (v) any Person who is an officer, director, general partner, managing member, trustee or holder of ten percent (10%) or more of the outstanding voting securities, voting equity interests or beneficial interests of any Person described in clauses (i) through (iv).

“**Agreement**” shall have the meaning given in the preamble.

“**Certificate**” shall have the meaning given in Section 2.1(a).

“**Company**” shall have the meaning given in the preamble.

“**Control**” (including the phrases “**Controlled by**” and “**under common Control with**”) when used with respect to any specified Person shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or interests, by contract or otherwise.

“**FDIC**” shall have the meaning given in the preamble.

“**GAAP**” shall mean United States generally accepted accounting principles as in effect from time to time.

“**Governmental Authority**” shall mean (i) any United States or non-United States national, federal, state, local, municipal, provincial or international government or any political subdivision of any thereof or (ii) any governmental, regulatory or administrative authority, agency or commission, or judicial or arbitral body of any of the foregoing described in clause (i).

“**Immediate Family Member**” shall mean, with respect to any individual, his or her spouse, parents, parents-in-law, grandparents, descendants, nephews, nieces, brothers, sisters, brothers-in-law, sisters-in-law, children (whether natural or adopted), children-in-law, stepchildren, grandchildren and grandchildren-in-law.

“**Initial Member**” shall have the meaning given in the preamble.

“**Law**” shall mean any applicable statute, law, ordinance, regulation, rule, code, injunction, judgment, decree or order (including any executive order) of any Governmental Authority.

“**Manager**” shall have the meaning given in Section 3.1(a).

“**Person**” shall mean any individual, corporation, partnership (general or limited), limited liability company, limited liability partnership, firm, joint venture, association, joint-stock company, trust, estate, unincorporated organization, governmental or regulatory body or other entity.

“**Receiver**” shall have the meaning given in the preamble.

“**Treasury Regulations**” shall mean the regulations promulgated by the United States Department of the Treasury pursuant to and in respect of provisions of the Internal Revenue Code of 1986, as amended, and all references to sections of the Treasury Regulations shall include any corresponding provision or provisions of succeeding, substitute, proposed or final Treasury Regulations.



## ARTICLE II

### Organization of the Company

#### 2.1. Formation.

(a) On \_\_\_\_\_, 2010, the Initial Member caused the Certificate of Formation in the form attached as Exhibit A hereto (the "**Certificate**") to be filed in the office of the Secretary of State of the State of Delaware. The Certificate shall not be amended except to change the registered agent or office of the Company.

(b) The Initial Member hereby agrees to be, and is hereby admitted as, the sole member of the Company.

#### 2.2. Name.

(a) The name of the Company shall be "AmTrust – NP SFR Venture, LLC".

(b) The business of the Company shall be conducted only under the name of the Company or such other name or names that comply with applicable Law as the Initial Member may select from time to time.

2.3. Registered Office; Chief Executive Office. The Company, at its own expense, shall maintain a registered office and registered agent in Delaware to the extent required by the Act, which office and agent shall be as determined by the Initial Member from time to time and which shall be set forth in the Certificate. Initially, the registered office in Delaware shall be at, and the name and address of the Company's registered agent in Delaware shall be, as specified in the Certificate as originally filed.

#### 2.4. Purpose; Duration.

(a) The Company may engage in any lawful business unless a more limited purpose is stated in the Certificate.

(b) Subject to Section 7.1, the Company shall continue in existence perpetually.

## ARTICLE III

### Management and Operations of the Company

#### 3.1. Management of the Company's Affairs.

(a) The management of the Company is vested exclusively in the manager of the Company (the "**Manager**"). The Initial Member is hereby appointed as the Manager. Subject to the terms and conditions of this Agreement, the Manager shall have full and

exclusive power and discretion to, and shall, manage the business and affairs of the Company in accordance with this Agreement.

(b) No Person dealing with the Company or the Manager shall be required to determine, and any such Person may conclusively assume and rely upon, the authority of the Manager to execute any instrument or make any undertaking on behalf of the Company. No Person dealing with the Company or the Manager shall be required to determine any facts or circumstances bearing upon the existence of such authority. Without limitation of the foregoing, any Person dealing with the Company or the Manager is entitled to rely upon a certificate signed by the Manager as to:

- (i) the identity of the Initial Member;
- (ii) the existence or non-existence of any fact or facts that constitute a condition precedent to acts by the Manager or are in any other manner germane to the affairs of the Company;
- (iii) the identity of Persons who are authorized to execute and deliver any instrument or document of or on behalf of the Company; or
- (iv) any act or failure to act by the Company or any other matter whatsoever involving the Company or the Initial Member.

(c) Notwithstanding anything to the contrary contained in this Agreement, the parties hereto acknowledge and agree that:

- (i) nothing contained in this Agreement creates any fiduciary duty on behalf of the Initial Member or the Manager; and
- (ii) the Company hereby expressly waives any fiduciary duties that may otherwise be deemed to be owed by the Initial Member or the Manager to the Company.

#### ARTICLE IV

##### Borrowings; Contributions; Other Matters

4.1. Capital Contributions. Except as otherwise expressly provided in this Agreement or the Act, the Initial Member shall not be obligated to make any contribution of capital to the Company or have any liability for the debts and obligations of the Company. This Section 4.1 is in furtherance of, and not in limitation of, Section 18-303(a) of the Act.

4.2. Interests Uncertificated. No certificates shall be issued evidencing the membership interest of the Initial Member in the Company.

## ARTICLE V

### Distributions and Allocations

5.1. Distributions. Subject to applicable Law and any limitations contained elsewhere in this Agreement, the Manager may elect from time to time to make distributions to the Initial Member.

5.2. Allocations. All income and loss of the Company shall be allocated to the Initial Member.

## ARTICLE VI

### Accounting and Taxation

6.1. Fiscal Year. The books and records of the Company shall be kept on an accrual basis and the fiscal year of the Company shall commence on January 1 and end on December 31.

6.2. Taxation. The Company shall be treated as an entity that is disregarded as an entity separate from its owner for federal income tax purposes pursuant to Treasury Regulations Section 301.7701-3.

## ARTICLE VII

### Dissolution and Winding-Up of the Company

7.1. Dissolution. A dissolution of the Company shall take place upon the first to occur of the following:

(i) An election to dissolve the Company made by written consent of the Initial Member;

(ii) The entry of a decree of judicial dissolution under the Act;

or

(iii) Any other event which, under the Act, automatically causes dissolution, notwithstanding the provisions of this Section 7.1.

7.2. Winding-Up Procedures. If a dissolution of the Company pursuant to Section 7.1 occurs, subject to the Company's compliance with its obligation under the other agreements to which it is a party, the other terms and conditions of this Agreement, the Manager shall proceed as promptly as practicable to wind up the affairs of the Company in an orderly and businesslike manner. A final accounting shall be made by Manager. As part of the winding up of the affairs of the Company, the following steps will be taken:

(a) The assets of the Company shall be sold except to the extent that some or all of the assets of the Company are retained by the Company for distribution to the Initial Member as hereinafter provided.

(b) The Company shall comply with Section 18-804(b) of the Act.

(c) Distributions of the assets of the Company after a dissolution of the Company shall be conducted as follows:

(i) first, to creditors, including the Initial Member, to the extent permitted by Law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for which reasonable provision for payment has been made and liabilities for distributions to the Initial Member under Section 18-601 of the Act; and

(ii) next, to the Initial Member.

7.3. Termination of the Company. Upon the dissolution of the Company and the completion of the winding up process set forth in Section 7.2, the Manager (or such other Person or Persons as the Act may require or permit) shall cause the cancellation of the Certificate and shall take (or cause to be taken) such other actions as may be necessary to terminate the Company.

## ARTICLE VIII

### Manager Liability

#### 8.1. Liability of Manager.

(a) The Manager may rely, and shall be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) The Manager may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted to be taken in reliance upon the opinion of such Persons as to matters that the Manager reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.

(c) The Manager shall not be liable to the Company for its good faith reliance on the provisions of this Agreement.

(d) In addition to, and without limitation of, the foregoing, the Manager shall not have any liability to the Company or the Initial Member on account of any act or omission of the Manager, provided only that this sentence shall not apply in the case of intentional fraud.

(e) The preceding Sections 8.1(a), (b), (c) and (d) are in addition to, and without limitation of, Section 3.1(c).

## ARTICLE IX

### Miscellaneous

9.1. Entire Agreement. This Agreement constitutes the entire agreement and understanding, and supersedes all other prior agreements and understandings, both written and oral, between the Initial Member or its Affiliates or any of them and the Company with respect to the subject matter hereof.

9.2. Governing Law. THIS AGREEMENT IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF DELAWARE, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. In the event of a direct conflict between the provisions of this Agreement and any mandatory, non-waivable provision of the Act, such provision of the Act shall control to the extent necessary to eliminate such direct conflict. Nothing in this Agreement shall require any unlawful action or inaction by any Person.

9.3. Waivers and Amendments. This Agreement may be amended or modified, and the terms hereof may be waived, only by a written instrument signed by the Initial Member. Except where a specific period for action or inaction is provided herein, no failure on the part of the Initial Member to exercise, and no delay on the part of the Initial Member in exercising, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any waiver on the part of the Initial Member of any such right, power or privilege, or any single or partial exercise of any such right, power or privilege, preclude any other or further exercise thereof or the exercise of any other right, power or privilege. For the avoidance of doubt, any amendment, modification or waiver of, or in respect of, Section 3.1(c) or Section 8.1 of this Agreement shall (unless the Initial Member, specifically in its capacity as Manager, specifically shall agree otherwise) be prospective only and not in any way affect the limitations on fiduciary duties and liability of the Manager under said sections of this Agreement as in effect immediately prior to such amendment, modification or waiver with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or waiver, regardless of when such claims may be asserted.

9.4. Counterparts; Facsimile Signatures.

(a) This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall together constitute one and the same instrument. It shall not be necessary for any counterpart to bear the signature of all parties hereto.

(b) This Agreement and any amendments hereto, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects

as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Agreement shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

9.5. Successors and Assigns. Except as otherwise specifically provided in this Agreement, this Agreement shall be binding upon and inure to the benefit of the Initial Member and the Company and their respective successors and permitted assigns. This Agreement, as in effect on the date that any particular Person shall cease to be the Initial Member, shall continue to bind such Person in relation to the period during which it was the Initial Member.

9.6. Construction.

(a) Captions. Paragraph titles or captions contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provisions hereof. All Section and paragraph references contained herein shall refer to this Agreement unless otherwise specified.

(b) References to Persons Exclusive. References to "Affiliates" of a specified Person refer to, and include, only other Persons which from time to time constitute "Affiliates" of such specified Person, and do not include, at any particular time, other Persons that may have been, but at such time have ceased to be, "Affiliates," of such specified Person, except to the extent that any such reference specifically provides otherwise. A reference to the Initial Member or other Person, in and of itself, does not, and shall not be deemed to, refer to or include any other Person having an interest in the Initial Member or other Person (such as, without limitation, any stockholder or member of or partner in the Initial Member, or other Person).

(c) Use of "Or." The term "or" is not exclusive.

(d) References to Laws. A reference in this Agreement to a Law includes any amendment, modification or replacement to such Law.

(e) Use of Accounting Terms. Accounting terms used herein shall have the meanings assigned to them by GAAP applied on a consistent basis by the accounting entity to which they refer.

(f) References to Documents. References to any document, instrument or agreement (i) shall be deemed to include all appendices, exhibits, schedules and other attachments thereto and all documents, instruments or agreements issued or executed in replacement thereof, and (ii) shall mean such document, instrument or agreement, or replacement thereof, as amended, modified and supplemented from time to time in accordance with its terms and as the same is in effect at any given time.

(g) Use of "Herein." Unless otherwise specified, the words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(h) Use of "Including." The words "include" and "including" and words of similar import when used in this Agreement are not limiting and shall be construed to be followed by the words "without limitation," whether or not they are in fact followed by such words.

(i) Use of "During." The word "during" when used in this Agreement with respect to a period of time shall be construed to mean commencing at the beginning of such period and continuing until the end of such period.

9.7. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall be ineffective, but such ineffectiveness shall be limited as follows: (i) if such provision is prohibited or unenforceable in such jurisdiction only as to a particular Person or Persons and/or under any particular circumstance or circumstances, such provision shall be ineffective, but only in such jurisdiction and only with respect to such particular Person or Persons and/or under such particular circumstance or circumstances, as the case may be; (ii) without limitation of clause (i), such provision shall in any event be ineffective only as to such jurisdiction and only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction; and (iii) without limitation of clauses (i) or (ii), such ineffectiveness shall not invalidate any of the remaining provisions of this Agreement. Without limitation of the preceding sentence, it is the intent of the parties to this Agreement that in the event that in any court proceeding, such court determines that any provision of this Agreement is prohibited or unenforceable in any jurisdiction (because of the duration or scope (geographic or otherwise) of such provision, or for any other reason) such court shall have the power to, and shall, (x) modify such provision (including without limitation, to the extent applicable, by limiting the duration or scope of such provision and/or the Persons against whom, and/or the circumstances under which, such provision shall be effective in such jurisdiction) for purposes of such proceeding to the minimum extent necessary so that such provision, as so modified, may then be enforced in such proceeding and (y) enforce such provision, as so modified pursuant to clause (x), in such proceeding. Nothing in this Section 9.7(b) is intended to, or shall, limit (1) the ability of any party to this Agreement to appeal any court ruling or the effect of any favorable ruling on appeal or (2) the intended effect of Section 9.2.

*[Remainder of Page Intentionally Left Blank]*

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

**FEDERAL DEPOSIT INSURANCE  
CORPORATION AS RECEIVER FOR  
AMTRUST BANK OF CLEVELAND, OHIO**

By: \_\_\_\_\_  
Name: Robert T. Petrine  
Title: Attorney-in-Fact

**AMTRUST – NP SFR VENTURE, LLC**

By: Federal Deposit Insurance Corporation, in  
its capacity as receiver for AmTrust Bank of  
Cleveland, Ohio,  
Sole Member and Manager

By: \_\_\_\_\_  
Name: Robert T. Petrine  
Title: Attorney-in-Fact



**SCHEDULE I**

**FAILED FINANCIAL INSTITUTION**

<b><u>Bank Name</u></b>	<b><u>City</u></b>	<b><u>State</u></b>	<b><u>Closing Date</u></b>
<b><u>AmTrust Bank of Cleveland, Ohio</u></b>	<b><u>Cleveland</u></b>	<b><u>Ohio</u></b>	

**EXHIBIT A**

**FORM OF**

**CERTIFICATE OF FORMATION  
OF  
AMTRUST – NP SFR VENTURE, LLC**

Pursuant to and in accordance with the provisions of Section 18-201 of the Delaware Limited Liability Company Act, the undersigned hereby certifies that:

FIRST, the name of the limited liability company is AmTrust – NP SFR Venture, LLC (the "**Company**").

SECOND, the address of the registered office of the Company in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of the registered agent at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of the Company on this \_\_\_ day of June, 2010.

By: \_\_\_\_\_

Name:

Title: Authorized Person

**Form of Mortgage Loan Value Schedule**

[FORM OF TRANSFEREE ACKNOWLEDGMENT AND CERTIFICATION]

**TRANSFEREE ACKNOWLEDGMENT AND CERTIFICATION**

Reference is made to the Limited Liability Company Interest Sale and Assignment Agreement dated July 9, 2010 (the “**Transferred LLC Interest Sale Agreement**”) by and among AmTrust Acquisition, LLC, a Delaware limited liability company (the “**Private Owner**”), the Federal Deposit Insurance Corporation, as receiver for AmTrust Bank of Cleveland, Ohio (including its successors and assigns thereto, the “**Initial Member**”), and AmTrust-NP SFR Venture, LLC, a Delaware limited liability company (the “**Company**”). Capitalized terms used and not otherwise defined in this Transferee Acknowledgement and Certification have the meanings given in the Transferred LLC Interest Sale Agreement.

The undersigned, the Private Owner, hereby acknowledges and certifies to the Initial Member that it has read and understands, and is prepared to cause the Company to comply with, the obligations imposed upon the Company under the Contribution Agreement and the Ancillary Documents (as defined in the Agreement of Common Definitions). Without limiting the foregoing, and subject to the provisions of the Contribution Agreement and the Ancillary Documents, the Private Owner is aware of and prepared to cause the Company to comply with the obligations as specified in the Contribution Agreement (i) to take all appropriate action to remove the Initial Member and the Failed Bank as a party to any litigation or actions with respect to the Mortgage Loans (as defined in the Agreement of Common Definitions) (including without limitation the actions on the List (as defined below)), and to substitute the Company as the real party-in-interest in any such litigation or actions and (ii) to take all actions necessary to file (x) proofs of claims in pending bankruptcy cases involving any Mortgage Loans for which the Initial Member or the Failed Bank has not already filed a proof of claim, and (y) all documents required by Rule 3001 of the Federal Rules of Bankruptcy Procedure and to take all such similar actions as may be required in any relevant jurisdiction in any pending bankruptcy or insolvency case or proceeding in such jurisdiction involving any Mortgage Loans in order to evidence and assert the Company’s rights.

Attached hereto as Schedule I is a list of litigation made available with respect to the Mortgage Loans (the "List"). The undersigned acknowledges that the Initial Member makes no representation or warranty as to the completeness or accuracy of the List or the information contained or referred to therein and that (without limitation of the foregoing) there may be additional litigation or bankruptcy actions pending against the Failed Bank or the Initial Member with respect to the Mortgage Loans or with respect to other parties with respect to the Mortgage Loans.

AmTrust Acquisition, LLC, a Delaware limited liability company, as Private Owner

By: Residential Credit Solutions, Inc., its Managing Member

By: \_\_\_\_\_  
Name: Dennis G. Stowe  
Title: President

**SCHEDULE I TO TRANSFEREE ACKNOWLEDGEMENT AND  
CERTIFICATION**

**LIST OF LITIGATION**

The Initial Member makes no representation or warranty as to the completeness or accuracy of this List or the information contained or referred to herein. Without limitation of the foregoing, there may be additional litigation or bankruptcy actions pending against any Failed Bank or the Initial Member with respect to the Mortgage Loans or with respect to other parties with respect to the Mortgage Loans.

**[FORM OF JOINDER AND CONSENT AGREEMENT]****JOINDER AND CONSENT AGREEMENT**

THIS JOINDER AND CONSENT AGREEMENT, dated as of July 9, 2010, is delivered pursuant to Section 1(b) of the Limited Liability Company Interest Sale and Assignment Agreement, dated as of July 9, 2010, by and among AmTrust Acquisition, LLC a limited liability company organized and existing under the Laws of Delaware (the "**Private Owner**"), the Federal Deposit Insurance Corporation (in any capacity, the "**FDIC**"), in its capacity as receiver with respect to AmTrust Bank of Cleveland, Ohio (including its successors and assigns thereto) (collectively, the "**Initial Member**"), and AmTrust-NP SFR Venture, LLC, a limited liability company organized and existing under the Laws of Delaware (the "**Company**") (the "**Transferred LLC Interest Sale Agreement**"). Capitalized terms used herein without definition are used as defined in the Transferred LLC Interest Sale Agreement.

By executing and delivering this Joinder and Consent Agreement, the Private Owner hereby becomes a party to the Mortgage Loan Contribution and Sale Agreement, dated as of the date of this Joinder and Consent Agreement, by and between the Initial Member and the Company (the "**Contribution Agreement**") with the same force and effect as if originally named as a party to the Contribution Agreement and, without limiting the generality of the foregoing, consents to and assumes all obligations and liabilities imposed upon the Private Owner pursuant to the Contribution Agreement. The Private Owner hereby agrees to be bound for all intents and purposes as a party to the Contribution Agreement.

*(remainder of page blank)*

IN WITNESS WHEREOF, the Private Owner has caused this Joinder and Consent Agreement to be duly executed and delivered as of the date first above written.

**AMTRUST ACQUISITION, LLC**

By: Residential Credit Solutions, Inc., its  
Managing Member

By: \_\_\_\_\_  
Name: Dennis G. Stowe  
Title: President

Acknowledged and Agreed as of the date  
first above written:

FEDERAL DEPOSIT INSURANCE  
CORPORATION, as receiver for AmTrust  
Bank of Cleveland, Ohio, as the Initial  
Member

By: \_\_\_\_\_  
Name: Robert T. Petrine  
Title: Attorney-in-Fact

AMTRUST-NP SFR VENTURE, LLC, as  
the Company

By: Federal Deposit Insurance  
Corporation as Receiver for AmTrust  
Bank of Cleveland, Ohio, as Initial  
Member and Manager

By: \_\_\_\_\_  
Name: Robert T. Petrine  
Title: Attorney-in-Fact