

AMENDED AND RESTATED  
INVESTMENT MANAGER AGREEMENT

by and among

FEDERAL RESERVE BANK OF NEW YORK

and

BLACKROCK FINANCIAL MANAGEMENT, INC.

and

MAIDEN LANE LLC,  
with respect to paragraphs 4, 5, 8, 14, 21, 25, 26, 28, and 32 only

June 24, 2010

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## AMENDED AND RESTATED INVESTMENT MANAGER AGREEMENT

THIS AMENDED AND RESTATED INVESTMENT MANAGER AGREEMENT, made as of the 24<sup>th</sup> day of June, 2010, by and among the Federal Reserve Bank of New York ("FRB-NY"), BlackRock Financial Management, Inc. (the "Manager") and Maiden Lane LLC (the "Borrower"), sets forth the terms under which the Manager shall provide investment management services to FRB-NY (the "Agreement").

WHEREAS, FRB-NY, the Borrower and JPMorgan Chase & Co. ("JPMorgan"), are parties to a credit agreement, dated as of June 26, 2008 (as the same may from time to time be amended, supplemented or other modified, the "Credit Agreement");

WHEREAS the obligations of the Borrower under the Credit Agreement are secured by specified assets of the Borrower pursuant to a security and intercreditor agreement, dated as of June 26, 2008 (as the same may from time to time be amended, supplemented or otherwise modified, the "Security Agreement") among the Borrower, State Street Bank and Trust Company, as Collateral Administrator and Collateral Agent, FRB-NY and JPMorgan;

WHEREAS, pursuant to the Credit Agreement and the Security Agreement, the Borrower has agreed that FRB-NY, as the "Controlling Party", has the right to manage the assets that constitute Combined Investments as defined below;

WHEREAS, FRB-NY has all requisite authority to appoint one or more investment managers to supervise and direct the investment, management and reinvestment of certain assets under the direct or indirect control of FRB-NY;

WHEREAS, FRB-NY desires to delegate its management rights to a professional investment manager;

WHEREAS, the Manager is acknowledged as an expert in mortgages, loans, structured finance and risk management;

NOW THEREFORE, for and in consideration of the premises and of the mutual covenants herein contained, the parties hereby agree as follows:

1. Definitions. Capitalized terms used herein but not otherwise defined shall have the meaning assigned to such terms as of the date hereof in the Security Agreement or the Credit Agreement, as applicable. If there is a conflict between the definitions in this Agreement and the definitions used in any other document related to the Transactions, the definitions in this Agreement shall apply.

2. Appointment and Status as Investment Manager.

2.1 **Appointment as Investment Manager.** FRB-NY hereby appoints the Manager as the “Investment Manager” for the Portfolio Investments (as defined in the Credit Agreement) and the assets held by the Grantor Trust – Commercial and the Grantor Trust – Residential (collectively, with the Portfolio Investments, the “Combined Investments”). The Manager does hereby accept said appointment and by its execution of this Agreement the Manager represents and warrants that it is registered with the Securities and Exchange Commission (the “SEC”) as an investment adviser under the Investment Advisers Act of 1940 (the “Advisors Act”), and such registration is current and will remain in full force and effect.

2.2 **Agent Status.** The Manager acknowledges that for purposes of this Agreement it is solely the agent of FRB-NY, but agrees that it will carry out its responsibilities under the Agreement as if it owed the Borrower and the Secured Parties a duty of good faith and fair dealing. Notwithstanding the foregoing, the Manager shall have no obligation to take the interests of the Tranche B Lender (or any other party) into consideration when making decisions concerning the management of the Combined Investments.

2.3 **Duty of Care.** The Manager shall, subject to the terms and conditions hereof, perform its obligations hereunder (including in respect of any exercise of discretion) with reasonable care, (i) using a degree of skill and attention no less than that which the Manager exercises with respect to comparable assets that it manages for itself and others having similar investment objectives and restrictions and (ii) to the extent not inconsistent with the foregoing, in a manner consistent with the practices and procedures followed by other institutional asset managers of national standing relating to assets of the nature and character of the Combined Investments; provided that the Manager shall not be liable for any loss or damages resulting from any failure to satisfy the foregoing standard of care except to the extent provided in paragraphs 5.1.5 and 14 hereof.

3. Directions to the Manager.

3.1 **Authority of Certain Individuals.** FRB-NY has identified specific officers in the Investment Support Office (“ISO”) to perform certain functions relating to this Agreement (“ISO Officers”).

3.1.1 FRB-NY has authorized the ISO Officers to represent FRB-NY’s interests to the Manager, oversee and assess the Manager’s performance under this Agreement, modify investment objectives and risk limits as necessary, monitor the risk characteristics of the Combined Investments, in consultation with the Manager, on an ongoing basis, and carry out the specific ISO Officer responsibilities set forth in this Agreement.

3.1.2 Except as expressly provided in this Agreement (e.g., paragraph 5.4), as between the Manager and FRB-NY, FRB-NY, through the ISO Officers, is responsible for all decisions concerning the use of and distributions from the Reserve Account.

### 3.2 **Communications and Direction.**

3.2.1 Except as expressly provided otherwise in this Agreement, upon execution of this Agreement, the Manager's communications with FRB-NY concerning the matters that are the subject of this Agreement shall be solely with the ISO Officers, or other contacts identified by the ISO Officers from time to time. A list of ISO Officers and other contacts, along with their contact information, is attached as Exhibit D hereto.

3.2.2 All directions by or on behalf of the ISO Officers to the Manager shall be communicated by e-mail, telephone or in writing by an ISO Officer or his or her designee (to the extent such designation has been noted on Exhibit D). The Manager shall be fully protected in relying upon any such direction given by any of the individuals identified in Exhibit D until notified in a signed writing by the President of FRB-NY that such individual is no longer an ISO Officer or notified in writing by an ISO Officer that such individual is no longer an approved contact.

3.2.3 The Manager shall be fully protected in acting upon any instrument, certificate or paper believed by it, in good faith, to be genuine and to be signed or presented by the proper authorized persons or on any statement contained in any such writing and may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

3.2.4 If the Manager has any questions concerning the interpretation of this Agreement, the Manager may seek guidance from an ISO Officer, which is solely authorized by FRB-NY to provide such interpretation. The ISO Officer shall promptly notify the Manager in writing of any changes to Exhibit A or of any other matters that have a material impact on the Manager's ability to perform under this Agreement.

3.2.5 For the avoidance of doubt, the directions provided to the Manager by FRB-NY's "Investment Committee" (which had been established by the President of FRB-NY and authorized to act on behalf of FRB-NY prior to the authorization of the ISO Officers) remain valid, binding directions under this Agreement.

4. Representations by the Parties. Each of FRB-NY, the Borrower and the Manager represents and warrants that (a) it has all requisite authority to enter into this Agreement, (b) the terms of this Agreement do not conflict with any obligation by which it is bound, whether arising by contract, operation of law or otherwise and (c) this Agreement has been duly authorized by appropriate action. The Manager represents that it is not currently subject to any public or, to its knowledge, any non-public investigations, pending or existing enforcement actions, or insolvency proceedings. For the avoidance of doubt, routine or sweep regulatory examinations do not constitute investigations. Unless prohibited by law or negotiation, the Manager shall immediately notify an ISO Officer if it becomes aware of any such investigations, actions or proceedings.

5. Management Services. Commencing on the Closing Date, and until this Agreement is terminated as provided in paragraph 18 below, the Manager shall be responsible for the management and orderly sale and disposition of the Combined Investments subject to the provisions of this Agreement, including Exhibit A, and the Manager's internal compliance and conflicts policies and procedures to the extent not inconsistent with this Agreement.

**5.1 Authority of the Manager Over the Combined Investments.**

5.1.1 Unless such powers, duties and responsibilities are expressly reserved or withheld in this Agreement to FRB-NY or an ISO Officer, FRB-NY hereby delegates to the Manager's Financial Markets Advisory Group all of its powers, duties and responsibilities relating to the management of the Combined Investments and those powers, duties and responsibilities expressly delegated to the Investment Manager in the Operative Documents, and all powers, duties and responsibilities given to the Controlling Party regarding management of the assets in the Grantor Trust – Commercial and the Grantor Trust – Residential, and other powers, duties and responsibilities of the Controlling Party under the Grantor Trust and Master Servicer Agreements as reasonably requested by the Controlling Party from time to time and hereby appoints the Manager as its agent in fact with full authority to buy, sell or otherwise effect investment transactions involving the Combined Investments, including without limitation, the power to enter into, amend or terminate Swap Agreements, options, futures, options on futures, other derivative contracts and repurchase and reverse repurchase agreements, including providing required acknowledgments and disclosures, and all transactions related thereto with counterparties on behalf of the Borrower as the Manager deems appropriate from time to time in order to carry out the Manager's responsibilities hereunder subject to and consistent with its duties under this Agreement. Subsequent to the date of this Agreement, to the extent mutually agreed, the Manager and the ISO Officers will further identify those specific powers, duties and responsibilities of FRB-NY under the Operative Documents that are delegated to the Manager and those that are reserved to FRB-NY. FRB-NY shall cause the Borrower, the Grantor Trust – Commercial, the Grantor Trust – Residential, as necessary, to execute or cause to be



executed such documents, including without limitation powers of attorney, as may be required to evidence the powers, duties and responsibilities delegated hereby. For the avoidance of doubt, the Manager shall not be requested or required to execute officer certificates on behalf of the Borrower or FRB-NY. For the avoidance of doubt, nothing in this Agreement authorizes the Manager to enter into ISDA Master Agreements on behalf of the Borrower absent authorization from an ISO Officer.

5.1.2 With the advance written approval of an ISO Officer (from the date hereof), and subject to appropriate conflict of interest policies, specific employees of the Manager that are not members of the Financial Markets Advisory Group may be granted authority to manage portions of the Combined Investments.

5.1.3 When deemed appropriate for the proper performance of its duties hereunder, the Manager may seek legal, tax, accounting or other advice from third parties and such expense shall be submitted to the Administrator and paid out of the Reserve Account provided that the Manager uses legal counsel acceptable to the General Counsel of FRB-NY, or his designee, and (i) in the case of expenses other than legal or tax-related expenditures, obtains the prior approval of an ISO Officer to incur any such third party expense and (ii) in the case of legal or tax-related expenditures, obtains the prior approval of the General Counsel of FRB-NY or his designee to incur any such expense. The advisers and related expenses set forth on Exhibit F hereto shall be deemed to be preapproved by FRB-NY for purposes of this paragraph 5.1.3. Similarly, an ISO Officer may from time to time provide the Manager general authorization to engage certain types of third party advisors subject to qualifications the ISO Officer deems appropriate.

Where Manager has been given authority to retain a third party, the following requirements apply:

(a) FRB-NY expects that Manager will conduct a competitive bidding process whenever Manager anticipates that a third party vendor will receive compensation in excess of \$100,000 or when the vendor contract will exceed a year (without taking into account any extension rights). If, however, Manager believes that reasons exist for contracting other than through a competitive bidding process (e.g., sole source or exigency), Manager shall set forth in writing the reasons for this belief and seek the concurrence of an ISO Officer; and upon the approval of an ISO Officer, no competitive bidding process will be required for the applicable contract.

(b) When selecting a third party vendor, whether through competitive bidding or otherwise, Manager shall take into account, in addition to the cost of the vendor, (i) the reputation, quality of workmanship, and financial condition of the potential vendor, (ii) whether such vendor is fully qualified, reputable and capable of providing the services for which such vendor is proposed to be retained, and (iii) any other relevant non-economic factors.

(c) Manager shall obtain representations from any third party hired by Manager that such third party holds all required governmental licenses, franchises, permits, and certifications necessary to provide the services for which such third party is

retained, which representations shall constitute sufficient diligence with respect to such matters.

(d) Manager shall be responsible for monitoring each third party vendor hired by the Manager in connection with its performance under the applicable contract to ensure that the Manager and FRB-NY are receiving the benefits of the contract and that the third party vendor is satisfying its obligations under the contract.

For the avoidance of doubt, nothing herein permits Manager to delegate or assign any of its obligations under this Agreement to a third party absent the consent of an ISO Officer and any such consent shall in no way relieve the Manager of its liability under this Agreement.

5.1.4 Except as expressly provided in this Agreement, the Manager is authorized to vote, tender, exchange or convert any assets included in the Combined Investments; to execute waivers, consents, amendments and other instruments with respect to such assets; to endorse, transfer or deliver such securities or to consent to any class action, plan of reorganization, merger, combination, consolidation, liquidation or similar plan with reference to such assets. The Manager shall review, evaluate and make a determination with respect to such actions, in good faith, as they arise. When exercising this authority, the Manager will be guided by this Agreement.

5.1.5 The Manager shall not incur any liability to FRB-NY or the Borrower by reason of exercising or failing to exercise the powers set out in this paragraph 5.1 or the other provisions of this Agreement in the absence of its gross negligence, willful misconduct or bad faith.

5.2 **Composition of Assets Under Management.** The Manager may not purchase any assets that fail to satisfy the guidelines in Exhibit A.

5.3 **Servicing and Administration of Assets Under Management.**

5.3.1 The Manager and its affiliates shall in no event be responsible in any way for the mechanics of payment or collection of principal, interest, dividends or other amounts due on any assets included in the Combined Investments. The Manager shall provide the Master Servicers with advice as requested with respect to investments in Permissible Investments as contemplated by the Grantor Trust and Master Servicing Agreements and shall direct the investments to the extent contemplated by the Grantor Trust and Master Servicing Agreement – Residential. The Manager is not responsible for the servicing or administration of any assets included in the Combined Investments, except that the Manager shall provide direction, approvals and/or denials in response to notices and recommendations by any servicer, special servicer, Trustee or custodian, to the extent FRB-NY as Controlling Party has the right to do so pursuant to and in accordance

with the Grantor Trust and Master Servicer Agreements and except that the Manager shall perform the services identified below.

It is understood and agreed that if an event of default has been declared with respect to any asset in the Grantor Trust – Commercial, unless there is a defined special servicer required to be used under the loan documents, the Manager will oversee both the master servicer and the primary servicer with respect to the primary servicer’s administration of the defaulted asset, which shall include, but not be limited to obtaining property inspections and reports, appraisals, and property and borrower financial statements. Notwithstanding the foregoing, if no special servicer is required but the Manager believes that engagement of a special servicer for a defaulted asset is advisable, the Manager shall inform an ISO Officer and obtain his or her consent prior to causing the defaulted asset to be moved to special servicing.

With respect to any Combined Investment that becomes Commercial Real Estate Owned (“CREO”) all rights of the Manager with respect to such Combined Investment shall terminate. Notwithstanding the foregoing, the ISO Officers may consult with the Manager from time to time on CREO disposition strategy, property management, and broker and vendor selection. If the ISO Officers retain an asset management company to advise on CREO, the Manager shall cooperate with the asset management company including using any CREO valuations provided by the asset management company in reports to the ISO Officers.

Notwithstanding the foregoing, the Manager must (unless otherwise agreed in writing by an ISO Officer):

(a) with respect to Combined Investments in the Grantor Trust – Commercial, notify an ISO Officer (which may take the form of an ISO Officer being copied on an e-mail, with e-mail to follow if the notification is oral) before sending a formal declaration of default or before exercising any rights or remedies with respect to a formal declaration of default, initiating litigation, modifying loan documentation or agreeing to any workout plans; provided that, more generally, the Manager will engage in regular dialogue with the ISO Officers regarding the Combined Investments and the Manager’s strategy with respect thereto; provided, further, that the Manager shall inform one or more ISO Officers when the Manager determines that Grantor Trust-Commercial has the right to declare a default;

(b) with respect to Combined Investments in the Grantor Trust – Residential, consult with an ISO Officer before agreeing to any material changes to any loan modification policies; and

(c) receive direction from an ISO Officer before responding to any notice concerning proposed modifications to the Grantor Trust and Master Servicer Agreements or any related agreements or documentation; the resignation, removal or appointment of a trustee, servicer, custodian or other service provider; the movement of the Delayed Draw Account to a different Eligible Account as defined in the

Grantor Trust and Master Servicer Agreement – Commercial; or any other issue that an ISO Officer has reserved to him or herself provided that the ISO Officer has notified the Manager of such reservation in writing.

5.3.2 The Manager is responsible for overseeing the Master Servicer(s) and the Special Servicer(s). Such oversight shall constitute taking the actions contemplated under paragraph 5.3.1 above. The Manager shall also notify an ISO Officer promptly if it acquires actual knowledge or should know by virtue of the information flows and communications between the Manager and the Master Servicer(s) and Special Servicer(s) that any of the servicer(s), the custodian(s), the Collateral Agent or the Administrator is in material breach of its obligations to the Borrower or the Trusts under any of the Loan Documents.

**5.4 Specific Direction Concerning the Reserve Account.**

5.4.1 The Manager shall invest amounts in the Reserve Account in accordance with this Agreement.

5.4.2 The Manager shall have no authority to direct payments out of the Reserve Account except that the Manager is authorized to direct the Collateral Agent to pay amounts needed to fund payments under the Swap Agreements and other investment execution expenses (not including the Manager's fees), including without limitation third-party commissions, margin and security requirements related to the management of the Combined Investments.

**5.5 Specific Direction Concerning the Delayed Draw Account.**

5.5.1 The Manager shall invest amounts in the Delayed Draw Account in accordance with this Agreement. The Manager shall be authorized to approve, when requested to do so by the Master Servicer – Commercial, payments to be made using amounts on deposit in the Delayed Draw Account solely to satisfy any payment obligations of the Grantor Trust – Commercial in respect of any Unfunded Forward Commitments.

5.5.2 To the extent any such Unfunded Forward Commitments expire, after giving effect to any extensions which may be granted or amounts remain on deposit in the Delayed Draw Account in excess of any remaining Unfunded Forward Commitments, the Manager shall transfer, or cause to be transferred, such amounts from the Delayed Draw Account to the Reserve Account in accordance with the Grantor Trust and Master Servicer Agreement – Commercial.

6. Accounting, Reports and Meetings.

6.1 **Reports to FRB-NY.**

6.1.1 At such intervals as shall be mutually agreed upon between the Manager and FRB-NY, but not less than monthly, the Manager shall furnish the ISO Officers with a written report with respect to the Combined Investments. Commencing with valuation dates after August 31, 2008, such reports shall be sent not later than 15 business days following the relevant valuation date, and shall set forth (provided that the Manager has received or been given access in a timely manner to any required information from the Administrator or the Collateral Administrator, as the case may be): (i) all investments purchased or sold since the date of the previous report with the cost or net proceeds of such purchases and sales; and (ii) a maturity distribution by product and total holdings. The Manager shall inform the ISO Officers as soon as practicable if the Manager is not able to obtain the timely information from the Administrator or Collateral Agent. The Manager shall also provide a monthly "Green Package" report on the assets included in the Combined Investments. The Manager shall also provide market and credit risk metrics in a form and timing as shall be agreed between the Manager and FRB-NY. The Manager will provide additional reports as reasonably requested by the ISO Officers. The Manager shall also provide additional reporting as requested to satisfy FRB-NY's internal and external auditors, including any SFAS 157 analysis, and other governmental oversight bodies, provided that FRB-NY will use its best efforts to ensure that any such requests are reasonable.

6.1.2 For the purposes of all reports made by the Manager to the ISO Officers, assets will be valued at fair value as determined in good faith by the Manager (except to the extent that CREO valuations are provided to the Manager in accordance with Section 5.3.1; provided that the valuation methods used by the Manager shall be described in writing to the ISO Officers. The Manager and FRB-NY agree to cooperate, in good faith, to reach resolution to the extent that the ISO Officers have concerns about the Manager's pricing methodology.

6.1.3 Each of the above referenced reports, as well as all other documents and information required to be delivered to the ISO Officers (in whatever form), will be delivered to the ISO Officers via messenger, registered mail or FedEx or other overnight delivery service or using electronic means of delivery, including but not limited to electronic mail, a FRB-NY-established site, or another electronic method that satisfies the information security policies of FRB-NY. With respect to the website (or any similar electronic communication tool selected for use by the FRB-NY), Manager agrees and agrees to cause its employees to comply with the terms and conditions governing the use of the FRB-NY website. Access to such website shall be limited to employees of the Manager directly related to the management of the Combined Investments, including, for the avoidance of doubt, portfolio

management, client relations and legal and compliance personnel, and the level of access for each employee shall be determined by the ISO Officers, in their sole discretion. Upon termination or relevant reassignment by Manager of an employee with access to the FRB-NY-established website, Manager shall within one Business Day of such termination or relevant reassignment notify an ISO Officer that such employee's access to the website should be terminated. The ISO Officers shall provide the Manager semi-annually with a list of the Manager's employees who have access to the FRB-NY secure website and email server and the Manager shall review and confirm the accuracy of such list to the ISO Officers.

**6.2 Communications with the Tranche B Lender.** If requested by the Tranche B Lender, the Manager will meet in person or by telephone once each quarter with representatives of the Tranche B Lender to discuss at a high level the portfolio and investment strategy. Prior to any such conversation, the Manager will take reasonable steps to assure itself that the Tranche B Lender is represented solely by employees from the "Credit Risk Group" and the "Market Risk Group" and by the chief executive officer, the chief financial officer, the chief risk officer, the controller, and the president (and their respective administrative staffs) of JPMorgan and JPMorgan Investment Bank. The Manager shall not provide any other reports or information regarding the Combined Investments directly to the Tranche B Lender without consulting with the ISO Officers.

For the avoidance of any doubt, the Manager is authorized, in the ordinary course, to share information with Tranche B Lender as necessary for the completion of the transactions contemplated by the Operative Documents.

### **6.3 Meetings with FRB-NY.**

**6.3.1** The Manager will meet at least quarterly with the ISO Officers (and other FRB-NY staff invited by the ISO Officers) to review the portfolio, current market conditions and investment strategy. Upon the request of the ISO Officers, the Manager shall also meet with one or more members of FRB-NY's board of directors at a time mutually agreeable.

**6.3.2** On an annual basis, or as otherwise agreed by the Manager and FRB-NY, the Manager will prepare a portfolio strategy review for the ISO Officers. This will be the primary forum for discussion of long-term investment strategy (e.g., strategic asset allocation), risk policy and revision of the guidelines in Exhibit A. As part of this review, the Manager will provide a scenario-based, probabilistic assessment of future portfolio outcomes and the likelihood of achieving the ISO Officers' objectives.

**6.3.3** The ISO Officers may also request a meeting with the Manager at any time to discuss matters relating to possible modifications to the

guidelines set forth in Exhibit A or to request an ad-hoc update on the portfolio strategy review.

6.4 **Reconciliation.** The Manager shall review for accuracy and reasonableness the net asset value of the Borrower prepared by the Administrator not more than 15 business days after each monthly close, commencing with the August 2008 monthly close. In addition, the Manager shall communicate and seek to resolve any significant discrepancies with the Custodian on a daily basis or as otherwise needed. .

7. Audit and Review.

7.1 **Books and Records.** The Manager shall maintain appropriate books of account and records relating to services performed hereunder including appropriate documentation of issues arising under the Manager's conflict of interest policies. The Manager shall either retain such records for as long as it is performing services under this Agreement or provide the records (or copies of such records) to an ISO Officer prior to destruction of the records under the Manager's normal record retention policy. For the avoidance of doubt, the Manager shall not keep the official books and records of the Borrower or relating to the Combined Investments, which are anticipated to be kept by the Administrator and the Collateral Administrator, respectively.

7.2 **FRB-NY Audit Right.** FRB-NY shall have the right, at any time during the term of this Agreement, to audit the Manager's performance to determine whether the Manager is acting in compliance with all of the requirements of this Agreement as well as its valuation methodology. Upon five business days' prior written notice to the Manager, the Manager shall grant access to its premises to FRB-NY's internal auditors or the auditors selected by an ISO Officer in order to conduct such audit. Audits will be conducted during the Manager's normal business hours at the Borrower's sole expense. The Manager will cooperate fully in making its premises and all relevant information related to its performance and management of the Combined Investments pursuant to this Agreement and personnel available to such auditors as is requested. The foregoing right to audit shall not be construed to limit, revoke or abridge any other rights, powers or obligations to audit the Manager that FRB-NY or the Borrower may have under any applicable state or federal law or regulation. FRB-NY's board of directors or its audit committee may share audit reports with whomever it deems appropriate.

7.3 **Audit and Review Rights of Others.** In addition to FRB-NY's right to audit the Manager, the Manager agrees that the Borrower and, with the prior notice to FRB-NY, the Board of Governors of the Federal Reserve System and other governmental oversight entities, may conduct audits and ad-hoc reviews of the services provided by the Manager under this Agreement.

**7.4 FRB-NY Review Rights.** The ISO Officers may also send its designees or other experts to review the operations of the Manager in order to fulfill the ISO Officers' obligation to FRB-NY to oversee this Agreement. In this regard, the ISO Officers, their designees and experts may, subject to any required consents from vendors or other third parties, review all records related to the Manager's performance and management of the Combined Investments pursuant to this Agreement, including but not limited to the Manager's policies and procedures, summaries of business continuity and disaster recovery plans and testing, compliance certifications, vendor due diligence documentation, and vendor monitoring documentation (collectively, "Records") that come into the Manager's possession or that the Manager creates in connection with the services under this Agreement (including appropriate documentation of issues arising under the Manager's conflict of interest policies). Annually, the Manager shall provide the ISO Officers or their designee with a summary of the scope of internal audits of groups or functions in the Manager's business that directly or indirectly support the services provided to FRB-NY under this Agreement performed in the prior 12 months and planned for the succeeding twelve months; and any material control matters identified during the completed audits.

**7.5 Audit and Review Findings.** In the event that the audits or reviews contemplated under Sections 7.2, 7.3 or 7.4 reveal that the Manager is not complying with the terms and conditions of this Agreement, and if such noncompliance is material, Manager agrees to consult in good faith with FRB-NY regarding appropriate changes to its operations as pertains to this Agreement as reasonably requested by the ISO Officers in the interest of the Manager's compliance with this Agreement.

**7.6 Effective Internal Controls.** The Manager will provide (through the ISO Officers) documentary evidence to FRB-NY and the Borrower to support the assertion that the Manager maintains effective internal controls over financial reporting, based on criteria established by the Committee of Sponsoring Organizations or some similar body. The documentary evidence will include Management's Report on Internal Control Over Financial Reporting and quarterly and annual CEO and CFO certifications included with the Manager's Form 10-Q and 10-K filings with the SEC. In addition, the Manager shall provide its relevant SAS-70 reports to the ISO Officers on an annual basis including any SAS-70 reports relating to the Manager's disaster recovery and other major service providers to the extent such service providers provide SAS-70 reports to the Manager (and to the extent not subject to a confidentiality obligation).

**8. Compensation.** For services hereunder, the Manager shall be compensated in accordance with Exhibit B attached hereto. For the avoidance of doubt, the following expenses are additional expenses of the Borrower and are not included in the asset management fee described in Exhibit B:



- (a) Fees and expenses for residential portfolio reporting, document retrieval, filing and recording and surveillance fees;
- (b) Combined Investments transaction execution expenses, including without limitation, broker fees and commissions, except that, for the avoidance of doubt, when Maiden Lane LLC, the Grantor Trust-Commercial or the Grantor Trust-Residential is an investor in one of the Manager's funds, the Manager shall waive any fees or expenses allocated to any such entity as a fund investor;
- (c) Fees and expenses related to legal, tax, accounting or other advice from third parties, including any diligence and advice relating to any future sale or securitization of the residential or commercial mortgage loans or the securities, approved in accordance with paragraph 5.1.3;
- (d) Fees and expenses of third parties providing specialty pricing and valuation services if agreed in advance by an ISO Officer;
- (e) Software or other technology purchased specifically for the assignment and approved in advance by an ISO Officer; and
- (f) All other expenses not covered in the above as approved by an ISO Officer.

9. Custodian and Other Agents of FRB-NY and the Borrower.

9.1 **Authority to Instruct Custodian(s) and Other Agents.** The assets included in the Combined Investments shall be held by one or more custodians duly appointed by the Borrower and the Collateral Agent and in the Grantor Trust – Commercial and the Grantor Trust – Residential. The Manager is authorized to give instructions to the custodian or custodians or to the Collateral Agent in accordance with its duties and authority under this Agreement pursuant to paragraph 5. Except as authorized in paragraph 5 with respect to payments from the Reserve Account, the Manager shall have no power or authority to direct the custodian(s) or any of its agents to deliver securities or other property or pay cash to the Manager, it being intended that sole responsibility for safekeeping thereof (in such investments as the Manager may direct) and the consummation of all purchases, sales, deliveries and investments made pursuant to the Manager's direction shall rest upon the custodian(s).

9.2 **Communications with Custodian(s) and Other Agents.** The Manager shall deliver to the custodian(s) and to the other agents of FRB-NY, the Borrower and the Trustees such information, authorizations and documentation as the custodian(s) and other agents shall reasonably request in order to discharge its own duties under this Agreement and any other Operative Documents. Absent the consent of an ISO Officer, to the extent that it is within the control of the Manager, the Manager shall communicate trade instructions to the custodian(s) and to the other agents of FRB-NY, the Borrower and the Trustee in a commercially reasonable and secure manner to the extent otherwise used by the Manager in its business.

10. Portfolio Execution. Subject to any limitations in FRB-NY's prohibited broker dealer list attached hereto as Exhibit E, FRB-NY hereby delegates to the Manager sole and exclusive authority to designate the brokers or dealers through whom all Combined Investments transactions will be made. The Manager will determine the rate or rates, if any, to be paid for execution services. The Manager agrees that it will seek to buy and sell assets through such intermediaries as, in the Manager's judgment, shall offer the best execution. The Manager, in seeking to obtain best execution of Combined Investments transactions, may consider the quality and reliability of execution services, as well as research and investment information provided by brokers or dealers. Accordingly, the Manager's selection of a broker or dealer for transactions may take into account all relevant factors, including (i) price, (ii) the broker's or dealer's facilities, reliability and financial responsibility, (iii) the broker's or dealer's ability to maintain confidentiality and avoid disruption of the marketplace, (iv) the broker's or dealer's ability and willingness to commit capital and handle large transactions, (v) the level of compensation charged by the broker or dealer, (vi) the broker's or dealer's recordkeeping capabilities and (vii) the research related to the Combined Investments provided by such broker or dealer to the Manager (collectively, "Research"), notwithstanding that the Combined Investments may not be the exclusive beneficiary of such Research.

11. FOMC Information. The Manager will not ask for or be provided with confidential information regarding monetary policy, open market operations or the Federal Open Market Committee. In the event of inadvertent disclosure of such information to the Manager, the Manager will immediately report such disclosure by telephone to the Chief Compliance Officer of FRB-NY and will ensure that the Manager does not rely or act on such information.

12. Confidential Information.

**12.1 Confidential Information Defined.** The Manager acknowledges that all information and material that has or will come into the possession or knowledge of the Manager, whether provided directly by FRB-NY or by a contractor or agent of FRB-NY, the Borrower or the Trustees, in connection with the services provided under this Agreement, including but not limited to:

12.1.1 the terms and conditions of this Agreement;

12.1.2 information regarding the Combined Investments and the operations and investments of FRB-NY;

12.1.3 briefing material, information and data, both written and oral, related to this Agreement;

12.1.4 financial information, condition, processes and procedures of the Borrower, FRB-NY, The Bear Stearns Companies Inc., the Tranche B Lender, and any of their subsidiaries or affiliated entities;

12.1.5 material related to FRB-NY's data processing systems, applications, procedures, policies and standards;

12.1.6 the physical security of FRB-NY;

12.1.7 financial, statistical and personnel data pertaining to FRB-NY, member banks of the Federal Reserve System, foreign central banks and international organizations, and other financial institutions; and

12.1.8 financial, statistical, strategic planning and other similar information relating to the past, present or future activities of FRB-NY, which has or may come into the possession or knowledge of the Manager in connection with this engagement or its performance hereunder

(any and all of the above, "Confidential Information") shall be considered to be confidential and proprietary, the disclosure of which to, or use by, third parties will be damaging to FRB-NY. Manager shall maintain appropriate administrative, technical and physical safeguards to protect the security, confidentiality and integrity of Confidential Information. Subject to paragraph 12.2, no such Confidential Information shall be duplicated for, used by or disclosed to third parties without the written consent of an ISO Officer.

## 12.2 Exceptions.

12.2.1 The Manager shall have no obligation under this Agreement with respect to any information that: (1) is, at the time of disclosure, or thereafter becomes, part of the public domain through a source other than the Manager in violation of this Agreement; (2) is subsequently learned from a third party that, to the knowledge of the Manager, is not under an obligation of confidentiality to FRB-NY; (3) was known to the Manager at the time of disclosure other than from FRB-NY, as can be demonstrated by contemporaneous written evidence; (4) is generated independently by the Manager without reference to the Confidential Information, as can be demonstrated by contemporaneous written evidence; or (5) is disclosed pursuant to applicable law, regulation, subpoena or other legal process, or in connection with the enforcement of the Manager's rights against FRB-NY or the Borrower under this Agreement.

12.2.2 The Manager shall notify the General Counsel of FRB-NY, or his designee, promptly if disclosure is requested pursuant to any law, regulation, subpoena or other legal process other than routine regulatory examinations (e.g., by the SEC or the U.K. Financial Services Authority). The Manager further agrees that in the event that disclosure is requested under any such

law, governmental or administrative rule, or regulation, it will take all steps reasonably required to protect the confidentiality of the Confidential Information being disclosed, including but not limited to: (i) entertaining and considering any argument that FRB-NY wishes to make that disclosure is not required and/or that such disclosure is in violation of the terms and conditions of this paragraph 12; (ii) providing FRB-NY, at the expense of FRB-NY, with all reasonable assistance in resisting or limiting disclosure; (iii) advising the recipient that the Confidential Information is subject to the confidentiality provisions of this Agreement; and (iv) using reasonable efforts to obtain an appropriate stipulation or order of confidentiality.

12.2.3 For the avoidance of doubt, the Manager shall be authorized to disclose Confidential Information to third parties to the limited extent required for it to fulfill its obligations under this Agreement (including its performance pursuant to paragraph 5.1.1 in connection with the Operative Documents) in connection with: (i) effecting investment transactions involving the Combined Investments, (ii) amending or terminating Swap Agreements, options, futures, options on futures and other derivative contracts and repurchase agreements, (iii) the sales of loans, (iv) routine regulatory examinations, and (iv) obtaining advice or services from third party advisors or vendors subject to receipt of any required approvals under paragraph 5.1.3 and the execution of a non-disclosure agreement by such third parties with the Manager in a form acceptable to the FRB-NY, subject to non-material changes, unless otherwise authorized by a designee of the General Counsel of the FRB-NY.

12.3 **Limited Access.** The Manager agrees to limit the access to information that is the subject of this Agreement to only those of its and other wholly-owned BlackRock, Inc. subsidiaries' respective officers, directors, employees and agents that are necessary to its performance under this Agreement, and shall require all such employees, by means of a written acknowledgment, to keep all such information obtained by them as strictly confidential, and shall only provide such information to agents who are bound by a duty of confidentiality.

13. Public Statements. The Manager agrees not to originate or encourage any written or oral statement, news release, or other public announcement or publication, relating to any matter arising in connection with this Agreement, and/or any related matter concerning FRB-NY without the express prior consent of the President, First Vice President or an Executive Vice President of FRB-NY.

14. Liabilities of the Manager.

14.1 **Limitation of Liability and Indemnity.** The Manager, its affiliates and their respective officers, directors, employees and agents as of March 17, 2008, or any time thereafter prior to termination of this Agreement (each, an "Indemnified Person" and collectively, "Indemnified Persons"), acting in good faith, shall have no liability to FRB-NY or the Borrower for, and the Borrower shall

indemnify and hold the Indemnified Person harmless against, any and all losses, claims, liabilities or expenses (including reasonable attorneys' fees) ("Losses") for any acts or omissions in connection with its performance under this Agreement (including its performance pursuant to paragraph 5.1.1 in connection with the Operative Documents) or under the letter agreement between FRB-NY and the Manager dated March 17, 2008, except that no such exculpation or indemnification shall be provided in the case of a finding by a final and nonappealable decision of a court of competent jurisdiction of Losses resulting from the Indemnified Person's bad faith, gross negligence, willful misconduct or violation of any applicable statute or reckless disregard for its duties. Nothing in this Agreement shall in any way constitute a waiver or limitation of any right FRB-NY may have under any securities laws of the United States or any state or the Commonwealth of Puerto Rico, the U.S. Virgin Islands or the District of Columbia that may not be waived.

**14.2 Requirements for Claiming Under the Indemnity.** In order to recover under this indemnity, the Manager: (a) must provide reasonably prompt notice to the Borrower of any claim for which indemnification is sought, provided that the failure to provide notice shall only limit the indemnification provided hereby to the extent of any incremental expense or actual prejudice as a result of such failure; and (b) must not make any admissions of liability or incur any significant expenses after receiving actual notice of the claim or agree to any settlement without the written consent of the Borrower, which consent shall not be unreasonably withheld.

**14.3 Rights of Borrower.** The Borrower may, in its sole discretion, and at its expense, control the defense of the claim including, without limitation, designating counsel for the Manager and controlling all negotiations, litigation, arbitration, settlements, compromises and appeals of any claim; provided that (i) the Borrower may not agree to any settlement involving any Indemnified Person that contains any element other than the payment of money and complete indemnification of the Indemnified Persons without the prior written consent of the affected Indemnified Persons, (ii) the Borrower shall engage and pay the expenses of separate counsel for the Indemnified Person to the extent that the interests of the Manager are in conflict with those of the Borrower, and (iii) the Indemnified Person shall have the right to approve the counsel designated by the Borrower, which consent shall not be unreasonably withheld.

**14.4 Indemnity Claims under other Agreements.** In the event that an indemnity claim under this paragraph 14 could also be claimed under the Grantor Trust and Master Servicer Agreements and the Borrower is not the sole owner of the Grantor Trust certificates, the Manager's recovery under this paragraph 14 shall be reduced by any amount that is actually recovered under the Grantor Trust and Master Servicer Agreements.

**15. Non-Exclusive Management.** FRB-NY understands that the Manager will continue to furnish investment management and advisory services to others and that

the Manager shall be at all times free, in its discretion, to make recommendations to others which may be the same as, or may be different from those concerning the Combined Investments or act with discretion for others. Subject to paragraph 16, FRB-NY further understands that the Manager, its affiliates, and any officer, director, stockholder, employee or any member of their families may or may not have an interest in any of the assets in which the Manager transacts on behalf of the Combined Investments. Subject to paragraph 16, actions with respect to assets of the same kind or class may be the same as or different from the action which the Manager, or any of its affiliates, or any officer, director, stockholder, employee or any member of their families, or other investors may take with respect to the Combined Investments.

16. Conflict of Interest.

16.1 **General Policies.** The Manager shall provide the ISO Officers with the internal ethics policies and procedures put in place to govern the conduct of its employees. Consistent with paragraph 12, these policies and procedures must be designed at a minimum to ensure that (a) personnel assigned to the management of the Combined Investments are adequately segregated from personnel involved with the Manager's general trading, brokerage, sales, or other activities that might be in conflict with the duty the Manager owes to FRB-NY, and (b) any information related to the management of the Combined Investments is not shared with personnel involved in activities that might be in conflict with the Manager's duty to FRB-NY without appropriate vetting and controls being put in place by the Manager's Legal and Compliance Department.

16.2 **Specific Prohibitions.**

16.2.1 The Manager acknowledges that it would breach its duties to FRB-NY hereunder for the Manager or an affiliate of the Manager to use Confidential Information obtained in the course of this engagement to enter into a trade or other transaction unrelated to the Transactions contemplated by the Operative Documents except as authorized below in paragraph 16.3 as part of an aggregate sale or purchase.

16.2.2 The Manager shall not knowingly engage in any transaction that would require the Borrower's consent pursuant to section 206(3) of the Advisers Act, as amended, and the rules and regulations promulgated thereunder unless such transaction is approved by FRB-NY and provided that only an affiliate of the Manager for purposes of the Advisers Act that is not a subsidiary of BlackRock, Inc. may be the principal in such a transaction with the Borrower.

16.2.3 The Manager shall not knowingly purchase any asset for inclusion in the Combined Investments from any account or portfolio for which the Manager or any of its affiliates serves as investment adviser or knowingly sell

any Combined Investments to any account portfolio for which the Manager or any such Affiliate serves as investment adviser.

**16.3 Investment Allocation Policy.** The Manager may aggregate sales and purchase orders of securities placed with respect to the Combined Investments with similar orders being made simultaneously for other accounts managed by the same group of the Manager if in the Manager's reasonable judgment such aggregation would result in an overall benefit to FRB-NY, taking into consideration the availability of purchasers or sellers, the selling or purchase price, brokerage commissions and other expenses. It is the policy of the Manager that investments may not be allocated to one client account over another based on any of the following considerations:

- (a) to favor one client account at the expense of another,
- (b) to generate higher fees paid by one client account over another or to produce greater performance compensation to the Manager,
- (c) to develop or enhance a relationship with a client or prospective client,
- (d) to compensate a client for past services or benefits rendered to the Manager or to induce future services or benefits to be rendered to the Manager, or
- (e) to manage or equalize investment performance among different client accounts.

In the event that a sale or purchase of any part of the Combined Investments occurs as part of any aggregate sales or purchase orders, the objective of the Manager shall be to allocate the executions among the accounts in a manner reasonably believed by the Manager to be fair and equitable for all accounts involved. The Manager has delivered to FRB-NY its Investment Allocation Policy, which further details the Manager's policies and procedures with respect to the aggregation of sale and purchase orders. The Manager shall put in place oversight and review policies similar to those contained in the Investment Allocation Policy specifically designed for the Financial Markets Advisory Group.

**17. Effective Period of Agreement and Amendments.**

17.1 This Agreement shall become effective on the date set forth in the first line of this Agreement and shall terminate upon the resignation or removal of the Manager in accordance with paragraph 18.

17.2 This Agreement may only be amended by a written instrument executed by both parties, except that any ISO Officer may, in his or her sole discretion upon written notice to the Manager, amend Exhibit A, E or F from time to time as it sees fit, and the President of FRB-NY (or any ISO Officer consistent with the authority in paragraph 3) may in his or her sole discretion, upon written notice to the Manager, amend Exhibit D from time to time.

18. Termination.

18.1 **Resignation or Removal of the Manager.** The Manager may be removed immediately by the ISO Function Head for any reason or may resign upon 90 days' written notice, which notice shall specify the effective date of termination. On the effective date of the removal or resignation of the Manager or as close to such date as is reasonably possible, the Manager shall provide the ISO Officers with a final report containing the same information as in the reports contemplated by paragraph 6.1. In the event of the removal or resignation of the Manager, the Manager and FRB-NY agree to cooperate with the ISO Officers to ensure an orderly transition to a new Investment Manager. The Manager and FRB-NY will also cooperate to identify any ongoing record retention requirements.

18.2 **Fees Upon Termination.** Fees payable upon termination shall be as provided in Exhibit B.

19. Assignment. No assignment of this Agreement by the Manager may be made without the consent of FRB-NY, and any such assignment made without such consent shall be null and void for all purposes. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and permitted assigns.

20. Severable. Any term or provision of this Agreement that is invalid or unenforceable in any applicable jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Agreement in any jurisdiction.

21. Applicable Law and Submission to Jurisdiction. This Agreement and the rights and obligations herein shall be governed by Federal law, and in the absence of controlling Federal law, in accordance with the laws of the State of New York, notwithstanding New York's conflict of law rules. Any legal action, suit or proceeding arising out of or in connection with this Agreement shall only be brought in the United States District Court for the Southern District of New York. For these purposes, the Borrower, FRB-NY, and the Manager submit to the jurisdiction of such court.

22. Risk Event Reporting, Notices and Annual Assertions. The Manager shall inform an ISO Officer concerning any possible Change in Control (as defined in Exhibit B) of the Manager as soon as such information is made available to the public. The Manager shall certify to FRB-NY each year in writing that the Manager complies with this Agreement or identifies and provides a rationale for any exceptions. The Manager shall promptly report to an ISO Officer the occurrence of any Risk Event upon becoming aware of the occurrence of such Risk Event. Upon becoming aware of the occurrence of a Risk Event, the Manager shall immediately



conduct a detailed investigation with respect to such Risk Event and shall promptly deliver to the ISO Officers a report on the expected impact of such Risk Event and the remedial actions taken or expected to be taken in response thereto and to prevent future occurrences. Any such report shall include, but not be limited to, details regarding when the circumstances giving rise to such Risk Event shall have commenced and the cause of such Risk Event. The Manager agrees to take reasonable remedial and/or protective measures, at the Manager's cost and expense, as requested by the ISO Officers in connection with the remediation of any Risk Event. For purposes of this Agreement, a "Risk Event" is: an event that occurs in the Manager's operations and related to the services to be performed hereunder that, in the reasonable opinion of the Manager, may result in (i) material harm to FRB-NY's, the Borrower's, and/or the Grantor Trusts' reputation or operations, (ii) material financial loss by FRB-NY, the Borrower, or the Grantor Trusts or (iii) material legal exposure for FRB-NY, the Borrower or the Grantor Trusts including but not limited to (1) an unplanned and non-routine event with respect to the Manager that may result from the absence of effective procedures, non-compliance with established procedures, or less than adequate or non-existent internal controls, (2) an external event that materially affects the Manager's business processes, (3) material human errors or technological problems with respect to the operations of the Manager that result from standard procedures or environmental, technological, or other types of change, and (4) any material control matters that arise in respect of any internal audits of groups or functions in the Manager's business that directly or indirectly support the services provided to FRB-NY under this Agreement.

23. Investment Manager Brochure. FRB-NY hereby acknowledges that it received from the Manager a copy of the Manager's Form ADV, Part II, at least 48 hours prior to first entering into this Agreement on September 9, 2008.

24. Key Personnel. The Manager's key personnel assigned to this matter are provided on Exhibit G. The Manager agrees to consult with FRB-NY before reassigning any key personnel and amending Exhibit G.

25. Notices. All notices required or permitted to be sent under this Agreement shall be sent, unless the applicable party notifies the other party or parties, as applicable, in writing otherwise,

if to the Manager:

BlackRock Financial Management, Inc.  
55 East 52<sup>nd</sup> Street  
New York, NY 10055

with copy to:

BlackRock Financial Management, Inc.  
40 East 52<sup>nd</sup> Street  
New York, NY 10055

if to FRB-NY:

Federal Reserve Bank of New York  
33 Liberty Street  
New York, NY 10045-0001

or if to FRB-NY's Chief Compliance Officer:

Federal Reserve Bank of New York  
33 Liberty Street  
New York, NY 10045-0001

with copy to:

Federal Reserve Bank of New York  
33 Liberty Street  
New York, NY 10045-0001

if to FRB-NY's General Counsel:

Federal Reserve Bank of New York  
33 Liberty Street  
New York, NY 10045-0001

if to an ISO Officer, as set forth in Exhibit D;

if to the Borrower:

Maiden Lane LLC  
c/o Puglisi & Associates  
850 Library Avenue, Suite 204  
Newark, DE 19711

with copy to:

Maiden Lane LLC  
c/o Federal Reserve Bank of New York, Managing  
Member  
33 Liberty Street  
New York, NY 10045-0001

Maiden Lane LLC  
c/o Federal Reserve Bank of New York, Managing  
Member  
33 Liberty Street  
New York, NY 10045-0001

All notices hereunder shall be sufficient if delivered by messenger, facsimile, e-mail or overnight mail. Any notices shall be deemed given only upon actual receipt.

26. Counterparts. This Agreement may be executed in counterparts, each of which shall be an original but all of which together shall constitute one agreement.

27. Use of Futures. Pursuant to an exemption from the Commodity Futures Trading Commission (the "Commission") in connection with accounts of qualified eligible clients, the Manager represents that this Agreement is not required to be, and has not been, filed with the Commission. The Commission does not pass upon the merits of participating in a trading program or upon the adequacy or accuracy of commodity trading advisor disclosure. Consequently, the Commission has not reviewed or approved this Agreement.

28. Survival. The following paragraphs shall survive any termination of this Agreement: 1, 12, 13, 14, 19, 20, 21, 25, 26, 28, 31 and 32.

29. Disaster Recovery. The Manager shall, at its own expense, maintain a disaster recovery plan in support of the services and related functions it performs for the FRB-NY under this Agreement that provides for disaster recovery and the resumption of business in the event that a disaster disrupts or impairs its provision of services pursuant to this Agreement. The Manager agrees to annually test its disaster recovery plan and shall promptly take corrective action to address any significant findings identified in such test and, upon request, provide a written report thereof to the ISO Officers. The Manager shall report to the FRB-NY on a semi-annual basis whether there have been any material changes to the Manager's disaster recovery plan, and if so, reporting on such material changes

30. Compliance with Laws and Regulations. The Manager shall conduct the appointment at all times in accordance with all laws and regulations applicable to it, including anti-money laundering ("AML"), counter-terrorist financing ("CTF"), and U.S. Office of Foreign Assets Control ("OFAC") laws and regulations and consumer privacy laws. The Manager shall provide the ISO Officers on request with summaries or copies of its policies and procedures to ensure compliance with laws, including applicable AML, CTF, and OFAC laws and regulations and consumer privacy laws.

31. No Waiver. No failure on the part of the Manager or FRB-NY to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power, privilege or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by the Manager or FRB-NY of any right, power, privilege or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power, privilege or remedy. The rights, powers, privileges and remedies herein provided are cumulative and are not exclusive of any rights, powers, privileges and remedies provided by law.

32. Integration.

32.1 The following exhibits, each as amended from time to time, form an integral part of this Agreement as if set forth fully herein: Exhibit A, Investment Policy for Combined Investments; Exhibit B, Fee Schedule; Exhibit C, Portfolio Overview; Exhibit D, FRB-NY Contacts; Exhibit E, Prohibited Broker Dealer List; Exhibit F, Approved Advisers and Related Expenses; and Exhibit G, Manager's Key Personnel. The following shall be the order of primacy in the event of any inconsistencies: Exhibit A, Exhibit E, the body of this Agreement, Exhibit B, Exhibit C, Exhibit D, Exhibit F and Exhibit G.

32.2 This Agreement supersedes and replaces the letter agreement regarding the same subject matter dated March 17, 2008, as well as any

previous agreements between the parties or proposals, whether oral or in writing, respecting the relevant subject matter related to Maiden Lane LLC .

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

## **Exhibit A**

### **Investment Policy for Combined Investments**

#### **II. Investment Objective**

The Manager's primary objective is to manage the Combined Investments in a manner consistent with paying off the Tranche A Loan (principal and accumulated interest) and meeting other obligations in the waterfall that are senior to the Tranche A and Tranche B loans; the Manager's secondary objective is to do so as quickly as possible.

The details of the applicable waterfall structure are contained in the Security Agreement.

A high-level description of the Combined Investments as of the Closing Date is attached as Exhibit C of this Agreement.











## Exhibit B

### Fee Schedule

Asset management fees accruing on and after July 1, 2012, shall be calculated in accordance with the following table

	bps on Gross Notional Assets Outstanding (excluding IOs)	Total Minimum fee per Calendar Quarter	
Fees on cash balances	2.0		
Fees on non-cash balances			
July 1, 2012 - June 30, 2013	12.5	2012/13	\$1,250,000
July 1, 2013 - June 30, 2014	12.5	2013/14	\$750,000
≥ July 1, 2014	12.5	2014/15 and thereafter	\$250,000

**Invoice and Timing of Payments.** The Manager's asset management fees accruing on and after July 1, 2012, shall be due and payable on a semi-annual basis, beginning in October 2012; provided that such fees shall accrue and vest on the final Business Day of September, December, March and June each year. Such fees shall be calculated by multiplying the applicable fee percentage set forth in the above table by the average outstanding notional balance (excluding IOs) of the Combined Investments (principal and accrued interest in the case of cash assets) during the applicable period. Except as provided below, upon becoming due and payable, the Manager's fees shall be paid within 30 days of receipt by an ISO Officer of an invoice showing the basis on which compensation is requested. A copy of such invoice should also be sent to the Borrower. Fees shall be paid exclusively from the Reserve Account pursuant to the Security Agreement. If there are insufficient funds in the Reserve Account to pay the entirety of the fees then due, the fees will be paid as soon as a sufficient balance exists and the Manager agrees that interest will not accrue on the amounts outstanding during this period. In no event shall FRB-NY be responsible for the Manager's fees or expenses.

**Disputes.** If FRB-NY, through the ISO Officers, disputes all or a portion of any invoice, FRB-NY will cause the Borrower to pay the undisputed amount (subject to the above conditions concerning the Reserve Account) from the Reserve Account. An ISO Officer will notify the Manager in writing of the specific reason and amount of any dispute. The Manager and the ISO Officers will work together, in good faith, to resolve any disputes as soon as reasonably practicable, and FRB-

NY will cause to be paid from the Reserve Account the amount, if any, agreed to by the parties based on the resolution.

**Additional Compensation.** The Manager shall not agree to accept compensation from any other entity in connection with the services provided by the Manager under this Agreement.

**Fees Upon Termination.** In the event this Agreement is terminated, FRB-NY will cause the Borrower to pay the Manager the pro rata amount of the asset management fees for services performed as of the date of termination that have not yet been paid, except that the Manager shall be entitled only to the asset management fees that have accrued and vested if the Manager terminates the Agreement or if FRB-NY terminates the Agreement in connection with one of the following events:

(i) The Manager has been charged, by indictment or information, with a felony offense;

(ii) A self-regulatory organization or other entity with regulatory or supervisory authority over the Manager has determined that there is material fraud, misappropriation or other financial wrong-doing within the Financial Markets Advisory Group of the Manager;

(iii) The Manager has lost a license, registration or exemption that is necessary in order for the Manager to lawfully perform the services contemplated by the Agreement; or

(iv) There has been a Change in Control that results in control of BlackRock, Inc. by a person or entity that is not approved as a result of the background screening conducted under FRB-NY's standard vendor integrity program.

For purposes of this Agreement, "Change in Control" shall mean any of the following events (provided, for the avoidance of doubt, that no Change of Control will be deemed to have occurred solely as a result of a sale or other disposition by The PNC Financial Services, Group, Inc. or its affiliates of their holdings of securities issued by BlackRock, Inc.):

(i) any "person" (as defined in section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), excluding for this purpose (A) BlackRock, Inc. or any subsidiary of BlackRock, Inc. or (B) any employee benefit plan of BlackRock, Inc. or any subsidiary of BlackRock, Inc. or any person or entity organized, appointed or established by the Manager for or pursuant to the terms of any such plan that acquires beneficial ownership of voting securities of BlackRock, Inc., is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of BlackRock, Inc. representing more than fifty percent (50%) of the combined

voting power of BlackRock, Inc.'s then outstanding securities; provided, however, that no Change in Control will be deemed to have occurred as a result of a change in ownership percentage resulting solely from an acquisition of securities by BlackRock, Inc.; or

(ii) persons who as of the Effective Date constitute the Board (the "Incumbent Directors") cease for any reason, including without limitation, as a result of a tender offer, proxy contest, merger or similar transaction, to constitute at least a majority of the Board, provided that any person becoming a director of BlackRock, Inc. subsequent to the Effective Date shall be considered an Incumbent Director if such person's election or nomination for election was approved by a vote of at least fifty percent (50%) of the Incumbent Directors; but provided further, that any such person whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of members of the Board or other actual or threatened solicitation of proxies or consents by or on behalf of a "person" (as defined in Section 13(d) and 14(d) of the Exchange Act) other than the Board, including by reason of agreement intended to avoid or settle any such actual or threatened contest or solicitation, shall not be considered an Incumbent Director; or

(iii) consummation of a reorganization, merger or consolidation or sale or other disposition of at least eighty percent (80%) of the assets of BlackRock, Inc. (a "Business Combination"), in each case, unless, following such Business Combination, all or substantially all of the individuals and entities who were the beneficial owners of outstanding voting securities of BlackRock, Inc. immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the company resulting from such Business Combination (including, without limitation, a company that, as a result of such transaction, owns BlackRock, Inc. or all or substantially all of BlackRock, Inc.'s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the outstanding voting securities of BlackRock, Inc.



**Exhibit C**

**Portfolio Overview as of the Closing Date**

**Cash Assets**

<b>Asset type</b>	<b>3/14/2008 Market Value</b>	<b>Description</b>
Residential loans	\$1.6 BN	<ul style="list-style-type: none"> <li>• First and second lien residential mortgages</li> </ul>
Commercial Loans	\$8.2 BN	<ul style="list-style-type: none"> <li>• Whole and syndicated mortgage loans to commercial entities</li> </ul>
Agency CMO	\$10.1 BN	<ul style="list-style-type: none"> <li>• Mortgage securitizations with credit guaranteed by government sponsored entities such as Fannie Mae and Freddie Mac.</li> <li>• Subject to interest rate risk but minimal credit risk.</li> <li>• Generally liquid and high quality (typically considered AAA)</li> </ul>
Non-Agency CMOs	\$5.1 BN	<ul style="list-style-type: none"> <li>• Tranches of residential mortgage CMOs collateralized by non-Agency securities</li> </ul>
CMBS	\$0.6 BN	<ul style="list-style-type: none"> <li>• Commercial mortgage-backed securitizations consisting of loans to commercial entities such as hotels and office buildings</li> </ul>
CDO/CLO	\$0.9 BN	<ul style="list-style-type: none"> <li>• Collateralized debt or loan obligations. Securitizations of corporate or middle-market debt</li> </ul>
ABS	\$0.1 BN	<ul style="list-style-type: none"> <li>• Securities backed by credit card receivables, auto loans, student loans, and home equity loans</li> </ul>

**Associated Hedges**

<b>Asset type</b>	<b>3/14/2008 Market Value</b>	<b>Description</b>
Single Name CDS	\$3.3 BN	<ul style="list-style-type: none"> <li>• Idiosyncratic hedges on specific tranches of ABS</li> </ul>



CMBX	\$0.4 BN	<ul style="list-style-type: none"> <li>Hedges on commercial mortgage exposure</li> </ul>
Swaps & Other Hedges	-\$0.3 BN	<ul style="list-style-type: none"> <li>Duration hedges, equity hedges, swaps on baskets of commercial mortgages</li> </ul>

**Exhibit D**

**FRB-NY Contacts**







**Exhibit E**

**Prohibited Broker Dealer List**

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**Exhibit F**

**Approved Advisers and Related Expenses**

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**Exhibit G**

**Manager's Key Personnel**



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