



TO DEPOSITORIES, NOMINEES, CUSTODIANS, OTHER INTERMEDIARIES: THIS TRANSMITTAL CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. ALL DEPOSITORIES, NOMINEES, CUSTODIANS, AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RETRANSMITTAL TO THE BENEFICIAL OWNERS OF SUCH SECURITIES OR OTHER SUCH REPRESENTATIVES WHO ARE AUTHORIZED TO TAKE ACTION IMMEDIATELY. YOUR FAILURE TO ACT PROMPTLY IN COMPLIANCE WITH THIS PARAGRAPH MAY IMPAIR THE ABILITY OF THE BENEFICIAL OWNERS ON WHOSE BEHALF YOU ACT TO TAKE APPROPRIATE ACTIONS CONCERNING THE MATTERS DESCRIBED IN THIS NOTICE.

TO CERTIFICATEHOLDERS: YOU SHOULD READ THIS NOTICE AND ACCOMPANYING EXHIBIT(S) THOROUGHLY AND CAREFULLY. YOUR RIGHTS MAY BE AFFECTED. PLEASE TAKE NOTE OF THE DEADLINES SET FORTH HEREIN. YOU SHOULD DISCUSS THE INFORMATION HEREIN WITH YOUR ATTORNEY AND/OR OTHER ADVISORS. IF YOU DO NOT HAVE AN ATTORNEY OR ADVISOR, YOU MAY WISH TO ENGAGE ONE. CERTIFICATEHOLDERS SHOULD NOT RELY ON THIS NOTICE OR THE TRUSTEE AS THEIR SOLE SOURCE OF INFORMATION.

**NOTICE AND REQUEST FOR DIRECTION
REGARDING PROPOSED SETTLEMENT AGREEMENT**

RECORD DATE: September 2, 2025

RESPONSE DEADLINE: October 17, 2025

**To the Certificateholders of
ACE Securities Corp., Home Equity Loan Trust, Series 2006-FM1**

CUSIP Nos. *

| | | | |
|-----------|-----------|-----------|-----------|
| 00441VAA6 | 00441VAF5 | 00441VAL2 | 00441VAR9 |
| 00441VAB4 | 00441VAG3 | 00441VAM0 | ACE06FM1P |
| 00441VAC2 | 00441VAH1 | 00441VAN8 | ACE6FM1CE |
| 00441VAD0 | 00441VAJ7 | 00441VAP3 | ACE06FM1R |
| 00441VAE8 | 00441VAK4 | 00441VAQ1 | |

* The CUSIP numbers are included herein solely for the convenience of the registered owners of the Certificates. No representation is made as to the correctness or accuracy of the CUSIP numbers either as appearing on the Certificates or on this notice.

HSBC Bank USA, National Association, as trustee (the “**Trustee**”) of the ACE Securities Corp. Home Equity Loan Trust, Series 2006-FM1 (the “**Trust**”) is sending this Notice and Request for Direction Regarding Proposed Settlement Agreement (“**Notice and Request for Direction**”) with respect to a Proposed Settlement Agreement it recently received in connection with Litigation it is pursuing on behalf of the Trust at the direction of Certificateholders.¹

As explained in further detail below, pursuant to this Notice and Request for Direction the Trustee seeks direction from all Certificateholders of the Trust regarding whether or not the Trustee should accept the Proposed Settlement Agreement. Certificateholders are encouraged to (1) closely review this Notice and Request for Direction, and the Proposed Settlement Agreement, with their own advisors and (2) submit their direction to the Trustee in connection therewith pursuant to the procedures, and by the deadline, described herein.

The matters described in this notice involve complex issues of law and fact, and Certificateholders are advised to consult with their own legal and financial advisors regarding the issues presented. Certificateholders and other interested persons of the Trust should not rely on the Trustee, or on counsel or other advisors retained by the Trustee, as their sole source of information.

* * *

The Litigation

As discussed further in the Prior Notices, at the direction of Freedom Trust 2011-2 (the “**Directing Certificateholder**”), the Trustee filed a complaint against the Sponsor on January 28, 2013, in New York State Supreme Court asserting representation and warranty breach claims relating to certain Group II Mortgage Loans (Index No. 652985/2012) (the “**Litigation**”). Following the grant of the Sponsor’s motion to dismiss the Trustee’s first amended complaint and partially successful appeal by the Trustee to the Appellate Division of the New York State Supreme Court, First Judicial Department (the “**First Department**”) regarding such dismissal, the Trustee filed its second amended complaint on April 30, 2019. After the First Department affirmed the dismissal of the representation and warranty breach claims, the Trustee’s second amended complaint advanced breach of contract claims based on the Sponsor’s failure to notify the Trustee of loan breaches. Since 2019, the Litigation has proceeded under the failure-to-notify theory, and extensive document discovery has been exchanged.

¹ Reference is made to (i) the Pooling and Servicing Agreement (the “**PSA**”), dated August 1, 2006, among ACE Securities Corp., as depositor, Fremont Investment & Loan, as servicer, Wells Fargo Bank, National Association, as master servicer and securities administrator, and HSBC Bank USA, National Association, as trustee (the “**Trustee**”) of the ACE Securities Corp. Home Equity Loan Trust, Series 2006-FM1 (the “**Trust**”); (ii) the Mortgage Loan Purchase Agreement, dated August 25, 2006 (the “**MLPA**”) between DB Structured Products, Inc., as seller (the “**Sponsor**”), and ACE Securities Corp., as purchaser (the PSA, MLPA, together with all other agreements governing the Trust, the “**Governing Agreements**”); and (iii) the Trustee’s prior notices to Certificateholders dated September 19, 2012, March 14, 2013, February 19, 2014, April 2, 2014, April 18, 2014, May 23, 2018, and May 20, 2019 (the “**Prior Notices**”). Capitalized terms used but not defined herein shall have the meaning set forth in the Governing Agreements or in the Proposed Settlement Agreement.

On January 7, 2025, the First Department ruled in litigation unrelated to the Trust that failure-to-notify claims should have been dismissed where the defendant was subject to a repurchase protocol under the governing transaction documents. *U.S. Bank Nat'l Ass'n v. EquiFirst Corp.*, 234 A.D.3d 463, 463, 223 N.Y.S.3d 95 (2025) (“*EquiFirst*”). On March 21, 2025, the Sponsor filed a renewed motion to dismiss the Trustee’s failure-to-notify claims, arguing that, pursuant to the *EquiFirst* decision, the sole remedy provision in the PSA precludes the assertion of such claims. Since *EquiFirst*, additional First Department panels have dismissed failure-to-notify claims. *U.S. Bank Nat'l Ass'n v. DLJ Mortg. Cap., Inc.*, 237 A.D.3d 509, 510, 233 N.Y.S.3d 4 (2025); *Deutsche Bank Nat'l Tr. Co. v. HSBC Fin. Corp.*, 236 A.D.3d 589, 590, 228 N.Y.S.3d 568 (2025).

The Litigation involves complex issues of law and fact, and Certificateholders are advised to consult with their own legal and financial advisors regarding the issues presented. The Trustee recommends that Certificateholders stay abreast of relevant developments through various public information sources, including the New York State Supreme Court website, and not rely on the Trustee’s notices as their sole source of information. The Trustee makes no representations about the timeliness, completeness, or accuracy of any of these sources.

In accordance with the prior direction of Certificateholders, the fees and expenses incurred by the Trustee in connection with the Litigation have been and are continuing to be paid from funds maintained by the Trust. The amount of the fees and expenses that may be required to prosecute the Litigation to a final resolution is uncertain. In the event the Proposed Settlement Agreement is rejected, it is anticipated that the future fees and expenses that will be incurred in connection with the Litigation will be significant and may exceed the recovery in the Litigation, if any.

The ASAP1 Litigation

Separately, the Trustee, in its capacity as trustee of the ACE Securities Corp. Home Equity Loan Trust, Series 2007-ASAP1 (the “**ASAP1 Trust**”), has been pursuing litigation (Index No. 650949/2013) (the “**ASAP1 Litigation**”) against the Sponsor, asserting breach of contract claims based on the Sponsor’s failure to notify the Trustee of loan breaches with respect to the ASAP1 Trust. On March 21, 2025, the Sponsor also filed a motion to dismiss the ASAP1 Litigation based on the *EquiFirst* decision.

Further information regarding the Litigation and the ASAP1 Litigation can be found through the New York State Supreme Court website at <http://iapps.courts.state.ny.us/iscroll/index.jsp> using the index numbers provided above.

Proposed Settlement Agreement

The Sponsor and Directing Certificateholder have provided the Trustee with a proposed settlement agreement (the “**Proposed Settlement Agreement**”) that would resolve the Litigation. A copy of the Proposed Settlement Agreement is attached hereto as **Exhibit A**.² The Proposed Settlement Agreement is the subject of this Notice and Request for Direction and is described

² Attached hereto as **Exhibit B** is a letter from the Directing Certificateholder in support of the Proposed Settlement Agreement (without exhibits).

further below. The Sponsor has also provided the Trustee with a proposed settlement agreement that would resolve the ASAP1 Litigation (the “**ASAP1 Proposed Settlement Agreement**”).

This Notice and Request for Direction summarizes certain terms of the Proposed Settlement Agreement and is not intended as a complete summary or statement of the material terms of that agreement, of relevant law or of relevant legal procedures. To the extent any description contained herein conflicts with any terms of the Proposed Settlement Agreement, the Proposed Settlement Agreement shall control.

Please note that the Trustee makes no recommendations and gives no advice as to the Proposed Settlement Agreement or other matters relating to the Trust. Certificateholders are advised to consult with their own legal and financial advisors regarding the issues presented by this Notice and Request for Direction and the Proposed Settlement Agreement and not to rely on the Trustee as their sole source of information.

Settlement Agreement Payments: Pursuant to the Proposed Settlement Agreement, the Sponsor shall pay to the Trust and the Directing Certificateholder a total of \$1,660,811.56 (the “**Payment**”) in two separate payments:

(1) **The Directing Holder Expense Reimbursement:** A payment of \$825,000 to the Directing Certificateholder to reimburse it for expenses and costs incurred by the Directing Certificateholder in connection with the Litigation (the “**Directing Certificateholder Reimbursement Amount**”).

(2) **The Net Payment:** A payment to the Trust of the remaining amount of the Payment net of the Directing Certificateholder Reimbursement Amount (the “**Net Payment**”).

The Release: Pursuant to the Proposed Settlement Agreement, the Trustee would release the “Released Claims” against the “Released Persons” (each as defined in the Proposed Settlement Agreement). Released Claims include (among other claims):

- (a) Claims with respect to the Mortgage Loans that were asserted in the Litigation, or would have been subject to the doctrine of *res judicata* had the Litigation been fully litigated to final judgment with respect to any claim that was asserted therein; and
- (b) Claims arising from or relating to the origination, transfer, sale, or delivery of Mortgage Loans to the Trust or any other Person, in each case pursuant to any of the Transaction Documents, and any and all obligations of any kind of the Sponsor, the Depositor, any Originator(s), the Credit Risk Manager, or any Related Person thereof, relating thereto under the Transaction Documents, including, but not limited to: (A) any alleged or actual breach of any covenants, representations and warranties in any of the Transaction Documents arising from or relating to the origination, transfer, sale, or delivery of Mortgage Loans to the Trust or any other Person, or any liability arising from or relating to a payment default with respect to a Mortgage Loan, or any alleged or actual failure to notify the Trustee of the foregoing; and (B) any alleged or actual obligation to repurchase Mortgage Loans, make payments of any kind, or otherwise compensate the Trust or any other Person

under any of the Transaction Documents for any Mortgage Loan on the basis of any such covenants, representations, or warranties in any of the Transaction Documents or otherwise, or failure to cure any alleged breaches of such covenants, representations and warranties.

Payment and Distribution of Net Payment: Within fifteen (15) calendar days following the Trustee's acceptance of the Proposed Settlement Agreement, the Sponsor will be required to make the Net Payment to the Trust for distribution to Certificateholders in accordance with the terms of the Proposed Settlement Agreement and the Governing Documents.

Pursuant to the terms of the Proposed Settlement Agreement, the Trustee is to request, in accordance with the Governing Documents, that the Securities Administrator:

- (a) accept the wire transfer of the Net Payment from the Sponsor into the Distribution Account (as defined in the PSA);
- (b) distribute the Net Payment as though the Net Payment were unscheduled collections of principal to be applied as recoveries of principal (though, for clarification purposes, not Subsequent Recoveries) on the Mortgage Loans, available for distribution on the related Distribution Date and distribute the Net Payment (net of any expenses incurred by the Securities Administrator in connection with the Proposed Settlement Agreement that are reimbursable to the Securities Administrator pursuant to the PSA) solely to the Class A-2 Certificates in accordance with the last paragraph of Section 5.01(c)(6) of the PSA (*i.e.*, payments to the outstanding Class A-2A, Class A-2B, Class A-2C and Class A-2D Certificates are made on a *pro rata* basis, based on the Certificate Principal Balance of each such Class, until the Certificate Principal Balance of each such Class has been reduced to zero); and
- (c) not distribute any portion of the Net Payment to any Servicer.

Dismissal of Litigation: No later than three (3) Business Days after the Trust's receipt of the Net Payment from the Sponsor, the Trustee will be required to cause to be filed stipulations of voluntary dismissal with prejudice of the Litigation pursuant to N.Y. C.P.L.R. 3217(a)(2). The Trustee will also be required to take all other steps as necessary to effect dismissal with prejudice of the Litigation, including but not limited to filing, if requested by the court in the Litigation, a proposed order of discontinuance with prejudice in a form reasonably acceptable to the Sponsor.

Sponsor/Directing Certificateholder Termination Right: Prior to the Trustee's acceptance, the Sponsor and the Directing Certificateholder are each permitted to terminate the Proposed Settlement Agreement if, (a) within thirty (30) calendar days of the Execution Date of the Proposed Settlement Agreement, the Trustee has not commenced the Certificateholder solicitation contemplated by this Notice and Request for Direction or (b) the Trustee does not require Certificateholders to submit responses to this Notice and Request for Direction within 45 days of the date thereof.

Automatic Termination: If the Trustee does not accept the Proposed Settlement Agreement within two hundred seventy (270) calendar days of the Execution Date of the Proposed

Settlement Agreement, unless such deadline is extended by mutual agreement of the Sponsor and the Directing Certificateholder, the Proposed Settlement Agreement will automatically be deemed to be terminated on the next Business Day after such date.

Acceptance of ASAP1 Proposed Settlement Agreement: The Trustee will not be deemed to have accepted the Proposed Settlement Agreement unless the Trustee has also accepted the ASAP1 Proposed Settlement Agreement.

Solicitation Overview

Pursuant to this Notice and Request for Direction, the Trustee is seeking direction from all Certificateholders of the Trust (1) as to the Trustee, regarding whether to accept or reject the Proposed Settlement Agreement (including with respect to the Directing Certificateholder Reimbursement Amount), and (2) as to the Trustee and Securities Administrator, if the Proposed Settlement Agreement is accepted, to implement the Proposed Settlement Agreement in accordance with its terms, including, distributing the Net Payment in accordance therewith and in accordance with the PSA.

Certificateholders who direct the Trustee to reject the Proposed Settlement Agreement are asked to confirm by October 17, 2025, whether they are willing to direct and indemnify the Trustee to continue pursuing the Litigation. Any Certificateholders willing to provide a direction and indemnity to the Trustee to continue the Litigation should contact the Trustee, via the contact information provided for its Tabulation Agent below, no later than October 24, 2025, to discuss the terms of such direction and indemnity. Failure to contact the Trustee by October 24, 2025, will be deemed a rescission of the Certificateholders' confirmation that they are willing to provide such direction and indemnity to the Trustee.

Indemnity from Trust Funds

Pursuant to its rights under the Governing Documents, the Trustee will pay any fees, costs and other indemnifiable amounts that may be incurred by the Trustee related to or in connection with its review, acceptance and/or implementation of the Proposed Settlement Agreement from funds maintained by the Trust. The amount of any fees, costs, expenses, and other indemnifiable amounts that may be incurred by the Trustee in connection with its review, acceptance and implementation of the Proposed Settlement Agreement is uncertain and may be significant. The Trustee makes no representations regarding the final amount of such fees, costs, and other indemnifiable amounts.

Pursuant to its rights under the Governing Documents, the Securities Administrator will pay any fees, costs and other indemnifiable amounts that may be incurred by the Securities Administrator related to or in connection with its review and/or implementation of the Proposed Settlement Agreement from funds maintained by the Trust. The amount of any fees, costs, expenses, and other indemnifiable amounts that may be incurred by the Securities Administrator in connection with its review and implementation of the Proposed Settlement Agreement is uncertain. The Securities Administrator makes no representations regarding the final amount of such fees, costs and other indemnifiable amounts.

****ACTION TO BE TAKEN****

Direction Requested

The Trustee hereby requests that all Certificateholders of the Trust review this Notice and Request for Direction and contact their respective bank, broker, or custodian that is a DTC Participant to instruct that entity to complete the Notice and Request for Direction attached hereto as **Exhibit C** and provide it to the Trustee by October 17, 2025, as to whether or not they direct the Trustee and the Securities Administrator to act in accordance with the below “**Direction to Accept & Implement the Proposed Settlement.**”

Where noted in **Exhibit C**, Certificateholders who direct the Trustee to reject the Proposed Settlement Agreement are asked to confirm whether they are willing to direct and indemnify the Trustee to continue pursuing the Litigation. Any Certificateholders who so confirm must provide their contact information to the Trustee and must also contact the Trustee, via the contact information provided for its Tabulation Agent below, no later than October 24, 2025, to discuss the terms of such direction and indemnity. Certificateholders’ failure to so contact the Trustee by October 24, 2025, will be deemed to be a rescission of such Certificateholders’ confirmation that they are willing to provide such direction and indemnity to the Trustee.

Certificateholders providing their direction that are the Sponsor or an “affiliate” of the Sponsor (as defined in the PSA)³ should disclose their holdings in the Certificates, when submitting their direction to the Trustee.

Certificateholders who hold their Certificates directly, and not through a DTC participant financial institution, should contact the Tabulation Agent directly, via the contact information provided below, for a copy of a separate direction letter.

DIRECTION TO ACCEPT & IMPLEMENT THE PROPOSED SETTLEMENT

Directing (i) the Trustee to accept the Proposed Settlement Agreement and to implement the terms of the Proposed Settlement Agreement, in accordance with the acceptance and implementation provisions provided therein; and (ii) the Securities Administrator to accept and distribute the Net Payment in accordance with the Proposed Settlement Agreement and the PSA.

* * *

The record date for this solicitation is September 2, 2025. Executed letters of direction signifying whether or not Certificateholders are directing the Trustee and Securities Administrator to follow the Direction to Accept & Implement the Proposed Settlement must be received by

³ As defined in the PSA, “affiliate” means: with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

Globic Advisors, acting as tabulation agent (the “**Tabulation Agent**”) no later than **5:00 p.m. (New York time) on October 17, 2025** (the “**Response Deadline**”) via e-mail or facsimile with originals to follow by mail, via overnight courier or second-day delivery, at the following address:

Globic Advisors
Attn: Robert Stevens
7777 Glades Rd, Ste 100,
Boca Raton, FL 33434
Fax: 212-271-3252 Email: rstevens@globic.com
Document Site URL: www.globic.com/ace2006fm1

The Trustee reserves its right to extend the Response Deadline and, in such event, any letters of direction received prior to the expiration of the Response Deadline will remain valid unless expressly withdrawn in writing.

Questions or requests for additional information with respect to this notice may be directed to Robert Stevens at 212-227-9699 or via e-mail at rstevens@globic.com. In order to ensure a timely response, all questions or requests for additional information must be received no later than 5:00 p.m. (New York time) on October 10, 2025.

Certificateholders and other persons interested in the Trust should not rely on (i) the Trustee, its counsel, or any other advisors that may be retained by the Trustee, or (ii) the Securities Administrator, its counsel, or any other advisors that may be retained by the Securities Administrator, in each case, as their sole source of information. Although this Notice and Request for Direction contains a summary of certain information, this Notice and Request for Direction is not a complete summary or statement of such information, of relevant law, or of relevant legal procedures and the Trustee and Securities Administrator make no representation and accepts no responsibility or liability as to the completeness or accuracy of the information provided herein. Certificateholders should carefully consider the implications of the matters described in this Notice and Request for Direction and consult with their own legal and financial advisors.

Please note that this Notice and Request for Direction is not intended and should not be construed as investment, accounting, financial, legal, tax, or other advice by or on behalf of the Trustee, Securities Administrator, or their directors, officers, affiliates, agents, attorneys, or employees. Each person or entity receiving this Notice and Request for Direction should seek the advice of its own advisors in respect of the matters set forth herein.

Please be further advised that each of the Trustee and Securities Administrator reserves all of the rights, powers, claims, and remedies available to it under the Governing Documents and applicable law. No delay or forbearance by the Trustee or Securities Administrator in exercising any right or remedy accruing upon the occurrence of a default, or otherwise under the terms of the Governing Documents, other documentation relating thereto or under applicable law, shall impair any such right or remedy or constitute a waiver thereof or acquiescence therein.

Each of the Trustee and Securities Administrator expressly reserves all rights in respect of the Governing Documents, including, without limitation, its right to recover in full its fees and costs (including, without limitation, fees and costs incurred or to be incurred by it in performing its duties, indemnities owing or to become owing to it, compensation for its time spent, and reimbursement for fees and costs of counsel and other agents it employs in performing its duties or to pursue remedies) and its right, prior to exercising any rights or powers in connection with the Governing Documents at the request or direction of any Certificateholder, to receive security or indemnity satisfactory to it in accordance with the Governing Documents against all costs, expenses, and liabilities which might be incurred in compliance therewith, and all rights that may be available to it under applicable law or otherwise.

Prior to any distribution to Certificateholders, to the extent permitted under the Governing Documents, funds held by the Trustee or the Securities Administrator may be used first for payment of the fees and costs incurred or to be incurred by each of the Trustee and Securities Administrator in performing its duties, as well as for any indemnities owing or to become owing to the Trustee, Securities Administrator, or other transaction parties as set forth in the Governing Documents. This includes, but is not limited to, compensation for Trustee or Securities Administrator time spent, and the fees and costs of counsel and other agents it employs, to pursue remedies or other actions, including the resolution of the issues described in this Notice and Request for Direction.

Recipients of this Notice and Request for Direction are cautioned that this Notice and Request for Direction is not evidence that the Trustee will recognize the recipient as a Certificateholder. The Trustee may also conclude that a specific response to particular inquiries from individual Certificateholders is not consistent with equal and full dissemination of information to all Certificateholders.

Dated: September 2, 2025

HSBC Bank USA, National Association, as Trustee of the ACE Securities Corp., Home Equity Loan Trust, Series 2006-FM1

Exhibit A

Proposed Settlement Agreement

EXECUTION VERSION**TRUST SETTLEMENT AGREEMENT
(ACE 2006-FM1)**

This Trust Settlement Agreement (the “Agreement”), dated as of August 20, 2025 (the “Execution Date”), is made by and among DB Structured Products, Inc. (“DBSP”), Freedom Trust 2011-2 (“FT”), and, upon acceptance as described below, HSBC Bank USA, National Association (the “Trustee”), solely in its capacity as trustee of the ACE Securities Corp. Home Equity Loan Trust, Series 2006-FM1 (the “Trust”). Each of DBSP, FT and, upon acceptance as described below, the Trustee, individually is a “Party” hereto, and together they constitute the “Parties.” Certain capitalized terms used herein are defined in Section 1 of this Agreement. Other capitalized terms used but not defined herein shall have the meaning assigned to them in the PSA (as defined below).

Recitals

A. FT caused the Trustee to be notified (and the Trustee subsequently notified DBSP) that certain Group II Mortgage Loans allegedly breached representations and warranties made by DBSP in the Transaction Documents (as defined below) and issued a direction to the Trustee to initiate litigation against DBSP;

B. The Trustee, on behalf of the Trust, has asserted certain claims against DBSP in the Supreme Court for the State of New York, County of New York, in an action captioned *ACE Securities Corp. Home Equity Loan Trust, Series 2006-FM1, by HSBC Bank USA, National Association, as Trustee v. DB Structured Products, Inc.*, Index No. 652985/2012 (N.Y. Sup. Ct. N.Y. Cnty.) (the “Action”); and

C. DBSP and FT have reached agreement, as described herein, concerning a proposed settlement pursuant to which DBSP will make a payment to the Trust that, upon acceptance of the terms hereof by the Trustee, would resolve the Action and release certain claims under the Transaction Documents.

Agreement

The Parties, intending to be legally bound, agree as follows:

1. **Defined Terms.** As used in this Agreement, in addition to the terms otherwise defined herein, the following terms have the meanings set forth below:

“Acceptance Deadline” means 270 days from the Execution Date.

“Action” is defined in Recital B.

“Agreement” is defined in the Preamble.

“Business Day” means any day other than a Saturday, a Sunday or a day on which banking or savings and loan institutions in the State of New York are authorized or obligated by law or executive order to be closed.

“Certificateholder” means each Certificateholder (as defined in the PSA) and Certificate Owner (as defined in the PSA) from time to time, and each Certificateholder’s successors in interest, assigns and transferees.

“C&I Agreement” means the Confidentiality and Indemnification Agreement to which FT and the trustee are parties.

“Credit Risk Manager” means Clayton Fixed Income Services Inc., in its capacity as Credit Risk Manager.

“DBSP” is defined in the Preamble.

“Depositor” means ACE Securities Corp.

“Disclosure Claims” is defined in Section 7(e).

“Execution Date” is defined in the Preamble.

“FT” is defined in the preamble.

“Investors” means all Certificateholders in the Trust, and their successors in interest, assigns, pledgees, and/or transferees.

“Losses” means any and all losses, costs, payments, fines, penalties, assessments, demands, charges, fees, judgments, damages, awards, disbursements and amounts paid in settlement, punitive damages, foreseeable and unforeseeable damages, incidental or consequential damages, in each case of whatever kind or nature.

“Master Servicer” means Wells Fargo Bank, N.A., in its capacity as Master Servicer under the PSA, including Computershare Trust Company, National Association as agent for Wells Fargo Bank, N.A., or any successor-in-interest to Wells Fargo Bank, N.A. in its capacity as Master Servicer under the PSA.¹

“Mortgage Loan” means each of the Group II Mortgage Loans (as defined in the PSA) in which the Trust has held, holds or will hold an interest at any time, whether past, present or future.

“Net Payment” is defined in Section 4.

“Originator” means any Person who originated any Mortgage Loans or acquired, transferred or sold any Mortgage Loans, whether to the Trust, the Depositor, the Sponsor or any other Person.

“Party” and “Parties” are defined in the Preamble.

¹ Computershare Trust Company, or one or more of its affiliates, acts in its named capacity or as agent of or successor to Wells Fargo Bank, N.A. (“Wells Fargo”) or one or more of its affiliates, by virtue of the acquisition by Computershare of substantially all the assets of the corporate trust services business of Wells Fargo.

“Payment” is defined in Section 4.

“Person” means any individual, corporation, company, partnership, limited liability company, joint venture, association, trust, or other entity, including a governmental authority.

“Precluded Persons” is defined in Section 7(a).

“PSA” means the Pooling and Servicing Agreement, dated as of August 1, 2006, between the Depositor, the Servicer, the Master Servicer, the Securities Administrator, and the Trustee.

“Related Persons” means, with respect to a Person, (i) any other Person directly or indirectly controlling, controlled by or under common control with such Person, (ii) each of their respective predecessors, successors and assigns, and (iii) each employee, officer, director, manager or representative of any of the foregoing.

“Released Claims” means all alleged or actual claims, counterclaims, defenses, rights of setoff, rights of rescission, liens, disputes, liabilities, Losses, debts, expenses (including attorney’s fees), obligations, demands, claims for accountings or audits, rights, and causes of action of any kind or nature whatsoever, whether asserted or unasserted, known or unknown, suspected or unsuspected, fixed or contingent, in contract, tort, or otherwise, secured or unsecured, accrued or unaccrued, whether direct, indirect, derivative, by subrogation or brought in any other capacity, including claims that previously existed, currently exist, or exist in the future, and arising out of, connected to, or relating to:

(i) any claim with respect to the Mortgage Loans that was asserted in the Action, or would have been subject to the doctrine of *res judicata* had the Action been fully litigated to final judgment with respect to any claim that was asserted therein;

(ii) any claim arising from or relating to the origination, transfer, sale, or delivery of Mortgage Loans to the Trust or any other Person, in each case pursuant to any of the Transaction Documents, and any and all obligations of any kind of DBSP, the Depositor, any Originator(s), the Credit Risk Manager, or any Related Person thereof, relating thereto under the Transaction Documents, including, but not limited to (A) any alleged or actual breach of any covenants, representations and warranties in any of the Transaction Documents arising from or relating to the origination, transfer, sale, or delivery of Mortgage Loans to the Trust or any other Person, or any liability arising from or relating to a payment default with respect to a Mortgage Loan, or any alleged or actual failure to notify the Trustee of the foregoing; and (B) any alleged or actual obligation to repurchase Mortgage Loans, make payments of any kind or otherwise compensate the Trust or any other Person under any of the Transaction Documents for any Mortgage Loan on the basis of any such covenants, representations or warranties in any of the Transaction Documents or otherwise or failure to cure any alleged breaches of such covenants, representations and warranties;

(iii) subject to Section 7(g) hereof, the custody or documentation of Mortgage Loans as such custody or documentation exists as of, or existed prior to, the Settlement Date, including with respect to alleged defective, incomplete or non-existent documentation, as well as issues arising out of or relating to recordation, title, assignment or any other matter relating to legal enforceability of Mortgage Loans, whether pursuant to the PSA, Custodial Agreement (as defined in the PSA) or other Transaction Document, provided, however, that Released Claims shall not include claims relating to the Custodian's obligation under the Transaction Documents to maintain the Mortgage Files received by the Custodian;

(iv) any obligation of any Person, including without limitation any Originator or Sponsor, to take any enforcement or other action or provide any notice towards, or with respect to, any matter that is a Released Claim;

(v) any obligation of the Servicer, the Master Servicer, or the Securities Administrator arising from or relating to (x) any actual or alleged breaches of covenants, representations, or warranties of the Sponsor or the Depositor relating to the Mortgage Loans in any of the Transaction Documents or (y) any actual or alleged breaches of covenants, representations, or warranties made by any Originator(s) to the Sponsor arising from or relating to the origination of Mortgage Loans or the transfer, sale, or delivery of Mortgage Loans to the Sponsor; provided, however, that any claim based solely on the Servicer's, the Master Servicer's or the Securities Administrator's activities unrelated to any actual or alleged breaches of covenants, representations, or warranties of the Sponsor or the Depositor relating to the Mortgage Loans in any of the Transaction Documents (including, but not limited to calculation, aggregation and remittance of payments relating to Mortgage Loans, accounting for principal and interest, preparation of tax-related information in connection with Mortgage Loans, collection of payments from borrowers and foreclosure, modification and other loss mitigation activities) is not a Released Claim with respect to the Servicer, the Master Servicer, or the Securities Administrator;

(vi) the distribution of the Payment to, or within, the Trust, and any tax consequences to the Trust or the Certificateholders relating to such distribution; or

(vii) any claim for indemnification or contribution with respect to any of the foregoing.

"Released Persons" means, in each case, solely in their capacities as such, (A) the Credit Risk Manager, Depositor, Originator(s), and Sponsor, (B) each Related Person (other than the Trustee, Securities Administrator, Master Servicer or Servicer) of a Person specified in clause (A) of this definition, (C) solely with respect to clause (v) of the definition of Released Claims, and clause (vii) of the definition of Released Claims to the extent it relates to clause (v), any Servicer, Master Servicer or Securities Administrator; and (D) solely with respect to clause (v) of the definition of Released Claims, and clause (vii) of the definition of Released Claims to the extent it relates to clause (v), each Related Person (other than the Trustee) of a Person specified in clause (C) of this definition. For

the avoidance of doubt, and notwithstanding anything in this Agreement to the contrary, the Trustee is not a Released Person.

“Securities Administrator” means Wells Fargo Bank, N.A. in its capacity as Securities Administrator under the PSA, including Computershare Trust Company, National Association as agent for Wells Fargo Bank, N.A., or any successor-in-interest to Wells Fargo Bank, N.A. in its capacity as Securities Administrator.

“Servicer” means the Servicer (as defined in the PSA).

“Settlement” means the negotiated settlement set forth in this Agreement, including all terms and conditions thereof.

“Settlement Date” means the date on which the Trust has received the Payment in accordance with this Agreement.

“Sponsor” means DBSP.

“Termination Date” is defined in Section 2(c).

“Transaction Documents” means the PSA, each Custodial Agreement and Mortgage Loan Purchase Agreement (each as defined in the PSA) with respect to the Trust or any Mortgage Loans, and all other assignment agreements, custodial agreements, indemnity agreements, sale and servicing agreements, insurance and indemnity agreements, mortgage loan purchase agreements, indentures, trust agreements, and/or other similar agreements or documents, in each case relating to the Trust or any Mortgage Loans, including prospectuses and prospectus supplements and any amendments thereto or similar disclosure documents disseminated or other disclosures made in relation to the Trust or Mortgage Loans.

“Trust” is defined in the Preamble.

“Trustee” is defined in the Preamble.

“Trustee’s Acceptance” is defined in Section 2(c).

2. **Settlement Process.**

(a) This Agreement shall be binding and effective upon DBSP and FT as of the Execution Date and shall continue to be binding and irrevocable until the Termination Date.

(b) Support by FT

(i) Within two (2) Business Days following the execution of this Agreement, FT shall submit a letter to the Trustee (the “Request Letter”) (A) expressing its support for the Settlement, (B) requesting that the Trustee submit the proposed Settlement, the Agreement

(with any changes requested by the Trustee and agreed to by FT and DBSP), and the Request Letter to the Certificateholders for the purpose of (x) notifying such Certificateholders of the existence, terms and conditions of the Settlement and of FT's support thereof, and (y) conducting a vote of the Certificateholders entitled to vote thereon as of the date of such notice with respect to the approval or rejection of the Settlement with respect to the Trust and the use of Settlement amounts to pay or reimburse certain fees, expenses, and costs, as contemplated by Section 4, and (C) indicating that FT will vote in favor of the acceptance by the Trustee of the Settlement (the "FT Vote"). For the avoidance of doubt, the Request Letter shall not constitute, and FT is not providing, a direction, indemnity, or instruction under any Transaction Document to the Trustee (other than in connection with a vote of its Trust Certificates as described herein) in connection with the matters contemplated by this Agreement, and FT shall not be required to indemnify, or pay or reimburse the costs or expenses of, any Person or to otherwise pay any out-of-pocket costs in connection with the matters contemplated by this Agreement.

(ii) FT will promptly effectuate the FT Vote within the time period required by the Trustee. In addition, FT shall provide reasonable support in furtherance of effectuating the Settlement by voting and/or causing the voting of all Trust certificates held by FT against any proposal that would have the effect of disapproving, frustrating or delaying approval of the Settlement. FT shall not transfer or dispose of any such Trust certificates held or otherwise controlled by FT (other than to a Person who agrees to vote all such transferred certificates in favor of the Trustee's approval of the Settlement and against any proposal that would have the effect of disapproving, frustrating or delaying approval of the Settlement) until the earlier of (A) the Acceptance Deadline, if the Trustee does not sign and deliver this Agreement prior to the Acceptance Deadline or (B) the Settlement Date, if the Trustee does sign and deliver this Agreement prior to the Acceptance Deadline; provided, however, that continued holding is not required if prohibited by law or regulation, or by FT's governing documents.

(iii) FT's obligations under this Section 2(b) shall terminate in the event of a material breach of this Agreement by DBSP or the Trustee that is not cured within ten (10) Business Days of notice of such breach having been provided by any Party.

(c) Acceptance by Trustee.

(i) On or prior to the Acceptance Deadline, the Trustee may provide written notice to FT and DBSP accepting the Settlement for the Trust. The Trustee shall accept the Settlement for the Trust by executing the applicable signature page of this Agreement attached hereto and delivering an original or copy thereof to each

of FT and DBSP on or prior to the Acceptance Deadline (the “Trustee’s Acceptance”); provided, however, that, unless the Parties otherwise agree, the Trustee’s Acceptance shall not be deemed delivered for purposes hereof unless a “Trustee’s Acceptance,” as defined in that certain Trust Settlement Agreement related to the ACE Securities Corp. Home Equity Loan Trust, Series 2007-ASAP1, is also delivered by the Trustee to FT and DBSP. The Agreement will become binding upon the Trustee with respect to the Trust upon the Trustee’s Acceptance in accordance with the preceding sentence. If the Trustee’s Acceptance is not delivered on or prior to the Acceptance Deadline, unless the Parties otherwise agree, this Agreement shall be deemed to be terminated on the Business Day following the Acceptance Deadline (the “Termination Date”), and all obligations under this Agreement will terminate on the Termination Date, except and solely with respect to DBSP and FT, the obligations imposed upon DBSP and FT under Sections 8, 10, 13, 21, 22 and 23 (and any relevant definitions in Section 1).

(ii) The Acceptance Deadline may be extended by mutual written agreement of DBSP and FT (upon request of the Trustee or otherwise).

(iii) Notwithstanding the foregoing, DBSP and FT each will have the right, by written notice to the other prior to the Trustee’s Acceptance, to terminate this Agreement if (A) the Trustee does not initiate the Certificateholder approval process contemplated by Section 2(b)(i)(B) within 30 days of the Execution Date or (B) the Trustee does not require Certificateholders to submit responses to the Certificateholder notice contemplated by Section 2(b)(i)(B) within 45 days of the date of such Certificateholder notice. The date the termination notice is given pursuant to the foregoing sentence shall be the Termination Date, with the effect contemplated by the last sentence of section 2(c)(i).

(d) Notice to the Securities Administrator. The Trustee agrees to provide a copy of this Agreement to the Securities Administrator within two (2) Business Days of the Trustee’s Acceptance.

3. **The Action.** Not later than three (3) Business Days following the Settlement Date, the Trustee shall cause to be filed stipulations of voluntary discontinuance with prejudice of the Action pursuant to N.Y. C.P.L.R. 3217(a)(2) in the form attached hereto as Exhibit A. The Trustee shall take all other steps as necessary to effect dismissal with prejudice of the Action, including but not limited to filing, if requested by the court in the Action, a proposed order of discontinuance with prejudice in a form reasonably acceptable to DBSP.

4. **Payment.** Within fifteen (15) calendar days following receipt of the Trustee’s Acceptance in accordance with Section 2(c)(i), DBSP shall pay to the Trust, the Trustee and FT a total of \$1,660,811.56 (the “Payment”) in two separate payments as follows:

(a) DBSP shall pay \$825,000 as directed by FT (the “FT Reimbursement Payment”) (such amount to be confirmed and/or adjusted as necessary (but not increased) based on invoices to be provided by FT to the Trustee the amount of which shall be confirmed by the Trustee to DBSP) to reimburse FT for expenses and costs incurred in

connection with the Action and the breach notices. The FT Reimbursement Payment shall be made by DBSP by wire transfer to an account that is specified by FT to DBSP and the Trustee in writing.

(b) DBSP shall pay the amount of the Payment, net of the FT Reimbursement Payment, (the “Net Payment”) to the Trust. The Net Payment shall be made by DBSP by wire transfer to the Distribution Account pursuant to wire transfer instructions to be provided by the Trustee.

5. **Distribution of Net Payment.**

(a) The Trustee will, in accordance with the provisions of the Transaction Documents, request that the Securities Administrator:

(i) accept the wire transfer of the Net Payment from DBSP into the Distribution Account;

(ii) distribute the Net Payment as though the Net Payment were unscheduled collections of principal to be applied as recoveries of principal (though, for clarification purposes, not Subsequent Recoveries) on the Mortgage Loans, available for distribution on the related Distribution Date and distribute the Net Payment (net of any expenses incurred by the Securities Administrator in connection with this Agreement that are reimbursable to the Securities Administrator pursuant to the PSA) solely to the Class A-2 Certificates in accordance with the last paragraph of Section 5.01(c)(6) of the PSA (*i.e.*, payments to the outstanding Class A-2A, Class A-2B, Class A-2C and Class A-2D Certificates are made on a *pro rata* basis, based on the Certificate Principal Balance of each such Class, until the Certificate Principal Balance of each such Class has been reduced to zero); and

(iii) not distribute any portion of the Net Payment to any Servicer.

(b) It is understood that the Net Payment will be distributed by the Securities Administrator on the first Distribution Date occurring after the Securities Administrator receives the Net Payment and the Opinion of Counsel contemplated by Section 6 hereof; provided, however that, if either (i) the Net Payment or such Opinion of Counsel is received after the Servicer Remittance Date and before the related Distribution Date in any month, or (ii) the Securities Administrator is not notified of the exact amount of the Net Payment at least three (3) Business Days before the Servicer Remittance Date in such month, then in each case, the Net Payment will not be distributed until the next occurring Distribution Date in the following month.

(c) It is further understood and agreed that the Securities Administrator, and not the Trustee, is responsible for distributions within the Trust under the Transaction Documents, and that the Trustee shall have no responsibility or liability for distributing the Net Payment to the Trust.

(d) For the avoidance of doubt, apart from paying the Payment in accordance with Section 4, the Sponsor shall have no obligation with respect to the distribution of the Payment to, or within, the Trust. For the avoidance of doubt, the Trustee shall not be required to transfer any Mortgage Loans, or any files relating thereto, to DBSP.

(e) For clarification purposes, nothing in this Section 5 is intended to alter in any manner the terms and provisions of the Transaction Documents or the rights and entitlements of any party thereunder. Accordingly, any inconsistency between this Section 5 and the PSA shall be resolved in accordance with the PSA.

6. **Opinion of Counsel.** As a condition to the Trustee providing the Trustee's Acceptance as set forth in Section 2(c)(i) above, either the Trustee, or another transaction party on behalf of the Trust, shall have received an Opinion of Counsel, in a form reasonably acceptable to the Trustee and the Securities Administrator, which Opinion of Counsel shall be addressed to the Trustee and the Securities Administrator and shall provide that the receipt and distribution of the Payment as contemplated by this Agreement will not cause (i) any federal tax to be imposed on any REMIC, including without limitation, any federal tax imposed on "prohibited transactions" under Section 860F(a)(1) of the Code or on "contributions after the startup date" under Section 860G(d)(1) of the Code, or (ii) any REMIC to fail to qualify as a REMIC at any time that any Certificate is outstanding.

7. **Release.**

(a) From and after the Settlement Date, the Trustee, on behalf of itself, the Trust, and the Certificateholders, and any Persons claiming by, through or on behalf of any of the Trustee, the Certificateholders or the Trust or under any of the Transaction Documents, to the extent permitted under applicable law (collectively, the Trustee, the Certificateholders, the Trust and such Persons being defined together as the "Precluded Persons"), irrevocably and unconditionally grants to the Released Persons a full, final and complete release, waiver and discharge of all Released Claims that the Precluded Persons may now or may hereafter have, directly or indirectly, against or involving any or all of the Released Persons.

(b) From and after the Settlement Date, the Sponsor, to the extent permitted under applicable law, irrevocably and unconditionally grants to the Trustee (solely in its capacity as Trustee) and each Related Person of the Trustee (solely to the extent related to the Trustee's capacity as Trustee) a full, final and complete release, waiver and discharge of all Released Claims that the Sponsor may now or may hereafter have, directly or indirectly, against or involving the Trustee (solely in its capacity as Trustee) and each Related Person of the Trustee (solely to the extent related to the Trustee's capacity as Trustee).

(c) With respect to any and all Released Claims, each of the Precluded Persons and the Sponsor, respectively, expressly waives the provisions, rights, and benefits of California Civil Code § 1542 and any provisions, rights, and benefits conferred by any law of any state or territory of the United States or principle of common law which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Precluded Persons and/or the Sponsor may after the Settlement Date discover facts in addition to or different from those that any of them now knows or knows as of the Settlement Date or believes to be true with respect to the subject matter of the claims released hereunder; however, as of the Settlement Date, each of the Precluded Persons and/or the Sponsor fully, finally, and forever settles and releases any and all claims released hereunder, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which may exist on the Settlement Date or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, reckless, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Each of the Precluded Persons and the Sponsor acknowledges that the foregoing waiver was separately bargained for and a key element of this Agreement of which this release is a part.

(d) The Parties do not release or waive any rights or claims against each other to enforce the terms of this Agreement.

(e) The releases and waivers in this Section 7 do not include any direct individual claims for securities fraud or other alleged disclosure violations in connection with the sale of certificates in the Trust (“Disclosure Claims”) that an Investor may seek to assert based upon such Investor’s purchase or sale of securities (except insofar as such claims arise from any Mortgage Loan Purchase Agreement or the PSA and the claims can be extinguished by this Agreement); provided, however, that the question of the extent to which any payment made or benefit conferred pursuant to this Agreement may constitute an offset or credit against, or a reduction in the gross amount of, any such claim shall be determined in the action in which such claim is raised, and, notwithstanding any other provision in this Agreement, the Parties reserve all rights with respect to the position they may take on that question in those actions and acknowledge that all other Persons similarly reserve such rights. Notwithstanding the foregoing, effective upon the Settlement Date, FT states that it does not own any Disclosure Claims against any of the Released Persons and, effective upon the Settlement Date, hereby irrevocably, fully and finally releases each Released Person from any and all Disclosure Claims to the extent it owns such claims personally. Effective upon the Execution Date (until the Termination Date), FT agrees not to assist in, advise in favor of, vote on behalf of, cause another Person to vote on behalf of, or otherwise support the assertion of any Disclosure Claim against any Released Person except to the extent legally required. Nothing in this provision shall bar any Person, other than FT, from asserting its own Disclosure Claims on its own behalf.

(f) [Reserved.]

(g) The releases and waivers in this Section 7 do not release any Released Person from an existing obligation under the Transaction Documents to provide and/or procure, as applicable, documents needed to cure document defects or comply with custody requirements; provided, however, that any claims for monetary damages against the Sponsor or any other Released Person based upon the failure to cure such defects or comply with such custody requirements shall be included within the Released Claims.

(h) Notwithstanding anything in this Agreement to the contrary, but subject to Section 7(i) below, in addition to, and not in lieu of, any other rights or remedies any Party may have against any Servicer, Master Servicer or Securities Administrator, no Servicer that receives any portion of the Payment as reimbursement for advances or any other amounts owed or claimed to be owed to it in connection with its role as Servicer with respect to the Trust shall be a Released Person.

(i) (A) To the extent a claim that would otherwise be a Released Claim under clause (v) of the definition of Released Claims is not released because of the operation of Section 7(h) and such a claim (a “Subject Claim”) is asserted by a Precluded Person (solely for purposes of this Section 7(i), a “7(h) Plaintiff”) against the Servicer, Master Servicer, or Securities Administrator (solely for purposes of this Section 7(i), a “7(h) Defendant”), and the 7(h) Plaintiff recovers a judgment or award against, or a settlement from, a 7(h) Defendant as a result of such Subject Claim (a “7(h) Judgment” or “7(h) Settlement”), and the 7(h) Defendant asserts a claim, other than a claim arising from an express agreement by the Released Person made in a contract that is separate and distinct from the Mortgage Loan Purchase Agreement and/or the PSA, to indemnify, reimburse, or otherwise hold harmless the 7(h) Defendant, against a Released Person on the basis of contribution or indemnity for the 7(h) Judgment or 7(h) Settlement (a “Claim Over”), subject to Section 7(i)(E), the 7(h) Plaintiff agrees that it will, at the sole expense of the Released Person, (i) join such Released Person in filing a motion or proceeding seeking a court determination that this Agreement constitutes a release or settlement in good faith of any Claim Over, and (ii) take such other actions, if any, that the subject Released Person reasonably deems necessary or appropriate to establish the invalidity and/or unenforceability of such Claim Over.

(B) If the applicable Released Person is unsuccessful in obtaining a court determination that this Agreement constitutes a release or settlement in good faith of any Claim Over or portion thereof in accordance with the immediately preceding sentence, or the Claim Over or any portion thereof is otherwise judicially determined to be valid and enforceable (such Claim Over or portion thereof, in either case, a “Non-Released Claim Over”), subject to Section 7(i)(E), the 7(h) Plaintiff agrees that it will:

(x) at the sole expense of the Released Person, file with the court that enters the 7(h) Judgment, as to which the Non-Released Claim Over pertains, a notice of consensual reduction of such 7(h) Judgment by an amount equal to the Non-Released Claim Over;

(y) provide the 7(h) Defendant asserting the Non-Released Claim Over with a credit that reduces the 7(h) Defendant’s obligation to the

7(h) Plaintiff under the 7(h) Settlement by an amount equal to the Non-Released Claim Over; and/or

(z) solely to the extent that, notwithstanding such 7(h) Plaintiff's and Released Person's performance of their obligations under subsections (A), (B)(x), and (B)(y) of this Section 7(i), a Non-Released Claim Over results in a payment from a Released Person to a 7(h) Defendant, reimburse the Released Person in an amount equal to the payment made by the Released Person on account of the Non-Released Claim Over (not to exceed, under any circumstances, the amount actually recovered by the 7(h) Plaintiff from the 7(h) Defendant with respect to the Subject Claim, net of any judgment reduction or settlement credit provided in accordance with subsections (B)(x) and (B)(y) of this Section 7(i)), provided however that to the extent amounts recovered by the 7(h) Plaintiff are paid to the Trust, the Trustee, on behalf of the Trust, agrees that amounts payable to such Released Person (if any) as a result of this Section 7(i)(B)(z) with respect to amounts paid to the Trust shall be payable:

(i) solely from funds maintained by the Trust, to the extent such funds are available, and not by HSBC, in its individual capacity or otherwise, and

(ii) solely to the extent the Trustee and Securities Administrator first receive an Opinion of Counsel, at the expense of the applicable Released Person, in a form reasonably acceptable to the Trustee and Securities Administrator, which Opinion of Counsel shall provide that the distribution of any such funds complies with the conditions referenced in Section 6 hereof.

(C) The Parties acknowledge and agree that the provisions of this Section 7(i) apply solely and exclusively to Subject Claims, and any claim asserted by a 7(h) Plaintiff against any of the Servicer, Master Servicer or Securities Administrator that is not a Subject Claim, even if asserted together with, or in the same proceeding as, other claims that are Subject Claims, shall not be affected by the provisions of this Section 7(i) in any way whatsoever.

(D) FT agrees that it will not take any action, or cause or recommend to any other Person to take any action, that is inconsistent with this Section 7(i) or that seeks to challenge the validity or enforceability of the rights and obligations created by this Section 7(i).

(E) The Parties acknowledge and agree that, if a Subject Claim is brought by any 7(h) Plaintiff other than the Trustee, the Trustee shall not be responsible for such 7(h) Plaintiff's compliance with this Section 7(i).

8. **No Admissions.** This Agreement effectuates the settlement of the Released Claims, and the contents hereof shall not be construed as an admission by any Person of any liability or any factual contention of any kind to any other Person, whether or not the Person is a

Party. This Agreement is without prejudice or value as precedent and shall not be used or referred to in any way in any Action or other proceeding or hearing other than to enforce or effectuate the terms of this Agreement. This Agreement and all discussions between the Parties and their representatives regarding the subject matter of this Agreement are communications in the nature of compromise and settlement such that all protections of Rule 408 of the Federal Rules of Evidence, as well as similar protections provided by any and all analogous evidentiary rules and/or privileges of laws of any state or other jurisdiction, shall apply.

9. **No Assertion of Released Claims.** From and after the Execution Date, until the Termination Date, FT shall not initiate or pursue against any Released Person any action that would constitute a Released Claim; provided, however, that direct or indirect involvement in the litigation of the Action by FT prior to the Termination Date or the Settlement Date, to the extent the Action is not stayed, shall not constitute a breach of this provision. From and after the Settlement Date, the Trustee shall not take any action that is intended or reasonably could be expected to be adverse to or inconsistent with the intent, terms, and conditions of this Agreement, and the Trustee will not initiate, pursue or assist in the pursuit against any Released Person, any new or existing repurchase claims or other claims that would be Released Claims hereunder. At the Settlement Date, each notice or demand the Trustee has given regarding any repurchase claim or other claim that would be a Released Claim, and all such notices and demands, shall, solely for purposes of the assertion or prosecution of any Released Claim against any Released Person, be deemed null and void, rendered inoperative, as if never sent, and withdrawn with prejudice.

10. **Confidentiality.** Except as otherwise contemplated by other existing agreements among Parties, if any, all matters relating to the negotiation of this Agreement, including confidential information exchanged between any Parties in connection with such negotiation, other than this Agreement itself, shall be and remain confidential, except that the Trustee may share such information with Certificateholders subject to Certificateholders agreeing to keep such information confidential, and no Party to this Agreement shall disclose such information to a Released Person or any third party (other than FT's collateral manager and certificateholders) without the prior written consent of each other Party, provided that a Party may disclose such information to its own attorneys, accountants and advisors to the extent such attorneys, accountants and advisors need to know such information for the purpose of assisting such Party with the transactions contemplated by this Agreement, if the disclosing Party (a) directs such attorneys, accountants or advisors to keep the information confidential, (b) is responsible for any disclosure by its attorneys, accountants or other advisors of such information and (c) takes at its sole expense all reasonable measures to restrain such attorneys, accountants and advisors from disclosing such information. The confidentiality obligations of the Parties hereunder shall not pertain to (i) requisite disclosure in the necessary course of business including, without limitation, for such purposes as audits, reinsurance, investor reporting, administration, and diligence, compliance, rating agency examinations, accounting, taxation, and banking, or (ii) where otherwise required by law or regulation but only to the extent so required and after giving each other Party reasonable advance notice of any such disclosure that could reasonably be expected to be made public and the opportunity to seek a protective order or other limitation on the scope of such disclosure, consistent with the applicable requirements of law and regulation.

11. **Representations and Warranties.**

(a) DBSP represents and warrants, as of the date hereof, that (i) it is duly authorized to execute and deliver this Agreement; (ii) it has taken all necessary action to authorize the execution and delivery of this Agreement; (iii) the execution and delivery of this Agreement will not violate any law, regulation, order, judgment, decree, ordinance, charter, bylaw, or rule applicable to it or its property or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under or result in a breach of any material agreement or other material instrument by which it is bound or by which its assets are affected; (iv) the person signing this Agreement on its behalf is duly authorized to do so; and (v) this Agreement constitutes its valid, binding and enforceable obligation, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(b) FT represents and warrants, as of the date hereof, that (i) it is duly authorized to execute and deliver this Agreement; (ii) it has taken all necessary action to authorize the execution and delivery of this Agreement; (iii) the execution and delivery of this Agreement will not violate any law, regulation, order, judgment, decree, ordinance, charter, bylaw, or rule applicable to it or its property or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under or result in a breach of any material agreement or other material instrument by which it is bound or by which its assets are affected; (iv) the person signing this Agreement on its behalf is duly authorized to do so; and (v) this Agreement constitutes its valid, binding and enforceable obligation, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(c) The Trustee represents and warrants, solely in its capacity as trustee of the Trust, as of the date it becomes Party hereto, that (i) it serves as the trustee of the Trust; (ii) it has taken all necessary action to authorize the execution and delivery of this Agreement; (iii) the execution and delivery of this Agreement will not violate any law, regulation, order, judgment, decree, ordinance, charter, bylaw, or rule applicable to the Trustee (in such capacity) or the Trust property or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under or result in a breach of any material agreement or other material instrument by which it is bound or by which its assets are affected; (iv) the Trustee has neither assigned nor delegated to another the Trustee's authority to enter into or perform under this Agreement; (v) the person signing this Agreement on its behalf is duly authorized to do so; and (vi) this Agreement constitutes its valid, binding and enforceable obligation, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

12. **Entire Agreement.** This Agreement contains the entire agreement between the Parties relating to the settlement contemplated herein, and supersedes any and all prior agreements, understandings, representations, and statements between the Parties, whether oral or written, and whether by such Party or such Party's legal counsel, other than any confidentiality agreements among Parties referred to in Section 10. For the avoidance of doubt, nothing in this Agreement shall supersede the obligations of FT under the C&I Agreement. The Parties are entering into this Agreement based solely on the representations and warranties and other terms contained herein, and not based on any promises, representations, and/or warranties not found herein.

13. **No Oral Modification.** No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and executed by each of the Parties.

14. **Interpretation.** The terms of this Agreement were negotiated in good faith and at arm's length by the Parties. The provisions contained herein shall not be construed in favor of or against any Party because that Party or its counsel drafted this Agreement, but shall be construed as if all Parties prepared this Agreement, and any rules of construction to the contrary are hereby expressly waived.

15. **Legal Advice.** The Parties have each received independent legal advice from attorneys of their choice as to the advisability of making the settlement and the releases provided for herein and as to the advisability of executing this Agreement.

16. **No Amendments to Governing Agreements.** The Parties agree that this Agreement reflects a compromise of disputed claims and is not intended to, and shall not be argued or deemed to constitute, an amendment of any term of any Transaction Document.

17. **Concerning the Trustee.** Nothing in this Agreement shall be construed to imply that the Trustee owes any greater duties under the Transaction Documents than it would otherwise owe under those agreements.

18. **Severability.** If any term or provision of this Agreement or the application thereof, other than the Payment terms contained in Section 4, the agreements with respect to the Action in Section 3, the release and waiver contained in Section 7 or the agreement with respect to repurchase claims in Section 9, is found to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid term or provision or part thereof shall be deemed stricken from this Agreement, and such term or provision shall not affect the legality, enforceability, or validity of any other term or provision of this Agreement.

19. **Successors in Interest.** The terms, conditions, and provisions of this Agreement are binding upon and shall inure to the benefit of the Parties and each of their assigns, successors in interest, personal representatives, estates, administrators, heirs, devisees, insurers, and legatees.

20. **No Waiver.** The waiver by any Party of any breach of this Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Agreement.

21. **Governing Law.** This Agreement shall be interpreted in accordance with and governed in all respects by the substantive and procedural law of the State of New York, without regard to the conflicts of law provisions thereof.

22. **Dispute Resolution.** In the event of any controversy or claim arising out of or relating to this Agreement, or a breach thereof, the Parties shall first attempt to settle the dispute by confidential mediation. If settlement is not reached within sixty (60) days after service of a written demand for mediation, any unresolved controversy or claim arising out of or relating to this Agreement, or a breach thereof, shall be settled by confidential binding arbitration under the JAMS Comprehensive Arbitration Rules before a former U.S. District Court or Circuit Court judge reasonably acceptable to each Party. The place of arbitration shall be New York, New York. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Any mediation or arbitration shall be confidential and subject to the confidentiality requirements of Section 10. The arbitrator shall issue a written decision within sixty (60) days after the conclusion of the arbitration hearing, or as soon as practicable thereafter.

23. **Waiver of Jury Trial.** Each of the Parties hereby waives any right to trial by jury with respect to any action or proceeding arising in connection with or as a result of this Agreement.

24. **Specific Performance.** Each Party acknowledges and agrees that each other Party would be irreparably harmed if any of the provisions of this Agreement are not performed in accordance with their specific terms and that any such breach could not be adequately compensated in all cases by monetary damages alone. Accordingly, each Party agrees that, in addition to any other right or remedy to which any other Party may be entitled at law or in equity, each Party shall be entitled to enforce any provision of this Agreement by a decree of specific performance and to obtain temporary, preliminary and permanent injunctive relief to prevent breaches or threatened breaches of this Agreement, provided, however, that no Party will be entitled to any remedy under this Agreement by virtue of its termination if the Trustee does not deliver the Trustee's Acceptance prior to the Acceptance Deadline in accordance with Section 2(c)(i).

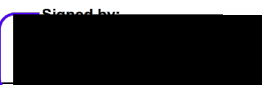
25. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original. The counterparts shall constitute one and the same Agreement. Facsimile and .pdf signatures shall have the same force and effect as original signatures.

26. **Third-Party Beneficiaries.** Each Released Person shall be a third-party beneficiary of this Agreement, with the right to sue under and directly enforce this Agreement. No other Person shall have any third-party beneficiary or other rights under this Agreement, or have any right to sue under or directly enforce this Agreement.

[REMAINDER OF PAGE BLANK; SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties or their authorized representatives have executed this Agreement as of the Execution Date.

DB STRUCTURED PRODUCTS, INC.

Signed by
By: 
Name: Timothy Crowley
Title: Managing Director

By: _____
Name: _____
Title: _____

FREEDOM TRUST 2011-2
By Riverside Advisory, LLC, as Collateral Manager

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Parties or their authorized representatives have executed this Agreement as of the Execution Date.

DB STRUCTURED PRODUCTS, INC.

By: _____

Name:

Title:

DocuSigned by:

By: _____

Name: Todd Dakan

Title: Director

FREEDOM TRUST 2011-2

By Riverside Advisory, LLC, as Collateral Manager

By: _____

Name:

Title:

IN WITNESS WHEREOF, the Parties or their authorized representatives have executed this Agreement as of the Execution Date.

DB STRUCTURED PRODUCTS, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

FREEDOM TRUST 2011-2
By Riverside Advisory, LLC, as Collateral Manager

By:  _____
Name: *MARK YOUNG*
Title: *MEMBER*

ACCEPTED AND AGREED for the Trust.

ACE SECURITIES CORP. HOME EQUITY
LOAN TRUST, SERIES 2006-FM1

By: HSBC BANK USA, NATIONAL
ASSOCIATION, solely in its capacity as Trustee

By: _____

Name:

Title:

Date: _____

EXHIBIT A

Form of Stipulation of Voluntary Discontinuance of the Action

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

ACE SECURITIES CORP. HOME EQUITY LOAN
TRUST, SERIES 2006-FM1, by HSBC BANK USA,
NATIONAL ASSOCIATION, in its capacity as
Trustee,

Plaintiff,

-against-

DB STRUCTURED PRODUCTS, INC.,

Defendant.

Index No. 652985-2012

IAS Part: 60M

Justice Melissa A. Crane

STIPULATION OF VOLUNTARY DISCONTINUANCE WITH PREJUDICE

WHEREAS Plaintiff ACE Securities Corp. Home Equity Loan Trust, Series 2006-FM1, by HSBC Bank USA, National Association, in its capacity as Trustee, and Defendant, DB Structured Products, Inc., have reached a settlement disposing of all claims asserted in the above-captioned action (the “Action”);

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between the parties, through their undersigned counsel, that, pursuant to CPLR 3217(a)(2), this Action shall be, and hereby is, discontinued with prejudice, with each party to bear its own costs.

[signatures on next page]

Dated: _____
New York, New York

HOLWELL SHUSTER & GOLDBERG LLP SIMPSON THACHER & BARTLETT LLP

By: _____

Brendon DeMay
Eileen Monaghan DeLucia
425 Lexington Avenue
New York, New York 10017
(646) 837-5151
bdemay@hsgllp.com
edelucia@hsgllp.com

Attorneys for Plaintiff

By: _____

William T. Russell, Jr.
Linton Mann III
Anthony C. Piccirillo
425 Lexington Avenue
New York, NY 10017
Telephone: (212) 455-2000
Facsimile: (212) 455-2502
Email: wrussell@stblaw.com
lmann@stblaw.com
anthony.piccirillo@stblaw.com

Attorneys for Defendant

Exhibit B

Directing Certificateholder Letter re Proposed Settlement Agreement

August 20, 2025

Via Email Attachment

Fernando Acebedo
HSBC Bank USA, National Association
425 Fifth Avenue
New York, NY 10018

Re: ACE Securities Corp. Home Equity Loan Trust, Series 2006-FM1

Ladies and Gentlemen:

As you are aware, Freedom Trust 2011-2, a certificateholder (the “Directing Certificateholder”) that holds more than 25% of the aggregate voting rights of the Certificates in the above-referenced trust (the “Trust”), previously instructed HSBC Bank USA, National Association (the “Trustee”) to pursue claims against DB Structured Products, Inc. (“DBSP”) with respect to certain mortgage loans in the Trust. The existing claims by the Trust against DBSP are being advanced in the litigation captioned *ACE Securities Corp. Home Equity Loan Trust, Series 2006-FM1*, by *HSBC Bank USA, National Association, as Trustee v. DB Structured Products, Inc.*, Index No. 652985/2012 (N.Y. Sup. Ct. N.Y. Cnty.) (the “Action”).

Over the last several months, the Directing Certificateholder has engaged in negotiations with DBSP regarding the potential resolution of the Action. These negotiations have resulted in an agreement by DBSP to make a binding settlement offer to the Trust, which settlement offer is reflected in the Trust Settlement Agreement executed by DBSP and the Directing Certificateholder, and which requires the Trustee’s agreement to become effective with respect to the Trust. The Trust Settlement Agreement is attached to this letter as Exhibit A (the “Settlement Agreement”).

The Directing Certificateholder fully supports the settlement proposed in the Settlement Agreement and requests that the Trustee, as soon as practicable, (a) submit a notice to the Certificateholders of the Trust, accompanied by the Settlement Agreement (with any changes requested by the Trustee after its review and agreed to by the Directing Certificateholder and DBSP) and this letter, for the purpose of notifying such Certificateholders of the existence, terms and conditions of the settlement proposed in the Settlement Agreement and of the Directing Certificateholder’s support thereof (the “Notice”), and explaining that Certificateholders of the Trust who are entitled to vote as of the date of the Notice must cast their votes for acceptance or rejection of the Settlement Agreement within a prescribed period, and (b) conduct a vote of such Certificateholders of the Trust who are entitled to vote as of the date of the Notice with respect to the approval or rejection of the Settlement Agreement and the use of settlement amounts to pay or reimburse certain fees, expenses, and costs, as contemplated by the Settlement Agreement.

The Directing Certificateholder will cause all of the Trust Certificates owned by the Directing Certificateholder to be voted in favor of the acceptance by the Trustee of the settlement contemplated by the Settlement Agreement pursuant to the voting process to be conducted by the Trustee.

FREEDOM TRUST 2011-2

By Riverside Advisory, LLC, as Collateral Manager

By 

Name: *Mark Poval, Jr.*

Title: *Member*

Cc: Matthew V. Wargin, Esq.
Mayer Brown LLP
71 S. Wacker Drive
Chicago IL 60606
(Via email attachment)

EXHIBIT
INTENTIONALLY OMITTED

Exhibit C

DTC Participant Direction Letter

DTC PARTICIPANT DIRECTION LETTER

regarding

NOTICE AND REQUEST FOR DIRECTION DATED SEPTEMBER 2, 2025

**To the Certificateholders of
ACE Securities Corp., Home Equity Loan Trust, Series 2006-FM1**

CUSIPs:

**00441VAA6, 00441VAB4, 00441VAC2, 00441VAD0, 00441VAE8, 00441VAF5,
00441VAG3, 00441VAH1, 00441VAJ7, 00441VAK4, 00441VAL2, 00441VAM0
00441VAN8, 00441VAP3, 00441VAQ1, 00441VAR9, ACE06FM1P,
ACE6FM1CE, ACE06FM1R**

Voting Record Date:

September 2, 2025

Voting Deadline:

5:00 p.m. (New York time) on October 17, 2025

Capitalized terms used but not defined herein shall have the meanings set forth in the Notice and Request for Direction Regarding Proposed Settlement Agreement, dated September 2, 2025, to which this DTC Participant Direction Letter is attached and of which it is a part.

Certificateholders with Certificates held through an account holder, custodian, brokerage firm, trust company or other nominee should contact their respective DTC participant financial institution to request that they complete this Direction Letter on their behalf.

INSTRUCTIONS

- **Step 1:** Mark the applicable box below for your clients, the Certificateholders as of the above-referenced September 2, 2025, voting record date, to either (i) (**ACCEPT**) direct the Trustee and Securities Administrator to act in accordance with the Direction to Accept & Implement the Proposed Settlement (including with respect to the Directing Certificateholder Reimbursement Amount) or (ii) (**REJECT**) direct the Trustee and Securities Administrator ***not*** to act in accordance with the Direction to Accept & Implement the Proposed Settlement.
- **Step 2:** Confirm whether any Certificateholder providing direction in **Step 1** is DB Structured Products, Inc. (the “**Sponsor**”) or an “affiliate” of the Sponsor (as defined in the PSA).⁴
- **Step 3:** For any Certificateholder (**REJECTING**) directing the Trustee and Securities Administrator in **Step 1** not to act in accordance with the Direction to Accept & Implement the Proposed Settlement, confirm whether such Certificateholder is willing to direct and indemnify the Trustee to continue pursuing the Litigation. ***As noted in the Notice and Request for Direction, any Certificateholder who so confirms must contact the Trustee, via the below contact information provided for its Tabulation Agent below, no later than October 24, 2025, to discuss the terms of such direction and indemnity.***

⁴ As defined in the PSA, “affiliate” means: with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

Certificateholders' failure to so contact the Trustee by October 24, 2025 will be deemed to be a rescission of such Certificateholders' confirmation that they are willing to provide such direction and indemnity to the Trustee.

- **Step 4.** Execute this DTC Participant Direction. This DTC Participant Direction Letter must be executed by the DTC participant financial institution in exactly the same manner as its name appears on the Certificates or DTC's records, as applicable, and the signature must be Medallion Guaranteed.
- **Step 5** This executed DTC Participant Direction Letter must be received by the Tabulation Agent, Globic Advisors, **no later than 5:00 p.m. (New York time) on October 17, 2025** (or such later date to which the Trustee, in its sole discretion, may extend such deadline), via e-mail or facsimile with originals to follow by mail, via overnight courier or second-day delivery, to the following:

Globic Advisors
Attn: Robert Stevens
7777 Glades Rd, Ste 100,
Boca Raton, FL 33434
Fax: 212-271-3252 E-Mail: rstevens@globic.com

CONTINUED

STEP 1: DIRECTION WITH RESPECT TO DIRECTION TO ACCEPT & IMPLEMENT THE PROPOSED SETTLEMENT - (VOTE)

Please fill out based upon your client's instruction and attach additional schedules as necessary.

The undersigned represents and warrants that it is authorized to convey direction to the Trustee for the original face amount of Certificates specified below as of the voting record date September 2, 2025.

☐ The undersigned (**ACCEPTS**) **directs the Trustee and Securities Administrator to act** in accordance with the Direction to Accept & Implement the Proposed Settlement (including with respect to the Directing Certificateholder Reimbursement Amount) as described in the Notice and Request for Direction dated September 2, 2025.

| CUSIP | ORIGINAL CERTIFICATE PRINCIPAL BALANCE ACCEPTING |
|-------|---|
| | \$ |
| | \$ |
| | \$ |
| | \$ |
| | \$ |

☐ The undersigned (**REJECTS**) **directs the Trustee and Securities Administrator not to act** in accordance with the Direction to Accept & Implement the Proposed Settlement as described in the Notice and Request for Direction dated September 2, 2025.

| CUSIP | ORIGINAL CERTIFICATE PRINCIPAL BALANCE REJECTING |
|-------|---|
| | \$ |
| | \$ |
| | \$ |
| | \$ |
| | \$ |

CONTINUED

STEP 2: CONFIRMATION REGARDING WHETHER CERTIFICATEHOLDER(S) PROVIDING DIRECTION ARE THE SPONSOR OR AN AFFILIATE OF THE SPONSOR

☐ Please check this box if any Certificateholders providing direction in Step 1 are the Sponsor or an affiliate of the Sponsor, and please provide such Certificateholders' names, positions, and vote(s) in the following table.

| Name | CUSIP | Original Certificate Principal Balance | Accepting <u>or</u> Rejecting |
|------|-------|--|-------------------------------|
| | | | |
| | | | |
| | | | |
| | | | |

STEP 3: REJECTING CERTIFICATEHOLDERS' CONFIRMATION REGARDING WILLINGNESS TO DIRECT AND INDEMNIFY THE TRUSTEE TO CONTINUE PURSUING THE LITIGATION

☐ For any Certificateholders providing direction in Step 1 (**REJECTING**) **directing the Trustee and Securities Administrator *not to act*** in accordance with the Direction to Accept & Implement the Proposed Settlement as described in the Notice and Request for Direction dated September 2, 2025, please check this box if such Certificateholders have confirmed that they are willing to direct and indemnify the Trustee to continue pursuing the Litigation, and please provide the name and position of the Certificateholder in the following table. **As noted in the Notice and Request for Direction, Certificateholder(s) so confirming must contact the Trustee's Tabulation Agent by October 24, 2025, via the contact information included above, to discuss the terms of such direction and indemnity, it being understood that Certificateholder(s)' failure to contact the Trustee by October 24, 2025, will be deemed a rescission of such Certificateholder(s) confirmation that they are willing to provide such direction and indemnity to the Trustee.**

Step 3 – Certificateholder Information (include additional schedules if necessary)

Contact Name: _____ Title: _____

Beneficial Owner: _____

Managing Firm (if applicable): _____

Telephone (please include country code): _____ Email Address: _____

Street Address (including city/state or province/postal code):

CUSIP No.: _____ Principal (Par) Amount: \$ _____

CUSIP No.: _____ Principal (Par) Amount: \$ _____

CUSIP No.: _____ Principal (Par) Amount: \$ _____

CONTINUED

STEP 4: EXECUTION BY AUTHORIZED SIGNATORY

By signing below, the undersigned nominee hereby certifies that (i) the above summary is a true and accurate schedule of the beneficial owners of the Certificates who have delivered their direction with respect to the Notice and Request for Direction dated September 2, 2025, to the undersigned nominee and (ii) the undersigned nominee is the holder, through a position held at a securities depository, or in street name, of the Certificates set forth above.

The undersigned (on behalf of itself and its successors and assigns and the Certificateholders on behalf of whom it is providing this direction) hereby completely, unconditionally, and forever waives, releases and holds harmless the Trustee and the Securities Administrator as to all actions, claims, damages, and liabilities (of any kind or nature, without regard to amount, known or unknown, accrued or unaccrued, directly or indirectly) arising from or relating to the directions set forth herein.

Date Submitted: _____, 2025 **DTC Participant Number:** _____

Print Name of Company: _____

Authorized Employee Contact (Print Name): _____

Title: _____ **E-Mail:** _____

Tel. No.: _____ **Fax No.:** _____

Signature: X _____

MEDALLION STAMP:

DELIVERY: This executed DTC Participant Direction Letter must be received by the Information and Tabulation Agent, Globic Advisors, **no later than 5:00 p.m. (New York time) on October 17, 2025** (or such later date to which the Trustee, in its sole discretion, may extend such deadline), via e-mail or facsimile with originals to follow by mail, via overnight courier or second-day delivery, to the following:

Globic Advisors
Attn: Robert Stevens
7777 Glades Rd, Ste 100,
Boca Raton, FL 33434
Fax: 212-271-3252 E-Mail: rstevens@globic.com