

**Attachment L**

**CDS Commutation Agreement 6**

Dated as of: November 13, 2012

To: FGIC Credit Products LLC  
and  
Financial Guaranty Insurance Company  
Attention: John S. Dubel  
Facsimile no.: (212) 312-3221

Re: **Master Termination Agreement**

Ladies and Gentlemen:

The purpose of this master termination agreement dated as of November 13, 2012 (this "**Termination Agreement**") is to set forth the terms and conditions of, and to effect, the termination in whole of (i) each of the derivative transactions between a counterparty listed on Annex A hereto (each a "**CDS Counterparty**") and FGIC Credit Products LLC ("**Credit Products**"), which transactions are set forth on Annex B hereto (each being a "**Transaction**"), (ii) each ISDA Master Agreement between a CDS Counterparty and Credit Products referred to in Annex B hereto (each such ISDA Master Agreement, including the Schedule related thereto and as amended, being a "**Master Agreement**"), (iii) each Confirmation between a CDS Counterparty and Credit Products related to any Transaction and referred to in Annex B hereto (each such Confirmation, as amended, being a "**Confirmation**" and, together with the related Master Agreement, a "**CDS Contract**") and (iv) each financial guaranty insurance policy, surety bond or other insurance contract issued by Financial Guaranty Insurance Company ("**FGIC**"), including any endorsement thereto, in favor of a CDS Counterparty in connection with any Transaction (each being a "**Policy**", and collectively with the other Policies, the Master Agreements, the Confirmations and all other agreements between any of the CDS Counterparties, on the one hand, and Credit Products and/or FGIC, on the other hand, relating to any of the Transactions, the "**Transaction Documents**"). As to the application of such terms to any CDS Counterparty individually, the use herein of (x) the term "Policies" shall mean those Policies which are such CDS Counterparty's Identified Policies (as defined in Section 4(e)(ii) below) and (y) the terms "Transactions", "Confirmations", "CDS Contracts" and "Transaction Documents" shall mean the respective Transactions, Confirmations, CDS Contracts and Transaction Documents with respect to which such Identified Policies were issued by FGIC. In this Termination Agreement, the CDS Counterparties, Credit Products and FGIC shall each be referred to as a "**Party**" and collectively as the "**Parties**." Accordingly, the CDS Counterparties, on the one hand, and FGIC and Credit Products, on the other hand, hereby agree as follows:

1. **Termination**: Effective as of the Termination Effective Date (as defined below in this Section 1), and subject to and upon FGIC's having paid to the Payment Agent (as defined below in this Section 1) the Payment Amount (as defined in Section 2 below) in accordance with Section 2 below and provided as to any CDS Counterparty that this Termination Agreement shall not have terminated with respect to such CDS Counterparty in accordance with Section 11 prior to the Termination Effective Date, but without need for any further action, each of the Transactions, the Transaction Documents and the respective rights, obligations and liabilities of the Parties and of

their respective affiliates, successors, regulators, stockholders, directors, officers, employees, advisors and agents under or arising out of any of the Transaction Documents or otherwise relating to any of the Transactions (other than to the extent specifically excepted in the following sentence) are hereby mutually terminated and discharged, and each Party hereby irrevocably and unconditionally releases and fully discharges each other Party and its affiliates, successors, regulators, stockholders, directors, officers, employees, advisors and agents from all obligations, claims and liabilities of any kind or nature, and whether based in contract, tort or otherwise, directly or indirectly under or arising out of any of the Transaction Documents or otherwise relating to any of the Transactions (other than to the extent specifically excepted in the following sentence), whether now existing or hereafter arising, and whether known or unknown. Each Party hereby acknowledges and agrees that, subject to and upon FGIC's payment in full of the Payment Amount to the Payment Agent in accordance with Section 2 below, from and after the Termination Effective Date, except with respect to the payment obligation of FGIC to the Payment Agent set forth in Section 2 below and the respective representations, warranties and other agreements of the Parties expressly set forth in this Termination Agreement, and notwithstanding anything to the contrary set forth in any of the Transaction Documents, no payments, fees or other amounts of any nature whatsoever (including any Fixed Payment, Additional Fixed Payment, Fixed Amount, Accrued Fixed Payment Amount, Additional Fixed Amount, Floating Payment, Floating Amount, Cash Settlement Amount, Modified Cash Settlement Amount, Shortfall Amount, Scheduled Payment, Settlement Amount, Physical Settlement Amount, Termination Makewhole Amount, Makewhole Amount, Lockout Fee, True Up Amount, Recovered Amount, Covered Avoided Payment or amount payable in respect of any Avoidance Order, any other fixed or floating amount or other credit protection premium payment or credit protection payment, or any mark-to-market termination payment, other make-whole or termination payment or other payment, fee or amount, however so described (all of the foregoing payments, fees and other amounts (not including the Payment Amount) collectively being "**CDS Payments**")) or other deliveries or obligations are or will thereafter be owed to it by any other Party under or in connection with any of the Transaction Documents or otherwise with respect to any of the Transactions. Accordingly, effective as of the Termination Effective Date and subject to and upon FGIC's payment in full of the Payment Amount to the Payment Agent in accordance with Section 2 below, each Policy is hereby cancelled and each CDS Counterparty shall promptly return each of its Policies to FGIC; provided, however, that any failure to so return any Policy shall not affect its cancellation hereunder.

**"CDS Termination Appeal"** has the meaning set forth in Section 3 below.

**"Court"** means the Supreme Court of the State of New York, County of New York.

**"Court Order"** means an order of the Court issued in the Proceeding approving the Transaction Consummation, including FGIC's payment of the Payment Amount as described in Section 2 below.

**"Payment Agent"** means Clifford Chance (as defined in Section 2 below), in its capacity as the agent for the CDS Counterparties for the purpose of receiving on behalf of the CDS Counterparties the Payment Amount to be paid by FGIC under Section 2 below.

**"Payment Agent Agreement"** means that certain agreement pursuant to which the Payment Agent is appointed by the CDS Counterparties to receive the Payment Amount in accordance with this Termination Agreement.

**"Proceeding"** means the rehabilitation proceeding for FGIC pursuant to Article 74 of the New York Insurance Law ("**Article 74**") currently pending before the Court, captioned as In the Matter



of the Rehabilitation of Financial Guaranty Insurance Company, Index No. 401265/2012, as such proceeding may be converted to a liquidation pursuant to Article 74.

**“Rehabilitator”** means the Superintendent of Financial Services of the State of New York, as rehabilitator of FGIC appointed pursuant to the Order of Rehabilitation signed by the Honorable Doris Ling-Cohan of the Court on June 28, 2012 (the **“Rehabilitation Order”**).

**“Termination Effective Date”** means the latest to occur of (i) the date of the Court Order, (ii) the date, if any, specified in the Court Order for the Transaction Consummation and (iii) the date on which the conditions, if any, specified in the Court Order for the Transaction Consummation are satisfied or waived by the Rehabilitator, as applicable.

**“Transaction Consummation”** means the consummation of the transactions contemplated by this Termination Agreement, except to the extent that such transactions may have been terminated by any CDS Counterparty pursuant to Section 11 below.

Capitalized terms used but not defined herein shall, when used with respect to (and to the extent applicable to) a particular Transaction, have the meanings ascribed to such terms in the Confirmation or Schedule, as applicable, relating to such Transaction.

2. **Payment Obligation:** In consideration of and as a condition to the terminations, discharges and releases to be effected by Section 1 hereof, subject to the Termination Effective Date having occurred and provided that this Termination Agreement shall not have terminated with respect to all CDS Counterparties in accordance with Section 11 below prior to such date, FGIC will pay to the Payment Agent, no later than one business day after the Termination Effective Date, a single payment in the amount of \$13,221,787 (such amount, as it may be reduced in connection with this Termination Agreement’s termination with respect to any CDS Counterparty pursuant to Section 11 below, being the **“Payment Amount”**), which amount as of the date hereof is equal to the product of (i) 0.5% and (ii) the aggregate Gross Par in Force (as defined below) with respect to all Policies. For purposes hereof, the gross par amount in force (the **“Gross Par in Force”**) with respect to any Policy will be the applicable Relevant Proportion (as specified for such Policy in the applicable CDS Counterparty’s Letter (as defined in Section 4(e) below)) of the unpaid principal balance of the Reference Obligation(s) under the Confirmation relating to such Policy, as such balance and Gross Par in Force are specified in such Letter. FGIC’s payment of the Payment Amount hereunder shall be made in immediately available funds to the account set forth for the Payment Agent below:

Bank:	The Citibank Private Bank
ABA #:	02 1000 089
Account Name:	Clifford Chance US LLP Escrow Account
Account #:	37250505
Ref:	FGIC Counterparty Payment

Each CDS Counterparty hereby acknowledges and agrees that FGIC’s only payment obligation to any and all CDS Counterparties in consideration of the terminations, discharges and releases to be effected by Section 1 hereof is FGIC’s obligation to pay the Payment Amount to the Payment Agent in accordance with this Section 2, and FGIC shall not pay any portion of the Payment Amount directly to any CDS Counterparty. FGIC agrees to pay the reasonable legal fees



and expenses of Clifford Chance US LLP, as counsel to the CDS Counterparties (“**Clifford Chance**”), incurred in connection with Clifford Chance’s preparation of the Payment Agent Agreement or incurred in connection with its performance as Payment Agent of its responsibilities under the Payment Agent Agreement in connection with this Termination Agreement (but, for the avoidance of doubt, not including any agency fees charged by Clifford Chance to perform as Payment Agent). Subject to the preceding sentence, once FGIC has paid the full amount of the Payment Amount to the Payment Agent in accordance with this Section 2, FGIC will have fully satisfied its payment obligations under this Section 2 and FGIC shall not be responsible for, and shall have no liability for or with respect to, among other things, (y) the Payment Agent, including any failure by the Payment Agent to pay all or any portion of such Payment Amount to any or all CDS Counterparties, or (z) any cost, expense or loss relating to or arising from any actions or inactions of the Payment Agent.

3. **Confidentiality:** Each Party hereby agrees not to disclose, or allow any other person to disclose, to any person (a) any notional amount or the amount of, or the specified basis for calculating, the Payment Amount, in any such case with reference to any particular Transactions or CDS Counterparties or (b) that any particular Transaction with reference to any particular CDS Counterparty is subject to this Termination Agreement. Notwithstanding the foregoing, each Party may make such disclosure (i) to its affiliates, stockholders, directors (and their respective attorneys), officers, employees, auditors, attorneys, agents, representatives, consultants and other professional advisors (collectively, “**Representatives**”), in each case only if such Party shall have informed each such Representative of the confidential nature of such information and shall be liable for any failure of such Representative to keep such information confidential as required hereunder; (ii) to any governmental or regulatory agencies or authorities with actual or asserted authority over such Party and to their respective counsel and professional advisors, in each case to the extent required or requested by them or if such Party determines it is advisable to provide them with such information, and in each case if such Party informs them of the confidential nature of such information and requests that they maintain its confidentiality; (iii) to the extent required by applicable law, rule or regulation; (iv) in the case of FGIC, and subject to the last paragraph of this Section 3, in connection with the Proceeding; (v) in connection with any action to enforce this Termination Agreement or any provision of this Termination Agreement or in connection with any proceeding, including steps leading to a potential proceeding, that might involve this Termination Agreement or any provision of this Termination Agreement; (vi) to Clifford Chance; (vii) to any other Parties and any Representatives thereof if, in the case of any such disclosure by FGIC or Credit Products to a CDS Counterparty or any of its Representatives, such disclosure does not specifically identify any particular CDS Counterparty (other than the CDS Counterparty receiving such information) as the counterparty on any particular Transaction; and (viii) to the extent such information becomes publicly known other than through a breach of this Termination Agreement by such disclosing Party or any of its Representatives.

If it is determined by the Rehabilitator that this Termination Agreement or a description of the terms hereof should be filed with the Court in the Proceeding, or with any appellate court in any appeal, petition for *certiorari* or other proceedings for a new trial, reargument or rehearing of or with respect to the Court’s approval of the Transaction Consummation (a “**CDS Termination Appeal**”), or posted on the website maintained by FGIC with respect to the Proceeding, in any such case in connection with seeking to facilitate the issuance of the Court Order or the occurrence of the Termination Effective Date or otherwise in connection with the Proceeding, FGIC shall request the Rehabilitator to redact from the version of this Termination Agreement filed with the Court or such appellate court or so posted, or redact or omit from such description, the names of the CDS Counterparties set forth on the signature pages hereof and the information set forth in Annexes A and B hereto (collectively, the “**Redacted Information**”), in each case unless otherwise required



by the Court or such appellate court. If it is determined by the Rehabilitator that this Termination Agreement or such description should be so filed with the Court in the Proceeding or such appellate court in such CDS Termination Appeal in unredacted form and with such information not omitted, FGIC shall request the Rehabilitator to seal the Redacted Information to the extent permitted by the Court or such appellate court.

4. **Representations**: Each Party hereby represents and warrants as of the date hereof, as of the Termination Effective Date and as of the date of FGIC's payment of the Payment Amount to the Payment Agent in accordance with Section 2 (if such date is different than the Termination Effective Date) that:

- (a) it is duly organized and validly existing and in good standing (except, in the case of FGIC, for any adverse effect resulting from the commencement of the Proceeding) under the laws of the jurisdiction of its organization with full power and authority to execute and deliver, and to perform and observe the terms and provisions of, this Termination Agreement;
- (b) the execution, delivery, performance and observance of this Termination Agreement by such Party have been duly authorized by all necessary action on the part of such Party, do not and will not conflict with, or result in a violation of, any law applicable to it, and do not require it to obtain any permit, consent, approval, order or authorization of, or provide notice to or make a filing with, any court or governmental or regulatory agency or authority (including without limitation, in the case of Credit Products and FGIC, the Rehabilitator or his designee) that has not been obtained, provided or made, as applicable, except, in the case of FGIC, FGIC's obligation to pay the Payment Amount and performance of its obligations contemplated to occur on or after the Termination Effective Date are in all respects subject to the Court Order having been issued and remaining in full force and effect and any conditions therein having been satisfied or waived pursuant to the terms of the Court Order;
- (c) this Termination Agreement is the legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law));
- (d) it is sophisticated and has specific knowledge of and experience with structures involving (w) insured and uninsured asset-backed securities, (x) derivative instruments, (y) issuers and investment funds whose assets consist principally of insured and uninsured asset-backed securities, derivative instruments, bonds, loans and/or other types of financial assets and (z) other instruments similar to its Transaction Documents and the respective Reference Obligations;
- (e) in the case of each CDS Counterparty:
  - (i) each financial guaranty insurance policy, surety bond or other insurance contract issued by FGIC that insures obligations under a credit default swap in, to or under which such CDS Counterparty has any right, title or interest is listed on Annex B hereto;

- (ii) the table in the separate letter in substantially the form attached hereto as Annex C executed and delivered by such CDS Counterparty and FGIC as of the date of this Termination Agreement (such CDS Counterparty's "**Letter**") contains a complete and accurate list of each such financial guaranty insurance policy, surety bond or other insurance contract (each being an "**Identified Policy**"), and such CDS Counterparty (x) is a party to each CDS Contract that is insured by any such Identified Policy and the only person or entity (other than FGIC and Credit Products) with any right, title or interest in, to or under any such Identified Policy or CDS Contract, any other related Transaction Documents or otherwise with respect to the applicable Transaction, (y) has not transferred, sold, pledged or assigned, in whole or in part, any such right, title or interest and (z) will not transfer, sell, pledge or assign, in whole or in part, any such right, title or interest on or before the earlier of the date on which FGIC shall pay the Payment Amount hereunder and the date, if any, on which this Termination Agreement shall terminate with respect to such CDS Counterparty in accordance with Section 11;
  - (iii) its Letter sets forth (x) the accurate Relevant Proportion and Reference Obligation(s) under each Confirmation relating to each such Identified Policy as contemplated by Section 2 above, (y) the unpaid principal balance of such Reference Obligation(s) after giving effect to any payments or distributions made with respect to such Reference Obligation(s) in connection with the last payment or distribution date for such Reference Obligation(s) occurring prior to the date of this Termination Agreement, as reflected in the applicable trustee report or similar report, and (z) the Gross Par in Force with respect to each such Identified Policy; and
  - (iv) it has duly appointed, authorized and directed the Payment Agent to act as the agent for such CDS Counterparty for the purpose of receiving on its behalf any portion of the Payment Amount which is payable to such CDS Counterparty in connection with this Termination Agreement in consideration of the terminations, discharges and releases to be effected by Section 1 hereof, and such appointment, authorization and direction are in full force and effect; and
- (f) in the case of FGIC, (i) the Rehabilitator has advised FGIC that, on or prior to November 14, 2012, subject to FGIC having received a copy of this Termination Agreement executed and delivered by each CDS Counterparty prior to such date, it will file with the Court a revised proposed form of plan approval order containing a new Paragraph 5 thereof in the form of the paragraph attached hereto as Annex D, with such immaterial corrections and formatting changes as may be made by the Rehabilitator and with such other changes, if any, as may be agreed to by FGIC and each CDS Counterparty (which agreement may not be unreasonably withheld or delayed), and (ii) upon payment of the Payment Amount to the Payment Agent, it shall be deemed to have represented and warranted to each CDS Counterparty that the Court Order shall have been issued and any conditions therein shall have been satisfied or waived pursuant to the terms of the Court Order, as applicable.



5. **Acknowledgements:** Each Party hereby acknowledges that each other Party may have had access to certain information relating to any Transaction Documents, any Reference Obligations, the respective issuers thereof, any Indentures, Trust Agreements, Reference Obligation Documents, Underlying Instruments or Governing Documents or other documents relating to any Reference Obligations, other parties with respect to any transactions to which any Reference Obligation relates, and the assets included in such transactions which is not available to the other Parties or other holders of securities issued in such transactions. In addition, each Party hereby acknowledges that each other Party may be in possession of other material information (concerning such other Party or otherwise) which such other Party has not disclosed to such first Party. Nonetheless, each Party hereby acknowledges and agrees that it has had access to such financial, operating and other information concerning the Transaction Documents, the Reference Obligations, the respective issuers thereof, the Indentures, Trust Agreements, Reference Obligation Documents, Underlying Instruments, Governing Documents or other documents relating to any of the Reference Obligations, other parties with respect to any transactions to which any Reference Obligation relates, the assets included in such transactions and the other Parties as it deems necessary and appropriate to make an informed decision with respect to this Termination Agreement, including an opportunity to make such inquiries of and request information from the other Parties. Each Party is represented by, and has consulted with, its own legal and other advisors to the extent it has deemed necessary. The Parties have participated jointly in the negotiating and drafting of this Termination Agreement. If an ambiguity or a question of intent or interpretation arises, this Termination Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Termination Agreement.

6. **No Admission of Liability:** Each Party hereby acknowledges and agrees that this Termination Agreement is entered into for the sole purpose of resolving and compromising all pending and potential claims relating to the Transactions, Policies and other Transaction Documents as contemplated herein. It is hereby expressly agreed and acknowledged that neither the execution nor performance of any of the terms of this Termination Agreement shall constitute or be construed as an admission by any of the Parties of any liability for any claims or any indication that any claims or allegations made against any Party have any merit, and this Termination Agreement shall not be admissible in any action, other than the Proceeding to obtain the Court's approval of the transactions contemplated hereby, any CDS Termination Appeal and/or any action to enforce the terms hereof.

7. **Entire Agreement; Modifications:** This Termination Agreement, including the Annexes hereto, supersedes all prior drafts hereof and constitutes and contains the entire agreement and understanding of the Parties with respect to the subject matter hereof. This Termination Agreement shall not affect the Amended and Restated Confidentiality Agreement dated as of August 1, 2012, as amended from time to time, among FGIC, the CDS Counterparties and certain other parties thereto, or any obligations, terms or agreements thereunder. Each CDS Counterparty's obligations under this Termination Agreement are several and not joint, and no CDS Counterparty shall be responsible for any other CDS Counterparty's performance of its obligations hereunder. This Termination Agreement may only be modified, amended or supplemented by an agreement in writing signed by each of the CDS Counterparties, Credit Products and FGIC.

8. **Governing Law:** This Termination Agreement, the rights and obligations of the Parties under this Termination Agreement, and any claim or controversy directly or indirectly based upon, arising out of, or leading to this Termination Agreement or the transactions contemplated by this Termination Agreement (whether based upon contract, tort or any other theory), including all matters of construction, validity and performance, shall be governed by and construed in



accordance with the laws of the State of New York, without regard to any conflict of laws provisions that would require the application of the Law of any other jurisdiction (other than New York General Obligations Law § 5-1401).

9. **Jurisdiction; Trial by Jury Waived**: Each Party hereby agrees that any litigation directly or indirectly relating to or arising out of, under or in connection with this Termination Agreement or any of the transactions contemplated hereunder shall be commenced and maintained solely in the courts of the State of New York located in the County of New York, in the United States of America and that any and all related claims shall be resolved solely in such courts. Each Party hereby irrevocably and unconditionally, and to the fullest extent permitted by law, (a) submits to the exclusive jurisdiction of the courts of the State of New York located in the County of New York, in the United States of America for any such litigation or claim, (b) waives any objection that it may now or hereafter have to the jurisdiction or laying of venue of any such litigation or claim in any such court in such location or that such litigation or claim was brought in an inconvenient forum, and agrees not to plead or claim any of the same, and (c) waives any right to a trial by jury in respect of any such litigation or claim (whether based on contract, tort or otherwise).

10. **Standstill**: Unless and until this Termination Agreement shall have terminated with respect to such CDS Counterparty in accordance with Section 11 below (the period from the date of this Termination Agreement to the effective date of such termination being the “**Standstill Period**”), each CDS Counterparty, FGIC and Credit Products hereby agree that, notwithstanding anything to the contrary contained in any of the Transaction Documents, commencing on the date of this Termination Agreement, no CDS Payment of any kind shall be payable by such CDS Counterparty to FGIC or Credit Products, or by FGIC or Credit Products to such CDS Counterparty, and no such Party may make any claim or demand on or against any other such Party for or based on any CDS Payment of any kind or designate any Early Termination Date or otherwise directly or indirectly exercise or seek to exercise any other acceleration, liquidation, close out or termination right or remedy, in any such case under any of the Transaction Documents or otherwise in connection with any Transaction at any time, under any circumstance, upon or based on the occurrence or during the continuance of any event or condition or otherwise. Notwithstanding the preceding sentence, if and only if (prior to the Termination Effective Date) (i) a final bar date is established in the Proceeding for filing claims under any financial guaranty insurance policies or surety bonds issued by FGIC, and the failure of any claimant to file such a claim prior to such bar date would result in such claim not being permitted if filed after such bar date, and (ii) any Credit Event (as defined in the applicable CDS Contract) or other event occurs prior to such bar date which would give rise under the related CDS Contract to the right of the applicable CDS Counterparty to deliver to Credit Products a Credit Event Notice or other notification thereunder with respect to such Credit Event or other event but for the preceding sentence, then such CDS Counterparty may, at any time during the ten day period preceding such bar date (giving effect to any extension from time to time), (x) deliver to Credit Products such Credit Event Notice or other notification and all related information required under such CDS Contract and (y) file a claim with respect thereto under the related Policy, in each case of subclauses (x) and (y) in accordance with and subject to the terms and conditions of such CDS Contract and Policy, respectively, and subject to all applicable prohibitions, restrictions, requirements, procedures and other terms and conditions then in effect in the Proceeding or, following the Plan Effective Date (as defined below), the Plan (in each case including with respect to which claims are permitted or not permitted, and submission and approval of claims), provided that (1) at the time of delivery of any such Credit Event Notice or other notification, such CDS Counterparty shall also deliver to Credit Products written notice of the amount and date of payment of each Recovered Amount, if any, paid since the date of this Termination Agreement to the holders of any Reference Obligation under the Transaction with respect to which such CDS Counterparty is delivering such Credit Event Notice or other notification to Credit Products, (2) unless and until



this Termination Agreement shall have terminated with respect to such CDS Counterparty pursuant to Section 11 below, no CDS Payment will be paid or payable by such CDS Counterparty to FGIC or Credit Products, or by FGIC or Credit Products to such CDS Counterparty, and no such delivery of a Credit Event Notice, other notification or notice of any Recovered Amount or filing of such a claim will affect any other restrictions, terms or agreements set forth in the preceding sentence (including without limitation the agreements to not claim or demand any other CDS Payment, designate any Early Termination Date or exercise any other termination right), and (3) in the event the Termination Effective Date occurs (and this Termination Agreement shall not have terminated with respect to such CDS Counterparty pursuant to Section 11 below), all such Credit Event Notices, other notifications and claims shall be fully satisfied by FGIC's payment of the Payment Amount to the Payment Agent and no amount shall be owed by such CDS Counterparty to FGIC or Credit Products, or by FGIC or Credit Products to such CDS Counterparty, other than the Payment Amount payable by FGIC to the Payment Agent pursuant to Section 2 above.

11. **Termination of Agreement:** (a) This Termination Agreement may, at the option of any CDS Counterparty, solely with respect to itself, or of FGIC, with respect to all CDS Counterparties, be terminated by such Party by giving not less than ten days' prior written notice to Credit Products and FGIC, in the case of any such termination by a CDS Counterparty, or to all of the CDS Counterparties, in the case of any such termination by FGIC, at any time after the earlier to occur of (i) the issuance by the Court in the Proceeding of a final, non-appealable order disapproving the Transaction Consummation, or (ii) the conversion of the Proceeding to a liquidation pursuant to Article 74 (such conversion being the "**Proceeding Conversion**"), provided in any such case that the provisions of Section 11(c) below will survive any such termination. If any such order is issued by the Court or a Proceeding Conversion occurs, FGIC will notify each CDS Counterparty of such issuance or occurrence promptly upon obtaining knowledge thereof.

(b) Furthermore, this Termination Agreement may, at the option of any CDS Counterparty, be terminated by such Party solely with respect to itself by giving not less than ten days' prior written notice to FGIC and Credit Products at any time after the occurrence of a Counterparty Termination Event (as defined below), unless, in the case of a Counterparty Termination Event described in clause (i) of the below definition of such term, the Court Order shall have been (or, after delivery of any such notice, is) issued on or before the effective date of such termination or, in the case of a Counterparty Termination Event described in clause (ii) or (iii) of the below definition of such term, the Payment Amount shall have been (or, after delivery of any such notice, is) paid by FGIC pursuant to Section 2 above on or before such effective date (in any of which cases this Termination Agreement shall continue to be in full force and effect), provided that the provisions of Section 11(c) below will survive any such termination. The term "Counterparty Termination Event" shall mean any event set forth below in clause (i), (ii) or (iii) of this Section 11(b):

(i) the Court Order shall not have been issued on or before December 31, 2013;

(ii) if the Court Order shall have been issued and no CDS Termination Appeal shall be pending, the Payment Amount shall not have been paid by FGIC pursuant to Section 2 above on or prior to the earlier to occur of (x) the last day of the twelve month period following the date of such issuance or (y) if the "Effective Date" of, and as defined in, any plan of rehabilitation for FGIC approved by the Court in the Proceeding (the "**Plan**") shall have occurred (the "**Plan Effective Date**"), the date on which FGIC shall have commenced paying Permitted Policy Claims (as defined in the Plan) in accordance with the Plan; or

(iii) if the Court Order shall have been issued and a CDS Termination Appeal shall be pending on the earlier of the days referred to in subclause (x) or subclause (y) of clause (ii)



of this Section 11(b), the Payment Amount shall not have been paid by FGIC pursuant to Section 2 above on or prior to the last day of the twenty-four month period following the date of this Termination Agreement.

In addition, in the event that the Court shall have issued an order approving the Plan (the “**Plan Approval Order**”) which does not include a paragraph in the form of the new Paragraph 5 contemplated by Section 4(f)(i) above, this Termination Agreement may, at the option of any CDS Counterparty, be terminated by such Party solely with respect to itself by giving written notice of such termination to FGIC and Credit Products no later than ten days after such Party becomes aware of the Court’s issuance of such Plan Approval Order, and any such termination shall be deemed to have become effective prior to the Court’s issuance of such Plan Approval Order and, if applicable, the Court Order, with the effect that the consummation of the transactions relating to such Party contemplated by this Termination Agreement shall be deemed not to have been approved by the Court, notwithstanding any issuance of the Court Order (such termination being a “**Paragraph 5 Non-approval Termination**”).

(c) Notwithstanding anything to the contrary contained in this Termination Agreement, in the event that this Termination Agreement terminates with respect to any CDS Counterparty (or all CDS Counterparties) pursuant to this Section 11, as of the effective date of such termination for each such CDS Counterparty (i) the Payment Amount shall automatically be reduced by an amount equal to the product of (x) 0.5% and (y) the aggregate Gross Par in Force with respect to all of such CDS Counterparty’s Identified Policies (and FGIC shall promptly notify the remaining CDS Counterparties in writing of such reduction), (ii) the terms, conditions and provisions of this Termination Agreement (other than this Section 11(c)) shall have no further force or effect on or with respect to such CDS Counterparty or any of its Transactions or Transaction Documents (with the terms, conditions and provisions of this Termination Agreement continuing in full force and effect on and with respect to the remaining CDS Counterparties and their respective Transactions and Transaction Documents) and, other than for purposes of this Section 11(c), such CDS Counterparty shall cease to be a Party and its Transactions, Policies, Confirmations, CDS Contracts and other Transaction Documents shall cease to be Transactions, Policies, Confirmations, CDS Contracts and Transaction Documents hereunder, and (iii) such CDS Counterparty, FGIC and Credit Products shall automatically be restored in all respects to their respective positions, and have restored to them all of their respective rights, remedies and obligations, under such CDS Counterparty’s Transaction Documents and otherwise relating to its Transactions in each case as such positions, rights, remedies and obligations existed as of the date prior to the date of this Termination Agreement as if this Termination Agreement had not been executed and delivered, but giving effect to any events, circumstances, conditions, actions or inactions that occurred or arose after the date of this Termination Agreement and are continuing on the effective date of such termination (other than any action not taken, so long as the Standstill Period shall be continuing, pursuant to the terms of Section 10 above including non-payment of any CDS Payment) and any amounts that would have been due and payable by any such Party in accordance with the terms and conditions of the applicable Transaction Documents but for the first sentence of Section 10 shall become due and payable on the effective date of such termination, subject to all applicable prohibitions, restrictions, requirements, procedures and other terms and conditions then in effect in the Proceeding or, following the Plan Effective Date, the Plan (in each case including with respect to which claims are permitted or not permitted, and submission and approval of claims). For the avoidance of doubt, in the event that any Credit Event or other event shall have occurred at any time during the Standstill Period which would give rise under the related CDS Contract to the right of the applicable CDS Counterparty to deliver to Credit Products a Credit Event Notice or other notification thereunder with respect to such Credit Event or other event but for the first sentence of Section 10, then such CDS Counterparty shall be entitled to (x) deliver to Credit Products such



Credit Event Notice or other notification and all related information required under such CDS Contract no later than the date set forth in the applicable Relief Paragraph (as defined below) and (y) file a claim with respect thereto under the related Policy, in each case of subclauses (x) and (y) in accordance with and subject to the terms and conditions of such CDS Contract (other than any time limitation for delivery of such a Credit Event Notice or other notification) and Policy, respectively, and subject to all applicable prohibitions, restrictions, requirements, procedures and other terms and conditions then in effect in the Proceeding or, following the Plan Effective Date, the Plan (in each case including with respect to which claims are permitted or not permitted, and submission and approval of claims). If any Recovered Amount was paid during the Standstill Period to the holders of any Reference Obligation under any Transaction with respect to which a CDS Counterparty has delivered, or is delivering, a Credit Event Notice or other notification to Credit Products, such CDS Counterparty shall deliver written notice to Credit Products of the amount and date of each such payment, identifying the applicable Transaction, at the time such CDS Counterparty delivers such Credit Event Notice or other notification to Credit Products under the preceding sentence.

Furthermore, in the event that this Termination Agreement terminates with respect to any CDS Counterparty pursuant to Section 11(b) above as a result of a Counterparty Termination Event described in clause (i) of the definition of such term or a Paragraph 5 Non-approval Termination, or pursuant to Section 11(a) above as a result of the Court's issuance of an order described in clause (i) of such Section (unless such order shall provide for relief in lieu of the relief provided for in this paragraph), such CDS Counterparty may, subject to the following sentence, object to the applicability to such CDS Counterparty of Sections 4.10 (clause vii) or 7.8(d) of the proposed plan of rehabilitation for FGIC filed by the Rehabilitator with the Court in the Proceeding on September 27, 2012 (the "**Proposed Plan**"), Article II of the Restructured Policy Terms (as defined in the Proposed Plan) or, if and to the extent applicable, any revisions to the terms or conditions of the Proposed Plan (including the Restructured Policy Terms) made by the Rehabilitator after November 14, 2012 that in any way relate to amounts described in clause (vii) of Section 4.10 or actions prohibited by Section 7.8(d) of the Proposed Plan (collectively, the "**Contested Plan Provisions**") by filing such an objection (a "**Contested Provision Objection**") with the Court and serving a copy of the Contested Provision Objection upon Weil, Gotshal & Manges LLP, attn.: Gary T. Holtzer and Joseph T. Verdesca, 767 Fifth Avenue, New York, NY 10153, fax: (212) 310-8007, gary.holtzer@weil.com, joseph.verdesca@weil.com, attorneys for the Rehabilitator ("**Counsel to the Rehabilitator**"), so that the Contested Provision Objection is received on or before the thirtieth day after the effective date of such termination of this Termination Agreement. In the event any CDS Counterparty so files any Contested Provision Objection, (i) FGIC and the Rehabilitator shall retain all rights to respond to and dispute such Contested Provision Objection and (ii) the Contested Plan Provisions, assuming the Plan Effective Date has occurred (and, prior to the occurrence of the Plan Effective Date, the corresponding provisions under the Rehabilitation Order), shall continue to apply to such CDS Counterparty until such time, if any, as a final, non-appealable order is entered by the Court providing that the Contested Plan Provisions or the corresponding provisions under the Rehabilitation Order, as applicable, shall not apply to such CDS Counterparty. Furthermore, in the event that this Termination Agreement so terminates with respect to any CDS Counterparty, notwithstanding anything to the contrary in the Proposed Plan but subject to Section 7.8(d) of the Proposed Plan (unless and except to the extent such provision is determined by a final, non-appealable order entered by the Court to not be applicable as to such CDS Counterparty pursuant to the procedures set forth in this paragraph (or, prior to the occurrence of the Plan Effective Date, the corresponding provisions under the Rehabilitation Order are determined by such an order entered by the Court to not be applicable as to such Parties)), such CDS Counterparty shall have the latest of the following dates to submit claims under, in accordance with and subject to the terms and conditions of each of its applicable CDS Contracts (other than any



time limitation for delivery of a Credit Event Notice or other notification) and Policies and in accordance with the prohibitions, restrictions, requirements, procedures and other terms and conditions (to the extent not in conflict with the following clauses (x), (y) and (z), as applicable) then set forth in the Rehabilitation Order and the Proposed Plan or, following the Plan Effective Date, the Plan: (x) the applicable deadlines for submitting claims set forth in the Plan; (y) if such CDS Counterparty files a Contested Provision Objection, thirty days after an order of the Court that disposes of such Contested Provision Objection becomes a final, non-appealable order; and (z) if such CDS Counterparty does not file a Contested Provision Objection, sixty days after the effective date of such termination of this Termination Agreement.

Following the date on which the Court shall have issued the Plan Approval Order and this Termination Agreement shall have terminated with respect to any CDS Counterparty pursuant to Section 11(b) above as a result of any Counterparty Termination Event, such CDS Counterparty may object to the Contested Plan Provisions (as defined in Annex D hereto) as may be and to the extent authorized by the Plan Approval Order, subject to the Plan Approval Order including a paragraph substantially in the form attached hereto as Annex D (such paragraph substantially in the form attached hereto as Annex D and the paragraph immediately preceding this paragraph each being a “**Relief Paragraph**”), including filing a “Paragraph 5 Objection” as defined in and subject to the express terms and conditions of such paragraph substantially in the form so attached.

Notwithstanding anything to the contrary contained in this Termination Agreement, following the later to occur of this Termination Agreement’s termination with respect to any CDS Counterparty pursuant to this Section 11 for any reason and the occurrence of a Proceeding Conversion, such CDS Counterparty shall have, without restriction hereunder, all the rights then available to it in a liquidation pursuant to Article 74, provided that FGIC and the Rehabilitator shall retain all rights to respond to and dispute any such rights.

12. **Counterparts:** This Termination Agreement may be executed and delivered in counterparts (including by electronic messaging system or facsimile transmission), each of which shall be deemed an original but all of which together will constitute one and the same instrument.

13. **Court Order and Objections:** Unless and until this Termination Agreement shall have terminated with respect to all CDS Counterparties in accordance with Section 11 above, FGIC shall use its commercially reasonable efforts to seek to facilitate the issuance of the Court Order with respect to this Termination Agreement and, following such issuance, the occurrence of the Termination Effective Date. Furthermore, unless and until this Termination Agreement shall have terminated with respect to such CDS Counterparty in accordance with Section 11 above and provided that the Rehabilitator shall file with the Court the revised proposed Plan Approval Order contemplated by Section 4(f)(i) above, each CDS Counterparty shall not file any objection with the Court contemplated by Paragraph 4 of the Order to Show Cause issued by the Court on September 28, 2012, file any objection with the Court or seek any other relief or modification contemplated by either of the Relief Paragraphs, or otherwise file any objection with respect to the Proceeding or the Plan that relates to any Transaction, Transaction Document, this Termination Agreement or any transactions contemplated hereby or any terms or conditions hereof, including, without limitation, any objections to the Contested Plan Provisions; provided, however, that if and to the extent (i) any revisions to the prohibitions, restrictions, requirements, procedures or other terms or conditions of the Proceeding are made by the Rehabilitator after November 14, 2012 that in any way relate to Termination Payments (as defined in the Rehabilitation Petition referred to in the Rehabilitation Order) or actions prohibited by Paragraph 13 of the Rehabilitation Order (collectively, not including any Contested Plan Provisions as defined herein or in Annex D hereto, the “**Contested Proceeding Provisions**”), and (ii) a deadline is established in the Proceeding for filing objections

with respect to any Contested Proceeding Provisions, and the failure of any CDS Counterparty to file such an objection prior to such deadline would result in its losing the ability to file such an objection, each CDS Counterparty may, prior to the Plan Effective Date, object to such Contested Proceeding Provisions by filing such objection with the Court and serving a copy of such objection upon Counsel to the Rehabilitator as specified in the second paragraph of Section 11(c) above, so that such objection is received on or before the later of (x) the thirtieth day after this Termination Agreement shall have terminated with respect to such CDS Counterparty in accordance with Section 11 above and (y) such date as established by the Court for filing such objection.

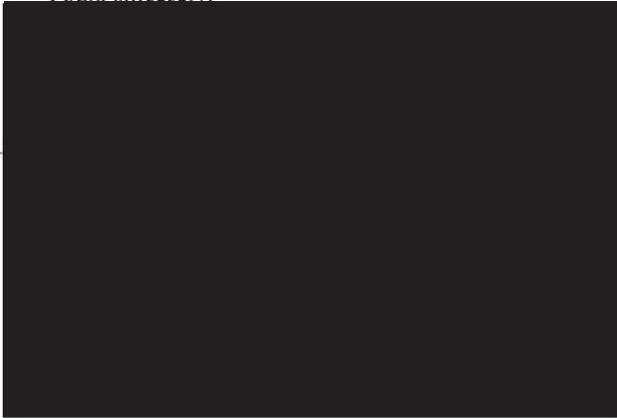
14. **Interpretation:** For purposes of this Termination Agreement, the words “hereof,” “herein,” “hereby” and other words of similar import refer to this Termination Agreement as a whole unless otherwise indicated, and the word “including” shall be read to mean “including without limitation.” Whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate. All terms defined herein in the singular shall have the same meaning when used in the plural; all terms defined herein in the plural shall have the same meaning when used in the singular.

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

Yours sincerely,



[Redacted]

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[Redacted]

[Redacted]

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_



[Redacted]

By: [Redacted]

Name: [Redacted]  
Title: [Redacted]

By: [Redacted]

Name: [Redacted]  
Title: [Redacted]

[Redacted]

By: [Redacted]

Name

Title:

[Redacted]



[Redacted]

By:

[Redacted]

By:

Name:

Title:

[Redacted]

[Redacted]

Confirmed as of the date first above written:

FGIC CREDIT PRODUCTS LLC

By: 

Name:

Title:

John S. Dubel  
CEO

FINANCIAL GUARANTY INSURANCE COMPANY,  
the Credit Support Provider

By: BENJAMIN M. LAWSKY  
Superintendent of Financial Services of the  
State of New York, as Rehabilitator of  
Financial Guaranty Insurance Company

By: 

Name: Peter A. Giacone

Title: Chief Financial Officer  
and Agent of Benjamin M.  
Lawsy, Superintendent of  
Financial Services of the State of  
New York, as Rehabilitator of Financial  
Guaranty Insurance Company



ANNEX A

**CDS Counterparties**

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

## ANNEX B

[illegible]



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**ANNEX C**

**FORM OF LETTER**

Financial Guaranty Insurance Company  
125 Park Avenue  
New York, New York 10017

Dated as of November \_\_, 2012

[name of CDS Counterparty]

[ ]

[ ]

Re: Master Termination Agreement

Ladies and Gentlemen:

This letter is written in connection with the Master Termination Agreement dated as of November \_\_, 2012 among FGIC Credit Products LLC, Financial Guaranty Insurance Company, [name of CDS Counterparty] and each of the other persons listed on Annex A thereto (as amended from time to time, the "Termination Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Termination Agreement.

With respect to [name of CDS Counterparty], (i) this letter is the Letter contemplated by clause (e)(ii) of Section 4 of the Termination Agreement, and (ii) the table below is the table referenced in such clause of Section 4.

Policy Id	CUSIP	Reference Obligation(s)	FGIC Bond Type Description	Relevant Proportion	Unpaid Principal Balance of Reference Obligation(s) as of [9/__/12]) (in US\$)	Gross Par Amount In Force for such Policy (as of [9/__/12]) (in US\$)
[ ]	[ ]	[ ]	[ ]			[ ]

This letter may not be modified without the express written consent of the parties hereto.

\* \* \* \* \*



If the above correctly reflects your understanding and agreement with respect to the foregoing matters, please so confirm by signing this letter.

FINANCIAL GUARANTY INSURANCE  
COMPANY

By: BENJAMIN M. LAWSKY  
Superintendent of Financial Services of the  
State of New York, as Rehabilitator of  
Financial Guaranty Insurance Company

By: \_\_\_\_\_  
Name: Peter A. Giacone  
Title: Chief Financial Officer  
and Agent of Benjamin M.  
Lawsky, Superintendent of  
Financial Services of the State of  
New York, in his capacity as  
Rehabilitator of Financial  
Guaranty Insurance Company

Accepted and Agreed as of  
the date first written above:

[CDS COUNTERPARTY]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## ANNEX D

5. In the event FGIC or a counterparty to any CDS Commutation Agreement effectively terminates such CDS Commutation Agreement in accordance with its terms as a result of one of the events specified therein that gives rise to a counterparty's ability to file a Paragraph 5 Objection (as defined below) pursuant to this Paragraph 5 (such terminated CDS Commutation Agreement being a "**Paragraph 5 CDS Commutation Agreement**"), then, following the effective date of such termination, each counterparty that so terminated such CDS Commutation Agreement or, if such CDS Commutation Agreement was terminated by FGIC, each counterparty to such CDS Commutation Agreement may, subject to the following sentence, object to the applicability of Sections 4.10 (clause vii) or 7.8(d) of the Plan, Article II of the Restructured Policy Terms or, if and to the extent applicable, any revisions to the terms or conditions of the Plan (including the Restructured Policy Terms) made by the Rehabilitator after November 14, 2012 that in any way relate to amounts described in clause (vii) of Section 4.10 or actions prohibited by Section 7.8(d) of the Plan (collectively, the "**Contested Plan Provisions**") (each such counterparty filing such an objection being an "**Objecting Counterparty**") by filing such an objection (a "**Paragraph 5 Objection**") with this Court and serving a copy of the Paragraph 5 Objection upon Weil, Gotshal & Manges LLP, attn.: Gary T. Holtzer and Joseph T. Verdesca, 767 Fifth Avenue, New York, NY 10153, fax: (212) 310-8007, gary.holtzer@weil.com, joseph.verdesca@weil.com, attorneys for the Rehabilitator, so that the Paragraph 5 Objection is received on or before the thirtieth (30th) calendar day after the effective date of the termination of the Paragraph 5 CDS Commutation Agreement. In the event an Objecting Counterparty so files any Paragraph 5 Objection, (i) FGIC and (to the extent the Paragraph 5 Objection is filed prior to the Effective Date) the Rehabilitator shall retain all rights to respond to and dispute such Paragraph 5 Objection and (ii) the Contested Plan Provisions shall continue to apply to such Objecting Counterparty until such time, if any, as a Final Order is entered by this Court providing that the Contested Plan Provisions shall not apply to such counterparty. Furthermore, notwithstanding anything to the contrary in the Plan, but subject to Section 7.8(d) of the Plan (unless and except to the extent such provision is determined by Final Order to not be applicable as to any Objecting Counterparties pursuant to the procedures set forth in this Paragraph 5), any counterparty with respect to which a Paragraph 5 CDS Commutation Agreement shall have terminated shall have the latest of the following dates to submit Claims under, in accordance with and subject to the terms and conditions of any FGIC Contracts to which such Paragraph 5 CDS Commutation Agreement relates and in accordance with the prohibitions, restrictions, requirements, procedures and other terms and conditions (to the extent not in conflict with the following clauses (x), (y) and (z), as applicable) then set forth in the Plan: (x) the applicable deadlines for submitting Claims set forth in the Plan; (y) if such counterparty files a Paragraph 5 Objection, thirty (30) calendar days after an order of this Court that disposes of such Paragraph 5 Objection becomes a Final Order; and (z) if such counterparty does not file a Paragraph 5 Objection, sixty (60) calendar days after the effective date of the termination of the Paragraph 5 CDS Commutation Agreement by such counterparty or FGIC.