

1 BOIES, SCHILLER & FLEXNER LLP
David L. Zifkin, Bar No. 232845
2 401 Wilshire Boulevard, Suite 850
Santa Monica, CA 90401
3 Tel: 310.752.2400
Fax: 310.752.2490
4 dzifkin@bsfllp.com

5 BOIES, SCHILLER & FLEXNER LLP
Robin A. Henry (*pro hac vice* application to be submitted)
6 333 Main Street
Armonk, NY 10504
7 Tel: +1.914.749.8200
Fax: +1.914.749.8300
8 rhenry@bsfllp.com

9 *Attorneys for Petitioner Deutsche Bank National Trust*
10 *Company, solely as Trustee for the Trusts Listed on Exhibits*
1-A and 1-B

11
12 SUPERIOR COURT OF THE STATE OF CALIFORNIA
13 COUNTY OF ORANGE, PROBATE DIVISION

14 IN THE MATTER OF

15 CERTAIN TRUSTS CREATED,
16 SPONSORED, AND/OR SERVICED BY
WASHINGTON MUTUAL BANK AND
17 CERTAIN SUBSIDIARIES OR AFFILIATES.

Case No.

**VERIFIED PETITION OF DEUTSCHE
BANK NATIONAL TRUST COMPANY,
SOLELY AS TRUSTEE FOR THE
TRUSTS LISTED ON EXHIBITS 1-A
AND 1-B, FOR INSTRUCTIONS
REGARDING THE INTERNAL
AFFAIRS OF THE TRUSTS**

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22 Petitioner Deutsche Bank National Trust Company, solely in its capacity as Trustee for
23 the Trusts listed on Exhibits 1-A and 1-B hereto (the “Trustee” and the “Trusts”), hereby petitions
24 this Court for instructions regarding the internal affairs of the Trusts pursuant to Probate Court
25 section 17200 and the common law of the State of California.

1 **I. INTRODUCTION**

2 1. Pursuant to Probate Code section 17200, Petitioner Trustee seeks instructions
3 regarding the internal affairs of the Trusts and/or to instruct the Trustee regarding its actions with
4 respect to a settlement of litigation brought by the Trustee on behalf of the Trusts.

5 2. As is explained more fully below, the Trustee seeks two orders arising from the
6 proposed settlement of pending litigation commenced by the Trustee in the United States District
7 Court for the District of Columbia titled Deutsche Bank National Trust Company v. FDIC, et al.,
8 No. 09-cv-1656 (RMC) (the “Action”). In summary terms, the Trustee seeks one order (the
9 “Approval Order”) approving its determination to enter into the Settlement (as defined below) as
10 a reasonable and good faith exercise of its discretion, and a second order directing a distribution
11 methodology for the settlement proceeds (the “Allocation Order”). More specific components of
12 each order are as follows:

- 13 • **The Approval Order** consists of the following components: (i) a determination
14 that the Trustee acted reasonably and in good faith within the bounds of its
15 discretion in entering into the settlement of the Action described herein (the
16 “Settlement”); (ii) a finding that Certificateholders, as defined below (the
17 “Certificateholders”), received legally sufficient notice of this proceeding and an
18 opportunity to object; (iii) a bar against any Certificateholder asserting claims
19 against the Trustee based upon its prosecution of the Action and entry into the
20 Settlement; and (iv) a declaration that the Settlement and the documentation
21 pursuant to which it was effectuated, which as more fully explained below consists
22 of two separate agreements (a “Settlement Agreement” and the “Trustee-
23 JPMorgan Agreement”) is binding on the Trusts.
- 24 • **The Allocation Order** consists of a direction regarding an allocation among the
25 Trusts and among classes of securities issued by each Trust of the amounts to be
26 received by the Trustee pursuant to the Settlement.

27 **II. THE TRUSTS AND THE TRUST PARTIES**

28 3. The Trusts include 99 trusts (the “Primary Trusts”) created, sponsored, and/or
served by Washington Mutual Bank (“WMB”), its subsidiaries, their predecessors-in-interest
(including Long Beach Mortgage Corporation, referred to herein as “Long Beach”) and their
affiliates, including Washington Mutual Mortgage Securities Corporation (“WMMSC”), a former
subsidiary of WMB whose stock was among the assets of WMB acquired by JPMorgan Chase
Bank, N.A. (“JPMC”) from the Federal Deposit Insurance Corporation (“FDIC”) after WMB

1 failed in 2008 (WMMSC and WMB are referred to collectively herein as “WaMu”). The Primary
2 Trusts are listed on Exhibit 1-A. The Primary Trusts provide for the issuance of residential
3 mortgage-backed securities (“RMBS”). The Primary Trusts hold, as trust assets or collateral,
4 mortgage loans originated or acquired by WMB and conveyed to the Primary Trusts as part of
5 those respective RMBS transactions.

6 4. The Trusts also include 28 trusts that do not directly own mortgage loans, but
7 rather hold interests in the Primary Trusts or whose performance is otherwise dependent, in whole
8 or in part, on the performance of the Primary Trusts or other RMBS issued by WMB (the
9 “Secondary Trusts”). The Secondary Trusts are listed on Exhibit 1-B. The Secondary Trusts
10 hold beneficial interests in the Primary Trusts, and the Trustee, as trustee of the Secondary Trusts,
11 has standing to enforce the Secondary Trusts’ rights in the Primary Trusts. See, e.g., Exhibit 2,
12 Indenture Agreement for Long Beach Asset Holding Corp. CI 2005-03 (“LB05N5”) (Granting
13 Clause conveying LB2005-3 Class C and Class P “Underlying Certificates” as Trust Estate;
14 §1.01, definition of “Underlying Agreement” and “Underlying Certificates”; Article 6
15 “Administration of the Trust Estate”; § 9.11, “Certain Representations Regarding the Trust
16 Estate”); Exhibit 3, Pooling and Servicing Agreement for Long Beach Mortgage Loan Trust,
17 Series 2005-3 (“LB0503”) (the “Exemplar PSA”),¹ passim (voting, consent, payment and other
18 rights of Certificateholders, including holders of Class C and Class P Certificates).

19 5. Petitioner Deutsche Bank National Trust Company is a national banking
20 association that maintains its corporate trust office at 171 East St. Andrew Place, Santa Ana,
21 California 92705 (the “Corporate Trust Office”). The principal place of administration of the
22 Trusts at issue in this Petition is the Trustee’s Corporate Trust Office in Santa Ana, California.

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25 ¹ As is further described below, each Trust was formed pursuant to and is governed by one or
26 more agreements referred to herein as the “Governing Documents.” See, infra, ¶16. Although
27 the terms of the Governing Documents for particular Trusts may vary materially in some respects,
28 the terms relevant to this Petition are similar across the Trusts. Accordingly, this Petition cites to
the Exemplar PSA to illustrate particular terms. The relevant Governing Documents for any or
all of the Trusts will be made available to the Court or any participant in this proceeding upon
request.

1 **III. JURISDICTION AND VENUE**

2 6. The Superior Court of the State of California, County of Orange, has subject-
3 matter jurisdiction over this Petition for Instructions pursuant to Probate Code sections 17000 and
4 17004. The Trustee’s Petition for Instructions is a proper request for instruction regarding the
5 internal affairs of the Trusts under Probate Code section 17200. See Prob. Code § 17200(a), (b).

6 7. The Trusts at issue are “express trusts” that fall squarely within the definition of
7 “trusts” to which the Probate Code applies: they were created with the intent to create trusts,
8 which have an appropriate trust purpose (issuing securities and preserving trust assets for the
9 benefit of beneficiaries), hold property (primarily mortgage loans), and have ascertainable
10 beneficiaries (the registered Certificateholders). See Prob. Code §§ 15201–05; Exhibit 3,
11 Exemplar PSA, Preliminary Statement. Moreover, they do not fall within any of the exclusions
12 set forth in Probate Code section 82(b).² Accordingly, this Court has jurisdiction over the Trusts
13 and exclusive jurisdiction over the internal affairs of the Trusts.

14 8. This Court has personal jurisdiction over the Trustee and the Certificateholders
15 pursuant to Probate Code section 17003, which provides that personal jurisdiction over a trustee
16 and trust beneficiaries may be exercised by the court wherever the “principal place of
17 administration” of the trust occurs. Prob. Code §§ 17003(a), (b). The principal place of
18 administration of a trust is defined as the “usual place where the day-to-day activity of the trust is
19 carried on by the trustee or its representative who is primarily responsible for the administration
20 of the trust.” Prob. Code § 17002(a).

21 9. The principal place of administration of the Trusts is the Corporate Trust Office
22 located in the City of Santa Ana in Orange County, California at 1761 East St. Andrew Place,
23 Santa Ana, California 92705. This address is the locus of the Trustee’s primary activities related

24 _____
25 ² Even if the Trusts were excluded from the definition of “trusts” under Probate Code
26 section 82(b), which they are not, the Trustee would still have the right to obtain the relief sought
27 in this Petition from the Court, and the Court has the jurisdiction to grant such relief. See Probate
28 Code section 15003(b), (c); see also Recommendation Proposing New Probate Code, 20 Cal. L.
Revision Comm’n Reports, 1001, 1860 (1990) (“Subdivision (c) is included to avoid the
implication that the provisions of the Trust Law cannot be applied to entities and relationships
that are excluded from the definition of “trust” as it is used in this division [i.e., the Probate
Code].”)

1 to the Trusts. All of the Trusts' administrators are employed there, the Governing Documents
2 were executed there, the Trustee accepted its appointment for the Trusts there, and the day-to-day
3 activities related to the administration of the Trusts are conducted there.

4 10. Venue is proper in the County of Orange pursuant to Probate Code
5 sections 17005(a)(1) and 17005(c) because, as is explained above, the principal place of
6 administration of the Trusts is in Orange County, California. See Prob. Code § 17005(a)(1)
7 (where the "principal place of administration of the trust is located"); *id.* § 17005(c) ("... the
8 proper county for commencement of a proceeding pursuant to this division is determined by the
9 rules applicable to civil actions generally"); see *Estate of Ivey*, 22 Cal. App. 4th 873, 880 (1994).³

10 11. For all of the above reasons, the Probate Division of the Orange County Superior
11 Court has exercised jurisdiction over and granted the requested relief in at least sixteen
12 proceedings brought by the Petitioner seeking instructions regarding the internal affairs of similar
13 securitization trusts over the past six and half years.⁴

14 **IV. NOTICE OF PETITION**

15 12. Notice of this Petition and of the date set by the Court for hearing on this Petition
16 will be provided to the Certificateholders and all other entities known to the Trustee "whose right,
17 title or interest would be affected by the petition" as required by Probate Code section 17203.
18 The names and addresses of each party entitled to notice of this Petition pursuant to the
19 Governing Documents are listed on Exhibit 4.

20
21 _____
22 ³ The Civil, Civil Complex and Probate Divisions of the Orange County Superior Court all have
23 jurisdiction to hear this matter. See *Harnedy v. Whitty*, 110 Cal. App. 4th 1333, 1344 (2003).
24 Regardless of which division hears this case, because the Superior Court has jurisdiction over the
25 matter, it may not dismiss for lack of jurisdiction. 2 Witkin, Cal. Proc. 5th (2008) Jurisd, § 354.
26 For even where a specific division of the Superior Court finds that a separate division of the
27 Superior Court should hear the merits of the case, the original division still has the jurisdiction of
28 the Superior Court permitting it to transfer the case to the proper division. *Id.* "The jurisdictional
basis of the 'probate court' is," therefore, "indistinguishable from that exercised by the superior
court generally. Its jurisdiction is the full jurisdiction consistent with the state and federal
constitutions. Its powers are that of the superior court, since the 'probate court' is the superior
court." Recommendation Relating to Jurisdiction of Superior Court in Trust Matters, 20 Cal. L.
Rev. Comm'n Reports 2253, 2257 n.1 (1990).

⁴ Petitioner will provide the full list of those case numbers upon request if they would be of
assistance to the Court or any affected party.

1 13. The Governing Documents generally define “Certificateholder” as the “person in
2 whose name a Certificate is registered in the Certificate Register.” See, e.g., Exhibit 3, Exemplar
3 PSA §1.01: “‘Certificateholder’ or ‘Holder’: The Person in whose name a Certificate is registered
4 in the Certificate Register” Substantially all of the Certificates are registered in the name of
5 a financial intermediary, the Depository Trust Company of New York (the “DTC”), through its
6 nominee Cede & Co. (the “Registered Holder”).⁵ The Trustee “may treat the Person, including a
7 Depository, in whose name any Certificate is registered as the owner of such Certificate for the
8 purpose of receiving distributions . . . and **for all other purposes whatsoever**, and none of the
9 Master Servicer, the Depository, the Trustee, the NIMS Insurer nor any agent of any of them shall
10 be affected by any notice to the contrary.” See Exhibit 3, Exemplar PSA § 5.04 (emphasis
11 added).

12 14. With few exceptions, the Trustee does not know the names and addresses of the
13 underlying beneficial owners of the Certificates (as opposed to the registered Certificateholders)
14 who (a) have chosen to register their Certificates in the name of the DTC, (b) have chosen to
15 receive legal notices through the DTC, and (c) may trade or otherwise transfer their ownership
16 interest in the Certificates at any time without notice to the Trustee and without affecting the
17 registered ownership of the Certificates. Under the Governing Documents and standard securities
18 market procedures, the Trustee is entitled to treat the registered Certificateholders as the owners
19 of the Certificates for all purposes, and notice to other persons having a beneficial interest in the
20 Certificates is effected by giving notice to the Registered Holder (which, in turn, is required to
21 pass the notice on to any underlying beneficial owners or their designees, such as brokerage
22 firms). Id.

23 **V. STATEMENT OF RELEVANT FACTS**

24 **A. Background**

25 15. Pursuant to certain Governing Documents, WMB and/or certain of its affiliates
26 were the seller, sponsor, depositor, or servicer for the Primary Trusts. In its various capacities,

27 ⁵ Certificateholders, if any, who hold their Certificates in their own names, rather than having
28 them registered through the DTC, are included in Exhibit 4 and will be served separately in
accordance with section 17203 of the Probate Code.

1 WMB and certain other entities formed by WMB for purposes of undertaking securitization
2 activities, contributed or sold residential mortgage loans originated by various entities to the
3 Primary Trusts (the “Mortgage Loans”).

4 16. The duties and responsibilities of the various parties to the Primary Trusts are set
5 forth in the Governing Documents. As indicated above, the Secondary Trusts do not themselves
6 hold Mortgage Loans but have rights, enforceable by the Trustee, dependent upon certain of the
7 Primary Trusts. The Governing Documents generally include a mortgage loan purchase
8 agreement (“MLPA”) and a pooling and servicing agreement (“PSA”). For each Primary Trust,
9 the MLPA and PSA provide for the transfer of the Mortgage Loans to that Trust and contain
10 representations, warranties and covenants made by the seller and/or depositor concerning the
11 nature and certain characteristics of the Mortgage Loans deposited in the trusts. The Governing
12 Documents also provide for the establishment and administration of each Primary Trust,
13 including the responsibilities and duties of the depositor, trustee, seller, and servicer with respect
14 to the Trust. Although the structural details of any given Trust vary somewhat, the roles of the
15 principal parties are generally as follows:

- 16 • **Depositor and Seller:** The depositor is the entity that acquires the pool of
17 mortgage loans and deposits them in a Trust pursuant to the Governing Documents
18 for the transaction. The depositor assigns the legal and beneficial interest in the
Mortgage Loans, including related collateral, to the Trust.⁶
- 19 • **The Trust:** The Trust receives the Mortgage Loans from the depositor and issues
20 the RMBS, which represent specific interests in and entitlements to the cash flows
21 derived from the Trust’s assets (*i.e.*, the Mortgage Loans). The Governing
22 Documents forming (or amending and restating) the Trust appoint the Trustee and
specify the Trustee’s rights, responsibilities and powers in respect of the RMBS
transaction.
- 23 • **Certificateholders:** Certificateholders have the right to receive monies from the
24 cash flows of the underlying Mortgage Loans held as Trust assets or as collateral
25 for debt obligations issued by a companion trust (*i.e.*, borrower payments of
principal and interest and proceeds from the liquidation of loan collateral). Those

26 ⁶ With respect to the Primary Trusts, WMB or WMMSC served as the Depositor and/or Seller
27 for 97 of the 99 Primary Trusts. See Exhibit 5, Amended Complaint in the Action, filed Sept. 8,
28 2010, ¶ 28(a). Through a series of assignments and other agreements, WMB indirectly undertook
responsibilities substantially similar to those of a Depositor or Seller for the remaining two
Primary Trusts. See *id.*

1 cash flows are applied to payment of the RMBS pursuant to a contractually
2 specified distribution plan and schedule.

- 3 • **Servicer:** The servicer is the day-to-day administrator of the Mortgage Loans held
4 by a Trust. The servicer’s responsibilities include collecting payments due from
5 the borrowers, remitting those payments to each Trust for ultimate payment to the
6 investors, and furnishing the trustee or a securities administrator with performance
7 data regarding the mortgage loans in the pool. The servicer generates loan-level
8 data that is used to calculate the distribution of funds and to report pool
9 performance to investors. The servicer also conducts remedial activity on behalf
10 of the Trust when borrowers default on their loans. For some Trusts, WMB or
11 WMMSC acted as “Master Servicer” and had other duties, including the duty to
12 calculate and report Certificateholder distributions. WMB or WMMSC was
13 appointed as either the servicer or master servicer for the Mortgage Loans included
14 in the Primary Trusts, in addition to serving as the depositor and seller as set forth
15 above. See Exhibit 5, Amended Complaint in the Action, filed Sept. 8, 2010, ¶
16 28(d).

17 17. The Governing Documents contain representations, warranties and covenants
18 made by WMB or WMMSC, as Seller and/or Depositor, concerning the nature, characteristics,
19 history and quality of the Mortgage Loans and mortgage loan files sold to, and deposited in, the
20 Trusts (the “Representations and Warranties”). The Governing Documents and applicable law
21 give the Trustee the right to enforce the Representations and Warranties for the benefit of
22 Certificateholders.

23 **B. Failure of WMB and the Ensuing Litigation**

24 **(i) WMB**

25 18. WMB was the United States’ largest savings and loan association with total assets
26 of over \$300 billion as of June 30, 2008. On September 25, 2008, the Office of Thrift
27 Supervision closed WMB and appointed the FDIC as receiver (the “FDIC-Receiver”). The
28 FDIC-Receiver accepted the appointment.

19. Also on September 25, 2008, the FDIC-Receiver sold certain of WMB’s assets and
liabilities to JPMC pursuant to a Purchase & Assumption Agreement among the FDIC-Receiver,
the FDIC in its corporate capacity (“FDIC-Corporate”), and JPMC (the “P&A Agreement”), a
copy of which is attached as Exhibit 6. In connection with the transaction, JPMC acquired the
stock of WMMSC.

1 20. The FDIC is an independent agency of the United States created by the Federal
2 Deposit Insurance Act (the “FDI Act”), 12 U.S.C. § 1811 *et seq.*, and related laws and
3 regulations. The FDIC acts, from time-to-time and among other things, as a receiver for and/or
4 conservator of failed FDIC-insured banking institutions.

5 21. Under the FDI Act persons or institutions with potential claims against the assets
6 of a failed banking institution are required to file proofs of claim with the FDIC. Failure to do so
7 bars recovery against receivership assets. On December 30, 2008, the Trustee timely filed with
8 the FDIC a Proof of Claim regarding WaMu on behalf of the Trusts and the Trustee pursuant to
9 12 U.S.C. § 1821(d). A copy is attached as Exhibit 7 (the “Proof of Claim”). The Trustee alleged
10 that WaMu made and breached representations and warranties contained in the Governing
11 Documents with respect to mortgage loans WaMu conveyed to the Trusts (the “Rep and Warranty
12 Claims”) and that WaMu had not serviced certain Mortgage Loans held by the Trusts in
13 accordance with the Governing Documents (the “Servicing Claims,” and collectively with the
14 Rep and Warranty Claims, the “Claims”). The filing of the Proof of Claim operated to toll any
15 applicable Statute of Limitations as regards claims against the receivership estate of WMB (the
16 “Receivership Estate”). 12 U.S.C. § 1821(d)(4)(F)(i) (“[f]or purposes of any applicable statute of
17 limitations, the filing of a claim with the receiver shall constitute a commencement of an
18 action.”).

19 (ii) **The Action**

20 22. The FDIC did not respond to the Proof of Claim and the Trustee was required
21 under 12 U.S.C. § 1821(d)(6)(A)(i)–(ii) to file suit in federal court in either the location of the
22 failed bank’s principal place of business (Washington State) or in the United States District Court
23 for the District of Columbia (the “DC District Court”) in order to preserve its claims. *Id.* The
24 Trustee brought suit in the DC District Court on August 26, 2009 against the FDIC-Receiver on
25 behalf of the Receivership Estate. The Action filed by the Trustee alleged the Rep and Warranty
26 Claims as well as the Servicing Claims initially detailed in the Proof of Claim. In light of the FDI
27 Act’s strict 60-day deadline for commencement of actions contesting the FDIC-Receiver’s actions
28 or inactions with respect to proofs of claim, the Trustee commenced the Action, without direction

1 or instruction from Certificateholders, in order to preserve all of the Trusts' Claims.⁷ On
2 September 8, 2010, after the FDIC-Receiver took the position that JPMC or WMMSC was liable
3 for the Trustee's claims, the Trustee filed an Amended Complaint, which is attached as Exhibit 5,
4 asserting claims against the FDIC-Receiver, JPMC and WMMSC (the "Amended Complaint").

5 23. The FDIC-Receiver, JPMC and WMMSC disputed all of the allegations made by
6 the Trustee with respect to both the Rep and Warranty Claims and the Servicing Claims,
7 including all claims and allegations of any breach of any provision of any Governing Document.
8 The FDIC-Receiver, JPMC and WMMSC also asserted various affirmative defenses, including
9 statutes of limitations. The Answers filed by the FDIC-Receiver, JPMC and WMMSC are
10 attached as Exhibits 8 and 9, respectively.

11 (iii) **JPMC/FDIC Litigation**

12 24. In a complicated indemnity provision, the FDIC-Receiver agreed to indemnify
13 JPMC essentially for any liabilities, including attorneys' fees and costs, actually and reasonably
14 incurred by JPMC in connection with liabilities of WMB that JPMC had not assumed under the
15 P&A Agreement. See Exhibit 6 (P&A Agreement at Article XII, the "Indemnity Provision").
16 Additionally, FDIC-Corporate guaranteed the indemnity obligation of FDIC-Receiver and was
17 thus liable to JPMC to the extent the assets of the Receivership Estate were not sufficient to fully
18 pay claims under the Indemnity Provision. Id. § 12.7.

19 25. JPMC asserted substantial claims against both the Receivership Estate and FDIC-
20 Corporate under the Indemnity Provision (the "Indemnity Claims"). See JPMorgan Chase Bank
21 v. Federal Deposit Insurance Corp., 13-cv-1997 (RLC) (D.D.C.) (the "Indemnity Action"). The
22 Indemnity Action sought indemnification, inter alia, for 20 securities lawsuits and four pre-suit
23 settlements of securities claims. The Trustee understands that JPMC was seeking to recover an
24 amount in excess of the assets of the Receivership Estate on the Indemnity Claims. Thus, if
25 proven or materially agreed to by the FDIC in settlement, the Indemnity Claims could have
26

27
28 ⁷ No Certificateholder has at any time directed and indemnified the Trustee with respect to its
actions to enforce the Claims.

1 reduced the value of any claims the Trustee had against the Receivership Estate potentially to
2 zero.

3 26. The FDIC-Receiver took the position that should it be found liable on any of
4 JPMC's indemnity claims, under the P&A Agreement, those claims would be satisfied as
5 administrative expenses and thus before the claims of general unsecured creditors. Thus,
6 according to the FDIC-Receiver, any Indemnity Claims established by JPMC would be priority
7 administrative obligations of the Receivership Estate such that they would be paid in full ahead of
8 any general unsecured Claims, including those of the Trustee. The Trustee had no ability to
9 ascertain the FDIC's legal analysis of the Indemnity Claims, and therefore had concerns
10 regarding the level at which the FDIC-Receiver might seek to resolve those claims by allowing
11 them as priority claims against the Receivership Estate for whatever amounts it determined were
12 reasonable and appropriate.

13 **C. Motions to Dismiss**

14 27. Both the FDIC-Receiver and JPMC moved to dismiss the Action arguing, inter
15 alia, that any liability for the Claims was the responsibility of the other party. Thus, the FDIC-
16 Receiver argued that liability for the Claims was transferred to JPMC under § 2.1 of the P&A
17 Agreement. Conversely, JPMC argued that any liability on the Claims remained against the
18 Receivership Estate except: (1) with respect to any Rep and Warranty Claims of WMB reflected
19 on its books and records at the time of its failure and only then to the extent of their stated "book
20 value"; and (2) any Servicing Claims arising after September 25, 2008 when JPMC began
21 servicing the Mortgage Loans. There was no argument concerning the proper defendant for Rep
22 and Warranty Claims alleged against WMMSC, which were claims only against WMMSC.

23 28. The DC District Court denied both motions to dismiss in summary rulings dated
24 April 5, 2011 and August 17, 2011 and then directed the case be bifurcated as follows: (1) a
25 determination of the proper defendant with respect to the Claims (the "Assumption of Liability
26 Issue"), and (2) a determination of the existence of liability and damages on the Claims (the
27 "Merits Issue"). The DC District Court directed the parties to complete both fact and expert
28 discovery on the Assumption of Liability Issue (and litigate that question to conclusion), subject

1 to a stay of discovery on the Merits Issue except insofar as JPMC was required to produce copies
2 of the underlying Mortgage Loan files and associated underwriting guidelines which would
3 ultimately be subject to production during litigation of the Merits Issue.

4 **D. Motions for Summary Judgment**

5 29. After the close of fact and expert discovery on the Assumption of Liability Issue,
6 JPMC and the FDIC-Receiver both moved for summary judgment on that question.

7 30. The FDIC-Receiver argued that JPMC had assumed all liabilities on the Claims
8 relating to WMB under the express terms of the P&A Agreement and additionally that the
9 extrinsic evidence developed during fact discovery further supported that finding. The Trustee
10 joined in the motion of the FDIC-Receiver.

11 31. JPMC argued that it had assumed the Claims liabilities relating to WMB only to
12 the extent they were booked as liabilities on WMB's "books and records" at the time of its failure
13 and then only to the extent of their "book value."

14 32. Separately, there was no dispute that the Claims against WMMSC remained
15 claims against WMMSC. Thus, neither the Receivership Estate nor JPMC had liability on those
16 Claims.

17 33. On June 2, 2015, the DC District Court issued a 54-page Memorandum Opinion
18 substantially agreeing with the positions taken by JPMC. A copy of the Memorandum Opinion,
19 as subsequently amended by the Court on June 17, 2015, is attached as Exhibit 10 (the "Summary
20 Judgment Opinion"). The DC District Court issued an order – and subsequently an Amended
21 Order – memorializing its rulings. A copy of the Amended Order is attached as Exhibit 11. The
22 Amended Order provides as follows:

- 23 • JPMC assumed "liability for the disputed repurchase liabilities only to the extent
24 that WMB reflected such liabilities at a stated Book Value on WMB's financial
25 accounting records as of September 25, 2008."

26 The Amended Order also makes clear that all mortgage repurchase liabilities of WMMSC
27 remained with WMMSC (the stock of which was acquired by JPMC in its entirety).
28

1 34. The FDIC-Receiver and the Trustee both appealed the Summary Judgment
2 Opinion. Copies of the Notices of Appeal are attached as Exhibits 12 and 13, respectively.

3 **E. Settlement Discussions**

4 35. As is detailed below, the parties had – over time – engaged in settlement
5 discussions in an effort to resolve the Action. Settlement discussions refocused after the issuance
6 by the DC District Court of the Summary Judgment Opinion.

7 36. In connection with the filing of the Notice of Appeal, the FDIC-Receiver filed a
8 Civil Docketing Statement on November 19, 2015, which in Section 7 disclosed that mediated
9 settlement discussions were ongoing using Robert Meyer of JAMS as the mediator (the
10 “Mediator”).⁸ A copy of the Civil Docketing Statement is attached as Exhibit 14. Subsequent to
11 filing notices of appeal, the parties agreed to extend the period to file briefs on the appeal in order
12 to permit mediated settlement discussions. Copies of the joint motions are attached as Exhibits
13 15 and 16, respectively. Each motion disclosed that productive settlement discussions were
14 ongoing. In an October 21, 2016 status report filed after the second joint motion, the parties
15 disclosed that a resolution had been reached. A copy of the status report is attached as Exhibit 17.

16 **F. The Claims: Potential Damages**

17 37. The Governing Documents require WMB or WMMSC, as a Seller and/or
18 Depositor for individual Trusts, to cure or repurchase any Mortgage Loans that breach the
19 Representations and Warranties where such breach has a material and adverse effect on the value
20 of the Mortgage Loan(s) or the interests of the Trusts therein (the “Repurchase Obligations”).
21

22 _____
23 ⁸ As detailed in his resume – www.jamsadr.com/meyer/ – Robert Meyer is an experienced
24 mediator with a particular focus on complex commercial disputes. Of particular relevance to the
25 Action, Mr. Meyer has had significant experience mediating both pending litigation and disputed
26 but not yet asserted claims involving alleged breaches of Representations and Warranties in
27 RMBS transactions. He is thus familiar with the legal landscape in the area (arguments made
28 both by plaintiffs and defendants in these cases and the general trends in the courts’ disposition of
such arguments), the benchmark settlements that have been reached over time, and the financial
costs and time associated with litigation of claims such as those asserted in the Action. These
settlements include an investor-negotiated settlement, recently approved by a New York State
Court, of claims against JPMC with respect to RMBS that were not associated with WaMu. On
information and belief, the principal investors who negotiated that settlement are also significant
investors in Primary Trust RMBS that are the subject of this Petition.

1 38. In its Proof of Claim, the Trustee alleged potential damages on the Rep and
2 Warranty Claims in an estimated range of \$6.764 to \$10.246 billion. The Amended Complaint
3 attached and referenced the Proof of Claim and alleged damages in an amount to be proved at
4 trial.

5 39. In connection with preparation for litigation of the Merits Issues, the Trustee
6 engaged experts to assist it in assessing: (i) the realized and expected future losses on the Trusts;
7 and (ii) whether and to what extent there were material breaches of the Representations and
8 Warranties in the Trusts that would trigger the Repurchase Obligation.

9 40. With respect to losses, during the course of the Trustee's negotiations with the
10 FDIC and JPMC, the experts retained by the Trustee estimated actual and future losses as of June
11 30, 2015, for the WMB and WMMSC Trusts at approximately \$17.399 billion and \$1.237 billion,
12 respectively.⁹

13 41. As regards breach rates, the Trustee's experts analyzed what they determined to be
14 a statistically significant sample of Mortgage Loans. That analysis yielded potential damages
15 consistent with the Proof of Claim.

16 42. While evaluating a sample of Mortgage Loans for certain litigation and settlement
17 purposes reduces both the time and cost associated with the work, the work is in all events
18 extremely time consuming and expensive. Indeed, even having focused only on a sample of the
19 Mortgage Loans consisting of 1000 loans, the direct loan file review costs to date were
20 approximately \$30 million, before any contested litigation of the Merits Issues had even begun.¹⁰
21 There are approximately 556,000 Mortgage Loans in the Trusts. And if fully litigated, the
22

23 ⁹ These estimated loss amounts equate to lifetime loss rates of approximately 18.8% of original
24 principal amount on loans for which WMB made Representations and Warranties (\$17.399
25 billion of losses on \$92.726 of original principal balance) and 2.0% of original principal amount
on loans for which WMMSC made Representations and Warranties (\$1.237 billion on \$60.478
billion of original principal balance).

26 ¹⁰ Although a large portion of the loan file review expenditure to date related to the capture and
27 organization of immense amounts of loan file data for the portfolio, much of which would not
28 have to be repeated, the Trustee believes that loan file reviews of the quality needed to support
litigated claims would cost not less than \$1,000 per loan. Using this figure, even if loan reviews
were limited to loans for which the Trusts have realized losses, additional loan review costs
would be extremely expensive.

1 Trustee expects the FDIC-Receiver (or JPMC in the unlikely event of a change in the Summary
2 Judgment Opinion) and/or WMMSC to argue that the Trustee is required to prove breaches loan-
3 by-loan and trust-by trust and/or to contest the validity of that sample. See MASTR Adjustable
4 Rate Mortgs. Trust 2006-OA2 v. UBS Real Estate Sec. Inc., 2015 WL 797972, at *3–4 (S.D.N.Y.
5 Feb. 25, 2015) (holding that “expert sampling did not align” with the repurchase remedy); Tr. of
6 Nov. 8, 2012 Proceedings, at 3:11–17, in Bear Stearns Mortg. Funding Trust 2007-AR2 v. EMC
7 Mortg. LLC, No. 6861-CS (Del. Ch.) (attached hereto as Exhibit 28); Tr. of Dec. 10, 2014
8 Proceedings, at 55:5–8, 346:10, 354:17–21, in *In re Lehman Bros. Holdings, Inc.*, No. 08-13555
9 (Bankr. S.D.N.Y. Dec. 10, 2014) (attached hereto as Exhibit 29).

10 **G. Trustee Communications with Certificateholders**

11 43. The Trustee took steps throughout the course of the Action to update
12 Certificateholders on its status and otherwise disseminate public information to the
13 Certificateholders.

14 44. The Trustee prepared and disseminated multiple written Notices to
15 Certificateholders in order to provide updates regarding the status of the Action (the “Litigation
16 Updates”).

17 45. Such Litigation Updates were provided on each of the following dates: October
18 17, 2012; July 28, 2014; October 16, 2014; June 12, 2015; June 29, 2015; and April 18, 2016.
19 Copies of each Litigation Update are attached as Exhibits 18, 19, 20, 21, 22, and 23. In each
20 Litigation Update, the Trustee offered to provide additional information to any requesting
21 Certificateholder upon their execution of a Common Interest and Nondisclosure Agreement
22 (“CINDA”).

23 46. The Trustee received requests from eight Certificateholders seeking additional
24 information about and/or providing views on the Action. The Trustee considered each of the
25 issues raised in these communications, performed additional research relating to such
26 communications when warranted, and responded to each Certificateholder (or its counsel) by
27 providing a copy of the CINDA, along with an explanation that the requested additional
28 information would be provided upon the Certificateholder’s execution and return of the CINDA.

1 Prior to the Trustee’s acceptance of the mediated settlement described below, only one investor
2 returned an executed copy of the CINDA in order to receive such additional information, which
3 the Trustee thereafter provided.

4 **VI. THE PROPOSED SETTLEMENT**

5 **A. The Receivership Estate**

6 47. Absent a successful appeal of the Summary Judgment Ruling, the majority of the
7 Claim could be satisfied only from the assets of the Receivership Estate. Given the nature of the
8 Summary Judgment Ruling, it would have been difficult to overturn, and even if the appeal were
9 successful, proceedings on any remand based upon a contested issue of fact would be in front of
10 the same judge. Moreover, under precedential rulings of the Court of Appeals for the DC Circuit,
11 it was questionable whether the Trustee – as a non-party to the P&A Agreement – would be found
12 to have standing to pursue the appeal or other issues concerning the interpretation of the P&A
13 Agreement, particularly if the FDIC and JPMC settled their dispute in a manner adverse to the
14 interests of the Trusts. See, e.g., GECCMC 2005-C1 Plummer Street Office Ltd. P’ship v.
15 JPMorgan Chase Bank, Nat’l Ass’n, 671 F.3d 1027, 1033–35 (9th Cir. 2012); Innerface Kanner,
16 LLC v. JPMorgan Chase Bank, N.A., 704 F.3d 927, 931 (11th Cir. 2013), cert. denied, ___ U.S. ___
17 134 S. Ct. 175 (2013); Hillside Metro Assocs., LLC v. JPMorgan Chase Bank, Nat’l Ass’n, 747
18 F.3d 44, 48–49 (2d Cir. 2014), cert. denied, ___ U.S. ___, 135 S. Ct. 1399 (2015).

19 48. The FDIC-Receiver maintains a public website which includes, among other
20 things, the unaudited balance sheet of WMB: www.fdic.gov/bank/individual/failed/WMB.html.
21 As is reflected in the Settlement Agreement, page 2, the balance sheet published by the FDIC-
22 Receiver for the period ending December 31, 2015 stated that, as of that date, the then-current
23 assets of the Receivership Estate were approximately \$2,756,378,000; that WMB had
24 approximately \$7,206,000 in administrative liabilities; holders of WMB senior debt held allowed
25 claims in the WMB Receivership in the amount of \$6,077,557,000 (such claims being pari passu
26 with any allowed claim of the Trustee for its Claims); and there were allowed general unsecured
27 claims in the approximate amount of \$19,250,000 against the Receivership Estate.

28

1 49. Additionally, and as summarized above, JPMC asserted substantial Indemnity
2 Claims against the Receivership Estate, which were not included in the above claim amounts and
3 if litigated successfully or resolved at levels sufficiently favorable to JPMC had the potential to
4 consume all or substantially all of the assets of the Receivership Estate leaving few, if any, to
5 satisfy other claims, including that of the Trustee. Also, because JPMC's Indemnity Claims were
6 guaranteed by the FDIC-Corporate if the assets of the Receivership Estate were not sufficient to
7 satisfy them, the Trustee was aware that unless and until JPMC's Indemnity Claims were resolved
8 by settlement or litigation of those claims was concluded (a process that could take many years),
9 the FDIC-Receiver was not likely going to be in a position to make any distribution to the
10 Trustee, even if the Trustee and the FDIC-Receiver could settle on the amount of an allowed
11 claim against the Receivership Estate.

12 50. In addition to the Indemnity Claim, which stood in front of any potential recovery
13 to the Trusts on the Claims against FDIC-Receiver, the Trustee was aware that the Receivership
14 Estate was a diminishing asset. In this regard, in the event of continued litigation, fees and
15 expenses of counsel and experts for the FDIC-Receiver – and potentially JPMC based on its
16 indemnity claims – would be paid from the Receivership Estate such that continued litigation
17 could significantly reduce the assets available to satisfy the Claims even if proven. And, of
18 course, the Trusts would simultaneously bear the significant direct fees and costs associated with
19 continued litigation by the Trustee (e.g., lawyers and experts retained by the Trustee to prosecute
20 the Action).

21 51. Additionally, the Trustee was cognizant that litigation of the Claims to conclusion
22 would be extremely time consuming and could reasonably be expected to take many years. Thus,
23 in addition to the out-of-pocket costs borne by the Trusts during that time and the ongoing
24 diminution of the Receivership Estate, the delay associated with any fully-litigated recovery by
25 the Trusts and subsequent distribution to the Certificateholders would be substantial and impose
26 additional economic loss. In this regard, at various times groups of Certificateholders expressed
27 interest in receiving payment earlier in time rather than waiting for an uncertain – and necessarily
28 delayed and costly – litigation recovery. Because of the threshold need to adjudicate the

1 Assumption of Liability Issue before even commencing litigation of the Merits Issue, the Trustee
2 was aware that the potential delay and uncertainty in this case was more extreme than in many
3 others. Indeed, the Trustee had commenced the Action in 2009, and seven years later discovery
4 on the Merits Issue had not yet begun (except for the delivery of loan files and underwriting
5 guidelines described above).

6 52. All of these factors militated in favor of an attempt to reach a settlement.

7 **B. The Process**

8 53. At various points, sometimes with the encouragement of the DC District Court, the
9 Trustee engaged in privileged and mediated discussions with the FDIC and/or JPMorgan to
10 explore a settlement of the Action. Settlement discussions began as early as April 2010 and
11 included numerous in-person meetings and telephone negotiations among the Trustee, JPMorgan
12 and the FDIC, in various combinations and sequences. In connection with such discussions, the
13 Trustee was represented both by internal and external counsel and by David Co, a Director and
14 Head of ABS/MBS Trust and Document Custody of the Trustee.

15 54. Similarly, at various points the Mediator met directly with each of the parties
16 individually (both in person and telephonically). Initial attempts after the Summary Judgment
17 Opinion to resolve the Action through three-way discussions by and between the FDIC,
18 JPMorgan and the Trustee proved unsuccessful. Indeed, notwithstanding the Trustee's settlement
19 offers to the FDIC, the FDIC never made a counteroffer on the Trustee's Claims, and the Trustee
20 grew concerned that substantial settlement numbers were being discussed by and between the
21 FDIC and JPMC on the Indemnity Claims (which, as described above, were senior in priority to,
22 and therefore could substantially or completely erode, the Trusts' Claims against the Receivership
23 Estate). The Trustee thus determined that it would be advantageous to meet with JPMorgan –
24 separate from the FDIC – in an effort to establish a productive dialogue about how to fashion a
25 three-way resolution.

26 **C. Financial Terms**

27 55. In negotiating the Settlement, the Trustee took into consideration various positions
28 and assertions made by the FDIC and JPMorgan. In particular, the FDIC specified that:

- 1 • Any settlement would have to be “global” in the sense that all claims against the FDIC
2 by both the Trustee and JPMC – including the Indemnity Claims against both the
3 FDIC-Receiver and FDIC-Corporate – had to be resolved. The FDIC was particularly
4 insistent on this condition because the failure to resolve all claims would defeat the
5 FDIC-Receiver’s goal of resolving all material claims against the estate to enable it to
6 make distributions to Receivership Estate creditors.
- 7 • No payment would be made by the FDIC-Receiver from the Receivership Estate
8 unless and until all material claims against it were resolved (the Trustee’s Claims and
9 the JPMC Indemnity Claims being the only remaining material unresolved claims).
10 As a result, even if the Trustee were able to agree with the FDIC-Receiver on the
11 value of its Claim against the Receivership Estate, no payment would be made on that
12 Claim unless and until a resolution was reached with JPMC (such resolution having
13 the potential to reduce the value of the Claim substantially to zero).
- 14 • Any value ascribed to the Claim by the FDIC-Receiver would take the form of a
15 general unsecured claim against the assets of the Receivership Estate whereas value
16 ascribed to JPMC on its Indemnity Claims would be paid in cash inasmuch as the
17 Indemnity Claims were indisputably a priority administrative claim entitled to
18 recognition and payment ahead of general unsecured creditors. Additionally, any
19 settlement with the Trustee would have to be a full and complete settlement with
20 respect to all of the Trusts such that no Trust could be given an ability to “opt out” of
21 the Settlement and continue to litigate.

22 56. Taking account of the parameters of particular importance to the FDIC and the
23 negotiating dynamic that had evolved during initial attempts to resolve the Action, the Trustee
24 and JPMorgan, with the assistance of the Mediator, reached an agreement to make a joint
25 settlement offer to the FDIC. In the context of resolving all claims asserted by the Trusts against
26 JPMC and WMMSC, the Trustee and JPMC agreed to make a collective demand on the FDIC in
27 the amount of \$1.5 billion, which would be split \$800 million to the Trustee and \$700 million to
28 JPMC. See Exhibit 24 (the “Negotiating Agreement”). The Trustee and JPMorgan further
agreed that if it was necessary to negotiate a total payment below \$1.5 billion, any such
reductions would be borne at the rate of \$2 by the Trustee and \$1 by JPMC to a floor of \$1.35
billion (at which floor the Trustee would receive \$700 million and JPMC would receive \$650
million).¹¹ Additionally, the Trustee and JPMC agreed that in the event amounts received by
either the Trustee or JPMC exceeded the amounts contemplated by the terms of the Negotiating
Agreement, the party receiving excess funds would provide a compensating payment to the other
in order to conform the amount received by each party to the amounts agreed to in the

¹¹ Subsequently, as a result of the \$1.34 billion Mediator’s Proposal described below, the Trustee and JPMorgan agreed that the last \$10 million in reductions would be borne by them in a 1-to-1 ratio, resulting in the final \$695 million/\$645 million split.

1 Negotiating Agreement. Thus, in the event that any settlement with the FDIC afforded JPMC an
2 Indemnity Claim resulting in larger distributions to JPMC than those stipulated by the
3 Negotiating Agreement (and allowed the Trustee's Claims in an amount resulting in projected
4 distributions smaller than the stipulated amounts), JPMC agreed to make a compensating cash
5 payment to the Trustee. Conversely, the Trustee would make compensating payments to JPMC if
6 it received excess payments. In entering into the Negotiating Agreement, the Trustee sought: (1)
7 a total settlement payment that would reasonably compensate the Trusts' aggregate Claims; and
8 (2) an approach to the negotiations that maximized the likelihood of achieving that result.

9 57. The Negotiating Agreement had the impact that the Trustee had hoped for and it
10 appeared to move discussions forward constructively. However, from that point forward, the
11 mediated negotiations took many more months and many more telephonic and in person sessions
12 with the Mediator. While the Trustee and JPMorgan sought to negotiate on a joint basis for an
13 aggregate dollar amount, without disclosing the allocation between the Trustee and JPMC, during
14 the course of the mediated negotiations with the FDIC, the FDIC made individualized settlement
15 offers to JPMC and the Trustee, in each case conditioned on an agreed settlement among all three
16 parties. In other words, each counter-offer from the FDIC included a proposed cash payment to
17 JPMC on its Indemnity Claims and a proposed allowed general unsecured claim in favor of the
18 Trustee in the Receivership Estate. Consistent with the Negotiating Agreement, the demands of
19 the Trustee and JPMC were presented jointly as unitary cash amounts up until it became apparent
20 that an agreement with the FDIC was dependent on the determination and allowance of separate
21 claims amounts for each of them.

22 58. After a series of offers, counter-offers and individualized mediated discussions,
23 including by and between the FDIC and JPMC regarding certain issues relating to the scope of
24 the release to be exchanged between them, the Mediator made a final proposal to the parties that
25 was accepted by all of them and finally memorialized in the Settlement Agreement. See Exhibit
26 25. Pursuant to § 3.01 of the Settlement Agreement, the Trustee will be deemed to have an
27 allowed general unsecured creditor claim in the WMB Receivership Estate in the amount of
28

1 \$3,006,929,660 (the “Trustee Allowed Claim”)¹² and the FDIC-Receiver agrees to pay JPMC
2 \$645,000,000 from the WMB Receivership Estate (the “JPMC Payment”). The Settlement
3 Agreement further provides for the exchange of full and complete mutual releases by and
4 between the Trustee and the FDIC. See id. §§ 3.03, 3.05. As is set forth in § 3.04 of the
5 Settlement Agreement, the FDIC and JPMorgan reached agreement on a release with certain
6 carve-outs that permit, inter alia, the continuation of certain litigation by the FDIC against
7 JPMorgan.

8 59. The Trustee-JPMorgan Agreement also provides that the Trustee, WMMSC and
9 JPMC will comply with the allocation of economic value set forth in the Negotiating Agreement.
10 See Exhibit 27, Trustee-JPMorgan Agreement, §3.06. The Negotiating Agreement provides that
11 in the event that combined distributions to the Trustee and JPMC from the Receivership Estate
12 exceed \$1.34 billion, the Trustee and JPMC will share such excess distributions in proportions
13 based on the inverse order of the reductions in value experienced by each of them during the
14 course of the negotiations with the FDIC described above (i.e., 1:1 with respect to the first \$10
15 million of excess distributions; and 2:1 in favor of the Trustee with respect to excess distributions
16 of \$10 to \$160 million; and 1:1 for excess distribution over \$160 million). Section 3.06 of the
17 Trustee-JPMorgan Agreement also contains a provision relating to the possibility that the Trustee
18 might receive a “Carve-Out Distribution” and was included to address a concern of the FDIC
19 while maintaining the agreed-upon economics between the Trustee and JPMorgan in the
20 Negotiating Agreement.

21 **D. Non-Financial Terms**

22 60. The Trustee and JPMorgan further agreed on certain non-financial terms that are
23 integral elements of the Settlement – and on which the Settlement is contingent – that do not
24 involve the FDIC and that were mediated solely between the Trustee and JPMorgan. These
25 further agreements are contained in the Trustee-JPMorgan Agreement.

26
27 _____
28 ¹² Based on the WMB Receivership Estate’s most recent balance sheet, see, supra, ¶ 38, it is
estimated that this allowed claims amount will yield approximately \$695 million in eventual cash
distributions to the Trustee for the benefit of the Trusts.

1 61. Specifically, the Trustee-JPMorgan Agreement provides for the adoption – within
2 10 days of this Court’s approval of the Settlement – by JPMorgan of the subservicing protocol set
3 forth in Exhibit B to the Trustee-JPMorgan Agreement. Implementation of the Subservicing
4 Protocol provides significant additional value to Certificateholders (the “Subservicing Protocol”).
5 Indeed, the Subservicing Protocol was initially developed by a group of large institutional holders
6 in other JPMC-sponsored RMBS transactions as a core component of settlement consideration in
7 the resolution of those matters and the Trustee has been urged by certain Certificateholders to
8 require its implementation with respect to the Trusts in any settlement of the Action.

9 62. Additionally, § 2.02 of the Trustee-JPMorgan Agreement clarifies JPMorgan’s
10 right to sell or otherwise transfer servicing rights on the Mortgage Loans to certain pre-approved
11 successor servicers identified on Exhibit C thereto (the “Successor Servicers”), so long as any
12 such Successor Servicer agrees to abide by the Subservicing Protocol. By requiring any
13 Successor Servicer to continue to utilize specialized servicers focused on maximizing recoveries
14 from delinquent mortgage loans, the Trustee-JPMorgan Agreement preserves this valuable
15 component of Settlement consideration in the event that WMMSC or JPMC transfers its
16 respective servicing rights in the future.

17 63. The Trustee-JPMorgan Agreement also contains releases by and between the
18 Trustee and JPMorgan.

19 **VII. THE SETTLEMENT SHOULD BE APPROVED**

20 64. The Settlement is a reasonable resolution of the Action and should be approved.
21 This mediated settlement was the result of protracted, arms-length negotiations conducted
22 through an experienced third-party mediator and after many failed attempts to resolve the Action.
23 As such, it is the only settlement currently available that would both resolve the Trusts’ Claims
24 against the FDIC-Receiver and JPMorgan and be reasonably likely to result in cash distributions
25 to the Trusts in the foreseeable future. The Trustee does not believe that better financial terms are
26 achievable in settlement absent substantial additional litigation (including the prospect of separate
27 trials in respect of the Trusts for which WMB or WMMSC were found liable), which carries with
28 it meaningful risk, along with substantial costs and delay associated with a multi-year time to

1 (i) complete adjudication of the Assumption of Liability Issue, (ii) begin and conclude fact and
2 expert discovery on the Merits Issue, (iii) complete all necessary trials and appeals, and
3 (iv) resolve litigation between the FDIC and JPMC of JPMC’s Indemnity Claims, all of which
4 would have to be achieved before any distribution from the Receivership Estate would likely be
5 possible (assuming successful adjudication of those matters). The Trustee also realizes that the
6 Receivership Estate available to satisfy the Repurchase Obligations of WMB is a diminishing
7 asset as explained above.

8 65. Moreover, the Settlement reasonably accounts for the arguments raised by the
9 FDIC, WMMSC and JPMC in defense of the Claims. See Exhibits 8 and 9 (Answers). Although
10 they pressed numerous arguments, the more central ones pressed over the course of discussions
11 follow:

- 12 • Statute of Limitations: The FDIC, WMMSC and JPMC argued that all or
13 substantially all of the Claims are barred by the Statute of Limitations. Indeed, in
14 its dismissal motion, WMMSC and JPMC argued that as a matter of law the
15 Claims for 74 of the 99 Trusts, including all of the WMMSC trusts, are time-
16 barred under the laws of either Delaware (3 years) or New York (6 years), as
17 applicable. See Exhibit 26 (Motion to Dismiss at 25–26).

18 In response, the Trustee argued: (i) that the Claims did not begin to accrue upon
19 the date of the Securitization, but only later when there was a failure to repurchase
20 the Mortgage Loans; and (ii) arguments regarding statutes of limitation present a
21 fact issue that cannot be determined on a motion to dismiss. The summary ruling
22 of the DC District Court on the dismissal motions did not analyze these arguments.
23 Subsequently, however, the New York Court of Appeals decided ACE Securities
24 Corp. v. DB Structured Products, Inc., 977 N.Y.S.2d 299 (N.Y. App. Div. 2013)
25 (“ACE”) agreeing with the position taken by JPMorgan that, under New York law,
26 the statute of limitations in an RMBS matter accrues as of the date of
27
28

1 securitization. While not dispositive, the decision in ACE may be considered
2 persuasive authority and in all events factors into a risk analysis.

- 3 • Similarly, both JPMorgan and the FDIC raised questions about whether damages
4 are recoverable on Mortgage Loans that have already been liquidated. In this
5 regard, in August 2015 Judge Denise Cote, United States District Judge for the
6 Southern District of New York, issued a decision to the effect that damages may
7 not be recovered on liquidated loans. See The Bank of New York Mellon v. WMC
8 Mortgage, LLC et. al., 2015 U.S. Dist LEXIS 119809 (S.D.N.Y. Aug. 18, 2015).
9
- 10 • Both JPMorgan and the FDIC also argued that the Claims were barred because
11 notice of the alleged breaches, on a loan-by-loan and trust-by-trust basis, was
12 required to be provided as a condition precedent to the Action.
- 13 • Both JPMorgan and the FDIC argued that, in litigation of the Action, they would
14 vigorously defend against any allegations of breach as well as whether any
15 breaches “materially and adversely affected” the value of the Mortgage Loan,
16 thereby triggering the Repurchase Obligation. As was reflected in the recent post-
17 trial opinion of Judge Kevin Castel, United States District Judge for the Southern
18 District of New York, analysis of those issues must arguably be made for each
19 Mortgage Loan at issue in the Action. Here, there are over 556,000 Mortgage
20 Loans. See U.S. Bank National Association v. MASTR Adjustable Rate
21 Mortgages Trust 2006-OA2 et. al., 2016 U.S. Dist LEXIS 119890 (S.D.N.Y. Sept.
22 6, 2016).
23

24 In addition to the foregoing, at the time the Trustee accepted the mediated
25 Settlement, the Trustee took into consideration the fact that a group of major
26 holders of beneficial interests in the Trusts had previously negotiated, but not
27 consummated, an agreement with certain of the Bondholders (the only other
28 material general unsecured creditors in the Receivership Estate) under which the

1 Trustee would receive an allowed claim of approximately \$2,280,000,000,
2 approximately \$726,000,000 less than the claim allowed under the Settlement.
3 March 2, 2016 Business Wire (“Announcement by the Steering Committee of Ad
4 Hoc Committee of Washington Mutual Bank Noteholders”), available at
5 <http://www.businesswire.com/news/home/20160302006392/en/> (last viewed Dec.
6 12, 2016).

7
8 66. In reaching the decision to accept the Mediator’s Proposal, the Trustee considered
9 the history of settlement negotiations; its knowledge of the risks, costs and time associated with
10 ongoing litigation; the benefits to Certificateholders of the Settlement; input received from
11 Certificateholders during the course of Action; and the level of previous settlements in
12 comparable actions. Although not a consideration in the Trustee’s decision to accept the
13 mediated Settlement, the Trustee has retained an expert who at present is analyzing the Settlement
14 terms (the “Settlement Expert”) and will provide a report to this Court regarding whether the
15 Settlement is a reasonable resolution of the Action.

16 **VIII. ALLOCATION OF THE SETTLEMENT PROCEEDS**

17 67. The Trustee proposes to allocate all cash proceeds of the Settlement (the
18 “Settlement Proceeds”) among the Trusts and among the classes of securities issued by each Trust
19 as follows:

- 20 • First, the Trustee shall deduct from the Settlement Proceeds the aggregate amount
21 of fees and expenses incurred in connection with the Trustee’s enforcement and
22 settlement of the Claims, including without limitation the Trustee’s fees and
23 expenses in connection with this Petition (the “Expense Reimbursement
24 Amount”), and apply the Expense Reimbursement Amount to reimburse in full
25 such fees and expenses to each Trust that has borne them.
- 26 • Second, the Trustee shall retain a qualified financial advisor (the “Allocation
27 Expert”) to make any determinations and perform any calculations that are
28

1 required in connection with the allocation of the net Settlement Proceeds after the
2 deduction of the Expense Adjustment Amount (the “Net Settlement Proceeds”).

- 3 • Third, the Allocation Expert shall calculate the amount of net losses for each Trust
4 that have been or are estimated to be borne by that Trust from its inception date to
5 its expected date of termination as a percentage of the sum of the net losses that
6 are estimated to be borne by all Trusts from their inception dates to their
7 expected date of termination (such amount, the “Net Loss Percentage”).
- 8 • Fourth, the Allocation Expert shall calculate the “Allocable Share” of the Net
9 Settlement Proceeds for each Trust by multiplying (A) the amount of the Net
10 Settlement Proceeds by (B) the Net Loss Percentage for such Trust, expressed as a
11 decimal; provided that the Expert shall be entitled to make adjustments to the
12 Allocable Share of each Trust to ensure that the effects of rounding do not cause
13 the sum of the Allocable Shares for all Trusts to exceed the applicable Net
14 Settlement Proceeds.

15 68. Allocation based on total losses as proposed by the Trustee here has been adopted
16 as the most reasonable allocation methodology in a number of settlements of which the Trustee is
17 aware and it has been proposed as an appropriate and reasonable methodology by certain large
18 institutional Certificateholders who hold beneficial interests in the RMBS. The Trustee believes
19 that reimbursement of the Trustee’s aggregate enforcement and settlement fees and expenses to
20 each Trust that has borne them is fair and reasonable because such reimbursement effectively
21 reallocates the costs of enforcing and settling the Claims among the Trusts in proportion to the
22 benefits to be received by each Trust under the Settlement.

23 69. In reaching this proposed method of allocation, the Trustee evaluated whether
24 arguments specific to individual Trusts – for example based on date of securitization, breach
25 rates, documentation-specific positions – or groups of Trusts militate in favor of an individualized
26 approach to allocation based on Trust-specific issues. The Trustee thus considered alternative
27 allocation approaches but ultimately concluded that an allocation based on losses most
28 appropriately and efficiently takes account of the various issues impacting allocation, including

1 risks to the Trusts in further litigation. The Trustee has asked the Settlement Expert to include in
2 his report an opinion on the issue of whether an allocation methodology based on losses is
3 reasonable here.

4 **IX. GROUNDS FOR REQUESTED INSTRUCTIONS**

5 70. This Court has the power under statutory law, in common law and in equity to
6 instruct Petitioner as to internal affairs of the Trusts.

7 71. Probate Code Section 17200 provides in pertinent part as follows:

8 (a) Except as provided in Section 15800 [not applicable here], a trustee or
9 beneficiary of a trust may petition the court under this chapter concerning
10 the internal affairs of the trust

11 (b) Proceedings concerning the internal affairs of a trust include, but are not
12 limited to, proceedings for any of the following purposes:

13 (1) Determining questions of construction of a trust instrument.

14 (2) Determining the existence or nonexistence of any immunity, power,
15 privilege, duty or right.

16 (3) Determining the validity of a trust provision

17 ***

18 (5) Settling the accounts and passing upon the acts of the trustee,
19 including the exercise of discretionary powers.

20 (6) Instruct[ing] the trustee.

21 ***

22 (8) Granting powers to the trustee.

23 ***

24 (13) Approving or directing the modification . . . of the trust.

25 Prob. Code § 17200.

26 72. The judicial instructions sought by the Trustee in this Petition are proper under
27 Probate Code section 17200. Moreover, “[t]he list of grounds for a petition concerning the
28 internal affairs of a trust under subdivision (b) is not exclusive and is not intended to preclude a

1 petition for any other purpose that can be characterized as an internal affair of the trust.”
2 Recommendation Proposing New Probate Code, Cal. L. Revision Comm’n Reports, 1947 (1989).

3 73. California common law recognizes a trustee’s right to petition the Superior Court
4 for instructions regarding trusts of the type at issue here. See Security-First Nat’l Bank v. Tracy,
5 21 Cal. 2d 652, 653–54 (1943) (trustee of a trust consisting of real property was entitled to
6 judicial instructions as to its duties under the trust agreement because the trustee was faced with
7 conflicting demands); Security-First Nat’l Bank v. J.D. Millar Realty Co., 217 Cal. 277, 280
8 (1933) (holding that a trust to sell real property has “[t]he right to ask a court of equity for
9 instructions under such circumstances as appear here exists independent of section 1060 of the
10 Code of Civil Procedure, giving the right of action for declaratory relief.”); cf. Class Plaintiffs v.
11 City of Seattle, 955 F.2d 1268, 1273, 1282 (9th Cir. 1992) (applying New York law to a trust that
12 held as its corpus a large collection of bonds worth over \$2.25 billion); see also A. Scott & W.
13 Fratcher, *The Law of Trust*, 4th Ed. § 259 (1988) (noting the universally-recognized common law
14 right of a trustee to petition the court for instructions).

15 **X. CONCLUSION**

16 WHEREFORE, the Trustee respectfully requests that this Court enter two orders as follows:

17 **A. Approval Order**

- 18 (1) Determining that the Trustee acted reasonably and in good faith
19 within the bounds of its discretion in entering into the Settlement;
20 (2) Finding that Certificateholders received legally sufficient notice of
21 this proceeding and an opportunity to object;
22 (3) Barring any Certificateholder from asserting claims against the
23 Trustee based upon its prosecution of the Action and negotiation of,
24 and entry into, the Settlement; and
25 (4) Declaring that the Settlement and each of the documents pursuant
26 to which it was effectuated – the Settlement Agreement and the
27 Trustee-JPMorgan Agreement – is binding on the Trusts.
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VERIFICATION

I am a Director of Deutsche Bank National Trust Company, as Trustee for the Trusts set forth on Exhibits 1-A and 1-B, in the above-titled action. I am authorized to make this verification for and on its behalf, and I make this verification for that reason. The matters stated in the foregoing document are true of my own knowledge and/or based on my review of the corporate record or correspondence and documents relating to this matter, except for those matters which are stated on information and belief, and as to those matters I believe them to be true, and except for those matters which are statements or conclusions of law.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at Santa Ana, California on December 12, 2016.



David Co

Confidential

EXHIBIT 1-A
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

<u>Trust No.</u>	<u>Trust Name</u>
001	Coast Federal 1992-1
002	GSAMP Trust 2005-S2
003	GSAMP Trust 2006-S1
004	Long Beach Home Equity Loan Trust 2000-LB1
005	Long Beach Mortgage Loan Trust 2000-1
006	Long Beach Mortgage Loan Trust 2001-1
007	Long Beach Mortgage Loan Trust 2001-2
008	Long Beach Mortgage Loan Trust 2001-3
009	Long Beach Mortgage Loan Trust 2001-4
010	Long Beach Mortgage Loan Trust 2002-1
011	Long Beach Mortgage Loan Trust 2002-2
012	Long Beach Mortgage Loan Trust 2002-5
013	Long Beach Mortgage Loan Trust 2003-1
014	Long Beach Mortgage Loan Trust 2003-2
015	Long Beach Mortgage Loan Trust 2003-3
016	Long Beach Mortgage Loan Trust 2003-4
017	Long Beach Mortgage Loan Trust 2004-1
018	Long Beach Mortgage Loan Trust 2004-2
019	Long Beach Mortgage Loan Trust 2004-3
020	Long Beach Mortgage Loan Trust 2004-4
021	Long Beach Mortgage Loan Trust 2004-5
022	Long Beach Mortgage Loan Trust 2004-6
023	Long Beach Mortgage Loan Trust 2005-1
024	Long Beach Mortgage Loan Trust 2005-2
025	Long Beach Mortgage Loan Trust 2005-3
026	Long Beach Mortgage Loan Trust 2005-WL1
027	Long Beach Mortgage Loan Trust 2005-WL2
028	Long Beach Mortgage Loan Trust 2005-WL3
029	Long Beach Mortgage Loan Trust 2006-1
030	Long Beach Mortgage Loan Trust 2006-2
031	Long Beach Mortgage Loan Trust 2006-3
032	Long Beach Mortgage Loan Trust 2006-4
033	Long Beach Mortgage Loan Trust 2006-5
034	Long Beach Mortgage Loan Trust 2006-6
035	Long Beach Mortgage Loan Trust 2006-7
036	Long Beach Mortgage Loan Trust 2006-8
037	Long Beach Mortgage Loan Trust 2006-9
038	Long Beach Mortgage Loan Trust 2006-10
039	Long Beach Mortgage Loan Trust 2006-11
040	Long Beach Mortgage Loan Trust 2006-A
041	Long Beach Mortgage Loan Trust 2006-WL1
042	Long Beach Mortgage Loan Trust 2006-WL2
043	Long Beach Mortgage Loan Trust 2006-WL3

<u>Trust No.</u>	<u>Trust Name</u>
044	Morgan Stanley ABS Capital I Inc. 2000-1
045	WaMu 2006-0A1
046	WaMu 2007-Flex1
047	WaMu Asset Acceptance Corp. 2005-AR13
048	WaMu Asset Acceptance Corp. 2005-AR16
049	WaMu Asset Acceptance Corp. 2005-AR18
050	WaMu Asset Acceptance Corp. 2006-AR1
051	WaMu Asset Acceptance Corp. 2006-AR3
052	WaMu Asset Acceptance Corp. 2006-AR5
053	WaMu Asset Acceptance Corp. 2007-HE1
054	Washington Mutual Home Equity Trust 1 (PSA Cut-Off Date January 31, 2006)
055	Washington Mutual Mortgage Securities Corp. 2000-1
056	Washington Mutual Mortgage Securities Corp. 2001-7
057	Washington Mutual Mortgage Securities Corp. 2001-AR3
058	Washington Mutual Mortgage Securities Corp. 2002-AR12
059	Washington Mutual Mortgage Securities Corp. 2002-AR13
060	Washington Mutual Mortgage Securities Corp. 2002-AR14
061	Washington Mutual Mortgage Securities Corp. 2002-AR15
062	Washington Mutual Mortgage Securities Corp. 2002-AR16
063	Washington Mutual Mortgage Securities Corp. 2002-AR17
064	Washington Mutual Mortgage Securities Corp. 2002-AR18
065	Washington Mutual Mortgage Securities Corp. 2002-AR19
066	Washington Mutual Mortgage Securities Corp. 2002-AR2
067	Washington Mutual Mortgage Securities Corp. 2002-AR6
068	Washington Mutual Mortgage Securities Corp. 2002-AR9
069	Washington Mutual Mortgage Securities Corp. 2003-AR1
070	Washington Mutual Mortgage Securities Corp. 2003-AR2
071	Washington Mutual Mortgage Securities Corp. 2003-AR3
072	Washington Mutual Mortgage Securities Corp. 2003-AR4
073	Washington Mutual Mortgage Securities Corp. 2003-AR5
074	Washington Mutual Mortgage Securities Corp. 2003-AR6
075	Washington Mutual Mortgage Securities Corp. 2003-AR7
076	Washington Mutual Mortgage Securities Corp. 2003-AR8
077	Washington Mutual Mortgage Securities Corp. 2003-AR9
078	Washington Mutual Mortgage Securities Corp. 2003-AR10
079	Washington Mutual Mortgage Securities Corp. 2003-AR11
080	Washington Mutual Mortgage Securities Corp. 2003-AR12
081	Washington Mutual Mortgage Securities Corp. 2004-AR1
082	Washington Mutual Mortgage Securities Corp. 2004-AR2
083	Washington Mutual Mortgage Securities Corp. 2004-AR3
084	Washington Mutual Mortgage Securities Corp. 2004-AR4
085	Washington Mutual Mortgage Securities Corp. 2004-AR5
086	Washington Mutual Mortgage Securities Corp. 2004-AR6

<u>Trust No.</u>	<u>Trust Name</u>
087	Washington Mutual Mortgage Securities Corp. 2004-AR7
088	Washington Mutual Mortgage Securities Corp. 2004-AR8
089	Washington Mutual Mortgage Securities Corp. 2004-AR10
090	Washington Mutual Mortgage Securities Corp. 2004-AR12
091	Washington Mutual Mortgage Securities Corp. 2004-AR13
092	Washington Mutual Mortgage Securities Corp. 2005-AR1
093	Washington Mutual Mortgage Securities Corp. 2005-AR2
094	Washington Mutual Mortgage Securities Corp. 2005-AR4
095	Washington Mutual Mortgage Securities Corp. 2005-AR6
096	Washington Mutual Mortgage Securities Corp. 2005-AR8
097	Washington Mutual Mortgage Securities Corp. 2005-AR9
098	Washington Mutual Mortgage Securities Corp. 2005-AR11
099	Washington Mutual Mortgage Securities Corp. 2006-AR4

**EXHIBIT 1-B
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST**

<u>Trust No.</u>	<u>Trust Name</u>
100	Long Beach Asset Holdings Corp CI 2003-3 (LB07P3)
101	Long Beach Asset Holdings Corp CI 2003-4 (LB07P4)
102	Long Beach Asset Holding Corp. 2004-2
103	Long Beach Asset Holding Corp. 2004-4
104	Long Beach Asset Holding Corp. 2004-6
105	Long Beach Asset Holding Corp. 2005-2
106	Long Beach Asset Holding Corp. 2005-3
107	Long Beach Asset Holding Corp. CI-2005-WL1
108	Long Beach Asset Holding Corp. CI-2005-WL2
109	Long Beach Asset Holding Corp. CI-2005-WL3
110	Long Beach Asset Holding Corp. 2006-1
111	Long Beach Asset Holding Corp. 2006-2
112	Long Beach Asset Holding Corp. 2006-WL2
113	Long Beach Asset Holding Corp. CI 2006-3
114	Long Beach CI NIM Notes 2006-4
115	Long Beach CI NIM Notes 2006-5
116	Long Beach CI NIM Notes 2006-6
117	Long Beach CI NIM Notes 2006-7
118	Long Beach CI NIM Notes 2006-8
119	Long Beach CI NIM Notes 2006-9
120	Long Beach CI NIM Notes 2006-10
121	Long Beach CI NIM Notes 2006-11
122	Long Beach Securities Corp. 2003-P1 (2003-W5)
123	WM Covered Bond Program 1 (WA06C1)
124	WM Covered Bond Program 2 (WA06C2)
125	WM Covered Bond Program 3 (WA07C3)
126	WaMu CI NIM Notes 2007-WM1

EXHIBIT 2
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

LONG BEACH ASSET HOLDINGS CORP. CI 2005-3

as Issuer,

LONG BEACH ASSET HOLDINGS CI 2005-3 LLC

as Co-Issuer,

DEUTSCHE BANK NATIONAL TRUST COMPANY

as Indenture Trustee

INDENTURE

Dated as of September 20, 2005

\$35,500,000

Long Beach Asset Holdings Corp. CI 2005-3
NIM Notes, Series 2005-3, Class N-1 Notes

\$5,915,000

Long Beach Asset Holdings Corp. CI 2005-3
NIM Notes, Series 2005-3, Class N-2 Notes

\$4,650,000

Long Beach Asset Holdings Corp. CI 2005-3
NIM Notes, Series 2005-3, Class N-3 Notes

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INDENTURE, dated as of September 20, 2005, among LONG BEACH ASSET HOLDINGS CORP. CI 2005-3, a company incorporated in the Cayman Islands, as issuer (together with its successors in interest, the “Issuer”), LONG BEACH ASSET HOLDINGS CI 2005-3 LLC, a limited liability company organized under the laws of the State of Delaware (together with its successors in interest, the “Co-Issuer” and, together with the Issuer, the “Issuers”), and DEUTSCHE BANK NATIONAL TRUST COMPANY, a national banking association, not in its individual capacity, but solely as indenture trustee (the “Indenture Trustee”) under this Indenture.

PRELIMINARY STATEMENT

The Issuers have duly authorized the execution and delivery of this Indenture to provide for the issuance of the Long Beach Asset Holdings Corp. CI 2005-3 NIM Notes, Series 2005-3, Class N-1 (the “Class N-1 Notes”); the Long Beach Asset Holdings Corp. CI 2005-3 NIM Notes, Series 2005-3, Class N-2 (the “Class N-2 Notes”) and the Long Beach Asset Holdings Corp. CI 2005-3 NIM Notes, Series 2005-3, Class N-3 (the “Class N-3 Notes,” and collectively with the Class N-1 Notes and the Class N-2 Notes, the “Notes”) to be issued pursuant to this Indenture.

All things necessary to make the Notes, when the Notes are executed by the Issuers and authenticated and delivered by the Indenture Trustee hereunder and duly issued by the Issuers, the valid and legally binding obligations of the Issuers enforceable in accordance with their terms, and to make this Indenture a valid and legally binding agreement of the Issuers enforceable in accordance with its terms, have been done.

Each party agrees as follows for the benefit of the other parties and for the equal and ratable benefit of the Noteholders, subject to Section 2.09:

As security for the payment and performance by the Issuers of their obligations under this Indenture and the Notes, the Issuer has agreed to assign the Trust Estate as collateral to the Indenture Trustee as security for the benefit of the Noteholders.

GRANTING CLAUSE

The Issuer hereby Grants to the Indenture Trustee at the Closing Date, as Indenture Trustee for the benefit of the Noteholders, all of the Issuer’s right, title and interest in and to (i) the Underlying Certificates and all distributions thereon after the Closing Date, (ii) the Note Account and all amounts on deposit therein from time to time, (iii) the rights of the Issuer to enforce remedies against the Administrator under the Administration Agreement and the Co-Administrators under the Co-Administration Agreement (provided that the Issuer retains the right to give instructions and directions to the Administrator and the Co-Administrators thereunder) and against the Sponsor under the Certificate Purchase Agreement, (iv) all present and future claims, demands, causes and choses in action in respect of the foregoing, including (subject to Section 6.01) the rights of the Issuer under the Underlying Certificates and the Underlying Agreement, and (v) all proceeds of the foregoing of every kind and nature whatsoever, including, without limitation, all proceeds of the conversion thereof, voluntary or involuntary, into cash or other liquid property, all cash proceeds, accounts receivable, notes, drafts, acceptances, chattel paper, checks, deposit accounts, rights to payment of any and every kind and other forms of obligations and receivables, instruments and other property that at any time constitute all or part of or are included in the proceeds of the foregoing ((i) – (v), collectively, the “Trust Estate”). The Trust Estate does not include the Excepted Property.

The foregoing Grant is made in trust to secure the payment of principal of and interest on, and any other amounts owing in respect of, the Notes, and to secure compliance with the provisions of this Indenture, all as provided in this Indenture.

In furtherance of the foregoing, the Issuer hereby delivers or causes to be delivered to the Indenture Trustee or the Indenture Trustee's designee each of the following documents or instruments relating to each Underlying Certificate (or, in the case of item (ii) below, all of the Underlying Certificates):

- (i) a duly issued and authenticated physical certificate evidencing such Underlying Certificate issued to Deutsche Bank National Trust Company, as Indenture Trustee under the Indenture, dated as of September 20, 2005, or its nominee, for the benefit of the Noteholders, together with such opinions of counsel and other documents as shall be necessary to cause registration of transfer of such Underlying Certificate to be made and to obtain a duly issued and authenticated physical certificate evidencing such Underlying Certificate registered in the name of the Indenture Trustee or its nominee, for the benefit of the Noteholders;
- (ii) all applicable Uniform Commercial Code Financing Statements covering the Trust Estate and describing the Issuer as debtor and the Indenture Trustee as secured party; and
- (iii) a copy (which may be on electronic media) of the Underlying Agreement.

The Indenture Trustee hereby acknowledges the receipt by it of each of the Underlying Certificates and the other documents and instruments referenced above, in good faith and without actual notice of any adverse claim, and declares that it holds and will hold such Underlying Certificates and such other documents and instruments, and that it holds and will hold all other assets and documents included in the Trust Estate, in trust for the exclusive use and benefit of all present and future Noteholders.

The Indenture Trustee shall not assign, sell, dispose of or transfer any interest in the Underlying Certificates or any other asset constituting the Trust Estate (except as expressly provided herein) or permit the Underlying Certificates or any other asset constituting the Trust Estate to be subjected to any lien, claim or encumbrance arising by, through or under the Indenture Trustee or any Person claiming by, through or under the Indenture Trustee, other than the lien of this Indenture.

Promptly following the Closing Date, the Indenture Trustee shall notify and direct the parties responsible under the Underlying Agreement for making distributions on the Underlying Certificates to remit, commencing with the payment in September 2005, all payments on account of the Underlying Certificates directly to the Indenture Trustee (by wire transfer to the Note Account if permitted), and to continue to do so until such time as the Issuer or the Indenture Trustee notifies such parties to the contrary following the date on which this Indenture shall have been discharged and released. The Indenture Trustee shall hold or cause the holding of the Underlying Certificates, which are not book-entry certificates, in fully registered certificated form, in the State of California or Tennessee.

The Indenture Trustee, on behalf of the Noteholders, acknowledges the foregoing Grant, accepts the trust hereunder in good faith and without notice of any adverse claim or liens and agrees to perform its duties required in this Indenture to the best of its ability to the end that the interests of the Noteholders may be adequately and effectively protected.

GENERAL COVENANT

AND IT IS HEREBY COVENANTED AND DECLARED that the Notes are to be authenticated and delivered by the Indenture Trustee, that the Trust Estate is to be held by or on behalf of the Indenture Trustee and that monies in the Trust Estate are to be applied by the Indenture Trustee for the benefit of the Noteholders, subject to the further covenants, conditions and trusts hereinafter set forth, and each of the Issuer and the Co-Issuer, jointly and severally, does hereby represent and warrant, and covenant and agree, to and with the Indenture Trustee, for the equal and proportionate benefit and security of each Noteholder, subject to Section 2.09, as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.01. Definitions.

Whenever used in this Indenture, including in the Preliminary Statement, the Granting Clause and the General Covenant, the following words and phrases, unless the context otherwise requires, shall have the meanings specified in this Section 1.01.

“1939 Act”: The Trust Indenture Act of 1939, as amended, and the rules, regulations and published interpretations of the Securities and Exchange Commission promulgated thereunder from time to time.

“1940 Act”: The Investment Company Act of 1940, as amended, and the rules, regulations and published interpretations of the Securities and Exchange Commission promulgated thereunder from time to time.

“Act”: As defined in Section 10.04 hereof.

“Administration Agreement”: The Administration Agreement, dated as of September 20, 2005 among, *inter alia*, the Issuer and the Administrator, pursuant to which the Administrator shall perform certain specified administrative functions on behalf of the Issuer.

“Administrative Expenses”: (a) Amounts due and accrued pursuant to the Administration Agreement, (b) amounts due and accrued pursuant to the Management Agreement dated as of September 20, 2005 between the Co-Issuer and Donald Puglisi and (c) without duplication, amounts owed by the Issuer or the Co-Issuer in respect of any governmental fee, charge or tax (including annual return fees, license or franchise fees and registered office fees, provided that in no event shall the foregoing amounts exceed \$40,000.00 in any calendar year. Each of the Issuer and the Co-Issuer may, from time to time, deliver to the Indenture Trustee a statement setting forth Administrative Expenses incurred by the Issuer or the Co-Issuer, as applicable, together with the payment instructions. If any statement with respect to the Administrative Expenses is received by the Indenture Trustee less than six Business Days prior to a Payment Date, the Indenture Trustee shall not be obligated to make a payment with respect to such Administrative Expenses until the next Payment Date. Any such statement delivered to the Indenture Trustee shall be accompanied by an Officer’s Certificate of the Issuer or the Co-Issuer, as applicable, certifying that the amount of the Administrative Expenses incurred by the Issuer or the Co-Issuer, as applicable, is true and correct.

“Administrator”: Each Person acting as an Administrator from time to time under the Administration Agreement, which shall initially be Deutsche Bank (Cayman) Limited, a licensed trust company incorporated in the Cayman Islands.

“Affiliate”: With respect to any specified Person, for purposes of this Indenture only, any other Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified. 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 or other beneficial interest, by contract or otherwise; and the terms “controlling” and “controlled” have the meanings correlative to the foregoing.

“Aggregate Note Balance”: Any of the Class N-1 Aggregate Note Balance, the Class N-2 Aggregate Note Balance or the Class N-3 Aggregate Note Balance with respect to a single Class of Notes, as applicable. With respect to the Notes collectively, the sum of the Class N-1 Aggregate Note Balance, the Class N-2 Aggregate Note Balance and the Class N-3 Aggregate Note Balance.

“Authenticating Agent”: As defined in Section 2.02(b).

“Authorized Officer”: With respect to (i) the Administrator, any officer of the Administrator who is authorized to act on behalf of the Administrator in matters relating to the Issuer, (ii) the Issuer, any authorized officer of the Issuer, the Administrator or a Co-Administrator and (iii) the Co-Issuer, any authorized officer of the Co-Issuer or a Co-Administrator.

“Available Funds”: With respect to any Payment Date, the aggregate of all amounts on deposit in the Note Account on such Payment Date as provided in Section 2.08(a) after withdrawal from the Note Account of any amounts deposited therein in error as provided in Section 2.08(b).

“Book-Entry Custodian”: As defined in Section 2.13(a).

“Book-Entry Notes”: Notes registered in the name of the Depository or its nominee and for which ownership and transfers of beneficial ownership interests in such Notes shall be made through book entries by the Depository; provided, however, that after the occurrence of a condition whereupon book-entry registration is no longer permitted, Definitive Notes shall be issued to the Note Owners of such Notes and such Notes shall no longer be “Book-Entry Notes.”

“Business Day”: Any day other than a Saturday, a Sunday or a day on which banking institutions (i) in the State of New York, (ii) in the city in which the Corporate Trust Office of the Indenture Trustee is located or (iii) in the Cayman Islands (to the extent an action is required by the Issuer that has not been delegated to the Indenture Trustee or any agent of the Issuer located outside the Cayman Islands) are authorized or obligated by law, executive order or government decree to be closed.

“Cash”: Coin or currency of the United States or immediately available federal funds, including such funds delivered by wire transfer.

“Certificate Purchase Agreement”: The Certificate Purchase and Sale Agreement, dated as of September 20, 2005, between the Sponsor and the Issuer, pursuant to which the Issuer purchased the Underlying Certificates from the Sponsor.

“Class”: With respect to the Notes, either all of the Class N-1 Notes, all of the Class N-2 Notes or all of the Class N-3 Notes.

“Class Exemption”: A class exemption granted by the DOL, which provides relief from certain of the prohibited transaction provisions of ERISA and the related excise tax provisions of the Code.

“Class N-1 Aggregate Note Balance”: With respect to the Class N-1 Notes, as of any date of determination, the aggregate of the then Class N-1 Note Balance of all such Class N-1 Notes. The Class N-1 Notes shall be issued in the initial Class N-1 Aggregate Note Balance specified in Section 2.03(a). The Class N-1 Aggregate Note Balance shall be reduced on each Payment Date by the amount of any payments of principal made on the Class N-1 Notes on such date pursuant to Section 2.09.

“Class N-1 Interest Distribution Amount”: For any Payment Date and the Class N-1 Notes, an amount equal to interest accrued during the related Interest Accrual Period on the outstanding Class N-1 Aggregate Note Balance at the Class N-1 Note Rate, plus any Class N-1 Interest Shortfall with respect to such Payment Date.

“Class N-1 Interest Shortfall”: With respect to the Class N-1 Notes and (i) the first Payment Date, zero and (ii) any Payment Date after the first Payment Date, an amount equal to the excess, if any, of the Class N-1 Interest Distribution Amount for the immediately preceding Payment Date over the amount of interest actually received on the Class N-1 Notes for such immediately preceding Payment Date (together with interest at the Class N-1 Note Rate on such unpaid Class N-1 Interest Shortfall for the most recently ended Interest Accrual Period).

“Class N-1 Note Balance”: With respect to any Class N-1 Note, as of any date, the principal amount stated on the face of such Class N-1 Note less any principal previously paid on such Class N-1 Note.

“Class N-1 Note Rate”: The per annum rate at which the Class N-1 Notes accrue interest, as specified in Section 2.03(a) hereof.

“Class N-1 Noteholder”: With respect to any Class N-1 Note, the Person in whose name such Class N-1 Note is registered on the Note Register maintained pursuant to Section 2.04 hereof.

“Class N-1 Notes”: Any of the Long Beach Asset Holdings Corp. CI 2005-3, NIM Notes, Series 2005-3, Class N-1, executed by the Issuers, authenticated by the Indenture Trustee or the Authenticating Agent, if any, and delivered hereunder substantially in the form of Exhibit A-1 attached hereto.

“Class N-1 Principal Distribution Amount”: For any Payment Date and the Class N-1 Notes, the lesser of (i) the outstanding Class N-1 Aggregate Note Balance immediately prior to such Payment Date and (ii) 95% of any Available Funds remaining after the distributions made pursuant to clauses (i) through (iii) of Section 2.09(e).

“Class N-2 Aggregate Note Balance”: With respect to the Class N-2 Notes, as of any date of determination, the aggregate of the then Class N-2 Note Balance of all such Class N-2 Notes. The Class N-2 Notes shall be issued in the initial Class N-2 Aggregate Note Balance specified in Section 2.03(a). The Class N-2 Aggregate Note Balance shall be reduced on each Payment Date by the amount of any payments of principal made on the Class N-2 Notes on such date pursuant to Section 2.09.

“Class N-2 Interest Distribution Amount”: For any Payment Date and the Class N-2 Notes, an amount equal to interest accrued during the related Interest Accrual Period on the outstanding Class N-2 Aggregate Note Balance at the Class N-2 Note Rate, plus any Class N-2 Interest Shortfall with respect to such Payment Date.

“Class N-2 Interest Shortfall”: With respect to the Class N-2 Notes and (i) the first Payment Date, zero and (ii) any Payment Date after the first Payment Date, an amount equal to the excess, if any, of the Class N-2 Interest Distribution Amount for the immediately preceding Payment Date over the amount of interest actually received on the Class N-2 Notes for such immediately preceding Payment Date (together with interest at the Class N-2 Note Rate on such unpaid Class N-2 Interest Shortfall for the most recently ended Interest Accrual Period).

“Class N-2 Note Balance”: With respect to any Class N-2 Note, as of any date, the principal amount stated on the face of such Class N-2 Note less any principal previously paid on such Class N-2 Note.

“Class N-2 Note Rate”: The per annum rate at which the Class N-2 Notes accrue interest, as specified in Section 2.03(a) hereof.

“Class N-2 Noteholder”: With respect to any Class N-2 Note, the Person in whose name such Class N-2 Note is registered on the Note Register maintained pursuant to Section 2.04 hereof.

“Class N-2 Notes”: Any of the Long Beach Asset Holdings Corp. CI 2005-3, NIM Notes, Series 2005-3, Class N-2, executed by the Issuer, authenticated by the Indenture Trustee or the Authenticating Agent, if any, and delivered hereunder substantially in the form of Exhibit A-2 attached hereto.

“Class N-2 Principal Distribution Amount”: For any Payment Date and the Class N-2 Notes, the lesser of (i) the outstanding Class N-2 Aggregate Note Balance immediately prior to such Payment Date and (ii) for any Payment Date (a) prior to the Payment Date on which the Class N-1 Aggregate Note Balance has been reduced to zero, 5% of any Available Funds remaining after the distributions made pursuant to clauses (i) through (iii) of Section 2.09(e), (b) on the Payment Date on which the Class N-1 Aggregate Note Balance has been reduced to zero, any Available Funds remaining after the distributions made pursuant to clauses (i) through (iii) of Section 2.09(e) less the Class N-1 Aggregate Note Balance immediately prior to such Payment Date and (c) after the Payment Date on which the Class N-1 Aggregate Note Balance has been reduced to zero, any Available Funds remaining after the distributions made pursuant to clauses (i) through (iii) of Section 2.09(e).

“Class N-3 Aggregate Note Balance”: With respect to the Class N-3 Notes, as of any date of determination, the aggregate of the then Class N-3 Note Balance of all such Class N-3 Notes. The Class N-3 Notes shall be issued in the initial Class N-3 Aggregate Note Balance specified in Section 2.03(a). The Class N-3 Aggregate Note Balance shall be reduced on each Payment Date by the amount of any payments of principal made on the Class N-3 Notes on such date pursuant to Section 2.09.

“Class N-3 Note Balance”: With respect to any Class N-3 Note, as of any date, the principal amount stated on the face of such Class N-3 Note less any principal previously paid on such Class N-3 Note.

“Class N-3 Noteholder”: With respect to any Class N-3 Note, the Person in whose name such Class N-3 Note is registered on the Note Register maintained pursuant to Section 2.04 hereof.

“Class N-3 Notes”: Any of the Long Beach Asset Holdings Corp. CI 2005-3, NIM Notes, Series 2005-3, Class N-3, executed by the Issuer, authenticated by the Indenture Trustee or the Authenticating Agent, if any, and delivered hereunder substantially in the form of Exhibit A-3 attached hereto.

“Class N-3 Principal Distribution Amount”: For any Payment Date and the Class N-3 Notes, the lesser of (i) the outstanding Class N-3 Aggregate Note Balance immediately prior to such Payment Date

and (ii) any Available Funds remaining after the distributions made pursuant to clauses (i) through (iv) of Section 2.09(e).

“Closing Date”: September 20, 2005.

“Co-Administration Agreement”: The Co-Administration Agreement, dated as of September 20, 2005 among the Co-Administrators, the Issuer and the Co-Issuer.

“Co-Administrator”: Each Person acting as a Co-Administrator from time to time under the Co-Administration Agreement, which shall initially be Deutsche Bank National Trust Company and Long Beach Mortgage Company.

“Code”: The Internal Revenue Code of 1986, as amended.

“Collateral”: Individually and collectively, the assets constituting the Trust Estate from time to time.

“Corporate Trust Office”: The principal corporate trust office of the Indenture Trustee at which at any particular time its corporate trust business with respect to this Indenture shall be administered, which office, at the date of the execution of this Indenture is located at 1761 East St. Andrew Place, Santa Ana, California 92705.

“Definitive Note”: Any Note issued hereunder (including any Note issued in connection with a registration of transfer of, or in exchange for other Notes or Ownership Interests, or in lieu of any lost, stolen or destroyed Note) in fully registered physical form, without interest coupons.

“Depository”: The Depository Trust Company and any successor thereto appointed by the Issuers as a Depository; provided that the Depository shall at all times be a “clearing corporation” as defined in Section 8-102(3) of the Uniform Commercial Code of the State of New York and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended; and provided, further, that no entity shall be a successor Depository unless the Notes held through such entity or its nominees are treated for U.S. Federal income tax purposes as being in “registered form” within the meaning of Section 163(f) of the Code.

“Depository Participant”: A broker, dealer, bank or other financial institution or other Person for whom from time to time the Depository effects book-entry transfers and pledges of securities deposited with the Depository.

“DOL”: The United States Department of Labor or any successor in interest.

“DOL Regulations”: The regulations promulgated by the DOL at 29 C.F.R. § 2510.3-101.

“Eligible Account”: Either (i) an account maintained with a federal or state chartered depository institution or trust company having corporate trust powers, the short term deposit or debt obligations of which are rated in the highest short term rating category of Moody’s, Fitch and S&P at the time of any deposit therein and the long term deposit or debt obligations of which (or of such institution’s parent holding company) are rated in one of the three highest long term categories of Moody’s, Fitch and S&P at the time of deposit therein, (ii) a segregated trust account or accounts maintained with a federal or state chartered depository institution or trust company having corporate trust powers acting in its fiduciary capacity or (iii) any other account approved by the Rating Agency. Eligible Accounts may bear interest.

“ERISA”: The Employee Retirement Income Security Act of 1974, as amended.

“Event of Default”: As defined in Section 4.01 hereof.

“Excepted Property”: (1) The US\$250.00 of capital contributed by the Holder of the ordinary shares of the Issuer and US\$500.00 representing a profit fee to the Issuer (together with any interest accruing thereon and the bank account in which such monies are held); and (2) the membership interest in the Co-Issuer.

“Extraordinary Expenses”: Any (i) amounts constituting indemnification for the Indenture Trustee, (ii) amounts payable from the Note Account in respect of taxes, and any other costs, expenses and liabilities (exclusive of fees to the Indenture Trustee and other amounts payable pursuant to Section 2.09(e)(vi)) that are required to be borne by the Trust Estate in accordance with applicable law or the terms of this Indenture (including, without limitation, the cost of various opinions of and advice from counsel required to be obtained in connection with the Indenture Trustee’s performance of its duties under this Indenture) and (iii) out-of-pocket expenses incurred by the Indenture Trustee if it performs (or hires agents, attorneys, accountants, independent contractors or auditors to perform) the administrative duties of Long Beach Mortgage Company under the Co-Administration Agreement; provided, however, that Extraordinary Expenses shall not include expenses payable or paid by the Underlying Trust Fund to the Indenture Trustee in its capacity as trustee with respect to the Underlying Trust Fund.

“Fannie Mae”: The Federal National Mortgage Association or any successor thereto.

“Final Maturity Date”: As defined in Section 2.03(a).

“Final Payment Date”: With respect to any Class of Notes, the Payment Date on which the final payment on such Class of Notes is made hereunder by reason of all principal, interest and other amounts due and payable on the Notes of such Class having been paid or the Collateral having been exhausted.

“Fitch”: Fitch, Inc., or any successor thereto. If neither such rating agency nor any successor remains in existence, “Fitch” shall be deemed to refer to such other nationally recognized statistical rating agency or other comparable Person designated by the Issuer, notice of which designation shall be given to the Indenture Trustee, and specific ratings of Fitch herein referenced shall be deemed to refer to the equivalent ratings of the party so designated. References herein to “applicable rating category” (other than any such references to “highest applicable rating category”) shall, in the case of Fitch, be deemed to refer to such applicable rating category of Fitch, without regard to any plus or minus or other comparable rating qualification.

“GAAP”: Such accounting principles as are generally accepted in the United States.

“Grant”: To mortgage, pledge, bargain, sell, warrant, alienate, demise, convey, assign, transfer, create and grant a security interest in and right of setoff against, deposit, set over and confirm. A Grant of Collateral shall include all rights, powers and options (but none of the obligations) of the granting party thereunder, including without limitation the immediate and continuing right to claim for, collect, receive and give receipt for principal and interest payments in respect of the Collateral and all other monies and proceeds payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring Proceedings in the name of the granting party or otherwise, and generally to do and receive anything which the granting party is or may be entitled to do or receive thereunder or with respect thereto.

“Indenture”: This instrument as originally executed or as it may be supplemented or amended from time to time by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

“Indenture Trustee”: Deutsche Bank National Trust Company, a national banking association organized under the laws of the United States, in its capacity as indenture trustee under this Indenture, or its successor in interest, or any successor indenture trustee appointed as provided in this Indenture.

“Independent”: When used with respect to any specified Person, any such Person who (i) is in fact independent of the Indenture Trustee, the Issuer, the Co-Issuer, either Co-Administrator and the Administrator and any and all Affiliates thereof, (ii) does not have any direct financial interest in or any material indirect financial interest in any of the Indenture Trustee, the Issuer, the Co-Issuer, either Co-Administrator or the Administrator or any Affiliate thereof, and (iii) is not connected with the Indenture Trustee, the Issuer, the Co-Issuer, either Co-Administrator or the Administrator or any Affiliate thereof as an officer, employee, promoter, underwriter, trustee, partner, director or Person performing similar functions; provided, however, that a Person shall not fail to be Independent of the Indenture Trustee, the Issuer, the Co-Issuer, either Co-Administrator or the Administrator or any Affiliate thereof merely because such Person is the beneficial owner of 1% or less of any class of securities issued by the Indenture Trustee, the Issuer, the Co-Issuer, either Co-Administrator or the Administrator or any Affiliate thereof, as the case may be. The Indenture Trustee may rely, in the performance of any duty hereunder, upon the statement of any Person contained in any certificate or opinion that such Person is Independent according to this definition.

“Initial Purchasers”: Lehman Brothers Inc. and WaMu Capital Corp.

“Interest Accrual Period”: For the first Payment Date, the period beginning on the Closing Date and ending on the day prior to such Payment Date and, for any subsequent Payment Date, the period beginning with the previous Payment Date and ending on the day prior to such Payment Date. For any Payment Date (other than the first Payment Date), interest shall be calculated on the basis of 30 days in the Interest Accrual Period (regardless of the actual number of days in such Accrual Period), based on a 360-day year and, for the first Payment Date, the Interest Accrual Period shall be 5 days.

“Interest Distribution Amounts”: The Class N-1 Interest Distribution Amount and the Class N-2 Interest Distribution Amount.

“Interest Shortfall”: The Class N-1 Interest Shortfall or the Class N-2 Interest Shortfall.

“Interested Person”: As of any date of determination, the Issuer, the Co-Issuer, the Administrator, each Co-Administrator or, in each such case, any of their respective Affiliates.

“IRS”: The Internal Revenue Service.

“Issuer Request” or “Issuer Order”: A written request or order signed in the name of the Issuer by an Authorized Officer of the Issuer or the Co-Issuer.

“Maturity”: With respect to any Note, the date as of which the principal of and interest, if applicable, on such Note has become due and payable as herein provided, whether on the Final Maturity Date, by acceleration or otherwise.

“Memorandum”: The Private Placement Memorandum, dated September 16, 2005, relating to the offering of the Notes.

“Moody’s”: Moody’s Investors Service, Inc., or any successor thereto. If neither such rating agency nor any successor remains in existence, “Moody’s” shall be deemed to refer to such other nationally recognized statistical rating agency or other comparable Person designated by the Issuer, notice of which designation shall be given to the Indenture Trustee, and specific ratings of Moody’s herein referenced shall be deemed to refer to the equivalent ratings of the party so designated. References herein to “applicable rating category” (other than any such references to “highest applicable rating category”) shall, in the case of Moody’s, be deemed to refer to such applicable rating category of Moody’s, without regard to any plus or minus or other comparable rating qualification.

“Mortgage Loan”: Any of the mortgage loans in which an Underlying Certificate evidences a direct or indirect beneficial ownership interest.

“Mortgage Loan Purchase Agreement”: As defined in the Underlying Agreement.

“Note”: Any Class N-1 Note, Class N-2 Note or Class N-3 Note.

“Note Account”: The segregated trust account established in the name of the Indenture Trustee for the benefit of the Noteholders pursuant to Section 2.08 hereof.

“Note Balance”: Any of a Class N-1 Note Balance, a Class N-2 Note Balance and a Class N-3 Note Balance.

“Note Owner”: Any Person acquiring a beneficial ownership interest in a Book-Entry Note.

“Note Purchase Agreement”: The Note Purchase Agreement dated as of September 16, 2005, among the Initial Purchasers, the Issuers, the Sponsor and Long Beach Mortgage Company, as may be amended, modified or supplemented from time to time.

“Note Rates”: The Class N-1 Note Rate or the Class N-2 Note Rate, as applicable.

“Note Register”: As defined in Section 2.04(a) hereof.

“Note Registrar”: As defined in Section 2.04(a) hereof.

“Note Representative”: As defined in Section 6.01(c) hereof.

“Noteholder” or “Holder”: A Class N-1 Noteholder, a Class N-2 Noteholder or a Class N-3 Noteholder.

“Notice of Default”: As defined in Section 4.01 hereof.

“Officer’s Certificate”: A certificate signed by any Responsible Officer of the Issuer, the Co-Issuer or the Indenture Trustee and, in any other case, a certificate signed by a person of similar authority and responsibility.

“Operative Agreements”: This Indenture, the Administration Agreement, the Co-Administration Agreement, the Certificate Purchase Agreement, the Note Purchase Agreement, the Mortgage Loan Purchase Agreement and the Underlying Agreement.

“Opinion of Counsel”: A written opinion of counsel, who shall be selected by the Issuer (and reasonably acceptable to the Indenture Trustee). The cost of such opinion shall be borne by the Issuer unless otherwise provided herein.

“Outstanding”: When used with respect to the Notes, means, as of the date of determination, any Note theretofore authenticated and delivered under this Indenture, except:

(i) Notes theretofore canceled by the Note Registrar or delivered to the Note Registrar for cancellation (other than any Note as to which any amount that has become due and payable in respect thereof has not been paid in full); and

(ii) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Indenture, other than any such Notes in respect of which there shall have been presented to the Note Registrar proof satisfactory to it that such Notes are held by a bona fide purchaser in whose hands such Notes are valid obligations of the Issuer;

provided, however, subject to Section 10.04, that in determining whether the Holders of the requisite Note Balance of Outstanding Notes have given any request, demand, authorization, vote, direction, notice, consent or waiver hereunder (other than pursuant to Section 6.01), Notes owned by an Interested Person shall be disregarded and deemed not to be Outstanding (unless any such Person or Persons owns all the Notes of a Class), except that, in determining whether the Indenture Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes which the Note Registrar knows to be so owned shall be so disregarded. Notes owned by an Interested Person which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Note Registrar in its sole discretion the pledgee’s right to act with respect to such Notes and that the pledgee is not an Interested Person.

“Ownership Interest”: As to any Note, any ownership or security interest in such Note as the Holder thereof and any other interest therein, whether direct or indirect, legal or beneficial, as owner or as pledgee.

“Payment Date”: The related Underlying Distribution Date, commencing in September 2005.

“Payment Date Statement”: As defined in Section 6.04(a) hereof.

“Person”: Any individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, or any federal, state, county or municipal government or any political subdivision thereof.

“Plan”: As defined in Section 2.04(c)(i) hereof.

“Prepayment Charge”: Any of the prepayment charges in which the Underlying Class P Certificate evidence a direct or indirect beneficial ownership interest payable in accordance with the terms of the Underlying Agreement and identified in Schedule II attached hereto.

“Principal Distribution Amounts”: The Class N-1 Principal Distribution Amount, the Class N-2 Principal Distribution Amount and the Class N-3 Principal Distribution Amount.

“Proceeding”: Any suit in equity, action at law or other judicial or administrative proceeding.

“PTCE”: A Prohibited Transaction Class Exemption.

“QIB”: A “qualified institutional buyer” as defined in Rule 144A under the Securities Act.

“Rating Agency”: S&P.

“Rating Agency Monthly Report”: The monthly report provided by the Indenture Trustee (to the extent it has received such report from the Sponsor) on each Payment Date to the Rating Agency, in the form attached hereto as Exhibit D.

“Record Date”: With respect to any Book-Entry Note, the Business Day immediately preceding each Payment Date and with respect to any Definitive Note, the last Business Day of the month immediately preceding the month in which such Payment Date occurs.

“Responsible Officer”: With respect to the Issuer, the Co-Issuer or the Indenture Trustee, any officer of the Issuer, the Co-Issuer or the Indenture Trustee, as applicable, customarily performing functions with respect to corporate trust matters and having direct responsibility for the administration of this Indenture and, with respect to a particular corporate trust matter under this Indenture, any other officer to whom such matter is referred because of such officer’s knowledge of and familiarity with the particular subject.

“Rule 144A”: Rule 144A under the Securities Act.

“S&P”: Standard & Poor’s, a division of The McGraw-Hill Companies, Inc., or any successor thereto. If neither such rating agency nor any successor remains in existence, “S&P” shall be deemed to refer to such other nationally recognized statistical rating agency or other comparable Person designated by the Issuer, notice of which designation shall be given to the Indenture Trustee, and specific ratings of S&P herein referenced shall be deemed to refer to the equivalent ratings of the party so designated. References herein to “applicable rating category” (other than any such references to “highest applicable rating category”) shall, in the case of S&P, be deemed to refer to such applicable rating category of S&P, without regard to any plus or minus or other comparable rating qualification.

“Securities Act”: The Securities Act of 1933, as amended, and the rules, regulations and published interpretations of the Securities and Exchange Commission promulgated thereunder from time to time.

“Sponsor”: Long Beach Asset Holdings Corp., a Delaware corporation.

“Successor Person”: As defined in Section 9.08(a).

“Trust Estate”: As defined in the Granting Clause.

“UCC Financing Statement”: A financing statement in form sufficient for filing pursuant to the Uniform Commercial Code, as in effect in the relevant jurisdiction.

“Underlying Agreement”: The Pooling and Servicing Agreement, dated as of September 1, 2005, among Long Beach Securities Corp., as depositor, Long Beach Mortgage Company, as master servicer, and Deutsche Bank National Trust Company, as trustee.

“Underlying Certificate Reports”: As defined in Section 6.01(a) hereof.

“Underlying Certificates”: The Underlying Class C Certificate and the Underlying Class P Certificate.

“Underlying Class C Certificate”: The Class C pass-through certificate issued pursuant to the Underlying Agreement as more fully described on Schedule I attached hereto.

“Underlying Class P Certificate”: The Class P pass-through certificate issued pursuant to the Underlying Agreement as more fully described on Schedule I attached hereto.

“Underlying Distribution Date”: With respect to each Underlying Certificate, the 25th day of each month or, if such 25th day is not a Business Day (as defined in the Underlying Agreement), the next succeeding Business Day (as defined in the Underlying Agreement) following such 25th day.

“Underlying Trust Fund”: The “Trust Fund” as defined in the Underlying Agreement.

“Uniform Commercial Code”: The Uniform Commercial Code as in effect in any applicable jurisdiction.

Section 1.02. Rules of Construction.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in the United States, and, except as otherwise herein expressly provided, the term “generally accepted accounting principles” with respect to any computation required or permitted hereunder means such accounting principles as are generally accepted in the United States;

(3) the word “including” shall be construed to be followed by the words “without limitation”;

(4) article and section headings are for the convenience of the reader and shall not be considered in interpreting this Indenture or the intent of the parties hereto;

(5) the words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular article, section or other subdivision; and

(6) the pronouns used herein are used in the masculine and neuter genders but shall be construed as feminine, masculine or neuter, as the context requires.

ARTICLE II

THE NOTES

Section 2.01. Forms; Denominations.

The Notes shall be issued in registered form only and in denominations corresponding to initial Note Balances as of the Closing Date of not less than \$25,000 and in integral multiples of \$1.00 in excess thereof; provided that in accordance with Section 2.13 beneficial ownership interests in Book-Entry Notes shall initially be held and transferred through the book-entry facilities of the Depository. The Class N-1 Notes, the Class N-2 Notes and the Class N-3 Notes will be substantially in the form attached hereto as Exhibit A-1, A-2 and A-3, respectively; provided that any of the Notes may be issued with appropriate insertions, omissions, substitutions and variations, and may have imprinted or otherwise reproduced

thereon such legend or legends, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with rules or regulations pursuant thereto, or with the rules of any securities market in which the Notes are admitted to trading, or to conform to general usage.

Section 2.02. Execution, Authentication, Delivery and Dating.

(a) The Notes shall be executed by manual or facsimile signature on behalf of the Issuers by any Authorized Officer of the Issuer and the Co-Issuer, respectively. Notes bearing the manual or facsimile signatures of individuals who were at any time the Authorized Officers of the Issuer or Co-Issuer shall be entitled to all benefits under this Indenture, subject to the following sentence, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Notes or did not hold such offices at the date of such Notes. No Note shall be entitled to any benefit under this Indenture, or be valid for any purpose, however, unless there appears on such Note a certificate of authentication substantially in the form provided for herein executed by the Indenture Trustee by manual signature, and such certificate of authentication upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder. All Notes shall be dated the date of their authentication.

(b) The Indenture Trustee may appoint one or more agents (each an “Authenticating Agent”) with power to act on its behalf and subject to its direction in the authentication of Notes in connection with transfers and exchanges under Sections 2.04 and 2.05, as fully to all intents and purposes as though each such Authenticating Agent had been expressly authorized by those Sections to authenticate the Notes. For all purposes of this Indenture, the authentication of Notes by an Authenticating Agent shall be deemed to be the authentication of Notes by the Indenture Trustee.

(c) Any corporation, bank, trust company or association into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation, bank, trust company or association resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be a party, or any corporation, bank, trust company or association succeeding to the corporate trust business of any Authenticating Agent, shall be the successor of such Authenticating Agent hereunder, without the execution or filing of any further act on the part of the parties hereto or such Authenticating Agent or such successor corporation, bank, trust company or association, except an instrument of assumption where not effected by operation of law.

(d) Any Authenticating Agent may at any time resign by giving written notice of resignation to the Indenture Trustee and the Issuer. The Indenture Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent and the Issuer. Upon receiving such notice of resignation or upon such a termination, the Indenture Trustee may, or at the direction of the Issuer shall, promptly appoint a successor Authenticating Agent, give written notice of such appointment to the Issuer and give notice of such appointment to the Noteholders.

Each Authenticating Agent shall be entitled to all limitations on liability, rights of reimbursement and indemnities that the Indenture Trustee is entitled to hereunder as if it were the Indenture Trustee.

Section 2.03. The Notes Generally.

(a) The Aggregate Note Balances of the Class N-1 Notes, the Class N-2 Notes and the Class N-3 Notes that may be authenticated and delivered under this Indenture is limited to \$35,500,000, \$5,915,000 and \$4,650,000, respectively, except for Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes pursuant to Sections 2.04 and 2.05 below. The Class N-1 Note Rate is 4.50% per annum and the Class N-2 Note Rate is 6.00% per annum. The Class N-

3 Notes are principal-only notes and shall not accrue interest. The date on which the final payment of principal of the Notes and interest accrued on the Class N-1 Notes and the Class N-2 Notes becomes finally due and payable is the Payment Date in October 2045 (the “Final Maturity Date”).

(b) Each Note of the same Class shall rank *pari passu* with each other Note of the same Class and, subject to Section 2.09(e), shall be equally and ratably secured by the Trust Estate. All Notes of the same Class shall be substantially identical except as to denominations and as expressly permitted in this Indenture.

(c) This Indenture shall evidence a continuing lien on and security interest in the Trust Estate to secure the full payment of the principal, interest and other amounts on all the Notes. The Notes shall in all respects be equally and ratably secured hereby without preference, priority or distinction on account of the actual time or times of the authentication and delivery of the Notes but shall be subject to Section 2.09.

Section 2.04. Registration of Transfer and Exchange of Notes.

(a) At all times during the term of this Indenture, there shall be maintained at the office of a registrar appointed by the Issuer (the “Note Registrar”), a register (the “Note Register”) in which, subject to such reasonable regulations as the Note Registrar may prescribe, the Note Registrar shall provide for the registration of Notes and of transfers and exchanges of Notes as herein provided. The Indenture Trustee is hereby initially appointed (and hereby agrees to act in accordance with the terms hereof) as Note Registrar for the purpose of registering Notes and transfers and exchanges of Notes as herein provided. The Indenture Trustee may appoint, by a written instrument delivered to the Issuer, any other bank or trust company to act as Note Registrar under such conditions as the Indenture Trustee may prescribe, provided that the Indenture Trustee shall not be relieved of any of its duties or responsibilities hereunder as Note Registrar by reason of such appointment. If the Indenture Trustee resigns or is removed in accordance with the terms hereof, the successor indenture trustee shall immediately succeed to its predecessor’s duties as Note Registrar. Deutsche Bank National Trust Company, in its capacity as Note Registrar, shall be afforded all of the rights, powers, immunities and indemnities of the Indenture Trustee set forth in this Indenture.

(b) No transfer, sale, pledge or other disposition of any Note or interest therein shall be made unless that transfer, sale, pledge or other disposition is exempt from the registration and/or qualification requirements of the Securities Act and any applicable state securities laws, or is otherwise made in accordance with the Securities Act and such state securities laws. If a transfer of any Note is to be made without registration under the Securities Act (other than in connection with the initial issuance thereof or the initial sale of such Notes to the Initial Purchasers), then the Note Registrar shall refuse to register such transfer unless it receives (and upon receipt, may conclusively rely upon) a certificate from the Noteholder desiring to effect such transfer substantially in the form attached as Exhibit C-1 hereto and a certificate from such Noteholder’s prospective transferee substantially in the form attached as Exhibit C-2 hereto (which in the case of the Book-Entry Notes, the Noteholder and the Noteholder’s prospective transferee will be deemed to have represented such certification). None of the Issuer, the Co-Issuer, the Sponsor, the Initial Purchasers, the Indenture Trustee, the Administrator, the Co-Administrators or the Note Registrar is obligated to register or qualify any Notes under the Securities Act or any other securities law or to take any action not otherwise required under this Indenture to permit the transfer of any Note or interest therein without registration or qualification. Any Noteholder desiring to effect a transfer of Notes or interests therein shall, and does hereby agree to, indemnify the Issuer, the Co-Issuer, the Initial Purchasers, the Co-Administrators, the Indenture Trustee, the Administrator and the Note Registrar against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

(c) No Note may be sold or transferred to a Person unless such Person certifies substantially as follows and in the form of Exhibit C-2 to this Agreement (which in the case of the Notes that are Book-Entry Notes, such Person will be deemed to have represented such certification contained in clause (i) or (ii) below), which certification the Indenture Trustee may rely upon without further inquiry or investigation:

(i) Such Person is neither (A) an employee benefit plan, an Archer MSA as described in Section 220(d) of the Code, a health savings account as described in Section 223(d) of the Code, a Coverdell Education Savings Account as described in Section 530 of the Code or other retirement arrangement, including individual retirement accounts and annuities, Keogh plans and collective investment funds and separate accounts in which such plans, accounts or arrangements are invested, including, without limitation, insurance company general accounts, that is subject to ERISA or the Code (each, a “Plan”), nor (B) any Person who is directly or indirectly purchasing such Note or interest therein on behalf of, as named fiduciary of, as trustee of, or with “plan assets” (as defined under the DOL Regulation at 29 C.F.R. Section 2510.3-101) of a Plan;

(ii) Such Person is a Plan or a Person purchasing such Note with “plan assets” and represents that, as of the date of the transfer, (A) the Notes are rated investment grade or better, (B) such Person believes that the Notes are properly treated as indebtedness without substantial equity features for purposes of the DOL Regulations, and agrees to so treat the Notes, and (C)(1) none of the Issuer, the Co-Issuer, the Sponsor, the Initial Purchasers, the Note Registrar, the Indenture Trustee, the Administrator, the Co-Administrators, any provider of credit support or any of their affiliates is a “Party in Interest” (within the meaning of ERISA) or “Disqualified Person” (within the meaning of the Code) with respect to any “plan assets” of such Person or (2) the acquisition and holding of the Note qualifies under a Class Exemption (as provided for below) and will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code as a result of any of the above-mentioned persons being a Party in Interest or Disqualified Person with respect to such purchaser that is a Plan; or

(iii) Such Person has provided the Indenture Trustee with an Opinion of Counsel, which Opinion of Counsel will not be at the expense of the Trust Estate, the Issuer, the Co-Issuer, the Sponsor, the Indenture Trustee, the Co-Administrators, the Administrator, the Initial Purchasers or the Note Registrar, which establishes to the satisfaction of the Indenture Trustee that the purchase, holding and transfer of such Note or interest therein is permissible under applicable law, will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code and will not subject the Issuer, the Co-Issuer, the Trust Estate, either Co-Administrator, the Administrator, the Sponsor, the Note Registrar, either Initial Purchaser or the Indenture Trustee to any obligation in addition to those undertaken in the Indenture.

For purposes of Section 2.04(c)(ii)(C)(2), a Person qualifies under a Class Exemption if such Person represents to the effect that the purchase, holding and transfer of such Note or interest therein by or on behalf of, or with assets of a Plan, is permissible under applicable law, will not constitute or result in any non-exempt prohibited transaction under ERISA or Section 4975 of the Code and will not subject the Trust Estate, the Issuer, the Co-Issuer, the Sponsor, either Co-Administrator, either Initial Purchaser, the Indenture Trustee, the Administrator or the Note Registrar to any obligation in addition to those undertaken in the Indenture, and the statements in at least one of the following clauses (i), (ii), (iii), (iv), (v) and (vi) is correct: (i) the transferee is an insurance company and (A) the source of funds used to purchase such Note is an “insurance company general account” (as such term is defined in PTCE 95-60), (B) the conditions set forth in PTCE 95-60 have been satisfied and the purchase and holding of such Notes by or on behalf of the transferee are exempt under PTCE 95-60 and (C) there is no Plan with respect to which the amount of such general account’s reserves and liabilities for contracts held by or on behalf of such Plan and all other Plans maintained by the same employer (or any “affiliate” thereof, as

defined in PTCE 95-60) or by the same employee organization, exceeds 10% of the total of all reserves and liabilities of such general account, plus surplus (as determined under PTCE 95-60) as of the date of the acquisition of such Notes; (ii) the transferee is an insurance company and (A) the source of funds used to purchase such Notes is an insurance company general account, (B) the requirements of Section 401(c) of ERISA and the regulations promulgated thereunder and finalized on January 5, 2000 have been satisfied and will continue to be satisfied and (C) the insurance company represents that it understands that the operation of the general account after December 31, 1998 may affect its ability to purchase and hold such Notes after July 5, 2001; (iii) the transferee is an insurance company and (A) the source of funds used to purchase such Notes is an “insurance company pooled separate account” (as such term is defined in PTCE 90-1), (B) the conditions set forth in PTCE 90-1 have been satisfied and the purchase and holding of such Notes by or on behalf of the transferee are exempt under PTCE 90-1 and (C) there is no Plan, together with all other Plans maintained by the same employer (or any “affiliate” thereof, as defined in PTCE 90-1) or by the same employee organization, with assets which exceed 10% of the total of all assets in such pooled separate account (as determined under PTCE 90-1) as of the date of the acquisition of such Notes; (iv) the transferee is a bank and (A) the source of funds used to purchase such Notes is a “collective investment fund” (as defined in PTCE 91-38) with respect to which the bank is a trustee, (B) the conditions set forth in PTCE 91-38 have been satisfied and the purchase and holding of such Notes by or on behalf of the transferee are exempt under PTCE 91-38 and (C) there is no Plan, the interests of which, together with the interests of any other Plans maintained by the same employer or employee organization, in the collective investment fund exceed 10% of the total of all assets in the collective investment fund (as determined under PTCE 91-38) as of the date of acquisition of such Notes; (v) the transferee is an “investment fund” described in PTCE 84-14 and (A) the undersigned is a “qualified professional asset manager” described in PTCE 84-14 and (B) the conditions set forth in PTCE 84-14 have been satisfied and the purchase and holding of such Notes by or on behalf of the transferee are exempt under PTCE 84-14; (vi) the transferee is a Plan on whose behalf an “in-house asset manager” described in PTCE 96-23 has negotiated the purchase and transfer of such Note or interest therein and has made the decision on behalf of the Plan to purchase such Notes or interest therein, the conditions set forth in PTCE 96-23 have been satisfied and the purchase and holding of such Notes by or on behalf of the transferee are exempt under PTCE 96-23 or (vii) any other prohibited transaction exemption that is applicable to the purchase or the holding of such Note.

(d) If a Person is acquiring any Note or interest therein as a fiduciary or agent for one or more accounts, such Person shall be required to deliver to the Note Registrar a certification (which in the case of the Book-Entry Notes, the prospective transferee will be deemed to have represented such certification) to the effect that it has (i) sole investment discretion with respect to each such account and (ii) full power to make the foregoing acknowledgments, representations, warranties, certifications and agreements with respect to each such account as set forth in subsections (b), (c) and (d) of this Section 2.04.

(e) Subject to the preceding provisions of this Section 2.04, upon surrender for registration of transfer of any Note at the offices of the Note Registrar maintained for such purpose, each of the Issuer and the Co-Issuer or the Administrator or a Co-Administrator acting on their behalf shall execute and the Indenture Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of the same Class and the same Note Balance.

(f) At the option of any Noteholder, its Notes may be exchanged for other Notes of authorized denominations of the same Class and the same Note Balance, upon surrender of the Notes to be exchanged at the offices of the Note Registrar maintained for such purpose. Whenever any Notes are so surrendered for exchange, the Issuers shall execute and the Indenture Trustee shall authenticate and deliver the Notes which the Noteholder making the exchange is entitled to receive.

(g) Every Note presented or surrendered for transfer or exchange shall (if so required by the Note Registrar) be duly endorsed by, or be accompanied by a written instrument of transfer in the form satisfactory to the Note Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing.

(h) No service charge shall be imposed for any transfer or exchange of Notes, but the Indenture Trustee or the Note Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Notes.

(i) All Notes surrendered for transfer and exchange shall be physically canceled by the Note Registrar, and the Note Registrar shall dispose of such canceled Notes in accordance with its standard procedures.

(j) The Note Registrar or the Indenture Trustee shall provide to each of the Issuer, the Co-Issuer, the Sponsor, each Co-Administrator and the Administrator, upon reasonable prior written request, and at the expense of the requesting party, an updated copy of the Note Register. The Issuer, the Co-Issuer, the Sponsor, each Co-Administrator and the Administrator shall each have the right to inspect the Note Register or to obtain a copy thereof at all reasonable times, and to rely conclusively upon a certificate of the Note Registrar as to the information set forth in the Note Register.

Section 2.05. Mutilated, Destroyed, Lost or Stolen Notes.

If any mutilated Note is surrendered to the Note Registrar, the Issuers shall execute and the Indenture Trustee shall authenticate and deliver, in exchange therefor, a new Note of the same Class and the same Note Balance and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Issuers, the Indenture Trustee and the Note Registrar (i) evidence to their satisfaction of the destruction (including mutilation tantamount to destruction), loss or theft of any Note and the ownership thereof and (ii) such security or indemnity as may be reasonably required by any of them to hold each of them and any agent of any of them harmless, then, in the absence of notice to the Issuer, the Co-Issuer or the Note Registrar that such Note has been acquired by a bona fide purchaser, the Issuers shall execute and the Indenture Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Note, a new Note of the same Class, tenor and denomination registered in the same manner, dated the date of its authentication and bearing a number not contemporaneously outstanding.

Upon the issuance of any new Note under this Section 2.05, the Indenture Trustee and the Note Registrar may require the payment by the Noteholder of an amount sufficient to pay or discharge any tax or other governmental charge that may be imposed in relation thereto and any other reasonable expenses (including the reasonable fees and expenses of the Authenticating Agent, the Indenture Trustee and the Note Registrar) in connection therewith.

Every new Note issued pursuant to this Section 2.05 in lieu of any destroyed, mutilated, lost or stolen Note shall constitute an original additional contractual obligation of each of the Issuer and the Co-Issuer, whether or not the destroyed, mutilated, lost or stolen Note shall be at any time enforceable by any Person, and, subject to the provisions of Section 2.09(e), such new Note shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Notes of the same Class duly issued hereunder.

The provisions of this Section 2.05 are exclusive and shall preclude (to the extent permitted by applicable law) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

Section 2.06. Noteholder Lists.

The Note Registrar shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Noteholders, which list, upon request, will be made available to the Issuers and the Indenture Trustee (insofar as the Indenture Trustee is not the Note Registrar). Upon written request of any Noteholder made for purposes of communicating with other Noteholders with respect to their rights under this Indenture, the Note Registrar shall promptly furnish such Noteholder with a list of the other Noteholders of record identified in the Note Register at the time of the request. Every Noteholder, by receiving such access, agrees with the Note Registrar that the Note Registrar will not be held accountable in any way by reason of the disclosure of any information as to the names and addresses of any Noteholder regardless of the source from which such information was derived.

Section 2.07. Persons Deemed Owners.

The Issuers, the Indenture Trustee, the Note Registrar, the Administrator and the Co-Administrators and any agents of any of them, may treat the Person in whose name a Note is registered as the owner of such Note for the purpose of receiving payments of principal, interest and other amounts in respect of such Note and for all other purposes, whether or not such Note shall be overdue, and none of the Issuer, the Co-Issuer, the Indenture Trustee, the Note Registrar, the Administrator, the Co-Administrators or any agents of any of them, shall be affected by notice to the contrary.

Section 2.08. Note Account.

(a) On or prior to the date hereof, the Indenture Trustee, on behalf of the Noteholders, shall establish a segregated trust account (the "Note Account") at Deutsche Bank National Trust Company (or such other financial institution as necessary to ensure that the Note Account is at all times an Eligible Account) in its name as Indenture Trustee, for the benefit of the Noteholders, bearing a designation clearly indicating that the Indenture Trustee is the sole customer of such account and that such account and all funds deposited therein are held by the Indenture Trustee for the exclusive benefit of the Noteholders. The Indenture Trustee shall deposit or cause to be deposited in the Note Account, upon receipt, all payments and other collections received on or in respect of the Underlying Certificates subsequent to the Closing Date. Except as provided in this Indenture, the Indenture Trustee, in accordance with the terms of this Indenture, shall have exclusive control and sole right of withdrawal with respect to the Note Account. Except as expressly provided in this Indenture, funds in the Note Account shall not be commingled with any other monies. All monies deposited from time to time in the Note Account shall be held by and under the control of the Indenture Trustee in the Note Account for the benefit of the Noteholders as herein provided. All of the funds on deposit in the Note Account shall remain uninvested.

(b) The Indenture Trustee is authorized to make withdrawals from the Note Account (the order set forth hereafter not constituting an order of priority for such withdrawals) (i) to make payments in accordance with the priorities set forth in Section 2.09(e) and (ii) to withdraw any amounts deposited in the Note Account in error each in accordance with the terms of this Indenture.

(c) For purposes of the Note Account, the jurisdiction of Deutsche Bank National Trust Company is the State of California.

(d) Upon the satisfaction and discharge of this Indenture pursuant to Section 3.01 hereof, the Indenture Trustee shall pay to the Issuer all amounts, if any, held by it remaining as part of the Trust Estate.

Section 2.09. Payments on the Notes.

(a) Subject to Section 2.03(c) and Section 2.09(f), each of the Issuer and the Co-Issuer agrees to pay:

(i) on each Payment Date prior to the Final Payment Date with respect to the related Notes, but only to the extent of Available Funds, interest on the Class N-1 Notes and the Class N-2 Notes and principal of the Notes, in the amounts and in accordance with the priorities set forth in Section 2.09(e); and

(ii) on the Final Maturity Date, the entire Note Balance of each Class N-1 Note, Class N-2 Note and Class N-3 Note, respectively, together with all accrued and unpaid interest on the Class N-1 Notes and the Class N-3 Notes through the end of the related Interest Accrual Period in the amounts and in accordance with the priorities set forth in Section 2.09(e).

Amounts properly withheld under the Code, any provision of the law of the Cayman Islands or other law by any Person from a payment to any Noteholder of interest (if applicable), principal or other amounts, or any such payment set aside on the Final Payment Date for such Note as provided in Section 2.09(b), shall be considered as having been paid by the Issuers to such Noteholder for all purposes of this Indenture.

(b) With respect to each Payment Date, any interest, principal and other amounts payable on the Notes shall be paid to the Person that is the registered holder thereof at the close of business on the related Record Date; provided, however, that interest, principal and other amounts payable on the Final Payment Date of any Note shall be payable only against surrender thereof at the Corporate Trust Office of the Indenture Trustee. Payments of interest, principal and other amounts on the Notes shall be made on the applicable Payment Date other than the Final Payment Date, subject to applicable laws and regulations, by check mailed on or before the Payment Date to the Person entitled thereto at such Person's address appearing on the Note Register or, in the case of a Noteholder holding in excess of \$1,000,000 initial Note Balance of any Notes or, at the option of the Indenture Trustee, by wire transfer to such account as such Noteholder shall designate by written instruction received by the Indenture Trustee not later than five (5) Business Days prior to the Record Date related to the applicable Payment Date. The Indenture Trustee shall pay each Note in whole or in part, to the extent funds are available therefor in the Note Account, as provided herein on the Final Payment Date in immediately available funds from funds in the Note Account as promptly as possible after presentation to the Indenture Trustee of such Note at its Corporate Trust Office but shall initiate such payment no later than 3:00 p.m., New York City time, on the day of such presentation, provided, that such presentation has been made no later than 1:00 p.m., New York City time. If presentation is made after 1:00 p.m., New York City time, on any day, such presentation shall be deemed to have been made on the immediately succeeding Business Day.

Except as provided in the following sentence, if a Note is issued in exchange for any other Note during the period commencing at the close of business at the office or agency where such exchange occurs on any Record Date and ending before the opening of business at such office or agency on the related Payment Date, no interest, principal or other amounts will be payable on such Payment Date in respect of such new Note, but will be payable on such Payment Date only in respect of the prior Note. Interest, principal and other amounts payable on any Note issued in exchange for any other Note during the period commencing at the close of business at the office or agency where such exchange occurs on the

Record Date immediately preceding the Final Payment Date for such Notes and ending on the Final Payment Date for such Notes, shall be payable to the Person that surrenders the new Note as provided in this Section 2.09(b).

All payments of interest, principal and other amounts made with respect to the Notes of each Class shall be allocated pro rata among the Outstanding Notes of such Class based on the respective Note Balances thereof.

If any Note on which the final payment was due is not presented for payment on its Final Payment Date, then the Indenture Trustee shall set aside such payment in an account separate from the Note Account but which constitutes an Eligible Account, and the Indenture Trustee and the Issuers shall act in accordance with Section 5.10 in respect of the unclaimed funds.

(c) During each Interest Accrual Period from and after the Closing Date, each of the Class N-1 Notes and the Class N-2 Notes shall accrue interest at the applicable Note Rate on their Note Balances outstanding immediately prior to the related Payment Date. Interest on the Class N-1 Notes and the Class N-2 Notes shall be payable in accordance with Section 2.09(e). Interest accrued during the related Interest Accrual Period on the related Note Balance at the Note Rate shall be distributed to related Noteholders on each Payment Date, subject to the Available Funds for such Payment Date. Amounts not paid on any Payment Date in respect of interest accrued on the Class N-1 Notes or the Class N-2 Notes for the related Interest Accrual Period shall be carried forward and paid (with additional interest on the amount so carried forward through the Interest Accrual Period prior to payment) on the next succeeding Payment Date on which the Available Funds for such Payment Date are sufficient to pay interest accrued on such Payment Date plus the amount of interest accrued thereon carried over from prior Payment Dates. Failure to pay on any Payment Date all accrued and unpaid interest in respect of any Note through the end of the related Interest Accrual Period shall not constitute an Event of Default under this Indenture (unless, and except to the extent, any Class N-1 Note or Class N-2 Note is not paid in full by the Final Maturity Date). For any Payment Date (other than the first Payment Date), all interest for the Class N-1 Notes and the Class N-2 Notes shall be calculated on the basis of a 360-day year consisting of twelve 30 day months. In no event shall any Class N-1 Note or Class N-2 Note earn interest after any applicable Payment Date on which its Note Balance is fully paid or an amount equal thereto is set aside and available for payment in reduction of the Note Balance of such Note as provided in Section 2.09(b) hereof.

(d) Unless the Notes have been declared due and payable following an Event of Default and such declaration and its consequences have not been rescinded and annulled, principal payments due on the Notes on each Payment Date prior to the Final Maturity Date shall be made (to the extent there are sufficient Available Funds for such purpose in the Note Account) in accordance with Section 2.09(e). Failure to make on any such Payment Date payments of principal on any Class of Notes shall not constitute an Event of Default under this Indenture (unless, and except to the extent, any Note is not paid in full by the Final Maturity Date). Subject to Section 2.09(e), the Note Balance of each Note shall be paid in full by the Final Maturity Date.

(e) On or before each Payment Date, the Indenture Trustee shall determine the Available Funds for such Payment Date. On each Payment Date, the Indenture Trustee shall distribute the following amounts from the Available Funds for such Payment Date in the following order of priority:

(i) first, for any Payment Date on or after the Payment Date in January 2007, to the Administrator, the Issuer or the Co-Issuer (or any Person designated by them), as applicable, the Administrative Expenses not previously paid, and second, for any Payment Date, to the Indenture Trustee any Extraordinary Expenses not previously paid, subject to the limit set forth in Section 5.04(e);

(ii) to the Class N-1 Noteholders, the Class N-1 Interest Distribution Amount for such Payment Date;

(iii) to the Class N-2 Noteholders, the Class N-2 Interest Distribution Amount for such Payment Date;

(iv) concurrently, to the Class N-1 Noteholders, the Class N-1 Principal Distribution Amount for such Payment Date, if any, until the Class N-1 Aggregate Note Balance has been reduced to zero and to the Class N-2 Noteholders, the Class N-2 Principal Distribution Amount for such Payment Date, if any, until the Class N-2 Aggregate Note Balance has been reduced to zero;

(v) to the Class N-3 Noteholders, the Class N-3 Principal Distribution Amount for such Payment Date, if any, until the Class N-3 Aggregate Note Balance has been reduced to zero;

(vi) on behalf of the Issuers, to pay any taxes, assessments and governmental charges levied upon the Issuers or upon the income, profits or property of the Issuers, or shown due on any tax returns filed by the Issuers pursuant to Section 9.03 hereof;

(vii) first, to the Administrator, the Issuer and the Co-Issuer (or any Person designated by them) any amounts in respect of Administrative Expenses incurred in excess of the limit set forth in the definition of Administrative Expenses and second, to the Indenture Trustee, any amounts in respect of Extraordinary Expenses incurred in excess of the limit set forth in Section 5.04(e); and

(viii) to the Issuer or to its order.

(f) Notwithstanding any other provision of the Notes, this Indenture or any other Operative Agreement, the Notes and the obligations under this Indenture are non-recourse obligations of the Issuers and the Notes shall be payable only from the Collateral. The Indenture Trustee agrees and each Noteholder shall be deemed to have agreed that they have no rights or claims against the Issuers, or their respective officers, directors and employees directly and may only look to the Trust Estate to satisfy the Issuers' obligations hereunder. In the event the proceeds of realization of the Collateral should be insufficient to satisfy all claims whose recourse is limited thereto in accordance with this Indenture, such claims shall thereupon be extinguished and no further assets of the Issuers shall be available to meet such claims. The Indenture Trustee agrees and each Noteholder, by its acceptance of its Note, shall be deemed to have agreed not to file or join in filing any petition in bankruptcy or commence any similar proceeding in respect of the Issuers for a period of one year and one day following payment in full of such Note. Notwithstanding the provisions of this Section 2.09(f), the Issuers or another entity may, subject to Section 9.06, at any time advance funds to the Indenture Trustee for the purpose of allowing the Indenture Trustee to make required payments on the Notes. If the Issuers or another entity makes such an advance, it shall be entitled to withdraw from the Note Account on any Payment Date the amount so advanced.

Section 2.10. Final Payment Notice.

(a) Notice of final payment of Notes of any Class under Section 2.09(b) shall be given by the Indenture Trustee by facsimile or by first-class mail, postage prepaid, transmitted or mailed no later than three (3) days prior to the related Final Payment Date, to each Noteholder of such Class, as of the close of business on the last Business Day of the month preceding the month in which the Final Payment Date for such Note occurs, at such Noteholder's address appearing in the Note Register and to the trustee under the Underlying Agreement, the Rating Agency, the Administrator, the Co-Administrators and the Issuers.

(b) All notices of final payment shall state (i) the Final Payment Date, (ii) the amount of the final payment for the applicable Class of Notes and (iii) the place where such Notes are to be surrendered for payment.

(c) Notice of final payment of the Notes of such Class shall be given by the Indenture Trustee in the name and at the expense of the Indenture Trustee. Failure to give notice of final payment, or any defect therein, to any Noteholder shall not impair or affect the validity of the final payment of any other Note.

Section 2.11. Compliance with Withholding Requirements.

Notwithstanding any other provision of this Indenture, the Indenture Trustee shall comply with all United States federal, Cayman Islands and other withholding requirements with respect to payments to Noteholders of interest, original issue discount, or other amounts that the Indenture Trustee reasonably believes are applicable. The consent of Noteholders shall not be required for any such withholding.

Section 2.12. Cancellation.

The Issuers may at any time deliver to the Note Registrar for cancellation any Notes previously authenticated and delivered hereunder which the Issuers may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly canceled by the Note Registrar.

All Notes delivered to the Indenture Trustee for payment shall be forwarded to the Note Registrar. All such Notes and all Notes surrendered for transfer and exchange in accordance with the terms hereof shall be canceled and disposed of by the Note Registrar in accordance with its customary procedures.

Section 2.13. Book-Entry Notes.

(a) The Book-Entry Notes shall be issued as one or more Notes held by a custodian on behalf of the Depository (the "Book-Entry Custodian") or, if appointed to hold such Notes as provided below, the Depository and registered in the name of the Depository or its nominee and, except as provided in Section 2.13(c), transfer of the Notes may not be registered by the Note Registrar unless such transfer is to a successor Depository that agrees to hold such Notes for the respective Note Owners with Ownership Interests therein. Such Note Owners shall hold and transfer their respective Ownership Interests in and to such Notes through the book-entry facilities of the Depository and, except as provided in Section 2.13(c), shall not be entitled to receive Definitive Notes fully registered in the names of such Note Owners or their respective nominees in respect of such Ownership Interests. All transfers by Note Owners of their respective Ownership Interests in the Book-Entry Notes shall be made in accordance with the procedures established by the Depository Participant or brokerage firm representing each such Note Owner. Each Depository Participant shall only transfer the Ownership Interests in the Book-Entry Notes of Note Owners it represents or of brokerage firms for which it acts as agent in accordance with the Depository's normal procedures. The Indenture Trustee is hereby initially appointed as the Book-Entry Custodian and hereby agrees to act as such in accordance herewith and in accordance with the agreement that it has with the Depository authorizing it to act as such. The Book-Entry Custodian may, and, if it is no longer qualified to act as such, the Book-Entry Custodian shall, appoint, by a written instrument delivered to the Issuers and, if the Indenture Trustee is not the Book-Entry Custodian, the Indenture Trustee, any other transfer agent (including the Depository or any successor Depository) to act as Book-Entry Custodian under such conditions as the predecessor Book-Entry Custodian and the Depository or any successor Depository may prescribe, provided that the predecessor Book-Entry Custodian shall not be relieved of any of its duties or responsibilities by reason of any such appointment of other than the Depository. If the

Indenture Trustee resigns or is removed in accordance with the terms hereof, the successor indenture trustee or, if it so elects, the Depository shall immediately succeed to its predecessor's duties as Book-Entry Custodian. The Administrator and each Co-Administrator shall have the right to inspect, and to obtain copies of, any Notes held as Book-Entry Certificates by the Book-Entry Custodian.

(b) The Issuers, the Indenture Trustee, the Administrator and the Co-Administrators and any of their respective agents may for all purposes, including the making of payments due on the Book-Entry Notes, deal with the Depository as the authorized representative of the Note Owners with respect to such Notes for the purposes of exercising the rights of Note Owners hereunder. The rights of Note Owners with respect to the Book-Entry Notes shall be limited to those established by law and agreements between such Note Owners and the Depository Participants and brokerage firms representing such Note Owners. Multiple requests and directions from, and votes of, the Depository as Holder of the Book-Entry Notes with respect to any particular matter shall not be deemed inconsistent if they are made with respect to different Note Owners. The Indenture Trustee may establish a reasonable record date in connection with solicitations of consents from or voting by Note Owners and shall give notice to the Depository of such record date.

(c) If (i) the Issuer advises the Indenture Trustee and the Note Registrar in writing that the Depository is no longer willing or able to discharge properly its responsibilities with respect to the Book-Entry Notes, and the Issuers are unable to locate a qualified successor, or (ii) the Issuer notifies the Indenture Trustee and the Depository of its intent to terminate the book-entry system through the Depository, and upon receipt of such notice from the Depository, the participants with a position in the Book-Entry Notes agree to initiate the termination, the Indenture Trustee shall notify all affected Note Owners, through the Depository, of the occurrence of any such event and of the availability of Definitive Notes to such Note Owners requesting the same. Upon surrender to the Note Registrar of the Book-Entry Notes (or any portion of thereof) by the Book-Entry Custodian or the Depository, as applicable, accompanied by registration instructions from the Depository for registration of transfer, the Issuers shall execute, and the Indenture Trustee shall authenticate and deliver, the Definitive Notes (or portion thereof) to the Note Owners identified in such instructions. None of the Issuer, the Co-Issuer, the Administrator, each Co-Administrator, the Indenture Trustee, or any agent thereof shall be liable for any delay in delivery of such instructions and may conclusively rely on, and shall be protected in relying on, such instructions. Upon the issuance of Definitive Notes for purposes of evidencing ownership of any Book-Entry Notes, the registered Holders of such Definitive Notes shall be recognized as Note Owners hereunder and, accordingly, shall be entitled directly to all benefits associated with such Definitive Notes and to transfer and exchange such Definitive Notes.

(d) If the Indenture Trustee is required for any reason to obtain a list of Note Owners from the Depository, the costs of obtaining that list shall be an expense of the Indenture Trustee and such expense shall be reimbursable to the Indenture Trustee as an Extraordinary Expense.

Section 2.14. Compliance with USA Patriot Act.

In order to comply with its duties under the USA Patriot Act, the Indenture Trustee shall obtain and verify certain information and documentation from the parties to this Indenture, including, but not limited to, each party's name, address, and other identifying information.

ARTICLE III

SATISFACTION AND DISCHARGE

Section 3.01. Satisfaction and Discharge of Indenture.

This Indenture shall be discharged and cease to be of further effect except as to (i) any surviving rights herein expressly provided for, including any rights of transfer or exchange of Notes herein expressly provided for, (ii) in the case of clause (1)(B) below, the rights of the Noteholders hereunder to receive payment of the related Note Balances of and interest on the applicable Class N-1 Notes and the Class N-2 Notes and any other rights of the Noteholders hereunder and (iii) the provisions of Section 3.02, when

(1) either (A) all Notes theretofore authenticated and delivered to Noteholders (other than (i) Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.05, and (ii) Notes for which payment of money has theretofore been deposited in the Note Account by the Indenture Trustee and thereafter repaid to the Issuers or discharged from such trust, as provided in Section 5.10) have been delivered to the Note Registrar for cancellation; or (B) all such Notes not theretofore delivered to the Note Registrar for cancellation (i) have become due and payable, or (ii) will become due and payable, on the next Payment Date, and in the case of clause (B)(i) or (B)(ii) above, Cash in an amount sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Note Registrar for cancellation or sufficient to pay the Note Balances thereof and any interest (if applicable) thereon accrued to the date of such deposit (in the case of the Notes which have become due and payable) or to the end of the Interest Accrual Period for the next Payment Date has been deposited with the Indenture Trustee as trust funds in trust for these purposes;

(2) the Issuers have paid or caused to be paid all other sums payable hereunder or reasonably expected to become payable hereunder or under any other Operative Agreement by the Issuers to the Indenture Trustee, the Note Registrar, the Co-Administrators, the Administrator and the Rating Agency; and

(3) the Issuers have delivered to the Indenture Trustee an Officer's Certificate or an Opinion of Counsel stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Upon satisfaction and discharge of this Indenture, the Noteholders' rights hereunder shall terminate. Notwithstanding this Section 3.01, the obligations of the Issuers to the Indenture Trustee under Section 5.04 hereof and the obligations of the Indenture Trustee to the Noteholders under Section 3.02 hereof shall survive the satisfaction and discharge of this Indenture.

Upon payment of all the Outstanding Notes in full, the Indenture Trustee shall (i) notify the Rating Agency and the trustee under the Underlying Agreement of such event; (ii) deliver or cause to be delivered to the Issuer or its designee physical certificates evidencing the then remaining Underlying Certificates that are held in fully registered, certificated form, endorsed to the Issuer or its designee; (iii) authorize the Issuer or its designee to file any releases or termination statements prepared by the Issuer which the Issuer reasonably requests to evidence discharge of the lien hereof; and (iv) deliver or cause to be delivered all other items reasonably requested by the Issuer, and take all other actions reasonably requested by the Issuer, in order to cause registration of transfer of the Underlying Certificates to be made (on the books and records of the registrar for such Underlying Certificates) to the Issuer or its designee

and to obtain duly issued and authenticated physical certificates evidencing such Underlying Certificates registered in the name of the Issuer or its designee.

Section 3.02. Application of Trust Money.

Subject to the provisions of Section 2.08(b), Section 2.09 and Section 5.10, all Cash deposited with the Indenture Trustee pursuant to Section 3.01 shall be held in the Note Account and applied by the Indenture Trustee in accordance with the provisions of the Notes and this Indenture to pay the Persons entitled thereto, the interest, principal and other amounts payable on the related Notes.

ARTICLE IV

EVENTS OF DEFAULT; REMEDIES

Section 4.01. Events of Default.

“Event of Default,” wherever used herein with respect to the Notes, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(i) a failure to pay all interest on any of the Class N-1 Notes or the Class N-2 Notes and all principal of any Note by the Final Maturity Date;

(ii) any default in the observance or performance of any covenant or agreement of the Issuer or the Co-Issuer made in this Indenture (other than a covenant or agreement, a default in the observance or performance of which is elsewhere in this Section specifically dealt with), which default shall continue unremedied for a period of 60 days after there shall have been given, by registered or certified mail, to the Issuers by the Indenture Trustee; or to the Issuers and the Indenture Trustee by the Noteholders holding at least 25% of the Aggregate Note Balance of the Outstanding Notes, a written notice specifying such default and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder;

(iii) the entry by a court having jurisdiction over the Issuer or the Co-Issuer of (A) a decree or order for relief in respect of the Issuer or the Co-Issuer in an involuntary case or proceeding under any applicable federal or state delinquency, bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Issuer or the Co-Issuer as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of or for the Issuer or the Co-Issuer under any applicable federal law, state law or other similar law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of or for the Issuer or the Co-Issuer or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order not stayed or dismissed and in effect for a period of more than ninety (90) consecutive days;

(iv) the commencement by the Issuer or the Co-Issuer of a voluntary case or proceeding under any applicable federal or state delinquency, bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by the Issuer or the Co-Issuer to the entry of a decree or order for relief in respect of the Issuer or the Co-Issuer in an involuntary case or proceeding under any applicable federal or state bankruptcy,

insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Issuer or the Co-Issuer, or the filing by the Issuer or the Co-Issuer of a petition or answer or consent seeking reorganization or relief under any applicable federal law, state law or other similar law, or the consent by the Issuer or the Co-Issuer to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of or for the Issuer or the Co-Issuer or of any substantial part of the Issuer's or the Co-Issuer's property, or the making by the Issuer or the Co-Issuer of an assignment for the benefit of creditors, or the admission by the Issuer or the Co-Issuer in writing of the Issuer's or the Co-Issuer's inability to pay its debts generally as they become due, or the taking of corporate action by the Issuer or the Co-Issuer in furtherance of any such action;

(v) the impairment of the validity or effectiveness of this Indenture or any Grant hereunder, or the subordination or, except as permitted hereunder, termination or discharge of the lien hereof, or the creation of any lien, charge, security interest, mortgage or other encumbrance with respect to any part of the Trust Estate or any interest in or proceeds of the Trust Estate, or the failure of the lien of this Indenture to constitute a valid first-priority security interest in the Trust Estate, provided, that if such impairment, subordination, creation of such lien, or failure of the lien on the Trust Estate to constitute such a security interest shall be susceptible of cure, no Event of Default shall arise until the continuation of any such default unremedied for a period of 30 days after receipt of notice thereof as provided in clause (ii) above; or

(vi) a breach of the representations and warranties of either of the Issuers contained in Section 9.04 hereof.

Section 4.02. Acceleration of Maturity; Rescission and Annulment.

(a) If an Event of Default shall have occurred and is continuing, the Indenture Trustee may, but is not obligated to, and at the direction of the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes shall, declare the Notes to be immediately due and payable by notice in writing to the Issuers and upon such declaration the unpaid principal amount of the Notes, together with accrued and unpaid interest thereon through the date of acceleration, shall become immediately due and payable.

(b) At any time after such declaration of acceleration has been made and before a judgment or decree for payment of the money due in respect of the Notes has been obtained by the Indenture Trustee as hereinafter provided in this Article IV, the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes by written notice to the Issuers and the Indenture Trustee may rescind and annul such declaration and its consequences.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereto.

Section 4.03. Collection of Indebtedness and Suits for Enforcement by Indenture Trustee.

(a) If the Issuers fail to pay all amounts due upon an acceleration of the Notes under Section 4.02 forthwith upon demand, the Indenture Trustee, in its discretion, may, and at the direction of the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes shall, institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Issuers or any other obligor upon such Notes and collect the monies adjudged or decreed to be payable in the manner provided by law out of the Trust Estate, wherever situated.

(b) If an Event of Default occurs and is continuing, the Indenture Trustee, in its discretion, may, and at the direction of the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes, shall, proceed to protect and enforce its rights and the rights of the Noteholders by such appropriate proceedings as the Indenture Trustee shall deem most effective to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein or to enforce any other proper remedy or legal or equitable right vested in the Indenture Trustee by this Indenture or by law.

(c) In case (i) there shall be pending, relative to the Issuer or the Co-Issuer or any Person having or claiming an ownership interest in the Trust Estate, proceedings under Title 11 of the United States Code or any other applicable Federal or state bankruptcy, insolvency or other similar law, (ii) a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or shall have taken possession of the Issuer, the Co-Issuer or their respective property or such Person or (iii) there shall be pending a comparable judicial proceeding brought by creditors of the Issuer or the Co-Issuer or affecting the property of the Issuer or the Co-Issuer, the Indenture Trustee, irrespective of whether the principal of or interest on any Notes shall then be due and payable as expressed in such Notes or any Operative Agreement or by declaration or otherwise and irrespective of whether the Indenture Trustee shall have made any demand pursuant to the provisions of this Section, shall be entitled and empowered but without prejudice to Section 2.09(f), by intervention in such proceedings or otherwise (and shall, at the direction of the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes) exercise such entitlement and empowerment:

(i) to file and prove a claim or claims for the whole amount of principal and interest owing and unpaid in respect of any Notes and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee (including any claim for reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee and their respective agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee, except as a result of willful misconduct, negligence or bad faith) and of the Noteholders allowed in such proceedings;

(ii) unless prohibited by applicable law and regulations, to vote on behalf of the Noteholders in any election of a trustee, a standby trustee or Person performing similar functions in any such proceedings;

(iii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute all amounts received with respect to the claims of the Noteholders and of the Indenture Trustee on their and its behalf; and

(iv) to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee and the Noteholders allowed in any judicial proceedings relative to the Issuers, their creditors and their property;

and any trustee, receiver, liquidator, custodian or other similar official in any such proceeding is hereby authorized by each of such Noteholders to make payments to the Indenture Trustee, and, in the event that the Indenture Trustee shall consent to the making of payments directly to such Noteholders, to pay to the Indenture Trustee, such amounts as shall be sufficient to cover reasonable compensation to the Indenture Trustee, each predecessor Indenture Trustee and their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as a result of willful misconduct, negligence or bad faith of the Indenture Trustee or predecessor Indenture Trustee.

(d) Nothing herein contained shall be deemed to authorize the Indenture Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Noteholder any plan of reorganization, arrangement, adjustment or composition affecting any Class of Notes or the rights of any Noteholder or to authorize the Indenture Trustee to vote in respect of the claim of any related Noteholder in any such proceeding except, as aforesaid, to vote for the election of a trustee in bankruptcy or similar Person.

(e) In any Proceedings brought by the Indenture Trustee (and also any Proceedings involving the interpretation of any provision of this Indenture to which the Indenture Trustee shall be a party), the Indenture Trustee shall be held to represent all the Noteholders and it shall not be necessary to make any Noteholder a party to any such Proceedings.

(f) In the event that the Indenture Trustee, following an Event of Default hereunder institutes Proceedings to foreclose on the Trust Estate, the Indenture Trustee shall promptly give a notice to that effect to each of the Issuers, the Co-Administrators, the Administrator, the Noteholders of all Outstanding Notes and the Rating Agency.

(g) All rights of action and claims under this Indenture, any Notes or any Operative Agreement in respect thereof may be prosecuted and enforced by the Indenture Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Indenture Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee, its agents and counsel, be for the ratable benefit of the Noteholders, in respect of which such judgment has been recovered, subject to the payment priorities of Section 2.09.

Section 4.04. Remedies.

If an Event of Default has occurred and is continuing and the Notes have been declared due and payable pursuant to Section 4.02 hereof and such declaration and its consequences have not been rescinded and annulled, the Indenture Trustee may, and at the direction of the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes, shall do one or more of the following:

(a) institute Proceedings for the collection of all amounts then payable on or under this Indenture or any other Operative Agreement with respect to the Notes whether by declaration of acceleration or otherwise, enforce any judgment obtained, and collect from the Trust Estate monies adjudged due;

(b) sell or cause to be sold the Trust Estate or any portion thereof or rights or interest therein, at one or more public or private sales called and conducted in any manner permitted by law and in accordance with Section 4.15 hereof; provided, however, that the Indenture Trustee shall give the Noteholders of all Outstanding Notes and the Issuers prior written notice as soon as commercially reasonable prior to instituting or commencing a sale;

(c) institute Proceedings from time to time for the complete or partial foreclosure with respect to the Trust Estate; and

(d) exercise any remedies of a secured party under the Uniform Commercial Code and take any other appropriate action to protect and enforce the rights and remedies of the Indenture Trustee or the Noteholders;

provided, however, that if an Event of Default shall have occurred and is continuing, the Indenture Trustee shall not, unless required by law, sell or otherwise liquidate the Trust Estate following such Event of Default unless (and shall do so if) the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes, shall so direct.

Section 4.05. Application of Money Collected.

Any money collected by the Indenture Trustee pursuant to this Article shall be deposited in the Note Account and, on each Payment Date, shall be applied in accordance with Section 2.09(e) and, in case of the distribution of such money on account of the principal of or interest on or other amounts on the related Notes, upon presentation and surrender of such Notes if fully paid.

Section 4.06. Limitation on Suits.

Except as provided in Section 4.07, no Noteholder shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture or the Trust Estate, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

- (1) such Noteholder has previously given written notice to the Indenture Trustee of a continuing Event of Default;
- (2) the Noteholders holding more than 50% in Aggregate Note Balance of the Outstanding Notes shall have made written request to the Indenture Trustee to institute proceedings in respect of such Event of Default in its own name as Indenture Trustee hereunder;
- (3) such Noteholder or Noteholders have offered to the Indenture Trustee adequate indemnity or security satisfactory to the Indenture Trustee against the costs, expenses and liabilities to be incurred in compliance with such request;
- (4) the Indenture Trustee for 30 days after its receipt of such notice, request and offer of indemnity or security has failed to institute any such proceeding;
- (5) no direction inconsistent with such written request has been given to the Indenture Trustee during such 30-day period by the Noteholders holding more than 50% in Aggregate Note Balance of the Outstanding Notes; and
- (6) an Event of Default shall have occurred and be continuing;

it being understood and intended that no one or more of such Noteholders shall have any right in any manner whatever by virtue of, or by availing itself or themselves of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Noteholders of the Notes of the same Class, or to obtain or to seek to obtain priority or preference over any of such Noteholders or of the Notes of the same Class or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Noteholders holding Notes of the same Class. Subject to the foregoing restrictions and Section 4.07, the Noteholders may exercise their rights under this Section 4.06 independently.

Section 4.07. Unconditional Right of Noteholders to Receive Principal and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Note at its Maturity shall have the right, which is absolute and unconditional, to receive payments of interest, principal and other

amounts then due on such Note (subject to Section 2.09) and to institute suit for the enforcement of any such payment (subject to Section 4.06), and such rights shall not be impaired without the consent of such Noteholder, unless a non-payment has been cured pursuant to Section 4.02(b). The Issuers shall, however, be subject to only one consolidated lawsuit by the Noteholders, or by the Indenture Trustee on behalf of the Noteholders, for any one cause of action arising under this Indenture or otherwise.

Section 4.08. Restoration of Rights and Remedies.

If the Indenture Trustee or any Noteholder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued, waived, rescinded or abandoned for any reason, or has been determined adversely to the Indenture Trustee or to such Noteholder, then and in every such case, subject to any determination in such proceeding, the Issuers, the Indenture Trustee and the Noteholder shall be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Indenture Trustee and the Noteholders shall continue as though no such proceeding had been instituted.

Section 4.09. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in Section 2.05, no right or remedy herein conferred upon or reserved to the Indenture Trustee or to the Noteholders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 4.10. Delay or Omission Not Waiver.

No delay or omission of the Indenture Trustee or any Noteholder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Indenture or by law to the Indenture Trustee or to the Noteholders may be exercised (subject to the provisions hereof) from time to time, and as often as may be deemed expedient, to the extent permitted by applicable law, by the Indenture Trustee or the Noteholders, as the case may be.

Section 4.11. Control by Noteholders.

The Noteholders holding more than 50% in Aggregate Note Balance of the Outstanding Notes shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee. Such direction shall not be in conflict with any rule of law or with this Indenture or involve the Indenture Trustee in personal liability, and the Indenture Trustee may take any other action deemed proper by the Indenture Trustee which is not inconsistent with such direction.

Section 4.12. Waiver of Past Defaults.

Prior to the acceleration of the maturity of the Notes, the Noteholders holding more than 50% in Aggregate Note Balance of the Outstanding Notes may waive any past default hereunder and its consequences, except a default:

(1) in the payment of principal of or interest on any Note, which waiver shall require the waiver by the Noteholders holding 100% in Aggregate Note Balance of the Outstanding Notes; or

(2) in respect of a covenant or provision hereof which under Article VIII cannot be modified or amended without the consent of each Noteholder, which waiver shall require the waiver by each Noteholder; or

(3) depriving the Indenture Trustee or any Noteholder of a lien or the benefit of a lien, as the case may be, upon any part of the Trust Estate, which waiver shall require the consent of the Indenture Trustee or such Noteholder, as the case may be; or

(4) depriving the Indenture Trustee of any fee, reimbursement for any expense incurred, or any indemnification to which the Indenture Trustee is entitled.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture, but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 4.13. Undertaking for Costs.

All parties to this Indenture agree, and each Noteholder by its acceptance of a Note or any interest therein shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Indenture Trustee for any action taken, suffered or omitted by it as Indenture Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Issuer, the Co-Issuer or the Indenture Trustee or any Noteholder, or group of Noteholders, holding in the aggregate at least 25% in Aggregate Note Balance of the Outstanding Notes or to any suit instituted by any Noteholder for the enforcement of the payment of the principal of or interest on any Note on or after the Maturity of such Note.

Section 4.14. Waiver of Stay or Extension Laws.

The Issuers covenant (to the extent that they may lawfully do so) that they will not at any time insist upon, or plead, or in any manner whatsoever claim to take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuers (to the extent that they may lawfully do so) hereby expressly waive all benefit or advantage of such law and covenants that they will not hinder, delay or impede the exercise of any power herein granted to the Indenture Trustee, but will suffer and permit the exercise of every such power as though no such law had been enacted.

Section 4.15. Sale of Trust Estate.

(a) Any sale or other liquidation of the Trust Estate shall be carried out only in accordance with the direction of the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes. The power to effect any public or private sale of any portion of the Trust Estate pursuant to Section 4.04 hereof shall not be exhausted by any one or more sales as to any portion of the Trust Estate remaining unsold, but shall continue unimpaired until either the entirety of the Trust Estate

shall have been sold or all amounts payable on the Notes and under this Indenture with respect thereto, and under the Operative Agreements with respect thereto, shall have been paid. The Issuer shall reimburse the Indenture Trustee for all costs and expenses incurred in connection with the sale of the Trust Estate in a commercially reasonable manner, including the fees of any broker or financial advisor engaged to assist in such sale. The Indenture Trustee may from time to time postpone any sale by public announcement made at the time and place of such sale. The Indenture Trustee hereby expressly waives its right to any amount fixed by law as compensation for any such sale but such waiver does not apply to any amounts to which the Indenture Trustee is otherwise entitled under Section 5.04 of this Indenture.

(b) The Indenture Trustee shall execute and deliver an appropriate instrument of conveyance (without recourse against the Indenture Trustee) transferring its interest in any portion of the Trust Estate in connection with a sale thereof pursuant to Section 4.04. The Indenture Trustee is hereby irrevocably appointed an agent and attorney-in-fact of the Issuer to transfer and convey the Issuer's interest in any portion of the Trust Estate in connection with a sale thereof pursuant to Section 4.04, and to take all action necessary to effect such sale. No purchaser or transferee at such a sale shall have any obligation to ascertain the Indenture Trustee's authority, inquire into the satisfaction of any conditions precedent or see to the application of any monies.

(c) Any sale or other transfer of any Underlying Certificate shall be made in compliance with all applicable laws and the terms of the Underlying Agreement.

Section 4.16. Action on Notes.

The Indenture Trustee's right to seek and recover judgment on the Notes under this Indenture shall not be affected by the seeking, obtaining or application of any other relief under or with respect to this Indenture. Neither the lien of this Indenture nor any rights or remedies of the Indenture Trustee or the Noteholders shall be impaired by the recovery of any judgment by the Indenture Trustee against either of the Issuers or by the levy of any execution under such judgment upon any portion of the Trust Estate.

ARTICLE V

THE INDENTURE TRUSTEE

Section 5.01. Certain Duties and Responsibilities.

Each of the Issuers hereby irrevocably constitutes and appoints the Indenture Trustee and any Responsible Officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in place and stead of the Issuer or the Co-Issuer, as the case may be, and in the name of the Issuer, the Co-Issuer or in its own name or in the name of a nominee, from time to time in the Indenture Trustee's discretion, for the purpose of taking any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Indenture, all as set forth in this Section.

(a) The rights, duties and liabilities of the Indenture Trustee in respect of this Indenture shall be as follows:

(i) The Indenture Trustee shall have the full power and authority to do all things not inconsistent with the provisions of this Indenture that it may deem advisable in order to enforce the provisions hereof or to take any action with respect to a default or an Event of Default hereunder, or to institute, appear in or defend any suit or other proceeding with respect hereto, or to protect the interests of

the Noteholders. The Indenture Trustee shall not be answerable or accountable except for its own bad faith, willful misconduct or negligence. The Issuer shall prepare and file or cause to be filed, at the Issuer's expense, a UCC Financing Statement, describing the Issuer as debtor, the Indenture Trustee as secured party and the Trust Estate as the Collateral, in all appropriate locations promptly following the initial issuance of the Notes, and the Issuer shall prepare and file continuation statements with respect thereto at each such office within six months prior to each fifth anniversary of the original filing. The Indenture Trustee is hereby authorized and obligated to make, at the expense of the Issuer, all required filings and re-filings of which the Issuer becomes aware, necessary to preserve the liens created by this Indenture to the extent not done by the Issuer as provided herein. The Indenture Trustee shall not be required to take any action to exercise or enforce the trusts hereby created or in the exercise of any of its rights or powers hereunder which, in the opinion of the Indenture Trustee shall be likely to involve expense or liability to the Indenture Trustee unless the Indenture Trustee shall have received an agreement satisfactory to it in its sole discretion to indemnify it against such liability and expense. Except as otherwise expressly provided herein, the Indenture Trustee shall not be required to ascertain or inquire as to the performance or observance of any of the covenants or agreements contained herein or in any other instruments to be performed or observed by the Issuer.

(ii) [Reserved.]

(iii) Except as expressly set forth herein, the Indenture Trustee shall not have any duty to make, arrange or ensure the completion of any recording, filing or registration of any instrument of further assurance, or any amendments or supplements to any of said instruments, and the Indenture Trustee shall not have any duty to make, arrange or ensure the completion of the payment of any fees, charges or taxes in connection therewith.

(iv) [Reserved.]

(v) The Indenture Trustee shall not have any obligations to see to the payment or discharge of any liens (other than the liens hereof) upon the Underlying Certificates, or to see to the application of any payment of the principal of or interest on any note secured thereby or to the delivery or transfer to any Person of any property released from any such lien, or to give notice to or make demand upon any mortgagor, mortgagee, trustor, beneficiary or other Person for the delivery or transfer of any such property. The Indenture Trustee (and any successor trustee in its individual capacity) nevertheless agrees that it shall, at its own cost and expense, promptly take all action as may be necessary to discharge any liens or encumbrances on the Trust Estate arising by, through or under the Indenture Trustee (or such successor trustee), either (i) when acting in its individual capacity or (ii) when acting improperly in its capacity as Indenture Trustee (or such successor trustee).

(vi) The Indenture Trustee shall not be concerned with or accountable to any Person for the use or application of any deposited monies or of any property or securities or the proceeds thereof that shall be released or withdrawn in accordance with the provisions hereof or of any property or securities or the proceeds thereof that shall be released from the lien hereof or thereof in accordance with the provisions hereof or thereof, and the Indenture Trustee shall not have any liability for the acts of other parties that are not in accordance with the provisions hereof.

(b) The rights, duties and liabilities of the Indenture Trustee in respect of the Trust Estate and this Indenture, in addition to those set forth in Section 5.01(a), shall be as follows:

(i) except during the continuance of an Event of Default with respect to the Notes, the Indenture Trustee undertakes to perform such duties and only such duties as are specifically set forth

in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Indenture Trustee; and

(ii) the Indenture Trustee may, in the absence of bad faith on its part, conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Indenture Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Indenture Trustee, the Indenture Trustee shall be under a duty to examine the same to determine whether or not they conform on their face to the requirements of this Indenture.

(c) Subject to Section 4.12 hereof, in case an Event of Default known to a Responsible Officer of the Indenture Trustee with respect to the Notes has occurred and is continuing, the Indenture Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(d) No provision of this Indenture shall be construed to relieve the Indenture Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to limit the effect of subsections (a), (b) or (c) of this Section;

(ii) the Indenture Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Indenture Trustee was negligent in ascertaining the pertinent facts;

(iii) the Indenture Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the directions or with the consent of the Noteholders representing more than 50% (unless a lower or higher percentage of Noteholders is expressly permitted or required to authorize such action hereunder, in which case such lower or higher percentage) in the Aggregate Note Balance of the Outstanding Notes, relating to the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred upon the Indenture Trustee, under this Indenture with respect to such Notes; and

(iv) the Indenture Trustee shall not be charged with knowledge of a default in the observance of any covenant contained in Section 9.06 unless either (i) a Responsible Officer of the Indenture Trustee assigned to its Corporate Trust Office shall have actual knowledge of such default or (ii) written notice of such default shall have been given by the Issuer, the Co-Issuer or any Noteholder to and received by the Indenture Trustee at its Corporate Trust Office.

Section 5.02. Notice of Defaults.

(a) The Indenture Trustee, promptly but no later than five (5) Business Days after a Responsible Officer of the Indenture Trustee acquires actual knowledge of the occurrence of any default under this Indenture, shall notify the Issuers, the Noteholders, the Administrator, the Co-Administrators and the Rating Agency of any such default, unless all such defaults known to the Indenture Trustee shall have been cured before the giving of such notice or unless the same is rescinded and annulled, or waived pursuant to Section 4.02 or Section 4.12; provided that, except in the case of a default in the payment of the principal of or interest on any of the Notes, the Indenture Trustee shall be protected in withholding

such notice from the Noteholders for a period of no longer than 30 days if and so long as the board of directors, the executive committee or a trust committee composed of directors and/or Responsible Officers of the Indenture Trustee reasonably and in good faith determines that the withholding of such notice is in the best interest of the Noteholders. For the purpose of this subsection (a), the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default.

(b) The Indenture Trustee also agrees, promptly but no later than five (5) Business Days after a Responsible Officer of the Indenture Trustee acquires actual knowledge of the occurrence of any event of default under the Co-Administration Agreement, to notify the Issuer, the Co-Issuer, the Noteholders and the Rating Agency of such event of default.

Section 5.03. Certain Rights of Indenture Trustee.

Subject to the provisions of Section 5.01, in connection with this Indenture:

(a) the Indenture Trustee may request and conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Issuer or the Co-Issuer mentioned herein shall be sufficiently evidenced by an Issuer Request or Issuer Order from the Issuer or the Co-Issuer or from the Administrator or a Co-Administrator on their behalf;

(c) whenever in the administration of this Indenture, the Indenture Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Indenture Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer’s Certificate;

(d) the Indenture Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel rendered thereby shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Indenture Trustee shall not be under any obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any Noteholders pursuant to this Indenture, unless such Noteholders shall have offered to the Indenture Trustee security or indemnity satisfactory to the Indenture Trustee against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction;

(f) the Indenture Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, coupon, other evidence of indebtedness or other paper or document, but the Indenture Trustee in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Indenture Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuers, personally or by agent or attorney;

(g) the Indenture Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys of the Indenture Trustee. The Indenture Trustee shall not be liable for the acts or omissions of its agents or attorneys so long as the Indenture Trustee chose such Persons with due care;

(h) the Indenture Trustee shall not be required to provide any surety or bond of any kind in connection with the execution or performance of its duties hereunder;

(i) the Indenture Trustee shall not make any representations as to the validity or sufficiency of this Indenture; and

(j) the Indenture Trustee shall not at any time have any responsibility or liability other than as may be expressly set forth in this Indenture for or with respect to the legality, validity or enforceability of the Underlying Certificates.

Section 5.04. Compensation and Reimbursement.

(a) The Indenture Trustee shall be paid compensation for its services hereunder pursuant to a fee letter between the Indenture Trustee and Long Beach Mortgage Company. The assets of the Trust Estate shall not be used to satisfy the compensation payable to the Indenture Trustee on the Closing Date or thereafter under such letter.

(b) Subject to Section 5.04(c), each of the Issuer and the Co-Issuer hereby agrees:

to reimburse, indemnify and hold harmless the Indenture Trustee and any director, officer, employee, agent or Affiliate of the Indenture Trustee for any loss, liability, expense or disbursements (including without limitation costs and expenses of litigation, and of investigation, counsel fees, damages, judgments and amounts paid in settlement but not including expenses, disbursements and advancements incurred or made by the Indenture Trustee, including the compensation and the expenses and disbursements of its agents and counsel, in the ordinary course of the Indenture Trustee's performance in accordance with the provisions of this Indenture, the Co-Administration Agreement, the Underlying Certificates or the Notes) incurred in connection with any act or omission on the part of the Indenture Trustee with respect to this Indenture, the Co-Administration Agreement, the Underlying Certificates or the Notes (other than any loss, liability or expense incurred by reason of willful misfeasance, bad faith or negligence in the performance of duties, or as may arise from a breach of any representation or warranty of the Indenture Trustee, set forth herein).

With respect to any third party claim:

(i) the Indenture Trustee shall give the Issuers and the Noteholders written notice thereof promptly after the Indenture Trustee shall have knowledge thereof;

(ii) while maintaining control over its own defense, the Indenture Trustee shall cooperate and consult fully with the Issuers in preparing such defense; and

(iii) notwithstanding the foregoing provisions of this Section 5.04(b), the Indenture Trustee shall not be entitled to reimbursement from the assets of the Trust Estate for settlement of any such claim by the Indenture Trustee entered into without the prior consent of the Issuers, which consent shall not be unreasonably withheld.

The Indenture Trustee agrees to fully perform its duties under this Indenture notwithstanding any failure on the part of the Issuer to make any payments, reimbursements or indemnifications to the Indenture Trustee pursuant to this Section 5.04(b) (subject to Section 5.04(e)); provided, however, that (subject to Sections 5.04(c) and 5.04(d)) nothing in this Section 5.04 shall be construed to limit the exercise by the Indenture Trustee of any right or remedy permitted under this Indenture in the event of the Issuers' failure to pay any sums due the Indenture Trustee pursuant to this Section 5.04.

(c) Notwithstanding any other provisions of the Notes, this Indenture or any Operative Agreement, the obligations of the Issuers set forth in Section 5.04(b) are non-recourse obligations solely of the Issuers and shall be payable only from the Trust Estate with respect to the Notes (subject to Section 5.04(e) and otherwise as provided in Section 2.09(e)). The Indenture Trustee hereby agrees that it has no rights or claims against the Issuers directly and shall only look to the Trust Estate to satisfy the Issuers' obligations under Section 5.04(b). The Indenture Trustee also hereby agrees not to file or join in filing any petition in bankruptcy or commence any similar proceeding in respect of either of the Issuers. In the event that the proceeds of the realization of the Collateral are insufficient to satisfy all amounts owed to the Indenture Trustee under Section 5.04(b), the Indenture Trustee's rights to receive payments pursuant to Section 5.04(b) shall thereupon be extinguished and no further assets of the Issuers shall be available to satisfy the remaining amounts owed to the Indenture Trustee pursuant to Section 5.04(b).

(d) Upon the occurrence of an Event of Default resulting in an acceleration of maturity of the Notes, the Indenture Trustee shall have, as security for the performance of the Issuers under this Section 5.04 (subject to Section 5.04(e)), a lien ranking senior to the lien of the Notes upon all property and funds held or collected as part of the Trust Estate. The Indenture Trustee shall not institute any proceeding seeking the enforcement of such lien against the Trust Estate unless (i) such proceeding is in connection with a proceeding in accordance with Article IV hereof for enforcement of the lien of this Indenture for the benefit of the Noteholders after the occurrence of an Event of Default (other than an Event of Default due solely to a breach of this Section 5.04) and a resulting declaration of acceleration of maturity of such Notes that has not been rescinded and annulled, or (ii) such proceeding does not and will not result in or cause a sale or other disposition of the Trust Estate. The Issuer's obligations in this Section 5.04 shall survive the resignation or removal of the Indenture Trustee.

(e) The Indenture Trustee is entitled pursuant to Section 2.09(e)(i), to receive payments or reimbursements for any Extraordinary Expenses, up to a limit of \$300,000 in the aggregate, incurred during the period from the Closing Date until this Indenture has been discharged; provided, however, that the Indenture Trustee shall not have any obligation to incur additional Extraordinary Expenses in excess of such aggregate limit unless it has received reasonable security or indemnity for such additional Extraordinary Expenses. Noteholders shall hold the Indenture Trustee harmless for any consequences to such Noteholders resulting from any failure of the Indenture Trustee to incur any Extraordinary Expenses in excess of the aforementioned aggregate limit.

Section 5.05. Corporate Indenture Trustee Required; Eligibility.

The Issuer hereby agrees, for the benefit of the Noteholders, that there shall at all times be an Indenture Trustee hereunder which shall be a bank (within the meaning of Section 2(a)(5) of the 1940 Act) organized and doing business under the laws of the United States or any State thereof, authorized under such laws to exercise corporate trust powers, having aggregate capital, surplus and undivided profits of at least \$50,000,000, and subject to supervision or examination by Federal or State authority, the long term debt of which is rated not lower than "A" by the Rating Agency or is otherwise acceptable to the Rating Agency (as evidenced by written confirmation from the Rating Agency that such bank's acting as Indenture Trustee would not in and of itself result in a qualification, downgrade or withdrawal of any of the then-current rating assigned thereby to any Class of Notes. If such bank publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital, surplus and undivided profits of such bank shall be deemed to be its combined capital, surplus and undivided profits as set forth in its most recent report of condition so published. The Indenture Trustee shall not be an Affiliate of the Issuer or the Co-Issuer or an Affiliate of any Person involved in the organization or operation of the Issuer or the Co-Issuer or be directly or indirectly affiliated with the Issuer or the Co-Issuer. If at any time the Indenture

Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 5.06. Authorization of Indenture Trustee.

The Indenture Trustee represents and warrants as to itself: that it is duly authorized under applicable Federal law, its articles of association and its by-laws to execute and deliver this Indenture, and to perform its obligations hereunder, including, without limitation, that it is authorized to authenticate the Notes, and that all corporate action necessary or required therefor has been duly and effectively taken or obtained and all federal and state governmental consents and approvals required with respect thereto have been obtained. The Indenture Trustee represents and warrants that it is duly authorized to accept the Grant to it for the benefit of the Noteholders.

Section 5.07. Merger, Conversion, Consolidation or Succession to Business.

Any corporation, bank, trust company or association into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation, bank, trust company or association resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation, bank, trust company or association succeeding to all or substantially all the corporate trust business of the Indenture Trustee shall be the successor of the Indenture Trustee hereunder, provided such corporation, bank, trust company or association shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto, except to the extent that assumption of its duties and obligations, as such, is not effected by operation of law.

Section 5.08. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Indenture Trustee and no appointment of a successor Indenture Trustee pursuant to this Article shall become effective until the acceptance of appointment by a successor Indenture Trustee in accordance with the applicable requirements of this Section and Section 5.09.

(b) The Indenture Trustee may resign at any time by giving written notice thereof to the Issuers. Written notice of resignation under this Indenture shall also constitute notice of resignation as a Co-Administrator under the Co-Administration Agreement. If the instrument of acceptance by a successor Indenture Trustee required by Section 5.09 shall not have been delivered to the Indenture Trustee within 30 days after the giving of such notice of resignation, the resigning Indenture Trustee may petition any court of competent jurisdiction for the appointment of a successor Indenture Trustee.

(c) The Indenture Trustee may be removed at any time, with or without cause, by the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes. Notice of such action by the Noteholders shall be delivered to the Indenture Trustee and the Issuers. The Indenture Trustee may also be removed at any time, with cause, by the Issuers. For purposes of this Section 5.08, "cause" shall include any material breach of the Indenture Trustee's obligations under this Indenture or any material breach of the obligations of the Indenture Trustee in its capacity as a Co-Administrator under the Co-Administration Agreement.

(d) If at any time:

(i) the Indenture Trustee shall cease to be eligible under Section 5.05, or the representations of the Indenture Trustee in Section 5.06 shall prove to be untrue, and the Indenture

Trustee shall fail to resign after written request therefor by the Issuer or the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes; or

(ii) the Indenture Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Indenture Trustee or of its property shall be appointed or any public officer shall take charge or control of the Indenture Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any such case, (i) the Issuers may remove the Indenture Trustee or (ii) subject to Section 4.13, any Noteholder may, on its own behalf and on behalf of all others similarly situated, petition any court of competent jurisdiction for the removal of the Indenture Trustee and the appointment of a successor Indenture Trustee.

(e) If the Indenture Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Indenture Trustee for any cause, the Issuers shall promptly appoint a successor Indenture Trustee, who shall comply with the applicable requirements of Section 5.09. If, within 60 days after such resignation, removal or incapacity, or the occurrence of such vacancy, a successor Indenture Trustee shall not have been appointed by the Issuers and shall not have accepted such appointment in accordance with the applicable requirements of Section 5.09, then a successor Indenture Trustee shall be appointed by act of the Noteholders representing more than 50% of the Aggregate Note Balance of the Outstanding Notes and such appointment delivered to the Issuers, the retiring Indenture Trustee and the successor Indenture Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 5.09, become the successor Indenture Trustee with respect to the Notes.

If, within 120 days after such resignation, removal or incapacity, or the occurrence of such vacancy, no successor Indenture Trustee shall have been so appointed and accepted appointment in the manner required by Section 5.09, any bona fide Noteholder may, on its own behalf and on behalf of all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Indenture Trustee.

(f) The Issuers shall give notice of any resignation or removal of the Indenture Trustee and the appointment of a successor Indenture Trustee by giving notice of such event to the Noteholders. Each notice shall include the name of the successor Indenture Trustee and the address of its Corporate Trust Office.

Section 5.09. Acceptance of Appointment by Successor.

In case of the appointment hereunder of a successor Indenture Trustee, the successor Indenture Trustee so appointed shall execute, acknowledge and deliver to the Issuers and to the retiring Indenture Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Indenture Trustee shall become effective and such successor Indenture Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Indenture Trustee; but, on the request of the Issuer or the successor Indenture Trustee, such retiring Indenture Trustee shall, upon payment of its fees, execute and deliver an instrument transferring to such successor Indenture Trustee all the rights, powers and trusts of the retiring Indenture Trustee, shall duly assign, transfer and deliver to such successor Indenture Trustee all property and money held by such retiring Indenture Trustee hereunder, shall take such action as may be requested by the Issuer to provide for the appropriate interest in the Trust Estate to be vested in such successor Indenture Trustee but shall not be responsible for the recording of such documents and instruments as may be necessary to give effect to the foregoing.

Upon request of any such successor Indenture Trustee, the Issuers shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Indenture Trustee all such rights, powers and trusts referred to in this Section.

No successor Indenture Trustee shall accept its appointment unless at the time of such acceptance such successor Indenture Trustee shall be qualified and eligible under this Article.

Section 5.10. Unclaimed Funds.

The Indenture Trustee shall hold any payments received by it with respect to the Notes that are not paid to the Noteholders in trust for the Noteholders. Notwithstanding the foregoing, at the expiration of two years following the Final Payment Date for the related Notes, if any monies set aside in accordance with Section 2.09(b) for payment of principal, interest and other amounts on such Notes remain unclaimed by any lawful owner thereof, such unclaimed funds and, to the extent required by applicable law, any accrued interest thereon, shall be remitted to the Issuer to be held in trust by the Issuer for the benefit of the applicable Noteholder until distributed in accordance with applicable law, and all liability of the Indenture Trustee with respect to such money shall thereupon cease; provided, that the Indenture Trustee, before being required to make any such repayment, may, at the expense of the applicable Noteholder, payable out of such unclaimed funds, to the extent permitted by applicable law, and otherwise at the expense of the Issuer, cause to be published at least once but not more than three times in two newspapers in the English language customarily published on each Business Day and of general circulation, in New York, New York, a notice to the effect that such monies remain unclaimed and have not been applied for the purpose for which they were deposited, and that after a date specified therein, which shall be not less than 30 days after the date of first publication of said notice, any unclaimed balance of such monies then remaining in the hands of the Indenture Trustee shall be paid to the Issuer upon its written directions to be held in trust for the benefit of the applicable Noteholder until distributed in accordance with applicable law. Any successor to the Issuer through merger, consolidation or otherwise or any recipient of substantially all the assets of the Issuer in a liquidation of the Issuer shall remain liable for the amount of any unclaimed balance paid to the Issuer pursuant to this Section 5.10.

Section 5.11. Illegal Acts.

No provision of this Indenture or any amendment or supplement hereto shall be deemed to impose any duty or obligation on the Indenture Trustee to do any act in the performance of its duties hereunder or to exercise any right, power, duty or obligation conferred or imposed on it, which under any present or future law shall be unlawful, or which shall be beyond the corporate powers, authorization or qualification of the Indenture Trustee.

Section 5.12. Communications by the Indenture Trustee.

The Indenture Trustee shall send to the Issuers, the Administrator and the Co-Administrators, within one Business Day after the Maturity thereof, if any principal of or interest on such Notes due and payable hereunder is not paid, a written demand for payment thereof.

Section 5.13. Separate Indenture Trustee.

(a) Notwithstanding any other provisions hereof, at any time, for the purpose of meeting legal requirements applicable to it in the performance of its duties hereunder, the Indenture Trustee shall have the power to, and shall execute and deliver all instruments to, appoint one or more Persons, to act as separate trustees or co-trustees hereunder, jointly with the Indenture Trustee, of the Trust Estate subject to this Indenture, and any such Persons shall be such separate trustee or co-trustee, with such powers and

duties consistent with this Indenture as shall be specified in the instrument appointing such Person but without thereby releasing the Indenture Trustee from any of its duties hereunder. If the Indenture Trustee shall request the Issuers to do so, the Issuers shall join with the Indenture Trustee in the execution of such instrument, but the Indenture Trustee shall have the power to make such appointment without making such request. A separate trustee or co-trustee appointed pursuant to this Section 5.13 need not meet the eligibility requirements of Section 5.05.

(b) Every separate trustee and co-trustee shall, to the extent not prohibited by law, be subject to the following terms and conditions:

(i) except as otherwise provided in the appointing document, the rights, powers, duties and obligations conferred or imposed upon such separate or co-trustee shall be conferred or imposed upon and exercised or performed by the Indenture Trustee and such separate or co-trustee jointly, as shall be provided in the appointing instrument, except to the extent that under any law of any jurisdiction in which any particular act is to be performed any nonresident trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed by such separate trustee or co-trustee;

(ii) all powers, duties, obligations and rights conferred upon the Indenture Trustee, in respect of the custody of all cash deposited hereunder shall be exercised solely by the Indenture Trustee; and

(iii) the Indenture Trustee may at any time by written instrument accept the resignation of or remove any such separate trustee or co-trustee, and, upon the request of the Indenture Trustee, the Issuers shall join with the Indenture Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to make effective such resignation or removal, but the Indenture Trustee shall have the power to accept such resignation or to make such removal without making such request. A successor to a separate trustee or co-trustee so resigning or removed may be appointed in the manner otherwise provided herein.

(c) Such separate trustee or co-trustee, upon acceptance of such trust, shall be vested with the estates or property specified in such instrument, jointly with the Indenture Trustee, and the Indenture Trustee shall take such action as may be necessary to provide for (i) the appropriate interest in the Trust Estate to be vested in such separate trustee or co-trustee and (ii) the execution and delivery of any transfer documentation or bond powers that may be necessary to give effect to the transfer of any assets of the Trust Estate to the co-trustee. Any separate trustee or co-trustee may, at any time, by written instrument constitute the Indenture Trustee, its agent or attorney in fact with full power and authority, to the extent permitted by law, to do all acts and things and exercise all discretion authorized or permitted by it, for and on behalf of it and in its name. If any separate trustee or co-trustee shall be dissolved, become incapable of acting, resign, be removed or die, all the estates, property, rights, powers, trusts, duties and obligations of said separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Indenture Trustee without the appointment of a successor to said separate trustee or co-trustee, until the appointment of a successor to said separate trustee or co-trustee is necessary as provided in this Indenture. The appointment of a separate or co-trustee shall in no way release the Indenture Trustee from any of its duties or responsibilities hereunder.

(d) Any notice, request or other writing, by or on behalf of any Noteholder delivered to the Indenture Trustee shall be deemed to have been delivered to all separate trustees and co-trustees.

(e) Although co-trustees may be jointly liable, no co-trustee or separate trustee shall be severally liable by reason of any act or omission of the Indenture Trustee or any other such trustee hereunder.

ARTICLE VI

ADMINISTRATION OF THE TRUST ESTATE; REPORTS TO NOTEHOLDERS

Section 6.01. Administration of the Trust Estate.

(a) Whenever the Indenture Trustee, as registered holder of the Underlying Certificates, is requested in such capacity, whether by the Issuer, the Co-Issuer, a Noteholder or a party to the Underlying Agreement, to take any action or to give any consent, approval or waiver that it is entitled to take or give in such capacity, including, without limitation, in connection with an amendment of the Underlying Agreement or the occurrence of a default thereunder, the Indenture Trustee shall promptly notify the Issuers, the Co-Administrators, the Administrator and, if applicable, all of the Noteholders, of such request in such detail as is available to it and, shall, on behalf of the Issuers and the Noteholders, take such action in connection with the exercise and/or enforcement of any rights and/or remedies available to it in such capacity with respect to such request as the Issuers and the Note Representative shall direct in writing; provided that if no such direction is received prior to the date that is established for taking such action or giving such consent, approval or waiver (notice of which date shall be given by the Indenture Trustee to the Issuers, the Administrator, the Co-Administrators and, if applicable, the Noteholders), the Indenture Trustee shall abstain from taking such action or giving such consent, approval or waiver; and provided, further, that if the Issuer and, if an Event of Default has occurred and is continuing, the Note Representative are authorized pursuant to the Underlying Agreement to take any of the actions or give any of the consents, approvals or waivers referred to above, then the Issuers and, if an Event of Default has occurred and is continuing, the Note Representative shall take such actions and/or give such consents, approvals or waivers directly, and the Indenture Trustee shall not be required to act or give any of the consents, approvals or waivers specified above; and provided, further, that the Indenture Trustee shall not in any event be required to expend or risk its own funds or otherwise incur financial liability in connection with exercising such rights and/or remedies and may require reasonable indemnity satisfactory to it against such expense or liability as a condition to taking any action at the direction of the Issuers or, if an Event of Default has occurred and is continuing, the Note Representative; and provided, further, that the Indenture Trustee shall not be liable for any action taken by it in good faith without negligence at the direction of the Issuers or the Note Representative (or for any action taken directly by such party) in accordance with this Section 6.01(a); and provided, further, that any amendment to the Underlying Agreement shall be agreed to by the Indenture Trustee only with the consent of the Issuers and the Noteholders representing greater than 50% of the Aggregate Note Balance of the Outstanding Notes (except, if such amendment would affect the payment terms of the Underlying Certificates, the consent of all the Noteholders shall be required). The Indenture Trustee shall forward to the Issuers, the Co-Administrators, the Administrator, the Rating Agency and, upon written request, any Noteholder, on the Payment Date following its receipt thereof (or, in connection with a written request by a Noteholder, at any time thereafter), copies of any and all notices, statements, reports and/or other material communications and information, including the Rating Agency Monthly Report (converted to written form if not already in such form) (collectively, "Underlying Certificate Reports") that it receives in connection with the Underlying Certificates, the Mortgage Loans, the Prepayment Charges, the Underlying Agreement and the parties thereto.

(b) Except as expressly provided in Articles III and IV hereof, the Indenture Trustee shall not assign, sell, dispose of or transfer any asset of the Trust Estate or permit any asset of the Trust Estate to be subjected to any lien, claim or encumbrance arising by, through or under the Indenture Trustee or any Person claiming by, through or under the Indenture Trustee; provided that the Indenture Trustee is authorized and obligated to surrender an Underlying Certificate in accordance with the terms of the Underlying Agreement in connection with receiving the final distribution thereon.

(c) For purposes of exercising any rights and/or remedies under any Underlying Certificate at such time as an Event of Default has occurred and is continuing, the Holders of Outstanding Notes representing greater than 50% of the Aggregate Note Balance of the Outstanding Notes shall appoint, and shall designate in writing to the Indenture Trustee, a representative (the "Note Representative"). Notes held by Interested Persons shall be deemed to be Outstanding for purposes of this Section 6.01.

Section 6.02. Collection of Monies.

All amounts received by the Indenture Trustee on or in respect of the Underlying Certificates shall be deposited in the Note Account upon receipt. In connection with its receipt of any distribution on an Underlying Certificate on any Underlying Distribution Date, the Indenture Trustee may conclusively rely on the Underlying Certificate Reports and, absent manifest error, the Indenture Trustee shall not have any obligation to re-compute, recalculate or verify the information contained therein. If the Indenture Trustee shall not have received a distribution on an Underlying Certificate by the close of business on the date on which such distribution or payment was to be received by the Indenture Trustee, the Indenture Trustee shall notify the trustee or other party responsible for effectuating distributions under the Underlying Agreement, and (i) if such distribution shall not have been received by the Indenture Trustee one Business Day following such notice or (ii) a Responsible Officer of the Indenture Trustee shall gain actual knowledge of any event of default under the Underlying Agreement, the Indenture Trustee shall promptly notify the Noteholders in writing and such parties shall proceed in accordance with the terms and conditions of Section 6.01. Notwithstanding the foregoing, notice shall not be required to be given pursuant to this Section 6.02 in the case of any payments made by check unless such check is not received within one Business Day of the related Underlying Distribution Date.

Section 6.03. [Reserved.]

Section 6.04. Reports to Noteholders and Others.

(a) Based on information provided in the Underlying Certificate Reports received by the Indenture Trustee from time to time, the Indenture Trustee shall prepare and provide or make available on each Payment Date to each Noteholder, the Issuer, the Administrator, the Co-Administrators, and the Rating Agency a statement (the "Payment Date Statement") detailing payments on the Notes on such Payment Date. The Payment Date Statement shall include, but not be limited to:

(i) the amount of any payment on such Payment Date allocable to accrued interest on each of the Class N-1 Notes and the Class N-2 Notes;

(ii) the amount of any payment on such Payment Date allocable to principal on each Class of Notes;

(iii) the Note Balance of each Note after giving effect to payments allocable to principal, if any, on such Payment Date;

(iv) the Interest Shortfall for such Payment Date with respect to each of the Class N-1 Notes and the Class N-2 Notes;

(v) a copy of the payment date statement to holders of the Underlying Certificates made on the related Underlying Distribution Date; and

(vi) the aggregate amount of Administrative Expenses and Extraordinary Expenses paid pursuant to Section 2.09(e).

The Indenture Trustee shall make the Payment Date Statement (and, at its option, any additional files containing the same information in an alternative format) available each month to any interested parties via the Indenture Trustee's internet website located at <https://www.tss.db.com/invr>. Parties that are unable to use the above distribution options are entitled to have a paper copy mailed to them via first class mail by calling 1-800-735-7777 and indicating such inability. The Indenture Trustee shall have the right to change the way the Payment Date Statements are distributed in order to make such distribution more convenient and/or more accessible to the above parties and the Indenture Trustee shall provide timely and adequate notification to all above parties regarding any such changes.

The Indenture Trustee shall attach the Underlying Certificate Reports to the Payment Date Statement forwarded to the parties listed above.

(b) Within 60 days after the end of each calendar year, the Indenture Trustee shall furnish to each Person (upon the written request of such Person), who at any time during the calendar year was a Noteholder a statement containing information regarding payments of principal, interest and other amounts on such Person's Notes, aggregated for such calendar year or the applicable portion thereof during which such person was a Noteholder. Such obligation shall be deemed to have been satisfied to the extent that substantially comparable information is provided pursuant to any requirements of the Code as are from time to time in force. The Indenture Trustee shall prepare and provide to each Noteholder any information reports required under federal income tax law to be so provided, including without limitation Form 1099.

Section 6.05. Certain Communications with the Rating Agency.

The Indenture Trustee shall send a copy of each supplement, notice, certificate, request, demand, financial statement and amortization schedule sent by it or received by it pursuant to or in connection with the Indenture or the Trust Estate or any part thereof, other than statements of the Indenture Trustee's fees and expenses sent by it to the Issuer and any other communications of a similarly solely administrative nature in the Indenture Trustee's sole opinion, to the Rating Agency.

Section 6.06. Access to Certain Documentation and Information.

(a) The Indenture Trustee shall provide to the Issuer, the Co-Issuer, the Co-Administrators, the Administrator, the Noteholders and the Rating Agency access to the Underlying Certificates and all reports, statements, certificates, documents and records maintained by the Indenture Trustee in respect of its duties hereunder, such access being afforded without charge but only upon prior reasonable written request and during normal business hours at offices designated by the Indenture Trustee. Upon the written request of any Noteholder, the Indenture Trustee shall promptly seek to obtain (and, upon obtaining, shall promptly deliver to the requesting Noteholder) any reports, statements, certificates, documents, records and/or other information available to it as owner of the Underlying Certificates under the Underlying Agreement; provided that if it must pay any fee or other charge under the Underlying

Agreement in connection therewith, it may in turn require the requesting Noteholder to pay such fee or other charge.

(b) Promptly following the first sale of a Note to an Independent third party, the Issuers shall provide to the Indenture Trustee three copies each of any private placement memorandum or other disclosure document used by the Issuers or their Affiliates in connection with the offer and sale of the Notes. In addition, if any such private placement memorandum or disclosure document is revised, amended or supplemented at any time following the delivery thereof to the Indenture Trustee, the Issuers shall promptly inform the Indenture Trustee of such event and shall deliver to the Indenture Trustee three copies of the private placement memorandum or disclosure document, as revised, amended or supplemented. Upon the written request of the Issuer, the Rating Agency, or any Noteholder or prospective purchaser of a Note or interest therein identified to the Indenture Trustee by a Noteholder, the Indenture Trustee as soon as reasonably practicable, shall provide such Person with copies (at such Person's expense) of (i) this Indenture, the Underlying Agreement and the other Operative Agreements and any supplements or amendments hereto or thereto, (ii) all Payment Date Statements, Underlying Certificate Reports and other information items required (or, upon request, available) to be forwarded to Noteholders after the Closing Date pursuant to Section 6.01 and/or Section 6.04, and (iii) any private placement memoranda or other disclosure documents relating to the Notes, in each such case in the form most recently provided to the Indenture Trustee, accompanied by any appropriate written disclaimers relating to the Indenture Trustee's lack of responsibility for the information contained therein and relating to the potential staleness of the Mortgage Loan or Prepayment Charge information contained therein.

(c) The Indenture Trustee shall make available, upon reasonable advance notice and at the expense of the requesting party, copies of the items referred to in Section 6.06(b) to any Noteholder and to prospective purchasers of Notes or interests therein; provided that the Indenture Trustee shall require in the case of a prospective purchaser, a confirmation executed by the requesting Person in form reasonably acceptable to the Indenture Trustee generally to the effect that such Person is a prospective purchaser of Notes or interests therein, is requesting the information solely for use in evaluating a possible investment in the Notes and shall otherwise keep such information confidential. Noteholders, by their acceptance thereof, shall be deemed to have agreed to keep such information confidential.

Section 6.07. Certain Tax Matters.

(a) The Issuers have entered into this Indenture, and the Notes will be issued, with the intention that for federal, state, and local income, single business, and franchise tax purposes, the Notes will qualify as indebtedness. The Issuers and the Indenture Trustee by entering into this Indenture, and each Noteholder, by accepting a Note, agree to treat such Note for federal, state, and local income, single business, and franchise tax purposes as indebtedness.

(b) The Issuer agrees that, as long as any of the Notes are outstanding, it shall not, directly or through any agent, hold any assets or engage in any activities other than:

- (i) entering into this Indenture and issuing the Notes hereunder;
- (ii) purchasing and holding the Underlying Certificates, collecting payments thereon, and, if appropriate, making temporary investments with the cash flow;
- (iii) making payments on the Notes;
- (iv) holding the sole interest in the Co-Issuer;

- (v) [Reserved];
- (vi) entering into the Administration Agreement and the Co-Administration Agreement;
- (vii) entering into the Note Purchase Agreement; and
- (viii) taking such actions as are reasonable or necessary to perform its obligations or enforce its rights under any of the foregoing agreements.

(c) The Co-Issuer agrees that, as long as any of the Notes are outstanding, it shall not, directly or through any agent, hold any assets or engage in any activities other than:

- (i) entering into this Indenture and co-issuing the Notes hereunder;
- (ii) entering into any of the agreements listed in paragraph (b) if the Issuer is also a party to such agreement; and
- (iii) holding a *de minimis* amount of cash or investments, not to exceed \$1,000.

(d) Each Noteholder shall timely furnish the Issuers or their designated agents with any properly completed and executed U.S. federal income tax form or certification, such as IRS Form W-8BEN, W-8IMY, W-8ECI, or W-9, that the Issuers or their agents may reasonably request, and shall update or replace such form or certification in accordance with its terms or subsequent amendments.

(e) The Issuer, the Co-Issuer and the Indenture Trustee agree that they do not intend for this Agreement to represent an agreement to form a partnership, joint venture, or any other business entity for U.S. federal income tax purposes, and that they will not hold themselves out to the IRS or any other third parties as partners in a partnership or members of a joint venture or other business entity.

(f) The Co-Issuer shall not elect to be treated as an association taxable as a corporation for U.S. federal income tax purposes.

(g) The Issuer shall deliver an IRS Form W-8BEN (or any successor form) to each withholding agent with respect to any assets held in the Trust Estate.

(h) The Issuer or its agent shall cause to be prepared and provided to any Class N-3 Noteholder, upon written request, all information that a U.S. person holding the Class N-3 Notes (directly or indirectly) who has made a protective “qualified electing fund” (“QEF”) election (as defined in the Code) is required to obtain for U.S. federal income tax purposes, including a “PFIC Annual Information Statement” as described in Treasury Regulations Section 1.1295-1(g) (or any successor provision or notice issued by the IRS), and shall take any other steps necessary to facilitate a protective QEF election by a Class N-3 Noteholder.

ARTICLE VII

NO REDEMPTION

Section 7.01. No Redemption of the Notes.

Neither the Issuer nor the Co-Issuer shall have the right to redeem the Notes.

ARTICLE VIII

SUPPLEMENTAL INDENTURES; AMENDMENTS

Section 8.01. Supplemental Indentures or Amendments Without Consent of Noteholders.

Without the consent of any Noteholders, the Issuers and the Indenture Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, or one or more amendments hereto, or to the Notes, in form satisfactory to the Indenture Trustee, for any of the following purposes:

- (1) to convey, transfer, assign, mortgage or pledge any property to the Indenture Trustee so long as the interests of the Noteholders would not be adversely affected;
- (2) to correct any manifestly incorrect description, or amplify the description, of any property subject to the lien of this Indenture;
- (3) to modify the Indenture as required by applicable law, so long as the interests of the Noteholders would not be adversely affected;
- (4) to add to the covenants of the Issuers for the benefit of the Noteholders or to surrender any right or power herein conferred upon the Issuers;
- (5) to add any additional Events of Default, provided such action shall not adversely affect the interests of the Noteholders;
- (6) to evidence and provide for the acceptance of appointment hereunder by a successor Indenture Trustee; or
- (7) to correct any typographical error, cure any ambiguity, or to cure, correct or supplement any defective or inconsistent provision herein or in the Notes, provided such action shall not materially adversely affect the interests of the Noteholders or affect in any material respect the permitted activities of the Indenture Trustee or the Issuers hereunder.

No such supplemental indenture or amendment shall be effective unless the party requesting such supplemental indenture or amendment furnishes to the Indenture Trustee and the Issuers, at such party's expense, either (i) an Opinion of Counsel (which counsel shall be Independent) that, where required above, such action will not adversely affect or materially adversely affect, as the case may be, the interests of Noteholders or (ii) confirmation from the Rating Agency to the effect that such supplemental indenture or amendment will not result in the downgrading or withdrawal of any rating of the Notes, which confirmation shall be deemed to evidence that such action will not adversely affect or materially adversely affect, as the case may be, the interests of the Noteholders.

Section 8.02. Supplemental Indentures With Consent of Noteholders.

With the consent of the Noteholders representing not less than 66 2/3% in Aggregate Note Balance of the Outstanding Notes, the Issuers and the Indenture Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Noteholders under this Indenture; provided that no such supplemental indenture shall, without the prior written consent of each Noteholder affected thereby:

(1) change the Final Maturity Date or the Payment Date of any principal, interest or other amount on any Note, or reduce the Note Balance thereof or the Note Rate thereon (if applicable), or authorize the Indenture Trustee to agree to delay the timing of, or reduce the payments to be made on, the Underlying Certificates except as provided herein, or change the coin or currency in which the principal of any Note or interest thereon (if applicable) is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Final Maturity Date;

(2) reduce the percentage of the then Aggregate Note Balance of the Outstanding Notes or the percentage of any Outstanding Notes, the consent of whose Noteholders is required for any such supplemental indenture, or the consent of whose Noteholders is required for any waiver of defaults hereunder and their consequences provided for in this Indenture, or for any other reason under this Indenture (including for actions taken by the Indenture Trustee pursuant to Section 4.02(a) hereof);

(3) change any obligation of the Issuers to maintain an office or agency in the places and for the purposes specified in Section 9.01;

(4) except as otherwise expressly provided in this Indenture, deprive any Noteholder of the benefit of a first priority security interest in the Trust Estate as provided in this Indenture;

(5) modify Section 2.09; or

(6) release from the lien of this Indenture (except as specifically permitted hereby on the date of execution hereof) all or any part of the Trust Estate.

It shall not be necessary for the consent of the Noteholders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Section 8.03. Delivery of Supplements and Amendments.

Promptly after the execution by the Issuers and the Indenture Trustee of any supplemental indenture or amendment pursuant to the provisions hereof, the Indenture Trustee, at the expense of the Person requesting such supplemental indenture or amendment, shall mail, first class postage prepaid, a notice setting forth in general terms the substance of such supplemental indenture or amendment to each Noteholder at the address for such Noteholder set forth in the Note Register.

Section 8.04. Execution of Supplemental Indentures, etc.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or in accepting the modifications thereby of the trusts created by this Indenture or in giving any consent to any modification of any Underlying Certificate under Section 5.01(a) hereunder, the Indenture Trustee shall be entitled to receive, at the expense of the Person requesting such additional trusts, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture or modification is authorized or permitted by this Indenture. The Indenture Trustee may, but shall not be obligated to, enter into any such supplemental indenture or consent to any such modification which affects the Indenture Trustee's own rights, duties or immunities under this Indenture or otherwise.

ARTICLE IX

COVENANTS; WARRANTIES; REPRESENTATIONS

Section 9.01. Maintenance of Office or Agency.

The Issuers shall maintain or cause to be maintained an office or agency in the continental United States where notices and demands to or upon the Issuers in respect of the Notes and this Indenture may be served. The Issuers shall give prompt written notice to the Indenture Trustee and the Noteholders of the location, and any change in the location, of such office or agency.

The Issuers may also from time to time designate one or more other offices or agencies outside the United States where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Issuers of its obligation to maintain an office or agency in accordance with the requirements set forth in the preceding paragraph. The Issuers shall give prompt written notice to the Indenture Trustee and the Noteholders of any such designation or rescission and of any change in the location of such office or agency.

Section 9.02. Existence.

Subject to Section 9.08, each of the Issuer and the Co-Issuer shall keep in full effect its existence, rights and franchises as a corporation and limited liability company, respectively, under the laws of its jurisdiction of organization.

Section 9.03. Payment of Taxes and Other Claims.

Each of the Issuer and the Co-Issuer shall pay or discharge or cause to be paid or discharged, before the same shall become delinquent, all taxes, assessments and governmental charges levied or imposed upon the Issuer and the Co-Issuer respectively, or upon the income, profits or property of the Issuer and the Co-Issuer, respectively, or shown to be due on the tax returns filed by the Issuer and the Co-Issuer, respectively, except any such taxes, assessments, governmental charges or claims which the Issuer or the Co-Issuer, as the case may be, is in good faith contesting in appropriate proceedings and with respect to which reserves are established if required in accordance with GAAP, provided, that such failure to pay or discharge will not cause a forfeiture of, or a lien to encumber, any property included in the Trust Estate. The Indenture Trustee is hereby authorized to pay out of the Note Account, prior to making payments on the Notes, any such taxes, assessments, governmental charges or claims which, if not paid, would cause a forfeiture of, or a lien to encumber, any property included in the Trust Estate.

Section 9.04. Validity of the Notes; Title to the Trust Estate; Lien.

(a) Each of the Issuer and the Co-Issuer represents and warrants that it is duly authorized under applicable law to create and issue the Notes, to execute and deliver this Indenture, the other documents referred to herein to which it is a party and all instruments included in the Trust Estate which it has executed and delivered, and that all corporate action and governmental consents, authorizations and approvals necessary or required therefor have been duly and effectively taken or obtained. The Notes, when issued, will be, and this Indenture and such other documents are, valid and legally binding obligations of each of the Issuer and the Co-Issuer enforceable in accordance with their terms.

(b) The Issuer represents and warrants that, immediately prior to its Grant of the Trust Estate provided for herein, it had good title to, and was the sole owner of, each Underlying Certificate, free and clear of any pledge, lien, encumbrance or security interest.

(c) The Issuer represents and warrants that the Indenture Trustee has a valid and enforceable first priority security interest in the Trust Estate, subject only to exceptions permitted hereby.

(d) The Issuer represents and warrants that the Indenture is not required to be qualified under the 1939 Act and that the Issuer is not required to be registered as an “investment company” under the 1940 Act.

Section 9.05. Protection of Trust Estate.

The Issuer and, to the extent directed by the Issuer or the related Noteholders representing more than 50% of the Aggregate Note Balance of the related Outstanding Notes, the Indenture Trustee shall from time to time execute and deliver all such amendments and supplements hereto (subject to Sections 8.01 and 8.02) and all such financing statements, continuation statements, instruments of further assurance and other instruments, and will take such other action necessary or advisable to:

- (a) Grant more effectively all or any portion of the Trust Estate securing the Notes;
- (b) maintain or preserve the lien (and the priority thereof) of this Indenture or carry out more effectively the purposes hereof;
- (c) perfect, publish notice of, or protect the validity of any Grant made or to be made by this Indenture;
- (d) enforce any of the items of Collateral or other instruments or agreements included in the Trust Estate; or
- (e) preserve and defend title to the Trust Estate securing the Notes and the rights of the Indenture Trustee and the Noteholders, in the Trust Estate against the claims of all Persons and parties.

The Issuer hereby designates the Indenture Trustee, its agent and attorney-in-fact, to execute any financing statement, continuation statement or other instrument required pursuant to this Section 9.05; provided that, subject to and consistent with Section 5.01, the Indenture Trustee shall not be obligated to prepare or file any such statements or instruments.

Section 9.06. Negative Covenants.

Neither the Issuer nor the Co-Issuer shall:

- (a) sell, transfer, exchange or otherwise dispose of any of the Collateral, except as expressly permitted by this Indenture;
- (b) dissolve or liquidate in whole or in part, except as provided in Section 9.08.
- (c) engage, directly or indirectly, in any business other than that arising out of the issue of the Notes, and the actions contemplated or required to be performed under this Indenture or the documents constituting part of the Trust Estate;

(d) incur, create or assume any indebtedness for borrowed money other than the Notes and a subordinate, unsecured, limited recourse note originally issued to Long Beach Mortgage Company evidencing the right to receive the Collateral or proceeds thereof after all of the Notes are retired;

(e) make or permit to remain outstanding, any loan or advance to, or own or acquire any stock or securities of, any Person other than (i) the Underlying Certificates, (ii) any other instruments constituting part of the Trust Estate, and (iii) in the case of the Issuer, the membership interests in the Co-Issuer; or

(f) voluntarily file a petition for bankruptcy, reorganization, assignment for the benefit of creditors or similar proceeding.

Section 9.07. Statement as to Compliance.

The Issuer shall deliver to the Indenture Trustee and the Rating Agency, within 120 days after the end of each calendar year, an Officer's Certificate stating that, in the course of the performance by the officer executing such Officer's Certificate of such officer's present duties as an officer of the Issuer, such officer would normally obtain knowledge or have made due inquiry as to the existence of any condition or event which would constitute an Event of Default after notice or lapse of time or both and that to the best of the officer's knowledge, (a) the Issuer has fulfilled all of its obligations under this Indenture in all material respects throughout such year, or, if there has been a default in the fulfillment of any such obligation in any material respect, specifying each such default and the nature and status thereof, and (b) no event has occurred and is continuing which is, or after notice or lapse of time or both would become, an Event of Default, or, if such an event has occurred and is continuing, specifying each such event and the nature and status thereof.

Section 9.08. Issuers may Consolidate, Etc., only on Certain Terms.

(a) Neither the Issuer nor the Co-Issuer shall consolidate or merge with or into any other Person or convey or transfer the Trust Estate to any Person without the consent of the Noteholders representing an Aggregate Note Balances of not less than 66 2/3% of the Outstanding Notes unless:

(i) permitted by applicable law;

(ii) the Person (if other than the Issuer or the Co-Issuer, as the case may be) formed by or surviving such consolidation or merger or that acquires by conveyance or transfer the Trust Estate (the "Successor Person"), shall not be an entity subject to capital gains taxes, branch profit taxes or taxes based on gross or net income, shall be a Person organized and existing under the laws of the United States of America or any State and shall have expressly assumed, executed and delivered to the Indenture Trustee, the obligation (to the same extent as the Issuer or the Co-Issuer, as the case may be, was so obligated) to make payments of principal, interest (if applicable) and other amounts on all of the Notes, and the obligation to perform every covenant of this Indenture and each other Operative Agreement on the part of the Issuer or the Co-Issuer, as the case may be, to be performed or observed, all as provided herein and therein;

(iii) immediately after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing;

(iv) the Issuer or the Co-Issuer, as the case may be, shall have caused the Indenture Trustee to have received written confirmation from the Rating Agency to the effect that the

consummation of such transaction will not cause the Rating Agency to qualify, downgrade or withdraw its then-current rating of the Notes;

(v) the Issuer or the Co-Issuer, as the case may be, shall have delivered to the Indenture Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance or transfer complies with and satisfies all conditions precedent relating to the transactions set forth in this Section 9.08; and

(vi) the Successor Person shall have delivered to the Indenture Trustee an Officer's Certificate and an Opinion of Counsel, at such Successor Person's expense, each stating that, with respect to a Successor Person that is a corporation, limited liability company, partnership or trust, such Successor Person shall be duly organized, validly existing and in good standing in the jurisdiction in which such Successor Person is organized; that the Successor Person has sufficient power and authority to assume the obligations set forth in clause (ii) above and to execute and deliver an indenture supplemental hereto for the purpose of assuming such obligation; that the Successor Person has duly authorized the execution, delivery and performance of an indenture supplemental hereto and such other agreements as are necessary for the purpose of assuming such obligations; that the Successor Person has duly executed and delivered such supplemental indenture and other agreements and that such supplemental indenture and other agreements are valid, legal and binding obligations of the Successor Person, enforceable in accordance with their terms, subject only to bankruptcy, reorganization, insolvency and other laws affecting the enforcement of creditor's rights generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or law); and that, immediately following the event which causes the Successor Person to become the Successor Person, (A) the Successor Person has good and marketable title, free and clear of any lien, security interest or charge other than the lien and security interest of this Indenture and any other lien permitted hereby to the Collateral and (B) the Indenture Trustee continues to have a perfected first priority security interest in the Collateral.

(b) Upon any consolidation or merger, or any conveyance or transfer of the Trust Estate securing the Notes, the Successor Person shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer or the Co-Issuer, as applicable, under this Indenture with the same effect as if such Successor Person had been named as the Issuer or the Co-Issuer, as applicable, herein. In the event of any such conveyance or transfer of the Trust Estate permitted by this Section 9.08, the Person named as the "Issuer" or the "Co-Issuer", as applicable, in the first paragraph of this Indenture, or any successor that shall theretofore have become such in the manner prescribed in this Article and that has thereafter effected such a conveyance or transfer, may be dissolved, wound-up and liquidated at any time thereafter, and such Person thereafter shall be released from its liabilities as obligor and maker on all of the then Outstanding Notes and from its obligations under this Indenture.

Section 9.09. Purchase of Notes.

The Issuers may reacquire the Notes, in their discretion, by open market purchases in privately negotiated transactions or otherwise.

Section 9.10. Performance of Issuers' Duties by the Administrator and the Co-Administrators.

The Indenture Trustee hereby acknowledges and agrees that the duties of the Issuers will be performed on behalf of the Issuers by the Administrator pursuant to the Administration Agreement and by the Co-Administrators pursuant to the Co-Administration Agreement and hereby acknowledges and accepts the terms of each such agreement as of the date hereof.

Section 9.11. Certain Representations Regarding the Trust Estate.

(a) With respect to that portion of the Collateral described in clause (ii) of the definition of the Trust Estate, the Issuer represents to the Indenture Trustee that:

(i) This Indenture creates a valid and continuing security interest (as defined in the applicable UCC) in such Collateral in favor of the Indenture Trustee, which security interest is prior to all other liens, and is enforceable as such against creditors of and purchasers from the Issuer.

(ii) Such Collateral constitutes “deposit accounts” within the meaning of the applicable UCC.

(iii) The Issuer owns and has good and marketable title to such Collateral free and clear of any lien, claim or encumbrance of any Person.

(iv) The Issuer has taken all steps necessary to cause the Indenture Trustee to become the account holder of such Collateral.

(v) Other than the security interest granted to the Indenture Trustee pursuant to this Indenture, the Issuer has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of such Collateral.

(vi) Such Collateral is not in the name of any person other than the Issuer or the Indenture Trustee. The Issuer has not consented to the bank maintaining such Collateral to comply with instructions of any person other than the Indenture Trustee.

(b) With respect to that portion of the Collateral described in clauses (iii), (iv) and (v) of the definition of the Trust Estate, the Issuer represents to the Indenture Trustee that:

(i) This Indenture creates a valid and continuing security interest (as defined in the applicable UCC) in such Collateral in favor of the Indenture Trustee, which security interest is prior to all other liens, and is enforceable as such against creditors of and purchasers from the Issuer.

(ii) Such Collateral (other than “payments”) constitutes “general intangibles” within the meaning of the New York UCC.

(iii) The Issuer owns and has good and marketable title to such Collateral free and clear of any lien, claim or encumbrance of any Person.

(iv) The Issuer has caused, or will have caused, within ten days of the Closing Date, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in such Collateral granted to the Indenture Trustee hereunder.

(v) Other than the security interest granted to the Indenture Trustee pursuant to this Indenture, the Issuer has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of such Collateral. The Issuer has not authorized the filing of and is not aware of any financing statements against the Issuer that include a description of collateral covering such Collateral other than any financing statement relating to the security interest granted to the Indenture Trustee hereunder or that has been terminated. The Issuer is not aware of any judgment or tax lien filings against the Issuer.

(c) With respect to that portion of the Collateral described in clause (i) of the definition of the Trust Estate, the Issuer represents to the Indenture Trustee that:

(i) This Indenture creates a valid and continuing security interest (as defined in the applicable UCC) in such Collateral in favor of the Indenture Trustee, which security interest is prior to all other liens, and is enforceable as such against creditors of and purchasers from the Issuer.

(ii) Such Collateral (other than “distributions”) constitutes “certificated securities” within the meaning of the New York UCC.

(iii) The Issuer owns and has good and marketable title to such Collateral free and clear of any lien, claim or encumbrance of any Person.

(iv) All original executed copies of each Underlying Certificate have been delivered to the Indenture Trustee. Each such certificate has been registered in the name of the Indenture Trustee for the benefit of the Noteholders.

(v) Other than the security interest granted to the Indenture Trustee pursuant to this Indenture, the Issuer has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of such Collateral. The Issuer has not authorized the filing of and is not aware of any financing statements against the Issuer that include a description of collateral covering such Collateral other than any financing statement relating to the security interest granted to the Indenture Trustee hereunder or that has been terminated. The Issuer is not aware of any judgment or tax lien filings against the Issuer.

(vi) None of the Underlying Certificates has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Indenture Trustee for the benefit of the Noteholders.

(d) The foregoing representations may not be waived and shall survive the issuance of the Notes.

ARTICLE X

MISCELLANEOUS

Section 10.01. Execution Counterparts.

This instrument may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 10.02. Compliance Certificates and Opinions, etc.

Upon any application or request by the Issuer or the Co-Issuer to the Indenture Trustee to take any action under any provision of this Indenture, the Issuer or the Co-Issuer shall furnish to the Indenture Trustee (i) an Officer’s Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with, and (ii) an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that, in the case of any such application or request as to which the furnishing of such documents is

specifically required by any provision of this Indenture, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

- (i) a statement that each signatory of such certificate or opinion has read or has caused to be read such covenant or condition and the definitions herein relating thereto;
- (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (iii) a statement that, in the opinion of each such signatory, such signatory has made such examination or investigation as is necessary to enable such signatory to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (iv) a statement as to whether, in the opinion of each such signatory, such condition or covenant has been complied with.

Section 10.03. Form of Documents Delivered to Indenture Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an Authorized Officer of the Issuer or the Co-Issuer may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate of an Authorized Officer or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Issuer or the Co-Issuer, as the case may be, stating that the information with respect to such factual matters is in the possession of the Issuer or the Co-Issuer, as the case may be, or in the possession of any other Person upon which such factual matter was based, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Whenever in this Indenture, in connection with any application or certificate or report to the Indenture Trustee, it is provided that any Person shall deliver any document as a condition of the granting of such application, or as evidence of such Person's compliance with any term hereof, it is intended that the truth and accuracy, at the time of the granting of such application or at the effective date of such certificate or report (as the case may be), of the facts and opinions stated in such document shall in such case be conditions precedent to the right of such Person to have such application granted or to the sufficiency of such certificate or report. The foregoing shall not, however, be construed to affect the

Indenture Trustee's right to rely upon the truth and accuracy of any statement or opinion contained in any such document as provided in Article V.

Section 10.04. Acts of Noteholders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Noteholders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Noteholders in person or by agents duly appointed in writing; and except as herein otherwise expressly provided such action shall become effective when such instrument or instruments are delivered to the Indenture Trustee and, where it is hereby expressly required, to the Issuers. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Noteholders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 5.01) conclusive in favor of the Indenture Trustee and the Issuers, if made in the manner provided in this Section. With respect to authorization to be given or taken by Noteholders of any Class or Classes of Notes, the Indenture Trustee shall be authorized to follow the written directions or the vote of Noteholders of the Notes representing more than 50% of the Aggregate Note Balance of the Outstanding Notes of such Class or Classes, unless any greater or lesser percentage is required by the terms hereunder.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved in any manner that the Indenture Trustee deems sufficient.

(c) The Note Balance and serial numbers of Notes held by any Person, and the date of holding the same, shall be proved by the Note Register.

(d) Any request, demand, authorization, direction, notice, consent, election, declaration, waiver or other act of any Noteholder shall bind every future Noteholder of the same Note and the Noteholder of every Note issued upon the transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, suffered or omitted to be done by the Indenture Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Note.

Section 10.05. Computation of Percentage of Noteholders.

Whenever this Indenture states that any request, demand, authorization, direction, notice, consent, election, declaration, waiver or other action may be taken by a specified percentage of the Noteholders of any Class or Classes of Notes, such statement shall mean that such request, demand, authorization, direction, notice, consent, election, declaration, waiver or other action may be taken by the Noteholders of such specified percentage of the Aggregate Note Balance of the Outstanding Notes of such Class or Classes. Whenever this Indenture states that any action may be taken by a specified percentage of the Noteholders of the Notes or all of the Notes, such statement shall mean that such action may be taken by the Noteholders of such specified percentage of the Aggregate Note Balances of all Outstanding Notes.

Section 10.06. Notice to the Indenture Trustee, the Issuer and Certain Other Persons.

Any communication provided for or permitted hereunder shall be in writing (including facsimile) and, unless otherwise expressly provided herein, shall be deemed to have been duly given when delivered to: (i) in the case of the Issuer, Long Beach Asset Holdings Corp. CI 2005-3, c/o Deutsche Bank (Cayman) Limited, P.O. Box 1984GT, Elizabethan Square, George Town, Grand Cayman, Cayman Islands, Attention: The Directors, facsimile number: (345) 949-5223 (with copies to Long Beach Mortgage Company, 1201 Third Avenue, Mail Stop: WMT1041, Seattle, Washington 98101, Attention:

Richard Fisher and James Mark, facsimile number: (206) 377-6443; (ii) in the case of the Co-Issuer, Long Beach Asset Holdings CI 2005-3 LLC, 850 Library Avenue, Suite 204, Newark, Delaware 19711, Attention: Donald Puglisi, facsimile number: (302) 738-7210 (with copies to Long Beach Mortgage Company, 1201 Third Avenue, Mail Stop: WMT1041, Seattle, Washington 98101, Attention: Richard Fisher and James Mark, facsimile number: (206) 377-6443; (iii) in the case of the Indenture Trustee, Deutsche Bank National Trust Company, 1761 East St. Andrew Place, Santa Ana, California 92705, Attention: Long Beach Asset Holdings Corp. CI 2005-LB05N5; and (iv) in the case of S&P, Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., 55 Water Street - 41st Floor, New York, New York 10041, Attention: Asset Backed Surveillance Department; or as to each such Person such other address and/or facsimile number as may hereafter be furnished by such Person to the parties hereto in writing.

Section 10.07. Notices to Noteholders; Notification Requirements and Waiver.

Where this Indenture provides for notice to Noteholders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class, postage prepaid to each such Noteholder, at its address as it appears on the Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Noteholders is given by mail, neither the failure to mail such notice nor any defect in any notice so mailed to any particular Noteholder shall affect the sufficiency of such notice with respect to other Noteholders, and any notice that is mailed in the manner herein provided shall conclusively be presumed to have been duly given.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by any Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Noteholders shall be filed with the Indenture Trustee but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such a waiver.

In case, by reason of the suspension of regular mail service as a result of a strike, work stoppage or similar activity, it shall be impractical to mail notice of any event to Noteholders when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be satisfactory to the Indenture Trustee shall be deemed to be a sufficient giving of such notice.

Where this Indenture provides for notice to the Rating Agency, failure to give such notice shall not affect any other rights or obligations created hereunder, and shall not under any circumstance constitute a default or Event of Default.

Section 10.08. Successors and Assigns.

All covenants and agreements in this Indenture by each of the Issuers shall bind their respective successors and permitted assigns, whether so expressed or not.

Section 10.09. Separability Clause.

In case any provision of this Indenture or of any Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall, to the extent permitted by law, not in any way be affected or impaired thereby.

Section 10.10. Governing Law.

(a) This Indenture and the Notes shall be governed by and construed in accordance with the laws of the State of New York without regard to the conflicts of law principles thereof.

(b) Any action or proceeding against any of the parties hereto relating in any way to this Indenture or any Note or the Trust Estate may be brought and enforced in the courts of the State of New York sitting in the borough of Manhattan or of the United States District Court for the Southern District of New York and each of the Issuer and the Co-Issuer irrevocably submits to the jurisdiction of each such court in respect of any such action or proceeding. Each of the Issuer and the Co-Issuer hereby waives, to the fullest extent permitted by law, any right to remove any such action or proceeding by reason of improper venue or inconvenient forum.

Section 10.11. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 10.12. Benefits of Indenture.

Nothing in this Indenture or in the Notes, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, the Noteholders and any other party secured hereunder, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 10.13. Recording of Indenture.

If this Indenture is subject to recording in any appropriate public recording offices, such recording is to be effected by and at the expense of the Issuer upon written request of the Indenture Trustee accompanied by an Opinion of Counsel (which may be counsel to the Indenture Trustee or any other counsel reasonably acceptable to the Indenture Trustee and which shall be an expense of the Issuer) to the effect that such recording is necessary either for the protection of the Noteholders or any other Person secured hereunder or for the enforcement of any right or remedy granted to the Indenture Trustee under this Indenture.

Section 10.14. Trust Obligation.

No recourse may be taken, directly or indirectly, with respect to the obligations of the Issuers on the Notes or under this Indenture or any certificate or other writing delivered in connection herewith or therewith, against (i) the Indenture Trustee, the Administrator or either Co-Administrator in its individual capacity, (ii) any owner of a beneficial interest in the Issuer or the Co-Issuer or (iii) any partner, owner, beneficiary, agent, officer, director, employee or agent of the Indenture Trustee, the Administrator or either Co-Administrator in its individual capacity, any holder of a beneficial interest in the Indenture Trustee, the Administrator or either Co-Administrator or of any successor or assignee of the Indenture Trustee, the Administrator or either Co-Administrator in its individual capacity, except as any such Person may have expressly agreed (it being understood that none of the Indenture Trustee, the Administrator or either Co-Administrator has any such obligations in its individual capacity).

Section 10.15. Inspection.

Each of the Issuer and the Co-Issuer agrees that, on reasonable prior notice, it shall permit any representative of the Indenture Trustee, during the Issuer's or the Co-Issuer's, as the case may be, normal

business hours, to examine all the books of account, records, reports, and other papers of the Issuer or the Co-Issuer, as the case may be, to make copies and extracts therefrom, to cause such books to be audited by independent certified public accountants, and to discuss the Issuer's or the Co-Issuer's, as the case may be, affairs, finances and accounts with the officers, employees, and independent certified public accountants, all at such reasonable times and as often as may be reasonably requested. The Indenture Trustee shall, and shall cause its representatives to, hold in confidence all such information except to the extent disclosure may be required by law (and all reasonable applications for confidential treatment are unavailing) or the Indenture Trustee may reasonably determine that such disclosure is consistent with its obligations hereunder.

Section 10.16. Method of Payment.

Except as otherwise provided in Section 2.09(b), all amounts payable or to be remitted pursuant to this Indenture shall be paid or remitted or caused to be paid or remitted in immediately available funds by wire transfer to an account specified in writing by the recipient thereof.

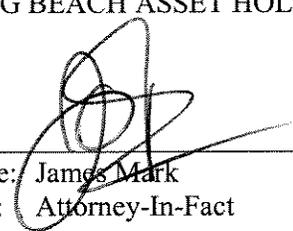
Section 10.17. Joint and Several Obligations.

The obligations and other duties of the Issuer and the Co-Issuer, separately or together, under the Notes, this Indenture or any other Operative Agreement shall be joint and several obligations and duties of the Issuer and the Co-Issuer, irrespective of any allocation of proceeds, rights or obligations between them and of any other matter. Without limiting the generality of the foregoing, each representation, warranty, covenant or other agreement designated in the Notes, this Indenture or any other Operative Agreement as a representation, warranty, covenant or other agreement of the Issuer or the Co-Issuer, separately or together, shall be a representation, warranty, covenant or other agreement of the Issuer and the Co-Issuer, jointly and severally. Neither the Issuer nor the Co-Issuer shall exercise any right of subrogation as against the other until one year and one day after the Notes are no longer Outstanding, the Noteholders have indefeasibly been paid in full all amounts owing to them under the Notes, and this Indenture and the other Operative Agreements have been fully satisfied and discharged and the security interests Granted hereunder have terminated. If, prior to such time, any amount is paid by the Issuer or the Co-Issuer to the other or is otherwise received by the Issuer or the Co-Issuer, in either case on account of any such right of subrogation, such amount shall be held by it in trust for and shall promptly be paid by it to the Indenture Trustee.

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IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, all as of the day and year first above written.

LONG BEACH ASSET HOLDINGS CORP. CI 2005-3

By: 
Name: James Mark
Title: Attorney-In-Fact

LONG BEACH ASSET HOLDINGS CI 2005-3 LLC

By: _____
Name: Donald Puglisi
Title: Director

DEUTSCHE BANK NATIONAL TRUST COMPANY
as Indenture Trustee

By: _____
Name: Ronaldo Reyes
Title: Vice President

By: _____
Name: Valerie Delgado
Title: Assistant Vice President

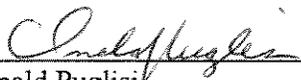
Signature Page to Indenture

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By: _____
Name: James Mark
Title: Attorney-In-Fact

LONG BEACH ASSET HOLDINGS CI 2005-3 LLC

By:  _____
Name: Donald Puglisi
Title: Director

DEUTSCHE BANK NATIONAL TRUST COMPANY
as Indenture Trustee

By: _____
Name: Ronaldo Reyes
Title: Vice President

By: _____
Name: Valerie Delgado
Title: Assistant Vice President

Signature Page to Indenture

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LONG BEACH ASSET HOLDINGS CORP. CI 2005-3

By: _____
Name: James Mark
Title: Attorney-In-Fact

LONG BEACH ASSET HOLDINGS CI 2005-3 LLC

By: _____
Name: Donald Puglisi
Title: Director

DEUTSCHE BANK NATIONAL TRUST COMPANY
as Indenture Trustee

By: _____
Name: Ronaldo Reyes
Title: Vice President

By: _____
Name: Valerie Delgado
Title: Assistant Vice President

Signature Page to Indenture

SCHEDULE II
SCHEDULE OF PREPAYMENT CHARGES

EXHIBIT A-1

FORM OF CLASS N-1 NOTE

**LONG BEACH ASSET HOLDINGS CORP. CI 2005-3 NIM NOTES,
SERIES 2005-3**

Note Rate: 4.50%

Aggregate Note Balance as of the Closing
Date: \$35,500,000.00

Closing Date: September 20, 2005

Initial Note Balance of this Class N-1 Note as
of the Closing Date: \$35,500,000.00

First Payment Date: September 26, 2005

CUSIP: 542394 AA 9

Final Maturity Date: October, 2045

Indenture Trustee: Deutsche Bank National
Trust Company

Date of Indenture: As of September 20, 2005

Issuer: Long Beach Asset Holdings Corp.
CI 2005-3

Co-Issuer: Long Beach Asset Holdings CI
2005-3 LLC

Note No.: 1

THIS CLASS N-1 NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE. ANY RESALE, PLEDGE, TRANSFER OR OTHER DISPOSITION OF THIS CLASS N-1 NOTE OR ANY INTEREST HEREIN WITHOUT SUCH REGISTRATION OR QUALIFICATION MAY BE MADE ONLY IN A TRANSACTION WHICH DOES NOT REQUIRE SUCH REGISTRATION OR QUALIFICATION AND WHICH IS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 2.04 OF THE INDENTURE REFERRED TO HEREIN.

UNLESS THIS CLASS N-1 NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CLASS N-1 NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO TRANSFER OF THIS CLASS N-1 NOTE OR ANY INTEREST HEREIN MAY BE MADE (A) TO ANY EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT ("PLAN") THAT IS SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR (B) TO ANY PERSON WHO IS DIRECTLY OR INDIRECTLY PURCHASING THIS CLASS N-1 NOTE OR SUCH INTEREST HEREIN ON BEHALF OF, AS NAMED FIDUCIARY OF, AS TRUSTEE OF, OR WITH ASSETS OF ANY SUCH PLAN, UNLESS SUCH PLAN OR PERSON PROVIDES EITHER THE OPINION OF COUNSEL OR CERTIFICATION DESCRIBED IN SECTION 2.04 OF THE INDENTURE REFERRED TO HEREIN.

THIS CLASS N-1 NOTE REPRESENTS A NON-RECOURSE OBLIGATION OF THE ISSUERS AND WILL BE PAID SOLELY FROM THE COLLATERAL SECURING THIS CLASS N-1 NOTE. NEITHER THIS CLASS N-1 NOTE NOR THE COLLATERAL THEREFOR IS INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR BY ANY OTHER PERSON.

PAYMENTS IN REDUCTION OF THE NOTE BALANCE OF THIS CLASS N-1 NOTE MAY BE MADE MONTHLY AS SET FORTH IN THE INDENTURE REFERRED TO HEREIN. ACCORDINGLY, THE OUTSTANDING NOTE BALANCE HEREOF AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ABOVE.

This certifies that Cede & Co. is the registered owner (the “Holder”) of this Class N-1 Note which is one of the Notes (collectively, the “Notes”) issued by the Issuer and Co-Issuer referred to above pursuant to the Indenture, dated as of September 20, 2005 (the “Indenture”), among the Issuer referred to above, the Co-Issuer referred to above and the Indenture Trustee referred to above, a summary of certain of the pertinent provisions of which is set forth hereafter. To the extent not defined herein, capitalized terms used herein have the respective meanings assigned in the Indenture. This Class N-1 Note is issued under and is subject to the terms, provisions and conditions of the Indenture, to which Indenture the Holder of this Class N-1 Note by virtue of the acceptance hereof assents and by which such Holder is bound.

Pursuant to the terms of the Indenture, payments on the Class N-1 Notes will be made on each related Underlying Distribution Date (each, a “Payment Date”), commencing in September, 2005. All payments made under the Indenture on this Class N-1 Note will be made by the Indenture Trustee by check mailed on or before the Payment Date to the Person entitled thereto at such Person’s address appearing on the Note Register (or, in the case of a Noteholder holding in excess of \$1,000,000 aggregate initial Note Balance of Class N-1 Notes (or, at the option of the Indenture Trustee), by wire transfer to such account as such Noteholder shall designate by written instruction received by the Indenture Trustee not later than five business days prior to the Record Date related to the applicable Payment Date). Notwithstanding the foregoing, the final payment on this Class N-1 Note will be made in like manner, but only upon presentation and surrender of this Class N-1 Note at the offices of the Indenture Trustee. Notwithstanding anything herein to the contrary, no payments will be made with respect to a Class N-1 Note that has previously been surrendered as contemplated by the preceding sentence or, with limited exception, that should have been surrendered as contemplated by the preceding sentence.

The Class N-1 Notes are limited in right of payment to certain distributions on the Underlying Certificates, as more specifically set forth herein and in the Indenture. As provided in the Indenture, withdrawals from the Note Account may be made from time to time for purposes other than, and, in certain cases, prior to, payments to Noteholders, such purposes including the reimbursement of certain expenses incurred by the Issuers and the Indenture Trustee under the Indenture.

Any payment to the Holder of this Class N-1 Note in reduction of the Note Balance hereof is binding on such Holder and all future Holders of this Class N-1 Note and any Class N-1 Note issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such payment is made upon this Class N-1 Note.

The Class N-1 Notes are issuable in fully registered form only without coupons in minimum denominations specified in the Indenture. As provided in the Indenture and subject to certain limitations therein set forth, this Class N-1 Note is exchangeable for new Class N-1 Notes in authorized denominations evidencing the same aggregate Note Balance, as requested by the Holder surrendering the same.

No transfer, sale, pledge or other disposition of this Class N-1 Note or interest herein shall be made unless that transfer, sale, pledge or other disposition is exempt from the registration and/or qualification requirements of the Securities Act and any applicable state securities laws, or is otherwise made in accordance with the Securities Act and such state

securities laws. If a transfer of this Class N-1 Note is to be made without registration under the Securities Act (other than in connection with the initial issuance thereof or the initial sale of this Class N-1 Note to the Initial Purchasers), then the Note Registrar shall refuse to register such transfer unless it receives (and upon receipt, may conclusively rely upon) a certificate from the Noteholder desiring to effect such transfer substantially in the form attached as Exhibit C-1 to the Indenture and a certificate from such Noteholder's prospective transferee substantially in the form attached as Exhibit C-2 to the Indenture (which in the case of the Book-Entry Notes, the Noteholder and the Noteholder's prospective transferee will be deemed to have represented such certification). None of the Issuer, the Co-Issuer, the Sponsor, the Initial Purchasers, the Indenture Trustee, the Administrator, either Co-Administrator or the Note Registrar is obligated to register or qualify this Class N-1 Note under the Securities Act or any other securities law or to take any action not otherwise required under the Indenture to permit the transfer of this Class N-1 Note or interest herein without registration or qualification. Any Noteholder desiring to effect a transfer of this Class N-1 Note or interests therein shall, and does hereby agree to, indemnify the Issuer, the Co-Issuer, the Initial Purchasers, the Co-Administrators, the Indenture Trustee, the Administrator and the Note Registrar against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

No transfer of this Class N-1 Note or any interest herein to a Plan subject to ERISA or Section 4975 of the Code, any Person acting directly or indirectly, on behalf of any such Plan or any Person using "plan assets" (as defined in 29 C.F.R. Section 2510.3-101) to acquire this Class N-1 Note shall be made except in accordance with Section 2.04(c) of the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Class N-1 Note is registrable in the Note Register upon surrender of this Class N-1 Note for registration of transfer at the offices of the Note Registrar, duly endorsed by, or accompanied by a written instrument of transfer in the form satisfactory to the Note Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Class N-1 Notes in authorized denominations evidencing the same aggregate Note Balance will be issued to the designated transferee or transferees.

No service charge will be imposed for any registration of transfer or exchange of this Class N-1 Note, but the Indenture Trustee or the Note Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of this Class N-1 Note.

The Sponsor, the Issuer, the Co-Issuer, the Indenture Trustee, the Note Registrar and any agent thereof may treat the Person in whose name this Class N-1 Note is registered as the owner hereof for all purposes, and none of the Sponsor, the Issuer, the Co-Issuer, the Indenture Trustee, the Note Registrar or any such agent shall be affected by notice to the contrary.

The Indenture shall cease to be of further effect except as to (i) any surviving rights therein expressly provided for, including any rights of transfer or exchange of Notes therein expressly provided for, (ii) in the case of clause (1)(B) below, the rights of the Noteholders thereunder to receive payment of the related Note Balances of and interest on the

applicable Class N-1 Notes and Class N-2 Notes and any other rights of the Noteholders thereunder and (iii) the provisions of Section 3.02 of the Indenture, when

(1) either (A) all Notes theretofore authenticated and delivered to Noteholders (other than (i) Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.05 of the Indenture, and (ii) Notes for which payment of money has theretofore been deposited in the Note Account by the Indenture Trustee and thereafter repaid to the Issuers or discharged from such trust, as provided in Section 5.10 of the Indenture) have been delivered to the Note Registrar for cancellation; or (B) all such Notes not theretofore delivered to the Note Registrar for cancellation (i) have become due and payable, or (ii) will become due and payable, on the next Payment Date, and in the case of clause (B)(i) or (B)(ii) above, Cash in an amount sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Note Registrar for cancellation or sufficient to pay the Note Balances thereof and any interest if applicable accrued to the date of such deposit (in the case of the Notes which have become due and payable) or to the end of the Interest Accrual Period for the next Payment Date has been deposited with the Indenture Trustee as trust funds for these purposes;

(2) the Issuers have paid or caused to be paid all other sums payable under the Indenture or reasonably expected to become payable thereunder or under any other Operative Agreement by the Issuers to the Indenture Trustee, the Note Registrar, the Co-Administrators, the Administrator and the Rating Agency; and

(3) the Issuers have delivered to the Indenture Trustee, an Officer's Certificate or an Opinion of Counsel stating that all conditions precedent in the Indenture provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Modifications of and amendments to the Indenture may be made by the Issuers and the Indenture Trustee with the consent of the Noteholders of not less than 66-2/3% of the Aggregate Note Balances of all Outstanding Notes (not including any Notes known by the Indenture Trustee to be held by the Issuers or any affiliates thereof) provided that no such modification or amendment may, without the consent of each Noteholder affected thereby, among other things, (i) change the Final Maturity Date or the Payment Date of any principal of or interest if applicable or other amount on any Note, (ii) authorize the Indenture Trustee to agree to delay the timing of, or reduce the payments to be made on, the Underlying Certificates except as provided in the Indenture, (iii) reduce the Note Balance thereof or the Note Rate (if applicable) thereon, (iv) change the coin or currency in which the principal of any Note or any interest thereon (if applicable) is payable, (v) impair the right to institute suit for the enforcement of any payment on or with respect to any Note on or after the Final Maturity Date, (vi) reduce the percentage of the then Aggregate Note Balance of any Outstanding Notes, the consent of the Noteholders of which is required for modification or amendment of the Indenture or for waiver of certain defaults, (vii) reduce the requirements set forth in the Indenture for voting with respect to the Notes, (viii) change any obligation of the Issuers to maintain an office or agency in the places and for the purposes required by the Indenture, (ix) modify provisions for payment on the Notes, or (x) deprive any Noteholder of the benefit of the security interest in the Trust Estate except as otherwise provided in the Indenture, or (xi) except where permitted by the Indenture, release from the lien of the Indenture all or any part of the Trust Estate.

The Issuers and the Indenture Trustee may also amend the Indenture without obtaining the consent of Noteholders, to correct any typographical error, to cure any ambiguity or to correct or supplement any provision of the Indenture or the Notes that may be defective or inconsistent with any other provisions. Such amendments may also be so made without the consent of Noteholders to evidence the succession of another person to the Indenture Trustee, add to the covenants of the Issuers for the benefit of the Noteholders, to convey, transfer, assign, mortgage or pledge any property to the Indenture Trustee, to correct any manifestly incorrect description or amplify the description of any property subject to the lien of the Indenture, to modify the Indenture as required by applicable law and to add any additional Events of Default.

Unless the certificate of authentication hereon has been executed by the Note Registrar, by manual signature, this Class N-1 Note shall not be entitled to any benefit under the Indenture or be valid for any purpose.

The registered Holder hereof, by its acceptance hereof, agrees that it will look solely to the Trust Estate (to the extent of its rights therein) for payments hereunder.

This Class N-1 Note shall be construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed in said State, and the obligations, rights and remedies of the Holder hereof shall be determined in accordance with such laws.

IN WITNESS WHEREOF, the Issuer and Co-Issuer have caused this instrument to be duly executed as of the date written below.

Dated: September __, 2005

LONG BEACH ASSET HOLDINGS CORP. CI
2005-3, a company incorporated under the laws of
the Cayman Islands

By: _____
Authorized Signatory

LONG BEACH ASSET HOLDINGS CI 2005-3
LLC, a Delaware limited liability company

By: _____
Authorized Signatory

CERTIFICATE OF AUTHENTICATION

This is one of the Class N-1 Notes referred to in the within-mentioned Indenture.

Dated: September __, 2005

DEUTSCHE BANK NATIONAL TRUST
COMPANY
as Note Registrar

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address including postal zip code of assignee)

the beneficial ownership interest in the Trust Estate evidenced by the within Class N-1 Note and hereby authorize(s) the registration of transfer of such interest to assignee on the Note Register of the Trust Fund.

I (we) further direct the Note Registrar to issue a new Class N-1 Note of a like Note Balance to the above named assignee and deliver such Class N-1 Note to the following address:

Dated:

Signature by or on behalf of Assignor

Signature Guaranteed

PAYMENT INSTRUCTIONS

The Assignee should include the following for purposes of payment:

Payments shall, if permitted, be made by wire transfer or otherwise, in immediately available funds, to _____
_____ for the account
of _____.

Payments made by check (such check to be made payable to _____)
and all applicable statements and notices should be mailed to

_____.

This information is provided by _____, the Assignee named
above, or _____, as its agent.

EXHIBIT A-2

FORM OF CLASS N-2 NOTE

**LONG BEACH ASSET HOLDINGS CORP. CI 2005-3 NIM NOTES,
SERIES 2005-3**

Note Rate: 6.00%

Aggregate Note Balance as of the Closing
Date: \$5,915,000.00

Closing Date: September 20, 2005

Initial Note Balance of this Class N-2 Note as
of the Closing Date: \$5,915,000.00

First Payment Date: September 26, 2005

CUSIP: 542394 AB 7

Final Maturity Date: October, 2045

Indenture Trustee: Deutsche Bank National
Trust Company

Date of Indenture: As of September 20, 2005

Issuer: Long Beach Asset Holdings Corp.
CI 2005-3

Co-Issuer: Long Beach Asset Holdings CI
2005-3 LLC

Note No.: 1

THIS CLASS N-2 NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE. ANY RESALE, PLEDGE, TRANSFER OR OTHER DISPOSITION OF THIS CLASS N-2 NOTE OR ANY INTEREST HEREIN WITHOUT SUCH REGISTRATION OR QUALIFICATION MAY BE MADE ONLY IN A TRANSACTION WHICH DOES NOT REQUIRE SUCH REGISTRATION OR QUALIFICATION AND WHICH IS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 2.04 OF THE INDENTURE REFERRED TO HEREIN.

UNLESS THIS CLASS N-2 NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CLASS N-2 NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE IS SUBORDINATE TO THE CLASS N-1 NOTES TO THE EXTENT DESCRIBED IN THE INDENTURE REFERRED TO HEREIN.

NO TRANSFER OF THIS CLASS N-2 NOTE OR ANY INTEREST HEREIN MAY BE MADE (A) TO ANY EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT ("PLAN") THAT IS SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR (B) TO ANY PERSON WHO IS DIRECTLY OR INDIRECTLY PURCHASING THIS CLASS N-2 NOTE OR SUCH INTEREST HEREIN ON BEHALF OF, AS NAMED FIDUCIARY OF, AS TRUSTEE OF, OR WITH ASSETS OF ANY SUCH PLAN, UNLESS SUCH PLAN OR PERSON PROVIDES EITHER THE OPINION OF COUNSEL OR CERTIFICATION DESCRIBED IN SECTION 2.04 OF THE INDENTURE REFERRED TO HEREIN.

THIS CLASS N-2 NOTE REPRESENTS A NON-RECOURSE OBLIGATION OF THE ISSUERS AND WILL BE PAID SOLELY FROM THE COLLATERAL SECURING THIS CLASS N-2 NOTE. NEITHER THIS CLASS N-2 NOTE NOR THE COLLATERAL THEREFOR IS INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR BY ANY OTHER PERSON.

PAYMENTS IN REDUCTION OF THE NOTE BALANCE OF THIS CLASS N-2 NOTE MAY BE MADE MONTHLY AS SET FORTH IN THE INDENTURE REFERRED TO HEREIN. ACCORDINGLY, THE OUTSTANDING NOTE BALANCE HEREOF AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ABOVE.

This certifies that Cede & Co. is the registered owner (the "Holder") of this Class N-2 Note which is one of the Notes (collectively, the "Notes") issued by the Issuer and Co-Issuer referred to above pursuant to the Indenture, dated as of September 20, 2005 (the "Indenture"), among the Issuer referred to above, the Co-Issuer referred to above and the Indenture Trustee referred to above, a summary of certain of the pertinent provisions of which is set forth hereafter. To the extent not defined herein, capitalized terms used herein have the respective meanings assigned in the Indenture. This Class N-2 Note is issued under and is subject to the terms, provisions and conditions of the Indenture, to which Indenture the Holder of this Class N-2 Note by virtue of the acceptance hereof assents and by which such Holder is bound.

Pursuant to the terms of the Indenture, payments on the Class N-2 Notes will be made on each related Underlying Distribution Date (each, a "Payment Date"), commencing in September, 2005. All payments made under the Indenture on this Class N-2 Note will be made by the Indenture Trustee by check mailed on or before the Payment Date to the Person entitled thereto at such Person's address appearing on the Note Register (or, in the case of a Noteholder holding in excess of \$1,000,000 aggregate initial Note Balance of Class N-2 Notes (or, at the option of the Indenture Trustee), by wire transfer to such account as such Noteholder shall designate by written instruction received by the Indenture Trustee not later than five business days prior to the Record Date related to the applicable Payment Date). Notwithstanding the foregoing, the final payment on this Class N-2 Note will be made in like manner, but only upon presentation and surrender of this Class N-2 Note at the offices of the Indenture Trustee. Notwithstanding anything herein to the contrary, no payments will be made with respect to a Class N-2 Note that has previously been surrendered as contemplated by the preceding sentence or, with limited exception, that should have been surrendered as contemplated by the preceding sentence.

The Class N-2 Notes are limited in right of payment to certain distributions on the Underlying Certificates, as more specifically set forth herein and in the Indenture. As provided in the Indenture, withdrawals from the Note Account may be made from time to time for purposes other than, and, in certain cases, prior to, payments to Noteholders, such purposes including the reimbursement of certain expenses incurred by the Issuers and the Indenture Trustee under the Indenture.

Any payment to the Holder of this Class N-2 Note in reduction of the Note Balance hereof is binding on such Holder and all future Holders of this Class N-2 Note and any Class N-2 Note issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such payment is made upon this Class N-2 Note.

The Class N-2 Notes are issuable in fully registered form only without coupons in minimum denominations specified in the Indenture. As provided in the Indenture and subject to certain limitations therein set forth, this Class N-2 Note is exchangeable for new Class N-2 Notes in authorized denominations evidencing the same aggregate Note Balance, as requested by the Holder surrendering the same.

No transfer, sale, pledge or other disposition of this Class N-2 Note or interest herein shall be made unless that transfer, sale, pledge or other disposition is exempt from the registration and/or qualification requirements of the Securities Act and any applicable state securities laws, or is otherwise made in accordance with the Securities Act and such state

securities laws. If a transfer of this Class N-2 Note is to be made without registration under the Securities Act (other than in connection with the initial issuance thereof or the initial sale of this Class N-2 Note to the Initial Purchasers), then the Note Registrar shall refuse to register such transfer unless it receives (and upon receipt, may conclusively rely upon) a certificate from the Noteholder desiring to effect such transfer substantially in the form attached as Exhibit C-1 to the Indenture and a certificate from such Noteholder's prospective transferee substantially in the form attached as Exhibit C-2 to the Indenture (which in the case of the Book-Entry Notes, the Noteholder and the Noteholder's prospective transferee will be deemed to have represented such certification). None of the Issuer, the Co-Issuer, the Sponsor, the Initial Purchasers, the Indenture Trustee, the Administrator, either Co-Administrator or the Note Registrar is obligated to register or qualify this Class N-2 Note under the Securities Act or any other securities law or to take any action not otherwise required under the Indenture to permit the transfer of this Class N-2 Note or interest herein without registration or qualification. Any Noteholder desiring to effect a transfer of this Class N-2 Note or interests therein shall, and does hereby agree to, indemnify the Issuer, the Co-Issuer, the Initial Purchasers, the Co-Administrators, the Indenture Trustee, the Administrator and the Note Registrar against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

No transfer of this Class N-2 Note or any interest herein to a Plan subject to ERISA or Section 4975 of the Code, any Person acting directly or indirectly, on behalf of any such Plan or any Person using "plan assets" (as defined in 29 C.F.R. Section 2510.3-101) to acquire this Class N-2 Note shall be made except in accordance with Section 2.04(c) of the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Class N-2 Note is registrable in the Note Register upon surrender of this Class N-2 Note for registration of transfer at the offices of the Note Registrar, duly endorsed by, or accompanied by a written instrument of transfer in the form satisfactory to the Note Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Class N-2 Notes in authorized denominations evidencing the same aggregate Note Balance will be issued to the designated transferee or transferees.

No service charge will be imposed for any registration of transfer or exchange of this Class N-2 Note, but the Indenture Trustee or the Note Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of this Class N-2 Note.

The Sponsor, the Issuer, the Co-Issuer, the Indenture Trustee, the Note Registrar and any agent thereof may treat the Person in whose name this Class N-2 Note is registered as the owner hereof for all purposes, and none of the Sponsor, the Issuer, the Co-Issuer, the Indenture Trustee, the Note Registrar or any such agent shall be affected by notice to the contrary.

The Indenture shall cease to be of further effect except as to (i) any surviving rights therein expressly provided for, including any rights of transfer or exchange of Notes therein expressly provided for, (ii) in the case of clause (1)(B) below, the rights of the Noteholders thereunder to receive payment of the related Note Balances of and interest on the

applicable Class N-1 Notes and Class N-2 Notes and any other rights of the Noteholders thereunder and (iii) the provisions of Section 3.02 of the Indenture, when

(1) either (A) all Notes theretofore authenticated and delivered to Noteholders (other than (i) Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.05 of the Indenture, and (ii) Notes for which payment of money has theretofore been deposited in the Note Account by the Indenture Trustee and thereafter repaid to the Issuers or discharged from such trust, as provided in Section 5.10 of the Indenture) have been delivered to the Note Registrar for cancellation; or (B) all such Notes not theretofore delivered to the Note Registrar for cancellation (i) have become due and payable, or (ii) will become due and payable, on the next Payment Date, and in the case of clause (B)(i) or (B)(ii) above, Cash in an amount sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Note Registrar for cancellation or sufficient to pay the Note Balances thereof and any interest if applicable accrued to the date of such deposit (in the case of the Notes which have become due and payable) or to the end of the Interest Accrual Period for the next Payment Date has been deposited with the Indenture Trustee as trust funds for these purposes;

(2) the Issuers have paid or caused to be paid all other sums payable under the Indenture or reasonably expected to become payable thereunder or under any other Operative Agreement by the Issuers to the Indenture Trustee, the Note Registrar, the Co-Administrators, the Administrator and the Rating Agency; and

(3) the Issuers have delivered to the Indenture Trustee, an Officer's Certificate or an Opinion of Counsel stating that all conditions precedent in the Indenture provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Modifications of and amendments to the Indenture may be made by the Issuers and the Indenture Trustee with the consent of the Noteholders of not less than 66-2/3% of the Aggregate Note Balances of all Outstanding Notes (not including any Notes known by the Indenture Trustee to be held by the Issuers or any affiliates thereof) provided that no such modification or amendment may, without the consent of each Noteholder affected thereby, among other things, (i) change the Final Maturity Date or the Payment Date of any principal of or interest if applicable or other amount on any Note, (ii) authorize the Indenture Trustee to agree to delay the timing of, or reduce the payments to be made on, the Underlying Certificates except as provided in the Indenture, (iii) reduce the Note Balance thereof or the Note Rate (if applicable) thereon, (iv) change the coin or currency in which the principal of any Note or any interest thereon (if applicable) is payable, (v) impair the right to institute suit for the enforcement of any payment on or with respect to any Note on or after the Final Maturity Date, (vi) reduce the percentage of the then Aggregate Note Balance of any Outstanding Notes, the consent of the Noteholders of which is required for modification or amendment of the Indenture or for waiver of certain defaults, (vii) reduce the requirements set forth in the Indenture for voting with respect to the Notes, (viii) change any obligation of the Issuers to maintain an office or agency in the places and for the purposes required by the Indenture, (ix) modify provisions for payment on the Notes, or (x) deprive any Noteholder of the benefit of the security interest in the Trust Estate except as otherwise provided in the Indenture, or (xi) except where permitted by the Indenture, release from the lien of the Indenture all or any part of the Trust Estate.

The Issuers and the Indenture Trustee may also amend the Indenture without obtaining the consent of Noteholders, to correct any typographical error, to cure any ambiguity or to correct or supplement any provision of the Indenture or the Notes that may be defective or inconsistent with any other provisions. Such amendments may also be so made without the consent of Noteholders to evidence the succession of another person to the Indenture Trustee, add to the covenants of the Issuers for the benefit of the Noteholders, to convey, transfer, assign, mortgage or pledge any property to the Indenture Trustee, to correct any manifestly incorrect description or amplify the description of any property subject to the lien of the Indenture, to modify the Indenture as required by applicable law and to add any additional Events of Default.

Unless the certificate of authentication hereon has been executed by the Note Registrar, by manual signature, this Class N-2 Note shall not be entitled to any benefit under the Indenture or be valid for any purpose.

The registered Holder hereof, by its acceptance hereof, agrees that it will look solely to the Trust Estate (to the extent of its rights therein) for payments hereunder.

This Class N-2 Note shall be construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed in said State, and the obligations, rights and remedies of the Holder hereof shall be determined in accordance with such laws.

IN WITNESS WHEREOF, the Issuer and Co-Issuer have caused this instrument to be duly executed as of the date written below.

Dated: September __, 2005

LONG BEACH ASSET HOLDINGS CORP. CI
2005-3, a company incorporated under the laws of
the Cayman Islands

By: _____
Authorized Signatory

LONG BEACH ASSET HOLDINGS CI 2005-3
LLC, a Delaware limited liability company

By: _____
Authorized Signatory

CERTIFICATE OF AUTHENTICATION

This is one of the Class N-2 Notes referred to in the within-mentioned Indenture.

Dated: September __, 2005

DEUTSCHE BANK NATIONAL TRUST
COMPANY
as Note Registrar

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address including postal zip code of assignee)

the beneficial ownership interest in the Trust Estate evidenced by the within Class N-2 Note and hereby authorize(s) the registration of transfer of such interest to assignee on the Note Register of the Trust Fund.

I (we) further direct the Note Registrar to issue a new Class N-2 Note of a like Note Balance to the above named assignee and deliver such Class N-2 Note to the following address:

Dated:

Signature by or on behalf of Assignor

Signature Guaranteed

PAYMENT INSTRUCTIONS

The Assignee should include the following for purposes of payment:

Payments shall, if permitted, be made by wire transfer or otherwise, in immediately available funds, to _____
_____ for the account
of _____.

Payments made by check (such check to be made payable to _____)
and all applicable statements and notices should be mailed to

_____.

This information is provided by _____, the Assignee named
above, or _____, as its agent.

EXHIBIT A-3

FORM OF CLASS N-3 NOTE

LONG BEACH ASSET HOLDINGS CORP. CI 2005-3 NIM NOTES,

SERIES 2005-3

Note Rate: N/A%. The Class N-3 Note is a principal only note and will not accrue interest. Aggregate Note Balance as of the Closing Date: \$4,650,000.00

Closing Date: September 20, 2005 Initial Note Balance of this Class N-3 Note as of the Closing Date: \$4,650,000.00

First Payment Date: September 26, 2005 CUSIP: 542394 AC 5

Final Maturity Date: October , 2045 Indenture Trustee: Deutsche Bank National Trust Company

Date of Indenture: As of September 20, 2005

Issuer: Long Beach Asset Holdings Corp.
CI 2005-3

Co-Issuer: Long Beach Asset Holdings CI
2005-3 LLC

Note No. : 1

THIS CLASS N-3 NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE. ANY RESALE, PLEDGE, TRANSFER OR OTHER DISPOSITION OF THIS CLASS N-3 NOTE OR ANY INTEREST HEREIN WITHOUT SUCH REGISTRATION OR QUALIFICATION MAY BE MADE ONLY IN A TRANSACTION WHICH DOES NOT REQUIRE SUCH REGISTRATION OR QUALIFICATION AND WHICH IS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 2.04 OF THE INDENTURE REFERRED TO HEREIN.

UNLESS THIS CLASS N-3 NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CLASS N-3 NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE IS SUBORDINATE TO THE CLASS N-1 NOTES AND THE CLASS N-2 NOTES TO THE EXTENT DESCRIBED IN THE INDENTURE REFERRED TO HEREIN.

NO TRANSFER OF THIS CLASS N-3 NOTE OR ANY INTEREST HEREIN MAY BE MADE (A) TO ANY EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT ("PLAN") THAT IS SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR (B) TO ANY PERSON WHO IS DIRECTLY OR INDIRECTLY PURCHASING THIS CLASS N-3 NOTE OR SUCH INTEREST HEREIN ON BEHALF OF, AS NAMED FIDUCIARY OF, AS TRUSTEE OF, OR WITH ASSETS OF ANY SUCH PLAN, UNLESS SUCH PLAN OR PERSON PROVIDES EITHER THE OPINION OF COUNSEL OR CERTIFICATION DESCRIBED IN SECTION 2.04 OF THE INDENTURE REFERRED TO HEREIN.

THIS CLASS N-3 NOTE REPRESENTS A NON-RECOURSE OBLIGATION OF THE ISSUERS AND WILL BE PAID SOLELY FROM THE COLLATERAL SECURING THIS CLASS N-3 NOTE. NEITHER THIS CLASS N-3 NOTE NOR THE COLLATERAL THEREFOR IS INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR BY ANY OTHER PERSON.

PAYMENTS IN REDUCTION OF THE NOTE BALANCE OF THIS CLASS N-3 NOTE MAY BE MADE MONTHLY AS SET FORTH IN THE INDENTURE REFERRED TO HEREIN. ACCORDINGLY, THE OUTSTANDING NOTE BALANCE HEREOF AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ABOVE.

This certifies that Cede & Co. is the registered owner (the “Holder”) of this Class N-3 Note which is one of the Notes (collectively, the “Notes”) issued by the Issuer and Co-Issuer referred to above pursuant to the Indenture, dated as of September 20, 2005 (the “Indenture”), among the Issuer referred to above, the Co-Issuer referred to above and the Indenture Trustee referred to above, a summary of certain of the pertinent provisions of which is set forth hereafter. To the extent not defined herein, capitalized terms used herein have the respective meanings assigned in the Indenture. This Class N-3 Note is issued under and is subject to the terms, provisions and conditions of the Indenture, to which Indenture the Holder of this Class N-3 Note by virtue of the acceptance hereof assents and by which such Holder is bound.

Pursuant to the terms of the Indenture, payments on the Class N-3 Notes will be made on each related Underlying Distribution Date (each, a “Payment Date”), commencing in September, 2005. All payments made under the Indenture on this Class N-3 Note will be made by the Indenture Trustee by check mailed on or before the Payment Date to the Person entitled thereto at such Person’s address appearing on the Note Register (or, in the case of a Noteholder holding in excess of \$1,000,000 aggregate initial Note Balance of Class N-3 Notes (or, at the option of the Indenture Trustee), by wire transfer to such account as such Noteholder shall designate by written instruction received by the Indenture Trustee not later than five business days prior to the Record Date related to the applicable Payment Date). Notwithstanding the foregoing, the final payment on this Class N-3 Note will be made in like manner, but only upon presentation and surrender of this Class N-3 Note at the offices of the Indenture Trustee. Notwithstanding anything herein to the contrary, no payments will be made with respect to a Class N-3 Note that has previously been surrendered as contemplated by the preceding sentence or, with limited exception, that should have been surrendered as contemplated by the preceding sentence.

The Class N-3 Notes are limited in right of payment to certain distributions on the Underlying Certificates, as more specifically set forth herein and in the Indenture. As provided in the Indenture, withdrawals from the Note Account may be made from time to time for purposes other than, and, in certain cases, prior to, payments to Noteholders, such purposes including the reimbursement of certain expenses incurred by the Issuers and the Indenture Trustee under the Indenture.

Any payment to the Holder of this Class N-3 Note in reduction of the Note Balance hereof is binding on such Holder and all future Holders of this Class N-3 Note and any Class N-3 Note issued upon the transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such payment is made upon this Class N-3 Note.

The Class N-3 Notes are issuable in fully registered form only without coupons in minimum denominations specified in the Indenture. As provided in the Indenture and subject to certain limitations therein set forth, this Class N-3 Note is exchangeable for new Class N-3 Notes in authorized denominations evidencing the same aggregate Note Balance, as requested by the Holder surrendering the same.

No transfer, sale, pledge or other disposition of this Class N-3 Note or interest herein shall be made unless that transfer, sale, pledge or other disposition is exempt from the registration and/or qualification requirements of the Securities Act and any applicable state securities laws, or is otherwise made in accordance with the Securities Act and such state

securities laws. If a transfer of this Class N-3 Note is to be made without registration under the Securities Act (other than in connection with the initial issuance thereof or the initial sale of this Class N-3 Note to the Initial Purchasers), then the Note Registrar shall refuse to register such transfer unless it receives (and upon receipt, may conclusively rely upon) a certificate from the Noteholder desiring to effect such transfer substantially in the form attached as Exhibit C-1 to the Indenture and a certificate from such Noteholder's prospective transferee substantially in the form attached as Exhibit C-2 to the Indenture (which in the case of the Book-Entry Notes, the Noteholder and the Noteholder's prospective transferee will be deemed to have represented such certification). None of the Issuer, the Co-Issuer, the Sponsor, the Initial Purchasers, the Indenture Trustee, the Administrator, either Co-Administrator or the Note Registrar is obligated to register or qualify this Class N-3 Note under the Securities Act or any other securities law or to take any action not otherwise required under the Indenture to permit the transfer of this Class N-3 Note or interest herein without registration or qualification. Any Noteholder desiring to effect a transfer of this Class N-3 Note or interests therein shall, and does hereby agree to, indemnify the Issuer, the Co-Issuer, the Initial Purchasers, the Co-Administrators, the Indenture Trustee, the Administrator and the Note Registrar against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

No transfer of this Class N-3 Note or any interest herein to a Plan subject to ERISA or Section 4975 of the Code, any Person acting directly or indirectly, on behalf of any such Plan or any Person using "plan assets" (as defined in 29 C.F.R. Section 2510.3-101) to acquire this Class N-3 Note shall be made except in accordance with Section 2.04(c) of the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Class N-3 Note is registrable in the Note Register upon surrender of this Class N-3 Note for registration of transfer at the offices of the Note Registrar, duly endorsed by, or accompanied by a written instrument of transfer in the form satisfactory to the Note Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Class N-3 Notes in authorized denominations evidencing the same aggregate Note Balance will be issued to the designated transferee or transferees.

No service charge will be imposed for any registration of transfer or exchange of this Class N-3 Note, but the Indenture Trustee or the Note Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of this Class N-3 Note.

The Sponsor, the Issuer, the Co-Issuer, the Indenture Trustee, the Note Registrar and any agent thereof may treat the Person in whose name this Class N-3 Note is registered as the owner hereof for all purposes, and none of the Sponsor, the Issuer, the Co-Issuer, the Indenture Trustee, the Note Registrar or any such agent shall be affected by notice to the contrary.

The Indenture shall cease to be of further effect except as to (i) any surviving rights therein expressly provided for, including any rights of transfer or exchange of Notes therein expressly provided for, (ii) in the case of clause (1)(B) below, the rights of the Noteholders thereunder to receive payment of the related Note Balances of and interest on the

applicable Class N-1 Notes and the Class N-2 Notes and any other rights of the Noteholders thereunder and (iii) the provisions of Section 3.02 of the Indenture, when

(1) either (A) all Notes theretofore authenticated and delivered to Noteholders (other than (i) Notes which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.05 of the Indenture, and (ii) Notes for which payment of money has theretofore been deposited in the Note Account by the Indenture Trustee and thereafter repaid to the Issuers or discharged from such trust, as provided in Section 5.10 of the Indenture) have been delivered to the Note Registrar for cancellation; or (B) all such Notes not theretofore delivered to the Note Registrar for cancellation (i) have become due and payable, or (ii) will become due and payable, on the next Payment Date, and in the case of clause (B)(i) or (B)(ii) above, Cash in an amount sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Note Registrar for cancellation or sufficient to pay the Note Balances thereof and any interest if applicable accrued to the date of such deposit (in the case of the Notes which have become due and payable) or to the end of the Interest Accrual Period for the next Payment Date has been deposited with the Indenture Trustee as trust funds for these purposes;

(2) the Issuers have paid or caused to be paid all other sums payable under the Indenture or reasonably expected to become payable thereunder or under any other Operative Agreement by the Issuers to the Indenture Trustee, the Note Registrar, the Co-Administrators, the Administrator and the Rating Agency; and

(3) the Issuers have delivered to the Indenture Trustee, an Officer's Certificate or an Opinion of Counsel stating that all conditions precedent in the Indenture provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Modifications of and amendments to the Indenture may be made by the Issuers and the Indenture Trustee with the consent of the Noteholders of not less than 66-2/3% of the Aggregate Note Balances of all Outstanding Notes (not including any Notes known by the Indenture Trustee to be held by the Issuers or any affiliates thereof) provided that no such modification or amendment may, without the consent of each Noteholder affected thereby, among other things, (i) change the Final Maturity Date or the Payment Date of any principal of or interest if applicable or other amount on any Note, (ii) authorize the Indenture Trustee to agree to delay the timing of, or reduce the payments to be made on, the Underlying Certificates except as provided in the Indenture, (iii) reduce the Note Balance thereof or the Note Rate (if applicable) thereon, (iv) change the coin or currency in which the principal of any Note or any interest thereon (if applicable) is payable, (v) impair the right to institute suit for the enforcement of any payment on or with respect to any Note on or after the Final Maturity Date, (vi) reduce the percentage of the then Aggregate Note Balance of any Outstanding Notes, the consent of the Noteholders of which is required for modification or amendment of the Indenture or for waiver of certain defaults, (vii) reduce the requirements set forth in the Indenture for voting with respect to the Notes, (viii) change any obligation of the Issuers to maintain an office or agency in the places and for the purposes required by the Indenture, (ix) modify provisions for payment on the Notes, or (x) deprive any Noteholder of the benefit of the security interest in the Trust Estate except as otherwise provided in the Indenture, or (xi) except where permitted by the Indenture, release from the lien of the Indenture all or any part of the Trust Estate.

The Issuers and the Indenture Trustee may also amend the Indenture without obtaining the consent of Noteholders, to correct any typographical error, to cure any ambiguity or to correct or supplement any provision of the Indenture or the Notes that may be defective or inconsistent with any other provisions. Such amendments may also be so made without the consent of Noteholders to evidence the succession of another person to the Indenture Trustee, add to the covenants of the Issuers for the benefit of the Noteholders, to convey, transfer, assign, mortgage or pledge any property to the Indenture Trustee, to correct any manifestly incorrect description or amplify the description of any property subject to the lien of the Indenture, to modify the Indenture as required by applicable law and to add any additional Events of Default.

Unless the certificate of authentication hereon has been executed by the Note Registrar, by manual signature, this Class N-3 Note shall not be entitled to any benefit under the Indenture or be valid for any purpose.

The registered Holder hereof, by its acceptance hereof, agrees that it will look solely to the Trust Estate (to the extent of its rights therein) for payments hereunder.

This Class N-3 Note shall be construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed in said State, and the obligations, rights and remedies of the Holder hereof shall be determined in accordance with such laws.

IN WITNESS WHEREOF, the Issuer and Co-Issuer have caused this instrument to be duly executed as of the date written below.

Dated: September __, 2005

LONG BEACH ASSET HOLDINGS CORP. CI
2005-3, a company incorporated under the laws of
the Cayman Islands

By: _____
Authorized Signatory

LONG BEACH ASSET HOLDINGS CI 2005-3
LLC, a Delaware limited liability company

By: _____
Authorized Signatory

CERTIFICATE OF AUTHENTICATION

This is one of the Class N-3 Notes referred to in the within-mentioned Indenture.

Dated: September __, 2005

DEUTSCHE BANK NATIONAL TRUST
COMPANY
as Note Registrar

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(please print or typewrite name and address including postal zip code of assignee)

the beneficial ownership interest in the Trust Estate evidenced by the within Class N-3 Note and hereby authorize(s) the registration of transfer of such interest to assignee on the Note Register of the Trust Fund.

I (we) further direct the Note Registrar to issue a new Class N-3 Note of a like Note Balance to the above named assignee and deliver such Class N-3 Note to the following address:

Dated:

Signature by or on behalf of Assignor

Signature Guaranteed

PAYMENT INSTRUCTIONS

The Assignee should include the following for purposes of payment:

Payments shall, if permitted, be made by wire transfer or otherwise, in immediately available funds, to _____
_____ for the account
of _____.

Payments made by check (such check to be made payable to _____)
and all applicable statements and notices should be mailed to

_____.

This information is provided by _____, the Assignee named
above, or _____, as its agent.

EXHIBIT B

[RESERVED]

EXHIBIT C-1

FORM OF TRANSFEROR CERTIFICATE
FOR TRANSFERS OF THE [CLASS N-1/N-2/N-3] NOTES

[Date]

[NOTE REGISTRAR]

Re: Long Beach Asset Holdings Corp. CI 2005-3 NIM Notes
Series 2005-3 (the “[Class N-1/N-2/N-3] Notes”)

Ladies and Gentlemen:

This certificate is being delivered in connection with the sale by [_____] (the “Transferor”) to [_____] (the “Transferee”) of [Class N-1/N-2/N-3] Notes having an initial aggregate Note Balance as of September 20, 2005 (the “Closing Date”) of [\$_____] (the “Transferred Notes”). The [Class N-1/N-2/N-3] Notes, including the Transferred Notes, were issued pursuant to the Indenture, dated as of September 20, 2005 (the “Indenture”), among Long Beach Asset Holdings Corp. CI 2005-3 (the “Issuer”), Long Beach Asset Holdings CI 2005-3 LLC (the “Co-Issuer” and together with the Issuer, the “Issuers”) and Deutsche Bank National Trust Company (the “Indenture Trustee”). All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Indenture. The Transferor hereby certifies, represents and warrants to you, as Note Registrar, and for the benefit of the Issuers, the Indenture Trustee and the Transferee, that:

1. The Transferor is the lawful owner of the Transferred Notes with the full right to transfer such [Class N-1/N-2/N-3] Notes free from any and all claims and encumbrances whatsoever.

2. Neither the Transferor nor anyone acting on its behalf has (a) offered, transferred, pledged, sold or otherwise disposed of any Transferred Note, any interest in any Transferred Note or any other similar security to any person in any manner, (b) solicited any offer to buy or accept a transfer, pledge or other disposition of any Transferred Note, any interest in any Transferred Note or any other similar security from any person in any manner, (c) otherwise approached or negotiated with respect to any Transferred Note, any interest in any Transferred Note or any other similar security with any person in any manner, (d) made any general solicitation by means of general advertising or in any other manner, or (e) taken any other action, which (in the case of any of the acts described in clauses (a) through (e) hereof) would constitute a distribution of any Transferred Note under the Securities Act of 1933, as amended (the “Securities Act”), or would render the disposition of any Transferred Note a violation of Section 5 of the Securities Act or any state securities laws, or would require registration or qualification of any Transferred Note pursuant to the Securities Act or any state securities laws.

3. The Transferor and any person acting on behalf of the Transferor in this matter reasonably believe that the Transferee is a “qualified institutional buyer” as that term is defined in Rule 144A (“Rule 144A”) under the Securities Act (a “Qualified Institutional Buyer”) purchasing for its own account or for the account of a Qualified Institutional Buyer. In determining whether the Transferee is a Qualified Institutional Buyer, the Transferor and any person acting on behalf of the Transferor in this matter have relied upon the following method(s) of establishing the Transferee's ownership and discretionary investments of securities (check one or more):

- (a) The Transferee's most recent publicly available financial statements, which statements present the information as of a date within 16 months preceding the date of sale of the Transferred Note in the case of a U.S. purchaser and within 18 months preceding such date of sale for a foreign purchaser; or
- (b) The most recent publicly available information appearing in documents filed by the Transferee with the Securities and Exchange Commission or another United States federal, state, or local governmental agency or self-regulatory organization, or with a foreign governmental agency or self-regulatory organization, which information is as of a date within 16 months preceding the date of sale of the Transferred Note in the case of a U.S. purchaser and within 18 months preceding such date of sale for a foreign purchaser; or
- (c) The most recent publicly available information appearing in a recognized securities manual, which information is as of a date within 16 months preceding the date of sale of the Transferred Note in the case of a U.S. purchaser and within 18 months preceding such date of sale for a foreign purchaser; or
- (d) A certification by the chief financial officer, a person fulfilling an equivalent function, or other executive officer of the Transferee, specifying the amount of securities owned and invested on a discretionary basis by the Transferee as of a specific date on or since the close of the Transferee's most recent fiscal year, or, in the case of a Transferee that is a member of a “family of investment companies”, as that term is defined in Rule 144A, a certification by an executive officer of the investment adviser specifying the amount of securities owned by the “family of investment companies” as of a specific date on or since the close of the Transferee's most recent fiscal year.

4. The Transferor and any person acting on behalf of the Transferor understand that in determining the aggregate amount of securities owned and invested on a discretionary basis by an entity for purposes of establishing whether such entity is a Qualified Institutional Buyer:

- (a) the following instruments and interests shall be excluded: securities of issuers that are affiliated with the Transferee; if the

Transferee is a dealer securities that are part of an unsold allotment to or subscription by the Transferee as a participant in a public offering; securities of issuers that are part of the Transferee's "family of investment companies", if the Transferee is a registered investment company; bank deposit notes and certificates of deposit; loan participations; repurchase agreements; securities owned but subject to a repurchase agreement; and currency, interest rate and commodity swaps;

(b) the aggregate value of the securities shall be the cost of such securities, except where the entity reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published, in which case the securities may be valued at market;

(c) securities owned by subsidiaries of the entity that are consolidated with the entity in its financial statements prepared in accordance with generally accepted accounting principles may be included if the investments of such subsidiaries are managed under the direction of the entity, except that, unless the entity is a reporting company under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, securities owned by such subsidiaries may not be included if the entity itself is a majority-owned subsidiary that would be included in the consolidated financial statements of another enterprise.

5. The Transferor or a person acting on its behalf has taken reasonable steps to ensure that the Transferee is aware that the Transferor is relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

6. The Transferor or a person acting on its behalf has furnished, or caused to be furnished, to the Transferee all information requested by the Transferee regarding (a) the Transferred Notes and payments thereon, (b) the nature and performance of the Underlying Certificates and the Mortgage Loans, (c) the Indenture and the Trust Estate, and (d) any credit enhancement mechanism associated with the Transferred Notes.

Very truly yours,

(Transferor)

By: _____
Name:
Title:

EXHIBIT C-2

FORM OF TRANSFEREE CERTIFICATE
FOR TRANSFERS OF THE [Class N-1/N-2/N-3] NOTES

[Date]

[NOTE REGISTRAR]

Re: Long Beach Asset Holdings Corp. CI 2005-3 NIM Notes
Series 2005-3 (the “[Class N-1/N-2/N-3] Notes”)

Ladies and Gentlemen:

[_____] (the “Transferee”) intends to purchase from _____ (the “Transferor”) [Class N-1/N-2/N-3] Notes having an initial aggregate Note Balance as of September 20, 2005 (the “Closing Date”) of [\$_____] (the “Transferred Notes”). The [Class N-1/N-2/N-3] Notes, including the Transferred Notes, were issued pursuant to the Indenture, dated as of September 20, 2005 (the “Indenture”), among Long Beach Asset Holdings Corp. CI 2005-3 (the “Issuer”), Long Beach Asset Holdings CI 2005-3 LLC (the “Co-Issuer” and together with the Issuer, the “Issuers”) and Deutsche Bank National Trust Company (the “Indenture Trustee”). All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture. The Transferee hereby certifies, represents and warrants to you, as Note Registrar, and for the benefit of the Issuers, the Indenture Trustee and the Transferor, that:

1. The Transferee is a “qualified institutional buyer” (a “Qualified Institutional Buyer”) as that term is defined in Rule 144A (“Rule 144A”) under the Securities Act of 1933, as amended (the “Securities Act”), and has completed one of the forms of certification to that effect attached hereto as Annex 1 and Annex 2. The Transferee is aware that the sale to it of the Transferred Notes is being made in reliance on Rule 144A. The Transferee is acquiring the Transferred Notes for its own account or for the account of a Qualified Institutional Buyer, and understands that such Transferred Notes may be resold, pledged or transferred only (i) to a person reasonably believed to be a Qualified Institutional Buyer that purchases for its own account or for the account of a Qualified Institutional Buyer to whom notice is given that the resale, pledge or transfer is being made in reliance on Rule 144A.

2. The Transferee has been furnished with all information requested by it regarding (a) the Transferred Notes and payments thereon, (b) the nature and performance of the Underlying Certificates and the Mortgage Loans, (c) the Indenture, and (d) any credit enhancement mechanism associated with the Transferred Notes.

3. The Transferee represents that any of (a), (b) or (c) is satisfied, as marked below:

___ a. it is neither: (1) an employee benefit plan, an Archer MSA as described in Section 220(d) of the Code, a health savings account as described in Section 223(d) of the Code, a Coverdell Education Savings Account as described in Section 530 of the Code or other retirement arrangement, including individual

retirement accounts and annuities, Keogh plans and collective investment funds and separate accounts in which such plans, accounts or arrangements are invested, including, without limitation, insurance company general accounts, that is subject to ERISA or the Code (each, a “Plan”), nor (2) any Person who is directly or indirectly purchasing such Transferred Note or interest therein on behalf of, as named fiduciary of, as trustee of, or with “plan assets” (as defined under the DOL Regulation at 29 C.F.R. Section 2510.3-101) of a Plan; or

____ b. (1) it is a Plan or a Person purchasing such Transferred Note with “plan assets” and represents that, as of the date of the transfer, the Transferred Notes are rated investment grade or better; (2) it believes that the Transferred Notes are properly treated as indebtedness without substantial equity features for purposes of the DOL Regulations, and agrees to so treat the Transferred Notes; and (3) either the statements in (A) or (B) are accurate: (A) none of the Issuers, the Sponsor, the Initial Purchasers, the Note Registrar, the Indenture Trustee, the Administrator, either Co-Administrator, any provider of credit support or any of their affiliates is a “Party in Interest” (within the meaning of ERISA) or “Disqualified Person” (within the meaning of the Code) with respect to any “plan assets” of the Transferee; or (B) the following statements in at least one of (i), (ii), (iii), (iv), (v), or (vi) are accurate:

(i) the Transferee is an insurance company and (a) the source of funds used to purchase such Transferred Note (the “Source”) is assets of its “general account,” (b) the conditions set forth in PTCE 95-60 issued by the DOL have been satisfied and the purchase and holding of Transferred Notes by or on behalf of the Transferee are exempt under PTCE 95-60 and (c) there is no Plan with respect to which the amount of such general account’s reserves and liabilities for contracts held by or on behalf of such Plan and all other Plans maintained by the same employer (or any “affiliate” thereof, as defined in PTCE 95-60) or by the same employee organization exceeds 10% of the total of all reserves and liabilities of such general account, plus surplus (as determined under PTCE 95-60) as of the date of the acquisition of the Transferred Notes; or

(ii) the Transferee is an insurance company and (a) the Source is an insurance company “pooled separate account,” (b) the conditions set forth in PTCE 90-1 issued by the DOL have been satisfied and the purchase and holding of Transferred Notes by or on behalf of the Transferee are exempt under PTCE 90-1 and (c) there is no Plan whose assets in such separate account exceed 10% of the total assets of such separate account as of the date hereof (for purposes of this clause, all Plans maintained by the same employer or employee organization are deemed to be single Plan); or

(iii) the Transferee is an insurance company and (a) the Source is an insurance company general account, (b) the requirements of Section 401(c) of ERISA and the DOL Regulations promulgated thereunder and finalized on January 5, 2000 have been satisfied and will continue to be satisfied and (c) the Transferee represents that it understands that the operation of the general account

after December 31, 1998 may affect its ability to purchase and hold the Transferred Notes after July 5, 2000; or

(iv) the Transferee is a bank and (a) the Source is a “collective investment fund” in PTCE 91-38 with respect to which the bank is trustee, (b) the conditions set forth in PTCE 91-38 have been satisfied and the purchase and holding of Transferred Notes by or on behalf of the Transferee are exempt under PTCE 91-38 and (c) no Plan has assets invested in such collective investment fund exceeding 10% of the total assets of such collective investment fund as of the date hereof (for purposes of this clause, all Plans maintained by the same employer or employee organization are deemed to be a single Plan); or

(v) the Transferee is an “investment fund” described in PTCE 84-14 and (a) the undersigned is a “QPAM” as defined in PTCE 84-14 and (b) the conditions set forth in PTCE 84-14 issued by the DOL have been satisfied and the purchase and holding of Transferred Notes by or on behalf of the Transferee are exempt under PTCE 84-14; or

(vi) the Transferee is a Plan on whose behalf an “INHAM” defined in PTCE 96-23 has negotiated the purchase and transfer of the Transferred Notes and has made the decision on behalf of the Plan to purchase the Transferred Notes, and the conditions set forth in PTCE 96-23 issued by the DOL have been satisfied and the purchase and holding of the Transferred Notes by or on behalf of the Transferee are exempt under PTCE 96-23.

_____ c. it has provided the Indenture Trustee with an Opinion of Counsel, which Opinion of Counsel will not be at the expense of the Trust Estate, the Sponsor, the Issuers, the Indenture Trustee, either Co-Administrator, the Administrator, the Initial Purchasers or the Note Registrar, which establishes to the satisfaction of the Indenture Trustee that the purchase, holding and transfer of such Note or interest therein is permissible under applicable law, will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code and will not subject the Issuers, the Trust Estate, either Co-Administrator, the Administrator, the Sponsor, the Note Registrar, the Initial Purchasers or the Indenture Trustee to any obligation in addition to those undertaken in the Indenture.

Very truly yours,

(Transferee)

By: _____
Name:
Title:

ANNEX 1 TO EXHIBIT C-2

QUALIFIED INSTITUTIONAL BUYER STATUS UNDER SEC RULE 144A

[for Transferees other than Registered Investment Companies]

The undersigned hereby certifies as follows to [name of Transferor] (the “Transferor”) and [name of Note Registrar], as Note Registrar, with respect to the [Class N-1/N-2/N-3] Notes being transferred (the “Transferred Notes”) as described in the Transferee Certificate to which this certification relates and to which this certification is an Annex:

1. As indicated below, the undersigned is the chief financial officer, a person fulfilling an equivalent function, or other executive officer of the entity purchasing the Transferred Notes (the “Transferee”).

2. The Transferee is a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (“Rule 144A”), because (i) the Transferee owned and/or invested on a discretionary basis \$_____ in securities (other than the excluded securities referred to below) as of the end of the Transferee's most recent fiscal year (such amount being calculated in accordance with Rule 144A) and (ii) the Transferee satisfies the criteria in the category marked below.

___ **Corporation, etc.** The Transferee is a corporation (other than a bank, savings and loan association or similar institution), Massachusetts or similar business trust, partnership, or any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

___ **Bank.** The Transferee (a) is a national bank or a banking institution organized under the laws of any State, U.S. territory or the District of Columbia, the business of which is substantially confined to banking and is supervised by the State or territorial banking commission or similar official or is a foreign bank or equivalent institution, and (b) has an audited net worth of at least \$25,000,000 as demonstrated in its latest annual financial statements, a copy of which is attached hereto, as of a date not more than 16 months preceding the date of sale of the Transferred Note in the case of a U.S. bank, or a banking institution organized under the laws of any State, U.S. territory or the District of Columbia, and not more than 18 months preceding such date of sale for a foreign bank or equivalent institution.

___ **Savings and Loan.** The Transferee (a) is a savings and loan association, building and loan association, cooperative bank, homestead association or similar institution, which is supervised and examined by a State or Federal authority having supervision over any such institutions or is a foreign savings and loan association or equivalent institution and (b) has an audited net worth of at least \$25,000,000 as demonstrated in its latest annual financial statements, a copy of which is attached hereto, as of a date not more than 16 months preceding the date of sale of the Transferred Note in the case of a U.S. savings and loan association,

building and loan association, cooperative bank, homestead association or similar institution, and not more than 18 months preceding such date of sale for a foreign savings and loan association or equivalent institution.

___ **Broker-dealer.** The Transferee is a dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended.

___ **Insurance Company.** The Transferee is an insurance company whose primary and predominant business activity is the writing of insurance or the reinsuring of risks underwritten by insurance companies and which is subject to supervision by the insurance commissioner or a similar official or agency of a State, U.S. territory or the District of Columbia.

___ **State or Local Plan.** The Transferee is a plan established and maintained by a State, its political subdivisions, or any agency or instrumentality of the State or its political subdivisions, for the benefit of its employees.

___ **ERISA Plan.** The Transferee is an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974.

___ **Investment Advisor.** The Transferee is an investment advisor registered under the Investment Advisers Act of 1940, as amended.

___ **Other.** (Please supply a brief description of the entity and a cross-reference to the paragraph and subparagraph under subsection (a)(1) of Rule 144A pursuant to which it qualifies. Note that registered investment companies should complete Annex 2 rather than this Annex 1.) _____

3. The term “securities” as used herein does not include (i) securities of issuers that are affiliated with the Transferee, (ii) if the Transferee is a dealer, securities that are part of an unsold allotment to or subscription by the Transferee as a participant in a public offering, (iii) bank deposit notes and certificates of deposit, (iv) loan participations, (v) repurchase agreements, (vi) securities owned but subject to a repurchase agreement and (vii) currency, interest rate and commodity swaps. For purposes of determining the aggregate amount of securities owned and/or invested on a discretionary basis by the Transferee, the Transferee did not include any of the securities referred to in this paragraph.

4. For purposes of determining the aggregate amount of securities owned and/or invested on a discretionary basis by the Transferee, the Transferee used the cost of such securities to the Transferee, unless the Transferee reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published, in which case the securities were valued at market. Further, in determining such aggregate amount, the Transferee may have included securities owned by subsidiaries of the Transferee, but only if such subsidiaries are consolidated with the Transferee in its financial statements prepared in accordance with generally accepted accounting principles and if the investments of such subsidiaries are managed under the Transferee's direction. However, such securities were not included if the Transferee is a majority-owned,

consolidated subsidiary of another enterprise and the Transferee is not itself a reporting company under the Securities Exchange Act of 1934, as amended.

5. The Transferee acknowledges that it is familiar with Rule 144A and understands that the Transferor and other parties related to the Transferred Notes are relying and will continue to rely on the statements made herein because one or more sales to the Transferee may be in reliance on Rule 144A.

____ ____
Yes No Will the Transferee be purchasing the Transferred Notes
only for the Transferee's own account?

6. If the answer to the foregoing question is “no”, then in each case where the Transferee is purchasing for an account other than its own, such account belongs to a third party that is itself a “qualified institutional buyer” within the meaning of Rule 144A, and the “qualified institutional buyer” status of such third party has been established by the Transferee through one or more of the appropriate methods contemplated by Rule 144A.

7. The Transferee will notify each of the parties to which this certification is made of any changes in the information and conclusions herein. Until such notice is given, the Transferee's purchase of the Transferred Notes will constitute a reaffirmation of this certification as of the date of such purchase. In addition, if the Transferee is a bank or savings and loan as provided above, the Transferee agrees that it will furnish to such parties any updated annual financial statements that become available on or before the date of such purchase, promptly after they become available.

Print Name of Transferee

By: _____
Name:
Title:

Date:

ANNEX 2 TO EXHIBIT C-2

QUALIFIED INSTITUTIONAL BUYER STATUS UNDER SEC RULE 144A

[for Transferees that are Registered Investment Companies]

The undersigned hereby certifies as follows to [name of Transferor] (the “Transferor”) and [name of Note Registrar], as Note Registrar, with respect to the [Class N-1/N-2/N-3] Notes being transferred (the “Transferred Notes”) as described in the Transferee Certificate to which this certification relates and to which this certification is an Annex:

1. As indicated below, the undersigned is the chief financial officer, a person fulfilling an equivalent function, or other executive officer of the entity purchasing the Transferred Certificates (the “Transferee”) or, if the Transferee is a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (“Rule 144A”), because the Transferee is part of a Family of Investment Companies (as defined below), is an executive officer of the investment adviser (the “Adviser”).

2. The Transferee is a “qualified institutional buyer” as defined in Rule 144A because (i) the Transferee is an investment company registered under the Investment Company Act of 1940, as amended, and (ii) as marked below, the Transferee alone owned and/or invested on a discretionary basis, or the Transferee's Family of Investment Companies owned, at least \$100,000,000 in securities (other than the excluded securities referred to below) as of the end of the Transferee's most recent fiscal year. For purposes of determining the amount of securities owned by the Transferee or the Transferee's Family of Investment Companies, the cost of such securities was used, unless the Transferee or any member of the Transferee's Family of Investment Companies, as the case may be, reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published, in which case the securities of such entity were valued at market.

_____ The Transferee owned and/or invested on a discretionary basis [\$_____] in securities (other than the excluded securities referred to below) as of the end of the Transferee's most recent fiscal year (such amount being calculated in accordance with Rule 144A).

_____ The Transferee is part of a Family of Investment Companies which owned in the aggregate [\$_____] in securities (other than the excluded securities referred to below) as of the end of the Transferee's most recent fiscal year (such amount being calculated in accordance with Rule 144A).

3. The term “Family of Investment Companies” as used herein means two or more registered investment companies (or series thereof) that have the same investment adviser or investment advisers that are affiliated (by virtue of being majority owned subsidiaries of the same parent or because one investment adviser is a majority owned subsidiary of the other).

EXHIBIT D

FORM OF RATING AGENCY MONTHLY REPORT:

REPORT DATE:

COLLECTED FUNDS

SERIES	COLLECTIONS	ORIGINAL BALANCE	CURRENT BALANCE	FACTOR
2005-3				

BALANCES

SERIES	ORIGINAL FIXED BALANCE	CURRENT FIXED BALANCE	FACTOR	ORIGINAL ARM BALANCE	CURRENT ARM BALANCE	FACTOR
2005-3						

DELINQUENCIES

SERIES	FIXED 30 DAY DELINQ	FIXED 60 DAY DELINQ	FIXED 90+ DAY DELINQ	ARM 30 DAY DELINQ	ARM 60 DAY DELINQ	ARM 90+ DAY DELINQ
2005-3						

LOSSES

SERIES	FIXED 1 MO. CDR	ARM 1 MO. CDR	CURRENT REALIZED LOSSES	CUMULATIVE LOSSES	CUMULATIVE LOSSES % ORIG
2005-3					

TOTAL CPR

SERIES - FIXED	1 MO. CPR	3 MO. CPR	6 MO. CPR	12 MO. CPR	LIFE CPR
2005-3					

SERIES - ARM	1 MO. CPR	3 MO. CPR	6 MO. CPR	12 MO. CPR	LIFE CPR
2005-3					

OTHER STATISTICS

SERIES - FIXED	ORIGINAL WAC	CURRENT WAC	CURRENT OC BALANCE	TARGET OC BALANCE	SUBORDINATE TRIGGER IN EFFECT [Y/N]
2005-3					

SERIES - ARM	ORIGINAL WAC	CURRENT WAC	CURRENT OC BALANCE	TARGET OC BALANCE	SUBORDINATE TRIGGER IN EFFECT [Y/N]
2005-3					

EXHIBIT 3
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

LONG BEACH SECURITIES CORP.,
Depositor

LONG BEACH MORTGAGE COMPANY,
Seller and Master Servicer

and

DEUTSCHE BANK NATIONAL TRUST COMPANY,
Trustee

POOLING AND SERVICING AGREEMENT
Dated as of September 1, 2005

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates, Series 2005-3

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This POOLING AND SERVICING AGREEMENT is dated as of September 1, 2005 (the “Agreement”), among LONG BEACH SECURITIES CORP., as depositor (the “Depositor”), LONG BEACH MORTGAGE COMPANY, as Seller (the “Seller”) and master servicer (the “Master Servicer”) and DEUTSCHE BANK NATIONAL TRUST COMPANY, as Trustee (the “Trustee”).

PRELIMINARY STATEMENT:

The Depositor intends to sell pass-through certificates (collectively, the “Certificates”), to be issued hereunder in multiple classes, which in the aggregate will evidence the entire beneficial ownership interest in the Trust Fund created hereunder. The Certificates will consist of twenty classes of certificates, designated as (i) the Class I-A Certificates, (ii) the Class II-A1 Certificates, (iii) the Class II-A2 Certificates, (iv) the Class II-A3 Certificates, (v) the Class M-1 Certificates, (vi) the Class M-2 Certificates, (vii) the Class M-3 Certificates, (viii) the Class M-4 Certificates, (ix) the Class M-5 Certificates, (x) the Class M-6 Certificates, (xi) the Class M-7 Certificates, (xii) the Class M-8 Certificates, (xiii) the Class M-9 Certificates, (xiv) the Class M-10 Certificates, (xv) the Class M-11 Certificates, (xvi) the Class C Certificates, (xvii) the Class P Certificates, (xviii) the Class R Certificates, (xix) the Class R-CX Certificates and (xx) the Class R-PX Certificates.

REMIC 1

As provided herein, the Trustee shall make an election to treat the segregated pool of assets consisting of the Mortgage Loans and certain other related assets subject to this Agreement (exclusive of the Reserve Fund, the Supplemental Interest Account, the Final Maturity Reserve Account and the Master Servicer Prepayment Charge Payment Amounts) as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC 1.” The Class R-1 Interest will represent the sole class of “residual interests” in REMIC 1 for purposes of the REMIC Provisions (as defined herein) under federal income tax law. The following table irrevocably sets forth the designation, the Uncertificated REMIC 1 Pass-Through Rate, the initial Uncertificated Principal Balance, and solely for purposes of satisfying Treasury regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for each of the REMIC 1 Regular Interests. None of the REMIC 2 Regular Interests will be certificated.

<u>Designation</u>	<u>Initial Uncertificated Principal Balance</u>	<u>Uncertificated REMIC 1A Pass-Through Rate</u>	<u>Rate Change Date</u>	<u>Assumed Final Maturity Date¹</u>
IX ³	\$25,704,839.77	Variable ²	N/A	October, 2045
I-1-A	\$10,733,035.53	Variable ²	October 2005	October, 2045
I-1-B	\$10,733,035.53	Variable ²		October, 2045
I-2-A	\$10,405,026.08	Variable ²	November 2005	October, 2045
I-2-B	\$10,405,026.08	Variable ²		October, 2045
I-3-A	\$10,087,162.32	Variable ²	December 2005	October, 2045
I-3-B	\$10,087,162.32	Variable ²		October, 2045
I-4-A	\$9,778,619.87	Variable ²	January 2006	October, 2045
I-4-B	\$9,778,619.87	Variable ²		October, 2045
I-5-A	\$9,479,793.21	Variable ²	February 2006	October, 2045
I-5-B	\$9,479,793.21	Variable ²		October, 2045
I-6-A	\$9,189,709.65	Variable ²	March 2006	October, 2045
I-6-B	\$9,189,709.65	Variable ²		October, 2045
I-7-A	\$8,908,462.93	Variable ²	April 2006	October, 2045
I-7-B	\$8,908,462.93	Variable ²		October, 2045
I-8-A	\$8,635,998.49	Variable ²	May 2006	October, 2045
I-8-B	\$8,635,998.49	Variable ²		October, 2045
I-9-A	\$8,371,500.56	Variable ²	June 2006	October, 2045
I-9-B	\$8,371,500.56	Variable ²		October, 2045
I-10-A	\$8,115,222.10	Variable ²	July 2006	October, 2045
I-10-B	\$8,115,222.10	Variable ²		October, 2045
I-11-A	\$7,866,504.72	Variable ²	August 2006	October, 2045
I-11-B	\$7,866,504.72	Variable ²		October, 2045
I-12-A	\$7,625,603.23	Variable ²	September 2006	October, 2045
I-12-B	\$7,625,603.23	Variable ²		October, 2045
I-13-A	\$7,391,863.44	Variable ²	October 2006	October, 2045
I-13-B	\$7,391,863.44	Variable ²		October, 2045
I-14-A	\$7,165,239.66	Variable ²	November 2006	October, 2045
I-14-B	\$7,165,239.66	Variable ²		October, 2045
I-15-A	\$6,945,383.80	Variable ²	December 2006	October, 2045
I-15-B	\$6,945,383.80	Variable ²		October, 2045
I-16-A	\$6,732,406.83	Variable ²	January 2007	October, 2045
I-16-B	\$6,732,406.83	Variable ²		October, 2045
I-17-A	\$6,525,810.76	Variable ²	February 2007	October, 2045
I-17-B	\$6,525,810.76	Variable ²		October, 2045
I-18-A	\$6,325,404.89	Variable ²	March 2007	October, 2045
I-18-B	\$6,325,404.89	Variable ²		October, 2045

<u>Designation</u>	<u>Initial Uncertificated Principal Balance</u>	<u>Uncertificated REMIC 1A Pass-Through Rate</u>	<u>Rate Change Date</u>	<u>Assumed Final Maturity Date¹</u>
I-19-A	\$6,131,151.43	Variable ²	April 2007	October, 2045
I-19-B	\$6,131,151.43	Variable ²		October, 2045
I-20-A	\$5,942,709.55	Variable ²	May 2007	October, 2045
I-20-B	\$5,942,709.55	Variable ²		October, 2045
I-21-A	\$5,760,196.26	Variable ²	June 2007	October, 2045
I-21-B	\$5,760,196.26	Variable ²		October, 2045
I-22-A	\$11,412,805.47	Variable ²	July 2007	October, 2045
I-22-B	\$11,412,805.47	Variable ²		October, 2045
I-23-A	\$61,328,508.63	Variable ²	August 2007	October, 2045
I-23-B	\$61,328,508.63	Variable ²		October, 2045
I-24-A	\$16,210,190.57	Variable ²	September 2007	October, 2045
I-24-B	\$16,210,190.57	Variable ²		October, 2045
I-25-A	\$13,177,982.69	Variable ²	October 2007	October, 2045
I-25-B	\$13,177,982.69	Variable ²		October, 2045
I-26-A	\$8,520,400.63	Variable ²	November 2007	October, 2045
I-26-B	\$8,520,400.63	Variable ²		October, 2045
I-27-A	\$6,513,784.76	Variable ²	December 2007	October, 2045
I-27-B	\$6,513,784.76	Variable ²		October, 2045
I-28-A	\$5,217,989.80	Variable ²	January 2008	October, 2045
I-28-B	\$5,217,989.80	Variable ²		October, 2045
I-29-A	\$4,239,378.28	Variable ²	February 2008	October, 2045
I-29-B	\$4,239,378.28	Variable ²		October, 2045
I-30-A	\$3,481,156.99	Variable ²	March 2008	October, 2045
I-30-B	\$3,481,156.99	Variable ²		October, 2045
I-31-A	\$2,888,521.14	Variable ²	April 2008	October, 2045
I-31-B	\$2,888,521.14	Variable ²		October, 2045
I-32-A	\$2,413,226.36	Variable ²	May 2008	October, 2045
I-32-B	\$2,413,226.36	Variable ²		October, 2045
I-33-A	\$2,277,020.95	Variable ²	June 2008	October, 2045
I-33-B	\$2,277,020.95	Variable ²		October, 2045
I-34-A	\$2,148,011.98	Variable ²	July 2008	October, 2045
I-34-B	\$2,148,011.98	Variable ²		October, 2045
I-35-A	\$2,105,783.88	Variable ²	August 2008	October, 2045
I-35-B	\$2,105,783.88	Variable ²		October, 2045
I-36-A	\$1,959,589.21	Variable ²	September 2008	October, 2045
I-36-B	\$1,959,589.21	Variable ²		October, 2045
I-37-A	\$1,829,559.31	Variable ²	October 2008	October, 2045
I-37-B	\$1,829,559.31	Variable ²		October, 2045
I-38-A	\$1,685,581.36	Variable ²	November 2008	October, 2045
I-38-B	\$1,685,581.36	Variable ²		October, 2045
I-39-A	\$1,574,684.37	Variable ²	December 2008	October, 2045
I-39-B	\$1,574,684.37	Variable ²		October, 2045
I-40-A	\$1,487,735.17	Variable ²	January 2009	October, 2045
I-40-B	\$1,487,735.17	Variable ²		October, 2045
I-41-A	\$1,405,015.42	Variable ²	February 2009	October, 2045
I-41-B	\$1,405,015.42	Variable ²		October, 2045
I-42-A	\$1,325,606.78	Variable ²	March 2009	October, 2045
I-42-B	\$1,325,606.78	Variable ²		October, 2045
I-43-A	\$1,250,729.51	Variable ²	April 2009	October, 2045
I-43-B	\$1,250,729.51	Variable ²		October, 2045
I-44-A	\$1,179,859.51	Variable ²	May 2009	October, 2045
I-44-B	\$1,179,859.51	Variable ²		October, 2045
I-45-A	\$1,112,915.18	Variable ²	June 2009	October, 2045
I-45-B	\$1,112,915.18	Variable ²		October, 2045

<u>Designation</u>	<u>Initial Uncertificated Principal Balance</u>	<u>Uncertificated REMIC 1A Pass-Through Rate</u>	<u>Rate Change Date</u>	<u>Assumed Final Maturity Date¹</u>
I-46-A	\$1,049,781.34	Variable ²	July 2009	October, 2045
I-46-B	\$1,049,781.34	Variable ²		October, 2045
I-47-A	\$990,258.20	Variable ²	August 2009	October, 2045
I-47-B	\$990,258.20	Variable ²		October, 2045
I-48-A	\$933,874.56	Variable ²	September 2009	October, 2045
I-48-B	\$933,874.56	Variable ²		October, 2045
I-49-A	\$880,821.62	Variable ²	October 2009	October, 2045
I-49-B	\$880,821.62	Variable ²		October, 2045
I-50-A	\$830,641.69	Variable ²	November 2009	October, 2045
I-50-B	\$830,641.69	Variable ²		October, 2045
I-51-A	\$783,256.23	Variable ²	December 2009	October, 2045
I-51-B	\$783,256.23	Variable ²		October, 2045
I-52-A	\$738,671.52	Variable ²	January 2010	October, 2045
I-52-B	\$738,671.52	Variable ²		October, 2045
I-53-A	\$696,482.59	Variable ²	February 2010	October, 2045
I-53-B	\$696,482.59	Variable ²		October, 2045
I-54-A	\$656,662.39	Variable ²	March 2010	October, 2045
I-54-B	\$656,662.39	Variable ²		October, 2045
I-55-A	\$619,161.97	Variable ²	April 2010	October, 2045
I-55-B	\$619,161.97	Variable ²		October, 2045
I-56-A	\$583,715.55	Variable ²	May 2010	October, 2045
I-56-B	\$583,715.55	Variable ²		October, 2045
I-57-A	\$550,314.96	Variable ²	June 2010	October, 2045
I-57-B	\$550,314.96	Variable ²		October, 2045
I-58-A	\$518,741.05	Variable ²	July 2010	October, 2045
I-58-B	\$518,741.05	Variable ²		October, 2045
I-59-A	\$8,653,412.21	Variable ²	August 2010	October, 2045
I-59-B	\$8,653,412.21	Variable ²		October, 2045
II-X ³	\$29,421,831.43	Variable ²		October, 2045
II-1-A	\$12,285,062.47	Variable ²	October 2005	October, 2045
II-1-B	\$12,285,062.47	Variable ²		October, 2045
II-2-A	\$11,909,621.92	Variable ²	November 2005	October, 2045
II-2-B	\$11,909,621.92	Variable ²		October, 2045
II-3-A	\$11,545,794.18	Variable ²	December 2005	October, 2045
II-3-B	\$11,545,794.18	Variable ²		October, 2045
II-4-A	\$11,192,635.63	Variable ²	January 2006	October, 2045
II-4-B	\$11,192,635.63	Variable ²		October, 2045
II-5-A	\$10,850,597.79	Variable ²	February 2006	October, 2045
II-5-B	\$10,850,597.79	Variable ²		October, 2045
II-6-A	\$10,518,567.35	Variable ²	March 2006	October, 2045
II-6-B	\$10,518,567.35	Variable ²		October, 2045
II-7-A	\$10,196,651.57	Variable ²	April 2006	October, 2045
II-7-B	\$10,196,651.57	Variable ²		October, 2045
II-8-A	\$9,884,788.01	Variable ²	May 2006	October, 2045
II-8-B	\$9,884,788.01	Variable ²		October, 2045
II-9-A	\$9,582,042.94	Variable ²	June 2006	October, 2045
II-9-B	\$9,582,042.94	Variable ²		October, 2045
II-10-A	\$9,288,705.90	Variable ²	July 2006	October, 2045
II-10-B	\$9,288,705.90	Variable ²		October, 2045
II-11-A	\$9,004,023.28	Variable ²	August 2006	October, 2045
II-11-B	\$9,004,023.28	Variable ²		October, 2045
II-12-A	\$8,728,286.77	Variable ²	September 2006	October, 2045
II-12-B	\$8,728,286.77	Variable ²		October, 2045
II-13-A	\$8,460,747.56	Variable ²	October 2006	October, 2045

<u>Designation</u>	<u>Initial Uncertificated Principal Balance</u>	<u>Uncertificated REMIC 1A Pass-Through Rate</u>	<u>Rate Change Date</u>	<u>Assumed Final Maturity Date¹</u>
II-13-B	\$8,460,747.56	Variable ²		October, 2045
II-14-A	\$8,201,353.34	Variable ²	November 2006	October, 2045
II-14-B	\$8,201,353.34	Variable ²		October, 2045
II-15-A	\$7,949,705.70	Variable ²	December 2006	October, 2045
II-15-B	\$7,949,705.70	Variable ²		October, 2045
II-16-A	\$7,705,931.67	Variable ²	January 2007	October, 2045
II-16-B	\$7,705,931.67	Variable ²		October, 2045
II-17-A	\$7,469,461.24	Variable ²	February 2007	October, 2045
II-17-B	\$7,469,461.24	Variable ²		October, 2045
II-18-A	\$7,240,076.11	Variable ²	March 2007	October, 2045
II-18-B	\$7,240,076.11	Variable ²		October, 2045
II-19-A	\$7,017,733.07	Variable ²	April 2007	October, 2045
II-19-B	\$7,017,733.07	Variable ²		October, 2045
II-20-A	\$6,802,041.95	Variable ²	May 2007	October, 2045
II-20-B	\$6,802,041.95	Variable ²		October, 2045
II-21-A	\$6,593,136.74	Variable ²	June 2007	October, 2045
II-21-B	\$6,593,136.74	Variable ²		October, 2045
II-22-A	\$13,063,129.03	Variable ²	July 2007	October, 2045
II-22-B	\$13,063,129.03	Variable ²		October, 2045
II-23-A	\$70,196,782.37	Variable ²	August 2007	October, 2045
II-23-B	\$70,196,782.37	Variable ²		October, 2045
II-24-A	\$18,554,229.43	Variable ²	September 2007	October, 2045
II-24-B	\$18,554,229.43	Variable ²		October, 2045
II-25-A	\$15,083,555.81	Variable ²	October 2007	October, 2045
II-25-B	\$15,083,555.81	Variable ²		October, 2045
II-26-A	\$9,752,474.37	Variable ²	November 2007	October, 2045
II-26-B	\$9,752,474.37	Variable ²		October, 2045
II-27-A	\$7,455,696.24	Variable ²	December 2007	October, 2045
II-27-B	\$7,455,696.24	Variable ²		October, 2045
II-28-A	\$5,972,525.70	Variable ²	January 2008	October, 2045
II-28-B	\$5,972,525.70	Variable ²		October, 2045
II-29-A	\$4,852,404.22	Variable ²	February 2008	October, 2045
II-29-B	\$4,852,404.22	Variable ²		October, 2045
II-30-A	\$3,984,542.01	Variable ²	March 2008	October, 2045
II-30-B	\$3,984,542.01	Variable ²		October, 2045
II-31-A	\$3,306,209.36	Variable ²	April 2008	October, 2045
II-31-B	\$3,306,209.36	Variable ²		October, 2045
II-32-A	\$2,762,185.64	Variable ²	May 2008	October, 2045
II-32-B	\$2,762,185.64	Variable ²		October, 2045
II-33-A	\$2,606,284.55	Variable ²	June 2008	October, 2045
II-33-B	\$2,606,284.55	Variable ²		October, 2045
II-34-A	\$2,458,620.52	Variable ²	July 2008	October, 2045
II-34-B	\$2,458,620.52	Variable ²		October, 2045
II-35-A	\$2,410,286.12	Variable ²	August 2008	October, 2045
II-35-B	\$2,410,286.12	Variable ²		October, 2045
II-36-A	\$2,242,951.29	Variable ²	September 2008	October, 2045
II-36-B	\$2,242,951.29	Variable ²		October, 2045
II-37-A	\$2,094,118.69	Variable ²	October 2008	October, 2045
II-37-B	\$2,094,118.69	Variable ²		October, 2045
II-38-A	\$1,929,321.14	Variable ²	November 2008	October, 2045
II-38-B	\$1,929,321.14	Variable ²		October, 2045
II-39-A	\$1,802,388.13	Variable ²	December 2008	October, 2045
II-39-B	\$1,802,388.13	Variable ²		October, 2045
II-40-A	\$1,702,865.83	Variable ²	January 2009	October, 2045

<u>Designation</u>	<u>Initial Uncertificated Principal Balance</u>	<u>Uncertificated REMIC 1A Pass-Through Rate</u>	<u>Rate Change Date</u>	<u>Assumed Final Maturity Date¹</u>
II-40-B	\$1,702,865.83	Variable ²		October, 2045
II-41-A	\$1,608,184.58	Variable ²	February 2009	October, 2045
II-41-B	\$1,608,184.58	Variable ²		October, 2045
II-42-A	\$1,517,293.22	Variable ²	March 2009	October, 2045
II-42-B	\$1,517,293.22	Variable ²		October, 2045
II-43-A	\$1,431,588.49	Variable ²	April 2009	October, 2045
II-43-B	\$1,431,588.49	Variable ²		October, 2045
II-44-A	\$1,350,470.49	Variable ²	May 2009	October, 2045
II-44-B	\$1,350,470.49	Variable ²		October, 2045
II-45-A	\$1,273,845.82	Variable ²	June 2009	October, 2045
II-45-B	\$1,273,845.82	Variable ²		October, 2045
II-46-A	\$1,201,582.66	Variable ²	July 2009	October, 2045
II-46-B	\$1,201,582.66	Variable ²		October, 2045
II-47-A	\$1,133,452.30	Variable ²	August 2009	October, 2045
II-47-B	\$1,133,452.30	Variable ²		October, 2045
II-48-A	\$1,068,915.44	Variable ²	September 2009	October, 2045
II-48-B	\$1,068,915.44	Variable ²		October, 2045
II-49-A	\$1,008,190.88	Variable ²	October 2009	October, 2045
II-49-B	\$1,008,190.88	Variable ²		October, 2045
II-50-A	\$950,754.81	Variable ²	November 2009	October, 2045
II-50-B	\$950,754.81	Variable ²		October, 2045
II-51-A	\$896,517.27	Variable ²	December 2009	October, 2045
II-51-B	\$896,517.27	Variable ²		October, 2045
II-52-A	\$845,485.48	Variable ²	January 2010	October, 2045
II-52-B	\$845,485.48	Variable ²		October, 2045
II-53-A	\$797,195.91	Variable ²	February 2010	October, 2045
II-53-B	\$797,195.91	Variable ²		October, 2045
II-54-A	\$751,617.61	Variable ²	March 2010	October, 2045
II-54-B	\$751,617.61	Variable ²		October, 2045
II-55-A	\$708,694.53	Variable ²	April 2010	October, 2045
II-55-B	\$708,694.53	Variable ²		October, 2045
II-56-A	\$668,122.45	Variable ²	May 2010	October, 2045
II-56-B	\$668,122.45	Variable ²		October, 2045
II-57-A	\$629,892.04	Variable ²	June 2010	October, 2045
II-57-B	\$629,892.04	Variable ²		October, 2045
II-58-A	\$593,752.45	Variable ²	July 2010	October, 2045
II-58-B	\$593,752.45	Variable ²		October, 2045
II-59-A	\$9,904,719.79	Variable ²	August 2010	October, 2045
II-59-B	\$9,904,719.79	Variable ²		October, 2045

¹ Solely for purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each REMIC 1 Regular Interest.

² Calculated in accordance with the definition of “Uncertificated REMIC 1 Pass-Through Rate” herein.

³ REMIC 1 Regular Interest IX will be entitled to all prepayment penalties or charges with respect to the Group I Mortgage Loans; REMIC 1 Regular Interest IIX will be entitled to all prepayment penalties or charges with respect to the Group II Mortgage Loans.

REMIC 2

As provided herein, the Trustee shall make an election to treat the segregated pool of assets consisting of the REMIC 1 Regular Interests and certain other related assets subject to this Agreement (exclusive of the Reserve Fund, the Supplemental Interest Account, the Final Maturity Reserve Account and the Master Servicer Prepayment Charge Payment Amounts) as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC 2.” The Class R-2 Interest will represent the sole class of “residual interests” in REMIC 2 for purposes of the REMIC Provisions (as defined herein) under federal income tax law. The following table irrevocably sets forth the designation, the Uncertificated REMIC 2 Pass-Through Rate, the initial Uncertificated Principal Balance, and solely for purposes of satisfying Treasury regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for each of the REMIC 2 Regular Interests. None of the REMIC 2 Regular Interests will be certificated.

<u>Designation</u>	<u>Initial Uncertificated Principal Balance</u>	<u>Uncertificated REMIC 1 Pass-Through Rate</u>	<u>Assumed Final Maturity Date¹</u>
AA	\$748,631,590.87	Variable ²	October, 2045
A-IA	\$3,024,150.00	Variable ²	October, 2045
A-IIA1	\$1,595,395.00	Variable ²	October, 2045
A-IIA2	\$1,621,740.00	Variable ²	October, 2045
A-IIA3	\$244,300.00	Variable ²	October, 2045
M1	\$206,255.00	Variable ²	October, 2045
M2	\$194,795.00	Variable ²	October, 2045
M3	\$133,685.00	Variable ²	October, 2045
M4	\$99,310.00	Variable ²	October, 2045
M5	\$91,670.00	Variable ²	October, 2045
M6	\$76,390.00	Variable ²	October, 2045
M7	\$76,390.00	Variable ²	October, 2045
M8	\$61,115.00	Variable ²	October, 2045
M9	\$57,295.00	Variable ²	October, 2045
M10	\$76,390.00	Variable ²	October, 2045
M11	\$42,015.00	Variable ²	October, 2045
ZZ	\$7,677,300.73	Variable ²	October, 2045
1GRP	\$10,757.21	Variable ²	October, 2045
1SUB	\$71,240.21	Variable ²	October, 2045
2GRP	\$12,313.05	Variable ²	October, 2045
2SUB	\$81,541.75	Variable ²	October, 2045
Swap IO	N/A ³	Variable ²	October, 2045
FMR IO	N/A ⁴	Variable ²	October, 2045
XX	\$763,733,934.39	Variable ²	October, 2045

¹ Solely for purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the month of the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each REMIC 2 Regular Interest.

² Calculated in accordance with the definition of “Uncertificated REMIC 2 Pass-Through Rate” herein.

³ REMIC 2 Regular Interest Swap IO will not have a principal amount but will at all times have a notional amount equal to the aggregate principal amounts of the REMIC 1 Regular Interests with the designation “A”.

⁴ REMIC 2 Regular Interest FMR IO will not have a principal amount but will at all times have a notional amount equal to the aggregate principal amounts of all of the REMIC 1 Regular Interests.

REMIC 3

As provided herein, the Trustee shall make an election to treat the segregated pool of assets consisting of the REMIC 2 Regular Interests as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC 3.” The Class R-3 Interest represents the sole class of “residual interests” in REMIC 3 for purposes of the REMIC Provisions.

The following table sets forth (or describes) the Class designation, Pass-Through Rate and Original Class Certificate Principal Balance for each Class of Certificates that represents one or more of the “regular interests” in REMIC 3 and each class of uncertificated “regular interests” in REMIC 3:

Class Designation	Original Class Certificate Principal Balance	Pass-Through Rate	Assumed Final Maturity Date ¹
I-A1	\$604,830,000.00	Variable ²	October, 2045
II-A1	\$319,079,000.00	Variable ²	October, 2045
II-A2	\$324,348,000.00	Variable ²	October, 2045
II-A3	\$48,860,000.00	Variable ²	October, 2045
M-1	\$41,251,000.00	Variable ²	October, 2045
M-2	\$38,959,000.00	Variable ²	October, 2045
M-3	\$26,737,000.00	Variable ²	October, 2045
M-4	\$19,862,000.00	Variable ²	October, 2045
M-5	\$18,334,000.00	Variable ²	October, 2045
M-6	\$15,278,000.00	Variable ²	October, 2045
M-7	\$15,278,000.00	Variable ²	October, 2045
M-8	\$12,223,000.00	Variable ²	October, 2045
M-9	\$11,459,000.00	Variable ²	October, 2045
M-10	\$15,278,000.00	Variable ²	October, 2045
M-11	\$8,403,000.00	Variable ²	October, 2045
Swap IO	N/A ⁵	Variable ⁵	October, 2045
FM Reserve IO	N/A ⁵	Variable ⁵	October, 2045
Class C Interest ³	\$7,640,473.20	Variable ²	October, 2045
Class P Interest	\$100.00	N/A ⁴	October, 2045

¹ Solely for purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the month of the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each Class of Certificates or uncertificated interests that represents one or more of the “regular interests” in REMIC 3.

² Calculated in accordance with the definition of “Pass-Through Rate” herein.

³ The Class C Interest will accrue interest at its variable Pass-Through Rate on its Notional Amount outstanding from time to time, which shall equal the aggregate of the Uncertificated Principal Balances of the REMIC 2 Regular Interests. The Class C Interest will not accrue interest on its Uncertificated Principal Balance.

⁴ The Class P Interest will not accrue interest.

⁵ The interests designated “Swap IO” and “FM Reserve IO” will not have principal amounts or interest rates but will be entitled to 100% of the interest paid on REMIC 2 Regular Interests Swap IO and FMR IO, respectively. These interests will not be certificated.

REMIC CX

As provided herein, the Trustee shall make an election to treat the segregated pool of assets consisting of the Class C Interest as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC CX.” The Class R-CX Interest will represent the sole class of “residual interests” in REMIC CX for purposes of the REMIC Provisions (as defined herein) under federal income tax law. The following table irrevocably sets forth the designation, the Pass-Through Rate, initial Uncertificated Principal Balance, and solely for purposes of satisfying Treasury regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for each of the REMIC CX Regular Interests.

<u>Designation</u>	<u>Uncertificated REMIC CX Pass-Through Rate</u>	<u>Initial Uncertificated Principal Balance</u>	<u>Assumed Final Maturity Date¹</u>
Class C	Variable ²	\$7,640,473.20	October 2045

¹ Solely for purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the month of the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each REMIC CX Regular Interest.

² The Class C Certificates will not accrue interest on their Certificate Principal Balance. Instead, the monthly interest due on the Class C Certificates will be 100% of the interest paid on the Class C Interest.

REMIC PX

As provided herein, the Trustee shall make an election to treat the segregated pool of assets consisting of the Class P Interest as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC PX.” The Class R-PX Interest will represent the sole class of “residual interests” in REMIC PX for purposes of the REMIC Provisions (as defined herein) under federal income tax law. The following table irrevocably sets forth the designation, the Pass-Through Rate, initial Uncertificated Principal Balance, and solely for purposes of satisfying Treasury regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for each of the REMIC PX Regular Interests.

Designation	Uncertificated REMIC PX Pass-Through Rate	Initial Uncertificated Principal Balance	Assumed Final Maturity Date ¹
Class P	N/A ²	\$100.00	October 2045

¹ Solely for purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the month of the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each REMIC PX Regular Interest.

² The Class P Certificates will not accrue interest.

REMIC SwapX

As provided herein, the Trustee shall make an election to treat the segregated pool of assets consisting of the Class P Interest as a REMIC for federal income tax purposes, and such segregated pool of assets will be designated as “REMIC SwapX.” The Class R-SwapX Interest will represent the sole class of “residual interests” in REMIC SwapX for purposes of the REMIC Provisions (as defined herein) under federal income tax law. The following table irrevocably sets forth the designation, the Pass-Through Rate, initial Uncertificated Principal Balance, and solely for purposes of satisfying Treasury regulation Section 1.860G-1(a)(4)(iii), the “latest possible maturity date” for each of the REMIC SwapX Regular Interests.

Designation	Uncertificated REMIC PX Pass-Through Rate	Initial Uncertificated Principal Balance	Assumed Final Maturity Date ¹
Class Swap IO	N/A ²	\$0.00	October 2045

¹ Solely for purposes of Section 1.860G-1(a)(4)(iii) of the Treasury regulations, the Distribution Date in the month following the month of the maturity date for the Mortgage Loan with the latest maturity date has been designated as the “latest possible maturity date” for each REMIC SwapX Regular Interest.

² The Class Swap IO Upper-Tier Interest will not accrue interest on its Certificate Principal Balance. Instead, the monthly interest due on the Class Swap IO Upper-Tier Interest will be 100% of the interest paid on the Class Swap IO Interest.

ARTICLE I

DEFINITIONS

Section 1.01 Defined Terms.

Whenever used in this Agreement or in the Preliminary Statement, the following words and phrases, unless the context otherwise requires, shall have the meanings specified in this Article. Unless otherwise specified, all calculations in respect of interest on the Class A Certificates and the Mezzanine Certificates shall be made on the basis of the actual number of days elapsed on the basis of a 360-day year and all other calculations of interest described herein shall be made on the basis of a 360-day year consisting of twelve 30-day months. The Class P Certificates and the Residual Certificates are not entitled to distributions in respect of interest and, accordingly, will not accrue interest.

“1933 Act”: The Securities Act of 1933, as amended.

“Account”: Either of the Collection Account and Distribution Account.

“Accrual Period”: With respect to the Class C Certificates, the REMIC 1 Regular Interests and the Class C Interest, and each Distribution Date, the calendar month prior to the month of such Distribution Date. With respect to the Class A Certificates and the Mezzanine Certificates, and each Distribution Date, the period commencing on the immediately preceding Distribution Date (or in the case of the first such Accrual Period, commencing on the Closing Date) and ending on the day immediately preceding such Distribution Date.

“Additional Termination Event”: As defined in the Swap Agreement.

“Adjustable Rate Mortgage Loan”: A Mortgage Loan which provides for an adjustable Mortgage Rate payable with respect thereto.

“Adjusted Net Maximum Mortgage Rate”: With respect to any Mortgage Loan (or the related REO Property), as of any Distribution Date, a per annum rate of interest equal to the Maximum Mortgage Rate for such Mortgage Loan (if such Mortgage Loan is an Adjustable Rate Mortgage Loan) or the Mortgage Rate for such Mortgage Loan (if such Mortgage Loan is a Fixed Rate Mortgage Loan), in either case as of the first day of the month preceding the month in which such Distribution Date occurs, minus the sum of (i) the Servicing Fee Rate, (ii) the PMI Insurer Fee Rate, if applicable, and (iii) the Trustee Fee Rate.

“Adjusted Net Mortgage Rate”: With respect to any Mortgage Loan (or the related REO Property), as of any Distribution Date, a per annum rate of interest equal to the Mortgage Rate for such Mortgage Loan as of the first day of the month preceding the month in which such Distribution Date occurs, minus the sum of (i) the Servicing Fee Rate, (ii) the PMI Insurer Fee Rate, if applicable, and (iii) the Trustee Fee Rate.

“Adjustment Date”: With respect to each Adjustable Rate Mortgage Loan, each date, on which the Mortgage Rate of such Mortgage Loan changes pursuant to the related Mortgage Note. The first Adjustment Date following the Cut-off Date as to each Adjustable Rate Mortgage Loan is set forth in the Mortgage Loan Schedule.

“Advance”: As to any Mortgage Loan or REO Property, any advance made by the Master Servicer in respect of any Distribution Date pursuant to Section 4.04.

“Advancing Person”: As defined in Section 3.27 hereof.

“Adverse REMIC Event”: As defined in Section 10.01(f) hereof.

“Affiliate”: With respect to any Person, any other Person controlling, controlled by or under common control with such Person. For purposes of this definition, “control” means the power to direct the management and policies of a Person, directly or indirectly, whether through ownership of voting securities, by contract or otherwise and “controlling” and “controlled” shall have meanings correlative to the foregoing.

“Aggregate Final Maturity Reserve Amount”: With respect any Distribution Date, the sum of the Group I Final Maturity Reserve Amount and the Group II Final Maturity Reserve Amount.

“Agreement”: This Pooling and Servicing Agreement and all amendments hereof and supplements hereto.

“Allocated Realized Loss Amount”: With respect to any Distribution Date and any Class of the Mezzanine Certificates, an amount equal to (a) the sum of (i) any Realized Losses allocated to such Class of Certificates on such Distribution Date and (ii) any Allocated Realized Loss Amount for such Class of Certificates remaining unpaid from the previous Distribution Date less (b) any Allocated Realized Loss Amounts that have been reinstated with respect to such Class of Certificates on prior Distribution Dates due to Subsequent Recoveries.

“Appraised Value”: With respect to any Mortgaged Property, the value thereof as determined by an appraisal made for the originator of the related Mortgage Loan at the time of origination of such Mortgage Loan by an appraiser who met the minimum requirements of Fannie Mae.

“Assignment”: An assignment of Mortgage, notice of transfer or equivalent instrument, in recordable form (excepting therefrom, if applicable, the mortgage recordation information which has not been required pursuant to Section 2.01 hereof or returned by the applicable recorder’s office), which is sufficient under the laws of the jurisdiction in which the related Mortgaged Property is located to reflect of record the sale of the Mortgage.

“Available Funds”: With respect to any Distribution Date, an amount equal to the excess of (i) the sum of (a) the aggregate of the Monthly Payments on the Mortgage Loans due on the related Due Date and received on or prior to the related Determination Date, (b) Liquidation Proceeds, Insurance Proceeds, Principal Prepayments, Gross Subsequent Recoveries and other unscheduled recoveries of principal and interest in respect of the Mortgage Loans during the related Prepayment Period (other than any Prepayment Charges collected by the Master Servicer in connection with the full or partial prepayment of any of the Mortgage Loans, any Master Servicer Prepayment Charge Payment Amount in connection with the Mortgage Loans and any Prepayment Interest Excess), (c) the aggregate of any amounts received in respect of an REO Property acquired in respect of a Mortgage Loan withdrawn from any REO Account and

deposited in the Collection Account for such Distribution Date, (d) the aggregate of any amounts deposited in the Collection Account by the Master Servicer in respect of related Prepayment Interest Shortfalls on the Mortgage Loans for such Distribution Date, (e) the aggregate of any Advances made by the Master Servicer or the Trustee for such Distribution Date with respect to the Mortgage Loans, (f) the aggregate of any related advances made by or on behalf of the Trustee for such Distribution Date with respect to the Mortgage Loans pursuant to Section 7.02(b) and (g) the aggregate of any amounts constituting proceeds of repurchases or substitutions of the Mortgage Loans occurring during the related Prepayment Period over (ii) the sum, without duplication, of (a) amounts reimbursable or payable to the Depositor, the Master Servicer, the Trustee, the Seller, the NIMS Insurer or any Sub-Servicer pursuant to Section 3.11 or Section 3.12 in respect of the Mortgage Loans or otherwise payable in respect of Extraordinary Trust Fund Expenses, (b) amounts deposited in the Collection Account or the Distribution Account pursuant to clauses (i)(a) through (g) above, as the case may be, in error, (c) Stayed Funds, (d) any Trustee Fee pursuant to Section 8.05 and any indemnification payments or expense reimbursements made by the Trust Fund pursuant to Section 8.05, (e) the PMI Insurer Fee payable from the Distribution Account and (f) amounts reimbursable to the Trustee for an advance made pursuant to Section 7.02(b) which advance the Trustee has determined to be nonrecoverable from the Stayed Funds in respect of which it was made.

“Bankruptcy Code”: The Bankruptcy Reform Act of 1978 (Title 11 of the United States Code), as amended.

“Bankruptcy Loss”: With respect to any Mortgage Loan, a Realized Loss resulting from a Deficient Valuation or Debt Service Reduction.

“Book-Entry Certificates”: Any of the Certificates that shall be registered in the name of the Depository or its nominee, the ownership of which is reflected on the books of the Depository or on the books of a Person maintaining an account with the Depository (directly, as a “Depository Participant”, or indirectly, as an indirect participant in accordance with the rules of the Depository and as described in Section 5.02 hereof). On the Closing Date, the Class A Certificates and the Mezzanine Certificates shall be Book-Entry Certificates.

“Book-Entry Custodian”: The custodian appointed pursuant to Section 5.01(b).

“Business Day”: Any day other than a Saturday, a Sunday or a day on which banking or savings institutions in the State of California, the State of Delaware, the State of New York, the State of Washington, or in the city in which the Corporate Trust Office of the Trustee is located, are authorized or obligated by law or executive order to be closed.

“Calculation Period”: As such term is defined in the Swap Agreement.

“Certificate”: Any Regular Certificate or Residual Certificate.

“Certificate Margin”: With respect to the Class I-A Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.26% per annum and (B) after the Optional Termination Date, 0.52% per annum. With respect to the Class II-A1 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.12% per annum and (B) after the Optional Termination Date, 0.24% per annum. With respect to the Class II-A2

Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.28% per annum and (B) after the Optional Termination Date, 0.56% per annum. With respect to the Class II-A3 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.38% per annum and (B) after the Optional Termination Date, 0.76% per annum. With respect to the Class M-1 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.47% per annum and (B) after the Optional Termination Date, 0.705% per annum. With respect to the Class M-2 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.49% per annum and (B) after the Optional Termination Date, 0.735% per annum. With respect to the Class M-3 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.54% per annum and (B) after the Optional Termination Date, 0.81% per annum. With respect to the Class M-4 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.63% per annum and (B) after the Optional Termination Date, 0.945% per annum. With respect to the Class M-5 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.66% per annum and (B) after the Optional Termination Date, 0.99% per annum. With respect to the Class M-6 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 0.74% per annum and (B) after the Optional Termination Date, 1.11% per annum. With respect to the Class M-7 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 1.22% per annum and (B) after the Optional Termination Date, 1.83% per annum. With respect to the Class M-8 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 1.35% per annum and (B) after the Optional Termination Date, 2.025% per annum. With respect to the Class M-9 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 1.83% per annum and (B) after the Optional Termination Date, 2.745% per annum. With respect to the Class M-10 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 2.50% per annum and (B) after the Optional Termination Date, 3.75% per annum. With respect to the Class M-11 Certificates on each Distribution Date (A) on or prior to the Optional Termination Date, 2.50% per annum and (B) after the Optional Termination Date, 3.75% per annum.

“Certificate Owner”: With respect to each Book-Entry Certificate, any beneficial owner thereof.

“Certificate Principal Balance”: With respect to any Class A Certificates, Mezzanine Certificates or Class P Certificates immediately prior to any Distribution Date, an amount equal to the Initial Certificate Principal Balance thereof reduced by the sum of all amounts actually distributed in respect of principal of such Class and, in the case of a Mezzanine Certificate, Realized Losses allocated thereto on all prior Distribution Dates and, in the case of a Mezzanine Certificate, increased by the Allocated Realized Loss Amounts reinstated thereto on all prior Distribution Dates due to Subsequent Recoveries. With respect to any Class C Certificates as of any date of determination, an amount equal to the Uncertificated Principal Balance of the Class C Interest. The Residual Certificates will not have a Certificate Principal Balance.

“Certificate Register”: The register established and maintained pursuant to Section 5.02 hereof.

“Certificateholder” or “Holder”: The Person in whose name a Certificate is registered in the Certificate Register, except that a Disqualified Organization or a Non-United States Person shall not be a Holder of a Residual Certificate for any purposes hereof and, solely for the

purposes of giving any consent, direction or taking any other action pursuant to this Agreement, any Certificate registered in the name of the Depositor or the Master Servicer or any Affiliate thereof shall be deemed not to be outstanding and the Voting Rights to which it is entitled shall not be taken into account in determining whether the requisite percentage of Voting Rights necessary to effect any such consent, direction or other action has been obtained, except as otherwise provided in Section 11.01. The Trustee and the NIMS Insurer may conclusively rely upon a certificate of the Depositor or the Master Servicer in determining whether a Certificate is held by an Affiliate thereof. All references herein to “Holders” or “Certificateholders” shall reflect the rights of Certificate Owners as they may indirectly exercise such rights through the Depository and participating members thereof, except as otherwise specified herein; provided, however, that the Trustee and the NIMS Insurer shall be required to recognize as a “Holder” or “Certificateholder” only the Person in whose name a Certificate is registered in the Certificate Register.

“Class”: Collectively, Certificates which have the same priority of payment and bear the same class designation and the form of which is identical except for variation in the Percentage Interest evidenced thereby.

“Class I-A Certificate”: Any one of the Class I-A Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-1 executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class II-A1 Certificate”: Any one of the Class II-A1 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-2 executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class II-A2 Certificate”: Any one of the Class II-A2 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-3 executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class II-A3 Certificate”: Any one of the Class II-A3 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-4 executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class A Certificates”: The Class I-A Certificates and the Group II Senior Certificates.

“Class A Principal Distribution Amount”: With respect to any Distribution Date, the sum of the Class I-A Principal Distribution Amount and the Group II Senior Principal Distribution Amount.

“Class I-A Principal Distribution Amount”: With respect to any Distribution Date, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class I-A Certificates immediately prior to such Distribution Date and (II) the excess of (x) the aggregate Certificate Principal Balance of the Class I-A Certificates immediately prior to such Distribution

Date over (y) the lesser of (A) the product of (i) approximately 69.80% and (ii) the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus 0.50% of the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the Cut-off Date.

“Class C Certificate”: Any one of the Class C Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-16, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC CX.

“Class C Interest” An uncertificated interest in the Trust Fund held by the Trustee on behalf of the Holders of the Class C Certificates and the Class R-CX Interest, evidencing a Regular Interest in REMIC 3 for purposes of the REMIC Provisions.

“Class C NIM Payment Amount”: For any Distribution Date (I) on or before the date the NIM Notes are issued, zero, (II) from the first Distribution Date after the date on which the NIM Notes are issued until the principal balance of the NIM Notes has been reduced to zero, the amount necessary to pay in full the NIM Notes as provided in the Indenture and to pay in full any amounts owed to the NIMS Insurer as provided in the Indenture less the amounts payable to the Class C Certificates from the Reserve Fund on such Distribution Date and (III) thereafter, zero.

“Class C Shortfall”: As defined in Section 10.01(l) hereof.

“Class FMR IO Interest” An uncertificated interest in the Trust Fund, evidencing a Regular Interest in REMIC 4 for purposes of the REMIC Provisions.

“Class M-1 Certificate”: Any one of the Class M-1 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-5, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-1 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-1 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date) and (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 75.20% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or

advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-2 Certificate”: Any one of the Class M-2 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-6, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-2 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-2 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date) and (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 80.30% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-3 Certificate”: Any one of the Class M-3 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-7, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-3 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-3 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date) and (iv) the aggregate Certificate Principal Balance of the Class M-3 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 83.80% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent

received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-4 Certificate”: Any one of the Class M-4 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-8, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-4 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-4 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date), (iv) the aggregate Certificate Principal Balance of the Class M-3 Certificates (after taking into account the payment of the Class M-3 Principal Distribution Amount on such Distribution Date), and (v) the aggregate Certificate Principal Balance of the Class M-4 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 86.40% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-5 Certificate”: Any one of the Class M-5 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-9, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-5 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-5 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date), (iv) the aggregate

Certificate Principal Balance of the Class M-3 Certificates (after taking into account the payment of the Class M-3 Principal Distribution Amount on such Distribution Date), (v) the aggregate Certificate Principal Balance of the Class M-4 Certificates (after taking into account the payment of the Class M-4 Principal Distribution Amount on such Distribution Date) and (vi) the aggregate Certificate Principal Balance of the Class M-5 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 88.80% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-6 Certificate”: Any one of the Class M-6 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-10, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-6 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-6 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date), (iv) the aggregate Certificate Principal Balance of the Class M-3 Certificates (after taking into account the payment of the Class M-3 Principal Distribution Amount on such Distribution Date), (v) the aggregate Certificate Principal Balance of the Class M-4 Certificates (after taking into account the payment of the Class M-4 Principal Distribution Amount on such Distribution Date), (vi) the aggregate Certificate Principal Balance of the Class M-5 Certificates (after taking into account the payment of the Class M-5 Principal Distribution Amount on such Distribution Date) and (vii) the aggregate Certificate Principal Balance of the Class M-6 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 90.80% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-7 Certificate”: Any one of the Class M-7 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-11, executed, authenticated and

delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-7 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-7 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date), (iv) the aggregate Certificate Principal Balance of the Class M-3 Certificates (after taking into account the payment of the Class M-3 Principal Distribution Amount on such Distribution Date), (v) the aggregate Certificate Principal Balance of the Class M-4 Certificates (after taking into account the payment of the Class M-4 Principal Distribution Amount on such Distribution Date), (vi) the aggregate Certificate Principal Balance of the Class M-5 Certificates (after taking into account the payment of the Class M-5 Principal Distribution Amount on such Distribution Date), (vii) the aggregate Certificate Principal Balance of the Class M-6 Certificates (after taking into account the payment of the Class M-6 Principal Distribution Amount on such Distribution Date) and (viii) the aggregate Certificate Principal Balance of the Class M-7 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 92.80% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-8 Certificate”: Any one of the Class M-8 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-12, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-8 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-8 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date), (iv) the aggregate Certificate Principal Balance of the Class M-3 Certificates (after taking into account the payment of the Class M-3 Principal Distribution Amount on such Distribution Date), (v) the aggregate

Certificate Principal Balance of the Class M-4 Certificates (after taking into account the payment of the Class M-4 Principal Distribution Amount on such Distribution Date), (vi) the aggregate Certificate Principal Balance of the Class M-5 Certificates (after taking into account the payment of the Class M-5 Principal Distribution Amount on such Distribution Date), (vii) the aggregate Certificate Principal Balance of the Class M-6 Certificates (after taking into account the payment of the Class M-6 Principal Distribution Amount on such Distribution Date), (viii) the aggregate Certificate Principal Balance of the Class M-7 Certificates (after taking into account the payment of the Class M-7 Principal Distribution Amount on such Distribution Date) and (ix) the aggregate Certificate Principal Balance of the Class M-8 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 94.40% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-9 Certificate”: Any one of the Class M-9 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-13, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-9 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-9 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date), (iv) the aggregate Certificate Principal Balance of the Class M-3 Certificates (after taking into account the payment of the Class M-3 Principal Distribution Amount on such Distribution Date), (v) the aggregate Certificate Principal Balance of the Class M-4 Certificates (after taking into account the payment of the Class M-4 Principal Distribution Amount on such Distribution Date), (vi) the aggregate Certificate Principal Balance of the Class M-5 Certificates (after taking into account the payment of the Class M-5 Principal Distribution Amount on such Distribution Date), (vii) the aggregate Certificate Principal Balance of the Class M-6 Certificates (after taking into account the payment of the Class M-6 Principal Distribution Amount on such Distribution Date), (viii) the aggregate Certificate Principal Balance of the Class M-7 Certificates (after taking into account the payment of the Class M-7 Principal Distribution Amount on such Distribution Date), (ix) the aggregate Certificate Principal Balance of the Class M-8 Certificates (after taking into account the payment of the Class M-8 Principal Distribution Amount on such Distribution Date) and (x) the aggregate Certificate Principal Balance of the Class M-9 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 95.90% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to

scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-10 Certificate”: Any one of the Class M-10 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-14, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-10 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-10 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date), (iv) the aggregate Certificate Principal Balance of the Class M-3 Certificates (after taking into account the payment of the Class M-3 Principal Distribution Amount on such Distribution Date), (v) the aggregate Certificate Principal Balance of the Class M-4 Certificates (after taking into account the payment of the Class M-4 Principal Distribution Amount on such Distribution Date), (vi) the aggregate Certificate Principal Balance of the Class M-5 Certificates (after taking into account the payment of the Class M-5 Principal Distribution Amount on such Distribution Date), (vii) the aggregate Certificate Principal Balance of the Class M-6 Certificates (after taking into account the payment of the Class M-6 Principal Distribution Amount on such Distribution Date), (viii) the aggregate Certificate Principal Balance of the Class M-7 Certificates (after taking into account the payment of the Class M-7 Principal Distribution Amount on such Distribution Date), (ix) the aggregate Certificate Principal Balance of the Class M-8 Certificates (after taking into account the payment of the Class M-8 Principal Distribution Amount on such Distribution Date), (x) the aggregate Certificate Principal Balance of the Class M-9 Certificates (after taking into account the payment of the Class M-9 Principal Distribution Amount on such Distribution Date), and (xi) the aggregate Certificate Principal Balance of the Class M-10 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) approximately 97.90% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class M-11 Certificate”: Any one of the Class M-11 Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-15, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC 3.

“Class M-11 Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Class M-11 Certificates immediately prior to such Distribution Date and (II) the excess of (x) the sum of (i) the aggregate Certificate Principal Balance of the Class A Certificates (after taking into account the payment of the Class A Principal Distribution Amount on such Distribution Date), (ii) the aggregate Certificate Principal Balance of the Class M-1 Certificates (after taking into account the payment of the Class M-1 Principal Distribution Amount on such Distribution Date), (iii) the aggregate Certificate Principal Balance of the Class M-2 Certificates (after taking into account the payment of the Class M-2 Principal Distribution Amount on such Distribution Date), (iv) the aggregate Certificate Principal Balance of the Class M-3 Certificates (after taking into account the payment of the Class M-3 Principal Distribution Amount on such Distribution Date), (v) the aggregate Certificate Principal Balance of the Class M-4 Certificates (after taking into account the payment of the Class M-4 Principal Distribution Amount on such Distribution Date), (vi) the aggregate Certificate Principal Balance of the Class M-5 Certificates (after taking into account the payment of the Class M-5 Principal Distribution Amount on such Distribution Date), (vii) the aggregate Certificate Principal Balance of the Class M-6 Certificates (after taking into account the payment of the Class M-6 Principal Distribution Amount on such Distribution Date), (viii) the aggregate Certificate Principal Balance of the Class M-7 Certificates (after taking into account the payment of the Class M-7 Principal Distribution Amount on such Distribution Date), (ix) the aggregate Certificate Principal Balance of the Class M-8 Certificates (after taking into account the payment of the Class M-8 Principal Distribution Amount on such Distribution Date), (x) the aggregate Certificate Principal Balance of the Class M-9 Certificates (after taking into account the payment of the Class M-9 Principal Distribution Amount on such Distribution Date), (xi) the aggregate Certificate Principal Balance of the Class M-10 Certificates (after taking into account the payment of the Class M-10 Principal Distribution Amount on such Distribution Date) and (xii) the aggregate Certificate Principal Balance of the Class M-11 Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) approximately 99.00% and (ii) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus the Overcollateralization Floor.

“Class P Certificate”: Any one of the Class P Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-17, executed, authenticated and delivered by the Trustee, representing the right to distributions as set forth herein and therein and evidencing a regular interest in REMIC PX.

“Class P Interest” An uncertificated interest in the Trust Fund held by the Trustee on behalf of the Holders of the Class P Certificates, evidencing a Regular Interest in REMIC 3 for purposes of the REMIC Provisions.

“Class R Certificate”: Any one of the Class R Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-18, executed, authenticated and delivered by the Trustee, evidencing the ownership of the Class R-1 Interest, the Class R-2 Interest and the Class R-3 Interest.

“Class R-1 Interest”: The Residual Interest in REMIC 1.

“Class R-2 Interest”: The Residual Interest in REMIC 2.

“Class R-3 Interest”: The Residual Interest in REMIC 3.

“Class R-CX Certificate”: Any one of the Class R-CX Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-19, executed, authenticated and delivered by the Trustee, evidencing the ownership of the Class R-CX Interest and the Class R-SwapX Interest.

“Class R-CX Interest”: The Residual Interest in REMIC CX.

“Class R-PX Certificate”: Any one of the Class R-PX Certificates as designated on the face thereof substantially in the form annexed hereto as Exhibit A-20, executed, authenticated and delivered by the Trustee, evidencing the ownership of the Class R-PX Interest.

“Class R-PX Interest”: The Residual Interest in REMIC PX.

“Class R-SwapX Interest” The Residual Interest in REMIC SwapX.

“Class Swap IO Interest” An uncertificated interest in the Trust Fund, evidencing a Regular Interest in REMIC 3 for purposes of the REMIC Provisions.

“Class Swap IO Upper-Tier Interest” A certificated interest in the Trust Fund, evidencing a Regular Interest in REMIC SwapX for purposes of the REMIC Provisions.

“Close of Business”: As used herein, with respect to any Business Day, 5:00 p.m. (New York time).

“Closing Date”: September 7, 2005.

“Closing Date Mortgage Loans”: The Group I Closing Date Mortgage Loans and the Group II Closing Date Mortgage Loans.

“Code”: The Internal Revenue Code of 1986, as amended.

“Collection Account”: The account or accounts created and maintained by the Master Servicer pursuant to Section 3.10(a), which shall be entitled “Deutsche Bank National Trust

Company, as Trustee, in trust for registered Holders of Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3” and which must be an Eligible Account.

“Commission”: The Securities and Exchange Commission.

“Compensating Interest”: As defined in Section 3.24.

“Controlling Person”: The NIMS Insurer, if no NIMS Insurer Default is continuing, or the Holders of the majority of the Percentage Interest of the Class C Certificates, if there is no NIMS Insurer or if a NIMS Insurer Default has occurred and is continuing.

“Corporate Trust Office”: The principal corporate trust office of the Trustee at which at any particular time its corporate trust business in connection with this Agreement shall be administered, which office at the date of the execution of this instrument is located at 1761 East St. Andrew Place, Santa Ana, California 92705, or at such other address as the Trustee may designate from time to time by notice to the Certificateholders, the Swap Counterparty, the Depositor and the Master Servicer.

“Corresponding Certificates”: As shown on the following chart:

<u>REMIC 2 Regular Interest</u>	<u>Corresponding Certificate</u>
IA	Class I-A Certificates
IIA1	Class II-A1 Certificates
IIA2	Class II-A2 Certificates
IIA3	Class II-A3 Certificates
M1	Class M-1 Certificates
M2	Class M-2 Certificates
M3	Class M-3 Certificates
M4	Class M-4 Certificates
M5	Class M-5 Certificates
M6	Class M-6 Certificates
M7	Class M-7 Certificates
M8	Class M-8 Certificates
M9	Class M-9 Certificates
M10	Class M-10 Certificates

<u>REMIC 2 Regular Interest</u>	<u>Corresponding Certificate</u>
M11	Class M-11 Certificates
Class C Interest	Class C Certificates
P and the Class P Interest	Class P Certificates

“Counterparty Payment”: With respect to any Distribution Date is an amount equal to the product of (i) USD-LIBOR-BBA for such Distribution Date, (ii) the Swap Notional Amount for such Distribution Date and (iii) a fraction, the numerator of which is the actual number of days elapsed in the related Calculation Period and the denominator of which is 360.

“Credit Enhancement Percentage”: With respect to any Distribution Date, the percentage equivalent of a fraction, the numerator of which is (x) the sum of the aggregate Certificate Principal Balance of the Mezzanine Certificates and the Uncertificated Principal Balance of the Class C Interest, calculated prior to distribution of the Group I Principal Distribution Amount and the Group II Principal Distribution Amount in respect of the Certificates then entitled to distributions of principal on such Distribution Date, and the denominator of which is (y) the aggregate Stated Principal Balance of the Mortgage Loans, calculated prior to taking into account payments of principal on the Mortgage Loans due on the related Due Date or received during the related Prepayment Period.

“Cumulative Loss Trigger Event”: A Cumulative Loss Trigger Event has occurred with respect to any Distribution Date in or after September 2007, if the percentage obtained by dividing (x) the aggregate amount of Realized Losses incurred (less any Subsequent Recoveries) with respect to the Mortgage Loans from the Cut-off Date through the last day of the related Due Period by (y) the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, exceeds the applicable percentage set forth below for such Distribution Date:

<u>Distribution Date Occurring in</u>	<u>Cumulative Loss Percentage</u>
September 2007 through August 2008	1.20% for the first month, plus an additional 1/12th of 1.30% for each month thereafter.
September 2008 through August 2009	2.50% for the first month, plus an additional 1/12th of 1.00% for each month thereafter.
September 2009 through August 2010	3.50% for the first month, plus an additional 1/12th of 0.50% for each month thereafter.
September 2010 through August 2011	4.00% for the first month, plus an additional 1/12th of 0.40% for each month thereafter.
September 2011 and thereafter	4.40% for each month.

“Custodial Agreement”: Any agreement that may be entered into by the Trustee and any Custodian or any agreement assigned to the Trustee providing for holding and safekeeping of Mortgage Files on behalf of the Trust.

“Custodian”: A custodian appointed as provided in Section 8.11 hereof pursuant to a Custodial Agreement.

“Cut-off Date”: With respect to each Closing Date Mortgage Loan, August 1, 2005; and with respect to each Qualified Substitute Mortgage Loan, its date of substitution, as applicable.

“Cut-off Date Aggregate Principal Balance”: The aggregate of the Cut-off Date Principal Balances of the Mortgage Loans.

“Cut-off Date Principal Balance”: With respect to any Mortgage Loan, the unpaid principal balance thereof as of the Cut-off Date (with respect to a Closing Date Mortgage Loan); or as of the applicable date of substitution (with respect to a Qualified Substitute Mortgage Loan), after giving effect to scheduled payments due on or before the Cut-off Date, whether or not received.

“DBRS”: Dominion Bond Rating Service, Inc. or its successor in interest.

“Debt Service Reduction”: With respect to any Mortgage Loan, a reduction in the scheduled Monthly Payment for such Mortgage Loan by a court of competent jurisdiction in a proceeding under the Bankruptcy Code, except such a reduction resulting from a Deficient Valuation.

“Deficient Valuation”: With respect to any Mortgage Loan, a valuation of the related Mortgaged Property by a court of competent jurisdiction in an amount less than the then outstanding principal balance of the Mortgage Loan, which valuation results from a proceeding initiated under the Bankruptcy Code.

“Definitive Certificates”: As defined in Section 5.01(b) hereof.

“Deleted Mortgage Loan”: A Mortgage Loan replaced or to be replaced by one or more Qualified Substitute Mortgage Loans.

“Delinquency Percentage”: With respect to any Distribution Date, the percentage obtained by dividing (x) the aggregate Stated Principal Balance of (i) Mortgage Loans Delinquent 60 days or more, (ii) REO Properties related to the Mortgage Loans and (iii) Mortgage Loans in foreclosure and in bankruptcy (excluding any such Mortgage Loans which are less than 60 days Delinquent under the bankruptcy plan) by (y) the aggregate Stated Principal Balance of the Mortgage Loans, in each case, calculated prior to taking into account payments of principal on the Mortgage Loans due on the related Due Date or received during the related Prepayment Period.

“Delinquency Trigger Event”: A Delinquency Trigger Event has occurred with respect to a Distribution Date if the Delinquency Percentage exceeds 41.00% of the Credit Enhancement Percentage.

“Delinquent”: With respect to any Mortgage Loan and related Monthly Payment, the Monthly Payment due on a Due Date which is not made by the Close of Business on the next scheduled Due Date for such Mortgage Loan. For example, a Mortgage Loan is 60 or more days Delinquent if the Monthly Payment due on a Due Date is not made by the Close of Business on the second scheduled Due Date after such Due Date.

“Depositor”: Long Beach Securities Corp., a Delaware corporation, or any successor in interest.

“Depository”: The initial Depository shall be The Depository Trust Company, whose nominee is Cede & Co., or any other organization registered as a “clearing agency” pursuant to Section 17A of the Securities Exchange Act of 1934, as amended. The Depository shall initially be the registered Holder of the Book-Entry Certificates. The Depository shall at all times be a “clearing corporation” as defined in Section 8-102(3) of the Uniform Commercial Code of the State of New York.

“Depository Participant”: A broker, dealer, bank or other financial institution or other Person for whom from time to time a Depository effects book-entry transfers and pledges of securities deposited with the Depository.

“Determination Date”: With respect to any Distribution Date, the 15th day of the calendar month in which such Distribution Date occurs or, if such 15th day is not a Business Day, the Business Day immediately preceding such 15th day.

“Directly Operate”: With respect to any REO Property, the furnishing or rendering of services to the tenants thereof, the management or operation of such REO Property, the holding of such REO Property primarily for sale to customers, the performance of any construction work thereon or any use of such REO Property in a trade or business conducted by the REMIC other than through an Independent Contractor; provided, however, that the Trustee (or the Master Servicer on behalf of the Trustee) shall not be considered to Directly Operate an REO Property solely because the Trustee (or the Master Servicer on behalf of the Trustee) establishes rental terms, chooses tenants, enters into or renews leases, deals with taxes and insurance, or makes decisions as to repairs or capital expenditures with respect to such REO Property.

“Disqualified Organization”: Any: (A) “disqualified organization” under Section 860E of the Code, which as of the Closing Date is any of (i) the United States, any state or political subdivision thereof, any foreign government, any international organization, or any agency or instrumentality of any of the foregoing, (ii) any organization (other than a cooperative described in Section 521 of the Code) which is exempt from the tax imposed by Chapter 1 of the Code unless such organization is subject to the tax imposed by Section 511 of the Code, or (iii) any organization described in Section 1381(a)(2)(C) of the Code; (B) “electing large partnership” within the meaning of Section 775 of the Code; or (C) other Person so designated by the Trustee based upon an Opinion of Counsel provided by nationally recognized counsel to the Trustee that the holding of an ownership interest in a Residual Certificate by such Person may cause the Trust Fund or any Person having an ownership interest in any Class of Certificates (other than such Person) to incur liability for any federal tax imposed under the Code that would not otherwise be imposed but for the transfer of an ownership interest in a Residual Certificate to such Person. A corporation will not be treated as an instrumentality of the United States or of any state or

political subdivision thereof if all of its activities are subject to income tax and a majority of its board of directors is not selected by a governmental unit. The terms “United States,” “state” and “international organization” shall have the meanings set forth in Section 7701 of the Code.

“Distribution Account”: The trust account or accounts created and maintained by the Trustee pursuant to Section 3.10(b) which shall be entitled “Distribution Account, Deutsche Bank National Trust Company, as Trustee, in trust for the registered Certificateholders of Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3” and which must be an Eligible Account.

“Distribution Date”: The 25th day of any calendar month, or if such 25th day is not a Business Day, the Business Day immediately following such 25th day, commencing in September 2005.

“Due Date”: With respect to each Distribution Date, the first day of the calendar month in which such Distribution Date occurs, which is the day of the month on which the Monthly Payment is due on a Mortgage Loan, exclusive of any days of grace.

“Due Period”: With respect to any Distribution Date, the period commencing on the second day of the month preceding the month in which such Distribution Date occurs and ending on the first day of the month in which such Distribution Date occurs.

“Early Termination Date”: As defined in the Swap Agreement.

“Eligible Account”: Any of (i) an account or accounts maintained with a federal or state chartered depository institution or trust company the short-term unsecured debt obligations of which (or, in the case of a depository institution or trust company that is the principal subsidiary of a holding company, the short-term unsecured debt obligations of such holding company) are rated no lower than P-1 by Moody’s, F-1 by Fitch and A-1 by S&P (or comparable ratings if Moody’s, Fitch and S&P are not the Rating Agencies) at the time any amounts are held on deposit therein; provided that so long as Washington Mutual Bank is the Sub-Servicer, any account maintained with Washington Mutual Bank shall be an Eligible Account if the long-term unsecured debt obligations of Washington Mutual Bank are rated no lower than “A2” by Moody’s, or “A” by Fitch and “A-” by S&P and the short-term unsecured debt obligations of Washington Mutual Bank are rated no lower than A-2 by S&P, provided that if the long-term unsecured debt obligations of Washington Mutual Bank are downgraded by S&P to a rating lower than “A-” or the short-term unsecured debt obligations of Washington Mutual Bank are downgraded by S&P to a rating lower than A-2, Washington Mutual Bank shall transfer the deposits in any account maintained by Washington Mutual Bank (unless any such account is otherwise qualified as an Eligible Account pursuant to (ii), (iii) or (iv) of the definition of Eligible Account) to an Eligible Account within ten (10) Business Days of notification of such downgrade, (ii) an account or accounts the deposits in which are fully insured by the FDIC (to the limits established by such corporation), the uninsured deposits in which account are otherwise secured such that, as evidenced by an Opinion of Counsel delivered to the Trustee and to each Rating Agency, the Certificateholders will have a claim with respect to the funds in such account or a perfected first priority security interest against such collateral (which shall be limited to Permitted Investments) securing such funds that is superior to claims of any other depositors or creditors of the depository institution with which such account is maintained, (iii) a

trust account or accounts maintained with the trust department of a federal or state chartered depository institution, national banking association or trust company acting in its fiduciary capacity or (iv) an account otherwise acceptable to the NIMS Insurer and each Rating Agency without reduction or withdrawal of their then current ratings of the Certificates as evidenced by a letter from each Rating Agency to the Trustee. Eligible Accounts may bear interest.

“ERISA”: The Employee Retirement Income Security Act of 1974, as amended.

“Escrow Payments”: As defined in Section 3.09 hereof.

“Extra Principal Distribution Amount”: With respect to any Distribution Date, the lesser of (x) the Net Monthly Excess Cashflow for such Distribution Date and (y) the Overcollateralization Deficiency Amount for such Distribution Date.

“Extraordinary Trust Fund Expense”: Any amounts reimbursable to the Trustee, or any director, officer, employee or agent of the Trustee, from the Trust Fund pursuant to Section 8.05, any amounts payable from the Distribution Account in respect of taxes pursuant to Section 10.01(g)(iii), any amounts payable from the Distribution Account in respect of any REMIC pursuant to Section 10.01(c), any amounts payable from the Trust Fund as a trustee fee for any successor trustee and any amounts payable by the Trustee for the recording of the assignments of mortgage pursuant to Section 2.01.

“Fannie Mae”: Federal National Mortgage Association, or any successor thereto.

“FDIC”: Federal Deposit Insurance Corporation, or any successor thereto.

“Final Maturity Reserve Account”: As defined in Section 4.10(a) hereof.

“Final Maturity Reserve Funding Date”: The earlier of (a) the Distribution Date in September 2035 and (b) the Distribution Date on which the amount on deposit in the Final Maturity Reserve Account (after giving effect to all distributions on such Distribution Date other than distributions from the Final Maturity Reserve Account) is equal to the lesser of (i) \$145,071,278 and (ii) the Stated Principal Balance of the Mortgage Loans having 40-year original terms to maturity (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period).

“Final Maturity Reserve Rate”: An annual rate of 0.50%.

“Final Maturity Reserve Shortfall”: With respect to any Distribution Date, the excess of (a) the lesser of (i) \$145,071,278 and (ii) the Stated Principal Balance of the Mortgage Loans having 40-year original terms to maturity (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) over (b) amounts on deposit in the Final Maturity Reserve Account (after giving effect to all distributions on such Distribution Date other than distributions from the Final Maturity Reserve Account).

“Final Recovery Determination”: With respect to any defaulted Mortgage Loan or any REO Property (other than a Mortgage Loan or REO Property purchased by the Seller or the Master Servicer pursuant to or as contemplated by Section 2.03, Section 3.16(c) or Section 9.01), a determination made by the Master Servicer that all Insurance Proceeds, Liquidation Proceeds and other payments or recoveries which the Master Servicer, in its reasonable good faith judgment, expects to be finally recoverable in respect thereof have been so recovered. The Master Servicer shall maintain records, prepared by a Servicing Representative, of each Final Recovery Determination made thereby.

“Fitch”: Fitch Ratings, Inc., or its successor in interest.

“Fixed Rate Mortgage Loan”: A Mortgage Loan which provides for a fixed Mortgage Rate payable with respect thereto.

“Formula Rate”: For any Distribution Date and the Class A Certificates and the Mezzanine Certificates, the lesser of (i) LIBOR plus the related Certificate Margin and (ii) the related Maximum Cap Rate.

“Freddie Mac”: The Federal Home Loan Mortgage Corporation, or any successor thereto.

“Gross Margin”: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage set forth in the related Mortgage Note that is added to the Index on each Adjustment Date in accordance with the terms of the related Mortgage Note used to determine the Mortgage Rate for such Mortgage Loan.

“Gross Subsequent Recoveries”: Any unexpected recoveries related to a Liquidated Mortgage Loan received by the Master Servicer which were allocated as a Realized Loss in reducing a Certificate Principal Balance of a Class of the Mezzanine Certificates on a Distribution Date prior to the Prepayment Period in which such funds were received. Gross Subsequent Recoveries may include but are not limited to unanticipated insurance settlements, tax refunds or mortgage bankruptcy distributions.

“Group I Closing Date Mortgage Loans”: Any of the Group I Mortgage Loans included in the Trust Fund on the Closing Date. The aggregate Cut-off Date Principal Balance of the Group I Closing Date Mortgage Loans is equal to \$712,402,118.06.

“Group I Final Maturity Reserve Amount”: With respect to any Distribution Date (a) on and after the Distribution Date in September 2012 up to and including the Final Maturity Reserve Funding Date, if the Stated Principal Balance of the Mortgage Loans having 40-year original terms to maturity is equal to or greater than the Scheduled Final Maturity Balance for such Distribution Date, the lesser of (A) the product of (i) the Final Maturity Reserve Rate, (ii) the aggregate Stated Principal Balance of the Group I Mortgage Loans on the first day of the related Due Period (not including for this purpose the Group I Mortgage Loans for which prepayments in full have been received and distributed in the month prior to that Distribution Date) and (iii) a fraction, the numerator of which is 30 and the denominator of which is 360 and (B) the Final Maturity Reserve Shortfall for such Distribution Date multiplied by a fraction, (1) the numerator of which is the aggregate Stated Principal Balance of the Group I Mortgage Loans

on the first day of the related Due Period (not including for this purpose the Group I Mortgage Loans for which prepayments in full have been received and distributed in the month prior to that Distribution Date), and (2) the denominator of which is the aggregate Stated Principal Balance of the Mortgage Loans on the first day of the related Due Period (not including for this purpose the Mortgage Loans for which prepayments in full have been received and distributed in the month prior to that Distribution Date), and (b) on any other Distribution Date, zero.

“Group I Interest Remittance Amount”: With respect to any Distribution Date, that portion of the Available Funds for such Distribution Date attributable to interest received or advanced with respect to the Group I Mortgage Loans or to Compensating Interest paid by the Master Servicer with respect to the Group I Mortgage Loans.

“Group I Mortgage Loans”: Those Mortgage Loans identified as Group I Mortgage Loans on the Mortgage Loan Schedule.

“Group I Net Swap Payment”: With respect to any Distribution Date, the Net Swap Payment for such Distribution Date multiplied by the Group I Swap Percentage for such Distribution Date.

“Group I Principal Allocation Percentage”: With respect to any Distribution Date, the percentage equivalent of a fraction, the numerator of which is (x) the Group I Principal Remittance Amount for such Distribution Date, and the denominator of which is (y) the Principal Remittance Amount for such Distribution Date.

“Group I Principal Distribution Amount”: With respect to any Distribution Date, the sum of (i) the Group I Principal Remittance Amount and (ii) the Extra Principal Distribution Amount multiplied by the Group I Principal Allocation Percentage for such Distribution Date.

“Group I Principal Remittance Amount”: With respect to any Distribution Date, the sum of (i) all scheduled payments of principal collected or advanced on the Group I Mortgage Loans by the Master Servicer that were due during the related Due Period, (ii) all partial and full principal prepayments of the Group I Mortgage Loans applied by the Master Servicer during the related Prepayment Period, (iii) the principal portion of all Net Liquidation Proceeds, Insurance Proceeds and Gross Subsequent Recoveries received during the related Prepayment Period with respect to the Group I Mortgage Loans, (iv) that portion of the Purchase Price, representing principal of any repurchased Group I Mortgage Loan, deposited to the Collection Account during the related Prepayment Period, (v) the principal portion of any Substitution Adjustments deposited in the Collection Account during the related Prepayment Period with respect to the Group I Mortgage Loans and (vi) on the Distribution Date on which the Trust is to be terminated in accordance with this Agreement, that portion of the Termination Price representing principal with respect to the Group I Mortgage Loans.

“Group I Swap Payment”: With respect to any Distribution Date, the Swap Payment for such Distribution Date multiplied by the Group I Swap Percentage for such Distribution Date.

“Group I Swap Percentage”: With respect to any Distribution Date, the percentage equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Group I Mortgage Loans and the denominator of which is the aggregate Stated Principal Balance

of the Mortgage Loans, in each case, as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period).

“Group I Swap Termination Payment”: The Swap Termination Payment payable by the Trust multiplied by the Group I Swap Percentage for such Distribution Date.

“Group II Final Maturity Reserve Amount”: With respect to any Distribution Date (a) on and after the Distribution Date in September 2012 up to and including the Final Maturity Reserve Funding Date, if the Stated Principal Balance of the Mortgage Loans having 40-year original terms to maturity is equal to or greater than the Scheduled Final Maturity Balance for such Distribution Date, the lesser of (A) the product of (i) the Final Maturity Reserve Rate, (ii) the aggregate Stated Principal Balance of the Group II Mortgage Loans on the first day of the related Due Period (not including for this purpose the Group II Mortgage Loans for which prepayments in full have been received and distributed in the month prior to that Distribution Date) and (iii) a fraction, the numerator of which is 30 and the denominator of which is 360 and (B) the Final Maturity Reserve Shortfall for such Distribution Date multiplied by a fraction, (1) the numerator of which is the aggregate Stated Principal Balance of the Group II Mortgage Loans on the first day of the related Due Period (not including for this purpose the Group II Mortgage Loans for which prepayments in full have been received and distributed in the month prior to that Distribution Date), and (2) the denominator of which is the aggregate Stated Principal Balance of the Mortgage Loans on the first day of the related Due Period (not including for this purpose the Mortgage Loans for which prepayments in full have been received and distributed in the month prior to that Distribution Date), and (b) on any other Distribution Date, zero.

“Group II Closing Date Mortgage Loans”: Any of the Group II Mortgage Loans included in the Trust Fund on the Closing Date. The aggregate Cut-off Date Principal Balance of the Group II Closing Date Mortgage Loans is equal to \$815,417,455.14.

“Group II Interest Remittance Amount”: With respect to any Distribution Date, that portion of the Available Funds for such Distribution Date attributable to interest received or advanced with respect to the Group II Mortgage Loans or to Compensating Interest paid by the Master Servicer with respect to the Group II Mortgage Loans.

“Group II Mortgage Loans”: Those Mortgage Loans identified as Group II Mortgage Loans on the Mortgage Loan Schedule.

“Group II Net Swap Payment”: With respect to any Distribution Date, the Net Swap Payment for such Distribution Date multiplied by the Group II Swap Percentage for such Distribution Date.

“Group II Principal Allocation Percentage”: With respect to any Distribution Date, the percentage equivalent of a fraction, the numerator of which is (x) the Group II Principal Remittance Amount for such Distribution Date, and the denominator of which is (y) the Principal Remittance Amount for such Distribution Date.

“Group II Principal Distribution Amount”: With respect to any Distribution Date, the sum of (i) the Group II Principal Remittance Amount and (ii) the Extra Principal Distribution Amount multiplied by the Group II Principal Allocation Percentage for such Distribution Date.

“Group II Principal Remittance Amount”: With respect to any Distribution Date, the sum of (i) all scheduled payments of principal collected or advanced on the Group II Mortgage Loans by the Master Servicer that were due during the related Due Period, (ii) all partial and full principal prepayments of the Group II Mortgage Loans applied by the Master Servicer during the related Prepayment Period, (iii) the principal portion of all Net Liquidation Proceeds, Insurance Proceeds and Gross Subsequent Recoveries received during the related Prepayment Period with respect to the Group II Mortgage Loans, (iv) that portion of the Purchase Price, representing principal of any repurchased Group II Mortgage Loan, deposited to the Collection Account during the related Prepayment Period, (v) the principal portion of any Substitution Adjustments deposited in the Collection Account during the related Prepayment Period with respect to the Group II Mortgage Loans and (vi) on the Distribution Date on which the Trust is to be terminated in accordance with this Agreement, that portion of the Termination Price representing principal with respect to the Group II Mortgage Loans.

“Group II Senior Certificates”: The Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates.

“Group II Senior Principal Distribution Amount”: With respect to any Distribution Date on or after the Stepdown Date and on which a Trigger Event is not in effect, the amount equal to the lesser of (I) the aggregate Certificate Principal Balance of the Group II Senior Certificates immediately prior to such Distribution Date and (II) the excess of (x) the aggregate Certificate Principal Balance of the Group II Senior Certificates immediately prior to such Distribution Date over (y) the lesser of (A) the product of (i) 69.80% and (ii) the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) and (B) the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) minus 0.50% of the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the Cut-off Date.

“Group II Swap Payment”: With respect to any Distribution Date, the Swap Payment for such Distribution Date multiplied by the Group II Swap Percentage for such Distribution Date.

“Group II Swap Percentage”: With respect to any Distribution Date, the percentage equivalent of a fraction, the numerator of which is the aggregate Stated Principal Balance of the Group II Mortgage Loans and the denominator of which is the aggregate Stated Principal Balance of the Mortgage Loans, in each case, as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period).

“Group II Swap Termination Payment”: The Swap Termination Payment payable by the Trust multiplied by the Group II Swap Percentage for such Distribution Date.

“Indenture”: The indenture or a document of similar import, if any, entered into following the Closing Date, by the NIMS Issuer relating to the NIM Notes to be issued thereunder.

“Independent”: When used with respect to any specified Person, any such Person who (a) is in fact independent of the Depositor, the Master Servicer and their respective Affiliates, (b) does not have any direct financial interest in or any material indirect financial interest in the Depositor or the Master Servicer or any Affiliate thereof, and (c) is not connected with the Depositor or the Master Servicer or any Affiliate thereof as an officer, employee, promoter, underwriter, trustee, trust administrator, partner, director or Person performing similar functions; provided, however, that a Person shall not fail to be Independent of the Depositor or the Master Servicer or any Affiliate thereof merely because such Person is the beneficial owner of 1% or less of any class of securities issued by the Depositor or the Master Servicer or any Affiliate thereof, as the case may be.

“Independent Contractor”: Either (i) any Person (other than the Master Servicer) that would be an “independent contractor” with respect to any of the REMICs created hereunder within the meaning of Section 856(d)(3) of the Code if such REMIC were a real estate investment trust (except that the ownership tests set forth in that Section shall be considered to be met by any Person that owns, directly or indirectly, 35% or more of any Class of Certificates), so long as each such REMIC does not receive or derive any income from such Person and provided that the relationship between such Person and such REMIC is at arm’s length, all within the meaning of Treasury Regulation Section 1.856-4(b)(5), or (ii) any other Person (including the Master Servicer) if the Trustee has received an Opinion of Counsel to the effect that the taking of any action in respect of any REO Property by such Person, subject to any conditions therein specified, that is otherwise herein contemplated to be taken by an Independent Contractor will not cause such REO Property to cease to qualify as “foreclosure property” within the meaning of Section 860G(a)(8) of the Code (determined without regard to the exception applicable for purposes of Section 860D(a) of the Code), or cause any income realized in respect of such REO Property to fail to qualify as Rents from Real Property.

“Index”: With respect to each Adjustable Rate Mortgage Loan and with respect to each related Adjustment Date, the index as specified in the related Mortgage Note.

“Initial Certificate Principal Balance”: With respect to any Regular Certificate, the amount designated “Initial Certificate Principal Balance” on the face thereof.

“Initial Notional Amount”: With respect to any Class C Certificate, the amount designated “Initial Notional Amount” on the face thereof.

“Insurance Proceeds”: Proceeds of any title policy, hazard policy or other insurance policy covering a Mortgage Loan or the related Mortgaged Property (including any related PMI Policy), to the extent such proceeds are not (i) to be applied to the restoration of the related Mortgaged Property or released to the Mortgagor in accordance with the procedures that the Master Servicer would follow in servicing mortgage loans held for its own account, subject to

the terms and conditions of the related Mortgage Note and Mortgage or (ii) Gross Subsequent Recoveries with respect to such Mortgage Loan.

“Insured NIM Notes”: Net interest margin securities, if any, issued by the NIMS Issuer, which are backed, in whole or in part, by the cashflow on certain or all of the Class C Certificates and the Class P Certificates and insured by the NIMS Insurer.

“Interest Determination Date”: With respect to the Class A Certificates and the Mezzanine Certificates and each Accrual Period, the second LIBOR Business Day preceding the commencement of such Accrual Period.

“Interest Remittance Amount”: The Group I Interest Remittance Amount and the Group II Interest Remittance Amount.

“Late Collections”: With respect to any Mortgage Loan, all amounts received subsequent to the Determination Date immediately following any related Due Period, whether as late payments of Monthly Payments or as Insurance Proceeds, Liquidation Proceeds, Gross Subsequent Recoveries or otherwise, which represent late payments or collections of principal and/or interest due (without regard to any acceleration of payments under the related Mortgage and Mortgage Note) but delinquent on a contractual basis for such Due Period and not previously recovered.

“LIBOR”: With respect to each Accrual Period, the rate determined by the Trustee on the related Interest Determination Date on the basis of the “Interest Settlement Rate” for United States dollar deposits of one-month maturity set forth by the British Bankers’ Association (the “BBA”), as such rate appears on the Telerate Page 3750, as of 11:00 a.m. (London time) on such Interest Determination Date. With respect to any Interest Determination Date, if the BBA’s Interest Settlement Rate does not appear on Telerate Page 3750 as of 11:00 a.m. (London time) on such date, or if Telerate Page 3750 is not available on such date the Trustee will obtain such rate from Reuters Monitor Money Rates Service page “LIBOR01” or Bloomberg L.P. page “BBAM.” Alternatively, the Trustee may request the principal London office of each of the Reference Banks to provide a quotation of its rate. On such Interest Determination Date, LIBOR for the related Accrual Period will be established by the Trustee as follows:

(i) If on such Interest Determination Date two or more Reference Banks provide such offered quotations, LIBOR for the related Accrual Period shall be the arithmetic mean of such offered quotations (rounded upwards if necessary to the nearest whole multiples of 0.03125%); and

(ii) If on such Interest Determination Date fewer than two Reference Banks provide such offered quotations, LIBOR for the related Accrual Period shall be the higher of (i) LIBOR as determined on the previous Interest Determination Date and (ii) the Reserve Interest Rate.

The Trustee will select a particular index as the alternative index only if it receives an Opinion of Counsel that the selection of such index will not cause any REMIC to lose its classification as a REMIC for federal income tax purposes.

“LIBOR Business Day”: Any day on which banks in The City of London, England and New York City are open for conducting transactions in foreign currency and exchange.

“Liquidated Mortgage Loan”: As to any Distribution Date, any Mortgage Loan in respect of which the Master Servicer has determined, in accordance with the servicing procedures specified herein, as of the end of the related Prepayment Period, that all Liquidation Proceeds which it expects to recover with respect to the liquidation of the Mortgage Loan or disposition of the related REO Property have been recovered.

“Liquidation Event”: With respect to any Mortgage Loan, any of the following events: (i) such Mortgage Loan is paid in full; (ii) a Final Recovery Determination is made as to such Mortgage Loan or (iii) such Mortgage Loan is removed from the Trust Fund by reason of its being purchased, sold or replaced pursuant to or as contemplated by Section 2.03, Section 3.16(c) or Section 9.01. With respect to any REO Property, either of the following events: (i) a Final Recovery Determination is made as to such REO Property or (ii) such REO Property is removed from the Trust Fund by reason of its being sold or purchased pursuant to Section 3.16(c), Section 3.23 or Section 9.01.

“Liquidation Proceeds”: The amount (other than amounts received in respect of the rental of any REO Property prior to REO Disposition) received by the Master Servicer in connection with (i) the taking of all or a part of a Mortgaged Property by exercise of the power of eminent domain or condemnation, (ii) the liquidation of a defaulted Mortgage Loan by means of a trustee’s sale, foreclosure sale or otherwise or (iii) the repurchase, substitution or sale of a Mortgage Loan or an REO Property pursuant to or as contemplated by Section 2.03, Section 3.16(c), Section 3.23 or Section 9.01.

“Loan Group”: Either Loan Group I or Loan Group II.

“Loan Group I”: All of the Group I Mortgage Loans collectively.

“Loan Group II”: All of the Group II Mortgage Loans collectively.

“Loan-to-Value Ratio”: As of any date and as to any Mortgage Loan, the fraction, expressed as a percentage, the numerator of which is the (x) Principal Balance of the Mortgage Loan (if such Mortgage Loan is secured by a first lien on the related Mortgaged Property) or the sum of the Principal Balance of the Mortgage Loan and any other mortgage loan secured by a senior lien on the related Mortgaged Property (if such Mortgage Loan is secured by a junior lien on the related Mortgaged Property) and the denominator of which is (y) the Value of the related Mortgaged Property.

“Lost Note Affidavit”: With respect to any Mortgage Loan as to which the original Mortgage Note has been permanently lost or destroyed and has not been replaced, an affidavit from the Seller certifying that the original Mortgage Note has been lost or destroyed (together with a copy of the related Mortgage Note and indemnifying the Trust against any loss, cost or liability resulting from the failure to deliver the original Mortgage Note) in the form of Exhibit H hereto.

“Marker Rate”: With respect to the Class C Interest and any Distribution Date, a per annum rate equal to two (2) multiplied by the weighted average of the Pass-Through Rates for REMIC 2 Regular Interests AIA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, M11 and ZZ, with (A) the rates on each such REMIC 2 Regular Interest (other than the REMIC 2 Regular Interest ZZ) subject to a cap equal to the lesser of (i) LIBOR plus the Certificate Margin for the Corresponding Certificate for such REMIC 2 Regular Interest, and (ii) the Net WAC Rate for the Corresponding Certificates as computed for federal income tax purposes, (B) the rate on REMIC 2 Regular Interest ZZ subject to a cap of zero for purposes of this calculation, and (C) the rates on all of the REMIC 2 Regular Interests multiplied by a fraction the numerator of which is the actual number of days elapsed in the Accrual Period for each such REMIC 2 Regular Interest and the denominator of which is 30.

“Master Servicer”: Long Beach Mortgage Company, a Delaware corporation, or any successor servicer appointed as herein provided, in its capacity as Master Servicer hereunder.

“Master Servicer Event of Default”: One or more of the events described in Section 7.01.

“Master Servicer Prepayment Charge Payment Amount”: The amounts (i) payable by the Master Servicer in respect of any Prepayment Charges waived other than in accordance with the standard set forth in Section 2.04(a)(viii) or (ii) collected from the Master Servicer in its capacity as Seller in respect of a remedy for the breach of the representation and warranty made by the Master Servicer in its capacity as Seller set forth in Section 2.04(a)(vii).

“Master Servicer Remittance Date”: With respect to any Distribution Date, 3:00 p.m. New York time on the Business Day preceding the Distribution Date.

“Maximum Cap Rate”:

For any Distribution Date and the Class I-A Certificates, a per annum rate equal to (a) the product of (i) the weighted average of the Adjusted Net Maximum Mortgage Rates of the Group I Mortgage Loans, weighted on the basis of the Stated Principal Balances thereof as of the Due Date in the month preceding the month of such Distribution Date and (ii) the sum of (I) a fraction (1) the numerator of which is the aggregate Stated Principal Balance of the Mortgage Loans as of the Due Date in the month preceding the month of such Distribution Date, and (2) the denominator of which is aggregate Certificate Principal Balance of the Offered Certificates immediately prior to such Distribution Date, and (II) a fraction (1) the numerator of which is (A) any Net Counterparty Payment for such Distribution Date less (B) the Final Maturity Reserve Amount for such Distribution Date less (C) any unpaid Swap Termination Payment payable by the Trust, including any amount remaining unpaid from prior Distribution Dates (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), less (D) the Net Swap Payment, if any, for such Distribution Date, in each case multiplied by 12, and (2) the denominator of which is the aggregate Certificate Principal Balance of the Offered Certificates immediately prior to such Distribution Date multiplied by (b) a fraction, the numerator of which is 30 and the denominator of which is the actual number of days elapsed in the related Accrual Period.

For any Distribution Date and the Group II Senior Certificates, a per annum rate equal to (a) the product of (i) the weighted average of the Adjusted Net Maximum Mortgage Rates of the

Group II Mortgage Loans, weighted on the basis of the Stated Principal Balances thereof as of the Due Date in the month preceding the month of such Distribution Date and (ii) the sum of (I) a fraction (1) the numerator of which is the aggregate Stated Principal Balance of the Mortgage Loans as of the Due Date in the month preceding the month of such Distribution Date, and (2) the denominator of which is aggregate Certificate Principal Balance of the Offered Certificates immediately prior to such Distribution Date, and (II) a fraction (1) the numerator of which is (A) any Net Counterparty Payment for such Distribution Date less (B) the Final Maturity Reserve Amount for such Distribution Date less (C) any unpaid Swap Termination Payment payable by the Trust, including any amount remaining unpaid from prior Distribution Dates (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), less (D) the Net Swap Payment, if any, for such Distribution Date, in each case multiplied by 12, and (2) the denominator of which is the aggregate Certificate Principal Balance of the Offered Certificates immediately prior to such Distribution Date multiplied by (b) a fraction, the numerator of which is 30 and the denominator of which is the actual number of days elapsed in the related Accrual Period.

For any Distribution Date and the Mezzanine Certificates, a per annum rate equal to the weighted average (weighted on the basis of the results of subtracting from the aggregate principal balance of each Loan Group the sum of the current Certificate Principal Balances of the related classes of the Class A Certificates) of (1) the Maximum Cap Rate with respect to the Class FA Certificates and (2) the Maximum Cap Rate with respect to the Group II Senior Certificates multiplied by (b) a fraction, the numerator of which is 30 and the denominator of which is the actual number of days elapsed in the related Accrual Period.

“Maximum ZZ Uncertificated Accrued Interest Deferral Amount”: With respect to any Distribution Date, the excess of (i) Uncertificated Accrued Interest calculated with the Uncertificated Pass-Through Rate for REMIC 2 Regular Interest ZZ and an Uncertificated Principal Balance equal to the excess of (x) the Uncertificated Principal Balance of REMIC 2 Regular Interest ZZ over (y) the REMIC 2 Overcollateralized Amount, in each case for such Distribution Date, over (ii) Uncertificated Accrued Interest on REMIC 2 Regular Interests A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10 and M11, with the rate on each such REMIC 2 Regular Interest subject to a cap equal to the lesser of (i) LIBOR plus the Certificate Margin for the Corresponding Certificate for such REMIC 2 Regular Interest, and (ii) the Net WAC Rate for the Corresponding Certificates as computed for federal income tax purposes; provided, however, that for this purpose, calculations of the Uncertificated REMIC 2 Pass-Through Rate and the related caps with respect to all of the REMIC 2 Regular Interests shall be multiplied by a fraction, the numerator of which is the actual number of days in the Accrual Period and the denominator of which is 30.

“Maximum Mortgage Rate”: With respect to each Mortgage Loan, the percentage set forth in the related Mortgage Note as the maximum Mortgage Rate thereunder.

“Mezzanine Certificates”: The Class M-1 Certificates, the Class M-2 Certificates, the Class M-3 Certificates, the Class M-4 Certificates, the Class M-5 Certificates, the Class M-6 Certificates, the Class M-7 Certificates, the Class M-8 Certificates, the Class M-9 Certificates, the Class M-10 Certificates and the Class M-11 Certificates.

“Minimum Mortgage Rate”: With respect to each Mortgage Loan, the percentage set forth in the related Mortgage Note as the minimum Mortgage Rate thereunder.

“Monthly Interest Distributable Amount”: With respect to any Distribution Date and the Class A Certificates and the Mezzanine Certificates, the amount of interest accrued during the related Accrual Period at the related Pass-Through Rate on the Certificate Principal Balance of such Class immediately prior to such Distribution Date. With respect to the Class C Interest and any Distribution Date, the amount of interest accrued during the related Accrual Period at the related Pass-Through Rate on the Notional Amount of such Class immediately prior to such Distribution Date. With respect to the Class C Certificates and any Distribution Date, the Monthly Interest Distributable Amount shall equal the Monthly Interest Distributable Amount for the Class C Interest.

In all cases, the Monthly Interest Distributable Amount for any Class of Certificates and the Class C Interest shall be reduced by any Net Prepayment Interest Shortfalls and Relief Act Interest Shortfalls allocated to such Class under Section 1.03.

“Monthly Payment”: With respect to any Mortgage Loan, the scheduled monthly payment of principal and interest on such Mortgage Loan which is payable by the related Mortgagor from time to time under the related Mortgage Note, determined: (a) after giving effect to (i) any Deficient Valuation and/or Debt Service Reduction with respect to such Mortgage Loan and (ii) any reduction in the amount of interest collectible from the related Mortgagor pursuant to the Relief Act; (b) without giving effect to any extension granted or agreed to by the Master Servicer pursuant to Sections 3.01 and 3.07; and (c) on the assumption that all other amounts, if any, due under such Mortgage Loan are paid when due.

“Moody’s”: Moody’s Investors Service, Inc. or its successor in interest.

“Mortgage”: The mortgage, deed of trust or other instrument creating a first lien or second lien on, or first priority security interest in or second priority security interest in, a Mortgaged Property securing a Mortgage Note.

“Mortgage File”: The mortgage documents listed in Section 2.01 pertaining to a particular Mortgage Loan and any additional documents required to be added to the Mortgage File pursuant to this Agreement.

“Mortgage Loan”: Each mortgage loan transferred and assigned to the Trustee and delivered to the Trustee or another Custodian pursuant to Section 2.01 or Section 2.03(d) as from time to time held as a part of the Trust Fund, the Mortgage Loans so held being identified in the Mortgage Loan Schedule.

“Mortgage Loan Purchase Agreement”: The agreement between the Master Servicer, in its capacity as Seller, and the Depositor, regarding the transfer of the Mortgage Loans by the Seller to or at the direction of the Depositor, substantially in the form attached hereto as Exhibit C.

“Mortgage Loan Schedule”: As of any date, the list of Mortgage Loans included in REMIC 1 on such date, attached hereto as Exhibit D. The Mortgage Loan Schedule shall be

prepared by the Seller and shall set forth the following information as of the Cut-off Date with respect to each Mortgage Loan, as applicable:

- (i) the Mortgagor's name and the originator's Mortgage Loan identifying number;
- (ii) the street address of the Mortgaged Property including the state and zip code;
- (iii) a code indicating whether the Mortgaged Property is owner-occupied;
- (iv) the type of Residential Dwelling constituting the Mortgaged Property;
- (v) the original months to maturity;
- (vi) the Loan-to-Value Ratio and the combined Loan-to-Value Ratio at origination;
- (vii) the Mortgage Rate in effect immediately following the Cut-off Date;
- (viii) the date on which the first Monthly Payment was due on the Mortgage Loan;
- (ix) the stated maturity date;
- (x) the amount of the Monthly Payment due on the first Due Date after the Cut-off Date;
- (xi) the last Due Date on which a Monthly Payment was actually applied to the unpaid Stated Principal Balance;
- (xii) the original principal amount of the Mortgage Loan;
- (xiii) the Stated Principal Balance of the Mortgage Loan as of the Close of Business on the Cut-off Date;
- (xiv) whether such Mortgage Loan is a Fixed Rate Mortgage Loan or an Adjustable Rate Mortgage Loan, and with respect to each Adjustable Rate Mortgage Loan: (a) the Gross Margin, (b) the Maximum Mortgage Rate, (c) the Minimum Mortgage Rate, (d) the Periodic Rate Cap for the first Adjustment Date and each subsequent Adjustment Date and (e) the next Adjustment Date immediately following the Cut-off Date;
- (xv) a code indicating the purpose of the Mortgage Loan (i.e., purchase financing, rate/term refinancing, cash-out refinancing);

- (xvi) the Mortgage Rate at origination;
- (xvii) a code indicating the documentation program;
- (xviii) the Seller's risk grade and the FICO score;
- (xix) the Origination Value of the Mortgaged Property;
- (xx) the sale price of the Mortgaged Property, if applicable;
- (xxi) whether such Mortgage Loan is secured by a first lien or a second lien on the related Mortgaged Property;
- (xxii) the date of origination;
- (xxiii) the stated remaining months to maturity as of the Cut-off Date;
- (xxiv) the current principal and interest payment of the Mortgage Loan as of the Cut-off Date;
- (xxv) the interest "paid to date" of the Mortgage Loan as of the Cut-off Date;
- (xxvi) a code indicating whether the Mortgage Loan is a Group I Mortgage Loan or a Group II Mortgage Loan;
- (xxvii) a code indicating the Index that is associated with such Mortgage Loan (if such Mortgage Loan is an Adjustable Rate Mortgage Loan);
- (xxviii) the rate adjustment frequency (if such Mortgage Loan is an Adjustable Rate Mortgage Loan);
- (xxix) the number of years the prepayment penalty is in effect; and
- (xxx) a code indicating that such Mortgage Loan is covered under the PMI Policy, if applicable.

The Mortgage Loan Schedule shall set forth the following information, with respect to the Mortgage Loans in the aggregate as of the Cut-off Date: (1) the number of Mortgage Loans; (2) the Cut-off Date Principal Balance of the Mortgage Loans; (3) the weighted average Mortgage Rate of the Mortgage Loans and (4) the weighted average maturity of the Mortgage Loans. The Mortgage Loan Schedule shall be amended from time to time by the Master Servicer in accordance with the provisions of this Agreement. With respect to any Qualified Substitute Mortgage Loan, Cut-off Date shall refer to the related Cut-off Date for such Mortgage Loan, determined in accordance with the definition of Cut-off Date herein. The Mortgage Loan Schedule shall clearly identify the Mortgage Loans that are included in Group I Mortgage Loans and those that are included in Group II Mortgage Loans.

“Mortgage Note”: The original executed note or other evidence of indebtedness evidencing the indebtedness of a Mortgagor under a Mortgage Loan.

“Mortgage Pool”: The pool of Mortgage Loans, identified on Exhibit D from time to time, and any REO Properties acquired in respect thereof.

“Mortgage Rate”: With respect to each Fixed Rate Mortgage Loan, the annual rate set forth in the related Mortgage Note, as amended, modified or supplemented from time to time. With respect to each Adjustable Rate Mortgage Loan, the annual rate at which interest accrues on such Mortgage Loan from time to time in accordance with the provisions of the related Mortgage Note, which rate (A) as of any date of determination until the first Adjustment Date following the Cut-off Date shall be the rate set forth in the Mortgage Loan Schedule as the Mortgage Rate in effect immediately following the Cut-off Date and (B) as of any date of determination thereafter shall be the rate as adjusted on the most recent Adjustment Date, to equal the sum, rounded to the next highest or nearest 0.125% (as provided in the Mortgage Note), of the Index, determined as set forth in the related Mortgage Note, plus the related Gross Margin subject to the limitations set forth in the related Mortgage Note. With respect to each Mortgage Loan that becomes an REO Property, as of any date of determination, the annual rate determined in accordance with the immediately preceding sentence as of the date such Mortgage Loan became an REO Property.

“Mortgaged Property”: The underlying property securing a Mortgage Loan, including any REO Property, consisting of a fee simple or leasehold estate in a parcel of real property improved by a Residential Dwelling.

“Mortgagor”: The obligor on a Mortgage Note.

“Net Counterparty Payment”: With respect to any Distribution Date, the amount, if any, by which the Counterparty Payment for such Distribution Date exceeds the Swap Payment for such Distribution Date.

“Net Liquidation Proceeds”: With respect to any Liquidated Mortgage Loan or any other disposition of related Mortgaged Property (including REO Property), the related Liquidation Proceeds net of Advances, Servicing Advances, Servicing Fees and any other servicing fees received and retained in connection with the liquidation of such Mortgage Loan or Mortgaged Property in accordance with the terms of this Agreement.

“Net Monthly Excess Cashflow”: With respect to each Distribution Date, the sum of (a) any Remaining Principal Distribution Amount and (b) the positive excess of (x) Available Funds for such Distribution Date over (y) the sum for such Distribution Date of (A) the Monthly Interest Distributable Amounts for the Class A Certificates and the Mezzanine Certificates, (B) the Unpaid Interest Shortfall Amounts for the Class A Certificates, (C) the Net Swap Payment, (D) the Aggregate Final Maturity Reserve Amount, (E) any unpaid Swap Termination Payment payable by the Trust, including any amount remaining unpaid from prior Distribution Dates (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), and (F) the Principal Remittance Amount.

“Net Mortgage Rate”: With respect to any Mortgage Loan (or the related REO Property), as of any date of determination, a per annum rate of interest equal to the then applicable Mortgage Rate for such Mortgage Loan minus the Servicing Fee Rate.

“Net Prepayment Interest Shortfall”: With respect to any Distribution Date, the excess, if any, of any Prepayment Interest Shortfalls for such date over the related Compensating Interest.

“Net Swap Payment”: With respect to any Distribution Date, the amount, if any, by which the Swap Payment exceeds the Counterparty Payment on such Distribution Date.

“Net WAC Rate”:

For any Distribution Date (other than the first Distribution Date) and the Class I-A Certificates is a per annum rate equal to (a) the excess, if any, of (i) the weighted average of the Adjusted Net Mortgage Rates of the Group I Mortgage Loans, weighted on the basis of the Stated Principal Balances thereof as of the Due Date in the month preceding the month of such Distribution Date over (ii) the percentage equivalent of a fraction, (1) the numerator of which is the sum of (A) the Group I Final Maturity Reserve Amount for such Distribution Date, (B) any unpaid Group I Swap Termination Payment, including any amount remaining unpaid from prior Distribution Dates (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), and (C) the Group I Net Swap Payment, if any, for such Distribution Date, in each case multiplied by 12, and (2) the denominator of which is the aggregate Stated Principal Balance of the Group I Mortgage Loans as of the Due Date in the month preceding the month of such Distribution Date multiplied by (b) a fraction, the numerator of which is 30 and the denominator of which is the actual number of days elapsed in the related Accrual Period. For federal income tax purposes, the Net WAC Rate for the Class I-A Certificates shall be expressed as a rate equal to the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest 1GRP multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days elapsed in the related Accrual Period.

For any Distribution Date (other than the first Distribution Date) and the Group II Senior Certificates is a per annum rate equal to (a) the excess, if any, of (i) the weighted average of the Adjusted Net Mortgage Rates of the Group II Mortgage Loans, weighted on the basis of the Stated Principal Balances thereof as of the Due Date in the month preceding the month of such Distribution Date over (ii) the percentage equivalent of a fraction, (1) the numerator of which is the sum of (A) the Group II Final Maturity Reserve Amount for such Distribution Date, (B) any unpaid Group II Swap Termination Payment, including any amount remaining unpaid from prior Distribution Dates (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), and (C) the Group II Net Swap Payment, if any, for such Distribution Date, in each case multiplied by 12, and (2) the denominator of which is the aggregate Stated Principal Balance of the Group II Mortgage Loans as of the Due Date in the month preceding the month of such Distribution Date multiplied by (b) a fraction, the numerator of which is 30 and the denominator of which is the actual number of days elapsed in the related Accrual Period. For federal income tax purposes, the Net WAC Rate for the Group II Senior Certificates shall be expressed as a rate equal to the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest 2GRP multiplied by a fraction, the numerator of which is 30 and the denominator of which is the actual number of days elapsed in the related Accrual Period.

For any Distribution Date and the Mezzanine Certificates, the Subordinated Net WAC Rate.

The Net WAC Rate determined for federal income tax purposes may differ from the Net WAC Rate. In particular, the Net WAC Rate for federal income tax purposes will not be reduced by the amount of any Swap Termination Payment. The treatment of differences between the Net WAC Rate and the Rate determined for federal income tax purposes is provided in Section 10.01(l).

“Net WAC Rate Carryover Amount”: With respect to the Class A Certificates, the Mezzanine Certificates and any Distribution Date for which the Pass-Through Rate for such Class of Certificates for such Distribution Date is the related Net WAC Rate, the sum of (i) the positive excess of (A) the amount of interest that would have been distributable to such Class of Certificates on such Distribution Date if the Pass-Through Rate for such Class of Certificates for such Distribution Date were calculated at the related Formula Rate over (B) the amount of interest distributable on such Class of Certificates at the related Net WAC Rate for such Distribution Date and (ii) the related Net WAC Rate Carryover Amount for the previous Distribution Date not previously distributed together with interest thereon at a rate equal to the related Formula Rate for such Class of Certificates for the most recently ended Accrual Period.

“New Lease”: Any lease of REO Property entered into on behalf of the Trust, including any lease renewed or extended on behalf of the Trust if the Trust has the right to renegotiate the terms of such lease.

“NIM Notes”: The Insured NIM Notes and the Other NIM Notes.

“NIMS Insurer”: A Person, or any of its successors that shall be the insurer under an insurance policy insuring certain payments on Insured NIM Notes, if any, provided, however, upon the occurrence of certain events (as set forth in the Indenture and/or any other agreement among such Person, the NIMS Issuer, the Master Servicer, the Trustee and/or other Persons), the NIMS Insurer shall be the Person designated in the Indenture or such other agreement. If none of the net interest margin securities have been issued by the NIMS Issuer, that are insured by an insurance policy, there shall be no NIMS Insurer under this Agreement, all references to the NIMS Insurer or Insured NIM Notes in this agreement are for administrative convenience only, shall be completely disregarded and no Person shall have any rights of the NIMS Insurer under this Agreement.

“NIMS Insurer Default”: The existence and continuation of any default by the NIMS Insurer (including a failure by the NIMS Insurer to make a payment) under an insurance policy or policies issued in connection with the Indenture.

“NIMS Issuer”: One or more Affiliates of the Depositor and/or one or more entities sponsored by an Affiliate of the Depositor.

“Nonrecoverable Advance”: Any Advance or Servicing Advance previously made or proposed to be made in respect of a Mortgage Loan or REO Property that, in the good faith business judgment of the Master Servicer, will not or, in the case of a proposed Advance or

Servicing Advance, would not be ultimately recoverable from related late payments, Insurance Proceeds or Liquidation Proceeds on such Mortgage Loan or REO Property as provided herein.

“Notional Amount”: With respect to the Class C Interest, immediately prior to any Distribution Date, an amount equal to the aggregate of the Uncertificated Principal Balances of the REMIC 1 Regular Interests. With respect to the Class C Certificates, immediately prior to any Distribution Date, an amount equal to the Notional Amount of the Class C Interest. The Notional Amount of the Class Swap IO Interest, the Class Swap IO Upper-Tier Interest and REMIC 2 Regular Interest Swap IO will at all times equal the Uncertificated Principal Balances of the REMIC 1 Regular Interests with the designation “A” on such Distribution Date.

“Officers’ Certificate”: A certificate signed by the Chairman of the Board, the Vice Chairman of the Board, the President or a vice president (however denominated), and by the Treasurer, the Secretary, or one of the assistant treasurers or assistant secretaries of the Master Servicer, the Seller or the Depositor, as applicable.

“Opinion of Counsel”: A written opinion of counsel, who may, without limitation, be a salaried counsel for the Depositor or the Master Servicer, reasonably acceptable to the Trustee, if such opinion is delivered to the Trustee, except that any opinion of counsel relating to (a) the qualification of any Trust REMIC as a REMIC or (b) compliance with the REMIC Provisions must be an opinion of Independent counsel.

“Optional Termination Date”: The first Distribution Date on which the aggregate Stated Principal Balance of the Mortgage Loans and each REO Property remaining in the Trust Fund is equal to or less than 10% of the Cut-off Date Principal Balance of the Closing Date Mortgage Loans.

“Original Class Certificate Principal Balance”: With respect to the Class A Certificates, the Mezzanine Certificates and the Class P Certificates, the corresponding Certificate Principal Balance on the Closing Date.

“Original Class Notional Amount”: With respect to the Class C Interest, \$1,527,819,573.20.

“Origination Value”: With respect to any Mortgaged Property, the lesser of (i) the Appraised Value thereof and (ii) the value thereof as determined and assigned at origination by a review appraisal conducted by the Seller.

“Other NIM Notes”: Net Interest Margin Securities, if any, issued by the NIMS Issuer, which are backed, in whole or in part, by the cashflow on certain Class C Certificates and the Class P Certificates and not insured by any NIMS Insurer.

“Overcollateralization Deficiency Amount”: With respect to any Distribution Date, the amount, if any, by which the Overcollateralization Target Amount exceeds the Overcollateralized Amount on such Distribution Date (assuming that 100% of the aggregate Principal Remittance Amount is applied as a principal payment on such Distribution Date).

“Overcollateralization Floor”: 0.50% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date.

“Overcollateralization Target Amount”: With respect to any Distribution Date, 0.50% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-Off Date.

“Overcollateralized Amount”: With respect to any Distribution Date, the amount, if any, by which (i) the aggregate Stated Principal Balance of the Mortgage Loans on the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period) exceeds (ii) the sum of the aggregate Certificate Principal Balances of the Class A Certificates, the Mezzanine Certificates and the Uncertificated Principal Balance of the Class P Interest as of such Distribution Date (after giving effect to distributions to be made on such Distribution Date, other than distributions of the Extra Principal Distribution Amount, if any).

“Ownership Interest”: As to any Certificate, any ownership or security interest in such Certificate, including any interest in such Certificate as the Holder thereof and any other interest therein, whether direct or indirect, legal or beneficial, as owner or as pledgee.

“Pass-Through Rate”:

With respect to the Class A Certificates and the Mezzanine Certificates for any Distribution Date (other than the first Distribution Date), the lesser of (x) the related Formula Rate for such Distribution Date and (y) the related Net WAC Rate for such Distribution Date.

With respect to the Class A Certificates and the Mezzanine Certificates and the first Distribution Date, the related Formula Rate for such Distribution Date.

For federal income tax purposes, the Pass-Through Rate for any Certificate (other than the Class C, Class P, and Class R Certificates) will never exceed the Net WAC Rate for such Certificate, as such Net WAC Rate is determined for federal income tax purposes. Amounts (other than principal) paid on the Certificates (other than the Class C, Class P, and Class R Certificates) in excess of the Net WAC Rate as determined for federal income tax purposes shall be treated as paid outside of any REMIC.

With respect to the Class C Interest and any Distribution Date, a per annum rate equal to the percentage equivalent of a fraction, the numerator of which is the sum of the amounts calculated pursuant to clauses (A) through (R) below, and the denominator of which is the aggregate of the Uncertificated Principal Balances of REMIC 3 Regular Interests AA, A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, M11 and ZZ. For purposes of calculating the Pass-Through Rate for the Class C Interest, the numerator is equal to the sum of the following components:

(A) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 3 Regular Interest AA minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest AA;

(B) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest A-IA minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest A-IA;

(C) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest A-IIA1 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest A-IIA1;

(D) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest A-IIA2 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest A-IIA2;

(E) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest A-IIA3 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest A-IIA3;

(F) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M1 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M1;

(G) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M2 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M2;

(H) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M3 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M3;

(I) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M4 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M4;

(J) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M5 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M5;

(K) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M6 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M6;

(L) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M7 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M7;

(M) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M8 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M8;

(N) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M9 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M9;

(O) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M10 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M10;

(P) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest M11 minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest M11; and

(Q) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest ZZ minus the Marker Rate, applied to an amount equal to the Uncertificated Principal Balance of REMIC 2 Regular Interest ZZ.

The Class C Certificates will not have a Pass-Through Rate, but will be entitled to 100% of the distributions on the Class C Interest.

With respect to the Class Swap IO Interest, the Class Swap IO Interest shall not have a Pass-Through Rate, but will be entitled to 100% of the interest paid by REMIC 2 Regular Interest Swap IO. The Class Swap IO Upper-Tier Interest will not have a Pass-Through Rate but will be entitled to 100% of the interest paid on the Class Swap IO Interest.

With respect to the Class FMR IO Interest and any Distribution Date, a per annum rate equal to the Final Maturity Rate. However, for federal income tax purposes and under the REMIC Provisions, the Class FMR IO Interest will not have a Pass-Through Rate, but will be entitled to 100% of the interest paid by REMIC 2 Regular Interest FMR IO.

“Percentage Interest”: With respect to any Certificate (other than a Residual Certificate), a fraction, expressed as a percentage, the numerator of which is the Initial Certificate Principal Balance or Initial Notional Amount represented by such Certificate and the denominator of which is the Original Class Certificate Principal Balance or Original Class Notional Amount of the related Class. With respect to a Residual Certificate, the portion of the Class evidenced thereby, expressed as a percentage, as stated on the face of such Certificate; provided, however, with respect to each Class referred to in this paragraph, that the sum of all such percentages for each such Class totals 100%.

“Periodic Rate Cap”: With respect to each Adjustable Rate Mortgage Loan and any Adjustment Date therefor, the fixed percentage set forth in the related Mortgage Note, which is the maximum amount by which the Mortgage Rate for such Mortgage Loan may increase or decrease (without regard to the Maximum Mortgage Rate or the Minimum Mortgage Rate) on such Adjustment Date from the Mortgage Rate in effect immediately prior to such Adjustment Date.

“Permitted Investments”: Any one or more of the following obligations or securities acquired at a purchase price of not greater than par, regardless of whether issued or managed by

the Depositor, the Master Servicer, the NIMS Insurer, the Trustee or any of their respective Affiliates or for which an Affiliate of the NIMS Insurer or the Trustee serves as an advisor:

(i) direct obligations of, or obligations fully guaranteed as to timely payment of principal and interest by, the United States or any agency or instrumentality thereof, provided such obligations are backed by the full faith and credit of the United States;

(ii) (A) demand and time deposits in, certificates of deposit of, bankers' acceptances issued by or federal funds sold by any depository institution or trust company (including the Trustee or its agents acting in their commercial capacities) incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by federal and/or state authorities, so long as, at the time of such investment or contractual commitment providing for such investment, such depository institution or trust company (or, if the only Rating Agency is S&P, in the case of the principal depository institution in a depository institution holding company, debt obligations of the depository institution holding company) or its ultimate parent has a short-term unsecured debt rating in the highest available rating category of Fitch, Moody's and S&P and provided that each such investment has an original maturity of no more than 365 days; and provided further that, if the only Rating Agency is S&P and if the depository or trust company is a principal subsidiary of a bank holding company and the debt obligations of such subsidiary are not separately rated, the applicable rating shall be that of the bank holding company; and, provided further that, if the original maturity of such short-term obligations of a domestic branch of a foreign depository institution or trust company shall exceed 30 days, the short-term rating of such institution shall be A-1+ in the case of S&P if S&P is the Rating Agency; and (B) any other demand or time deposit or deposit which is fully insured by the FDIC;

(iii) repurchase obligations with a term not to exceed 30 days with respect to any security described in clause (i) above and entered into with a depository institution or trust company (acting as principal) rated F-1+ or higher by Fitch, rated A-1+ by S&P and rated A2 or higher by Moody's;

(iv) securities bearing interest or sold at a discount that are issued by any corporation incorporated under the laws of the United States of America or any State thereof and that are rated by each Rating Agency in its highest long-term unsecured rating category at the time of such investment or contractual commitment providing for such investment;

(v) commercial paper (including both non-interest-bearing discount obligations and interest-bearing obligations payable on demand or on a specified date not more than 30 days after the date of acquisition thereof) that is rated by each Rating Agency in its highest short-term unsecured debt rating available at the time of such investment;

(vi) units of taxable money market funds (which may be 12b-1 funds, as contemplated under the rules promulgated by the Securities and Exchange Commission under the Investment Company Act of 1940), which funds have the highest rating available for such securities from the Rating Agencies or which have been designated in writing by the Rating Agencies as Permitted Investments; and

(vii) if previously confirmed in writing to the Trustee, any other demand, money market or time deposit, or any other obligation, security or investment, as may be acceptable to the Rating Agencies in writing as a permitted investment of funds backing securities having ratings equivalent to its highest initial rating of the Class A Certificates;

provided, that no instrument described hereunder shall evidence either the right to receive (a) only interest with respect to the obligations underlying such instrument or (b) both principal and interest payments derived from obligations underlying such instrument and the interest and principal payments with respect to such instrument provide a yield to maturity at par greater than 120% of the yield to maturity at par of the underlying obligations.

The Trustee or its Affiliates are permitted to receive additional compensation (such compensation shall not be an expense of the Trust or constitute an Extraordinary Trust Fund Expense) that could be deemed to be in the Trustee's economic self-interest for (i) serving as investment adviser, administrator, shareholder servicing agent, custodian or sub-custodian with respect to certain of the Permitted Investments, (ii) using Affiliates to effect transactions in certain Permitted Investments and (iii) effecting transactions in certain Permitted Investments.

"Permitted Transferee": Any transferee of a Residual Certificate other than a Disqualified Organization or a non-U.S. Person.

"Person": Any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Plan": Any employee benefit plan or certain other retirement plans and arrangements, including individual retirement accounts and annuities, Keogh plans and bank collective investment funds and insurance company general or separate accounts in which such plans, accounts or arrangements are invested, that are subject to ERISA or Section 4975 of the Code.

"PMI Insurer": None of the Mortgage Loans are insured by a primary mortgage insurance policy. References to the PMI Insurer, PMI Insurer Fee, PMI Insurer Fee Rate, PMI Mortgage Loans and PMI Policy are left in this Agreement for administrative convenience and shall be completely disregarded. There are no PMI Mortgage Loans or any PMI Insurer under this Agreement and no Person shall have any rights of the PMI Insurer under this Agreement.

"PMI Insurer Fee": The amount payable to the PMI Insurer on each Distribution Date, which amount shall equal one twelfth of the product of (i) the PMI Insurer Fee Rate, multiplied by (ii) the aggregate Stated Principal Balance of the PMI Mortgage Loans and any related REO

Properties as of the first day of the related Due Period plus any applicable premium taxes on the PMI Mortgage Loans located in the States of West Virginia and Kentucky.

“PMI Insurer Fee Rate”: 0.00% per annum.

“PMI Mortgage Loans”: The Mortgage Loans insured by the PMI Insurer set forth on the list of Mortgage Loans attached hereto as Schedule IV. There are no PMI Mortgage Loans under this Agreement.

“PMI Policy”: Not applicable.

“Preference Claim”: As defined in Section 4.02 hereof.

“Prepayment Assumption”: The pricing prepayment assumption as described in the Prospectus Supplement.

“Prepayment Charge”: With respect to any Mortgage Loan, the charges or premiums, if any, due in connection with a full or partial prepayment of such Mortgage Loan in accordance with the terms thereof (other than any Master Servicer Prepayment Charge Payment Amount).

“Prepayment Charge Schedule”: As of the Cut-off Date, a list attached hereto as Schedule I (including the Prepayment Charge Summary attached thereto), setting forth the following information with respect to each Prepayment Charge:

- (i) the Mortgage Loan identifying number;
- (ii) a code indicating the type of Prepayment Charge;
- (iii) the state of origination of the related Mortgage Loan;
- (iv) the date on which the first monthly payment was due on the related Mortgage Loan;
- (v) the term of the related Prepayment Charge; and
- (vi) the principal balance of the related Mortgage Loan as of the Cut-off Date.

The Prepayment Charge Schedule shall be amended from time to time by the Master Servicer in accordance with the provisions of this Agreement and a copy of each related amendment shall be furnished by the Master Servicer to the NIMS Insurer and the Trustee.

“Prepayment Interest Excess”: With respect to any Distribution Date, for each Mortgage Loan for which a Principal Prepayment in full is applied on or after the first calendar day of the month of such Distribution Date and before the 15th calendar day of such month, the amount of interest collected on such Principal Prepayment in full at the applicable Net Mortgage Rate from the first day of the month in which such Distribution Date occurs through the day on which such Principal Prepayment is applied.

“Prepayment Interest Shortfall”: With respect to any Distribution Date, for each Mortgage Loan that was during the related Prepayment Period the subject of a Principal Prepayment in full or in part that was applied by the Master Servicer to reduce the outstanding principal balance of such loan on a date preceding the Due Date in the month in which such Distribution Date occurs, an amount equal to interest at the applicable Net Mortgage Rate on the amount of such Principal Prepayment for the lesser of (i) the number of days commencing on the date on which the prepayment is applied and ending on the last day of the month in which such Principal Prepayment is applied and (ii) 30 days. The obligations of the Master Servicer in respect of any Prepayment Interest Shortfall are set forth in Section 3.24. For avoidance of doubt, no Prepayment Interest Shortfalls shall exist with respect to Principal Prepayments in full which are applied during the period from the first through the 14th day of the month of the related Distribution Date.

“Prepayment Period”: With respect to any Distribution Date, (i) the period from the 15th day of the month immediately preceding the month in which such Distribution Date occurs (or in the case of the first Distribution Date, the Cut-off Date) through the 14th day of the month in which such Distribution Date occurs, inclusive, for purposes of Principal Prepayments in full; and (ii) the calendar month immediately preceding the calendar month in which such Distribution Date occurs, for any other purpose. Except for purposes of calculating Prepayment Interest Excess, Principal Prepayments made during the calendar month immediately preceding the Cut-off Date and received by the Master Servicer shall be deemed to be received after the Cut-off Date and during the Prepayment Period related to the first Distribution Date.

“Prime Rate”: The prime rate of United States money center commercial banks as published in *The Wall Street Journal*.

“Principal Balance”: As to any Mortgage Loan other than a Liquidated Mortgage Loan, and any day, the related Cut-off Date Principal Balance, *minus* all collections credited against the Cut-off Date Principal Balance of any such Mortgage Loan. For purposes of this definition, a Liquidated Mortgage Loan shall be deemed to have a Principal Balance equal to the Principal Balance of the related Mortgage Loan as of the final recovery of related Liquidation Proceeds and a Principal Balance of zero thereafter. As to any REO Property and any day, the Principal Balance of the related Mortgage Loan shall equal the Principal Balance of the related Mortgage Loan immediately prior to such Mortgage Loan becoming REO Property minus any REO Principal Amortization received with respect thereto on or prior to such day.

“Principal Distribution Amount”: With respect to any Distribution Date, the sum of the Group I Principal Distribution Amount and the Group II Principal Distribution Amount.

“Principal Prepayment”: Any payment of principal made by the Mortgagor on a Mortgage Loan which is received in advance of its scheduled Due Date and which is not accompanied by an amount of interest representing the full amount of scheduled interest due on any Due Date in any month or months subsequent to the month of prepayment.

“Principal Remittance Amount”: With respect to any Distribution Date, the sum of the Group I Principal Remittance Amount and the Group II Principal Remittance Amount.

“Prospectus Supplement”: That certain Prospectus Supplement dated September 1, 2005 relating to the public offering of the Class A Certificates and the Mezzanine Certificates.

“Purchase Price”: With respect to any Mortgage Loan or REO Property to be purchased pursuant to or as contemplated by Section 2.03, Section 3.16(c) or Section 9.01, and as confirmed by an Officers’ Certificate from the Master Servicer to the Trustee, an amount equal to the sum of (i) 100% of the Stated Principal Balance thereof as of the date of purchase (or such other price as provided in Section 9.01), (ii) in the case of (x) a Mortgage Loan, accrued interest on such Stated Principal Balance at the applicable Net Mortgage Rate in effect from time to time from the Due Date as to which interest was last paid by the Mortgagor or by an advance by the Master Servicer through the end of the calendar month in which the purchase is to be effected and (y) an REO Property, the sum of (1) accrued interest on such Stated Principal Balance at the applicable Net Mortgage Rate in effect from time to time from the Due Date as to which interest was last paid by the Mortgagor or by an advance by the Master Servicer through the end of the calendar month immediately preceding the calendar month in which such REO Property was acquired, plus (2) REO Imputed Interest for such REO Property for each calendar month commencing with the calendar month in which such REO Property was acquired and ending with the calendar month in which such purchase is to be effected, net of the total of all net rental income, Insurance Proceeds, Liquidation Proceeds and Advances that as of the date of purchase had been distributed in respect of REO Imputed Interest pursuant to Section 4.01, (iii) any unreimbursed Servicing Advances, Advances and Nonrecoverable Advances and any unpaid Servicing Fees allocable to such Mortgage Loan or REO Property, (iv) any amounts previously withdrawn from the Collection Account in respect of such Mortgage Loan or REO Property pursuant to Section 3.11 (a)(ix) and Section 3.16(b), (v) in the case of a Mortgage Loan required to be purchased pursuant to Section 2.03, enforcement expenses reasonably incurred or to be incurred by the NIMS Insurer, the Master Servicer or the Trustee in respect of the breach or defect giving rise to the purchase obligation and (vi) in the case of a Mortgage Loan required to be repurchased pursuant to Section 2.03 because such Mortgage Loan is in breach of the representation in Section 6(xlvi) or in Section 6(lxi) of the Mortgage Loan Purchase Agreement, any additional costs or damages in excess of the amounts to be paid pursuant to clauses (i) through (v) above (including attorney’s fees) incurred by the Trust as a result of the Trust’s status as an assignee or purchaser of such Mortgage Loans.

Notwithstanding the foregoing, if an amount of Mortgage Loans (measured by the aggregate principal balance) that is in excess of 2.00% of the aggregate principal balance of the Closing Date Mortgage Loans as of the Cut-Off Date has previously been repurchased (exclusive of any Mortgage Loans purchased by the Holder of the Class C Certificates, the Master Servicer or the NIMS Insurer pursuant to Section 3.16(c)) or substituted for, then in addition to those requirements set forth above, the Purchase Price shall include the amount of any related Prepayment Charge (other than with respect to a Purchase Price paid in connection with Section 9.01).

“Qualified Substitute Mortgage Loan”: A mortgage loan substituted for a Deleted Mortgage Loan pursuant to the terms of this Agreement or the Mortgage Loan Purchase Agreement which must, on the date of such substitution, (i) have an outstanding principal balance (or in the case of a substitution of more than one mortgage loan for a Deleted Mortgage Loan, an aggregate principal balance), after application of all scheduled payments of principal and interest due during or prior to the month of substitution, not in excess of, and not more than

5.00% less than, the outstanding principal balance of the Deleted Mortgage Loan as of the Due Date in the calendar month during which the substitution occurs, (ii) have a Mortgage Rate not less than (and not more than one percentage point in excess of) the Mortgage Rate of the Deleted Mortgage Loan, (iii) if the Qualified Substitute Mortgage Loan is an Adjustable Rate Mortgage Loan, have a Maximum Mortgage Rate not greater than the Maximum Mortgage Rate on the Deleted Mortgage Loan and have a Minimum Mortgage Rate not less than the Minimum Mortgage Rate of the Deleted Mortgage Loan, (iv) if the Qualified Substitute Mortgage Loan is an Adjustable Rate Mortgage Loan, have a Gross Margin equal to or greater than the Gross Margin of the Deleted Mortgage Loan, (v) if the Qualified Substitute Mortgage Loan is an Adjustable Rate Mortgage Loan, have a next Adjustment Date not more than two months later than the next Adjustment Date on the Deleted Mortgage Loan, (vi) have a remaining term to maturity not greater than (and not more than one year less than) that of the Deleted Mortgage Loan, (vii) be current (with no contractual delinquencies outstanding) as of the date of substitution, (viii) have a Loan-to-Value Ratio as of the date of substitution equal to or lower than the Loan-to-Value Ratio of the Deleted Mortgage Loan as of such date, (ix) have a risk grading determined by the Seller at least equal to the risk grading assigned on the Deleted Mortgage Loan, (x) have been underwritten or reunderwritten by the Seller in accordance with the same or, as determined by the Seller, more favorable, underwriting guidelines as the Deleted Mortgage Loan, (xi) with respect to Qualified Substitute Mortgage Loans substituted for Deleted Mortgage Loans that are Group I Mortgage Loans, have had an original Principal Balance that conformed to Fannie Mae and Freddie Mac loan limits as of the date of its origination, (xii) be secured by the same property type as the Deleted Mortgage Loan, (xiii) have a lien priority equal to or superior to that of the Deleted Mortgage Loan, (xiv) be covered by the PMI Policy if the Deleted Mortgage Loan was covered by the PMI Policy, and (xv) conform to each representation and warranty set forth in Section 6 of the Mortgage Loan Purchase Agreement applicable to the Deleted Mortgage Loan. In the event that one or more mortgage loans are substituted for one or more Deleted Mortgage Loans, the amounts described in clause (i) hereof shall be determined on the basis of aggregate principal balances (applied separately for the Group I Mortgage Loans and Group II Mortgage Loans), the Mortgage Rates described in clauses (ii) through (v) hereof shall be satisfied for each such mortgage loan, the risk gradings described in clause (ix) hereof shall be satisfied as to each such mortgage loan, the terms described in clause (vi) hereof shall be determined on the basis of weighted average remaining term to maturity (provided that no such mortgage loan may have a remaining term to maturity longer than the Deleted Mortgage Loan), the Loan-to-Value Ratios described in clause (viii) hereof shall be satisfied as to each such mortgage loan and, except to the extent otherwise provided in this sentence, the representations and warranties described in clause (xv) hereof must be satisfied as to each Qualified Substitute Mortgage Loan or in the aggregate, as the case may be.

Notwithstanding the foregoing, if an amount of Mortgage Loans (measured by the aggregate principal balance) that is in excess of 2.00% of the aggregate principal balance of the Closing Date Mortgage Loans as of the Cut-Off Date has previously been repurchased (exclusive of any Mortgage Loans purchased by the Holder of the Class C Certificates, the Master Servicer or the NIMS Insurer pursuant to Section 3.16(c)) or substituted for, then in addition to clauses (i) through (xiv) above, each Qualified Substitute Mortgage Loan shall also have a Prepayment Charge provision at least as favorable to the Holders of the Class P Certificates as the Prepayment Charge provisions in the Deleted Mortgage Loan.

“Rate Change Date”: With respect to any REMIC 1 Regular Interest, the Distribution Date occurring in the month set forth as the Rate Change Date for such REMIC 1 Regular Interest in the Preliminary Statement.

“Rating Agency or Rating Agencies”: Fitch, Moody’s, DBRS and S&P or their successors. If such agencies or their successors are no longer in existence, “Rating Agencies” shall be such nationally recognized statistical rating agencies, or other comparable Persons, designated by the Depositor, notice of which designation shall be given to the Trustee and the Master Servicer.

“Realized Loss”: With respect to any Liquidated Mortgage Loan, the amount of loss realized equal to the portion of the Principal Balance remaining unpaid after application of all Net Liquidation Proceeds and Insurance Proceeds in respect of such Mortgage Loan.

“Record Date”: With respect to (i) the Class C Certificates, the Class P Certificates, the Residual Certificates and any Definitive Certificates, the Close of Business on the last Business Day of the calendar month preceding the month in which the related Distribution Date occurs and (ii) with respect to the Class A Certificates and the Mezzanine Certificates, the Close of Business on the Business Day immediately preceding the related Distribution Date; provided, however, that following the date on which Definitive Certificates for a Class A Certificate or a Mezzanine Certificate are available pursuant to Section 5.02, the Record Date for such Certificates shall be the last Business Day of the calendar month preceding the month in which the related Distribution Date occurs.

“Recording Documents”: As defined in Section 2.01 hereof.

“Reference Banks”: Those banks (i) with an established place of business in London, England, (ii) not controlling, under the control of or under common control with the Depositor, the Seller or the Master Servicer or any affiliate thereof and (iii) which have been designated as such by the Trustee with the consent of the NIMS Insurer; provided, however, that if fewer than two of such banks provide a LIBOR rate, then any leading banks selected by the Trustee with the consent of the NIMS Insurer which are engaged in transactions in United States dollar deposits in the international Eurocurrency market.

“Refinanced Mortgage Loan”: A Mortgage Loan the proceeds of which were not used to purchase the related Mortgaged Property.

“Regular Certificates”: The Class A Certificates, the Mezzanine Certificates, the Class C Certificates and the Class P Certificates.

“Relief Act”: The Servicemembers’ Civil Relief Act of 2003.

“Relief Act Interest Shortfall”: With respect to any Distribution Date, for any Mortgage Loan with respect to which there has been a reduction in the amount of interest collectible thereon for the most recently ended Due Period as a result of the application of the Relief Act, the amount by which (i) interest collectible on such Mortgage Loan during such Due Period is less than (ii) one month’s interest on the Principal Balance of such Mortgage Loan at the Mortgage Rate for such Mortgage Loan before giving effect to the application of the Relief Act.

“Remaining Principal Distribution Amount”: With respect to any Distribution Date, an amount equal to the Principal Distribution Amount remaining after the distributions set forth in Section 4.01(c)(i) through (iii).

“REMIC”: A “real estate mortgage investment conduit” within the meaning of Section 860D of the Code.

“REMIC 1”: The segregated pool of assets subject hereto, constituting a primary trust created hereby and to be administered hereunder, with respect to which a REMIC election is to be made consisting of: (i) such Mortgage Loans as from time to time are subject to this Agreement, together with the Mortgage Files relating thereto, and together with all collections thereon and proceeds thereof, (ii) any REO Property, together with all collections thereon and proceeds thereof, (iii) the Trustee’s rights with respect to the Mortgage Loans under all insurance policies, including the PMI Policy, required to be maintained pursuant to this Agreement and any proceeds thereof, (iv) the Depositor’s rights with respect to the Mortgage Loans under the Mortgage Loan Purchase Agreement (including any security interest created thereby), and (v) the Collection Account, the Distribution Account (subject to the last sentence of this definition) and any REO Account and such assets that are deposited therein from time to time and any investments thereof, together with any and all income, proceeds and payments with respect thereto. Notwithstanding the foregoing, however, a REMIC election will not be made with respect to the Reserve Fund, the Supplemental Interest Account, the Final Maturity Reserve Account and the Master Servicer Prepayment Charge Payment Amounts.

“REMIC 1 Group I Regular Interests”: REMIC 1 Regular Interest I and REMIC 1 Regular Interest I-1-A through REMIC 1 Regular Interest I-59-B as designated in the Preliminary Statement hereto.

“REMIC 1 Group II Regular Interests”: REMIC 1 Regular Interest II-1-A through REMIC 1 Regular Interest I-52-B as designated in the Preliminary Statement hereto.

“REMIC 1 Regular Interest”: Any of the 238 separate non-certificated beneficial ownership interests in REMIC 1 issued hereunder and designated as a “regular interest” in REMIC 1. Each REMIC 1 Regular Interest shall accrue interest at the related Uncertificated REMIC 1 Pass-Through Rate in effect from time to time, and shall be entitled to distributions of principal, subject to the terms and conditions hereof, in an aggregate amount equal to its initial Uncertificated Principal Balance as set forth in the Preliminary Statement hereto.

“REMIC 2”: The segregated pool of assets consisting of all of the REMIC 1 Regular Interests conveyed in trust to the Trustee, for the benefit of REMIC 3, as holder of the REMIC 2 Regular Interests and the Class R Certificateholders, as holders of the Class R-2 Interest, pursuant to Article II hereunder, and all amounts deposited therein, with respect to which a separate REMIC election is to be made.

“REMIC 2 Interest Loss Allocation Amount”: With respect to any Distribution Date, an amount equal to (a) the product of (i) 50% of the aggregate Principal Balance of the Mortgage Loans and related REO Properties then outstanding and (ii) the Uncertificated REMIC 2 Pass-Through Rate for REMIC 3 Regular Interest AA minus the Marker Rate, divided by (b) 12.

“REMIC 2 Overcollateralization Target Amount”: 0.50% of the Overcollateralization Target Amount.

“REMIC 2 Overcollateralized Amount”: With respect to any date of determination, (i) 0.50% of the aggregate Uncertificated Principal Balances of the REMIC 2 Regular Interests AA, A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, M11, and ZZ minus (ii) the aggregate of the Uncertificated Principal Balances of REMIC 2 Regular Interests A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, and M11, in each case as of such date of determination.

“REMIC 2 Principal Loss Allocation Amount”: With respect to any Distribution Date, an amount equal to the product of (i) 0.50% of the aggregate Principal Balance of the Mortgage Loans and REO Properties then outstanding and (ii) 1 minus a fraction, the numerator of which is 2 times the aggregate of the Uncertificated Principal Balances of REMIC 2 Regular Interest A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10 and M11 and the denominator of which is the aggregate of the Uncertificated Principal Balances of REMIC 3 Regular Interests A-IA, A-IIA1, A-IIA2, A-II3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, M11 and ZZ.

“REMIC 2 Regular Interest”: Any of the separate non-certificated beneficial ownership interests in REMIC 2 issued hereunder and designated as a “regular interest” in REMIC 2. Each REMIC 2 Regular Interest shall accrue interest at the related Uncertificated REMIC 2 Pass-Through Rate in effect from time to time, and shall be entitled to distributions of principal (other than REMIC 2 Regular Interests Swap IO and FMR IO), subject to the terms and conditions hereof, in an aggregate amount equal to its initial Uncertificated Principal Balance as set forth in the Preliminary Statement hereto. The following is a list of each of the REMIC 2 Regular Interests: REMIC 2 Regular Interest AA, REMIC 2 Regular Interest A IA, REMIC 2 Regular Interest A-IIA1, REMIC 2 Regular Interest A-IIA2, REMIC 2 Regular Interest A-IIA3, REMIC 2 Regular Interest M1, REMIC 2 Regular Interest M2, REMIC 2 Regular Interest M3, REMIC 2 Regular Interest M4, REMIC 2 Regular Interest M5, REMIC 2 Regular Interest M6, REMIC 2 Regular Interest M7, REMIC 2 Regular Interest M8, REMIC 2 Regular Interest M9, REMIC 2 Regular Interest M10, REMIC 2 Regular Interest M11, REMIC 2 Regular Interest ZZ, REMIC 2 Regular Interest XX, REMIC 2 Regular Interest 1SUB, REMIC 2 Regular Interest 1GRP and REMIC 2 Regular Interest 2SUB, REMIC 2 Regular Interest 2GRP, REMIC 2 Regular Interest Swap IO and REMIC 2 Regular Interest FMR IO.

“REMIC 3”: The segregated pool of assets consisting of all of the REMIC 2 Regular Interests conveyed in trust to the Trustee, for the benefit of the Holders of the Regular Certificates (other than the Class P Certificates and the Class Swap IO Upper-Tier Interest), REMIC CX, as the holder of the Class C Interest, REMIC PX, as the holder of the Class P Interest, REMIC SWAPX as holder of the Class Swap IO Interest, and the Class R Certificateholders, as holders of the Class R-4 Interest, pursuant to Article II hereunder, and all amounts deposited therein, with respect to which a separate REMIC election is to be made.

“REMIC 3 Regular Interests”: The Class C Interest, the Class P Interest, the Class Swap IO Interest, and the Class FM Reserve IO Interest.

“REMIC CX”: The segregated pool of assets consisting of the Class C Interest, conveyed in trust to the Trustee, for the benefit of the Holders of the Class C Certificates and the Class R-CX Certificates, pursuant to Article II hereunder, and all amounts deposited therein, with respect to which a separate REMIC election is to be made.

“REMIC FM Rate”: For any Distribution Date beginning with the Distribution Date in September 2012 through the Distribution Date in September 2035, a rate equal to the Final Maturity Reserve Rate. For all other Distribution Dates, 0.00%.

“REMIC Provisions”: Provisions of the federal income tax law relating to real estate mortgage investment conduits which appear at Section 860A through 860G of Subchapter M of Chapter 1 of the Code, and related provisions, and regulations and rulings promulgated thereunder, as the foregoing may be in effect from time to time.

“REMIC PX”: The segregated pool of assets consisting of the Class P Interest, conveyed in trust to the Trustee, for the benefit of the Holders of the Class P Certificates and the Class R-PX Certificates, pursuant to Article II hereunder, and all amounts deposited therein, with respect to which a separate REMIC election is to be made.

“REMIC Regular Interests”: The REMIC 1 Regular Interests, the REMIC 2 Regular Interests and the REMIC 3 Regular Interests.

“REMIC SwapX”: The segregated pool of assets consisting of the Class Swap IO Interest, conveyed in trust to the Trustee, for the benefit of the Holders of the Class Swap IO Upper-Tier Interest and the Class R-SwapX Certificates, pursuant to Article II hereunder, and all amounts deposited therein, with respect to which a separate REMIC election is to be made.

“Remittance”: As defined in Section 7.02(b) hereof.

“Remittance Report”: A report prepared by the Master Servicer and delivered to the NIMS Insurer and the Trustee pursuant to Section 4.04.

“Rents from Real Property”: With respect to any REO Property, gross income of the character described in Section 856(d) of the Code.

“REO Account”: The account or accounts maintained by the Master Servicer in respect of an REO Property pursuant to Section 3.23.

“REO Disposition”: The sale or other disposition of an REO Property on behalf of the Trust Fund.

“REO Imputed Interest”: As to any REO Property, for any calendar month during which such REO Property was at any time part of the Trust Fund, one month’s interest at the applicable Net Mortgage Rate on the Principal Balance of such REO Property (or, in the case of the first such calendar month, of the related Mortgage Loan if appropriate) as of the Close of Business on the Distribution Date in such calendar month.

“REO Principal Amortization”: With respect to any REO Property, for any calendar month, the excess, if any, of (a) the aggregate of all amounts received in respect of such REO Property during such calendar month, whether in the form of rental income, sale proceeds (including, without limitation, that portion of the Termination Price paid in connection with a purchase of all of the Mortgage Loans and REO Properties pursuant to Section 9.01 that is allocable to such REO Property) or otherwise, net of any portion of such amounts (i) payable pursuant to Section 3.23 in respect of the proper operation, management and maintenance of such REO Property or (ii) payable or reimbursable to the Master Servicer pursuant to Section 3.23 for unpaid Servicing Fees in respect of the related Mortgage Loan and unreimbursed Servicing Advances and Advances in respect of such REO Property or the related Mortgage Loan, over (b) the REO Imputed Interest in respect of such REO Property for such calendar month.

“REO Property”: A Mortgaged Property acquired by the Master Servicer on behalf of the Trust Fund through foreclosure or deed-in-lieu of foreclosure, as described in Section 3.23.

“Replacement Payment”: As defined in Section 3.30(b) hereof.

“Request for Release”: A release signed by a Servicing Representative, in the form of Exhibit E-1 or E-2 attached hereto.

“Reserve Fund”: The reserve fund established pursuant to Section 3.26.

“Reserve Interest Rate”: With respect to any Interest Determination Date, the rate per annum that the Trustee determines to be either (i) the arithmetic mean (rounded upwards if necessary to the nearest whole multiple of 0.03125%) of the one-month United States dollar lending rates which banks in New York City selected by the Trustee with the consent of the NIMS Insurer are quoting on the relevant Interest Determination Date to the principal London offices of leading banks in the London interbank market or (ii) in the event that the Trustee can determine no such arithmetic mean, in the case of any Interest Determination Date after the initial Interest Determination Date, the lowest one-month United States dollar lending rate which such New York banks selected by the Trustee with the consent of the NIMS Insurer are quoting on such Interest Determination Date to leading European banks.

“Residential Dwelling”: Any one of the following: (i) a detached one-family dwelling, (ii) a detached two- to four-family dwelling, (iii) a one-family dwelling unit in a Fannie Mae eligible condominium project or a Freddie Mac eligible condominium project, (iv) a manufactured home, or (v) a detached one-family dwelling in a planned unit development, none of which is a co-operative or mobile home.

“Residual Certificates”: The Class R Certificates, the Class R-CX Certificates and the Class R-PX Certificates.

“Residual Interest”: The sole class of “residual interests” in a REMIC within the meaning of Section 860G(a)(2) of the Code.

“Residual NIM Holder”: As defined in Section 3.16(c) hereof.

“Responsible Officer”: When used with respect to the Trustee, any managing director, director, associate, principal, vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and, with respect to a particular matter, to whom such matter is referred because of such officer’s knowledge of and familiarity with the particular subject.

“S&P”: Standard & Poor’s, a division of The McGraw-Hill Companies, Inc., or its successor in interest.

“Scheduled Final Maturity Balance”: With respect to any Distribution Date in September 2012 through August 2035, the amount set forth on Schedule III attached hereto for such Distribution Date.

“Seller”: Long Beach Mortgage Company, a Delaware corporation, or its successor in interest, in its capacity as seller under the Mortgage Loan Purchase Agreement.

“Servicing Account”: The account or accounts created and maintained pursuant to Section 3.09.

“Servicing Advances”: All customary, reasonable and necessary “out of pocket” costs and expenses (including reasonable attorneys’ fees and expenses) incurred by the Master Servicer in the performance of its servicing obligations in connection with a default, delinquencies or other unanticipated event or where reimbursement is otherwise permitted in accordance with any of the terms of this Agreement, including, but not limited to, the cost of (i) the preservation, restoration, inspection and protection of the Mortgaged Property, (ii) any enforcement or judicial proceedings, including foreclosures, (iii) the management and liquidation of the REO Property and (iv) compliance with the obligations under Sections 3.01, 3.09, 3.14, 3.16, and 3.23.

“Servicing Fee”: With respect to each Mortgage Loan and for any calendar month, an amount equal to one month’s interest (or in the event of any payment of interest which accompanies a Principal Prepayment in full made by the Mortgagor during such calendar month, interest for the number of days covered by such payment of interest) at the Servicing Fee Rate on the same principal amount on which interest on such Mortgage Loan accrues for such calendar month. A portion of such Servicing Fee may be retained by any Sub-Servicer as its servicing compensation.

“Servicing Fee Rate”: 0.50% per annum.

“Servicing Representative”: Any officer or employee of the Master Servicer involved in, or responsible for, the administration and servicing of Mortgage Loans, whose name and specimen signature appear on a list of servicing representatives furnished by the Master Servicer to the Trustee and the Depositor on the Closing Date, as such list may from time to time be amended.

“Startup Day”: As defined in Section 10.01(b) hereof.

“Stated Principal Balance”: With respect to any Mortgage Loan: (a) as of any date of determination up to but not including the Distribution Date on which the proceeds, if any, of a Liquidation Event with respect to such Mortgage Loan would be distributed, the related Cut-off Date Principal Balance, as shown in the Mortgage Loan Schedule, minus the sum of (i) the principal portion of each Monthly Payment due on a Due Date subsequent to the Cut-off Date, to the extent received from the Mortgagor or advanced by the Master Servicer and distributed pursuant to Section 4.01 on or before such date of determination, (ii) all Principal Prepayments received after the Cut-off Date, to the extent distributed pursuant to Section 4.01 on or before such date of determination, (iii) all Liquidation Proceeds and Insurance Proceeds to the extent distributed pursuant to Section 4.01 on or before such date of determination, and (iv) any Realized Loss incurred with respect thereto as a result of a Deficient Valuation made during or prior to the Due Period for the most recent Distribution Date coinciding with or preceding such date of determination; and (b) as of any date of determination coinciding with or subsequent to the Distribution Date on which the proceeds, if any, of a Liquidation Event with respect to such Mortgage Loan would be distributed, zero. With respect to any REO Property: (a) as of any date of determination up to but not including the Distribution Date on which the proceeds, if any, of a Liquidation Event with respect to such REO Property would be distributed, an amount (not less than zero) equal to the Stated Principal Balance of the related Mortgage Loan as of the date on which such REO Property was acquired on behalf of the Trust Fund, minus the aggregate amount of REO Principal Amortization in respect of such REO Property for all previously ended calendar months, to the extent distributed pursuant to Section 4.01 on or before such date of determination; and (b) as of any date of determination coinciding with or subsequent to the Distribution Date on which the proceeds, if any, of a Liquidation Event with respect to such REO Property would be distributed, zero.

“Stayed Funds”: If the Master Servicer is the subject of a proceeding under the federal Bankruptcy Code and the making of a Remittance (as defined in Section 7.02(b)) is prohibited by Section 362 of the federal Bankruptcy Code, funds that are in the custody of the Master Servicer, a trustee in bankruptcy or a federal bankruptcy court and should have been the subject of such Remittance absent such prohibition.

“Stepdown Date”: The earlier of (a) the later of (i) the Distribution Date in September 2008 and (ii) the first Distribution Date on which the Credit Enhancement Percentage (calculated for this purpose only after taking into account payments of principal on the Mortgage Loans due on the related Due Date or received during the related Prepayment Period but prior to distribution of the Principal Distribution Amount in respect of the Certificates then entitled to distributions of principal on such Distribution Date) is greater than or equal to 30.20% and (b) the date on which the aggregate Certificate Principal Balance of the Class A Certificates has been reduced to zero.

“Subordinated Net WAC Rate”: For any Distribution Date with respect to the Mezzanine Certificates, a per annum rate (subject to adjustment based on the actual number of days elapsed in the related Interest Accrual Period) equal to the weighted average (weighted on the basis of the results of subtracting from the aggregate Stated Principal Balance of each Loan Group the current aggregate Certificate Principal Balance of the related Class A Certificates) of the Net WAC Pass-Through Rate for the Group I Certificates and the Net WAC Pass-Through Rate for the Group II Certificates. For federal income tax purposes, for any Distribution Date with respect to the regular interests in REMIC 3 the ownership of which is represented by the

Mezzanine Certificates, the economic equivalent of such rate shall be expressed as the weighted average (adjusted for the actual number of days elapsed in the related Interest Accrual Period) of the Uncertificated REMIC 2 Pass-Through Rates on (a) REMIC 2 Regular Interest 1SUB, subject to a cap and a floor equal to the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest 1GRP and (b) REMIC 2 Regular Interest 2SUB, subject to a cap and a floor equal to the Uncertificated REMIC 2 Pass-Through Rate for REMIC 2 Regular Interest 2GRP, weighted on the basis of the Uncertificated Principal Balance of each such REMIC 2 Regular Interest.

“Sub-Servicer”: Any Person with which the Master Servicer has entered into a Sub-Servicing Agreement and which meets the qualifications of a Sub-Servicer pursuant to Section 3.02.

“Sub-Servicing Account”: An account or accounts established by a Sub-Servicer which meets the requirements set forth in Section 3.08 and is otherwise acceptable to the applicable Master Servicer.

“Sub-Servicing Agreement”: The written contract between the Master Servicer and a Sub-Servicer relating to servicing and administration of certain Mortgage Loans as provided in Section 3.02.

“Subsequent Recoveries”: The Gross Subsequent Recoveries net of amounts payable or reimbursable to the Master Servicer for related (i) Advances, (ii) Servicing Advances and (iii) Servicing Fees.

“Substitution Adjustments”: As defined in Section 2.03(d) hereof.

“Supplemental Final Maturity Reserve Amount”: With respect to any Distribution Date (a) on and after the Distribution Date in March 2018 up to and including the Supplemental Final Maturity Reserve Funding Date, the lesser of (i) the amount of the Net Monthly Excess Cashflow for such Distribution Date remaining after the distribution pursuant to clause 4.02(d)(i)(z) and (ii) the excess of the Supplemental Final Maturity Reserve Required Amount over the sum of (A) the amount on deposit in the Final Maturity Reserve Account immediately prior to such Distribution Date and (B) the Aggregate Final Maturity Reserve Amount for such Distribution Date and (b) on any other Distribution Date, zero.

“Supplemental Final Maturity Reserve Funding Date”: The earlier of (a) the Distribution Date in September 2035 and (b) the Distribution Date on which the sum of (i) the amount on deposit in the Final Maturity Reserve Account immediately prior to such Distribution Date and (ii) the Aggregate Final Maturity Reserve Amount for such Distribution Date is equal to or exceeds the Supplemental Final Maturity Reserve Required Amount.

“Supplemental Final Maturity Reserve Required Amount”: With respect to each Distribution Date, an amount equal to the lesser of (i) \$15,500,000 and (ii) the Stated Principal Balance of the Mortgage Loans having 40-year original terms to maturity as of the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period).

“Supplemental Interest Account”: As defined in Section 4.09(a) hereof.

“Swap Agreement”: The swap agreement consisting of a 1992 ISDA Master Agreement (Multicurrency Border) and a schedule dated as of the Closing Date and a 1994 ISDA Credit Support Annex (Bilateral Form New York Law) and the related confirmation thereto, between the Trustee on behalf of the Trust and the Swap Counterparty, attached as Exhibit G hereto, as such agreement may be amended and supplemented in accordance with its terms.

“Swap Counterparty”: Credit Suisse First Boston International, or any successor in interest thereto in accordance with the Swap Agreement.

“Swap Default”: The effective designation of an Early Termination Date in respect of the Swap Agreement following the occurrence of a Swap Event of Default, a Termination Event with respect to the Swap Agreement or an Additional Termination Event with respect to the Swap Agreement.

“Swap Event of Default”: An “Event of Default” as such term is defined in the Swap Agreement.

“Swap LIBOR”: A per annum rate equal to the floating rate payable by the Swap Provider under the Swap Agreement.

“Swap Notional Amount”: With respect to any Distribution Date is the amount set forth on Schedule II attached hereto with respect to such Distribution Date.

“Swap Payment”: With respect to each Distribution Date, an amount equal to the product of (a) 4.394%, (b) the Swap Notional Amount and (c) a fraction, the numerator of which is 30 and the denominator of which 360.

“Swap Termination Payment”: Upon the designation of an “Early Termination Date” as defined in the Swap Agreement, the payment to be made by the Trust to the Supplemental Interest Account for payment to the Swap Counterparty, or by the Swap Counterparty to the Supplemental Interest Account for payment to the Trust, as applicable, pursuant to the terms of the Swap Agreement.

“Tax Returns”: The federal income tax return on Internal Revenue Service Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return, including Schedule Q thereto, Quarterly Notice to Residual Interest Holder of the REMIC Taxable Income or Net Loss Allocation, or any successor forms, to be filed by the Trustee on behalf of each REMIC, together with any and all other information reports or returns that may be required to be furnished to the Certificateholders or filed with the Internal Revenue Service or any other governmental taxing authority under any applicable provisions of federal, state or local tax laws.

“Telerate Page 3750”: The display designated as page “3750” on the Dow Jones Telerate Capital Markets Report (or such other page as may replace page 3750 on that report for the purpose of displaying London interbank offered rates of major banks).

“Termination Event”: As defined in the Swap Agreement.

“Termination Price”: As defined in Section 9.01(a) hereof.

“Terminator”: As defined in Section 9.01.

“Transfer”: Any direct or indirect transfer, sale, pledge, hypothecation, or other form of assignment of any Ownership Interest in a Certificate.

“Transferee”: Any Person who is acquiring by Transfer any Ownership Interest in a Certificate.

“Transferor”: Any Person who is disposing by Transfer of any Ownership Interest in a Certificate.

“Trigger Event”: A Trigger Event has occurred with respect to a Distribution Date if either a Cumulative Loss Trigger Event or a Delinquency Trigger Event has occurred with respect to such Distribution Date.

“Trust”: Long Beach Mortgage Loan Trust 2005-3, the trust created hereunder.

“Trust Fund”: All of the assets of the Trust, which is the trust created hereunder consisting of REMIC 1, REMIC 2, REMIC 3, REMIC CX, REMIC PX, REMIC SwapX, the Reserve Fund, the Supplemental Interest Account, the Final Maturity Reserve Account and any Master Servicer Prepayment Charge Payment Amounts and the Trust’s rights under the Swap Agreement.

“Trust REMIC”: Any of REMIC 1, REMIC 2, REMIC 3, REMIC CX, REMIC PX and/or REMIC SwapX.

“Trustee”: Deutsche Bank National Trust Company, a national banking association, or its successor in interest, or any successor trustee appointed as herein provided.

“Trustee Fee”: With respect to each Distribution Date, one-twelfth of the Trustee Fee Rate multiplied by the aggregate Stated Principal Balance of the Mortgage Loans as of the last day of the related Due Period (prior to giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period).

“Trustee Fee Rate”: 0.00% per annum.

“Uncertificated Accrued Interest”: With respect to each REMIC Regular Interest on each Distribution Date, an amount equal to one month’s interest at the related Uncertificated Pass-Through Rate on the Uncertificated Principal Balance or Uncertificated Notional Amount of such REMIC Regular Interest. In each case, Uncertificated Accrued Interest will be reduced by any Net Prepayment Interest Shortfalls and Relief Act Interest Shortfalls allocated to such REMIC Regular Interests pursuant to Section 1.03.

“Uncertificated Pass-Through Rate”: The Uncertificated REMIC 1 Pass-Through Rate, the Uncertificated REMIC 2 Pass-Through Rate and the Uncertificated REMIC 3 Pass-Through Rate.

“Uncertificated Notional Amount”: With respect to REMIC II Regular Interest IO and each Distribution Date listed below, the aggregate Uncertificated Principal Balance of the REMIC I Regular Interests ending with the designation “A” listed below:

Distribution Date	REMIC I Regular Interests
2	I-1-A through I-59-A and II-1-A through II-59-A
3	I-2-A through I-59-A and II-2-A through II-59-A
4	I-3-A through I-59-A and II-3-A through II-59-A
5	I-4-A through I-59-A and II-4-A through II-59-A
6	I-5-A through I-59-A and II-5-A through II-59-A
7	I-6-A through I-59-A and II-6-A through II-59-A
8	I-7-A through I-59-A and II-7-A through II-59-A
9	I-8-A through I-59-A and II-8-A through II-59-A
10	I-9-A through I-59-A and II-9-A through II-59-A
11	I-10-A through I-59-A and II-10-A through II-59-A
12	I-11-A through I-59-A and II-11-A through II-59-A
13	I-12-A through I-59-A and II-12-A through II-59-A
14	I-13-A through I-59-A and II-13-A through II-59-A
15	I-14-A through I-59-A and II-14-A through II-59-A
16	I-15-A through I-59-A and II-15-A through II-59-A
17	I-16-A through I-59-A and II-16-A through II-59-A
18	I-17-A through I-59-A and II-17-A through II-59-A
19	I-18-A through I-59-A and II-18-A through II-59-A
20	I-19-A through I-59-A and II-19-A through II-59-A
21	I-20-A through I-59-A and II-20-A through II-59-A
22	I-21-A through I-59-A and II-21-A through II-59-A
23	I-22-A through I-59-A and II-22-A through II-59-A
24	I-23-A through I-59-A and II-23-A through II-59-A
25	I-24-A through I-59-A and II-24-A through II-59-A
26	I-25-A through I-59-A and II-25-A through II-59-A
27	I-26-A through I-59-A and II-26-A through II-59-A
28	I-27-A through I-59-A and II-27-A through II-59-A
29	I-28-A through I-59-A and II-28-A through II-59-A
30	I-29-A through I-59-A and II-29-A through II-59-A
31	I-30-A through I-59-A and II-30-A through II-59-A
32	I-31-A through I-59-A and II-31-A through II-59-A
33	I-32-A through I-59-A and II-32-A through II-59-A
34	I-33-A through I-59-A and II-33-A through II-59-A
35	I-34-A through I-59-A and II-34-A through II-59-A
36	I-35-A through I-59-A and II-35-A through II-59-A
37	I-36-A through I-59-A and II-36-A through II-59-A
38	I-37-A through I-59-A and II-37-A through II-59-A
39	I-38-A through I-59-A and II-38-A through II-59-A
40	I-39-A through I-59-A and II-39-A through II-59-A
41	I-40-A through I-59-A and II-40-A through II-59-A
42	I-41-A through I-59-A and II-41-A through II-59-A
43	I-42-A through I-59-A and II-42-A through II-59-A
44	I-43-A through I-59-A and II-43-A through II-59-A
45	I-44-A through I-59-A and II-44-A through II-59-A
46	I-45-A through I-59-A and II-45-A through II-59-A
47	I-46-A through I-59-A and II-46-A through II-59-A

Distribution Date	REMIC I Regular Interests
48	I-47-A through I-59-A and II-47-A through II-59-A
49	I-48-A through I-59-A and II-48-A through II-59-A
50	I-49-A through I-59-A and II-49-A through II-59-A
51	I-50-A through I-59-A and II-50-A through II-59-A
52	I-51-A through I-59-A and II-51-A through II-59-A
53	I-52-A through I-59-A and II-52-A through II-59-A
54	I-53-A through I-59-A and II-53-A through II-59-A
55	I-54-A through I-59-A and II-54-A through II-59-A
56	I-55-A through I-59-A and II-55-A through II-59-A
57	I-56-A through I-59-A and II-56-A through II-59-A
58	I-57-A through I-59-A and II-57-A through II-59-A
59	I-58-A and I-59-A and II-58-A and II-59-A
60	I-59-A and II-59-A
thereafter	\$0.00

“Uncertificated Principal Balance”: With respect to each REMIC Regular Interest, the principal amount of such REMIC Regular Interest outstanding as of any date of determination. As of the Closing Date, the Uncertificated Principal Balance of each REMIC Regular Interest shall equal the amount set forth in the Preliminary Statement hereto as its initial Uncertificated Principal Balance. On each Distribution Date, the Uncertificated Principal Balance of each REMIC Regular Interest shall be reduced by all distributions of principal made on such REMIC Regular Interest on such Distribution Date pursuant to Section 4.05 and, if and to the extent necessary and appropriate, shall be further reduced on such Distribution Date by Realized Losses and increased by Subsequent Recoveries as provided in Section 4.06, and the Uncertificated Principal Balance of REMIC 2 Regular Interest ZZ shall be increased by interest deferrals as provided in Section 4.05. The Uncertificated Principal Balance of each REMIC Regular Interest that has an Uncertificated Principal Balance shall never be less than zero. Notwithstanding the foregoing, the Uncertificated Principal Balance of (i) the Class C Interest shall always be equal to (i) the excess, if any, of (A) the then aggregate Uncertificated Principal Balances of the REMIC 3 Regular Interests over (B) the sum of the Certificate Principal Balance of the Class A Certificates, the Mezzanine Certificates and the Class P Interest minus (ii) the amount, if any, paid to the Class A Certificates on the first Distribution Date as Extra Principal Distribution Amount.

“Uncertificated REMIC 1 Pass-Through Rate”: With respect to REMIC 1 Regular Interest IX, a per annum rate equal to the weighted average of the Adjusted Net Mortgage Rates of the Group I Mortgage Loans. With respect to each REMIC 1 Group I Regular Interest ending with the designation “A”, a per annum rate equal to the weighted average of the Adjusted Net Mortgage Rates of the Group I Mortgage Loans multiplied by 2, subject to a maximum rate of 8.788%. With respect to each REMIC 1 Group I Regular Interest ending with the designation “B”, the greater of (x) a per annum rate equal to the excess, if any, of (i) 2 multiplied by the weighted average of the Adjusted Net Mortgage Rates of the Group I Mortgage Loans over (ii) 8.788% and (y) 0.00%. With respect to REMIC 1 Regular Interest IIX, a per annum rate equal to the weighted average of the Adjusted Net Mortgage Rates of the Group II Mortgage Loans. With respect to each REMIC 1 Group II Regular Interest ending with the designation “A”, a per annum rate equal to the weighted average of the Adjusted Net Mortgage Rates of the Group II Mortgage Loans multiplied by 2, subject to a maximum rate of 8.788%. With respect to each

REMIC 1 Group II Regular Interest ending with the designation “B”, the greater of (x) a per annum rate equal to the excess, if any, of (i) 2 multiplied by the weighted average of the Adjusted Net Mortgage Rates of the Group II Mortgage Loans over (ii) 8.788% and (y) 0.00%.

“Uncertificated REMIC 2 Pass-Through Rate”: With respect to REMIC 2 Regular Interests AA, A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, M11, ZZ, 1SUB, 2SUB, and XX, a per annum rate (but not less than zero) equal to the weighted average of: (w) with respect to REMIC 1 Regular Interests IX and IIX, the Uncertificated REMIC 1 Pass-Through Rate for each such REMIC 1 Regular Interest for each such Distribution Date minus the REMIC FM Rate, (x) with respect to each REMIC 1 Regular Interest ending with the designation “B”, the weighted average of the Uncertificated REMIC 1 Pass-Through Rates for such REMIC 1 Regular Interests minus the REMIC FM Rate, (y) with respect to REMIC 1 Regular Interests ending with the designation “A”, for each Distribution Date from the second Distribution Date through the Rate Change Date for such REMIC 1 Regular Interest, the lesser of (i) (1) the product of 2 multiplied by Swap LIBOR minus (2) the REMIC FM Rate, and (ii) the Uncertificated REMIC 1 Pass-Through Rate for such REMIC 1 Regular Interest minus the REMIC FM Rate, and (z) with respect to REMIC 1 Regular Interests ending with the designation “A”, for the first Distribution Date and each Distribution Date after the Rate Change Date for such REMIC 1 Regular Interest, the Uncertificated REMIC 1 Pass-Through Rate for such REMIC 1 Regular Interest minus the REMIC FM Rate, in every case weighted on the basis of the Uncertificated Balances of each such REMIC I Regular Interest for each such Distribution Date.

With respect to REMIC 2 Regular Interest 1GRP, a per annum rate (but not less than zero) equal to the weighted average of: (w) with respect to REMIC 1 Regular Interest IX, the Uncertificated REMIC 1 Pass-Through Rate for such REMIC 1 Regular Interest for each Distribution Date minus the REMIC FM Rate, (x) with respect to REMIC 1 Group I Regular Interests ending with the designation “B”, the weighted average of the Uncertificated REMIC 1 Pass-Through Rates for such REMIC 1 Regular Interests minus the REMIC FM Rate, (y) with respect to REMIC 1 Group I Regular Interests ending with the designation “A”, for each Distribution Date from the second Distribution Date through the Rate Change Date for such REMIC 1 Regular Interest, the lesser of (i) (1) the product of 2 multiplied by Swap LIBOR minus (2) the REMIC FM Rate, and (ii) the Uncertificated REMIC 1 Pass-Through Rate for such REMIC 1 Regular Interest minus the REMIC FM Rate, and (z) with respect to REMIC 1 Group I Regular Interests ending with the designation “A”, for the first Distribution Date and each Distribution Date after the Rate Change Date for such REMIC 1 Regular Interest, the Uncertificated REMIC 1 Pass-Through Rate for such REMIC 1 Regular Interest minus the REMIC FM Rate, in every case weighted on the basis of the Uncertificated Balances of each such REMIC 1 Regular Interest for each such Distribution Date.

With respect to REMIC 2 Regular Interest 2GRP, a per annum rate (but not less than zero) equal to the weighted average of: (w) with respect to REMIC 1 Regular Interest IIX, the Uncertificated REMIC 1 Pass-Through Rate for such REMIC 1 Regular Interest for each Distribution Date minus the REMIC FM Rate, (x) with respect to REMIC 1 Group II Regular Interests ending with the designation “B”, the weighted average of the Uncertificated REMIC 1 Pass-Through Rates for such REMIC 1 Regular Interests minus the REMIC FM Rate, (y) with respect to REMIC 1 Group II Regular Interests ending with the designation “A”, for each Distribution Date from the second Distribution Date through the Rate Change Date for such

REMIC 1 Regular Interest, the lesser of (i) (1) the product of 2 multiplied by Swap LIBOR minus (2) the REMIC FM Rate, and (ii) the Uncertificated REMIC 1 Pass-Through Rate for such REMIC 1 Regular Interest minus the REMIC FM Rate, and (z) with respect to REMIC 1 Group II Regular Interests ending with the designation “A”, for the first Distribution Date and each Distribution Date after the Rate Change Date for such REMIC 1 Regular Interest, the Uncertificated REMIC 1 Pass-Through Rate for such REMIC 1 Regular Interest minus the REMIC FM Rate, in every case weighted on the basis of the Uncertificated Balances of each such REMIC 1 Regular Interest for each such Distribution Date.

With respect to REMIC 2 Regular Interest Swap-IO, and (i) the second Distribution Date through the 60th Distribution Date, the excess of (x) the weighted average of the Uncertificated REMIC 1 Pass-Through Rates for REMIC 1 Regular Interests including the designation “SWAP”, over (y) 2 multiplied by Swap LIBOR. and (ii) thereafter, 0.00%.

With respect to any Distribution Date and REMIC 2 Regular Interest FMR IO, (i) 0.00% per annum for each Distribution Date starting with the Distribution Date in September 2005 through the Distribution Date in August 2012, (ii) 0.50% per annum for each Distribution Date starting with the Distribution Date in September 2012 through the Distribution Date in September 2035, and (iii) 0.00% per annum for each Distribution Date thereafter. For federal income tax purposes, REMIC 2 Regular Interest FMR IO will be entitled to a percentage of the interest payable on each REMIC 1 Regular Interest, with the percentage equal to (i) on each Distribution Date starting with the Distribution Date in September 2005 through the Distribution Date in August 2012, the excess of the REMIC 1 Uncertificated Pass-Through Rate of such Regular Interest over the REMIC 1 Uncertificated Pass-Through Rate of such Regular Interest, (ii) on each Distribution Date starting with the Distribution Date in September 2012 through the Distribution Date in September 2035, the excess of the REMIC 1 Uncertificated Pass-Through Rate of such Regular Interest over the difference between the REMIC 1 Uncertificated Pass-Through Rate of such Regular Interest and 0.50%, and (iii) 0.00% thereafter.

“Undercollateralized Amount”: With respect to any Distribution Date, the amount, if any, by which (i) the sum of the aggregate Certificate Principal Balances of the Class A Certificates, the Mezzanine Certificates and the Uncertificated Principal Balance of the Class P Interest as of such Distribution Date (after giving effect to distributions to be made on such Distribution Date) exceeds (ii) the aggregate Stated Principal Balance of the Mortgage Loans on the last day of the related Due Period (after giving effect to scheduled payments of principal due during the related Due Period, to the extent received or advanced, and unscheduled collections of principal received during the related Prepayment Period).

“Uninsured Cause”: Any cause of damage to a Mortgaged Property such that the complete restoration of such property is not fully reimbursable by the hazard insurance policies required to be maintained pursuant to Section 3.14.

“United States Person” or “U.S. Person”: (i) A citizen or resident of the United States; (ii) a corporation, partnership or other entity classified as a corporation or partnership for United States federal income tax purposes created or organized in, or under the laws of, the United States or any political subdivision thereof (except, in the case of a partnership or entity treated as a partnership, to the extent provided in regulations) provided that, solely for purposes of the restrictions on the transfer of the Residual Certificates, no partnership or other entity treated as a

partnership shall be treated as a United States Person unless all persons that own an interest in such partnership or other entity, either directly or through any entity that is not a corporation for United States federal income tax purposes, are required by the applicable operative agreement to be United States Persons; (iii) an estate the income of which is subject to United States federal income taxation regardless of its source, or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States Persons have the authority to control all substantial decisions of the trust or if the trust was in existence on August 20, 1996, was treated as a United States Person on August 19, 1996, and made a valid election to continue to be treated as a United States Person. The term “United States” shall have the meaning set forth in Section 7701 of the Code or successor provisions.

“Unpaid Interest Shortfall Amount”: With respect to the Class A Certificates and the Mezzanine Certificates and (i) the first Distribution Date, zero, and (ii) any Distribution Date after the first Distribution Date, the amount, if any, by which (a) the sum of (1) the Monthly Interest Distributable Amount for such Class of Certificates for the immediately preceding Distribution Date and (2) the outstanding Unpaid Interest Shortfall Amount, if any, for such Class of Certificates for such preceding Distribution Date exceeds (b) the aggregate amount distributed on such Class of Certificates in respect of interest pursuant to clause (a) of this definition on such preceding Distribution Date, plus interest on the amount of interest due but not paid on such Class of Certificates on such preceding Distribution Date, to the extent permitted by law, at the Pass-Through Rate for such Class of Certificates for the related Accrual Period.

“USD-LIBOR-BBA”: As defined in the Swap Agreement in the Annex to the 2000 ISDA Definitions.

“Value”: With respect to any Mortgaged Property, the lesser of (i) the Origination Value thereof and (ii) the purchase price paid for the related Mortgaged Property by the Mortgagor with the proceeds of the Mortgage Loan, provided, however, in the case of a Refinanced Mortgage Loan, such value of the Mortgaged Property is the Origination Value thereof.

“Voting Rights”: The portion of the voting rights of all of the Certificates which is allocated to any Certificate. At all times the Class A Certificates, the Mezzanine Certificates and the Class C Certificates shall have 98% of the Voting Rights (allocated among the Holders of the Class A Certificates, the Mezzanine Certificates and the Class C Certificates in proportion to the then outstanding Certificate Principal Balances of their respective Certificates), the Class P Certificates shall have 1% of the Voting Rights and the Class R Certificates shall have 1% of the Voting Rights, provided that, if and for so long as the Class C Certificates and the Class P Certificates are held by one or more foreign entities and serve as collateral for the NIM Notes, the total combined voting power of such Classes of Certificates shall not exceed 8.9%. The Voting Rights allocated to any Class of Certificates (other than the Class P Certificates and the Class R Certificates) shall be allocated among all Holders of each such Class in proportion to the outstanding Certificate Principal Balance of such Certificates and the Voting Rights allocated to the Class P Certificates and the Class R Certificates shall be allocated among all Holders of each such Class in proportion to such Holders’ respective Percentage Interest; provided, however, that when none of the Regular Certificates are outstanding, 100% of the Voting Rights shall be allocated among Holders of the Class R Certificates in accordance with such Holders’ respective Percentage Interests in the Certificates of such Class. The Class R-CX Certificates and the Class R-PX Certificates shall not have Voting Rights.

“Washington Mutual Custodian”: None of the Mortgage Loans are held by the Washington Mutual Custodian as custodian. References to the Washington Mutual Custodian are left in this Agreement for administrative convenience and shall be completely disregarded. There is no Washington Mutual Custodian under this Agreement and no Person shall have any rights of the Washington Mutual Custodian under this Agreement.

“WMB”: Washington Mutual Bank.

Section 1.02 Accounting.

Unless otherwise specified herein, for the purpose of any definition or calculation, whenever amounts are required to be netted, subtracted or added or any distributions are taken into account, such definition or calculation and any related definitions or calculations shall be determined without duplication of such functions.

Section 1.03 Allocation of Certain Interest Shortfalls.

For purposes of calculating the amount of the Monthly Interest Distributable Amount for the Class A Certificates, the Mezzanine Certificates and the Class C Interest for any Distribution Date, the aggregate amount of any Net Prepayment Interest Shortfalls and any Relief Act Interest Shortfalls incurred in respect of the Mortgage Loans for any Distribution Date shall be allocated first to the Class C Interest to the extent of one month’s interest at the then applicable Pass-Through Rate on the Notional Amount of such Regular Interest, and then among the Class A Certificates and the Mezzanine Certificates on a *pro rata* basis based on, and to the extent of, interest for the related Accrual Period at the then applicable respective Pass-Through Rate on the respective Certificate Principal Balance of each such Certificate.

For purposes of calculating the amount of the Monthly Interest Distributable Amount for the Class C Certificates for any Distribution Date, the aggregate amount of any Net Prepayment Interest Shortfalls and any Relief Act Interest Shortfalls allocated to the Class C Interest pursuant to the paragraph above shall be allocated among the Class C Certificates on a *pro rata* basis based on one month’s interest.

For purposes of calculating the amount of Uncertificated Accrued Interest for the REMIC 2 Regular Interests for any Distribution Date, the aggregate amount of any Net Prepayment Interest Shortfalls and Relief Act Interest Shortfalls incurred in respect of the Mortgage Loans for any Distribution Date shall be allocated:

(a) 50% of any Net Prepayment Interest and Relief Act Interest Shortfalls incurred in respect of the Mortgage Loans for any Distribution Date shall be allocated to AA and ZZ up to an aggregate amount equal to the REMIC 2 Interest Loss Allocation Amount, 98% and 2%, respectively, and thereafter among AA, A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, M11 and ZZ, *pro rata* based on, and to the extent of, one month’s interest at the then applicable respective Pass-Through Rate on the respective Uncertificated Principal Balance of each such REMIC 2 Regular Interest; and

(b) 50% of any Net Prepayment Interest and Relief Act Interest Shortfalls incurred in respect of the Mortgage Loans for any Distribution Date shall be allocated to REMIC

2 Regular Interest 1GRP, 2GRP, 1SUB, 2SUB, and XX, *pro rata* based on, and to the extent of, one month's interest at the then applicable respective Pass-Through Rate on the respective Uncertificated Principal Balance of each such REMIC 3 Regular Interest.

For purposes of calculating the amount of Uncertificated Accrued Interest for the REMIC 1 Regular Interests for any Distribution Date, the aggregate amount of any Net Prepayment Interest Shortfalls and Relief Act Interest Shortfalls incurred in respect of the Group I Mortgage Loans for any Distribution Date shall be allocated to REMIC 1 Regular Interests IX and the aggregate amount of any Net Prepayment Interest Shortfalls and Relief Act Interest Shortfalls incurred in respect of the Group II Mortgage Loans for any Distribution Date shall be allocated to REMIC 1 Regular Interest IIX.

Section 1.04 Rights of the NIMS Insurer.

(a) Each of the rights of the NIMS Insurer set forth in this Agreement shall exist so long as the Insured NIM Notes remain outstanding; provided, however, the NIMS Insurer shall not have any rights hereunder (except as provided in Section 9.01) so long as any NIMS Insurer Default is continuing.

(b) Notwithstanding anything to the contrary anywhere in this Agreement, all rights and benefits of the NIMS Insurer hereunder shall permanently terminate upon such time as the Insured NIM Notes shall no longer be outstanding.

ARTICLE II

CONVEYANCE OF MORTGAGE LOANS;
ORIGINAL ISSUANCE OF CERTIFICATES

Section 2.01 Conveyance of Mortgage Loans.

The Depositor, concurrently with the execution and delivery hereof, does hereby transfer, assign, set over and otherwise convey to the Trustee without recourse for the benefit of the Certificateholders all the right, title and interest of the Depositor, including any security interest therein for the benefit of the Depositor, in and to the Mortgage Loans identified on the Mortgage Loan Schedule, the rights of the Depositor under the Mortgage Loan Purchase Agreement (other than the Depositor's rights under Section 17 thereof), all other assets included or to be included in REMIC 1, and the rights of the Depositor under the Swap Agreement. Such assignment includes all scheduled payments on the Mortgage Loans due after the Cut-off Date and all unscheduled collections in respect of the Mortgage Loans received after the Cut-off Date (other than the portion of such collections due on or prior to the Cut-off Date). The Depositor herewith delivers to the Trustee an executed copy of the Mortgage Loan Purchase Agreement and the PMI Policy. In addition, on or prior to the Closing Date, the Trustee shall execute the Swap Agreement and the Depositor hereby directs the Trustee to do so.

If the assignment and transfer of the Mortgage Loans and the other property specified in Section 2.01 from the Depositor to the Trustee pursuant to this Agreement is held or deemed not to be a sale or is held or deemed to be a pledge of security for a loan, the Depositor intends that the rights and obligations of the parties shall be established pursuant to the terms of this

Agreement and that, in such event, (i) the Depositor shall be deemed to have granted and does hereby grant to the Trustee as of the Closing Date a perfected, first priority security interest in the entire right, title and interest of the Depositor in and to the Mortgage Loans and all other property conveyed to the Trust Fund pursuant to this Section 2.01 and all proceeds thereof and (ii) this Agreement shall constitute a security agreement under applicable law.

In connection with such transfer and assignment, the Depositor does hereby deliver to, and deposit with, the Trustee as custodian (in which capacity it will, unless otherwise specified, be acting under this Article II) the following documents or instruments with respect to each Mortgage Loan so transferred and assigned (with respect to each Mortgage Loan, a "Mortgage File"):

(a) the original Mortgage Note, endorsed in blank or in the following form: "Pay to the order of Deutsche Bank National Trust Company, as Trustee under the applicable agreement, without recourse," with all prior and intervening endorsements showing a complete chain of endorsement from the originator to the Person so endorsing to the Trustee or (in the case of not more than 1.00% of the Mortgage Loans, by aggregate principal balance as of the Cut-off Date) a copy of such original Mortgage Note with an accompanying Lost Note Affidavit executed by the Seller;

(b) the original Mortgage with evidence of recording thereon, and a copy, certified by the appropriate recording office, of the recorded power of attorney, if the Mortgage was executed pursuant to a power of attorney, with evidence of recording thereon;

(c) an original Assignment in blank;

(d) the original recorded Assignment or Assignments showing a complete chain of assignment from the originator to the Person assigning the Mortgage to the Trustee or in blank;

(e) the original or copies of each assumption, modification, written assurance or substitution agreement, if any; and

(f) the original lender's title insurance policy, together with all endorsements or riders issued with or subsequent to the issuance of such policy, insuring the priority of the Mortgage as a first lien on the Mortgaged Property represented therein as a fee interest vested in the Mortgagor, or in the event such title policy is unavailable, a written commitment or uniform binder or preliminary report of title issued by the title insurance or escrow company.

The Master Servicer, in its capacity as Seller, shall promptly (and in no event later than thirty (30) Business Days, subject to extension upon a mutual agreement between the Master Servicer and the Trustee), following the later of the Closing Date and the date of receipt by the Master Servicer of the recording information for a Mortgage submit or cause to be submitted for recording, at no expense to the Trust Fund, the Trustee or the Depositor, in the appropriate public office for real property records, each Assignment referred to in Sections 2.01(c) and (d) above and shall execute each original Assignment referred to in clause (c) above in the following form: "Deutsche Bank National Trust Company, as Trustee under applicable agreement, without recourse." In the event that any such Assignment is lost or returned unrecorded because of a

defect therein, the Master Servicer, in its capacity as Seller, shall promptly prepare or cause to be prepared a substitute Assignment or cure or cause to be cured such defect, as the case may be, and thereafter cause each such Assignment to be duly recorded. Notwithstanding the foregoing, the Assignments shall not be required to be completed and submitted for recording with respect to any Mortgage Loan if each Rating Agency does not require recordation in order for such Rating Agency to assign the initial ratings to the Class A Certificates and the Mezzanine Certificates and the Other NIM Notes and the initial shadow rating to the Insured NIM Notes, without giving effect to any insurance policy issued by the NIMS Insurer; provided, however, each Assignment shall be submitted for recording by the Master Servicer, in its capacity as Seller, in the manner described above, at no expense to the Trust Fund or the Trustee, upon the earliest to occur of: (i) reasonable direction by Holders of Certificates entitled to at least 25% of the Voting Rights, (ii) the occurrence of a Master Servicer Event of Default, (iii) the occurrence of a bankruptcy, insolvency or foreclosure relating to the Seller, (iv) the occurrence of a servicing transfer as described in Section 7.02 hereof and (v) if the Seller is not the Master Servicer and with respect to any one Assignment, the occurrence of a bankruptcy, insolvency or foreclosure relating to the Mortgagor under the related Mortgage. Notwithstanding the foregoing, if the Master Servicer is unable to pay the cost of recording the Assignments, such expense shall be paid by the Trustee and shall be reimbursable to the Trustee as an Extraordinary Trust Fund Expense.

If any of the documents referred to in Sections 2.01(b), (c), (d) or (e) above (collectively, the "Recording Documents") has as of the Closing Date been submitted for recording but either (x) has not been returned from the applicable public recording office or (y) has been lost or such public recording office has retained the original of such document, the obligations of the Master Servicer, in its capacity as the Seller, to deliver such Recording Documents shall be deemed to be satisfied upon (1) delivery to the Trustee or the applicable Custodian of a copy of each such Recording Document certified by the Seller in the case of (x) above or the applicable public recording office in the case of (y) above to be a true and complete copy of the original that was submitted for recording and (2) if such copy is certified by the Seller, delivery to the Trustee or the applicable Custodian promptly upon receipt thereof, and in any event no later than one year after the Closing Date, of either the original or a copy of such Recording Document certified by the applicable public recording office to be a true and complete copy of the original. In instances where, due to a delay on the part of the recording office where any such Recording Documents have been delivered for recordation, the Recording Documents cannot be delivered to the Trustee or the applicable Custodian within one year after the Closing Date, the Master Servicer, in its capacity as the Seller, shall deliver to the Trustee or the applicable Custodian within such time period an Officer's Certificate stating the date by which the Master Servicer, in its capacity as the Seller, expects to receive such Recording Documents from the applicable recording office. In the event that Recording Documents have still not been received by the Master Servicer, in its capacity as the Seller, and delivered to the Trustee or the applicable Custodian by the date specified in its previous Officer's Certificate delivered to the Trustee or the applicable Custodian, as the case may be, the Master Servicer, in its capacity as the Seller, shall deliver to the Trustee or the applicable Custodian by such date an additional Officer's Certificate stating a revised date by which the Master Servicer, in its capacity as the Seller, expects to receive the applicable Recording Documents. This procedure shall be repeated until the Recording Documents have been received by the Master Servicer, in its capacity as the Seller, and delivered to the Trustee or the applicable Custodian. If the original lender's title insurance policy was not delivered pursuant to Section 2.01(f) above, the Master Servicer, in its capacity as the Seller,

shall deliver or cause to be delivered to the Trustee or the applicable Custodian promptly after receipt thereof, and in any event within 120 days after the Closing Date, the original lender's title insurance policy. The Master Servicer, in its capacity as the Seller, shall deliver or cause to be delivered to the Trustee or the applicable Custodian promptly upon receipt thereof any other original documents constituting a part of a Mortgage File received with respect to any Mortgage Loan, including, but not limited to, any original documents evidencing an assumption or modification of any Mortgage Loan.

All original documents relating to the Mortgage Loans that are not delivered to the Trustee or the applicable Custodian are and shall be held by or on behalf of the Seller, the Depositor or the Master Servicer, as the case may be, in trust for the benefit of the Trustee on behalf of the Certificateholders. In the event that any such original document is required pursuant to the terms of this Section to be a part of a Mortgage File, such document shall be delivered promptly to the Trustee or the applicable Custodian. Any such original document delivered to or held by the Depositor that is not required pursuant to the terms of this Section to be a part of a Mortgage File, shall be delivered promptly to the Master Servicer.

The Mortgage Loans permitted by the terms of this Agreement to be included in the Trust are limited to (i) the Mortgage Loans (which the Depositor acquired pursuant to the Mortgage Loan Purchase Agreement, which contains, among other representations and warranties, a representation and warranty of the Seller that no Mortgage Loan is a "high-cost" or "predatory" loan under any state or local law or regulation applicable to the originator), and (ii) Qualified Substitute Mortgage Loans (which, by definition as set forth herein and referred to in the Mortgage Loan Purchase Agreement, are required to conform to, among other representations and warranties, the representation and warranty of the Seller that no Qualified Substitute Mortgage Loan is a "high cost" or "predatory" loan under any state or local law or regulation applicable to the originator). It is agreed and understood by the parties hereto that it is not intended that any mortgage loan be included in the Trust that is a "High-Cost Home Loan" as defined in the New Jersey Home Ownership Act effective November 27, 2003, a "High Cost Home Loan" as defined in the New Mexico Home Loan Protection Act effective January 1, 2004, a "High Cost Home Loan" as defined in the Kentucky high-cost loan statute effective June 24, 2003 (Ky. Rev. Stat. Section 360.100), or a "High Cost Home Loan" as defined in the Indiana Home Loan Practices Act effective January 1, 2005 (Ind. Code Ann. §§ 24-9-1 through 24-9-9) or a "High Cost Mortgage Loan" as defined in the Massachusetts Predatory Home Loan Practices Act effective November 7, 2004 (Mass. Gen. Laws Ch. 183C. §§1 et seq.).

Section 2.02 Acceptance of REMIC 1 by the Trustee.

Subject to the provisions of Section 2.01 and subject to any exceptions noted on the exception report described in the next paragraph below, the Trustee or a Custodian on behalf of the Trustee, as applicable, acknowledges receipt of the documents referred to in Section 2.01 above and all other assets included in the definition of "REMIC 1" under clauses (i), (iii), (iv) and (vi) (to the extent of amounts deposited into the Distribution Account) and declares that it holds and will hold such documents and the other documents delivered to it constituting the Mortgage File, and all such assets and such other assets included in the definition of "REMIC 1" in trust for the exclusive use and benefit of all present and future Certificateholders.

The Trustee or the Custodian, as applicable, agrees, for the benefit of the Certificateholders, to review each Mortgage File on or before the Closing Date, with respect to each Mortgage Loan and to certify to the Trustee, the NIMS Insurer, the Depositor and the Master Servicer in substantially the form attached hereto as Exhibit F-1 that, as to each Closing Date Mortgage Loan listed in the Mortgage Loan Schedule (other than any Mortgage Loan paid in full or any Mortgage Loan specifically identified in the exception report annexed thereto as not being covered by such certification), (i) all documents constituting part of such Mortgage File (other than such documents described in Section 2.01(e)) required to be delivered to it pursuant to this Agreement are in its possession, (ii) such documents have been reviewed by the Trustee or the Washington Mutual Custodian, as applicable and are not mutilated, torn or defaced unless initialed by the related borrower and relate to such Mortgage Loan and (iii) based on the Trustee's examination and only as to the foregoing, the information set forth in the Mortgage Loan Schedule that corresponds to items (i), (ii), (ix), (xii), (xiv) (to the extent of the Periodic Rate Cap for the first Adjustment Date and subsequent Adjustment Dates) and (xvi) of the definition of "Mortgage Loan Schedule" accurately reflects information set forth in the Mortgage File. It is herein acknowledged that, in conducting such review, neither the Trustee nor any Custodian is under any duty or obligation (i) to inspect, review or examine any such documents, instruments, certificates or other papers to determine whether they are genuine, enforceable, or appropriate for the represented purpose (including with respect to Section 2.01(f), whether such title insurance policy (a) contains all necessary endorsements, (b) insures the priority of the Mortgage as a first lien or (c) whether the interest vested in the Mortgagor is a fee interest) or whether they have actually been recorded or that they are other than what they purport to be on their face or (ii) to determine whether any Mortgage File should include any of the documents specified in clause (e) of Section 2.01.

Prior to the first anniversary date of this Agreement, the Trustee shall deliver (or, with respect to the Mortgage Loans held by another Custodian, such Custodian shall deliver) to the Depositor, the Master Servicer and the NIMS Insurer a final certification in the form annexed hereto as Exhibit F-2 evidencing the completeness of the Mortgage Files, with any applicable exceptions noted thereon.

If in the process of reviewing the Mortgage Files and making or preparing, as the case may be, the certifications referred to above, the Trustee holding such Mortgage Files or any Custodian holding such Mortgage Files finds any document or documents constituting a part of a Mortgage File to be missing or defective in any material respect, at the conclusion of its review the Trustee shall so notify or such other Custodian shall notify the Depositor, the Seller, the NIMS Insurer and the Master Servicer. In addition, upon the discovery by the Depositor, the Master Servicer or the Trustee of a breach of any of the representations and warranties made by the Seller in the Mortgage Loan Purchase Agreement in respect of any Mortgage Loan which materially and adversely affects the value of such Mortgage Loan or the interests of the related Certificateholders in such Mortgage Loan, the party discovering such breach shall give prompt written notice to the other parties.

Section 2.03 Cure, Repurchase or Substitution of Mortgage Loans by the Seller; Remedies for Breaches by Depositor or Master Servicer; Remedies for Breaches Relating to Prepayment Charges.

(a) Upon discovery or receipt of notice of any materially defective document in, or that a document is missing from, the Mortgage File or of the breach by the Seller of any representation, warranty or covenant under the Mortgage Loan Purchase Agreement in respect of any Mortgage Loan which materially and adversely affects the value of such Mortgage Loan or the interest therein of the Certificateholders (it being understood that (i) in the case of any such representation or warranty made to the knowledge or the best of knowledge of the Seller, as to which the Seller has no knowledge, without regard to the Seller's lack of knowledge with respect to the substance of such representation or warranty being inaccurate at the time it was made or (ii) with respect to the representation and warranty set forth in the last sentence of Section 6(xxxix), Section 6(xlvi), the first sentence of Section 6(xlvii), Section 6(lxi) and Section 6(lxiv) of the Mortgage Loan Purchase Agreement, a breach of any such representation or warranty shall in and of itself be deemed to materially and adversely affect the interest of the Certificateholders in the related Mortgage Loan), the Trustee shall promptly notify the Depositor, the Seller, the NIMS Insurer and the Master Servicer of such defect, missing document or breach and request that the Seller deliver such missing document or cure such defect or breach within 90 days from the date the Seller was notified of such missing document, defect or breach (except as described in Section 2.03(e)), and if the Seller does not deliver such missing document or cure such defect or breach in all material respects during such period, the Master Servicer (or, in accordance with Section 3.02(b), the Trustee) shall enforce the obligations of the Seller under the Mortgage Loan Purchase Agreement to repurchase such Mortgage Loan from REMIC 1 at the Purchase Price within 90 days after the date on which the Seller was notified (subject to Section 2.03(e)) of such missing document, defect or breach, if and to the extent that the Seller is obligated to do so under the Mortgage Loan Purchase Agreement. The Purchase Price for the repurchased Mortgage Loan shall be deposited in the Collection Account, and the Trustee or a Custodian, as applicable, upon receipt of written certification from the Master Servicer of such deposit, shall release to the Seller the related Mortgage File, and the Trustee or a Custodian on behalf of the Trustee, as applicable, shall execute and deliver such instruments of transfer or assignment, in each case without recourse, as the Seller shall furnish to it or such Custodian, as applicable, and as shall be necessary to vest in the Seller any Mortgage Loan released pursuant hereto, and neither the Trustee nor any Custodian shall have any further responsibility with regard to such Mortgage File. In lieu of repurchasing any such Mortgage Loan as provided above, if so provided in the Mortgage Loan Purchase Agreement, the Seller may cause such Mortgage Loan to be removed from REMIC 1 (in which case it shall become a Deleted Mortgage Loan) and substitute one or more Qualified Substitute Mortgage Loans in the manner and subject to the limitations set forth in Section 2.03(d). It is understood and agreed that the obligation of the Seller to cure or to repurchase (or to substitute for) any Mortgage Loan as to which a document is missing, a material defect in a constituent document exists or as to which such a breach has occurred and is continuing shall constitute the sole remedy respecting such omission, defect or breach available to the Certificateholders, the Trustee on behalf of the Certificateholders and the NIMS Insurer.

(b) Within 90 days of the earlier of discovery by the Depositor or receipt of notice by the Depositor of the breach of any representation or warranty of the Depositor set forth in Section 2.05 with respect to any Mortgage Loan, which materially adversely affects the value

of such Mortgage Loan or the interest therein of the Certificateholders, the Depositor shall cure such breach in all material respects.

(c) As promptly as practicable (and no later than 90 days) after the earlier of discovery by the Master Servicer or receipt of notice by the Master Servicer of the breach of any representation, warranty or covenant of the Master Servicer set forth in Section 2.04 which materially and adversely affects the value of any Mortgage Loan or the interests of the Certificateholders in any Mortgage Loan, the Master Servicer shall cure such breach in all material respects.

Within 90 days of the earlier of discovery by the Master Servicer or receipt of notice by the Master Servicer of the breach of any representation, warranty or covenant of the Master Servicer set forth in Section 2.04(a)(vii) or (viii) which materially and adversely affects the interests of the Holders of the Class P Certificates to any Prepayment Charge, the Master Servicer shall cure such breach in all material respects. If the representation made by the Master Servicer in its capacity as Seller in Section 2.04(a)(vii) is breached, the Master Servicer in its capacity as Seller shall pay into the Collection Account the amount of the scheduled Prepayment Charge, less any amount previously collected and deposited by, or paid by, the Master Servicer into the Collection Account; and if the covenant made by the Master Servicer in Section 2.04(a)(viii) is breached, the Master Servicer shall pay into the Collection Account the amount of the waived Prepayment Charge.

(d) Any substitution of Qualified Substitute Mortgage Loans for Deleted Mortgage Loans made pursuant to Section 2.03(a) shall be effected prior to the date which is two years after the Startup Date for REMIC 1.

As to any Deleted Mortgage Loan for which the Seller substitutes a Qualified Substitute Mortgage Loan or Loans, such substitution shall be effected by the Seller delivering to the Trustee (or, with respect to the Mortgage Loans held by another Custodian, to such Custodian) on behalf of the Trustee, for such Qualified Substitute Mortgage Loan or Loans, the Mortgage Note, the Mortgage, the Assignment to the Trustee, and such other documents and agreements, with all necessary endorsements thereon, as are required by Section 2.01, together with an Officers' Certificate providing that each such Qualified Substitute Mortgage Loan satisfies the definition thereof and specifying the Substitution Adjustments (as described below), if any, in connection with such substitution. The Trustee shall acknowledge or with respect to the Mortgage Loans held by another Custodian such other Custodian shall acknowledge receipt for such Qualified Substitute Mortgage Loan or Loans and, within ten Business Days thereafter, review such documents as specified in Section 2.02 and deliver to the Depositor, the Master Servicer and the NIMS Insurer, with respect to such Qualified Substitute Mortgage Loan or Loans, a certification substantially in the form attached hereto as Exhibit F-1, with any applicable exceptions noted thereon. Within one year of the date of substitution, the Trustee shall deliver or with respect to the Mortgage Loans held by another Custodian, such other Custodian shall deliver to the Depositor, the Seller, the NIMS Insurer and the Master Servicer a certification substantially in the form of Exhibit F-2 hereto with respect to such Qualified Substitute Mortgage Loan or Loans, with any applicable exceptions noted thereon. Monthly Payments due with respect to Qualified Substitute Mortgage Loans in the month of substitution are not part of REMIC 1 and will be retained by the Seller. For the month of substitution, distributions to Certificateholders will reflect the Monthly Payment due on such Deleted

Mortgage Loan on or before the Due Date in the month of substitution, and the Seller shall thereafter be entitled to retain all amounts subsequently received in respect of such Deleted Mortgage Loan. The Trustee shall give or cause to be given written notice to the NIMS Insurer and the Certificateholders that such substitution has taken place, and the Master Servicer shall amend or cause to be amended the Mortgage Loan Schedule and, if applicable, the Prepayment Charge Schedule to reflect the removal of such Deleted Mortgage Loan from the terms of this Agreement and the substitution of the Qualified Substitute Mortgage Loan or Loans and shall deliver a copy of such amended Mortgage Loan Schedule and, if applicable, the Prepayment Charge Schedule to the NIMS Insurer and the Trustee. Upon such substitution, such Qualified Substitute Mortgage Loan or Loans shall constitute part of the Mortgage Pool and shall be subject in all respects to the terms of this Agreement and the Mortgage Loan Purchase Agreement, including all applicable representations and warranties thereof included in the Mortgage Loan Purchase Agreement as of the date of substitution.

For any month in which the Seller substitutes one or more Qualified Substitute Mortgage Loans for one or more Deleted Mortgage Loans, the Master Servicer will determine the amounts (the "Substitution Adjustments"), if any, by which the aggregate Purchase Price of all such Deleted Mortgage Loans in Loan Group I or Loan Group II, respectively, exceeds the aggregate of the Stated Principal Balance of the Qualified Substitute Mortgage Loans that will become part of Loan Group I or Loan Group II, respectively, as of the date of substitution, together with one month's interest on such Stated Principal Balance at the applicable Net Mortgage Rate, plus all outstanding Advances and Servicing Advances with respect to such Deleted Mortgage Loan. On the date of such substitution, the Seller will deliver or cause to be delivered to the Master Servicer for deposit in the Collection Account an amount equal to the sum of Substitution Adjustments, if any (which for federal income tax purposes will be treated as payment for the repurchase of that portion of the Deleted Mortgage Loans), and the Trustee, upon receipt of the related Qualified Substitute Mortgage Loan or Loans (or acknowledgement of such receipt by another Custodian) and certification by the Master Servicer of such deposit, shall release or, if such Mortgage File is held by another Custodian, such Custodian shall release to the Seller the related Mortgage File or Files and the Trustee shall execute and deliver or, if such Mortgage File is held by another Custodian, such Custodian shall execute and deliver such instruments of transfer or assignment, without recourse, as the Seller shall deliver to it or such Custodian, as applicable, and as shall be necessary to vest therein any Deleted Mortgage Loan released pursuant hereto.

In addition, the Master Servicer in its capacity as Seller shall obtain at its own expense and deliver to the NIMS Insurer and the Trustee an Opinion of Counsel to the effect that such substitution will not cause (a) any federal tax to be imposed on REMIC 1, created hereunder, including without limitation, any federal tax imposed on "prohibited transactions" under Section 860F(a)(1) of the Code or on contributions after the startup day under Section 860G(d)(1) of the Code, or (b) any Trust REMIC hereunder to fail to qualify as a REMIC at any time that any Certificate is outstanding.

(e) Upon discovery by the Depositor, the Seller, the Master Servicer or the Trustee that any Mortgage Loan does not constitute a "qualified mortgage" within the meaning of Section 860G(a)(3) of the Code, the party discovering such fact shall within two Business Days give written notice thereof to the other parties. In connection therewith, the Master Servicer in its capacity as Seller shall repurchase or, subject to the limitations set forth in

Section 2.03(d), substitute one or more Qualified Substitute Mortgage Loans for the affected Mortgage Loan within 90 days of the earlier of discovery or receipt of such notice with respect to such affected Mortgage Loan. Any such repurchase or substitution shall be made in the same manner as set forth in Section 2.03(a) and Section 2.03(d). The Trustee shall reconvey to the Seller the Mortgage Loan to be released pursuant hereto in the same manner, and on the same terms and conditions, as it would a Mortgage Loan repurchased for breach of a representation or warranty.

Section 2.04 Representations, Warranties and Covenants of the Master Servicer.

(a) The Master Servicer hereby represents, warrants and covenants to the Trustee, for the benefit of the Trustee and the Certificateholders, and to the Depositor, that as of the Closing Date or as of such date specifically provided herein:

(i) The Master Servicer is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, is duly authorized and qualified to transact any and all business contemplated by this Agreement and has all licenses necessary to carry on its business as now being conducted and is licensed, qualified and in good standing in the states where the Mortgaged Properties are located if the laws of such state require licensing or qualification in order to conduct business of the type conducted by the Master Servicer or to ensure the enforceability or validity of each Mortgage Loan and, in any event, is in compliance with the doing business laws of any such State, to the extent necessary to ensure its ability to enforce each Mortgage Loan and to service the Mortgage Loans in accordance with the terms of this Agreement;

(ii) The Master Servicer has the full power and authority to service each Mortgage Loan, to execute, deliver and perform, and to enter into and consummate the transactions contemplated by this Agreement and has duly authorized by all necessary action on the part of the Master Servicer the execution, delivery and performance of this Agreement; and this Agreement, assuming the due authorization, execution and delivery thereof by the Depositor and the Trustee, constitutes a legal, valid and binding obligation of the Master Servicer, enforceable against the Master Servicer in accordance with its terms, except to the extent that (a) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally and (b) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(iii) The execution and delivery of this Agreement by the Master Servicer, the servicing of the Mortgage Loans by the Master Servicer hereunder, the consummation by the Master Servicer of any other of the transactions herein contemplated, and the fulfillment of or compliance with the terms hereof are in the ordinary course of business of the Master Servicer and will not (A) result in a breach of any term or provision of the charter or by-laws of the Master Servicer or (B) conflict with, result in a breach, violation or acceleration of, or result in a

default under, the terms of any other material agreement or instrument to which the Master Servicer is a party or by which it may be bound, or any statute, order or regulation applicable to the Master Servicer of any court, regulatory body, administrative agency or governmental body having jurisdiction over the Master Servicer; and the Master Servicer is not a party to, bound by, or in breach or violation of any indenture or other agreement or instrument, or subject to or in violation of any statute, order or regulation of any court, regulatory body, administrative agency or governmental body having jurisdiction over it, which materially and adversely affects or, to the Master Servicer's knowledge, would in the future materially and adversely affect, (x) the ability of the Master Servicer to perform its obligations under this Agreement or (y) the business, operations, financial condition, properties or assets of the Master Servicer taken as a whole;

(iv) The Master Servicer is an approved seller/servicer for Fannie Mae or Freddie Mac in good standing and is a HUD approved mortgagee pursuant to Section 203 and Section 211 of the National Housing Act;

(v) No litigation is pending against the Master Servicer that would materially and adversely affect the execution, delivery or enforceability of this Agreement or the ability of the Master Servicer to service the Mortgage Loans or to perform any of its other obligations hereunder in accordance with the terms hereof;

(vi) No consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by the Master Servicer of, or compliance by the Master Servicer with, this Agreement or the consummation by the Master Servicer of the transactions contemplated by this Agreement, except for such consents, approvals, authorizations or orders, if any, that have been obtained prior to the Closing Date;

(vii) The information set forth in the Prepayment Charge Schedule is complete, true and correct in all material respects at the date or dates respecting which such information is furnished and each Prepayment Charge is permissible and enforceable in accordance with its terms under applicable law upon the Mortgagor's voluntary principal prepayment (except to the extent that: (1) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally; or (2) the collectability thereof may be limited due to acceleration in connection with a foreclosure or other involuntary prepayment); provided that the representation, warranty and covenant contained in this clause (vii) is made by the Master Servicer only in its capacity as Seller; and

(viii) The Master Servicer will not waive any Prepayment Charge or part of a Prepayment Charge unless such waiver is related to a default or a reasonably foreseeable default and would maximize recovery of total proceeds taking into account the value of such Prepayment Charge and related Mortgage Loan and doing so is standard and customary in servicing mortgage loans similar to the Mortgage Loans (including any waiver of a Prepayment Charge in connection

with a refinancing of a Mortgage Loan that is related to a default or a reasonably foreseeable default).

(ix) With respect to each Mortgage Loan, the Master Servicer will furnish, or cause to be furnished, information regarding the borrower credit file related to such Mortgage Loan to credit reporting agencies in compliance with the provisions of the Fair Credit Reporting Act and the applicable implementing regulations. The Master Servicer will transmit full-file credit reporting data for each Mortgage Loan pursuant to Fannie Mae Guide Announcement 95-19 and that for each Mortgage Loan, the Master Servicer agrees it shall report one of the following statuses each month as follows: new origination, current, delinquent (30-, 60-, 90-days, etc.), foreclosed, or charged-off.

(b) It is understood and agreed that the representations, warranties and covenants set forth in this Section 2.04 shall survive delivery of the Mortgage Files to the Trustee or a Custodian, as the case may be, and shall inure to the benefit of the Trustee, the Depositor and the Certificateholders. Upon discovery by any of the Depositor, the Master Servicer or the Trustee of a breach of any of the foregoing representations, warranties and covenants which materially and adversely affects the value of any Mortgage Loan, Prepayment Charge or the interests therein of the Certificateholders, the party discovering such breach shall give prompt written notice (but in no event later than two Business Days following such discovery) to the other of such parties. The obligation of the Master Servicer set forth in Section 2.03(c) to cure breaches (or, in the case of (a)(vii) or (a)(viii) above, to pay a Master Servicer Prepayment Charge Payment Amount) shall constitute the sole remedy against the Master Servicer available to the Certificateholders, the Depositor, the NIMS Insurer or the Trustee on behalf of the Certificateholders respecting a breach of the representations, warranties and covenants contained in this Section 2.04. The preceding sentence shall not, however, limit any remedies available to the Certificateholders, the Depositor, the NIMS Insurer or the Trustee on behalf of the Certificateholders, (i) pursuant to the Mortgage Loan Purchase Agreement signed by the Master Servicer in its capacity as Seller, respecting a breach of the representations, warranties and covenants of the Master Servicer in its capacity as Seller contained in the Mortgage Loan Purchase Agreement or (ii) pursuant to Section 7.01 hereof.

Section 2.05 Representations and Warranties of the Depositor.

The Depositor hereby represents, warrants and covenants to the Trustee, for the benefit of the Trustee and the Certificateholders, and to the Master Servicer, that as of the Closing Date or as of such date specifically provided herein:

(i) Each of this Agreement and the Mortgage Loan Purchase Agreement constitutes a legal, valid and binding obligation of the Depositor, enforceable against the Depositor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by general principles of equity (whether considered in a proceeding at law or in equity);

(ii) Immediately prior to the sale and assignment by the Depositor to the Trustee on behalf of the Trust of each Mortgage Loan, the Depositor had good and marketable title to each Mortgage Loan subject to no prior lien, claim, participation interest, mortgage, security interest, pledge, charge or other encumbrance or other interest of any nature. Immediately prior to the novation of the Swap Agreement to the Trustee on behalf of the Trust, the Depositor had good title to, and was the sole legal and beneficial owner of the Swap Agreement, free and clear of any pledge, lien, security interest, charge, claim, equity or encumbrance of any kind created by the Depositor, and has full right and authority, subject to no interest or participation of, or agreement with, any other party to sell and assign the same. Upon the novation of the Swap Agreement to the Trustee on behalf of the Trust as contemplated herein, the Trustee on behalf of the Trust, will receive the Swap Agreement, free and clear of any pledge, lien, security interest, charge, claim, equity or encumbrance of any kind created by the Depositor;

(iii) As of the Closing Date, the Depositor has transferred all of its right, title and interest in the Mortgage Loans and the Swap Agreement to the Trustee on behalf of the Trust;

(iv) The Depositor is solvent and will not be made insolvent by the transfer of the Mortgage Loans. The Depositor has not transferred the Mortgage Loans to the Trustee with any intent to hinder, delay or defraud any of its creditors;

(v) The Depositor has been duly incorporated and is validly existing as a corporation in good standing under the laws of Delaware, with full corporate power and authority to own its assets and conduct its business as presently being conducted;

(vi) The Depositor is not in violation of its articles of incorporation or by-laws or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Depositor is a party or by which it or its properties may be bound, which default might result in any material adverse changes in the financial condition, earnings, affairs or business of the Depositor or which might materially and adversely affect the properties or assets, taken as a whole, of the Depositor;

(vii) The execution, delivery and performance of this Agreement and the Mortgage Loan Purchase Agreement by the Depositor, and the consummation of the transactions contemplated hereby and thereby, do not and will not result in a material breach or violation of any of the terms or provisions of, or, to the knowledge of the Depositor, constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Depositor is a party or by which the Depositor is bound or to which any of the property or assets of the Depositor is subject, nor will such actions result in any violation of the provisions of the articles of incorporation or by-laws of the

Depositor or, to the best of the Depositor's knowledge without independent investigation, any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Depositor or any of its properties or assets (except for such conflicts, breaches, violations and defaults as would not have a material adverse effect on the ability of the Depositor to perform its obligations under this Agreement or the Mortgage Loan Purchase Agreement);

(viii) To the best of the Depositor's knowledge without any independent investigation, no consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body of the United States or any other jurisdiction is required for the issuance of the Certificates, or the consummation by the Depositor of the other transactions contemplated by this Agreement or the Mortgage Loan Purchase Agreement, except such consents, approvals, authorizations, registrations or qualifications as (a) may be required under State securities or blue sky laws, (b) have been previously obtained or (c) the failure of which to obtain would not have a material adverse effect on the performance by the Depositor of its obligations under, or the validity or enforceability of, this Agreement or the Mortgage Loan Purchase Agreement;

(ix) There are no actions, proceedings or investigations pending before or, to the Depositor's knowledge, threatened by any court, administrative agency or other tribunal to which the Depositor is a party or of which any of its properties is the subject: (a) which if determined adversely to the Depositor would have a material adverse effect on the business, results of operations or financial condition of the Depositor; (b) asserting the invalidity of this Agreement, the Mortgage Loan Purchase Agreement or the Certificates; (c) seeking to prevent the issuance of the Certificates or the consummation by the Depositor of any of the transactions contemplated by this Agreement or the Mortgage Loan Purchase Agreement, as the case may be; or (d) which might materially and adversely affect the performance by the Depositor of its obligations under, or the validity or enforceability of, this Agreement or the Mortgage Loan Purchase Agreement; and

(x) The Depositor has the full power and authority to execute, deliver and perform, and to enter into and consummate the transactions contemplated by this Agreement and has duly authorized by all necessary action on the part of the Depositor the execution, delivery and performance of this Agreement and this Agreement, assuming the due authorization, execution and delivery thereof by the parties thereto other than the Depositor, constitutes a legal, valid and binding obligation of the Depositor, enforceable against the Depositor in accordance with its terms, except to the extent that (a) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally and (b) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

Section 2.06 Issuance of Certificates.

The Trustee acknowledges the assignment to it of the Mortgage Loans and the delivery to it or a Custodian of the Mortgage Files, subject to the provisions of Sections 2.01 and 2.02, together with the assignment to it of all other assets included in the Trust Fund, receipt of which is hereby acknowledged. Concurrently with such assignment and delivery and in exchange therefor, the Trustee, pursuant to the written request of the Depositor executed by an officer of the Depositor, has executed, authenticated and delivered to or upon the written order of the Depositor, the Certificates in authorized denominations. The interests evidenced by the Certificates constitute the entire beneficial ownership interest in the Trust Fund.

Section 2.07 Reserved.

Section 2.08 Conveyance of REMIC Regular Interests and Acceptance of REMICs by the Trustee; Issuance of Certificates.

(a) The Depositor, concurrently with the execution and delivery hereof, does hereby transfer, assign, set over and otherwise convey in trust to the Trustee without recourse all the right, title and interest of the Depositor in and to the REMIC 1 Regular Interests for the benefit of REMIC 3, as the holder of the REMIC 2 Regular Interest, and the holder of the Class R-2 Interest. The Trustee acknowledges receipt of the REMIC 1 Regular Interests (which are uncertificated) and declares that it holds and will hold the same in trust for the exclusive use and benefit of REMIC 3, as the holder of the REMIC 2 Regular Interests, and the holder of the Class R-2 Interest. The interests evidenced by the Class R-2 Interest and the REMIC 2 Regular Interests, constitute the entire beneficial ownership interest in REMIC 2.

(b) In exchange for the REMIC 1 Regular Interests and, concurrently with the assignment to the Trustee thereof, the Trustee has delivered to or upon the order of the Depositor, the REMIC 2 Regular Interests (which are uncertificated) evidencing (together with the Class R-2 Interest) the entire beneficial ownership interest in REMIC 2.

(c) The Depositor, concurrently with the execution and delivery hereof, does hereby transfer, assign, set over and otherwise convey in trust to the Trustee without recourse all the right, title and interest of the Depositor in and to the REMIC 2 Regular Interests for the benefit of the holders of the Certificates (other than the Class P Certificates, the Class R-CX Certificates and the Class R-PX Certificates), REMIC CX, as holder of the Class C Interest, REMIC PX, as holder of the Class P Interest, REMIC SwapX, as holder of the Class Swap IO Interest, and the Class R-3 Interest. The Trustee acknowledges receipt of the REMIC 2 Regular Interests (which are uncertificated) and declares that it holds and will hold the same in trust for the exclusive use and benefit of the holders of the Certificates (other than the Class P Certificates, the Class R-CX Certificates and the Class R-PX Certificates), REMIC CX, as holder of the Class C Interest, REMIC PX, as holder of the Class P Interest, REMIC SwapX, as holder of the Class Swap IO Interest, and the Class R-3 Interest. The interests evidenced by the Class R-3 Interest, the Regular Certificates (other than the Class C Certificates and the Class P Certificates), and the REMIC 3 Regular Interests, constitute the entire beneficial ownership interest in REMIC 3.

(d) In exchange for the REMIC 2 Regular Interests and, concurrently with the assignment to the Trustee thereof, pursuant to the written request of the Depositor executed by an officer of the Depositor, the Trustee has executed, authenticated and delivered to or upon the order of the Depositor, the Regular Certificates (other than the Class C Certificates and the Class P Certificates) in authorized denominations evidencing (together with the Class R-3 Interest and the REMIC 3 Regular Interests) the entire beneficial ownership interest in REMIC 3. The Trustee acknowledges that it holds the Class FMR IO Interest for the benefit of the holders of the Class C Certificates.

(e) The Depositor, concurrently with the execution and delivery hereof, does hereby transfer, assign, set over and otherwise convey in trust to the Trustee without recourse all the right, title and interest of the Depositor in and to the Class C Interest for the benefit of the holders of the Class C Certificates and the Class R-CX Interest. The Trustee acknowledges receipt of the Class C Interest and declares that it holds and will hold the same in trust for the exclusive use and benefit of the holders of the Class C Certificates and the Class R-CX Certificates. The interests evidenced by the Class C Certificates and the Class R-CX Certificates constitute the entire beneficial ownership interest in REMIC CX.

(f) In exchange for the Class C Interest and, concurrently with the assignment to the Trustee thereof, pursuant to the written request of the Depositor executed by an officer of the Depositor, the Trustee has executed, authenticated and delivered to or upon the order of the Depositor, the Class C Certificates in authorized denominations evidencing (together with the Class R-CX Interest) the entire beneficial ownership interest in REMIC CX.

(g) The Depositor, concurrently with the execution and delivery hereof, does hereby transfer, assign, set over and otherwise convey in trust to the Trustee without recourse all the right, title and interest of the Depositor in and to the Class P Interest for the benefit of the holders of the Class P Certificates and the Class R-PX Interest. The Trustee acknowledges receipt of the Class P Interest and declares that it holds and will hold the same in trust for the exclusive use and benefit of the holders of the Class P Certificates and the Class R-PX Certificates. The interests evidenced by the Class P Certificates and the Class R-PX Certificates constitute the entire beneficial ownership interest in REMIC PX.

(h) In exchange for the Class P Interest and, concurrently with the assignment to the Trustee thereof, pursuant to the written request of the Depositor executed by an officer of the Depositor, the Trustee has executed, authenticated and delivered to or upon the order of the Depositor, the Class P Certificates in authorized denominations evidencing (together with the Class R-PX Interest) the entire beneficial ownership interest in REMIC PX.

(i) Concurrently with the assignments and deliveries to the Trustee, acceptances by the Trustee, pursuant to Section 2.01, Section 2.02 and this Section 2.08, the Trustee, pursuant to the written request of the Depositor executed by an officer of the Depositor, has executed, authenticated and delivered to or upon the order of the Depositor (i) the Class R Certificates in authorized denominations evidencing the Class R-1 Interest, the Class R-2 Interest and the Class R-3 Interest, (ii) the Class R-CX Certificates evidencing the Class R-CX Interest and the R-SwapX Interest and (iii) the Class R-PX Certificates evidencing the Class R-PX Interest.

ARTICLE III

ADMINISTRATION AND SERVICING OF THE MORTGAGE LOANS

Section 3.01 Master Servicer to Act as Master Servicer.

The Master Servicer shall service and administer the Mortgage Loans on behalf of the Trustee and in the best interests of and for the benefit of the Certificateholders (as determined by the Master Servicer in its reasonable judgment) in accordance with the terms of this Agreement and the respective Mortgage Loans and, to the extent consistent with such terms, in the same manner in which it services and administers similar mortgage loans for its own portfolio, giving due consideration to customary and usual standards of practice of mortgage lenders and loan servicers administering similar mortgage loans in the local areas where the related Mortgaged Property is located but without regard to:

- (i) any relationship that the Master Servicer, any Sub-Servicer or any Affiliate of the Master Servicer or any Sub-Servicer may have with the related Mortgagor;
- (ii) the ownership or non-ownership of any Certificate by the Master Servicer or any Affiliate of the Master Servicer;
- (iii) the Master Servicer's obligation to make Advances or Servicing Advances; or
- (iv) the Master Servicer's or any Sub-Servicer's right to receive compensation for its services hereunder or with respect to any particular transaction.

To the extent consistent with the foregoing, the Master Servicer shall seek to maximize the timely and complete recovery of principal and interest on the Mortgage Notes. Subject only to the above-described servicing standards and the terms of this Agreement and of the respective Mortgage Loans, the Master Servicer shall have full power and authority, acting alone or through Sub-Servicers as provided in Section 3.02, to do or cause to be done any and all things in connection with such servicing and administration in accordance with policies and procedures generally accepted in the mortgage banking industry. Without limiting the generality of the foregoing, the Master Servicer in its own name or in the name of a Sub-Servicer is hereby authorized and empowered by the Trustee when the Master Servicer believes it appropriate in its best judgment in accordance with the servicing standards set forth above, to execute and deliver, on behalf of the Certificateholders and the Trustee, and upon notice to the Trustee, any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Mortgage Loans and the Mortgaged Properties and to institute foreclosure proceedings or obtain a deed-in-lieu of foreclosure so as to convert the ownership of such properties, and to hold or cause to be held title to such properties, on behalf of the Trustee and the Certificateholders. The Master Servicer shall service and administer the Mortgage Loans in accordance with applicable state and federal law and shall provide to the Mortgagors any reports required to be provided to them thereby. The Master Servicer shall also

comply in the performance of this Agreement with all reasonable rules and requirements of each insurer under any standard hazard insurance policy. Subject to Section 3.17, the Trustee, shall execute, at the written direction of the Master Servicer, and furnish to the Master Servicer and any Sub-Servicer such documents as are necessary or appropriate to enable the Master Servicer or any Sub-Servicer to carry out their servicing and administrative duties hereunder, and the Trustee hereby grants to the Master Servicer and each Sub-Servicer a power of attorney to carry out such duties including a power of attorney to take title to Mortgaged Properties after foreclosure on behalf of the Trustee and the Certificateholders. The Trustee, at the direction of the Master Servicer, shall execute a separate power of attorney in favor of (and furnish such power of attorney to) the Master Servicer and/or each Sub-Servicer for the purposes described herein to the extent necessary or desirable to enable the Master Servicer to perform its duties hereunder. The Trustee shall not be liable for the actions of the Master Servicer or any Sub-Servicers under such powers of attorney.

Subject to Section 3.09 hereof, in accordance with the standards of the preceding paragraph, the Master Servicer shall advance or cause to be advanced funds as necessary for the purpose of effecting the timely payment of taxes and assessments on the Mortgaged Properties, which advances shall be Servicing Advances reimbursable in the first instance from collections on the related Mortgage Loans from the Mortgagors pursuant to Section 3.09, and further as provided in Section 3.11. Any cost incurred by the Master Servicer or by Sub-Servicers in effecting the timely payment of taxes and assessments on a Mortgaged Property shall not, for the purpose of calculating distributions to Certificateholders, be added to the unpaid principal balance of the related Mortgage Loan, notwithstanding that the terms of such Mortgage Loan so permit.

Notwithstanding anything in this Agreement to the contrary, the Master Servicer may not make any future advances with respect to a Mortgage Loan (except as provided in Section 4.04) and the Master Servicer shall not (i) permit any modification with respect to any Mortgage Loan that would change the Mortgage Rate, reduce or increase the principal balance (except for reductions resulting from actual payments of principal) or change the final maturity date on such Mortgage Loan (unless, as provided in Section 3.07, the Mortgagor is in default with respect to the Mortgage Loan or such default is, in the judgment of the Master Servicer, reasonably foreseeable) or (ii) permit any modification, waiver or amendment of any term of any Mortgage Loan that would both (A) effect an exchange or reissuance of such Mortgage Loan under Section 1001 of the Code (or final, temporary or proposed Treasury regulations promulgated thereunder) and (B) cause any Trust REMIC to fail to qualify as a REMIC under the Code or the imposition of any tax on "prohibited transactions" or contributions after the startup day under the REMIC Provisions.

The Master Servicer may delegate its responsibilities under this Agreement; provided, however, that no such delegation shall release the Master Servicer from the responsibilities or liabilities arising under this Agreement.

With respect to each Mortgage Loan, the Master Servicer will furnish, or cause to be furnished, information regarding the borrower credit file related to such Mortgage Loan to credit reporting agencies in compliance with the provisions of the Fair Credit Reporting Act and the applicable implementing regulations.

Section 3.02 Sub-Servicing Agreements Between the Master Servicer and Sub-Servicers.

(a) The Master Servicer may enter into Sub-Servicing Agreements provided (i) that such agreements would not result in a withdrawal or a downgrading by any Rating Agency of the ratings on any Class of Certificates, any of the Other NIM Notes or any of the Insured NIM Notes (without giving effect to any insurance policy issued by the NIMS Insurer), as evidenced by a letter to that effect delivered by each Rating Agency to the Depositor and the NIMS Insurer and (ii) that, except in the case of any Sub-Servicing Agreements the Master Servicer may enter into with Washington Mutual, Inc. or any Affiliate thereof, the NIMS Insurer shall have consented to such Sub-Servicing Agreements (which consent shall not be unreasonably withheld) with Sub-Servicers, for the servicing and administration of the Mortgage Loans. That certain Subservicing Agreement by and between the Master Servicer and Washington Mutual Bank dated April 9, 2001 is hereby acknowledged as being permitted under this Agreement and meeting the requirements applicable to Sub-Servicing Agreements set forth in this Agreement. The Trustee is hereby authorized to acknowledge, at the request of the Master Servicer, any Sub-Servicing Agreement that meets the requirements applicable to Sub-Servicing Agreements set forth in this Agreement and that is otherwise permitted under this Agreement.

Each Sub-Servicer shall be (i) authorized to transact business in the state or states in which the related Mortgaged Properties it is to service are situated, if and to the extent required by applicable law to enable the Sub-Servicer to perform its obligations hereunder and under the Sub-Servicing Agreement, (ii) an institution approved as a mortgagee by the Department of Housing and Urban Development pursuant to Section 203 of the National Housing Act of 1934, as amended, or an institution the deposit accounts in which are insured by the FDIC and (iii) a Fannie Mae approved mortgage servicer. Each Sub-Servicing Agreement must impose on the Sub-Servicer requirements conforming to the provisions set forth in Section 3.08. The Master Servicer will examine each Sub-Servicing Agreement and will be familiar with the terms thereof. The terms of any Sub-Servicing Agreement will not be inconsistent with any of the provisions of this Agreement. The Master Servicer and the Sub-Servicers may enter into and make amendments to the Sub-Servicing Agreements or enter into different forms of Sub-Servicing Agreements; provided, however, that any such amendments or different forms shall be consistent with and not violate the provisions of this Agreement, and that no such amendment or different form shall be made or entered into which could be reasonably expected to be materially adverse to the interests of the Certificateholders, without the consent of the Holders of Certificates entitled to at least 66% of the Voting Rights. Any variation without the consent of the Holders of Certificates entitled to at least 66% of the Voting Rights from the provisions set forth in Section 3.08 relating to insurance or priority requirements of Sub-Servicing Accounts, or credits and charges to the Sub-Servicing Accounts or the timing and amount of remittances by the Sub-Servicers to the Master Servicer, are conclusively deemed to be inconsistent with this Agreement and therefore prohibited. The Master Servicer shall deliver to the NIMS Insurer and the Trustee copies of all Sub-Servicing Agreements, and any amendments or modifications thereof, promptly upon the Master Servicer's execution and delivery of such instruments.

(b) As part of its servicing activities hereunder, the Master Servicer (except as otherwise provided in the last sentence of this paragraph), for the benefit of the Trustee and the Certificateholders, shall enforce the obligations of each Sub-Servicer under the related Sub-Servicing Agreement and, subject to the last sentence of this paragraph, of the Seller under

the Mortgage Loan Purchase Agreement including, without limitation, any obligation to make advances in respect of delinquent payments as required by a Sub-Servicing Agreement, or to purchase or otherwise remedy as contemplated herein a Mortgage Loan on account of missing or defective documentation or on account of a breach of a representation, warranty or covenant, as described in Section 2.03(a). Such enforcement, including, without limitation, the legal prosecution of claims, termination of Sub-Servicing Agreements, and the pursuit of other appropriate remedies, shall be in such form and carried out to such an extent and at such time as the Master Servicer, in its good faith business judgment, would require were it the owner of the related Mortgage Loans. The Master Servicer shall pay the costs of such enforcement at its own expense, and shall be reimbursed therefor only (i) from a general recovery resulting from such enforcement, to the extent, if any, that such recovery exceeds all amounts due in respect of the related Mortgage Loans or (ii) from a specific recovery of costs, expenses or attorneys' fees against the party against whom such enforcement is directed. Enforcement of the Mortgage Loan Purchase Agreement against the Seller shall be effected by the Master Servicer to the extent it is not the Seller, and otherwise by the Trustee, in accordance with the foregoing provisions of this paragraph.

Section 3.03 Successor Sub-Servicers.

The Master Servicer, with the written consent of the NIMS Insurer, shall be entitled to terminate any Sub-Servicing Agreement and the rights and obligations of any Sub-Servicer pursuant to any Sub-Servicing Agreement in accordance with the terms and conditions of such Sub-Servicing Agreement. In the event of termination of any Sub-Servicer, all servicing obligations of such Sub-Servicer shall be assumed simultaneously by the Master Servicer without any act or deed on the part of such Sub-Servicer or the Master Servicer, and the Master Servicer either shall service directly the related Mortgage Loans or shall enter into a Sub-Servicing Agreement with a successor Sub-Servicer which qualifies under Section 3.02.

Any Sub-Servicing Agreement shall include the provision that such agreement may be immediately terminated by the Trustee without fee, in accordance with the terms of this Agreement, and the Trustee shall so terminate such Sub-Servicing Agreement at the direction of the NIMS Insurer in the event that the Master Servicer (or the Trustee, if then acting as Master Servicer) shall, for any reason, no longer be the Master Servicer (including termination due to a Master Servicer Event of Default).

Section 3.04 Liability of the Master Servicer.

Notwithstanding any Sub-Servicing Agreement, any of the provisions of this Agreement relating to agreements or arrangements between the Master Servicer and a Sub-Servicer or reference to actions taken through a Sub-Servicer or otherwise, the Master Servicer shall remain obligated and primarily liable to the Trustee and the Certificateholders for the servicing and administering of the Mortgage Loans in accordance with the provisions of Section 3.01 without diminution of such obligation or liability by virtue of such Sub-Servicing Agreements or arrangements or by virtue of indemnification from the Sub-Servicer and to the same extent and under the same terms and conditions as if the Master Servicer alone were servicing and administering the Mortgage Loans. The Master Servicer shall be entitled to enter into any agreement with a Sub-Servicer for indemnification of the Master Servicer by such Sub-Servicer

and nothing contained in this Agreement shall be deemed to limit or modify such indemnification and no such indemnification shall be an expense of the Trust.

Section 3.05 No Contractual Relationship Between Sub-Servicers and the NIMS Insurer, the Trustee or Certificateholders.

Any Sub-Servicing Agreement that may be entered into and any transactions or services relating to the Mortgage Loans involving a Sub-Servicer in its capacity as such shall be deemed to be between the Sub-Servicer and the Master Servicer alone, and the Trustee, the NIMS Insurer and the Certificateholders shall not be deemed parties thereto and shall have no claims, rights, obligations, duties or liabilities with respect to the Sub-Servicer except as set forth in Section 3.06. The Master Servicer shall be solely liable for all fees owed by it to any Sub-Servicer, irrespective of whether the Master Servicer's compensation pursuant to this Agreement is sufficient to pay such fees and such fees shall not be an expense of the Trust.

Section 3.06 Assumption or Termination of Sub-Servicing Agreements by Trustee.

In the event the Master Servicer shall for any reason no longer be the master servicer (including by reason of the occurrence of a Master Servicer Event of Default), the Trustee or its designee shall thereupon assume all of the rights and obligations of the Master Servicer under each Sub-Servicing Agreement that the Master Servicer may have entered into, unless the Trustee elects to terminate any Sub-Servicing Agreement in accordance with its terms as provided in Section 3.03. Upon such assumption, the Trustee, its designee or the successor servicer for the Trustee appointed pursuant to Section 7.02 shall be deemed, subject to Section 3.03, to have assumed all of the Master Servicer's interest therein and to have replaced the Master Servicer as a party to each Sub-Servicing Agreement to the same extent as if each Sub-Servicing Agreement had been assigned to the assuming party, except that (i) the Master Servicer shall not thereby be relieved of any liability or obligations under any Sub-Servicing Agreement that arose before it ceased to be the Master Servicer and (ii) none of the Trustee, its designee or any successor Master Servicer shall be deemed to have assumed any liability or obligation of the Master Servicer that arose before it ceased to be the Master Servicer.

The Master Servicer at its own expense and without reimbursement shall, upon request of the Trustee, deliver to the assuming party all documents and records relating to each Sub-Servicing Agreement and the Mortgage Loans then being serviced and an accounting of amounts collected and held by or on behalf of it, and otherwise use its best efforts to effect the orderly and efficient transfer of the Sub-Servicing Agreements to the assuming party.

Section 3.07 Collection of Certain Mortgage Loan Payments.

The Master Servicer shall make reasonable efforts to collect all payments called for under the terms and provisions of the Mortgage Loans, and shall, to the extent such procedures shall be consistent with this Agreement and the terms and provisions of any applicable insurance policies, follow such collection procedures as it would follow with respect to mortgage loans comparable to the Mortgage Loans and held for its own account. Consistent with the foregoing, the Master Servicer may in its discretion (i) waive any late payment charge or, if applicable, any penalty interest, or (ii) extend the due dates for the Monthly Payments due on a Mortgage Note for a period of not greater than 180 days; provided that any extension pursuant to this clause (ii) shall

not affect the amortization schedule of any Mortgage Loan for purposes of any computation hereunder, except as provided below. In the event of any such arrangement pursuant to clause (ii) above, the Master Servicer shall make timely advances on such Mortgage Loan during such extension pursuant to Section 4.04 and in accordance with the amortization schedule of such Mortgage Loan without modification thereof by reason of such arrangements, subject to Section 4.04(d) pursuant to which the Master Servicer shall not be required to make any such advances that are Nonrecoverable Advances. Notwithstanding the foregoing, in the event that any Mortgage Loan is in default or, in the judgment of the Master Servicer, such default is reasonably foreseeable, the Master Servicer, consistent with the standards set forth in Section 3.01, may also waive, modify or vary any term of such Mortgage Loan (including modifications that would change the Mortgage Rate, forgive the payment of principal or interest or extend the final maturity date of such Mortgage Loan, accept payment from the related Mortgagor of an amount less than the Stated Principal Balance in final satisfaction of such Mortgage Loan (such payment, a "Short Pay-off") or consent to the postponement of strict compliance with any such term or otherwise grant indulgence to any Mortgagor; provided, that in the judgment of the Master Servicer, any such modification, waiver or amendment could reasonably be expected to result in collections and other recoveries in respect of such Mortgage Loans in excess of Net Liquidation Proceeds that would be recovered upon the foreclosure of, or other realization upon, such Mortgage Loan and provided further, that the NIMS Insurer's prior written consent shall be required for any modification, waiver or amendment if the aggregate number of outstanding Mortgage Loans which have been modified, waived or amended exceeds 5% of the number of Closing Date Mortgage Loans as of the Cut-off Date.

Section 3.08 Sub-Servicing Accounts.

In those cases where a Sub-Servicer is servicing a Mortgage Loan pursuant to a Sub-Servicing Agreement, the Sub-Servicer shall be required to establish and maintain one or more segregated accounts (collectively, the "Sub-Servicing Account"). The Sub-Servicing Account shall be an Eligible Account and shall be entitled "Deutsche Bank National Trust Company, as Trustee, in trust for registered Holders of Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3. The Sub-Servicer shall be required to deposit in the clearing account (which account must be an Eligible Account) in which it customarily deposits payments and collections on mortgage loans in connection with its mortgage loan servicing activities on a daily basis, and in no event more than one Business Day after the Sub-Servicer's receipt thereof, all proceeds of Mortgage Loans received by the Sub-Servicer less its servicing compensation to the extent permitted by the Sub-Servicing Agreement, and shall thereafter deposit such amounts in the Sub-Servicing Account, in no event more than two Business Days after the deposit of such funds into the clearing account. The Sub-Servicer shall thereafter be required to deposit such proceeds in the Collection Account or remit such proceeds to the Master Servicer for deposit in the Collection Account not later than two Business Days after the deposit of such amounts in the Sub-Servicing Account. For purposes of this Agreement, the Master Servicer shall be deemed to have received payments on the Mortgage Loans when the Sub-Servicer receives such payments.

Section 3.09 Collection of Taxes, Assessments and Similar Items; Servicing Accounts.

The Master Servicer shall establish and maintain, or cause to be established and maintained, one or more segregated accounts (the "Servicing Accounts"). Servicing Accounts

shall be Eligible Accounts. The Master Servicer shall deposit in the clearing account (which account must be an Eligible Account) in which it customarily deposits payments and collections on mortgage loans in connection with its mortgage loan servicing activities on a daily basis, and in no event more than one Business Day after the Master Servicer's receipt thereof, all collections from the Mortgagors (or related advances from Sub-Servicers) for the payment of taxes, assessments, hazard insurance premiums and comparable items for the account of the Mortgagors ("Escrow Payments") collected on account of the Mortgage Loans and shall thereafter deposit such Escrow Payments in the Servicing Accounts, in no event more than two Business Days after the deposit of such funds in the clearing account, for the purpose of effecting the payment of any such items as required under the terms of this Agreement. Withdrawals of amounts from a Servicing Account may be made only to (i) effect payment of taxes, assessments, hazard insurance premiums, and comparable items; (ii) reimburse the Master Servicer (or a Sub-Servicer to the extent provided in the related Sub-Servicing Agreement) out of related collections for any advances made pursuant to Section 3.01 (with respect to taxes and assessments) and Section 3.14 (with respect to hazard insurance); (iii) refund to Mortgagors any sums as may be determined to be overages; (iv) pay interest, if required and as described below, to Mortgagors on balances in the Servicing Account; (v) clear and terminate the Servicing Account upon the termination of the Master Servicer's obligations and responsibilities in respect of the Mortgage Loans under this Agreement in accordance with Article IX or (vi) recover amounts deposited in error. As part of its servicing duties, the Master Servicer or Sub-Servicers shall pay to the Mortgagors interest on funds in Servicing Accounts, to the extent required by law and, to the extent that interest earned on funds in the Servicing Accounts is insufficient, to pay such interest from its or their own funds, without any reimbursement therefor. To the extent that a Mortgage does not provide for Escrow Payments, the Master Servicer shall determine whether any such payments are made by the Mortgagor in a manner and at a time that avoids the loss of the Mortgaged Property due to a tax sale or the foreclosure of a tax lien. The Master Servicer assumes full responsibility for the payment of all such bills within such time and shall effect payments of all such bills irrespective of the Mortgagor's faithful performance in the payment of same or the making of the Escrow Payments and shall make advances from its own funds to effect such payments; provided, however, that such advances shall constitute Servicing Advances.

Section 3.10 Collection Account and Distribution Account.

(a) On behalf of the Trust Fund, the Master Servicer shall establish and maintain, or cause to be established and maintained, one or more segregated accounts (such account or accounts, the "Collection Account"), held in trust for the benefit of the Trustee and the Certificateholders. On behalf of the Trust Fund, the Master Servicer shall deposit or cause to be deposited in the clearing account (which account must be an Eligible Account) in which it customarily deposits payments and collections on mortgage loans in connection with its mortgage loan servicing activities on a daily basis, and in no event more than one Business Day after the Master Servicer's receipt thereof, and shall thereafter deposit in the Collection Account, in no event more than two Business Days after the deposit of such funds into the clearing account, as and when received or as otherwise required hereunder, the following payments and collections received or made by it subsequent to the Cut-off Date (other than in respect of principal or interest on the related Mortgage Loans due on or before the Cut-off Date or payments (other than Principal Prepayments) received by it on or prior to the Cut-off Date but allocable to a Due Period subsequent thereto):

(i) all payments on account of principal, including Principal Prepayments, on the Mortgage Loans;

(ii) all payments on account of interest (net of the related Servicing Fee and the related Prepayment Interest Excess) on each Mortgage Loan;

(iii) all Insurance Proceeds and Liquidation Proceeds (other than proceeds collected in respect of any particular REO Property and amounts paid by the Master Servicer in connection with a purchase of Mortgage Loans and REO Properties pursuant to Section 9.01) and all Gross Subsequent Recoveries;

(iv) any amounts required to be deposited pursuant to Section 3.12 in connection with any losses realized on Permitted Investments with respect to funds held in the Collection Account;

(v) any amounts required to be deposited by the Master Servicer pursuant to the second paragraph of Section 3.14(a) in respect of any blanket policy deductibles;

(vi) all proceeds of any Mortgage Loan repurchased or purchased in accordance with Section 2.03, Section 3.16(c) or Section 9.01 and all Master Servicer Prepayment Charge Payment Amounts required to be deposited in the Collection Account pursuant to Section 2.03;

(vii) all Substitution Adjustments;

(viii) all Prepayment Charges collected by the Master Servicer; and

(ix) without duplication, all payments of claims received by the Master Servicer under the PMI Policy, if any.

For purposes of the immediately preceding sentence, the Cut-off Date with respect to any Qualified Substitute Mortgage Loan shall be deemed to be the date of substitution.

The foregoing requirements for deposit in the Collection Accounts shall be exclusive, it being understood and agreed that, without limiting the generality of the foregoing, any Prepayment Interest Excess and payments in the nature of late payment charges, NSF fees, reconveyance fees, assumption fees and other similar fees and charges (other than Prepayment Charges) need not be deposited by the Master Servicer in the Collection Account and shall, upon collection, belong to the Master Servicer as additional compensation for its servicing activities. In the event the Master Servicer shall deposit in the Collection Account any amount not required to be deposited therein, it may at any time withdraw such amount from the Collection Account, any provision herein to the contrary notwithstanding.

(b) On behalf of the Trust Fund, the Trustee shall establish and maintain one or more segregated accounts (such account or accounts, the "Distribution Account"), held in trust for the benefit of the Trustee and the Certificateholders. On behalf of the Trust Fund, the Master Servicer shall deliver to the Trustee in immediately available funds for deposit on the same day

in the Distribution Account on or before 3:00 p.m. New York time (i) on the Master Servicer Remittance Date, that portion of the Available Funds (calculated without regard to the references in the definition thereof to amounts that may be withdrawn from the Distribution Account) for the related Distribution Date then on deposit in the Collection Account, the amount of all Prepayment Charges on the Prepayment Charge Schedule collected by the Master Servicer in connection with any of the Mortgage Loans and any Master Servicer Prepayment Charge Payment Amounts then on deposit in the Collection Account and the amount of any funds reimbursable to an Advancing Person pursuant to Section 3.27 and (ii) on each Business Day as of the commencement of which the balance on deposit in the Collection Account exceeds \$75,000 following any withdrawals pursuant to the next succeeding sentence, the amount of such excess, but only if the Collection Account constitutes an Eligible Account solely pursuant to clause (ii) of the definition of "Eligible Account." If the balance on deposit in the Collection Account exceeds \$75,000 as of the commencement of business on any Business Day and the Collection Account constitutes an Eligible Account solely pursuant to clause (ii) of the definition of "Eligible Account," the Master Servicer shall, on or before 3:00 p.m. New York time on such Business Day, withdraw from the Collection Account any and all amounts payable or reimbursable to the Depositor, the Master Servicer, the Trustee, the Seller or any Sub-Servicer pursuant to Section 3.11 and shall pay such amounts to the Persons entitled thereto. In order to comply with its duties under the U.S.A. Patriot Act, the Trustee shall obtain and verify certain information and documentation from the parties hereto, including, but not limited to, each party's name, address, and other identifying information.

(c) Funds in the Collection Account and the Distribution Account may be invested in Permitted Investments in accordance with the provisions set forth in Section 3.12. The Master Servicer shall give notice to the Trustee, the NIMS Insurer, the Depositor and the Rating Agencies of the location of the Collection Account maintained by it when established and prior to any change thereof. The Trustee shall give notice to the Master Servicer, the NIMS Insurer, the Depositor and the Rating Agencies of the location of the Distribution Account when established and prior to any change thereof.

(d) Funds held in the Collection Account at any time may be delivered by the Master Servicer to the Trustee for deposit in an account (which may be the Distribution Account and must satisfy the standards for the Distribution Account as set forth in the definition thereof) and for all purposes of this Agreement shall be deemed to be a part of the Collection Account; provided, however, that the Trustee shall have the sole authority to withdraw any funds held pursuant to this subsection (d). In the event the Master Servicer shall deliver to the Trustee for deposit in the Distribution Account any amount not required to be deposited therein, it may at any time request that the Trustee withdraw, and the Trustee shall withdraw, such amount from the Distribution Account and remit to the Master Servicer any such amount, any provision herein to the contrary notwithstanding. In addition, the Master Servicer shall deliver to the Trustee from time to time for deposit, and the Trustee shall so deposit, in the Distribution Account:

- (i) any Advances, as required pursuant to Section 4.04, unless delivered directly to the Trustee by an Advancing Person;
- (ii) any amounts required to be deposited pursuant to Section 3.23(d) or (f) in connection with any REO Property;

(iii) any amounts to be paid by the Master Servicer in connection with a purchase of Mortgage Loans and REO Properties pursuant to Section 9.01;

(iv) any amounts required to be deposited pursuant to Section 3.24 in connection with any Prepayment Interest Shortfalls; and

(v) any Stayed Funds, as soon as permitted by the federal bankruptcy court having jurisdiction in such matters.

(e) Promptly upon receipt of any Stayed Funds, whether from the Master Servicer, a trustee in bankruptcy, federal bankruptcy court or other source, the Trustee shall deposit such funds in the Distribution Account, subject to withdrawal thereof pursuant to Section 7.02(b) or as otherwise permitted hereunder.

Section 3.11 Withdrawals from the Collection Account and Distribution Account.

(a) The Master Servicer shall, from time to time, make withdrawals from the Collection Account, for any of the following purposes or as described in Section 4.04, without priority:

(i) to remit to the Trustee for deposit in the Distribution Account the amounts required to be so remitted pursuant to Section 3.10(b) or permitted to be so remitted pursuant to the first sentence of Section 3.10(d);

(ii) subject to Section 3.16(d), to reimburse the Master Servicer for Advances, but only to the extent of amounts received which represent Late Collections (net of the related Servicing Fees) of Monthly Payments on the related Mortgage Loans in accordance with the provisions of Section 4.04;

(iii) subject to Section 3.16(d), to pay the Master Servicer or any Sub-Servicer (a) any unpaid Servicing Fees or (b) any unreimbursed Servicing Advances with respect to each Mortgage Loan, but only to the extent of any Late Collections, Liquidation Proceeds, Insurance Proceeds, Gross Subsequent Recoveries or other amounts as may be collected by the Master Servicer from a Mortgagor, or otherwise received with respect to such Mortgage Loan;

(iv) to pay to the Master Servicer as servicing compensation (in addition to the Servicing Fee) on the Master Servicer Remittance Date any interest or investment income earned on funds deposited in the Collection Account;

(v) to pay to the Master Servicer or the Seller, as the case may be, with respect to each Mortgage Loan that has previously been purchased or replaced pursuant to Section 2.03 all amounts received thereon subsequent to the date of purchase or substitution, as the case may be;

(vi) to reimburse the Master Servicer for any Advance or Servicing Advance previously made which the Master Servicer has determined to be a Nonrecoverable Advance in accordance with the provisions of Section 4.04;

(vii) to reimburse the Master Servicer or the Depositor for expenses incurred by or reimbursable to the Master Servicer or the Depositor, as the case may be, pursuant to Section 6.03;

(viii) to reimburse the NIMS Insurer, the Master Servicer or the Trustee, as the case may be, for enforcement expenses reasonably incurred in respect of the breach or defect giving rise to the purchase obligation under Section 2.03 of this Agreement that were included in the Purchase Price of the Mortgage Loan, including any expenses arising out of the enforcement of the purchase obligation; provided, however, that the reimbursement to the NIMS Insurer pursuant to this clause shall be limited to an annual amount of \$25,000;

(ix) to pay, or to reimburse the Master Servicer for advances in respect of, expenses incurred in connection with any Mortgage Loan pursuant to Section 3.16(b); and

(x) to clear and terminate the Collection Account pursuant to Section 9.01.

The Master Servicer shall keep and maintain separate accounting, on an individual Mortgage Loan basis, for the purpose of justifying any withdrawal from the Collection Account, to the extent held by or on behalf of it, pursuant to subclauses (ii), (iii), (v), (vi), (viii) and (ix) above. The Master Servicer shall provide written notification to the Trustee and the NIMS Insurer, on or prior to the next succeeding Master Servicer Remittance Date, upon making any withdrawals from the Collection Account pursuant to subclause (vii) above.

(b) The Trustee shall, from time to time, make withdrawals from the Distribution Account, for any of the following purposes, without priority:

(i) to make distributions to Certificateholders and for deposit into the Reserve Fund, the Supplemental Interest Account and the Final Maturity Reserve Account in accordance with Section 4.01;

(ii) to pay to itself amounts to which it is entitled pursuant to Section 8.05 or to pay any other Extraordinary Trust Fund Expenses;

(iii) to pay to itself any interest income earned on funds deposited in the Distribution Account pursuant to Section 3.12(c);

(iv) to reimburse itself pursuant to Section 7.02 or pursuant to Section 7.01 to the extent such amounts in Section 7.01 were not reimbursed by the Master Servicer;

(v) to pay any amounts in respect of taxes pursuant to Section 10.01(g);

(vi) to remit to the Master Servicer any amount deposited in the Distribution Account by the Master Servicer but not required to be deposited therein in accordance with Section 3.10(d);

(vii) to pay to an Advancing Person reimbursements for Advances and/or Servicing Advances pursuant to Section 3.27;

(viii) to clear and terminate the Distribution Account pursuant to Section 9.01;

(ix) to pay the PMI Insurer the PMI Insurer Fee based on information received from the Master Servicer; and

(x) to pay itself the Trustee Fees.

Section 3.12 Investment of Funds in the Collection Account and the Distribution Account.

(a) The Master Servicer may direct any depository institution maintaining the Collection Account and any REO Account (for purposes of this Section 3.12, an “Investment Account”), and the Trustee, in its individual capacity, may direct any depository institution maintaining the Distribution Account (for purposes of this Section 3.12, the Distribution Account is also an “Investment Account”), to invest the funds in such Investment Account in one or more Permitted Investments bearing interest or sold at a discount, and maturing, unless payable on demand, (i) no later than the Business Day immediately preceding the date on which such funds are required to be withdrawn from such account pursuant to this Agreement, if a Person other than the Trustee is the obligor thereon and (ii) no later than the date on which such funds are required to be withdrawn from such account pursuant to this Agreement, if the Trustee is the obligor thereon. All such Permitted Investments shall be held to maturity, unless payable on demand. Any investment of funds in an Investment Account shall be made in the name of the Trustee (in its capacity as such), or in the name of a nominee of the Trustee. The Trustee shall be entitled to sole possession (except with respect to investment direction of funds held in the Collection Account and any REO Account and any income and gain realized thereon) over each such investment, and any certificate or other instrument evidencing any such investment shall be delivered directly to the Trustee or its agent, together with any document of transfer necessary to transfer title to such investment to the Trustee or its nominee. In the event amounts on deposit in an Investment Account are at any time invested in a Permitted Investment payable on demand, the Trustee shall:

(x) consistent with any notice required to be given thereunder, demand that payment thereon be made on the last day such Permitted Investment may otherwise mature hereunder in an amount equal to the lesser of (1) all amounts then payable thereunder and (2) the amount required to be withdrawn on such date; and

(y) demand payment of all amounts due thereunder promptly upon actual notice by a Responsible Officer of the Trustee that such Permitted Investment would not constitute a Permitted Investment in respect of funds thereafter on deposit in the Investment Account.

(b) All income and gain realized from the investment of funds deposited in the Collection Account and any REO Account held by or on behalf of the Master Servicer shall be for the benefit of the Master Servicer and shall be subject to its withdrawal in accordance with Section 3.11 or Section 3.23, as applicable. The Master Servicer shall deposit in the Collection Account or any REO Account, as applicable, from its own funds, the amount of any loss of principal incurred in respect of any such Permitted Investment made with funds in such accounts immediately upon realization of such loss.

(c) All income and gain realized from the investment of funds deposited in the Distribution Account held by or on behalf of the Trustee shall be for the benefit of the Trustee and shall be subject to its withdrawal at any time. The Trustee shall deposit in the Distribution Account, from its own funds, the amount of any loss of principal incurred in respect of any such Permitted Investment made with funds in such accounts immediately upon realization of such loss.

(d) Except as otherwise expressly provided in this Agreement, if any default occurs in the making of a payment due under any Permitted Investment, or if a default occurs in any other performance required under any Permitted Investment, the Trustee may, and subject to Section 8.01 and Section 8.02(v), upon the request of the Holders of Certificates representing more than 50% of the Voting Rights allocated to any Class of Certificates shall, take such action as may be appropriate to enforce such payment or performance, including the institution and prosecution of appropriate proceedings.

Section 3.13 Reserved.

Section 3.14 Maintenance of Hazard Insurance and Errors and Omissions and Fidelity Coverage.

(a) The Master Servicer shall cause to be maintained for each Mortgage Loan fire insurance with extended coverage on the related Mortgaged Property in an amount which is at least equal to the least of (i) the then current principal balance of such Mortgage Loan, (ii) the amount necessary to fully compensate for any damage or loss to the improvements that are a part of such property on a replacement cost basis and (iii) the maximum insurable value of the improvements which are a part of such Mortgaged Property, in each case in an amount not less than such amount as is necessary to avoid the application of any coinsurance clause contained in the related hazard insurance policy. The Master Servicer shall also cause to be maintained fire insurance with extended coverage on each REO Property in an amount which is at least equal to the lesser of (i) the maximum insurable value of the improvements which are a part of such property and (ii) the outstanding principal balance of the related Mortgage Loan at the time it became an REO Property, plus accrued interest at the Mortgage Rate and related Servicing Advances. The Master Servicer will comply in the performance of this Agreement with all reasonable rules and requirements of each insurer under any such hazard policies. Any amounts to be collected by the Master Servicer under any such policies (other than amounts to be applied

to the restoration or repair of the property subject to the related Mortgage or amounts to be released to the Mortgagor in accordance with the procedures that the Master Servicer would follow in servicing loans held for its own account, subject to the terms and conditions of the related Mortgage and Mortgage Note) shall be deposited in the Collection Account, subject to withdrawal pursuant to Section 3.11, if received in respect of a Mortgage Loan, or in the REO Account, subject to withdrawal pursuant to Section 3.23, if received in respect of an REO Property. Any cost incurred by the Master Servicer in maintaining any such insurance shall not, for the purpose of calculating distributions to Certificateholders, be added to the unpaid principal balance of the related Mortgage Loan, notwithstanding that the terms of such Mortgage Loan so permit. It is understood and agreed that no earthquake or other additional insurance is to be required of any Mortgagor other than pursuant to such applicable laws and regulations as shall at any time be in force and as shall require such additional insurance. If the Mortgaged Property or REO Property is at any time in an area identified in the Federal Register by the Federal Emergency Management Agency as having special flood hazards and flood insurance has been made available, the Master Servicer will cause to be maintained a flood insurance policy in respect thereof. Such flood insurance shall be in an amount equal to the lesser of (i) the unpaid principal balance of the related Mortgage Loan and (ii) the maximum amount of such insurance available for the related Mortgaged Property under the national flood insurance program (assuming that the area in which such Mortgaged Property is located is participating in such program).

In the event that the Master Servicer shall obtain and maintain a blanket policy with an insurer having a General Policy Rating of A:X or better in Best's Key Rating Guide (or such other rating that is comparable to such rating) insuring against hazard losses on all of the Mortgage Loans, it shall conclusively be deemed to have satisfied its obligations as set forth in the first two sentences of this Section 3.14, it being understood and agreed that such policy may contain a deductible clause, in which case the Master Servicer shall, in the event that there shall not have been maintained on the related Mortgaged Property or REO Property a policy complying with the first two sentences of this Section 3.14, and there shall have been one or more losses which would have been covered by such policy, deposit to the Collection Account from its own funds the amount not otherwise payable under the blanket policy because of such deductible clause. In connection with its activities as administrator and servicer of the Mortgage Loans, the Master Servicer agrees to prepare and present, on behalf of itself, the Trustee and the Certificateholders, claims under any such blanket policy in a timely fashion in accordance with the terms of such policy.

(b) The Master Servicer shall keep in force during the term of this Agreement a policy or policies of insurance covering errors and omissions for failure in the performance of the Master Servicer's obligations under this Agreement, which policy or policies shall be in such form and amount that would meet the requirements of Fannie Mae or Freddie Mac if it were the purchaser of the Mortgage Loans, unless the Master Servicer or any of its Affiliates has obtained a waiver of such Fannie Mae or Freddie Mac requirements from either Fannie Mae or Freddie Mac. The Master Servicer shall also maintain a fidelity bond in the form and amount that would meet the requirements of Fannie Mae or Freddie Mac, unless the Master Servicer or any of its Affiliates has obtained a waiver of such Fannie Mae or Freddie Mac requirements from either Fannie Mae or Freddie Mac. The Master Servicer shall provide the Trustee and the NIMS Insurer (upon such party's reasonable request) with copies of any such insurance policies and fidelity bond. The Master Servicer shall be deemed to have complied with this provision if an

Affiliate of the Master Servicer has such errors and omissions and fidelity bond coverage and, by the terms of such insurance policy or fidelity bond, the coverage afforded thereunder extends to the Master Servicer. Any such errors and omissions policy and fidelity bond shall by its terms not be cancelable without thirty days' prior written notice to the Trustee. The Master Servicer shall also cause each Sub-Servicer to maintain a comparable policy of insurance covering errors and omissions and a fidelity bond meeting such requirements.

Section 3.15 Enforcement of Due-On-Sale Clauses; Assumption Agreements.

The Master Servicer shall, to the extent it has knowledge of any conveyance or prospective conveyance of any Mortgaged Property by any Mortgagor (whether by absolute conveyance or by contract of sale, and whether or not the Mortgagor remains or is to remain liable under the Mortgage Note and/or the Mortgage), exercise its rights to accelerate the maturity of such Mortgage Loan under the "due-on-sale" clause, if any, applicable thereto; provided, however, that the Master Servicer shall not be required to take such action if in its sole business judgment the Master Servicer believes that the collections and other recoveries in respect of such Mortgage Loans could reasonably be expected to be maximized if the Mortgage Loan were not accelerated, and the Master Servicer shall not exercise any such rights if prohibited by law from doing so. If the Master Servicer reasonably believes it is unable under applicable law to enforce such "due-on-sale" clause, or if any of the other conditions set forth in the proviso to the preceding sentence apply, the Master Servicer will enter into an assumption and modification agreement from or with the person to whom such property has been conveyed or is proposed to be conveyed, pursuant to which such person becomes liable under the Mortgage Note and, to the extent permitted by applicable state law, the Mortgagor remains liable thereon. The Master Servicer may also enter into a substitution of liability agreement with such person, pursuant to which the original Mortgagor is released from liability and such person is substituted as the Mortgagor and becomes liable under the Mortgage Note, provided that no such substitution shall be effective unless such person satisfies the underwriting criteria of the Master Servicer and has a credit risk rating at least equal to that of the original Mortgagor. In connection with any assumption, modification or substitution, the Master Servicer shall apply such underwriting standards and follow such practices and procedures as shall be normal and usual in its general mortgage servicing activities and as it applies to other mortgage loans owned solely by it. The Master Servicer shall not take or enter into any assumption and modification agreement, however, unless (to the extent practicable under the circumstances) it shall have received confirmation, in writing, of the continued effectiveness of any applicable hazard insurance policy, or a new policy meeting the requirements of this Section is obtained. Any fee collected by the Master Servicer in respect of any assumption, modification or substitution of liability agreement will be retained by the Master Servicer as additional servicing compensation. In connection with any such assumption, no material term of the Mortgage Note (including but not limited to the related Mortgage Rate and the amount of the Monthly Payment) may be amended or modified, except as otherwise required pursuant to the terms thereof. The Master Servicer shall notify the Trustee and the NIMS Insurer that any such substitution, modification or assumption agreement has been completed by forwarding to the Trustee (with a copy to the NIMS Insurer) the executed original of such substitution, modification or assumption agreement, which document shall be added to the related Mortgage File and shall, for all purposes, be considered a part of such Mortgage File to the same extent as all other documents and instruments constituting a part thereof.

Notwithstanding the foregoing paragraph or any other provision of this Agreement, the Master Servicer shall not be deemed to be in default, breach or any other violation of its obligations hereunder by reason of any assumption of a Mortgage Loan by operation of law or by the terms of the Mortgage Note or any assumption which the Master Servicer may be restricted by law from preventing, for any reason whatever. For purposes of this Section 3.15, the term “assumption” is deemed to also include a sale of the Mortgaged Property subject to the Mortgage that is not accompanied by an assumption or substitution of liability agreement.

Section 3.16 Realization Upon Defaulted Mortgage Loans.

(a) The Master Servicer shall use reasonable efforts consistent with the servicing standard set forth in Section 3.01, to foreclose upon or otherwise comparably convert the ownership of properties securing such of the Mortgage Loans as come into and continue in default and as to which no satisfactory arrangements can be made for collection of delinquent payments pursuant to Section 3.07. The Master Servicer shall be responsible for all costs and expenses incurred by it in any such proceedings; provided, however, that such costs and expenses will constitute and be recoverable as Servicing Advances by the Master Servicer as contemplated in Section 3.11 and Section 3.23. The foregoing is subject to the provision that, in any case in which Mortgaged Property shall have suffered damage from an Uninsured Cause, the Master Servicer shall not be required to expend its own funds toward the restoration of such property unless it shall determine in its sole and absolute discretion that such restoration will increase the proceeds of liquidation of the related Mortgage Loan after reimbursement to itself for such expenses.

(b) Notwithstanding the foregoing provisions of this Section 3.16 or any other provision of this Agreement, with respect to any Mortgage Loan as to which the Master Servicer has received actual notice of, or has actual knowledge of, the presence of any toxic or hazardous substance on the related Mortgaged Property, the Master Servicer shall not, on behalf of the Trustee, either (i) obtain title to such Mortgaged Property as a result of or in lieu of foreclosure or otherwise or (ii) otherwise acquire possession of, or take any other action with respect to, such Mortgaged Property, if, as a result of any such action, the Trustee, the Trust Fund or the Certificateholders would be considered to hold title to, to be a “mortgagee-in-possession” of, or to be an “owner” or “operator” of such Mortgaged Property within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, or any comparable law, unless the Master Servicer has also previously determined, based on its reasonable judgment and a report prepared by an Independent Person who regularly conducts environmental audits using customary industry standards, that:

(1) such Mortgaged Property is in compliance with applicable environmental laws or, if not, that it would be in the best economic interest of the Trust Fund to take such actions as are necessary to bring the Mortgaged Property into compliance therewith; and

(2) there are no circumstances present at such Mortgaged Property relating to the use, management or disposal of any hazardous substances, hazardous materials, hazardous wastes, or petroleum-based materials for which investigation, testing, monitoring, containment, clean-up or remediation could be required under any federal, state or local law or regulation, or that if any such

materials are present for which such action could be required, that it would be in the best economic interest of the Trust Fund to take such actions with respect to the affected Mortgaged Property.

Notwithstanding the foregoing, with respect to the Mortgage Loans, if such environmental audit reveals, or if the Master Servicer has knowledge or notice, that the Mortgaged Property securing the Mortgage Loan contains such wastes or substances or is within one mile of the site of such wastes or substances, the Master Servicer shall not foreclose or accept a deed in lieu of foreclosure without the prior written consent of the NIMS Insurer.

The cost of the environmental audit report contemplated by this Section 3.16 shall be advanced by the Master Servicer, subject to the Master Servicer's right to be reimbursed therefor from the Collection Account as provided in Section 3.11(a)(ix), such right of reimbursement being prior to the rights of Certificateholders to receive any amount in the Collection Account received in respect of the affected Mortgage Loan or other Mortgage Loans. It is understood by the parties hereto that any such advance will constitute a Servicing Advance.

If the Master Servicer determines, as described above, that it is in the best economic interest of the Trust Fund to take such actions as are necessary to bring any such Mortgaged Property into compliance with applicable environmental laws, or to take such action with respect to the containment, clean-up or remediation of hazardous substances, hazardous materials, hazardous wastes or petroleum-based materials affecting any such Mortgaged Property, then the Master Servicer shall take such action as it deems to be in the best economic interest of the Trust Fund. The cost of any such compliance, containment, cleanup or remediation shall be advanced by the Master Servicer, subject to the Master Servicer's right to be reimbursed therefor from the Collection Account as provided in Section 3.11(a)(ix), such right of reimbursement being prior to the rights of Certificateholders to receive any amount in the Collection Account received in respect of the affected Mortgage Loan or other Mortgage Loans. It is understood by the parties hereto that any such advance will constitute a Servicing Advance.

(c) The Holder of the Class C Certificates (except if such Holder is the Seller or any of its Affiliates) may at its option purchase from REMIC 1 any Mortgage Loan or related REO Property that is 90 days or more delinquent or that has been otherwise in default for 90 days or more, which such Holder determines in good faith will otherwise become subject to foreclosure proceedings (evidence of such determination to be delivered in writing to the Trustee prior to purchase), at a price equal to the Purchase Price; provided, however, that the Holder of the Class C Certificates shall purchase any such Mortgage Loans or related REO Properties on the basis of delinquency or default, purchasing first the Mortgage Loans or related REO Properties that became delinquent or otherwise in default on an earlier date. For the avoidance of doubt, the Holder of the Class C Certificates in exercising its right to purchase Mortgage Loans pursuant to this Section 3.16(c) shall not be subject to any requirement of this Article III (other than the requirements of this Section 3.16(c)). In the event the Holder of the Class C Certificates does not exercise its option to purchase from REMIC 1 any such Mortgage Loan or related REO Property, the Master Servicer may at its option purchase from REMIC 1 any such Mortgage Loan or related REO Property, at a price equal to the Purchase Price; provided, however, that the Master Servicer shall purchase any such Mortgage Loans or related REO Properties on the basis of delinquency or default, purchasing first the Mortgage Loans or related REO Properties that became delinquent or otherwise in default on an earlier date; and provided, further, that such

option shall expire as of the last day of the calendar quarter during which such Mortgage Loan or related REO Property became 90 days delinquent or otherwise in default for 90 days or more. In the event the Master Servicer does not exercise its option to purchase from REMIC 1 any such Mortgage Loan or related REO Property prior to the expiration of such option, the NIMS Insurer shall be entitled to purchase such Mortgage Loan or related REO Property; provided, however, that the NIM Insurer shall purchase any such Mortgage Loans or related REO Properties on the basis of delinquency or default, purchasing first the Mortgage Loans or related REO Properties that became delinquent or otherwise in default on an earlier date. The Purchase Price for any Mortgage Loan or related REO Property purchased hereunder shall be deposited in the Collection Account, and the Trustee, upon receipt of written certification from the Master Servicer of such deposit, shall release or cause to be released to the Holder of the Class C Certificates, the Master Servicer or the NIMS Insurer, as applicable, the related Mortgage File and the Trustee shall execute and deliver such instruments of transfer or assignment, in each case without recourse, as the Holder of the Class C Certificates, the Master Servicer or the NIMS Insurer, as applicable, shall furnish and as shall be necessary to vest in the Holder of the Class C Certificates, the Master Servicer or the NIMS Insurer, as applicable, title to any Mortgage Loan or related REO Property released pursuant hereto. For so long as the indenture trustee under the Indenture is the Holder of the Class C Certificate, the holder (the "Residual NIM Holder") of the subordinate note, the owner trust certificate or another instrument representing the right to receive the proceeds of the trust estate securing payments on the NIM Notes after all of the NIM Notes have been paid off shall be deemed to be the "Holder of the Class C Certificates" for purposes of this Section 3.16(c). The Trustee shall request from the Residual NIM Holder a certificate substantially in the form of Exhibit G attached hereto. The Trustee may conclusively rely upon and shall be fully protected in acting or refraining from acting based on such certificate.

(d) Proceeds received (other than any Prepayment Charges received) in connection with any Final Recovery Determination, as well as any recovery resulting from a partial collection of Insurance Proceeds, Liquidation Proceeds or Gross Subsequent Recoveries, in respect of any Mortgage Loan, will be applied in the following order of priority: first, to reimburse the Master Servicer or any Sub-Servicer for any related unreimbursed Servicing Advances and Advances, pursuant to Section 3.11(a)(ii) or (a)(iii); second, to accrued and unpaid interest on the Mortgage Loan, to the date of the Final Recovery Determination, or to the Due Date prior to the Distribution Date on which such amounts are to be distributed if not in connection with a Final Recovery Determination; and third, as a recovery of principal of the Mortgage Loan. If the amount of the recovery so allocated to interest is less than the full amount of accrued and unpaid interest due on such Mortgage Loan, the amount of such recovery will be allocated by the Master Servicer as follows: first, to unpaid Servicing Fees; and second, to the balance of the interest then due and owing. The portion of the recovery so allocated to unpaid Servicing Fees shall be reimbursed to the Master Servicer or any Sub-Servicer pursuant to Section 3.11(a)(iii).

Section 3.17 Trustee to Cooperate; Release of Mortgage Files.

(a) Upon the payment in full of any Mortgage Loan, or the receipt by the Master Servicer of a notification that payment in full shall be escrowed in a manner customary for such purposes, the Master Servicer will promptly notify the Trustee and the applicable Custodian holding the related Mortgage File by a certification in the form of Exhibit E-2 (which

certification shall include a statement to the effect that all amounts received or to be received in connection with such payment which are required to be deposited in the Collection Account pursuant to Section 3.10 have been or will be so deposited) of a Servicing Representative and shall request delivery to it of the related Mortgage File. Upon receipt of such certification and request, the Trustee or such Custodian, as applicable, shall promptly release the related Mortgage File to the Master Servicer. No expenses incurred in connection with any instrument of satisfaction or deed of reconveyance shall be chargeable to the Collection Account or the Distribution Account.

(b) From time to time and as appropriate for the servicing or foreclosure of any Mortgage Loan, including, for this purpose, collection under any insurance policy relating to the Mortgage Loans, the Trustee or the applicable Custodian shall, upon request of the Master Servicer and delivery to the Trustee or the applicable Custodian of a Request for Release in the form of Exhibit E-1, release the related Mortgage File to the Master Servicer, and the Trustee or the applicable Custodian, on behalf of the Trustee, shall, at the direction of the Master Servicer, execute such documents as shall be necessary to the prosecution of any such proceedings and the Master Servicer shall retain such Mortgage File in trust for the benefit of the Certificateholders. Such Request for Release shall obligate the Master Servicer to return each and every document previously requested from the Mortgage File to the Trustee or the applicable Custodian when the need therefor by the Master Servicer no longer exists, unless the Mortgage Loan has been liquidated and the Liquidation Proceeds relating to the Mortgage Loan have been deposited in the Collection Account or the Mortgage File or such document has been delivered to an attorney, or to a public trustee or other public official as required by law, for purposes of initiating or pursuing legal action or other proceedings for the foreclosure of the Mortgaged Property either judicially or non-judicially, and the Master Servicer has delivered to the Trustee or the applicable Custodian a certificate of a Servicing Representative certifying as to the name and address of the Person to which such Mortgage File or such document was delivered and the purpose or purposes of such delivery. Upon receipt of a certificate of a Servicing Representative stating that such Mortgage Loan was liquidated and that all amounts received or to be received in connection with such liquidation that are required to be deposited into the Collection Account have been so deposited, or that such Mortgage Loan has become an REO Property, a copy of the Request for Release shall be released by the Trustee or the applicable Custodian to the Master Servicer or its designee.

(c) At the direction of the Master Servicer and upon written certification of a Servicing Representative, each of the Trustee or the applicable Custodian shall execute and deliver to the Master Servicer any court pleadings, requests for trustee's sale or other documents reasonably necessary to the foreclosure or trustee's sale in respect of a Mortgaged Property or to any legal action brought to obtain judgment against any Mortgagor on the Mortgage Note or Mortgage or to obtain a deficiency judgment, or to enforce any other remedies or rights provided by the Mortgage Note or Mortgage or otherwise available at law or in equity, or shall execute and deliver to the Master Servicer a power of attorney sufficient to authorize the Master Servicer or the Sub-Servicer to execute such documents on its behalf, provided that each of the Trustee or the applicable Custodian shall be obligated to execute the documents identified above if necessary to enable the Master Servicer or the Sub-Servicer to perform their respective duties hereunder or under the Sub-Servicing Agreement. Each such certification shall include a request that such pleadings or documents be executed by the Trustee or the applicable Custodian and a statement as to the reason such documents or pleadings are required.

(d) If any Mortgage Loan is repurchased, substituted or purchased in accordance with Section 2.03, Section 3.16(c) or Section 9.01, the Trustee shall execute and deliver the Mortgage Loan Assignment Agreement in the form of Exhibit E3 with respect to such Mortgage Loan, transferring such Mortgage Loan to the Person entitled thereto pursuant to such Section 2.03, Section 3.16(c) or Section 9.01, as applicable.

Section 3.18 Servicing Compensation

As compensation for the activities of the Master Servicer hereunder, the Master Servicer shall be entitled to the Servicing Fee with respect to each Mortgage Loan payable solely from payments of interest in respect of such Mortgage Loan, subject to Section 3.24. In addition, the Master Servicer shall be entitled to recover unpaid Servicing Fees out of Late Collections, Insurance Proceeds, Liquidation Proceeds or Gross Subsequent Recoveries to the extent permitted by Section 3.11(a)(iii) and out of amounts derived from the operation and sale of an REO Property to the extent permitted by Section 3.23. The right to receive the Servicing Fee may not be transferred in whole or in part except in connection with the transfer of all of the Master Servicer's responsibilities and obligations under this Agreement; provided, however, that the Master Servicer may pay from the Servicing Fee any amounts due to a Sub-Servicer pursuant to a Sub-Servicing Agreement entered into under Section 3.02.

Additional servicing compensation in the form of Prepayment Interest Excess, assumption or modification fees, late payment charges, NSF fees, reconveyance fees and other similar fees and charges (other than Prepayment Charges) shall be retained by the Master Servicer only to the extent such fees or charges are received by the Master Servicer. The Master Servicer shall also be entitled pursuant to Section 3.11(a)(iv) to withdraw from the Collection Account, and pursuant to Section 3.23(b) to withdraw from any REO Account, as additional servicing compensation, interest or other income earned on deposits therein, subject to Section 3.12. The Master Servicer shall be required to pay all expenses incurred by it in connection with its servicing activities hereunder (including premiums for the insurance required by Section 3.14, to the extent such premiums are not paid by the related Mortgagors or by a Sub-Servicer, it being understood however, that payment of such premiums by the Master Servicer shall constitute Servicing Advances and servicing compensation of each Sub-Servicer, and to the extent provided herein and in Section 8.05, the fees and expenses of the Trustee) and shall not be entitled to reimbursement therefor except as specifically provided herein.

Section 3.19 Reports to the Trustee; Collection Account Statements

Not later than fifteen days after each Distribution Date, the Master Servicer shall forward to the Trustee, the NIMS Insurer and the Depositor a statement prepared by the Master Servicer setting forth the status of the Collection Account as of the close of business on such Distribution Date and showing, for the period covered by such statement, the aggregate amount of deposits into and withdrawals from the Collection Account of each category of deposit specified in Section 3.10(a) and each category of withdrawal specified in Section 3.11. Such statement may be in the form of the then current Fannie Mae Monthly Accounting Report for its Guaranteed Mortgage Pass-Through Program with appropriate additions and changes, and shall also include information as to the aggregate of the outstanding principal balances of all of the Mortgage Loans as of the last day of the calendar month immediately preceding such Distribution Date. Copies of such statement shall be provided by the Trustee to any Certificateholder and to any

Person identified to the Trustee as a prospective transferee of a Certificate, upon request at the expense of the requesting party, provided such statement is delivered by the Master Servicer to the Trustee.

Section 3.20 Statement as to Compliance.

The Master Servicer shall deliver to the Trustee, the Depositor, the NIMS Insurer and each Rating Agency on or before March 10 of each calendar year prior to and including the calendar year in which a Form 15 is filed with respect to the Trust Fund and April 30 of each calendar year thereafter, an Officers' Certificate stating, as to each signatory thereof, that (i) a review of the activities of the Master Servicer during the preceding year and of performance under this Agreement has been made under such officers' supervision and (ii) to the best of such officers' knowledge, based on such review, the Master Servicer has fulfilled all of its obligations under this Agreement throughout such year, or, if there has been a default in the fulfillment of any such obligation, specifying each such default known to such officer and the nature and status thereof. Copies of any such statement shall be provided by the Trustee to any Certificateholder and to any Person identified to the Trustee as a prospective transferee of a Certificate, upon the request and at the expense of the requesting party, provided that such statement is delivered by the Master Servicer to the Trustee.

Section 3.21 Independent Public Accountants' Servicing Report.

Not later than March 10 of each calendar year prior to and including the calendar year in which a Form 15 is filed with respect to the Trust Fund and April 30 of each calendar year thereafter, the Master Servicer, at its expense, shall cause a nationally recognized firm of independent certified public accountants to furnish to the Master Servicer a report stating that (i) it has obtained a letter of representation regarding certain matters from the management of the Master Servicer which includes an assertion that the Master Servicer has complied with certain minimum residential mortgage loan servicing standards, identified in the Uniform Single Attestation Program for Mortgage Bankers established by the Mortgage Bankers Association of America, with respect to the servicing of residential mortgage loans during the most recently completed fiscal year and (ii) on the basis of an examination conducted by such firm in accordance with standards established by the American Institute of Certified Public Accountants, such representation is fairly stated in all material respects, subject to such exceptions and other qualifications that may be appropriate. In rendering its report such firm may rely, as to matters relating to the direct servicing of residential mortgage loans by Sub-Servicers, upon comparable reports of firms of independent certified public accountants rendered on the basis of examinations conducted in accordance with the same standards (rendered within one year of such report) with respect to those Sub-Servicers. Immediately upon receipt of such report, the Master Servicer shall furnish a copy of such report to the Trustee, the NIMS Insurer and each Rating Agency. Copies of such statement shall be provided by the Trustee to any Certificateholder upon request at the Master Servicer's expense, provided that such statement is delivered by the Master Servicer to the Trustee. In the event such firm of independent certified public accountants requires the Trustee to agree to the procedures performed by such firm, the Master Servicer shall direct the Trustee in writing to so agree; it being understood and agreed that the Trustee will deliver such letter of agreement in conclusive reliance upon the direction of the Master Servicer, and the Trustee has not made any independent inquiry or investigation as to,

and shall have no obligation or liability in respect of, the sufficiency, validity or correctness of such procedures.

Section 3.22 Access to Certain Documentation.

The Master Servicer shall provide to the Office of Thrift Supervision, the FDIC and any other federal or state banking or insurance regulatory authority that may exercise authority over any Certificateholder access to the documentation regarding the Mortgage Loans serviced by the Master Servicer under this Agreement, as may be required by applicable laws and regulations. Such access shall be afforded without charge, but only upon reasonable request and during normal business hours at the offices of the Master Servicer designated by it. In addition, access to the documentation regarding the Mortgage Loans serviced by the Master Servicer under this Agreement will be provided to any Certificateholder, the NIMS Insurer, the Trustee and to any Person identified to the Master Servicer as a prospective transferee of a Certificate, upon reasonable request during normal business hours at the offices of the Master Servicer designated by it at the expense of the Person requesting such access.

Section 3.23 Title, Management and Disposition of REO Property.

(a) The deed or certificate of sale of any REO Property shall be taken in the name of the Trustee, or its nominee, in trust for the benefit of the Certificateholders. The Master Servicer, on behalf of REMIC 1 (and on behalf of the Trustee for the benefit of the Certificateholders), shall sell any REO Property as soon as practicable and, in any event, shall either sell any REO Property before the close of the third taxable year after the year REMIC 1 acquires ownership of such REO Property for purposes of Section 860G(a)(8) of the Code or request from the Internal Revenue Service, no later than 60 days before the day on which the three-year grace period would otherwise expire, an extension of the three-year grace period, unless the Master Servicer shall have delivered to the Trustee, the NIMS Insurer and the Depositor an Opinion of Counsel, addressed to the Trustee, the NIMS Insurer and the Depositor, to the effect that the holding by REMIC 1 of such REO Property subsequent to three years after its acquisition will not result in the imposition on any Trust REMIC of taxes on “prohibited transactions” thereof, as defined in Section 860F of the Code, or cause any Trust REMIC to fail to qualify as a REMIC under Federal law at any time that any Certificates are outstanding. If an extension of the three-year period is granted, the Master Servicer shall sell the related REO Property no later than 60 days prior to the expiration of such extension period. The Master Servicer shall manage, conserve, protect and operate each REO Property for the Certificateholders solely for the purpose of its prompt disposition and sale in a manner which does not cause such REO Property to fail to qualify as “foreclosure property” within the meaning of Section 860G(a)(8) of the Code or result in the receipt by any Trust REMIC of any “income from non-permitted assets” within the meaning of Section 860F(a)(2)(B) of the Code, or any “net income from foreclosure property” which is subject to taxation under the REMIC Provisions.

(b) The Master Servicer shall segregate and hold all funds collected and received in connection with the operation of any REO Property separate and apart from its own funds and general assets and shall establish and maintain, or cause to be established and maintained, with respect to REO Properties an account held in trust for the Trustee for the benefit of the Certificateholders (the “REO Account”), which shall be an Eligible Account. The Master Servicer may allow the Collection Account to serve as the REO Account, subject to

separate ledgers for each REO Property. The Master Servicer may retain or withdraw any interest income paid on funds deposited in the REO Account.

(c) The Master Servicer shall have full power and authority, subject only to the specific requirements and prohibitions of this Agreement, to do any and all things in connection with any REO Property as are consistent with the manner in which the Master Servicer manages and operates similar property owned by the Master Servicer or any of its Affiliates, all on such terms and for such period as the Master Servicer deems to be in the best interests of Certificateholders. In connection therewith, the Master Servicer shall deposit, or cause to be deposited in the clearing account (which account must be an Eligible Account) in which it customarily deposits payments and collections on mortgage loans in connection with its mortgage loan servicing activities on a daily basis, and in no event more than one Business Day after the Master Servicer's receipt thereof and shall thereafter deposit in the REO Account, in no event more than two Business Days after the deposit of such funds into the clearing account, all revenues received by it with respect to an REO Property and shall withdraw therefrom funds necessary for the proper operation, management and maintenance of such REO Property including, without limitation:

- (i) all insurance premiums due and payable in respect of such REO Property;
- (ii) all real estate taxes and assessments in respect of such REO Property that may result in the imposition of a lien thereon; and
- (iii) all costs and expenses necessary to maintain such REO Property.

To the extent that amounts on deposit in the REO Account with respect to an REO Property are insufficient for the purposes set forth in clauses (i) through (iii) above with respect to such REO Property, the Master Servicer shall advance from its own funds as Servicing Advances such amount as is necessary for such purposes if, but only if, the Master Servicer would make such advances if the Master Servicer owned the REO Property and if such Servicing Advance would not constitute a Nonrecoverable Advance.

Notwithstanding the foregoing, neither the Master Servicer nor the Trustee shall:

- (i) authorize the Trust Fund to enter into, renew or extend any New Lease with respect to any REO Property, if the New Lease by its terms will give rise to any income that does not constitute Rents from Real Property;
- (ii) authorize any amount to be received or accrued under any New Lease other than amounts that will constitute Rents from Real Property;
- (iii) authorize any construction on any REO Property, other than construction permitted under Section 856(e)(4)(B) of the Code; or
- (iv) authorize any Person to Directly Operate any REO Property on any date more than 90 days after its date of acquisition by the Trust Fund;

unless, in any such case, the Master Servicer has obtained an Opinion of Counsel (the cost of which shall constitute a Servicing Advance), a copy of which shall be provided to the NIMS Insurer and the Trustee, to the effect that such action will not cause such REO Property to fail to qualify as “foreclosure property” within the meaning of Section 860G(a)(8) of the Code at any time that it is held by REMIC 1, in which case the Master Servicer may take such actions as are specified in such Opinion of Counsel.

The Master Servicer may contract with any Independent Contractor for the operation and management of any REO Property, provided that:

- (i) the terms and conditions of any such contract shall not be inconsistent herewith;
- (ii) any such contract shall require, or shall be administered to require, that the Independent Contractor pay all costs and expenses incurred in connection with the operation and management of such REO Property, including those listed above, and remit all related revenues (net of such costs and expenses) to the Master Servicer as soon as practicable, but in no event later than thirty days following the receipt thereof by such Independent Contractor;
- (iii) none of the provisions of this Section 3.23(c) relating to any such contract or to actions taken through any such Independent Contractor shall be deemed to relieve the Master Servicer of any of its duties and obligations to the Trustee on behalf of the Certificateholders with respect to the operation and management of any such REO Property; and
- (iv) the Master Servicer shall be obligated with respect thereto to the same extent as if it alone were performing all duties and obligations in connection with the operation and management of such REO Property.

The Master Servicer shall be entitled to enter into any agreement with any Independent Contractor performing services for it related to its duties and obligations hereunder for indemnification of the Master Servicer by such Independent Contractor, and nothing in this Agreement shall be deemed to limit or modify such indemnification. The Master Servicer shall be solely liable for all fees owed by it to any such Independent Contractor, irrespective of whether the Master Servicer’s compensation pursuant to Section 3.18 is sufficient to pay such fees; provided, however, that to the extent that any payments made by such Independent Contractor would constitute Servicing Advances if made by the Master Servicer, such amounts shall be reimbursable as Servicing Advances made by the Master Servicer.

(d) In addition to the withdrawals permitted under Section 3.23(c), the Master Servicer may from time to time make withdrawals from the REO Account for any REO Property: (i) to pay itself or any Sub-Servicer unpaid Servicing Fees in respect of the related Mortgage Loan; and (ii) to reimburse itself or any Sub-Servicer for unreimbursed Servicing Advances and Advances made in respect of such REO Property or the related Mortgage Loan. On the Master Servicer Remittance Date, the Master Servicer shall withdraw from each REO Account maintained by it and deposit into the Distribution Account in accordance with Section 3.10(d)(ii), for distribution on the related Distribution Date in accordance with

Section 4.01, the income from the related REO Property received during the prior calendar month, net of any withdrawals made pursuant to Section 3.23(c) or this Section 3.23(d).

(e) Subject to the time constraints set forth in Section 3.23(a), each REO Disposition shall be carried out by the Master Servicer at such price and upon such terms and conditions as the Master Servicer shall deem necessary or advisable, as shall be normal and usual in its general servicing activities for similar properties.

(f) The proceeds from the REO Disposition, net of any amount required by law to be remitted to the Mortgagor under the related Mortgage Loan and net of any payment or reimbursement to the Master Servicer or any Sub-Servicer as provided above, shall be deposited in the Distribution Account in accordance with Section 3.10(d)(ii) on the Master Servicer Remittance Date in the month following the receipt thereof for distribution on the related Distribution Date in accordance with Section 4.01. Any REO Disposition shall be for cash only (unless changes in the REMIC Provisions made subsequent to the Startup Day allow a sale for other consideration).

(g) The Master Servicer shall file information returns with respect to the receipt of mortgage interest received in a trade or business, reports of foreclosures and abandonments of any Mortgaged Property and cancellation of indebtedness income with respect to any Mortgaged Property as required by Sections 6050H, 6050J and 6050P of the Code, respectively. Such reports shall be in form and substance sufficient to meet the reporting requirements imposed by such Sections 6050H, 6050J and 6050P of the Code.

Section 3.24 Obligations of the Master Servicer in Respect of Prepayment Interest Shortfalls.

The Master Servicer shall deliver to the Trustee for deposit into the Distribution Account on or before 3:00 p.m. New York time on the Master Servicer Remittance Date from its own funds an amount (“Compensating Interest”) equal to the lesser of (i) the aggregate of the Prepayment Interest Shortfalls for the related Distribution Date resulting solely from Principal Prepayments during the related Prepayment Period and (ii) the amount of its aggregate Servicing Fee for the most recently ended calendar month.

Section 3.25 Obligations of the Master Servicer in Respect of Mortgage Rates and Monthly Payments.

In the event that a shortfall in any collection on or liability with respect to any Mortgage Loan results from or is attributable to adjustments to Mortgage Rates, Monthly Payments or Stated Principal Balances that were made by the Master Servicer in a manner not consistent with the terms of the related Mortgage Note and this Agreement, the Master Servicer, upon discovery or receipt of notice thereof, immediately shall deliver to the Trustee for deposit in the Distribution Account from its own funds the amount of any such shortfall and shall indemnify and hold harmless the Trust Fund, the Trustee, the Depositor and any successor master servicer in respect of any such liability. Such indemnities shall survive the termination or discharge of this Agreement. Notwithstanding the foregoing, this Section 3.25 shall not limit the ability of the Master Servicer to seek recovery of any such amounts from the related Mortgagor under the terms of the related Mortgage Note, as permitted by law and shall not be an expense of the Trust.

Section 3.26 Reserve Fund.

No later than the Closing Date, the Trustee, on behalf of the Certificateholders, shall establish and maintain with itself a separate, segregated trust account titled, "Reserve Fund, Deutsche Bank National Trust Company, as Trustee, in trust for registered Holders of Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3." The Trustee shall account for the right to receive payments from the Reserve Fund as property that the Trustee holds separate and apart from the REMIC Regular Interests.

(a) The following amounts shall be deposited into the Reserve Fund:

(i) On the Closing Date, the Depositor shall deposit, or cause to be deposited, into the Reserve Fund \$1,000;

(ii) On each Distribution Date as to which there is a Net WAC Rate Carryover Amount payable to any of the Class A Certificates or the Mezzanine Certificates, the Trustee has been directed by the Holders of the Class C Certificates to, and therefore shall, deposit into the Reserve Fund the amounts described in Section 4.01(d)(i)(y); and

(iii) On each Distribution Date as to which there are no Net WAC Rate Carryover Amounts, the Trustee shall deposit into the Reserve Fund on behalf of the Holders of the Class C Certificates, from amounts otherwise distributable to such Class C Certificates, an amount such that when added to other amounts already on deposit in the Reserve Fund, the aggregate amount on deposit therein is equal to \$1,000.

(b) The Reserve Fund shall be treated as an "outside reserve fund" under applicable Treasury regulations and shall not be part of any REMIC created hereunder. For federal and state income tax purposes, the Holders of the Class C Certificates shall be deemed to be the owners of the Reserve Fund and all amounts deposited into the Reserve Fund (other than the initial deposit therein of \$1,000) shall be treated as amounts distributed by REMIC 4 to REMIC CX in respect of the Class C Interest, and then distributed by REMIC CX to the Holders of the Class C Certificates. For federal and state income tax purposes, payments in respect of the Class A Certificates and the Mezzanine Certificates of Net WAC Rate Carryover Amounts will not be payments with respect to a "regular interest" in a REMIC within the meaning of Code Section 860G(a)(1).

(c) By accepting a Class C Certificate, each Holder of a Class C Certificate shall be deemed to have directed the Trustee to, and the Trustee shall pursuant to such direction, deposit into the Reserve Fund the amounts described in Section 3.26(a)(ii) and (a)(iii) above on each Distribution Date. By accepting a Class C Certificate, each Holder of a Class C Certificate further agrees that such direction is given for good and valuable consideration, the receipt and sufficiency of which is acknowledged by such acceptance.

(d) At the direction of the Holders of a majority in Percentage Interest in the Class C Certificates, the Trustee shall direct any depository institution maintaining the Reserve Fund to invest the funds in such account in one or more Permitted Investments bearing interest or

sold at a discount, and maturing, unless payable on demand, (i) no later than the Business Day immediately preceding the date on which such funds are required to be withdrawn from such account pursuant to this Agreement, if a Person other than the Trustee or an Affiliate manages or advises such investment, and (ii) no later than the date on which such funds are required to be withdrawn from such account pursuant to this Agreement, if the Trustee or an Affiliate manages or advises such investment. If no investment direction of the Holders of a majority in Percentage Interest in the Class C Certificates with respect to the Reserve Fund is received by the Trustee, the Trustee shall invest the funds in the Reserve Fund in Permitted Investments managed by the Trustee or an Affiliate of the kind described in clause (vi) of the definition of Permitted Investments. Notwithstanding the foregoing, any funds in the Reserve Fund shall be invested in Deutsche Bank Cash Management Fund 541 for so long as such investment complies with clause (vi) of the definition of Permitted Investments. All income and gain earned upon such investment shall be deposited into the Reserve Fund.

(e) For federal tax return and information reporting, the right of the Certificateholders to receive payment on account of the Class A Certificates and the Mezzanine Certificates from the Reserve Fund in respect of any Net WAC Rate Carryover Amount shall be assigned a value of zero.

Section 3.27 Advance Facility.

(a) The Trustee, on behalf of the Trust Fund, at the direction of the Master Servicer and with the consent of the NIMS Insurer, is hereby authorized to enter into a facility with any Person which provides that such Person (an “Advancing Person”) may make all or a portion of the Advances and/or Servicing Advances to the Trust Fund under this Agreement, although no such facility shall reduce or otherwise affect the Master Servicer’s obligation to fund such Advances and/or Servicing Advances. To the extent that an Advancing Person makes all or a portion of any Advance or any Servicing Advance and provides the Trustee with notice acknowledged by the Master Servicer that such Advancing Person is entitled to reimbursement, such Advancing Person shall be entitled to receive reimbursement pursuant to this Agreement for such amount to the extent provided in Section 3.27(b). Such notice from the Advancing Person shall specify the amount of the reimbursement and shall specify which Section of this Agreement permits the applicable Advance or Servicing Advance to be reimbursed. The Trustee shall be entitled to rely without independent investigation on the Advancing Person’s statement with respect to the amount of any reimbursement pursuant to this Section 3.27 and with respect to the Advancing Person’s statement with respect to the Section of this Agreement that permits the applicable Advance or Servicing Advance to be reimbursed. An Advancing Person whose obligations are limited to the making of Advances and/or Servicing Advances shall not be required to meet the qualifications of a Master Servicer or a Sub-Servicer pursuant to Article VI hereof and will not be deemed to be a Sub-Servicer under this Agreement. If the terms of a facility proposed to be entered into with an Advancing Person by the Trust Fund would not materially and adversely affect the interests of any Certificateholder, then the NIMS Insurer shall not withhold its consent to the Trust Fund’s entering into such facility.

(b) If an advancing facility is entered into, then the Master Servicer shall not be permitted to reimburse itself under any Section specified or for any amount specified by the Advancing Person in the notice described under Section 3.27(a) above and acknowledged by the Master Servicer prior to the remittance to the Trust Fund, but instead the Master Servicer shall

include such amounts in the applicable remittance to the Trustee made pursuant to Section 3.10(a). The Trustee is hereby authorized to pay to the Advancing Person reimbursements for Advances and Servicing Advances from the Distribution Account to the same extent the Master Servicer would have been permitted to reimburse itself for such Advances and/or Servicing Advances in accordance with the specified Sections had the Master Servicer itself made such Advance or Servicing Advance. The Trustee is hereby authorized to pay directly to the Advancing Person such portion of the Servicing Fee as the parties to any advancing facility may agree.

(c) All Advances and Servicing Advances made pursuant to the terms of this Agreement shall be deemed made and shall be reimbursed on a “first in-first out” (FIFO) basis.

Section 3.28 PMI Policy; Claims Under the PMI Policy

Notwithstanding anything to the contrary elsewhere in this Article III, the Master Servicer shall not agree to any modification or assumption of a PMI Mortgage Loan or take any other action with respect to a PMI Mortgage Loan that could result in denial of coverage under the PMI Policy. The Master Servicer shall notify the PMI Insurer that the Trustee, as trustee on behalf of the Certificateholders, is the insured, as that term is defined in the PMI Policy, of each PMI Mortgage Loan. The Master Servicer shall, on behalf of the Trustee, prepare and file on a timely basis with the PMI Insurer, with a copy to the Trustee, all claims which may be made under the PMI Policy with respect to the PMI Mortgage Loans. The Master Servicer shall take all actions required under the PMI Policy as a condition to the payment of any such claim. Any amount received from the PMI Insurer with respect to any such PMI Mortgage Loan shall be deposited by the Master Servicer, no later than two Business Days following receipt thereof, into the Collection Account. On each Distribution Date, the Trustee shall pay to the PMI Insurer the PMI Insurer Fee for such Distribution Date from the amounts on deposit in the Distribution Account prior to making any distributions to the Certificateholders.

Section 3.29 Swap Agreement.

The Depositor hereby directs the Trustee to execute and deliver on behalf of the Trust the Swap Agreement and authorizes the Trustee to perform its obligations thereunder on behalf of the Trust in accordance with the terms of the Swap Agreement. The Depositor hereby authorizes and directs the Trustee to ratify on behalf of the Trust, as the Trust’s own actions, the terms agreed to by the Depositor (or any of its Affiliates) in relation to the Swap Agreement, as reflected in the Swap Agreement, and the Trustee hereby so ratifies the Swap Agreement. The Trustee shall amend the Swap Agreement in accordance with its terms and as requested by a party to the Swap Agreement, provided, however, that the Trustee shall have received a prior written confirmation from each Rating Agency that such amendment would not cause such Rating Agency to downgrade or withdraw the then current ratings of any outstanding Class A Certificates or Mezzanine Certificates. On the Closing Date, the Trustee shall enter into the Swap Agreement, on behalf of the Trust, with the Swap Counterparty. The Swap Agreement shall be part of the Trust Fund but not part of any REMIC. The Swap Counterparty is the calculation agent under the Swap Agreement and shall calculate all amounts pursuant to the Swap Agreement and notify the Trustee of all such amounts.

Section 3.30 Section 3.30 Replacement Swap Agreement.

(a) The Trustee shall, at the direction of the NIMS Insurer or, with the consent of the NIMS Insurer, at the direction of the Depositor, in the event the Swap Agreement is terminated as a result of the designation by either party thereto of an Early Termination Date, find a replacement counterparty to enter into a replacement swap agreement.

(b) Notwithstanding anything to the contrary herein, any Swap Termination Payment received by the Trustee shall be deposited in the Supplemental Interest Account and shall be used to make any upfront payment required under a replacement swap agreement and any upfront payment (the "Replacement Payment") received by the Trust from the counterparty to a replacement swap agreement shall be used to pay any Swap Termination Payment owed to the Swap Counterparty that is being replaced. The Swap Counterparty that is being replaced shall have first priority as to such Replacement Payments versus all other creditors of the Trust, and the Trust shall pay from the Replacement Payments received the lesser of (x) the Replacement Payments so received and (y) any Swap Termination Payment owed to the Swap Counterparty (to the extent not already paid by the Trust) that is being replaced immediately upon receipt.

(c) Notwithstanding anything contained herein, in the event that a replacement swap agreement cannot be obtained within 30 days after receipt by the Trustee of the Swap Termination Payment paid by the terminated Swap Counterparty, the Trustee shall on each Distribution Date, withdraw from the Supplemental Interest Account, an amount equal to the Net Counterparty Payment, if any, that would have been paid to the Trust by the original Swap Counterparty (computed in accordance with the terms of the original Swap Agreement) and distribute such amount in accordance with Section 4.01(d)(iv)(b) of this Agreement.

ARTICLE IV

FLOW OF FUNDS

Section 4.01 Distributions.

(a) On each Distribution Date, the Trustee shall withdraw from the Distribution Account that portion of the Available Funds for such Distribution Date consisting of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date, and make the following disbursements and transfers in the order of priority described below, in each case to the extent of the Group I Interest Remittance Amount or the Group II Interest Remittance Amount remaining for such Distribution Date:

(i) The Group I Interest Remittance Amount shall be distributed as follows:

(A) *first*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group I Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group I Swap Termination Payment (including any amount remaining unpaid from

prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable for the related Distribution Date;

(B) *second*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group II Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group II Swap Termination Payment (including any amount remaining unpaid from prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable for the related Distribution Date to the extent not paid pursuant to Section 4.01(a)(ii)(A);

(C) *third*, to the Final Maturity Reserve Account, the Group I Final Maturity Reserve Amount, if any, for such Distribution Date;

(D) *fourth*, to the Final Maturity Reserve Account, the Group II Final Maturity Reserve Amount, if any, for such Distribution Date, to the extent not paid pursuant to Section 4.01(a)(ii)(C);

(E) *fifth*, to the Class IA Certificates, the Monthly Interest Distributable Amount and any Unpaid Interest Shortfall Amount for such Class; and

(F) *sixth*, concurrently, to the Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates, the Monthly Interest Distributable Amount and any Unpaid Interest Shortfall Amount for such Classes, in each case, to the extent not paid pursuant to Section 4.01(a)(ii)(E), allocated among the Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates, *pro rata*, based on their respective entitlements.

(ii) The Group II Interest Remittance Amount shall be distributed as follows:

(A) *first*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group II Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group II Swap Termination Payment (including any amount remaining unpaid from prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable for the related Distribution Date;

(B) *second*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group I Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group I Swap Termination Payment (including any amount remaining unpaid from prior Distribution Dates) (unless the Swap Counterparty is the

Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable for the related Distribution Date to the extent not paid pursuant to Section 4.01(a)(i)(A);

(C) *third*, to the Final Maturity Reserve Account, the Group II Final Maturity Reserve Amount, if any, for such Distribution Date;

(D) *fourth*, to the Final Maturity Reserve Account, the Group I Final Maturity Reserve Amount, if any, to the extent not paid pursuant to Section 4.01(a)(i)(C);

(E) *fifth*, concurrently, to the Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates, the Monthly Interest Distributable Amount and any Unpaid Interest Shortfall Amount for such Classes, in each case allocated among the Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates, *pro rata*, based on their respective entitlements; and

(F) *sixth*, to the Class IA Certificates, the Monthly Interest Distributable Amount and any Unpaid Interest Shortfall Amount for such Class, to the extent not paid pursuant to Section 4.01(a)(i)(E).

(iii) The sum of any Group I Interest Remittance Amount and Group II Interest Remittance Amount remaining undistributed following the distributions pursuant to Sections 4.01(a)(i) and (ii) shall be distributed as follows:

first, to the Class M-1 Certificates, the related Monthly Interest Distributable Amount;

second, to the Class M-2 Certificates, the related Monthly Interest Distributable Amount;

third, to the Class M-3 Certificates, the related Monthly Interest Distributable Amount;

fourth, to the Class M-4 Certificates, the related Monthly Interest Distributable Amount;

fifth, to the Class M-5 Certificates, the related Monthly Interest Distributable Amount;

sixth, to the Class M-6 Certificates, the related Monthly Interest Distributable Amount;

seventh, to the Class M-7 Certificates, the related Monthly Interest Distributable Amount;

eighth, to the Class M-8 Certificates, the related Monthly Interest Distributable Amount;

ninth, to the Class M-9 Certificates, the related Monthly Interest Distributable Amount;

tenth, to the Class M-10 Certificates, the related Monthly Interest Distributable Amount; and

eleventh, to the Class M-11 Certificates, the related Monthly Interest Distributable Amount.

(iv) Any Group I Interest Remittance Amount or any Group II Interest Remittance Amount remaining undistributed following distributions pursuant to Section 4.01(a)(iii) shall be used in determining the amount of Net Monthly Excess Cashflow, if any, for such Distribution Date.

(b) On each Distribution Date (a) prior to the Stepdown Date or (b) on which a Trigger Event is in effect, the Class A Certificates and the Mezzanine Certificates shall be entitled to receive distributions in respect of principal to the extent of the Group I Principal Distribution Amount and the Group II Principal Distribution Amount in the following amounts and order of priority:

(i) the Group I Principal Distribution Amount will be distributed as follows:

(A) *first*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group I Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group I Swap Termination Payment (including any amount not paid on prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date;

(B) *second*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group II Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group II Swap Termination Payment (including any amount not paid on prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount, the Group II Interest Remittance Amount and the Group II Principal Distribution Amount for such Distribution Date;

(C) *third*, to the Final Maturity Reserve Account, the Group I Final Maturity Reserve Amount, if any, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date;

(D) *fourth*, to the Final Maturity Reserve Account, the Group II Final Maturity Reserve Amount, if any, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount, the Group II Interest Remittance Amount and the Group II Principal Distribution Amount for such Distribution Date;

(E) *fifth*, to the Class I-A Certificates, until the Certificate Principal Balance thereof has been reduced to zero; and

(F) *sixth*, sequentially, to the Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates, until the Certificate Principal Balances thereof have been reduced to zero.

(ii) the Group II Principal Distribution Amount will be distributed as follows:

(A) *first*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group II Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group II Swap Termination Payment (including any amount not paid on prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date;

(B) *second*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group I Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group I Swap Termination Payment (including any amount not paid on prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount, the Group II Interest Remittance Amount and the Group I Principal Distribution Amount for such Distribution Date;

(C) *third*, to the Final Maturity Reserve Account, the Group II Final Maturity Reserve Amount, if any, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date;

(D) *fourth*, to the Final Maturity Reserve Account, the Group I Final Maturity Reserve Amount, if any, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount, the Group II Interest Remittance Amount and the Group I Principal Distribution Amount for such Distribution Date;

(E) *fifth*, sequentially, to the Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates, until the Certificate Principal Balances thereof have been reduced to zero; and

(F) *sixth*, to the Class I-A Certificates, until the Certificate Principal Balance thereof has been reduced to zero.

(iii) the sum of any Group I Principal Distribution Amount and Group II Principal Distribution Amount remaining undistributed following the distributions pursuant to Sections 4.01(b)(i) and (ii) shall be distributed in the following order of priority:

first, to the Class M-1 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

second, to the Class M-2 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

third, to the Class M-3 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

fourth, to the Class M-4 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

fifth, to the Class M-5 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

sixth, to the Class M-6 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

seventh, to the Class M-7 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

eighth, to the Class M-8 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

ninth, to the Class M-9 Certificates, until the Certificate Principal Balance thereof has been reduced to zero;

tenth, to the Class M-10 Certificates, until the Certificate Principal Balance thereof has been reduced to zero; and

eleventh, to the Class M-11 Certificates, until the Certificate Principal Balance thereof has been reduced to zero.

(iv) Any principal remaining undistributed pursuant to Sections 4.01(b)(i), (ii) and (iii) above shall be used in determining the amount of Net Monthly Excess Cashflow, if any, for such Distribution Date.

(c) On each Distribution Date (a) on or after the Stepdown Date and (b) on which a Trigger Event is not in effect, the Class A Certificates and the Mezzanine Certificates shall be entitled to receive distributions in respect of principal to the extent of the Group I Principal Distribution Amount and the Group II Principal Distribution Amount in the following amounts and order of priority:

(i) the Group I Principal Distribution Amount will be distributed as follows:

(A) *first*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group I Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group I Swap Termination Payment (including any amount not paid on prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date;

(B) *second*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group II Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group II Swap Termination Payment (including any amount not paid on prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount, the Group II Interest Remittance Amount and the Group II Principal Distribution Amount for such Distribution Date;

(C) *third*, to the Final Maturity Reserve Account, the Group I Final Maturity Reserve Amount, if any, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date;

(D) *fourth*, to the Final Maturity Reserve Account, the Group II Final Maturity Reserve Amount, if any, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount, the Group II Interest Remittance Amount and the Group II Principal Distribution Amount for such Distribution Date;

(E) *fifth*, to the Class IA Certificates, the Class IA Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero; and

(F) *sixth*, sequentially, to the Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates, the Group II Senior Principal Distribution Amount, to the extent not paid pursuant to Section

4.01(c)(ii)(E), until the Certificate Principal Balances thereof have been reduced to zero.

(ii) the Group II Principal Distribution Amount will be distributed as follows:

(A) *first*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group II Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group II Swap Termination Payment (including any amount not paid on prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date;

(B) *second*, to the Supplemental Interest Account for payment to the Swap Counterparty, the Group I Net Swap Payment, provided a Swap Default has not occurred and is not continuing, and any unpaid Group I Swap Termination Payment (including any amount not paid on prior Distribution Dates) (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)), as applicable, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount, the Group II Interest Remittance Amount and the Group I Principal Distribution Amount for such Distribution Date;

(C) *third*, to the Final Maturity Reserve Account, the Group II Final Maturity Reserve Amount, if any, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount for such Distribution Date;

(D) *fourth*, to the Final Maturity Reserve Account, the Group I Final Maturity Reserve Amount, if any, remaining unpaid after giving effect to the distribution of the Group I Interest Remittance Amount, the Group II Interest Remittance Amount and the Group I Principal Distribution Amount for such Distribution Date;

(E) *fifth*, sequentially, to the Class II-A1 Certificates, the Class II-A2 Certificates and the Class II-A3 Certificates, the Group II Senior Principal Distribution Amount, until the Certificate Principal Balances thereof have been reduced to zero; and

(F) *sixth*, to the Class I-A Certificates, the Class I-A Principal Distribution Amount, to the extent not paid pursuant to Section 4.01(c)(i)(E), until the Certificate Principal Balance thereof has been reduced to zero.

(iii) the sum of any Group I Principal Distribution Amount and Group II Principal Distribution Amount remaining undistributed following the distribution pursuant to Sections 4.01(c)(i) and (ii) shall be distributed in the following order of priority:

first, to the Class M-1 Certificates, the Class M-1 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

second, to the Class M-2 Certificates, the Class M-2 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

third, to the Class M-3 Certificates, the Class M-3 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

fourth, to the Class M-4 Certificates, the Class M-4 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

fifth, to the Class M-5 Certificates, the Class M-5 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

sixth, to the Class M-6 Certificates, the Class M-6 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

seventh, to the Class M-7 Certificates, the Class M-7 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

eighth, to the Class M-8 Certificates, the Class M-8 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

ninth, to the Class M-9 Certificates, the Class M-9 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero;

tenth, to the Class M-10 Certificates, the Class M-10 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero; and

eleventh, to the Class M-11 Certificates, the Class M-11 Principal Distribution Amount, until the Certificate Principal Balance thereof has been reduced to zero.

(iv) Any principal remaining undistributed following distributions pursuant to Sections 4.01(c)(i), (ii) and (iii) shall be used in determining the amount of Net Monthly Excess Cashflow, if any, for such Distribution Date.

(d) (i) On each Distribution Date, the Trustee shall distribute any Net Monthly Excess Cashflow in the following order of priority, in each case to the extent of the Net Monthly Excess Cashflow remaining undistributed:

(a) to the Class or Classes of Certificates then entitled to receive distributions in respect of principal, in an amount equal to the sum of any Extra Principal Distribution Amount and the Remaining Principal Distribution Amount for such Distribution Date, payable to such Class or Classes of Certificates as part of the Group I Principal Distribution Amount or the Group II Principal Distribution Amount, as applicable, pursuant to Section 4.01(b) or Section 4.01(c) above, as applicable;

(b) *concurrently*, to the Class A Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Classes for such Distribution Date to the extent remaining unpaid after distribution of the Group I Interest Remittance Amount and the Group II Interest Remittance Amount on such Distribution Date, allocated among such classes, *pro rata*, based on their respective entitlements;

(c) to the Class M-1 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(d) to the Class M-1 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(e) to the Class M-2 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(f) to the Class M-2 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(g) to the Class M-3 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(h) to the Class M-3 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(i) to the Class M-4 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(j) to the Class M-4 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(k) to the Class M-5 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(l) to the Class M-5 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(m) to the Class M-6 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(n) to the Class M-6 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(o) to the Class M-7 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(p) to the Class M-7 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(q) to the Class M-8 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(r) to the Class M-8 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(s) to the Class M-9 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(t) to the Class M-9 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(u) to the Class M-10 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(v) to the Class M-10 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(w) to the Class M-11 Certificates, in an amount equal to the Unpaid Interest Shortfall Amount, if any, for such Class for such Distribution Date;

(x) to the Class M-11 Certificates, in an amount equal to the Allocated Realized Loss Amount, if any, for such Class for such Distribution Date;

(y) to the Reserve Fund, the amount equal to the difference between any Net WAC Rate Carryover Amounts with respect to the Class A Certificates and the Mezzanine Certificates for such Distribution Date and any amounts deposited in the Reserve Fund pursuant to this Section 4.01(d)(i)(y) that were not distributed on prior Distribution Dates;

(z) to the Supplemental Interest Account, for payment to the Swap Counterparty, any unpaid Swap Termination Payment payable by the Trust (including any amount remaining unpaid from prior Distribution Dates) (only if the Swap Counterparty is the Defaulting Party or the sole Affected Party (each as defined in the Swap Agreement));

(aa) to the Final Maturity Reserve Account, the Supplemental Final Maturity Reserve Amount for such Distribution Date;

(bb) if such Distribution Date follows the Prepayment Period during which occurs the latest date on which a Prepayment Charge may be required to be paid in respect of any Mortgage Loans, to REMIC PX, as holder of the Class P Interest, in reduction of the Uncertificated Principal Balance thereof, until the Uncertificated Principal Balance thereof is reduced to zero;

(cc) to REMIC CX, as holder of the Class C Interest, the sum of (A) the Monthly Interest Distributable Amount for the Class C Interest, plus (B) until the Uncertificated Principal Balance of the Class C Interest is reduced to zero, on any Distribution Date on which the Certificate Principal Balances of the Class A Certificates and the Mezzanine Certificates has been reduced to zero, any remaining amounts for such Distribution Date (in both cases, net of such portion of amounts payable pursuant to this Section 4.01(d)(i)(cc) that were paid pursuant to Section 4.01(d)(i)(y) above); and

(dd) any remaining amounts to the Class R Certificates (in respect of the appropriate Class R-3 Interest).

(ii) On each Distribution Date, after making the distributions of the Available Funds as provided in this Section 4.01 (except pursuant to Section 4.01(d)(iii)), the Trustee shall withdraw from the Reserve Fund the amounts on deposit therein and shall distribute such amounts in the following order of priority: first, concurrently, to the Class A Certificates, up to the amount of the related Net WAC Rate Carryover Amount, allocated among the Class A Certificates, *pro rata*, based on their respective Net WAC Rate Carryover Amounts; then, to the Mezzanine Certificates, up to the amount of the related Net WAC Rate Carryover Amount, in the following order of priority: *first* to the Class M-1 Certificates, *second* to the Class M-2 Certificates, *third* to the Class M-3 Certificates, *fourth* to the Class M-4 Certificates, *fifth* to the Class M-5 Certificates, *sixth* to the Class M-6 Certificates, *seventh* to the Class M-7 Certificates, *eighth* to the Class M-8 Certificates, *ninth* to the Class M-9 Certificates, *tenth* to the Class M-10 Certificates, and *eleventh* to the Class M-11 Certificates, in each case to the extent of such amounts remaining in the Reserve Fund.

On the Distribution Date on which the Certificate Principal Balance of the Class A Certificates and the Mezzanine Certificates has been reduced to zero, after making all other distributions on such Distribution Date (including to the Class A Certificates and the Mezzanine Certificates out of the Reserve Fund), the Trustee shall distribute all remaining amounts in the Reserve Fund to the Class C Certificates.

(iii) On the earlier of the Distribution Date in September 2035 and the termination of the Trust after giving effect to all other distributions pursuant to this Section 4.01, the Trustee shall withdraw from the Final Maturity Reserve Account funds on deposit therein and shall distribute such amounts in the following order of priority:

(a) concurrently, to the Class A Certificates, in reduction of their respective Certificate Principal Balances, *pro rata*, based on their Certificate Principal Balances, until the Certificate Principal Balances thereof have been reduced to zero;

(b) to the Mezzanine Certificates, in reduction of their respective Certificate Principal Balances, in the following order of priority: *first* to the Class M-1 Certificates, *second* to the Class M-2 Certificates, *third* to the Class M-3 Certificates, *fourth* to the Class M-4 Certificates, *fifth* to the Class M-5 Certificates, *sixth* to the Class M-6 Certificates, *seventh* to the Class M-7 Certificates, *eighth* to the Class M-8 Certificates, *ninth* to the Class M-9 Certificates, *tenth* to the Class M-10 Certificates and *eleventh* to the Class M-11 Certificates, in each case until the Certificate Principal Balances thereof have been reduced to zero;

(c) concurrently, to the Class A Certificates, up to the amount of the related Monthly Interest Distributable Amount and any Unpaid Interest Shortfall Amount for such Classes remaining unpaid after giving effect to all other distributions pursuant to this Section 4.01, in each case allocated among the Class A Certificates, *pro rata*, based on their Monthly Interest Distributable Amounts and any Unpaid Interest Shortfall Amounts;

(d) to the Mezzanine Certificates, up to the amount of the related Monthly Interest Distributable Amount for such Classes remaining unpaid after giving effect to all other distributions pursuant to this Section 4.01, allocated among the Mezzanine Certificates in the following order of priority: *first* to the Class M-1 Certificates, *second* to the Class M-2 Certificates, *third* to the Class M-3 Certificates, *fourth* to the Class M-4 Certificates, *fifth* to the Class M-5 Certificates, *sixth* to the Class M-6 Certificates, *seventh* to the Class M-7 Certificates, *eighth* to the Class M-8 Certificates, *ninth* to the Class M-9 Certificates, *tenth* to the Class M-10 Certificates and *eleventh* to the Class M-11 Certificates;

(e) to the Mezzanine Certificates, up to the amount of any related Unpaid Interest Shortfall Amount for such Classes remaining unpaid after giving effect to all other distributions pursuant to this Section 4.01, allocated among the Mezzanine Certificates in the following order of priority: *first* to the Class M-1 Certificates, *second* to the Class M-2 Certificates, *third* to the Class M-3 Certificates, *fourth* to the Class M-4 Certificates, *fifth* to the Class M-5 Certificates, *sixth* to the Class M-6 Certificates, *seventh* to the Class M-7 Certificates, *eighth* to the Class M-8 Certificates, *ninth* to the Class M-9 Certificates, *tenth* to the Class M-10 Certificates and *eleventh* to the Class M-11 Certificates;

(f) concurrently, to the Class A Certificates, up to the amount of the related Net WAC Rate Carryover Amount remaining unpaid after giving effect to all other distributions pursuant to this Section 4.01, allocated among the Class A Certificates, *pro rata*, based on their unpaid Net WAC Rate Carryover Amounts;

(g) to the Mezzanine Certificates, up to the amount of the related Net WAC Rate Carryover Amount remaining unpaid after giving effect to all other distributions pursuant to this Section 4.01, in the following order of priority: *first* to the Class M-1 Certificates, *second* to the Class M-2 Certificates, *third* to the Class M-3 Certificates, *fourth* to the Class M-4 Certificates, *fifth* to the Class M-5 Certificates, *sixth* to the Class M-6 Certificates, *seventh* to the Class M-7 Certificates, *eighth* to the Class M-8 Certificates, *ninth* to the Class M-9 Certificates, *tenth* to the Class M-10 Certificates and *eleventh* to the Class M-11 Certificates;

(h) to the Mezzanine Certificates, up to the amount of the related Allocated Realized Loss Amount remaining unpaid after giving

effect to all other distributions pursuant to this Section 4.01, in the following order of priority: *first* to the Class M-1 Certificates, *second* to the Class M-2 Certificates, *third* to the Class M-3 Certificates, *fourth* to the Class M-4 Certificates, *fifth* to the Class M-5 Certificates, *sixth* to the Class M-6 Certificates, *seventh* to the Class M-7 Certificates, *eighth* to the Class M-8 Certificates, *ninth* to the Class M-9 Certificates, *tenth* to the Class M-10 Certificates and *eleventh* to the Class M-11 Certificates;

(i) to the Supplemental Interest Account, for payment to the Swap Counterparty, any unpaid Swap Termination Payment payable by the Trust (including any amount remaining unpaid from prior Distribution Dates) (only if the Swap Counterparty is the Defaulting Party or the sole Affected Party (each as defined in the Swap Agreement)) to the extent not paid with Net Monthly Excess Cashflow on such Distribution Date; and

(j) to the Class C Certificates, any remaining amount.

Amounts on deposit in the Final Maturity Reserve Account shall be deemed to be distributed first from amounts received from the Supplemental Interest Account, if any, and then from all other amounts. On the Distribution Date on which the funds are distributed from the Final Maturity Reserve Account pursuant to this Section 4.01(d)(iii), after making all distributions pursuant to this Section 4.01(d)(iii) (other than pursuant to Section 4.01(d)(iii)(j)), the Trustee shall distribute to itself all amounts remaining in the Final Maturity Reserve Account that were deposited therein from the Supplemental Interest Account and shall distribute all other amounts remaining in the Final Maturity Reserve Account pursuant to Section 4.01(d)(iii)(j).

(iv) On each Distribution Date, the Trustee shall withdraw from the Supplemental Interest Account the amounts equal to the Net Swap Payment and the Swap Termination Payment payable by the Trust that are required to be deposited in the Supplemental Interest Account pursuant to this Section 4.01 with respect to such Distribution Date and shall distribute such amounts to the Swap Counterparty on such Distribution Date. On each Distribution Date, the Trustee shall withdraw from the Supplemental Interest Account the Net Counterparty Payment and the Swap Termination Payment payable by the Swap Counterparty and received by the Trustee from the Swap Counterparty and deposited in the Supplemental Interest Account and shall distribute such amounts as follows (provided the Swap Termination Payment shall be distributed as provided in Section 3.30(c)):

(a) *first*, for payment to the Swap Counterparty, any unpaid Swap Termination Payment payable by the Trust, including any amount remaining unpaid from prior Distribution Dates (unless the Swap Counterparty is the Defaulting Party or the sole Affected Party (each, as defined in the Swap Agreement)); and

(b) *second*,

- (A) if the NIM Notes are outstanding, for payment in the amounts and in accordance with priorities (a) through (cc) of Section 4.01(d)(i) to the extent not paid with Net Monthly Excess Cashflow on such Distribution Date; provided the amount distributable to the Class C Certificates pursuant to Section 4.01(d)(i)(cc) shall be equal to the lesser of (I) the amount remaining after distribution of the amount in the Supplemental Interest Account pursuant to Sections 4.01(d)(i)(a) through (bb) on such Distribution Date and (II) the Class C NIM Payment Amount for such Distribution Date; or
- (B) if the NIM Notes are not outstanding, for payment in the amounts and in accordance with priorities (a) through (aa) of Section 4.01(d)(i) to the extent not paid with Net Monthly Excess Cashflow on such Distribution Date.

Any amounts in the Supplemental Interest Account received from the Swap Counterparty and not distributed on a Distribution Date after payments pursuant to Section 4.01(d)(iv)(b)(B) will remain in the Supplemental Interest Account and be distributed pursuant to Section 4.01(d)(iv)(b)(B) on the next Distribution Date. On the Distribution Date on which the Certificate Principal Balance of the Class A Certificates and the Mezzanine Certificates has been reduced to zero, after making all other distributions on such Distribution Date (including to the Class A Certificates and the Mezzanine Certificates out of the Supplemental Interest Account), the Trustee shall distribute all remaining amounts in the Supplemental Interest Account to itself.

(v) On each Distribution Date, all amounts representing Prepayment Charges in respect of the Mortgage Loans received during the related Prepayment Period shall be withdrawn from the Distribution Account and distributed by the Trustee to the Class P Interest, and shall not be available for distribution to any other Class of Certificates. On each Distribution Date, all amounts representing any Master Servicer Prepayment Charge Payment Amounts paid by or collected by the Master Servicer during the related Prepayment Period shall be withdrawn from the Distribution Account and distributed by the Trustee to the Class P Interest, and shall not be available for distribution to any other Class of Certificates. The payment of the foregoing amounts in respect of such Regular Interests shall not reduce the Uncertificated Principal Balance thereof.

(e) Without limiting the provisions of Section 9.01(b), by acceptance of the Class R Certificates the Holders of the Class R Certificates agree, and it is the understanding of the parties hereto, to pledge their rights to receive any amounts otherwise distributable to the Holders of the Class R Certificates (and such rights are hereby assigned and transferred) to the Holders of the Class C Certificates to be paid to the Holders of the Class C Certificates. By acceptance of the Class R Certificates, the Holders of the Class R Certificates direct the Trustee to pay any amounts due to the Holders of the Class R Certificates on the first Distribution Date to the Holders of the Class C Certificates.

(f) All distributions made with respect to each Class of Certificates on each Distribution Date shall be allocated *pro rata* among the outstanding Certificates in such Class based on their respective Percentage Interests. Payments in respect of each Class of Certificates on each Distribution Date will be made to the Holders of the respective Class of record on the related Record Date (except as otherwise provided in this Section 4.01 or Section 9.01 respecting the final distribution on such Class), based on the aggregate Percentage Interest represented by their respective Certificates, and shall be made by wire transfer of immediately available funds to the account of any such Holder at a bank or other entity having appropriate facilities therefor, if such Holder shall have so notified the Trustee in writing at least five Business Days prior to the Record Date immediately prior to such Distribution Date and is the registered owner of Certificates having an initial aggregate Certificate Principal Balance or Notional Amount that is in excess of the lesser of (i) \$5,000,000 or (ii) two-thirds of the Original Class Certificate Principal Balance or Original Class Notional Amount of such Class of Certificates, or otherwise by check mailed by first class mail to the address of such Holder appearing in the Certificate Register. The final distribution on each Certificate shall be made in like manner, but only upon presentment and surrender of such Certificate at the Corporate Trust Office of the Trustee or such other location specified in the notice to Certificateholders of such final distribution.

Each distribution with respect to a Book-Entry Certificate shall be paid to the Depository, which shall credit the amount of such distribution to the accounts of its Depository Participants in accordance with its normal procedures. Each Depository Participant shall be responsible for disbursing such distribution to the Certificate Owners that it represents and to each indirect participating brokerage firm (a “brokerage firm” or “indirect participating firm”) for which it acts as agent. Each brokerage firm shall be responsible for disbursing funds to the Certificate Owners that it represents. All such credits and disbursements with respect to a Book-Entry Certificate are to be made by the Depository and the Depository Participants in accordance with the provisions of the Certificates. None of the Trustee, the Depositor, the Master Servicer or the Seller shall have any responsibility therefor except as otherwise provided by applicable law.

(g) The rights of the Certificateholders to receive distributions in respect of the Certificates, and all interests of the Certificateholders in such distributions, shall be as set forth in this Agreement. None of the Holders of any Class of Certificates, the Trustee or the Master Servicer shall in any way be responsible or liable to the Holders of any other Class of Certificates in respect of amounts properly previously distributed on the Certificates.

(h) Except as otherwise provided in Section 9.01, whenever the Trustee expects that the final distribution with respect to any Class of Certificates shall be made on the next Distribution Date, the Trustee shall, no later than three (3) days before the related Distribution Date, mail to the NIMS Insurer and each Holder on such date of such Class of Certificates a notice to the effect that:

(i) the Trustee expects that the final distribution with respect to such Class of Certificates will be made on such Distribution Date but only upon presentation and surrender of such Certificates at the office of the Trustee therein specified, and

(ii) no interest shall accrue on such Certificates from and after the end of the related Accrual Period.

Any funds not distributed to any Holder or Holders of Certificates of such Class on such Distribution Date because of the failure of such Holder or Holders to tender their Certificates shall, on such date, be set aside and held in trust by the Trustee and credited to the account of the appropriate non-tendering Holder or Holders. If any Certificates as to which notice has been given pursuant to this Section 4.01(h) shall not have been surrendered for cancellation within six months after the time specified in such notice, the Trustee shall mail a second notice to the remaining non-tendering Certificateholders to surrender their Certificates for cancellation in order to receive the final distribution with respect thereto. If within one year after the second notice all such Certificates shall not have been surrendered for cancellation, the Trustee shall, directly or through an agent, mail a final notice to the remaining non-tendering Certificateholders concerning surrender of their Certificates but shall continue to hold any remaining funds for the benefit of non-tendering Certificateholders. The costs and expenses of maintaining the funds in trust and of contacting such Certificateholders shall be paid out of the assets remaining in such trust fund. If within one year after the final notice any such Certificates shall not have been surrendered for cancellation, the Trustee shall pay to Lehman Brothers Inc. and WaMu Capital Corp., equally, all such amounts, and all rights of non-tendering Certificateholders in or to such amounts shall thereupon cease. No interest shall accrue or be payable to any Certificateholder on any amount held in trust by the Trustee as a result of such Certificateholder's failure to surrender its Certificate(s) for final payment thereof in accordance with this Section 4.01(h).

(i) Notwithstanding anything to the contrary herein, (i) in no event shall the Certificate Principal Balance of a Mezzanine Certificate be reduced more than once in respect of any particular amount both (a) allocated to such Certificate in respect of Realized Losses pursuant to Section 4.06 and (b) distributed to such Certificate in reduction of the Certificate Principal Balance thereof pursuant to this Section 4.01, and (ii) in no event shall the Uncertificated Principal Balance of a REMIC Regular Interest be reduced more than once in respect of any particular amount both (a) allocated to such REMIC Regular Interest in respect of Realized Losses pursuant to Section 4.06 and (b) distributed on such REMIC Regular Interest in reduction of the Uncertificated Principal Balance thereof pursuant to Section 4.05.

(j) Any amounts distributed to REMIC CX on any Distribution Date in respect of the Class C Interest under Section 4.01(d)(i) shall, on such Distribution Date, be distributed by REMIC CX to the Holders of the Class C Certificates. Any amounts remaining in REMIC CX shall be distributed to the Holders of the Class R-CX Certificates in respect of the Class R-CX Interest. Any amounts distributed to REMIC PX on any Distribution Date in respect of the Class P Interest shall, on such Distribution Date, be distributed by REMIC PX to the Holders of the Class P Certificates. Any amounts remaining in REMIC PX shall be distributed to the Holders of the Class R-PX Certificates in respect of the Class R-PX Interest. Any amounts distributed to REMIC SwapX on any Distribution Date in respect of the Class Swap IO Interest under Section 4.01(d)(i) shall, on such Distribution Date, be distributed by REMIC CX to the Holders of the Class C Certificates. Any amounts remaining in REMIC CX shall be distributed to the Holders of the Class R-CX Certificates in respect of the Class R-CX Interest. For the avoidance of doubt, the provisions of Sections 4.01(f), 4.01(g) and 4.01(h) shall apply to the Class C Certificates and the Class P Certificates.

(k) For purposes of distributions pursuant to Section 4.01(d)(iv)(b) and for purposes of determining the Class C NIM Payment Amount, the Trustee shall use, and shall be entitled to rely on, the information provided to the Trustee by or on behalf of (i) the Holders of

all of the Class C Certificates as to whether and when the NIM Notes have been issued and outstanding and (ii) the indenture trustee under the Indenture with respect to the amount necessary to pay in full the NIM Notes as provided in the Indenture and to pay in full any amounts owed to the NIMS Insurer as provided in the Indenture. The Trustee shall determine the Class C NIM Payment Amount for any Distribution Date using the most current information with respect to such amounts available to the Trustee on such Distribution Date.

Section 4.02 Preference Claims.

The Trustee shall promptly notify the NIMS Insurer of any proceeding or the institution of any action, of which a Responsible Officer of the Trustee has actual knowledge, seeking the avoidance as a preferential transfer under applicable bankruptcy, insolvency, receivership or similar law (a "Preference Claim") of any distribution made with respect to the Class C Certificates or the Class P Certificates. Each Holder of the Class C Certificates or the Class P Certificates, by its purchase of such Certificates, the Master Servicer and the Trustee hereby agree that the NIMS Insurer may at any time during the continuation of any proceeding relating to a Preference Claim direct all matters relating to such Preference Claim, including, without limitation, (i) the direction of any appeal of any order relating to such Preference Claim and (ii) the posting of any surety, supersedeas or performance bond pending any such appeal. In addition and without limitation of the foregoing, the NIMS Insurer shall be subrogated to the rights of the Master Servicer, the Trustee and each Holder of the Class C Certificates and the Class P Certificates in the conduct of any such Preference Claim, including, without limitation, all rights of any party to an adversary proceeding action with respect to any court order issued in connection with any such Preference Claim; provided, however, that the NIMS Insurer will not have any rights with respect to any Preference Claim set forth in this paragraph unless the Trustee, as indenture trustee or indenture administrator with respect to the Insured NIM Notes or the holder of any Insured NIM Notes has been required to relinquish a distribution made on the Class C Certificates, the Class P Certificates or the Insured NIM Notes, as applicable, and the NIMS Insurer made a payment in respect of such relinquished amount.

Section 4.03 Statements.

(a) On each Distribution Date, the Trustee shall prepare and make available to each Holder of the Regular Certificates, the Master Servicer, the NIMS Insurer, the Swap Counterparty, and the Rating Agencies, a statement as to the distributions made on such Distribution Date:

(i) the amount of the distribution made on such Distribution Date to the Holders of each Class of Regular Certificates, separately identified, allocable to principal and the amount of the distribution made to the Holders of the Class P Certificates allocable to Prepayment Charges and Master Servicer Prepayment Charge Payment Amounts;

(ii) the amount of the distribution made on such Distribution Date to the Holders of each Class of Regular Certificates (other than the Class P Certificates), allocable to interest, separately identified;

(iii) the Overcollateralized Amount, the Overcollateralization Deficiency Amount and the Overcollateralization Target Amount as of such Distribution Date;

(iv) by Loan Group and in the aggregate amount of servicing compensation received by the Master Servicer with respect to the related Due Period and such other customary information as the Trustee deems necessary or desirable, or which a Certificateholder reasonably requests, to enable Certificateholders to prepare their tax returns;

(v) the Group I Interest Remittance Amount, the Group II Interest Remittance Amount, the Group I Principal Remittance Amount and the Group II Principal Remittance Amount for such Distribution Date;

(vi) the aggregate amount of Advances for the related Due Period, the amount of unrecovered Advances (after giving effect to Advances made on the Distribution Date) outstanding and the amount of Nonrecoverable Advances for such Distribution Date;

(vii) the aggregate Stated Principal Balance of the Group I Mortgage Loans, the Group II Mortgage Loans and all Mortgage Loans at the Close of Business at the end of the related Due Period;

(viii) the number, aggregate principal balance, weighted average remaining term to maturity and weighted average Mortgage Rate of the Mortgage Loans as of the related Determination Date;

(ix) by Loan Group and in the aggregate, the number and aggregate unpaid principal balance of Mortgage Loans (a) delinquent 30-59 days, (b) delinquent 60-89 days, (c) delinquent 90 or more days in each case, as of the last day of the preceding calendar month provided, however that any aggregate unpaid principal balance of Mortgage Loans shall be reported as of the last day of the related Due Period, (d) as to which foreclosure proceedings have been commenced and (e) with respect to which the related Mortgagor has filed for protection under applicable bankruptcy laws, with respect to whom bankruptcy proceedings are pending or with respect to whom bankruptcy protection is in force;

(x) with respect to any Mortgage Loan that became an REO Property during the preceding Prepayment Period, the unpaid principal balance and the Principal Balance of such Mortgage Loan as of the date it became an REO Property;

(xi) the total number and cumulative principal balance of all REO Properties as of the Close of Business of the last day of the preceding Prepayment Period;

(xii) by Loan Group and in the aggregate, the aggregate amount of Principal Prepayments made during the related Prepayment Period;

(xiii) by Loan Group and in the aggregate, the aggregate amount of Realized Losses incurred during the related Prepayment Period and the cumulative amount of Realized Losses;

(xiv) the aggregate amount of Extraordinary Trust Fund expenses withdrawn from the Collection Account or the Distribution Account for such Distribution Date;

(xv) the Certificate Principal Balance of the Class A Certificates, the Mezzanine Certificates and the Class C Certificates, after giving effect to the distributions made on such Distribution Date, and the Notional Amount of the Class C Certificates, after giving effect to the distributions made on such Distribution Date;

(xvi) the Monthly Interest Distributable Amount in respect of the Class A Certificates, the Mezzanine Certificates and the Class C Certificates for such Distribution Date and the Unpaid Interest Shortfall Amount, if any, with respect to the Class A Certificates and the Mezzanine Certificates for such Distribution Date;

(xvii) by Loan Group and in the aggregate, the aggregate amount of any Prepayment Interest Shortfalls for such Distribution Date, to the extent not covered by payments by the Master Servicer pursuant to Section 3.24, and the aggregate amount of any Relief Act Interest Shortfalls for such Distribution Date;

(xviii) the Credit Enhancement Percentage for such Distribution Date;

(xix) the related Net WAC Rate Carryover Amount for the Class A Certificates and the Mezzanine Certificates, if any, for such Distribution Date and the amount remaining unpaid after reimbursements therefor on such Distribution Date;

(xx) the Trustee Fee on such Distribution Date;

(xxi) whether a Stepdown Date or a Trigger Event has occurred;

(xxii) the Available Funds;

(xxiii) the respective Pass-Through Rates applicable to the Class A Certificates, the Mezzanine Certificates and the Class C Certificates for such Distribution Date and the Pass-Through Rate applicable to the Class A Certificates and the Mezzanine Certificates for the immediately succeeding Distribution Date;

(xxiv) by Loan Group and in the aggregate, the Principal Balance of Mortgage Loans repurchased by the Seller;

(xxv) any other information that is required by the Code and regulations thereunder to be made available to Certificateholders;

(xxvi) the amount on deposit in the Reserve Fund;

(xxvii) (A) the dollar amount of payments received related to claims under the PMI Policy during the related Prepayment Period (and the number of Mortgage Loans to which such payments related) and (B) the aggregate dollar amount of payments received related to claims under the PMI Policy since the Cut-off Date (and the number of Mortgage Loans to which such payments related);

(xxviii) (A) the dollar amount of claims made under the PMI Policy that were denied during the related Prepayment Period (and the number of Mortgage Loans to which such denials related) and (B) the aggregate dollar amount of claims made under the PMI Policy that were denied since the Cut-off Date (and the number of Mortgage Loans to which such denials related);

(xxix) the amount of Subsequent Recoveries and Gross Subsequent Recoveries for the related Prepayment Period and the cumulative amount of Subsequent Recoveries and Gross Subsequent Recoveries in the aggregate and for each of Loan Group I and Loan Group II;

(xxx) the Group I Swap Payment, the Group II Swap Payment, the Swap Payment, the Counterparty Payment, the Group I Net Swap Payment, the Group II Net Swap Payment, the Net Swap Payment and the Net Counterparty Payment for such Distribution Date; the Group I Swap Termination Payment paid on such Distribution Date, the Group II Swap Termination Payment paid on such Distribution Date, the Swap Termination Payment and the Swap Termination Payment remaining unpaid from prior Distribution Dates, and in each case whether payable by the Trust or by the Swap Counterparty; and any Counterparty Payments unpaid from prior Distribution Dates; and

(xxxi) the Group I Final Maturity Reserve Amount, the Group II Final Maturity Reserve Amount, the Supplemental Final Maturity Reserve Amount, the Aggregate Final Maturity Reserve Amount and the aggregate amount on deposit in the Final Maturity Reserve Account for such Distribution Date and on the earlier of the Distribution Date in September 2035 and the termination of the Trust Fund, the amount distributed to each class of the Certificates from the Final Maturity Reserve Account.

The Trustee shall make such statement (and, at its option, any additional files containing the same information in an alternative format) available each month to Certificateholders, the Master Servicer, the NIMS Insurer, the Swap Counterparty and the Rating Agencies via the Trustee's internet website. The Trustee's internet website shall initially be located at

<https://www.tss.db.com/invr>. Assistance in using the website can be obtained by calling the Trustee's customer service desk at 1-800-735-7777. Parties that are unable to use the above distribution options are entitled to have a paper copy mailed to them via first class mail by calling the customer service desk and indicating such. The Trustee shall have the right to change the way such statements are distributed in order to make such distribution more convenient and/or more accessible to the above parties and the Trustee shall provide timely and adequate notification to all above parties regarding any such changes.

In the case of information furnished pursuant to subclauses (i) through (iii) above, the amounts shall be expressed in a separate section of the report as a dollar amount for each Class for each \$1,000 original dollar amount as of the Closing Date.

(b) Within a reasonable period of time after the end of each calendar year, the Trustee shall, upon written request, furnish to each Person who at any time during the calendar year was a Certificateholder of a Regular Certificate, if requested in writing by such Person, such information as is reasonably necessary to provide to such Person a statement containing the information set forth in subclauses (i) through (ii) above, aggregated for such calendar year or applicable portion thereof during which such Person was a Certificateholder. Such obligation of the Trustee shall be deemed to have been satisfied to the extent that substantially comparable information shall be prepared and furnished by the Trustee to Certificateholders pursuant to any requirements of the Code as are in force from time to time.

(c) On each Distribution Date, the Trustee shall forward to the Holders of the Residual Certificates and the NIMS Insurer a copy of the reports forwarded to the Regular Certificateholders in respect of such Distribution Date with such other information as the Trustee deems necessary or appropriate.

(d) Within a reasonable period of time after the end of each calendar year, the Trustee shall deliver to each Person who at any time during the calendar year was a Holder of a Residual Certificate, if requested in writing by such Person, such information as is reasonably necessary to provide to such Person a statement containing the information provided pursuant to the previous paragraph aggregated for such calendar year or applicable portion thereof during which such Person was a Holder of a Residual Certificate. Such obligation of the Trustee shall be deemed to have been satisfied to the extent that substantially comparable information shall be prepared and furnished to Certificateholders by the Trustee pursuant to any requirements of the Code as from time to time in force.

(e) On each Distribution Date the Trustee shall provide Bloomberg Financial Markets, L.P. ("Bloomberg") CUSIP level factors for each Class of Certificates as of such Distribution Date, using a format and media mutually acceptable to the Trustee and Bloomberg.

Section 4.04 Remittance Reports; Advances.

(a) On or before the 18th day of each calendar month commencing in September 2005, or if such 18th day is not a Business Day, the Business Day immediately following such 18th day, but in no event later than such date which would allow the Trustee to submit a claim to the NIMS Insurer under the Indenture, the Master Servicer shall deliver to the NIMS Insurer and the Trustee by telecopy or electronic mail (or by such other means as the

Master Servicer, the NIMS Insurer and the Trustee, as the case may be, may agree from time to time) a Remittance Report with respect to the related Distribution Date. Not later than each Master Servicer Remittance Date (or, in the case of certain information, as agreed between the Trustee and the Master Servicer, not later than four Business Days after the end of each Due Period), the Master Servicer shall deliver or cause to be delivered to the Trustee in addition to the information provided on the Remittance Report, such other information reasonably available to it with respect to the Mortgage Loans as the Trustee may reasonably require to perform the calculations necessary to make the distributions contemplated by Section 4.01 and to prepare the statements to Certificateholders contemplated by Section 4.03. The Trustee shall not be responsible to recompute, recalculate or verify any information provided to it by the Master Servicer.

(b) The amount of Advances to be made by the Master Servicer for any Distribution Date shall equal, subject to Section 4.04(d), the sum of (i) the aggregate amount of Monthly Payments (with each interest portion thereof net of the related Servicing Fee), due on the related Due Date in respect of the Mortgage Loans, which Monthly Payments were delinquent as of the close of business on the related Determination Date, plus (ii) with respect to each REO Property, which REO Property was acquired during or prior to the related Prepayment Period and as to which such REO Property an REO Disposition did not occur during the related Prepayment Period, an amount equal to the excess, if any, of the Monthly Payments (with each interest portion thereof net of the related Servicing Fee) that would have been due on the related Due Date in respect of the related Mortgage Loans, over the net income from such REO Property transferred to the Distribution Account pursuant to Section 3.23 for distribution on such Distribution Date.

On or before 3:00 p.m. New York time on the Master Servicer Remittance Date, the Master Servicer shall remit in immediately available funds to the Trustee for deposit in the Distribution Account an amount equal to the aggregate amount of Advances, if any, to be made in respect of the Mortgage Loans and REO Properties for the related Distribution Date either (i) from its own funds or (ii) from the Collection Account, to the extent of funds held therein for future distribution (in which case, it will cause to be made an appropriate entry in the records of Collection Account that amounts held for future distribution have been, as permitted by this Section 4.04, used by the Master Servicer in discharge of any such Advance) or (iii) in the form of any combination of (i) and (ii) aggregating the total amount of Advances to be made by the Master Servicer with respect to the Mortgage Loans and REO Properties. Any amounts held for future distribution and so used shall be appropriately reflected in the Master Servicer's records and replaced by the Master Servicer by deposit in the Collection Account on or before any future Master Servicer Remittance Date to the extent that the Available Funds for the related Distribution Date (determined without regard to Advances to be made on the Master Servicer Remittance Date) shall be less than the total amount that would be distributed to the Classes of Certificateholders pursuant to Section 4.01 on such Distribution Date if such amounts held for future distributions had not been so used to make Advances. The Trustee will provide notice to the NIMS Insurer and the Master Servicer by telecopy by the close of business on any Master Servicer Remittance Date in the event that the amount remitted by the Master Servicer to the Trustee on such date is less than the Advances required to be made by the Master Servicer for the related Distribution Date.

(c) The obligation of the Master Servicer to make such Advances is mandatory, notwithstanding any other provision of this Agreement but subject to Section 4.04(d) below, and, with respect to any Mortgage Loan, shall continue until the payment of the Mortgage Loan in full or the recovery of all Liquidation Proceeds thereon.

(d) Notwithstanding anything herein to the contrary, no Advance or Servicing Advance shall be required to be made hereunder by the Master Servicer if such Advance or Servicing Advance would, if made, constitute a Nonrecoverable Advance. The determination by the Master Servicer that it has made a Nonrecoverable Advance or that any proposed Advance or Servicing Advance, if made, would constitute a Nonrecoverable Advance, shall be evidenced by an Officers' Certificate of the Master Servicer delivered to the NIMS Insurer, the Depositor and the Trustee.

Section 4.05 Distributions on the REMIC Regular Interests.

(a) On each Distribution Date, the Trustee shall cause the sum of the Group I Interest Remittance Amount and the Group I Principal Remittance Amount, in the following order of priority, to be distributed by REMIC 1 to REMIC 2 on account of the REMIC 1 Group I Regular Interests and distributed to the holders of the Class R Certificates (in respect of the Class R-1 Interest), as the case may be:

(1) to Holders of REMIC 1 Regular Interest IX, and each of REMIC 1 Regular Interest I-1-A through I-59-B, *pro rata*, in an amount equal to (A) Uncertificated Interest for such REMIC 1 Regular Interests for such Distribution Date, plus (B) any amounts payable in respect thereof remaining unpaid from previous Distribution Dates.

(2) to the extent of amounts remaining after the distributions made pursuant to clause (1) above, payments of principal shall be allocated as follows: first, to REMIC 1 Regular interests I1-A through I59-B starting with the lowest numerical denomination until the Uncertificated Balance of each such REMIC 1 Regular Interest is reduced to zero, provided that (x) for REMIC 1 Regular Interests with the same numerical denomination, such payments of principal shall be allocated *pro rata* between such REMIC 1 Regular Interests, and (y) to the extent of the product of (a) any Overcollateralization Release Amounts multiplied by (b) a fraction, the numerator of which is the aggregate Scheduled Principal Balance of the Group I Mortgage Loans and the denominator of which is the aggregate Scheduled Principal Balance of the Mortgage Loans, to REMIC 1 Regular Interest IX until the Uncertificated Balance of such REMIC 1 Regular Interest is reduced to zero, and second to REMIC 1 Regular Interest IX until the Uncertificated Balance of such REMIC 1 Regular Interest is reduced to zero; and

(3) to the Holders of REMIC 1 Regular Interest IX, (A) all amounts representing Prepayment Charges in respect of the Group I Mortgage Loans received during the related Prepayment Period and (B) on the Distribution Date immediately following the expiration of the latest Prepayment Charge as identified on the Prepayment Charge Schedule or any Distribution Date thereafter until \$100 has been distributed pursuant to this clause.

(b) On each Distribution Date, the Trustee shall cause the sum of the Group II Interest Remittance Amount and the Group II Principal Remittance Amount, in the following

order of priority, to be distributed by REMIC 1 to REMIC 2 on account of the REMIC 1 Group II Regular Interests and distributed to the holders of the Class R Certificates (in respect of the Class R-1 Interest), as the case may be:

(1) to Holders of REMIC 1 Regular Interest I and each of REMIC 1 Regular Interest II-1-A through II-59-B, *pro rata*, in an amount equal to (A) Uncertificated Interest for such REMIC 1 Regular Interests for such Distribution Date, plus (B) any amounts payable in respect thereof remaining unpaid from previous Distribution Dates.

(2) to the extent of amounts remaining after the distributions made pursuant to clause (1) above, payments of principal shall be allocated as follows: first, to REMIC 1 Regular interests II-1-A through II-59-B starting with the lowest numerical denomination until the Uncertificated Balance of each such REMIC 1 Regular Interest is reduced to zero, provided that (x) for REMIC 1 Regular Interests with the same numerical denomination, such payments of principal shall be allocated *pro rata* between such REMIC 1 Regular Interests, and (y) to the extent of the product of (a) any Overcollateralization Release Amounts multiplied by (b) a fraction, the numerator of which is the aggregate Scheduled Principal Balance of the Group II Mortgage Loans and the denominator of which is the aggregate Scheduled Principal Balance of the Mortgage Loans, to REMIC 1 Regular Interest IIX until the Uncertificated Balance of such REMIC 1 Regular Interest is reduced to zero, and second to REMIC 1 Regular Interest IIX until the Uncertificated Balance of such REMIC 1 Regular Interest is reduced to zero.

(3) to the Holders of REMIC 1 Regular Interest IIX, (A) all amounts representing Prepayment Charges in respect of the Group II Mortgage Loans received during the related Prepayment Period and (B) on the Distribution Date immediately following the expiration of the latest Prepayment Charge as identified on the Prepayment Charge Schedule or any Distribution Date thereafter until \$100 has been distributed pursuant to this clause.

(c) On each Distribution Date, the following amounts, in the following order of priority, shall be distributed by REMIC 2 to REMIC 3 on account of the REMIC 2 Regular Interests and distributed to the Holders of the Class R Certificates (in respect of the Class R-2 Interest), as the case may be:

(i) first, to the Holders of REMIC 2 Regular Interest Swap-IO, in an amount equal to (A) Uncertificated Accrued Interest for such REMIC 2 Regular Interest for such Distribution Date, plus (B) any amounts in respect thereof remaining unpaid from previous Distribution Dates; second, to the Holders of REMIC 2 Regular Interest FMR-IO, in an amount equal to (A) Uncertificated Accrued Interest for such REMIC 2 Regular Interest for such Distribution Date, plus (B) any amounts in respect thereof remaining unpaid from previous Distribution Dates; and third to the Holders of REMIC 2 Regular Interests AA, A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, M11, and ZZ, *pro rata*, in an amount equal to (A) the Uncertificated Interest for such Distribution Date, plus (B) any amounts in respect thereof remaining unpaid from previous Distribution Dates. Amounts payable as Uncertificated Accrued Interest in respect of REMIC 2 Regular Interest ZZ shall be reduced and deferred when the REMIC

2 Overcollateralized Amount is less than the REMIC 2 Overcollateralization Target Amount, by the lesser of (x) the amount of such difference and (y) the Maximum ZZ Uncertificated Interest Deferral Amount and such amount shall be payable to the Holders of REMIC 2 Regular Interests A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, and M11 in the same proportion as the Extra Principal Distribution Amount is allocated to the Corresponding Certificates and the Uncertificated Principal Balance of the REMIC 2 Regular Interest ZZ shall be increased by such amount;

(ii) to the Holders of REMIC 2 Regular Interests 1SUB, 1GRP, 2SUB, 2GRP and XX, *pro rata*, in an amount equal to (A) the Uncertificated Accrued Interest for such Distribution Date, plus (B) any amounts in respect thereof remaining unpaid from previous Distribution Dates;

(iii) to the Holders of REMIC 2 Regular Interests, in an amount equal to 50% of the remainder of the Available Funds such Distribution Date after the distributions made pursuant to clauses (i) and (ii) above, allocated as follows:

(1) 98.00% of such remainder to the Holders of REMIC 2 Regular Interest AA until the Uncertificated Balance of such REMIC 2 Regular Interest is reduced to zero, provided, however, that REMIC 2 Regular Interest AA shall not be reduced until the Distribution Date immediately following the expiration of the latest Prepayment Charge as identified on the Prepayment Charge Schedule or any Distribution Date thereafter, at which point such amount shall be distributed to REMIC 2 Regular Interest AA, until \$100 has been distributed pursuant to this clause;

(2) 2.00% of such remainder, first, to the Holders of REMIC 2 Regular Interest A-IA, A-IIA1, A-IIA2, A-IIA3, M1, M2, M3, M4, M5, M6, M7, M8, M9, M10, and M11, 1.00% and in the same proportion as principal payments are allocated to the Corresponding Certificates, until the Uncertificated Balances of such REMIC 2 Regular Interests are reduced to zero and second, to the Holders of REMIC 2 Regular Interest ZZ, until the Uncertificated Balance of such REMIC 2 Regular Interest is reduced to zero; and

(3) any remaining amount to the Holders of the Class R Certificates (in respect of the Class R-2 Interest);

(iv) to the Holders of REMIC 2 Regular Interests, in an amount equal to 50% of the remainder of the Available Funds such Distribution Date after the distributions made pursuant to clauses (i) and (ii) above, allocated as follows:

(1) first to the Holders of REMIC 2 Regular Interests 1SUB, 1GRP, 2SUB, 2GRP in such a manner as to keep the Uncertificated Principal Balance of each REMIC 2 Regular Interest with the designation "GRP" equal to 0.01% of the aggregate Stated Principal Balance of the Mortgage Loans in the related Loan Group (determined as of the current Distribution Date), and the Uncertificated Principal Balance of each REMIC 2 Regular Interest with the designation "SUB" equal to 0.01% of the excess of (x) the aggregate Stated Principal Balance of the Mortgage Loans in the related Loan Group over (y) the current Certificate Principal Balance of the Class A Certificates in the

related Loan Group (except that if any such excess is a larger number than in the preceding distribution period, the least amount of principal shall be distributed to such REMIC 2 Regular Interests such that the REMIC 2 Subordinated Ratio is maintained); and then to the Holder of REMIC 2 Regular Interest XX, in each case until the Uncertificated Principal Balance of the REMIC 2 Regular Interest has been reduced to zero; and

(2) any remaining amount to the Holder of the Class R Certificates (in respect of the Class R-2 Interest); and

(v) to the Holder of the REMIC 2 Regular Interest AA, all amounts representing Prepayment Charges in respect of the Mortgage Loans received during the related Prepayment Period, provided that the payment of such amounts shall not reduce the Uncertificated Principal Balance of such REMIC 2 Regular Interest.

Section 4.06 Allocation of Realized Losses.

(a) Prior to each Determination Date, the Master Servicer shall determine as to each Mortgage Loan and REO Property: (i) the total amount of Realized Losses, if any, incurred in connection with any Final Recovery Determinations made during the related Prepayment Period; (ii) whether and the extent to which such Realized Losses constituted Bankruptcy Losses; and (iii) the respective portions of such Realized Losses allocable to interest and allocable to principal. Prior to each Determination Date, the Master Servicer shall also determine as to each Mortgage Loan: (i) the total amount of Realized Losses, if any, incurred in connection with any Deficient Valuations made during the related Prepayment Period; and (ii) the total amount of Realized Losses, if any, incurred in connection with Debt Service Reductions in respect of Monthly Payments due during the related Due Period. The information described in the two preceding sentences that is to be supplied by the Master Servicer shall be evidenced by an Officers' Certificate delivered to the NIMS Insurer and the Trustee by the Master Servicer prior to the Determination Date immediately following the end of (i) in the case of Bankruptcy Losses allocable to interest, the Due Period during which any such Realized Loss was incurred, and (ii) in the case of all other Realized Losses, the Prepayment Period during which any such Realized Loss was incurred.

(b) If on any Distribution Date after giving effect to all Realized Losses incurred with respect to the Mortgage Loans during or prior to the related Due Period and distributions of principal with respect to the Class A Certificates and the Mezzanine Certificates on such Distribution Date, the Uncertificated Principal Balance of the Class C Interest is equal to zero, Realized Losses equal to the Undercollateralized Amount shall be allocated by the Trustee on such Distribution Date as follows: first, to the Class M-11 Certificates, until the Certificate Principal Balance thereof has been reduced to zero, second, to the Class M-10 Certificates, until the Certificate Principal Balance thereof has been reduced to zero, third, to the Class M-9 Certificates, until the Certificate Principal Balance thereof has been reduced to zero, fourth, to the Class M-8 Certificates, until the Certificate Principal Balance thereof has been reduced to zero, fifth, to the Class M-7 Certificates, until the Certificate Principal Balance thereof has been reduced to zero, sixth, to the Class M-6 Certificates, until the Certificate Principal Balance thereof has been reduced to zero, seventh, to the Class M-5 Certificates, until the Certificate Principal Balance thereof has been reduced to zero, eighth, to the Class M-4 Certificates, until

the Certificate Principal Balance thereof has been reduced to zero, ninth, to the Class M-3 Certificates, until the Certificate Principal Balance thereof has been reduced to zero, tenth, to the Class M-2 Certificates until the Certificate Principal Balance thereof has been reduced to zero, and eleventh, to the Class M-1 Certificates, until the Certificate Principal Balance thereof has been reduced to zero. All Realized Losses to be allocated to the Certificate Principal Balances of the Mezzanine Certificates on any Distribution Date shall be so allocated after the actual distributions to be made on such date as provided in Section 4.01. All references above to the Certificate Principal Balance of the Mezzanine Certificates shall be to the Certificate Principal Balance of the Mezzanine Certificates immediately prior to the relevant Distribution Date, before reduction thereof by any Realized Losses or increase thereof by any Subsequent Recoveries, in each case to be allocated to such Mezzanine Certificates on such Distribution Date.

Any allocation of Realized Losses to a Mezzanine Certificate on any Distribution Date shall be made by reducing the Certificate Principal Balance thereof by the amount so allocated. No allocations of any Realized Losses shall be made to the Class A Certificates or the Class P Certificates. Any Realized Losses that reduce the distributions in respect of and/or the Uncertificated Principal Balance of the Class C Interest, shall be allocated by the Trustee to reduce the distributions in respect of and/or the Certificate Principal Balance of the Class C Certificates.

(c) (i) Realized Losses on the Group I Mortgage Loans shall be allocated by the Trustee on each Distribution Date to REMIC 1 Regular Interest IX. If the Uncertificated Principal Balance of REMIC 1 Regular Interest IX has been reduced to zero, Realized Losses on the Group I Mortgage Loans shall be allocated to the remaining REMIC 1 Group I Regular Interests in ascending numerical order, in each case until the Uncertificated Principal Balance of such REMIC 1 Regular Interest has been reduced to zero. Realized Losses on the Group II Mortgage Loans shall be allocated by the Trustee on each Distribution Date to REMIC 1 Regular Interest IIX. If the Uncertificated Principal Balance of REMIC 1 Regular Interest IIX has been reduced to zero, Realized Losses on the Group II Mortgage Loans shall be allocated to the remaining REMIC 1 Group II Regular Interests in ascending numerical order, in each case until the Uncertificated Principal Balance of such REMIC 1 Regular Interest has been reduced to zero.

(ii) 50% of all Realized Losses on the Mortgage Loans shall be allocated by the Trustee on each Distribution Date to the following REMIC 2 Regular Interests in the specified percentages, as follows:

first, to Uncertificated Accrued Interest payable to the REMIC 2 Regular Interest AA and ZZ up to an aggregate amount equal to the REMIC 2 Interest Loss Allocation Amount, 98% and 2%, respectively;

second, to the Uncertificated Principal Balances of the REMIC 2 Regular Interest AA and ZZ up to an aggregate amount equal to the REMIC 2 Principal Loss Allocation Amount, 98% and 2%, respectively;

third, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M11 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M11 has been reduced to zero;

fourth, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M10 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M10 has been reduced to zero;

fifth, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M9 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M9 has been reduced to zero;

sixth, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M8 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M8 has been reduced to zero;

seventh, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M7 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M7 has been reduced to zero;

eighth, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M6 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M6 has been reduced to zero;

ninth, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M5 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M5 has been reduced to zero;

tenth, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M4 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M4 has been reduced to zero;

eleventh, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M3 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M3 has been reduced to zero;

twelfth, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M2 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M2 has been reduced to zero; and

thirteenth, to the Uncertificated Principal Balances of REMIC 2 Regular Interest AA, M1 and ZZ, 98%, 1% and 1%, respectively, until the Uncertificated Principal Balance of REMIC 2 Regular Interest M1 has been reduced to zero.

(iii) 50% of all Realized Losses on the Mortgage Loans shall be allocated by the Trustee on each Distribution Date to REMIC 2 Regular Interest 1GRP, 1SUB, 2GRP, REMIC 2 Regular Interest 2SUB, and REMIC 2 Regular Interest XX, as follows:

after all distributions have been made on such Distribution Date, Realized Losses shall be applied in such a manner as to keep the Uncertificated Principal Balance of each REMIC 2 Regular Interest ending with the designation "GRP" equal to 0.01% of the aggregate Stated Principal Balance of the Mortgage Loans in the related Loan Group (determined as of the current

Distribution Date), and the Uncertificated Principal Balance of each REMIC 2 Regular Interest ending with the designation “SUB” equal to 0.01% of the excess of (x) the aggregate Stated Principal Balance of the Mortgage Loans in the related Loan Group as of the current Distribution Date over (y) the Certificate Principal Balance of the Senior Certificates related to such Loan Group immediately prior to such Distribution Date (except that if such excess is larger than it was for the preceding Distribution Date, the least amount of Realized Loss shall be allocated such that the REMIC 2 Subordinated Ratio is maintained); and then to REMIC 2 Regular Interest XX.

(d) If on any Distribution Date Allocated Realized Loss Amounts are to be reinstated due to Subsequent Recoveries, the Allocated Realized Loss Amounts shall be reinstated by the Trustee on such Distribution Date to increase the Certificate Principal Balances of the Mezzanine Certificates in the following order of priority, in each case until the related Allocated Realized Loss Amount has been reduced to zero: *first*, to the Class M-1 Certificates, *second* to the Class M-2 Certificates, *third* to the Class M-3 Certificates, *fourth* to the Class M-4 Certificates, *fifth* to the Class M-5 Certificates, *sixth* to the Class M-6 Certificates, *seventh* to the Class M-7 Certificates, *eighth* to the Class M-8 Certificates, *ninth* to the Class M-9 Certificates, *tenth* to the Class M-10 Certificates and *eleventh* to the Class M-11 Certificates. All Subsequent Recoveries to be allocated to the Certificate Principal Balances of the Mezzanine Certificates on any Distribution Date shall be so allocated after the actual distributions to be made on such date as provided in Section 4.01. All references above to the Certificate Principal Balance of the Mezzanine Certificates shall be to the Certificate Principal Balance of the Mezzanine Certificates immediately prior to the relevant Distribution Date, before reduction thereof by any Realized Losses or increase thereof by any Subsequent Recoveries, in each case to be allocated to the Mezzanine Certificates on such Distribution Date.

Any Allocated Realized Loss Amounts to be reinstated to a Certificate on any Distribution Date due to Subsequent Recoveries shall be made by increasing the Certificate Principal Balance thereof by the amount so reinstated. No allocations of any Subsequent Recoveries shall be made to the Class A Certificates or the Class P Certificates.

(e) (i) If on any Distribution Date Subsequent Recoveries occurred in the related Prepayment Period relating to the Group I Mortgage Loans, the amount of such Subsequent Recoveries shall be allocated first to the REMIC 1 Group I Regular Interests with the designations “A” and “B” in the reverse order in which Realized Losses were allocated under Section 4.06(c)(i), and then to REMIC 1 Regular Interest IX. If on any Distribution Date Subsequent Recoveries occurred in the related Prepayment Period relating to the Group II Mortgage Loans, the amount of such Subsequent Recoveries shall be allocated first to the REMIC 1 Group II Regular Interests with the designations “A” and “B” in the reverse order in which Realized Losses were allocated under Section 4.06(c)(i), and then to REMIC 1 Regular Interest IIX.

(ii) If on any Distribution Date Subsequent Recoveries occurred in the related Prepayment Period, the amount of such Subsequent Recoveries shall be allocated among the REMIC 2 Regular Interests as follows:

(i) 50% of the Subsequent Recoveries from all Loan Groups shall be allocated among the REMIC 3 Regular Interests in the same proportions and

amounts, but in the reverse order, as Realized Losses were allocated under Section 4.06(c)(ii).

(ii) 50% of the Subsequent Recoveries from all Loan Groups shall be allocated in the same proportions, but in reverse order, as the Realized Losses were allocated under Section 4.06(c)(iii).

Section 4.07 Compliance with Withholding Requirements.

Notwithstanding any other provision of this Agreement, the Trustee shall comply with all federal withholding requirements respecting payments to Certificateholders of interest or original issue discount that the Trustee reasonably believes are applicable under the Code. The consent of Certificateholders shall not be required for such withholding. In the event the Trustee does withhold any amount from interest or original issue discount payments or advances thereof to any Certificateholder pursuant to federal withholding requirements, the Trustee shall indicate the amount withheld to such Certificateholders.

Section 4.08 Commission Reporting.

(a) Within 15 days after each Distribution Date, the Trustee shall, in accordance with industry standards and applicable regulations, file with the Commission via the Electronic Data Gathering Analysis and Retrieval system, a Form 8-K with a copy of the statement to Certificateholders for such Distribution Date as an Exhibit thereto. Prior to January 30, in the year following the year of execution of this Agreement, the Trustee shall file in accordance with industry standards a Form 15 Suspension Notification with respect to the Trust Fund. Prior to March 30, in the year following the year of execution of this Agreement, the Depositor shall execute and the Trustee shall file a Form 10-K, in substance conforming to industry standards and applicable regulations, with respect to the Trust Fund together with the accompanying certification described below. The Trustee shall provide the Form 10-K to the Depositor by March 20 (or the preceding Business Day if such day is not a Business Day) of the year that such Form 10-K is required to be filed. The Depositor shall execute such Form 10-K and return the original to the Trustee by March 25 (or the preceding Business Day if such day is not a Business Day). The Trustee shall prepare, execute, file and deliver on behalf of the Depositor Form 8-Ks required to be filed under the Exchange Act so long as no certification in respect of such Form 8-K is required by the Commission. The Depositor shall prepare and the appropriate person shall execute, in accordance with the Exchange Act or any other applicable law, any certification required under the Exchange Act or any other applicable law to accompany the Form 10-K or any other periodic report. The Depositor hereby grants to the Trustee a limited power of attorney to execute and file each such document on behalf of the Depositor, provided, however, that the Trustee shall not execute the Form 10-K on behalf of the Depositor. Such power of attorney shall continue until the earlier of (i) receipt by the Trustee from the Depositor of written termination of such power of attorney and (ii) the termination of the Trust Fund. The Depositor agrees to promptly furnish to the Trustee, from time to time upon request, such further information, reports and financial statements within its control related to this Agreement and the Mortgage Loans as the Trustee reasonably deems appropriate to prepare and file all necessary reports with the Commission. The Trustee shall have no responsibility to file any items other than those specified in this Section.

Section 4.09 Supplemental Interest Account.

(a) On the Closing Date, the Trustee shall establish and maintain in its name, a separate non-interest bearing account for the benefit of the Holders of the Class A Certificates, the Mezzanine Certificates and the Class C Certificates (the “Supplemental Interest Account”), into which the Depositor shall initially deposit \$1,000. The Supplemental Interest Account shall be an Eligible Account, and funds on deposit therein shall be held separate and apart from, and shall not be commingled with, any other moneys, including, without limitation, other moneys of the Trustee held pursuant to this Agreement.

(b) The Trustee shall deposit into the Supplemental Interest Account any amounts required to be paid by the Trust for payment to the Supplemental Interest Account pursuant to Section 4.01 and shall distribute from the Supplemental Interest Account any such amounts to the Swap Counterparty as required by Section 4.01(d)(iv). The Trustee shall deposit into the Supplemental Interest Account any amounts received from the Swap Counterparty and shall distribute from the Supplemental Interest Account any such amounts to the Swap Counterparty and to the Holders of the Class A Certificates, the Mezzanine Certificates and the Class C Certificates as required pursuant to Section 4.01(d)(iv).

(c) Funds in the Supplemental Interest Account shall be invested in Eligible Investments. The Class C Certificates shall evidence ownership of the Supplemental Interest Account for federal income tax purposes and the Holders of the majority of the Percentage Interest thereof shall direct the Trustee, in writing, as to investment of amounts on deposit therein. In the absence of written instructions from the Holders of the Class C Certificates as to investment of funds on deposit in the Supplemental Interest Account, such funds shall be invested in Deutsche Bank Cash Management Fund 541 for so long as such investment complies with clause (vi) of the definition of Permitted Investments. All income and gain earned upon such investment shall be deposited into the Supplemental Interest Account.

Section 4.10 Final Maturity Reserve Account.

(a) On the Closing Date, the Trustee shall establish and maintain in its name, a separate non-interest bearing account for the benefit of the Holders of the Class A Certificates, the Mezzanine Certificates and the Class C Certificates (the “Final Maturity Reserve Account”), into which the Depositor shall initially deposit \$1,000. The Final Maturity Reserve Account shall be an Eligible Account, and funds on deposit therein shall be held separate and apart from, and shall not be commingled with, any other moneys, including, without limitation, other moneys of the Trustee held pursuant to this Agreement.

(b) The Trustee shall deposit into the Final Maturity Reserve Account any Group I Final Maturity Reserve Amount, Group II Final Maturity Reserve Amount and Supplemental Final Maturity Reserve Amount pursuant to Section 4.01. The Trustee shall distribute the funds in the Final Maturity Reserve Account pursuant to Section 4.01(d)(iii).

(c) Funds in the Final Maturity Reserve Account shall be held by the Trustee uninvested. The Class C Certificates shall evidence ownership of the Final Maturity Reserve Account for federal income tax purposes.

(d) For federal income tax purposes, any Certificateholder that receives a principal payment from the Final Maturity Reserve Account shall be treated as selling a portion of its Certificate to the Holder of the Class C Certificates and as having received the amount of the principal payment from the Holder of the Class C Certificates as the proceeds of the sale. The portion of the Certificate that is treated as having been sold shall equal the amount of the corresponding reduction in the Certificate Principal Balance of such Certificate. Principal payments received from the Final Maturity Reserve Account shall not be treated as distributions from any REMIC created hereby. All principal distributions from the Final Maturity Reserve Account shall be accounted for hereunder in accordance with this Section 4.10(d).

ARTICLE V

THE CERTIFICATES

Section 5.01 The Certificates.

(a) The Certificates in the aggregate will represent the entire beneficial ownership interest in the Mortgage Loans and all other assets included in REMIC 1.

The Certificates will be substantially in the forms annexed hereto as Exhibits A-1 through A-20. The Certificates of each Class will be issuable in registered form only, in denominations of authorized Percentage Interests as described in the definition thereof. Each Certificate will share ratably in all rights of the related Class.

Upon original issue, the Certificates shall be executed by the Trustee and authenticated and delivered by the Trustee, to or upon the order of the Depositor. The Certificates shall be executed and attested by manual or facsimile signature on behalf of the Trustee by an authorized signatory. Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Trustee shall bind the Trustee, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Certificates or did not hold such offices at the date of such Certificates. No Certificate shall be entitled to any benefit under this Agreement or be valid for any purpose, unless there appears on such Certificate a certificate of authentication substantially in the form provided herein executed by the Trustee by manual signature, and such certificate of authentication shall be conclusive evidence, and the only evidence, that such Certificate has been duly authenticated and delivered hereunder. All Certificates shall be dated the date of their authentication.

(b) The Book Entry Certificates shall initially be issued as one or more Certificates held by the Book-Entry Custodian or, if appointed to hold such Certificates as provided below, the Depository and registered in the name of the Depository or its nominee and, except as provided below, registration of the Book-Entry Certificates may not be transferred by the Trustee except to another Depository that agrees to hold the Book-Entry Certificates for the respective Certificate Owners with Ownership Interests therein. The Certificate Owners shall hold their respective Ownership Interests in and to the Book-Entry Certificates through the book-entry facilities of the Depository and, except as provided below, shall not be entitled to definitive, fully registered Certificates (“Definitive Certificates”) in respect of such Ownership Interests. All transfers by Certificate Owners of their respective Ownership Interests in the

Book-Entry Certificates shall be made in accordance with the procedures established by the Depository Participant or brokerage firm representing such Certificate Owner. Each Depository Participant shall only transfer the Ownership Interests in the Book-Entry Certificates of Certificate Owners it represents or of brokerage firms for which it acts as agent in accordance with the Depository's normal procedures. The Trustee is hereby initially appointed as the Book-Entry Custodian and hereby agrees to act as such in accordance herewith and in accordance with the agreement that it has with the Depository authorizing it to act as such. The Book-Entry Custodian may, and if it is no longer qualified to act as such, the Book-Entry Custodian shall, appoint, by a written instrument delivered to the Depositor, the Master Servicer and if the Trustee is not the Book-Entry Custodian, the Trustee and any other transfer agent (including the Depository or any successor Depository) to act as Book-Entry Custodian under such conditions as the predecessor Book-Entry Custodian and the Depository or any successor Depository may prescribe, provided that the predecessor Book-Entry Custodian shall not be relieved of any of its duties or responsibilities by reason of any such appointment of other than the Depository. If the Trustee resigns or is removed in accordance with the terms hereof, successor Trustee or, if it so elects, the Depository shall immediately succeed to its predecessor's duties as Book-Entry Custodian. The Depositor shall have the right to inspect, and to obtain copies of, any Certificates held as Book-Entry Certificates by the Book-Entry Custodian.

The Trustee, the Master Servicer, the NIMS Insurer and the Depositor may for all purposes (including the making of payments due on the Book-Entry Certificates) deal with the Depository as the authorized representative of the Certificate Owners with respect to the Book-Entry Certificates for the purposes of the exercise by Certificateholders of the rights of Certificateholders hereunder. The rights of Certificate Owners with respect to the Book-Entry Certificates shall be limited to those established by law and agreements between such Certificate Owners and the Depository Participants and brokerage firms representing such Certificate Owners. The Depositor is hereby authorized to execute and deliver on behalf of the Trust the Letter of Representations to be submitted on behalf of the Trust to the Depository and to perform the obligations of the Issuer (as defined in the Letter of Representations) thereunder. The Trustee is hereby authorized to execute and deliver as agent of the Trust the Letter of Representations to be submitted on behalf of the Trust to the Depository and to perform the obligations of the Agent (as defined in the Letter of Representations) thereunder. Multiple requests and directions from, and votes of, the Depository as Holder of the Book-Entry Certificates with respect to any particular matter shall not be deemed inconsistent if they are made with respect to different Certificate Owners. The Trustee may establish a reasonable record date in connection with solicitations of consents from or voting by Certificateholders and shall give notice to the Depository of such record date.

If (i)(A) the Depositor advises the Trustee in writing that the Depository is no longer willing or able to properly discharge its responsibilities as Depository, and (B) the Depositor is unable to locate a qualified successor, (ii) the Depositor notifies the Trustee and the Depository of its intent to terminate the book-entry system through the Depository and, upon receipt of notice of such intent from the Depository, the Depository Participants with a position in the Book Entry Certificates agree to initiate such termination, or (iii) after the occurrence of a Master Servicer Event of Default, Certificate Owners representing in the aggregate not less than 51% of the Ownership Interests of the Book-Entry Certificates advise the Trustee through the Depository, in writing, that the continuation of a book-entry system through the Depository is no longer in the best interests of the Certificate Owners, the Trustee shall notify all Certificate

Owners, through the Depository, of the occurrence of any such event and of the availability of Definitive Certificates to Certificate Owners requesting the same. Upon surrender to the Trustee of the Book-Entry Certificates by the Book-Entry Custodian or the Depository, as applicable, accompanied by registration instructions from the Depository for registration of transfer, the Trustee shall issue the Definitive Certificates. Such Definitive Certificates will be issued in minimum denominations of \$25,000, except that any beneficial ownership that was represented by a Book-Entry Certificate in an amount less than \$25,000 immediately prior to the issuance of a Definitive Certificate shall be issued in a minimum denomination equal to the amount represented by such Book-Entry Certificate. None of the Depositor, the Master Servicer or the Trustee shall be liable for any delay in the delivery of such instructions and may conclusively rely on, and shall be protected in relying on, such instructions. Upon the issuance of Definitive Certificates all references herein to obligations imposed upon or to be performed by the Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable with respect to such Definitive Certificates, and the Trustee shall recognize the Holders of the Definitive Certificates as Certificateholders hereunder.

Section 5.02 Registration of Transfer and Exchange of Certificates.

(a) The Trustee shall cause to be kept at one of the offices or agencies to be appointed by the Trustee in accordance with the provisions of Section 8.12 a Certificate Register for the Certificates in which, subject to such reasonable regulations as it may prescribe, the Trustee shall provide for the registration of Certificates and of transfers and exchanges of Certificates as herein provided.

(b) No transfer, sale, pledge or other disposition of any Class C Certificate, Class P Certificate or Residual Certificate shall be made unless such disposition is exempt from the registration requirements of the Securities Act of 1933, as amended (the "1933 Act"), and any applicable state securities laws or is made in accordance with the 1933 Act and laws. Certificateholder's prospective transferee will be deemed to have represented such certification). In the event of any such transfer of any Class C Certificate, Class P Certificate or Residual Certificate (other than in connection with (i) the initial transfer of any Class C Certificate, Class P Certificate or Residual Certificates by the Depositor to the Seller, (ii) the transfer of any Class C Certificate, Class P Certificate or Residual Certificates by the Seller to an Affiliate of the Seller or to a trust, the depositor of which is an Affiliate of the Seller, (iii) the transfer of any Class C Certificate, Class P Certificate or Residual Certificates by an Affiliate of the Seller to one or more entities sponsored by such Affiliate or to a trust, the depositor of which is one or more entities sponsored by such Affiliate or (iv) a subsequent transfer of any Class C Certificates, Class P Certificates or Residual Certificates to the Seller or its designee by such entity or trust described in clauses (ii) or (iii) above to which the Certificates were previously transferred in reliance on clauses (ii) or (iii) above) (i) unless such transfer is made in reliance upon Rule 144A (as evidenced by the investment letter delivered to the Trustee, in substantially the form attached hereto as Exhibit J) under the 1933 Act, the Trustee and the Depositor shall require a written Opinion of Counsel (which may be in-house counsel) acceptable to and in form and substance reasonably satisfactory to the Trustee and the Depositor that such transfer may be made pursuant to an exemption, describing the applicable exemption and the basis therefor, from the 1933 Act or is being made pursuant to the 1933 Act, which Opinion of Counsel shall not be an expense of the Trustee or the Depositor or (ii) the Trustee shall require the transferor to execute a transferor certificate (in substantially the form attached hereto as Exhibit L) and the

transferee to execute an investment letter (in substantially the form attached hereto as Exhibit J) acceptable to and in form and substance reasonably satisfactory to the Depositor and the Trustee certifying to the Depositor and the Trustee the facts surrounding such transfer, which investment letter shall not be an expense of the Trustee or the Depositor. The Holder of a Class C Certificate, Class P Certificate or Residual Certificate desiring to effect such transfer shall, and does hereby agree to, indemnify the Trustee, the Depositor and the Trust Fund against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

(c) Each Transferee of a Class A Certificate or Mezzanine Certificate that is acquired after the termination of the Supplemental Interest Account will be deemed to have represented by virtue of its purchase or holding of such Certificate (or interest therein) that either (a) such Transferee is not a Plan or purchasing such Certificate with Plan Assets as defined below, (b) it has acquired and is holding such Certificate in reliance on DOL Authorization Number 2003-14E and Prohibited Transaction Exemption (“PTE”) 89-88 (as such PTE is amended by 55 F.R. 48939, PTE 97-34, PTE 2000-58 and PTE 2002-41 (the “Exemption”) and that it understands that there are certain conditions to the availability of the Exemption including that such Certificate must be rated, at the time of purchase, not lower than “BBB-” (or its equivalent) by a Rating Agency, or (c) the following conditions are satisfied: (i) such Transferee is an insurance company; (ii) the source of funds used to purchase or hold such Certificate (or interest therein) is an “insurance company general account” (as defined in U.S. Department of Labor Prohibited Transaction Class Exemption (“PTCE”) 95-60), and (iii) the conditions set forth in Sections I and III of PTCE 95-60 have been satisfied.

No transfer of a Class A Certificate or Mezzanine Certificate shall be made prior to the termination of the Supplemental Interest Account or the date the Holder is entitled to receive payments from the Financial Maturity Reserve Account, unless the Trustee shall have received a representation letter from the transferee of such Certificate, substantially in the form set forth in Exhibit I, to the effect that either (i) such transferee is neither a Plan nor a Person acting on behalf of any such Plan or using the assets of any such Plan to effect such transfer or (ii) the acquisition and holding of the Class A Certificate or the Mezzanine Certificate are eligible for exemptive relief under Prohibited Transaction Class Exemption (“PTCE”) 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60 or PTCE 96-23. Notwithstanding anything else to the contrary herein, any purported transfer of a Class A Certificate or Mezzanine Certificate on behalf of a Plan without the delivery to the Trustee of a representation letter as described above shall be void and of no effect. If the Class A Certificate or the Mezzanine Certificate is a Book-Entry Certificate, the transferee will be deemed to have made a representation as provided in clause (i) or (ii) of this paragraph, as applicable.

No transfer of a Class C Certificate, Class P Certificate or Residual Certificate or any interest therein shall be made to any Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any Person acquiring such Certificates with “Plan Assets” of a Plan within the meaning of the Department of Labor regulation promulgated at 29 C.F.R. § 2510.3-101 (“Plan Assets”) unless, in the case of the Class C Certificates or the Class P Certificates, the Depositor, the Trustee and the Master Servicer are provided with an Opinion of Counsel which establishes to the satisfaction of the Depositor, the Trustee and the Master Servicer that the purchase of such Certificates is permissible under applicable law, will not constitute or result in any prohibited transaction under ERISA or

Section 4975 of the Code and will not subject the Depositor, the Master Servicer, the Trustee or the Trust Fund to any obligation or liability (including obligations or liabilities under ERISA or Section 4975 of the Code) in addition to those undertaken in this Agreement, which Opinion of Counsel shall not be an expense of the Depositor, the Master Servicer, the Trustee or the Trust Fund. Neither an Opinion of Counsel nor any certification will be required in connection with the (i) initial transfer of any Class C Certificate, Class P Certificate or Residual Certificates by the Depositor to the Seller, (ii) the transfer of any Class C Certificate, Class P Certificate or Residual Certificates by the Seller to an Affiliate of the Seller or to a trust, the depositor of which is an Affiliate of the Seller, (iii) the transfer of any Class C Certificates, Class P Certificates or Residual Certificates by an Affiliate of the Seller to one or more entities sponsored by such Affiliate or to a trust the depositor of which is one or more entities sponsored by such Affiliate or (iv) a subsequent transfer of any Class C Certificates, Class P Certificates or Residual Certificates to the Seller or its designee by such entity or trust described in clauses (ii) or (iii) above to which the Certificates were previously transferred in reliance on clauses (ii) or (iii) above (in which case, the Depositor, the Seller, any such Affiliate and such entities sponsored by such Affiliate shall have deemed to have represented that the applicable transferee is not a Plan or a Person investing Plan Assets) and the Trustee shall be entitled to conclusively rely upon a representation (which, upon the request of the Trustee, shall be a written representation) from the Depositor of the status of each transferee, the Seller or such an Affiliate. Each transferee of a Class C Certificate, Class P Certificate or Residual Certificate shall sign a letter substantially in the form of Exhibit I to demonstrate its compliance with this Section 5.02(c) (other than in connection with the (i) initial transfer of any Class C Certificate, Class P Certificate or Residual Certificates by the Depositor to the Seller, (ii) the transfer of any Class C Certificate, Class P Certificate or Residual Certificates by the Seller to an Affiliate of the Seller or to a trust, the depositor of which is an Affiliate of the Seller, (iii) the transfer of any Class C Certificates, Class P Certificates or Residual Certificates by an Affiliate of the Seller to one or more entities sponsored by such Affiliate or to a trust the depositor of which is one or more entities sponsored by such Affiliate or (iv) a subsequent transfer of any Class C Certificates, Class P Certificates or Residual Certificates to the Seller or its designee by such entity or trust described in clauses (ii) or (iii) above to which the Certificates were previously transferred in reliance on clauses (ii) or (iii) above).

If any Certificate or any interest therein is acquired or held in violation of the provisions of the preceding paragraphs, the next preceding permitted beneficial owner will be treated as the beneficial owner of that Certificate retroactive to the date of transfer to the purported beneficial owner. Any purported beneficial owner whose acquisition or holding of any such Certificate or interest therein was effected in violation of the provisions of the preceding paragraph shall indemnify and hold harmless the Depositor, the Master Servicer, the Trustee and the Trust Fund from and against any and all liabilities, claims, costs or expenses incurred by those parties as a result of that acquisition or holding.

(d) Each Person who has or who acquires any Ownership Interest in a Residual Certificate shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the following provisions and to have irrevocably appointed the Depositor or its designee as its attorney-in-fact to negotiate the terms of any mandatory sale under clause (v) below and to execute all instruments of transfer and to do all other things necessary in connection with any such sale, and the rights of each Person acquiring any Ownership Interest in a Residual Certificate are expressly subject to the following provisions:

(i) Each Person holding or acquiring any Ownership Interest in a Residual Certificate shall be a Permitted Transferee and shall promptly notify the Trustee of any change or impending change in its status as a Permitted Transferee.

(ii) No Person shall acquire an Ownership Interest in a Residual Certificate unless such Ownership Interest is a *pro rata* undivided interest.

(iii) In connection with any proposed transfer of any Ownership Interest in a Residual Certificate, the Trustee shall as a condition to registration of the transfer, require delivery to it, in form and substance satisfactory to it, of each of the following:

A. an affidavit in the form of Exhibit K hereto from the proposed transferee to the effect that such transferee is a Permitted Transferee and that it is not acquiring its Ownership Interest in the Residual Certificate that is the subject of the proposed transfer as a nominee, trustee or agent for any Person who is not a Permitted Transferee; and

B. a covenant of the proposed transferee to the effect that the proposed transferee agrees to be bound by and to abide by the transfer restrictions applicable to the Residual Certificates.

(iv) Any attempted or purported transfer of any Ownership Interest in a Residual Certificate in violation of the provisions of this Section shall be absolutely null and void and shall vest no rights in the purported transferee. If any purported transferee shall, in violation of the provisions of this Section, become a Holder of a Residual Certificate, then the prior Holder of such Residual Certificate that is a Permitted Transferee shall, upon discovery that the registration of transfer of such Residual Certificate was not in fact permitted by this Section, be restored to all rights as Holder thereof retroactive to the date of registration of transfer of such Residual Certificate. The Trustee shall not be under any liability to any Person for any registration of transfer of a Residual Certificate that is in fact not permitted by this Section or for making any distributions due on such Residual Certificate to the Holder thereof or taking any other action with respect to such Holder under the provisions of this Agreement so long as the Trustee received the documents specified in clause (iii). The Trustee shall be entitled to recover from any Holder of a Residual Certificate that was in fact not a Permitted Transferee at the time such distributions were made all distributions made on such Residual Certificate. Any such distributions so recovered by the Trustee shall be distributed and delivered by the Trustee to the prior Holder of such Residual Certificate that is a Permitted Transferee.

(v) If any Person other than a Permitted Transferee acquires any Ownership Interest in a Residual Certificate in violation of the restrictions in this Section, then the Trustee shall have the right but not the obligation, without notice to the Holder of such Residual Certificate or any other Person having an Ownership Interest therein, to notify the Depositor to arrange for the sale of such

Residual Certificate. The proceeds of such sale, net of commissions (which may include commissions payable to the Depositor or its affiliates in connection with such sale), expenses and taxes due, if any, will be remitted by the Trustee to the previous Holder of such Residual Certificate that is a Permitted Transferee, except that in the event that the Trustee determines that the Holder of such Residual Certificate may be liable for any amount due under this Section or any other provisions of this Agreement, the Trustee may withhold a corresponding amount from such remittance as security for such claim. The terms and conditions of any sale under this clause (v) shall be determined in the sole discretion of the Trustee and it shall not be liable to any Person having an Ownership Interest in a Residual Certificate as a result of its exercise of such discretion.

(vi) If any Person other than a Permitted Transferee acquires any Ownership Interest in a Residual Certificate in violation of the restrictions in this Section, then the Trustee will provide to the Internal Revenue Service, and to the persons designated in Section 860E(e)(3) of the Code, information needed to compute the tax imposed under Section 860E(e)(1) of the Code on such transfer.

The foregoing provisions of this Section shall cease to apply to transfers occurring on or after the date on which there shall have been delivered to the Trustee, in form and substance satisfactory to the Trustee, (i) written notification from each Rating Agency that the removal of the restrictions on Transfer set forth in this Section will not cause such Rating Agency to downgrade its rating of any of the Other NIM Notes, the Insured NIM Notes (without giving effect to any insurance policy issued by the NIMS Insurer) or the Certificates and (ii) an Opinion of Counsel to the effect that such removal will not cause any REMIC created hereunder to fail to qualify as a REMIC.

(e) Subject to the preceding subsections, upon surrender for registration of transfer of any Certificate at any office or agency of the Trustee designated from time to time for such purpose pursuant to Section 8.12, the Trustee shall execute and authenticate and deliver, in the name of the designated Transferee or Transferees, one or more new Certificates of the same Class of a like aggregate Percentage Interest.

(f) At the option of the Holder thereof, any Certificate may be exchanged for other Certificates of the same Class with authorized denominations and a like aggregate Percentage Interest, upon surrender of such Certificate to be exchanged at any office or agency of the Trustee maintained for such purpose pursuant to Section 8.12. Whenever any Certificates are so surrendered for exchange the Trustee shall execute, authenticate and deliver the Certificates which the Certificateholder making the exchange is entitled to receive. Every Certificate presented or surrendered for transfer or exchange shall (if so required by the Trustee) be duly endorsed by, or be accompanied by a written instrument of transfer in the form satisfactory to the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing.

(g) No service charge shall be made for any registration of transfer or exchange of Certificates of any Class, but the Trustee may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

All Certificates surrendered for registration of transfer or exchange shall be canceled by the Trustee and disposed of pursuant to its standard procedures.

Section 5.03 Mutilated, Destroyed, Lost or Stolen Certificates.

If (i) any mutilated Certificate is surrendered to the Trustee or the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Certificate and (ii) there is delivered to the Trustee, the Depositor and (in the case of a Class C Certificate or Class P Certificate) the NIMS Insurer such security or indemnity as may be required by them to save each of them, and the Trust Fund, harmless, then, in the absence of notice to the Trustee that such Certificate has been acquired by a bona fide purchaser, the Trustee shall execute, authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Certificate of like tenor and Percentage Interest. Upon the issuance of any new Certificate under this Section, the Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) in connection therewith. Any duplicate Certificate issued pursuant to this Section, shall constitute complete and indefeasible evidence of ownership in the Trust, as if originally issued, whether or not the lost, stolen or destroyed Certificate shall be found at any time.

Section 5.04 Persons Deemed Owners.

The Master Servicer, the Depositor, the Trustee, the NIMS Insurer and any agent of the Master Servicer, the Depositor, the Trustee or the NIMS Insurer may treat the Person, including a Depository, in whose name any Certificate is registered as the owner of such Certificate for the purpose of receiving distributions pursuant to Section 4.01 and for all other purposes whatsoever, and none of the Master Servicer, the Depositor, the Trustee, the NIMS Insurer nor any agent of any of them shall be affected by notice to the contrary.

ARTICLE VI

THE MASTER SERVICER AND THE DEPOSITOR

Section 6.01 Liability of the Master Servicer and the Depositor.

The Depositor and the Master Servicer each shall be liable in accordance herewith only to the extent of the obligations specifically imposed by this Agreement and undertaken hereunder by the Depositor and the Master Servicer herein.

Section 6.02 Merger or Consolidation of the Depositor or the Master Servicer.

Subject to the following paragraph, the Depositor will keep in full effect its existence, rights and franchises as a corporation under the laws of the jurisdiction of its incorporation. Subject to the following paragraph, the Master Servicer will keep in full effect its existence, rights and franchises as a corporation under the laws of the jurisdiction of its incorporation and its qualification as an approved conventional seller/servicer for Fannie Mae or Freddie Mac in good standing. The Depositor and the Master Servicer each will obtain and preserve its qualification to do business as a foreign corporation in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement,

the Certificates or any of the Mortgage Loans and to perform its respective duties under this Agreement.

The Depositor or the Master Servicer may be merged or consolidated with or into any Person, or transfer all or substantially all of its assets to any Person, in which case any Person resulting from any merger or consolidation to which the Depositor or the Master Servicer shall be a party, or any Person succeeding to the business of the Depositor or the Master Servicer, shall be the successor of the Depositor or the Master Servicer, as the case may be, hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that the successor or surviving Person to the Master Servicer shall be qualified to service mortgage loans on behalf of Fannie Mae or Freddie Mac; and provided further that the Rating Agencies' ratings of the Other NIM Notes, the Class A Certificates and the Mezzanine Certificates and the shadow rating of the Insured NIM Notes (without giving effect to any insurance policy issued by the NIMS Insurer) in effect immediately prior to such merger or consolidation will not be qualified, reduced or withdrawn as a result thereof (as evidenced by a letter to such effect from the Rating Agencies to the Trustee).

Section 6.03 Limitation on Liability of the Depositor, the Master Servicer and Others.

None of the Depositor, the Master Servicer or any of the directors, officers, employees or agents of the Depositor or the Master Servicer shall be under any liability to the Trust Fund or the Certificateholders for any action taken or for refraining from the taking of any action in good faith pursuant to this Agreement, or for errors in judgment; provided, however, that this provision shall not protect the Depositor, the Master Servicer or any such person against any breach of warranties, representations or covenants made herein, or against any specific liability imposed on the Master Servicer or the Depositor, as applicable, pursuant hereto, or against any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or negligence in the performance of duties or by reason of reckless disregard of obligations and duties hereunder. The Depositor, the Master Servicer and any director, officer, employee or agent of the Depositor or the Master Servicer may rely in good faith on any document of any kind which, *prima facie*, is properly executed and submitted by any Person respecting any matters arising hereunder. The Depositor, the Master Servicer and any director, officer, employee or agent of the Depositor or the Master Servicer shall be indemnified and held harmless by the Trust Fund against any loss, liability or expense incurred in connection with any legal action relating to this Agreement or the Certificates, other than any loss, liability or expense relating to any specific Mortgage Loan or Mortgage Loans (except as any such loss, liability or expense shall be otherwise reimbursable pursuant to this Agreement) or any loss, liability or expense incurred by reason of willful misfeasance, bad faith or negligence in the performance of duties hereunder or by reason of reckless disregard of obligations and duties hereunder. Neither the Depositor nor the Master Servicer shall be under any obligation to appear in, prosecute or defend any legal action unless such action is related to its respective duties under this Agreement and, in its opinion, does not involve it in any expense or liability; provided, however, that each of the Depositor and the Master Servicer may in its discretion undertake any such action which it may deem necessary or desirable with respect to this Agreement and the rights and duties of the parties hereto and the interests of the Certificateholders hereunder. In such event, unless the Depositor or the Master Servicer acts without the consent of Holders of Certificates entitled to at least 51% of the Voting Rights (which consent shall not be necessary in the case of litigation or

other legal action by either to enforce their respective rights or defend themselves hereunder), the legal expenses and costs of such action and any liability resulting therefrom (except any loss, liability or expense incurred by reason of willful misfeasance, bad faith or negligence in the performance of duties hereunder or by reason of reckless disregard of obligations and duties hereunder) shall be expenses, costs and liabilities of the Trust Fund, and the Depositor and the Master Servicer shall be entitled to be reimbursed therefor from the Collection Account as and to the extent provided in Section 3.11, any such right of reimbursement being prior to the rights of the Certificateholders to receive any amount in the Collection Account.

The Master Servicer (except the Trustee to the extent it has succeeded the Master Servicer as required hereunder) indemnifies and holds the Trustee, the Depositor and the Trust Fund harmless against any and all claims, losses, penalties, fines, forfeitures, reasonable legal fees and related costs, judgments, and any other costs, fees and expenses that the Trustee, the Depositor or the Trust Fund may sustain in any way related to the failure of the Master Servicer to perform its duties and service the Mortgage Loans in compliance with the terms of this Agreement. The Master Servicer shall immediately notify the Trustee, the NIMS Insurer and the Depositor if a claim is made that may result in such claims, losses, penalties, fines, forfeitures, legal fees or related costs, judgments, or any other costs, fees and expenses, and the Master Servicer shall assume (with the consent of the Trustee) the defense of any such claim and pay all expenses in connection therewith, including reasonable counsel fees, and promptly pay, discharge and satisfy any judgment or decree which may be entered against the Master Servicer, the Trustee, the Depositor and/or the Trust Fund in respect of such claim. The provisions of this paragraph shall survive the termination of this Agreement and the payment of the outstanding Certificates.

Section 6.04 Limitation on Resignation of Master Servicer.

The Master Servicer shall not resign from the obligations and duties hereby imposed on it except (i) upon determination that its duties hereunder are no longer permissible under applicable law or (ii) with the written consent of the Trustee and the NIMS Insurer and written confirmation from each Rating Agency (which confirmation shall be furnished to the Depositor and the Trustee) that such resignation will not cause such Rating Agency to reduce the then current rating of any of the Other NIM Notes, the Class A Certificates or the Mezzanine Certificates or the shadow rating of the Insured NIM Notes (without giving effect to any insurance policy issued by the NIMS Insurer). Any such determination pursuant to clause (i) of the preceding sentence permitting the resignation of the Master Servicer shall be evidenced by an Opinion of Counsel to such effect obtained at the expense of the Master Servicer and delivered to the Trustee. No resignation of the Master Servicer shall become effective until the Trustee or a successor servicer reasonably acceptable to the NIMS Insurer shall have assumed the Master Servicer's responsibilities, duties, liabilities (other than those liabilities arising prior to the appointment of such successor) and obligations under this Agreement.

Except as expressly provided herein, the Master Servicer shall not assign or transfer any of its rights, benefits or privileges hereunder to any other Person, nor delegate to or subcontract with, nor authorize or appoint any other Person to perform any of the duties, covenants or obligations to be performed by the Master Servicer hereunder. The foregoing prohibition on assignment shall not prohibit the Master Servicer from designating a Sub-Servicer as payee of any indemnification amount payable to the Master Servicer hereunder; provided, however, that

as provided in Section 3.06 hereof, no Sub-Servicer shall be a third-party beneficiary hereunder and the parties hereto shall not be required to recognize any Sub-Servicer as an indemnitee under this Agreement. If, pursuant to any provision hereof, the duties of the Master Servicer are transferred to a successor master servicer, the entire amount of the Servicing Fee and other compensation payable to the Master Servicer pursuant hereto shall thereafter be payable to such successor master servicer.

Section 6.05 Rights of the Depositor, the NIMS Insurer and the Trustee in Respect of the Master Servicer.

The Master Servicer shall afford (and any Sub-Servicing Agreement shall provide that each Sub-Servicer shall afford) the Depositor, the NIMS Insurer and the Trustee, upon reasonable notice, during normal business hours, access to all records maintained by the Master Servicer (and any such Sub-Servicer) in respect of the Master Servicer’s rights and obligations hereunder and access to officers of the Master Servicer (and those of any such Sub-Servicer) responsible for such obligations. Upon request, the Master Servicer shall furnish to the Depositor, the NIMS Insurer and the Trustee its (and any such Sub-Servicer’s) most recent financial statements and such other information relating to the Master Servicer’s capacity to perform its obligations under this Agreement that it possesses. To the extent such information is not otherwise available to the public, the Depositor, the NIMS Insurer and the Trustee shall not disseminate any information obtained pursuant to the preceding two sentences without the Master Servicer’s (or any such Sub-Servicer’s) written consent, except as required pursuant to this Agreement or to the extent that it is necessary to do so (i) in working with legal counsel, auditors, taxing authorities or other governmental agencies, rating agencies or reinsurers or (ii) pursuant to any law, rule, regulation, order, judgment, writ, injunction or decree of any court or governmental authority having jurisdiction over the Depositor, the NIMS Insurer, the Trustee or the Trust Fund, and in either case, the Depositor or the Trustee, as the case may be, shall use, and the NIMS Insurer shall be deemed to have agreed with the parties hereto to use, its best efforts to assure the confidentiality of any such disseminated non-public information. The Depositor may, but is not obligated to, enforce the obligations of the Master Servicer under this Agreement and may, but is not obligated to, perform, or cause a designee to perform, any defaulted obligation of the Master Servicer under this Agreement or exercise the rights of the Master Servicer under this Agreement; provided that the Master Servicer shall not be relieved of any of its obligations under this Agreement by virtue of such performance by the Depositor or its designee. The Depositor shall not have any responsibility or liability for any action or failure to act by the Master Servicer and is not obligated to supervise the performance of the Master Servicer under this Agreement or otherwise.

ARTICLE VII

DEFAULT

Section 7.01 Master Servicer Events of Default.

“Master Servicer Event of Default,” wherever used herein, means any one of the following events:

(i) any failure by the Master Servicer to remit to the Trustee for distribution to the Certificateholders any payment (other than an Advance required to be made from its own funds on any Master Servicer Remittance Date pursuant to Section 4.04) required to be made under the terms of the Certificates and this Agreement which continues unremedied for a period of one Business Day after the date upon which written notice of such failure, requiring the same to be remedied, shall have been given to the Master Servicer by the Depositor, the Trustee (in which case notice shall be provided by telecopy), or to the Master Servicer, the Depositor and the Trustee by the NIMS Insurer or the Holders of Certificates entitled to at least 25% of the Voting Rights; or

(ii) any failure on the part of the Master Servicer duly to observe or perform in any material respect any of the covenants or agreements on the part of the Master Servicer contained in this Agreement which continues unremedied for a period of 45 days (30 days in the case of any failure to maintain a Sub-Servicing Agreement with an eligible Sub-Servicer to the extent required in accordance with Section 3.02(c)) after the earlier of (i) the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Master Servicer by the Depositor or the Trustee, or to the Master Servicer, the Depositor and the Trustee by the NIMS Insurer or the Holders of Certificates entitled to at least 25% of the Voting Rights and (ii) actual knowledge of such failure by a Servicing Representative of the Master Servicer; or

(iii) a decree or order of a court or agency or supervisory authority having jurisdiction in the premises in an involuntary case under any present or future federal or state bankruptcy, insolvency or similar law or the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceeding, or for the winding-up or liquidation of its affairs, shall have been entered against the Master Servicer and if such proceeding is being contested by the Master Servicer in good faith, such decree or order shall have remained in force undischarged or unstayed for a period of 60 days or results in the entry of an order for relief or any such adjudication or appointment; or

(iv) the Master Servicer shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to it or of relating to all or substantially all of its property; or

(v) the Master Servicer shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors; or

(vi) [reserved]; or

(vii) any failure of the Master Servicer to make, or cause an Advancing Person to make, any Advance on any Master Servicer Remittance Date required

to be made from its own funds pursuant to Section 4.04 which continues unremedied until 3:00 p.m. New York time on the Business Day immediately following the Master Servicer Remittance Date; or

(viii) the Master Servicer ceases to be an approved seller or servicer of Fannie Mae.

If a Master Servicer Event of Default described in clauses (i) through (vi) of this Section shall occur, then, and in each and every such case, so long as such Master Servicer Event of Default shall not have been remedied, the Depositor or the Trustee may, and at the written direction of the NIMS Insurer or the Holders of Certificates entitled to at least 51% of Voting Rights, the Trustee shall, by notice in writing to the NIMS Insurer and the Master Servicer (and to the Depositor if given by the Trustee or to the Trustee if given by the Depositor), terminate all of the rights and obligations of the Master Servicer in its capacity as Master Servicer under this Agreement, to the extent permitted by law, and in and to the Mortgage Loans and the proceeds thereof. If a Master Servicer Event of Default described in clauses (vii) or (viii) hereof shall occur, the Trustee shall, by notice in writing to the Master Servicer (delivered immediately by facsimile and effective on the date of acknowledgement of receipt in the case of a Master Servicer Event of Default described in clause (vii)), the NIMS Insurer and the Depositor, terminate all of the rights and obligations of the Master Servicer in its capacity as Master Servicer under this Agreement and in and to the Mortgage Loans and the proceeds thereof. On or after the receipt by the Master Servicer of such written notice, all authority and power of the Master Servicer under this Agreement, whether with respect to the Certificates (other than as a Holder of any Certificate) or the Mortgage Loans or otherwise, shall pass to and be vested in the Trustee pursuant to and under this Section and, without limitation, the Trustee is hereby authorized and empowered, as attorney-in-fact or otherwise, to execute and deliver on behalf of and at the expense of the Master Servicer, any and all documents and other instruments and to do or accomplish all other acts or things necessary or appropriate to effect the purposes of such notice of termination, whether to complete the transfer and endorsement or assignment of the Mortgage Loans and related documents, or otherwise. The Master Servicer agrees, at its sole cost and expense, promptly (and in any event no later than ten Business Days subsequent to such notice) to provide the Trustee with all documents and records requested by it to enable it to assume the Master Servicer's functions under this Agreement, and to cooperate with the Trustee in effecting the termination of the Master Servicer's responsibilities and rights under this Agreement, including, without limitation, the transfer within one Business Day to the Trustee for administration by it of all cash amounts which at the time shall be or should have been credited by the Master Servicer to the Collection Account held by or on behalf of the Master Servicer, or any REO Account or Servicing Account held by or on behalf of the Master Servicer or thereafter be received with respect to the Mortgage Loans or any REO Property (provided, however, that the Master Servicer shall continue to be entitled to receive all amounts accrued or owing to it under this Agreement on or prior to the date of such termination, whether in respect of Advances or otherwise, and shall continue to be entitled to the benefits of Section 6.03, notwithstanding any such termination, with respect to events occurring prior to such termination). For purposes of this Section 7.01, the Trustee shall not be deemed to have knowledge of a Master Servicer Event of Default unless a Responsible Officer of Trustee assigned to and working in the Trustee's Corporate Trust Office has actual knowledge thereof or unless written notice of any event which is in fact such a Master Servicer Event of Default is received by the Trustee and such notice references the Certificates, any of the Trust REMICs or this Agreement.

The Trustee shall be entitled to be reimbursed by the Master Servicer (or by the Trust Fund if the Master Servicer is unable to fulfill its obligations hereunder) for all costs associated with the transfer of servicing from the predecessor master servicer, including without limitation, any costs or expenses associated with the complete transfer of all servicing data and the completion, correction or manipulation of such servicing data as may be required by the Trustee to correct any errors or insufficiencies in the servicing data or otherwise to enable the Trustee to service the Mortgage Loans properly and effectively.

Section 7.02 Trustee to Act; Appointment of Successor.

(a) On and after the time the Master Servicer receives a notice of termination, the Trustee shall be the successor in all respects to the Master Servicer in its capacity as Master Servicer under this Agreement and the transactions set forth or provided for herein and shall be subject to all the responsibilities, duties and liabilities relating thereto and arising thereafter, which shall be assumed by the Trustee (except for any representations or warranties of the Master Servicer under this Agreement, the responsibilities, duties and liabilities contained in Section 2.03(c) and its obligation to deposit amounts in respect of losses pursuant to Section 3.12) by the terms and provisions hereof including, without limitation, the Master Servicer's obligations to make Advances pursuant to Section 4.04; provided, however, that if the Trustee is prohibited by law or regulation from obligating itself to make advances regarding delinquent Mortgage Loans, then the Trustee shall not be obligated to make Advances pursuant to Section 4.04; and provided further, that any failure to perform such duties or responsibilities caused by the Master Servicer's failure to provide information required by Section 7.01 shall not be considered a default by the Trustee as successor to the Master Servicer hereunder; provided, however, it is understood and acknowledged by the parties that there will be a period of transition (not to exceed 90 days) before the servicing transfer is fully effected. As compensation therefor, the Trustee shall be entitled to the Servicing Fee and all funds relating to the Mortgage Loans to which the Master Servicer would have been entitled if it had continued to act hereunder (other than amounts which were due or would become due to the Master Servicer prior to its termination or resignation). Notwithstanding anything herein to the contrary, in no event shall the Trustee be liable for any Servicing Fee or for any differential in the amount of the Servicing Fee paid hereunder and the amount necessary to induce any successor Master Servicer to act as successor Master Servicer under this Agreement and the transactions set forth or provided for herein. After the Master Servicer receives a notice of termination, notwithstanding the above and subject to the next paragraph, the Trustee may, if it shall be unwilling to so act, or shall, if it is unable to so act or if it is prohibited by law from making advances regarding delinquent Mortgage Loans, or if the NIMS Insurer or the Holders of Certificates entitled to at least 51% of the Voting Rights so request in writing to the Trustee, promptly appoint, or petition a court of competent jurisdiction to appoint, an established mortgage loan servicing institution acceptable to each Rating Agency, having a net worth of not less than \$15,000,000 and reasonably acceptable to the NIMS Insurer, as the successor to the Master Servicer under this Agreement in the assumption of all or any part of the responsibilities, duties or liabilities of the Master Servicer under this Agreement.

No appointment of a successor to the Master Servicer under this Agreement shall be effective until the assumption by the successor of all of the Master Servicer's responsibilities, duties and liabilities hereunder. In connection with such appointment and assumption described herein, the Trustee may make such arrangements for the compensation of such successor out of

payments on Mortgage Loans as it and such successor shall agree; provided, however, that no such compensation shall be in excess of that permitted the Master Servicer as such hereunder. The Depositor, the Trustee and such successor shall take such action, consistent with this Agreement, as shall be necessary to effectuate any such succession. Pending appointment of a successor to the Master Servicer under this Agreement, the Trustee shall act in such capacity as hereinabove provided.

Upon removal or resignation of the Master Servicer, the Trustee, with the cooperation of the Depositor, (x) shall solicit bids for a successor Master Servicer as described below and (y) pending the appointment of a successor Master Servicer as a result of soliciting such bids, shall serve as Master Servicer of the Mortgage Loans serviced by such predecessor Master Servicer. The Trustee shall solicit, by public announcement, bids from housing and home finance institutions, banks and mortgage servicing institutions meeting the qualifications set forth in the first paragraph of this Section 7.02 (including the Trustee or any affiliate thereof). Such public announcement shall specify that the successor Master Servicer shall be entitled to the servicing compensation agreed upon between the Trustee, the successor Master Servicer and the Depositor; provided, however, that no such fee shall exceed the Servicing Fee. Within thirty days after any such public announcement, the Trustee with the cooperation of the Depositor, shall negotiate in good faith and effect the sale, transfer and assignment of the servicing rights and responsibilities hereunder to the qualified party submitting the highest satisfactory bid as to the price they will pay to obtain such servicing. The Trustee, upon receipt of the purchase price shall pay such purchase price to the Master Servicer being so removed, after deducting from any sum received by the Trustee from the successor to the Master Servicer in respect of such sale, transfer and assignment all costs and expenses of any public announcement and of any sale, transfer and assignment of the servicing rights and responsibilities reasonably incurred hereunder. After such deductions, the remainder of such sum shall be paid by the Trustee to the Master Servicer at the time of such sale.

(b) If the Master Servicer fails to remit to the Trustee for distribution to the Certificateholders any payment required to be made under the terms of this Agreement (for purposes of this Section 7.02(b), a "Remittance") because the Master Servicer is the subject of a proceeding under the Bankruptcy Code and the making of such Remittance is prohibited by Section 362 of the Bankruptcy Code, the Trustee shall upon written notice of such prohibition, regardless of whether it has received a notice of termination under Section 7.01, shall be treated as though it had succeeded to the Master Servicer and shall advance the amount of such Remittance by depositing such amount in the Distribution Account on the related Distribution Date. The Trustee shall be obligated to make such advance only if (i) such advance, in the good faith judgment of the Trustee can reasonably be expected to be ultimately recoverable from Stayed Funds and (ii) the Trustee is not prohibited by law from making such advance or obligating itself to do so. Upon remittance of the Stayed Funds to the Trustee or the deposit thereof in the Distribution Account by the Master Servicer, a trustee in bankruptcy or a federal bankruptcy court, the Trustee may recover the amount so advanced, without interest, by withdrawing such amount from the Distribution Account; however, nothing in this Agreement shall be deemed to affect the Trustee's rights to recover from the Master Servicer's own funds interest on the amount of any such advance. If the Trustee at any time makes an advance under this subsection which it later determines in its good faith judgment will not be ultimately recoverable from the Stayed Funds with respect to which such advance was made, the Trustee shall be entitled to reimburse itself for such advance, without interest, by withdrawing from the

Distribution Account, out of amounts on deposit therein, an amount equal to the portion of such advance attributable to the Stayed Funds.

Section 7.03 Notification to Certificateholders.

(a) Upon any termination of the Master Servicer pursuant to Section 7.01 above or any appointment of a successor to the Master Servicer pursuant to Section 7.02 above, the Trustee shall give prompt written notice thereof to Certificateholders at their respective addresses appearing in the Certificate Register and to the NIMS Insurer.

(b) Not later than the later of 60 days after the occurrence of any event, which constitutes or which, with notice or lapse of time or both, would constitute a Master Servicer Event of Default or five days after a Responsible Officer of the Trustee becomes aware of the occurrence of such an event, the Trustee shall transmit by mail to all Holders of Certificates and to the NIMS Insurer notice of each such occurrence, unless such default or Master Servicer Event of Default shall have been cured or waived.

Section 7.04 Waiver of Master Servicer Events of Default.

The Holders representing at least 66% of the Voting Rights evidenced by all Classes of Certificates affected by any default or Master Servicer Event of Default hereunder may, with the consent of the NIMS Insurer, waive such default or Master Servicer Event of Default; provided, however, that a default or Master Servicer Event of Default under clause (i) or (vii) of Section 7.01 may be waived only by all of the Holders of the Regular Certificates and the NIMS Insurer (as evidenced by the written consent of the NIMS Insurer). Upon any such waiver of a default or Master Servicer Event of Default, such default or Master Servicer Event of Default shall cease to exist and shall be deemed to have been remedied for every purpose hereunder. No such waiver shall extend to any subsequent or other default or Master Servicer Event of Default or impair any right consequent thereon except to the extent expressly so waived.

ARTICLE VIII

THE TRUSTEE

Section 8.01 Duties of Trustee.

The Trustee, prior to the occurrence of a Master Servicer Event of Default and after the curing of all Master Servicer Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Agreement. During a Master Servicer Event of Default, the Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person’s own affairs. Any permissive right of the Trustee enumerated in this Agreement shall not be construed as a duty.

The Trustee, upon receipt of all resolutions, certificates, statements, opinions, reports, documents, orders or other instruments furnished to the Trustee which are specifically required to be furnished pursuant to any provision of this Agreement, shall examine them to determine whether they conform to the requirements of this Agreement. If any such instrument is found not to conform to the requirements of this Agreement in a material manner, the Trustee shall take

such action as it deems appropriate to have the instrument corrected, and if the instrument is not corrected to the Trustee's satisfaction, the Trustee will provide notice thereof to the Certificateholders.

No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own misconduct; provided, however, that:

(i) Prior to the occurrence of a Master Servicer Event of Default, and after the curing of all such Master Servicer Events of Default which may have occurred, the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, no implied covenants or obligations shall be read into this Agreement against the Trustee and, in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee that conform to the requirements of this Agreement;

(ii) The Trustee shall not be personally liable for an error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) The Trustee shall not be personally liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with the direction of the NIMS Insurer or the Holders of Certificates entitled to at least 25% of the Voting Rights relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Agreement.

Section 8.02 Certain Matters Affecting the Trustee.

(a) Except as otherwise provided in Section 8.01:

(i) The Trustee may request and rely conclusively upon and shall be fully protected in acting or refraining from acting upon any resolution, Officers' Certificate, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties and the manner of obtaining consents and evidencing the authorization of the execution thereof shall be subject to such reasonable regulations as the Trustee may prescribe;

(ii) The Trustee may consult with counsel and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such Opinion of Counsel;

(iii) The Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by this Agreement or to institute, conduct or defend any litigation hereunder or in relation hereto at the request, order or direction of any of the NIMS Insurer or the Certificateholders, pursuant to the provisions of this Agreement, unless the NIMS Insurer or such Certificateholders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby; nothing contained herein shall, however, relieve the Trustee of the obligation, upon the occurrence of a Master Servicer Event of Default (which has not been cured or waived), to exercise such of the rights and powers vested in it by this Agreement, and to use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs;

(iv) The Trustee shall not be personally liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement;

(v) Prior to the occurrence of a Master Servicer Event of Default hereunder and after the curing of all Master Servicer Events of Default which may have occurred, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing to do so by the NIMS Insurer or the Holders of Certificates entitled to at least 25% of the Voting Rights; provided, however, that if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee not reasonably assured to the Trustee by the NIMS Insurer or such Certificateholders, the Trustee may require reasonable indemnity against such expense, or liability from the NIMS Insurer or such Certificateholders as a condition to taking any such action;

(vi) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents custodians, nominees or attorneys and shall not be responsible for any willful misconduct or negligence of such agents, custodians, nominees or attorneys (as long as such agents, custodians, nominees or attorneys are appointed with due and proper care);

(vii) The Trustee shall not be personally liable for any loss resulting from the investment of funds held in the Collection Account or the Supplemental Interest Account at the direction of the Master Servicer pursuant to Section 3.12 or the Holders of the majority of the Percentage Interest in the Class C Certificates, pursuant to Section 4.09, as applicable; and

(viii) Except as otherwise expressly provided herein, none of the provisions of this Agreement shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the

performance of any of its duties hereunder, or in the exercise of any of its rights or powers (not including expenses, disbursements and advances incurred or made by the Trustee including the compensation and the expenses and disbursements of its agents and counsel, in the ordinary course of the Trustee's performance in accordance with the provisions of this Agreement) if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

(b) All rights of action under this Agreement or under any of the Certificates, enforceable by the Trustee may be enforced by it without the possession of any of the Certificates, or the production thereof at the trial or other proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Holders of such Certificates, subject to the provisions of this Agreement.

Section 8.03 Trustee Not Liable for Certificates or Mortgage Loans.

The recitals contained herein and in the Certificates (other than the signature of the Trustee, the execution and authentication of the Trustee on the Certificates, the acknowledgments of the Trustee contained in Article II and the representations and warranties of the Trustee in Section 8.13) shall be taken as the statements of the Depositor, and the Trustee shall not assume any responsibility for their correctness. The Trustee makes no representations or warranties as to the validity or sufficiency of this Agreement (other than as specifically set forth in Section 8.13) or of the Certificates (other than execution and authentication of the Trustee on the Certificates) or of any Mortgage Loan or related document. The Trustee shall not be accountable for the use or application by the Depositor of any of the Certificates or of the proceeds of the Certificates, or for the use or application of any funds paid to the Depositor or the Master Servicer in respect of the Mortgage Loans or deposited in or withdrawn from the Collection Account by the Master Servicer, other than any funds held by or on behalf of the Trustee in accordance with Section 3.10.

Section 8.04 Trustee May Own Certificates.

The Trustee in its individual capacity or any other capacity may become the owner or pledgee of Certificates with the same rights it would have if it were not Trustee and may transact banking and/or trust business with the Seller, the Depositor, the Master Servicer or their Affiliates.

Section 8.05 Trustee's Fees and Expenses.

(a) On the Closing Date, the Depositor shall pay to the Trustee as specified in a separate agreement between the Depositor and the Trustee. The Trustee shall withdraw from the Distribution Account on each Distribution Date and pay to itself the Trustee Fee for such Distribution Date and one day's interest earnings (net of losses) on amounts on deposit in the Distribution Account. The right to receive the Trustee Fee may not be transferred in whole or in part except in connection with the transfer of all of the Trustee's responsibilities and obligations under this Agreement.

The Trustee, and any director, officer, employee or agent of the Trustee shall be indemnified by the Trust Fund and held harmless against any loss, liability or expense (not including expenses, disbursements and advances incurred or made by the Trustee, including the compensation and the expenses and disbursements of its agents and counsel, in the ordinary course of the Trustee's performance in accordance with the provisions of this Agreement) incurred by the Trustee arising out of or in connection with the acceptance or administration of its obligations (including, without limitation, its obligation to enter into the Swap Agreement) and duties under this Agreement, other than any loss, liability or expense (i) in any way relating to the failure of the Master Servicer to perform its duties and service the Mortgage Loans in compliance with the terms of this Agreement, (ii) that constitutes a specific liability of the Trustee pursuant to Section 10.01(c) or (iii) any loss, liability or expense incurred by reason of willful misfeasance, bad faith or negligence in the performance of duties hereunder or by reason of reckless disregard of obligations and duties hereunder, including as a result of a breach of the Trustee's obligations under Article X hereof. Any amounts payable to the Trustee or any director, officer, employee or agent of the Trustee in respect of the indemnification provided by this paragraph (a), or pursuant to any other right of reimbursement from the Trust Fund that the Trustee or any director, officer, employee or agent of the Trustee may have hereunder in its capacity as such, may be withdrawn by the Trustee from the Distribution Account at any time. Such indemnity shall survive the termination of this Agreement and the resignation of the Trustee.

As a limitation on the foregoing with respect to certain expenses of the Trustee, the Trustee shall receive from the Trust Fund amounts with respect to indemnification for counsel fees and expenses (collectively, "Legal Fees") in connection with any third-party litigation or other claims alleging violations of laws or regulations relating to consumer lending and/or servicing of the Trust Fund (collectively, "Third Party Claims") in an amount not greater than \$25,000 per month, and \$600,000 in the aggregate (with amounts in excess of \$25,000 for any month carried-forward to subsequent months, until the \$600,000 aggregate maximum is reached). The Trustee shall have no obligation to incur additional expenses for which reimbursement is limited pursuant to this paragraph in excess of the aggregate limit set forth above unless it has received reasonable security or indemnity for such additional expenses. The Certificateholders shall hold the Trustee harmless for any consequences to such Certificateholders resulting from any failure of the Trustee to incur any such additional expenses in excess of the aforementioned aggregate limit.

(b) Without limiting the Master Servicer's indemnification obligations under Section 6.03, the Master Servicer agrees to indemnify the Trustee from, and hold it harmless against, any loss, liability or expense resulting from a breach of the Master Servicer's obligations and duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement and the resignation or removal of the Trustee. Any payment under this Section 8.05(b) made by the Master Servicer to the Trustee shall be from the Master Servicer's own funds, without reimbursement from the Trust Fund therefor.

Section 8.06 Eligibility Requirements for Trustee.

The Trustee hereunder shall at all times be a corporation or an association (other than the Depositor, the Seller, the Master Servicer or any Affiliate of the foregoing) organized and doing business under the laws of any state or the United States of America, authorized under such laws

to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000 and subject to supervision or examination by federal or state authority. If such corporation or association publishes reports of conditions at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section the combined capital and surplus of such corporation or association shall be deemed to be its combined capital and surplus as set forth in its most recent report of conditions so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, the Trustee shall resign immediately in the manner and with the effect specified in Section 8.07.

Section 8.07 Resignation or Removal of Trustee.

The Trustee may at any time resign and be discharged from the trust hereby created by giving written notice thereof to the NIMS Insurer, the Depositor, the Master Servicer and the Certificateholders. Upon receiving such notice of resignation, the Depositor shall promptly appoint a successor Trustee by written instrument, in duplicate, which instrument shall be delivered to the resigning Trustee and to the successor Trustee acceptable to the NIMS Insurer and to the Holders of Certificates entitled to at least 51% of the Voting Rights. A copy of such instrument shall be delivered to the Certificateholders and the Master Servicer by the Depositor. If no successor Trustee shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If at any time the Trustee shall cease to be eligible in accordance with the provisions of Section 8.06 and shall fail to resign after written request therefor by the Depositor or the NIMS Insurer, or if at any time the Trustee shall become incapable of acting, or shall be adjudged bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Depositor or the NIMS Insurer, may remove the Trustee and the Depositor may appoint a successor Trustee, acceptable to the NIMS Insurer and to the Holders of Certificates entitled to at least 51% of the Voting Rights, by written instrument, in duplicate, which instrument shall be delivered to the Trustee so removed and to the successor Trustee. A copy of such instrument shall be delivered to the Certificateholders and the Master Servicer by the Depositor.

The Holders of Certificates entitled to at least 51% of the Voting Rights, with the consent of the NIMS Insurer, may at any time remove the Trustee and appoint a successor Trustee by written instrument or instruments, in triplicate, signed by the NIMS Insurer or such Holders, as applicable, or their attorneys-in-fact duly authorized, one complete set of which instruments shall be delivered to the Depositor, one complete set to the Trustee so removed and one complete set to the successor so appointed. A copy of such instrument shall be delivered to the NIMS Insurer, the Certificateholders and the Master Servicer by the Depositor.

Any resignation or removal of the Trustee and appointment of a successor Trustee pursuant to any of the provisions of this Section shall not become effective until acceptance of appointment by the successor Trustee as provided in Section 8.08.

Section 8.08 Successor Trustee.

Any successor Trustee appointed as provided in Section 8.07 shall execute, acknowledge and deliver to the Depositor, and to its predecessor Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor hereunder, with the like effect as if originally named as Trustee herein. The predecessor Trustee shall deliver to the successor Trustee all Mortgage Files and related documents and statements, as well as all moneys, held by it hereunder (other than any Mortgage Files at the time held by a Custodian, which Custodian shall become the agent of any successor Trustee hereunder), and the Depositor and the predecessor Trustee shall execute and deliver such instruments and do such other things as may reasonably be required for more fully and certainly vesting and confirming in the successor Trustee all such rights, powers, duties and obligations.

No successor Trustee shall accept appointment as provided in this Section unless at the time of such acceptance such successor Trustee shall be eligible under the provisions of Section 8.06 and the appointment of such successor Trustee shall not result in a downgrading of the ratings of any of the Other NIM Notes or of any Class of Certificates or of the shadow ratings of the Insured NIM Notes (without giving effect to any insurance policy issued by the NIMS Insurer) by any Rating Agency, as evidenced by a letter from each Rating Agency.

Upon acceptance of appointment by a successor Trustee as provided in this Section, the Depositor shall mail notice of the succession of such Trustee hereunder to all Holders of Certificates at their addresses as shown in the Certificate Register and the Swap Counterparty. If the Depositor fails to mail such notice within 10 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Depositor.

Section 8.09 Merger or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or converted or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation or association succeeding to the business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation or association shall be eligible under the provisions of Section 8.06, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.10 Appointment of Co-Trustee or Separate Trustee.

Notwithstanding any other provisions hereof, at any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of REMIC 1, or property securing the same may at the time be located, the Master Servicer and the Trustee, acting jointly shall have the power and shall execute and deliver all instruments to appoint one or more Persons approved by the Trustee and the NIMS Insurer, to act as co-trustee or co-trustees, jointly with the Trustee, or separate trustee or separate trustees, of all or any part of REMIC 1, and to vest in such Person or Persons, in such capacity, such title to REMIC 1, or any part thereof and, subject to the other

provisions of this Section 8.10, such powers, duties, obligations, rights and trusts as the Master Servicer and the Trustee may consider necessary or desirable. If the Master Servicer shall not have joined in such appointment or the NIMS Insurer shall not have approved such appointment within 15 days after the receipt by it of a request so to do, or in case a Master Servicer Event of Default shall have occurred and be continuing, the Trustee alone shall have the power to make such appointment. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 8.06 hereunder and no notice to Holders of Certificates of the appointment of co-trustee(s) or separate trustee(s) shall be required under Section 8.08 hereof. If such appointment is at the request of the Master Servicer then any expense of the Trustee shall be deemed a Servicing Advance for all purpose of this Agreement, otherwise it will be an expense of the Trustee and will be payable out of the Trustee's funds.

In the case of any appointment of a co-trustee or separate trustee pursuant to this Section 8.10 all rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee and such separate trustee or co-trustee jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed by the Trustee (whether as Trustee hereunder or as successor to the Master Servicer hereunder), the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to REMIC 1, or any portion thereof in any such jurisdiction) shall be exercised and performed by such separate trustee or co-trustee at the direction of the Trustee.

Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Agreement and the conditions of this Article VIII. Each separate trustee and co-trustee, upon its acceptance of the trust conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Trustee or separately, as may be provided therein, subject to all the provisions of this Agreement, specifically including every provision of this Agreement relating to the conduct of, affecting the liability of, or affording protection to, the Trustee. Every such instrument shall be filed with the Trustee.

Any separate trustee or co-trustee may, at any time, constitute the Trustee, its agent or attorney-in-fact, with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Agreement on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 8.11 Appointment of Custodians.

The Trustee may, with the consent of the Depositor and the Master Servicer, appoint one or more Custodians to hold all or a portion of the Mortgage Files as agent for the Trustee, by entering into a Custodial Agreement. The Trustee shall initially serve as the Custodian and this Agreement shall serve as the Custodial Agreement. The appointment of any Custodian may at any time be terminated and a substitute Custodian appointed therefor upon the reasonable request of the Master Servicer to the Trustee and the consent of the NIMS Insurer, the consent to which shall not be unreasonably withheld. The Trustee shall pay any and all fees and expenses of any

Custodian (other than the Washington Mutual Custodian) in accordance with each Custodial Agreement. Subject to Article VIII hereof, the Trustee agrees to comply with the terms of each Custodial Agreement and to enforce the terms and provisions thereof against the Custodian for the benefit of the Certificateholders having an interest in any Mortgage File held by such Custodian. Each Custodian shall be a depository institution or trust company subject to supervision by federal or state authority, shall have combined capital and surplus of at least \$10,000,000 and shall be qualified to do business in the jurisdiction in which it holds any Mortgage File. Each Custodial Agreement may be amended only as provided in Section 11.01. In no event shall the appointment of any Custodian pursuant to a Custodial Agreement diminish the obligations of the Trustee hereunder. The Trustee shall at all times remain responsible under the terms of this Agreement notwithstanding the fact that certain duties have been assigned to the Custodian (other than the Washington Mutual Custodian), but only to the extent the Trustee is responsible for its own acts hereunder. Any documents delivered by the Depositor or the Master Servicer to a Custodian other than the Trustee, if any, shall be deemed to have been delivered to the Trustee for all purposes hereunder; and any documents held by such a Custodian, if any, shall be deemed to be held by the Trustee for all purposes hereunder. In order to comply with its duties under the U.S. Patriot Act, the Custodian shall obtain and verify certain information and documentation from the other parties to this Agreement, including, but not limited to, such parties' name, address, and other identifying information.

Section 8.12 Appointment of Office or Agency.

The Trustee will appoint an office or agency in the City of New York where the Certificates may be surrendered for registration of transfer or exchange, and presented for final distribution, and where notices and demands to or upon the Trustee in respect of the Certificates and this Agreement may be served. As of the Closing Date, the Trustee designates its offices located at the office of Trustee's agent, located at DB Services Tennessee, 648 Grassmere Park Road, Nashville, TN 37211-3658, Attn: Transfer Unit for such purpose.

Section 8.13 Representations and Warranties of the Trustee.

The Trustee hereby represents and warrants to the Master Servicer and the Depositor, as of the Closing Date, that:

- (i) it is a national banking association duly organized, validly existing and in good standing under the laws of the United States.
- (ii) the execution and delivery of this Agreement, and the performance and compliance with the terms of this Agreement, will not violate its charter or bylaws or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the breach of, any material agreement or other instrument to which it is a party or which is applicable to it or any of its assets.
- (iii) it has the full power and authority to enter into and consummate all transactions contemplated by this Agreement, has duly authorized the execution, delivery and performance of this Agreement, and has duly executed and delivered this Agreement.

(iv) this Agreement, assuming due authorization, execution and delivery by the Master Servicer and the Depositor, constitutes its valid, legal and binding obligation, enforceable against it in accordance with the terms hereof, subject to (A) applicable bankruptcy, insolvency, receivership, reorganization, moratorium and other laws affecting the enforcement of creditors' rights generally, and (B) general principles of equity, regardless of whether such enforcement is considered in a proceeding in equity or at law.

ARTICLE IX

TERMINATION

Section 9.01 Termination Upon Purchase or Liquidation of All Mortgage Loans.

(a) Subject to Section 9.02, the respective obligations and responsibilities under this Agreement of the Depositor, the Master Servicer and the Trustee (other than the obligations of the Master Servicer to the Trustee pursuant to Section 8.05 and of the Master Servicer to provide for and the Trustee to make payments in respect of the REMIC 1 Regular Interests, REMIC 2 Regular Interests, REMIC 3 Regular Interests, REMIC 4 Regular Interests and the Classes of Certificates as hereinafter set forth) shall terminate upon the payment to the Certificateholders and the deposit of all amounts held by or on behalf of the Trustee and required hereunder to be so paid or deposited on the Distribution Date coinciding with or following the earlier to occur of (i) the purchase by the Terminator (as defined below) of all Mortgage Loans and each REO Property remaining in REMIC 1 and (ii) the final payment or other liquidation (or any advance with respect thereto) of the last Mortgage Loan or REO Property remaining in REMIC 1; provided, however, that in no event shall the trust created hereby continue beyond the expiration of 21 years from the death of the last survivor of the descendants of Joseph P. Kennedy, the late ambassador of the United States to the Court of St. James, living on the date hereof. The purchase by the Terminator of all Mortgage Loans and each REO Property remaining in REMIC 1 shall be at a price (the "Termination Price") equal to (a) if the Terminator is the Master Servicer, 100% of the aggregate Stated Principal Balance of all the Mortgage Loans included in REMIC 1 and accrued interest on the Stated Principal Balance of each such Mortgage Loan at the applicable Net Mortgage Rate in effect from time to time from the Due Date as to which interest was last paid by the related Mortgagor or by an advance by the Master Servicer to but not including the first day of the month in which such purchase is to be effected, plus the appraised value of each REO Property, if any, included in REMIC 1, such appraisal to be conducted by an appraiser selected by the Terminator in its reasonable discretion and (b) if the Terminator is the Holder of a majority of the Percentage Interest in the Class C Certificates or is the NIMS Insurer, the greater of (A) the aggregate Purchase Price of all the Mortgage Loans included in REMIC 1, plus the appraised value of each REO Property, if any, included in REMIC 1, such appraisal to be conducted by an appraiser selected by the Terminator in its reasonable discretion, and (B) the aggregate fair market value of all of the assets of REMIC 1 (as determined by the Terminator, as of the close of business on the third Business Day next preceding the date upon which notice of any such termination is furnished to Certificateholders pursuant to the third paragraph of this Section 9.01), and any additional amounts necessary to pay all interest accrued on, as well as amounts necessary to pay in full the principal balance of, the NIM Notes and any amounts necessary to reimburse the NIMS Insurer for all amounts paid under the NIMs insurance policy and any other amounts reimbursable or otherwise payable to

the NIMS Insurer, in each case, with interest thereon at the applicable rate set forth in the Indenture and to the extent not previously reimbursed or paid and any amounts payable by the Trust to the Swap Counterparty pursuant to the Swap Agreement, including any Swap Termination Payment payable by the Trust including any interest on such Swap Termination Payment at the applicable rate set forth in the Swap Agreement from the Early Termination Date until such Swap Termination Payment is paid.

(b) The Holder of a majority of the Percentage Interest in the Class C Certificates (except if such Holder is the Seller or any of its Affiliates) shall have the right, and if the Holder of a majority of the Percentage Interest in the Class C Certificates does not exercise such right, the Master Servicer shall have the right and, if the Master Servicer does not exercise such right, the NIMS Insurer, shall have the right (the party exercising such right, the “Terminator”) to purchase all of the Mortgage Loans and each REO Property remaining in REMIC 1 pursuant to clause (i) of the preceding paragraph no later than the Determination Date in the month immediately preceding the Distribution Date on which the Certificates will be retired; provided, however, that the Terminator may elect to purchase all of the Mortgage Loans and each REO Property remaining in REMIC 1 pursuant to clause (i) of the preceding paragraph only if the aggregate Stated Principal Balance of the Mortgage Loans and each REO Property remaining in the Trust Fund at the time of such election is equal to or less than 10% of the Cut-off Date Principal Balance of the Closing Date Mortgage Loans. Additionally, if the Terminator is the Master Servicer, the Terminator may elect to purchase all of the Mortgage Loans and each REO Property in REMIC 1 pursuant to clause (i) of the preceding paragraph only if the Termination Price (A) is equal to or less than the aggregate fair market value of all of the assets of REMIC 1 (as determined by the Terminator, as of the close of business on the third Business Day next preceding the date upon which notice of any such termination is furnished to Certificateholders pursuant to Section 9.01(c)), (B) will result in distributions on the Certificates sufficient (together with all amounts received under the Indenture other than on account of the Certificates) to pay all interest accrued on, as well as amounts necessary to pay in full the principal balance of, the NIM Notes and any amounts necessary to reimburse the NIMS Insurer for all amounts paid under the NIMS insurance policy and any other amounts reimbursable or otherwise payable to the NIMS Insurer, in each case, with interest thereon at the applicable rate set forth in the Indenture and to the extent not previously reimbursed or paid (unless the NIMS Insurer consents to a lesser Termination Price) and (C) will result in distributions to the Swap Counterparty sufficient to pay in full all amounts payable by the Trust to the Swap Counterparty pursuant to the Swap Agreement, including any Swap Termination Payment payable by the Trust including any interest on such Swap Termination Payment at the applicable rate set forth in the Swap Agreement from the Early Termination Date until such Swap Termination Payment is paid. The Terminator shall give notice to the Trustee and the Swap Counterparty of its election to purchase all Mortgage Loans and REO Properties remaining to REMIC 1 no later than four Business Days prior to the related Determination Date in the month immediately preceding the Distribution Date on which the Certificates will be retired; provided that the Terminator, or the Trustee on its behalf, may request a non-binding estimate of the Swap Termination Payment due upon the exercise of the right of repurchase pursuant to this Section 9.01 prior to such Determination Date. By acceptance of the Residual Certificates, the Holders of the Residual Certificates agree for so long as any NIM Notes are outstanding, in connection with any termination hereunder, to assign and transfer any amounts in excess of par, and to the extent received in respect of such termination, to pay any such amounts to the Holders of the Class C Certificates.

(c) Notice of the liquidation of the REMIC 1 Regular Interests shall be given promptly by the Trustee by letter to Certificateholders mailed (a) in the event such notice is given in connection with the purchase of the Mortgage Loans and each REO Property by the Terminator, not earlier than the 15th day and not later than the 25th day of the month next preceding the month of the final distribution on the Certificates or (b) otherwise during the month of such final distribution on or before the Determination Date in such month, in each case specifying (i) the Distribution Date upon which the Trust Fund will terminate and final payment in respect of the REMIC 1 Regular Interests and the related Certificates will be made upon presentation and surrender of the related Certificates at the office of the Trustee therein designated, (ii) the amount of any such final payment, (iii) that no interest shall accrue in respect of the REMIC 1 Regular Interests or the related Certificates from and after the Accrual Period relating to the final Distribution Date therefor and (iv) that the Record Date otherwise applicable to such Distribution Date is not applicable, payments being made only upon presentation and surrender of the Certificates at the office of the Trustee designated in such notice for purposes of such surrender. The Trustee shall remit to the Master Servicer from such funds deposited in the Distribution Account (i) any amounts which the Master Servicer would be permitted to withdraw and retain from the Collection Account pursuant to Section 3.11 and (ii) any other amounts otherwise payable by the Trustee to the Master Servicer from amounts on deposit in the Distribution Account pursuant to the terms of this Agreement, in each case prior to making any final distributions pursuant to Section 9.01(d) below. Upon certification to the Trustee by a Servicing Representative of the making of such final deposit, the Trustee shall promptly release or cause to be released to the Terminator the Mortgage Files for the remaining Mortgage Loans, and the Trustee shall execute all assignments, endorsements and other instruments necessary to effectuate such transfer.

(d) Upon presentation of the Certificates by the Certificateholders on the final Distribution Date, the Trustee shall distribute to each Certificateholder so presenting and surrendering its Certificates the amount otherwise distributable on such Distribution Date in accordance with Section 4.01 in respect of the Certificates so presented and surrendered. Any funds not distributed to any Holder or Holders of Certificates being retired on such Distribution Date because of the failure of such Holder or Holders to tender their Certificates shall, on such date, be set aside and held in trust by the Trustee and credited to the account of the appropriate non-tendering Holder or Holders. If any Certificates as to which notice has been given pursuant to this Section 9.01 shall not have been surrendered for cancellation within six months after the time specified in such notice, the Trustee shall mail a second notice to the remaining non-tendering Certificateholders to surrender their Certificates for cancellation in order to receive the final distribution with respect thereto. If within one year after the second notice all such Certificates shall not have been surrendered for cancellation, the Trustee shall, directly or through an agent, mail a final notice to remaining related non-tendering Certificateholders concerning surrender of their Certificates. The costs and expenses of maintaining the funds in trust and of contacting such Certificateholders shall be paid out of the assets remaining in the trust funds. If within one year after the final notice any such Certificates shall not have been surrendered for cancellation, the Trustee shall pay to Lehman Brothers Inc. and WaMu Capital Corp., equally, all such amounts, and all rights of non-tendering Certificateholders in or to such amounts shall thereupon cease. No interest shall accrue or be payable to any Certificateholder on any amount held in trust by the Trustee as a result of such Certificateholder's failure to surrender its Certificate(s) for final payment thereof in accordance with this Section 9.01.

Immediately following the deposit of funds in trust hereunder in respect of the Certificates, the Trust Fund shall terminate.

Section 9.02 Additional Termination Requirements.

(a) In the event that the Terminator purchases all the Mortgage Loans and each REO Property or the final payment on or other liquidation of the last Mortgage Loan or REO Property remaining in REMIC 1 pursuant to Section 9.01, the Trust Fund shall be terminated in accordance with the following additional requirements:

(i) The Trustee shall specify the first day in the 90-day liquidation period in a statement attached to each Trust REMIC's final Tax Return pursuant to Treasury regulation Section 1.860F-1 and shall satisfy all requirements of a qualified liquidation under Section 860F of the Code and any regulations thereunder with respect to each Trust REMIC, as evidenced by an Opinion of Counsel delivered to the Trustee and the Depositor obtained at the expense of the Terminator;

(ii) During such 90-day liquidation period, and at or prior to the time of making of the final payment on the Certificates, the Trustee shall sell all of the assets of REMIC 1 to the Terminator for cash; and

(iii) At the time of the making of the final payment on the Certificates, the Trustee shall distribute or credit, or cause to be distributed or credited, to the Holders of the Residual Certificates all cash on hand in the Trust Fund (other than cash retained to meet claims), and the Trust Fund shall terminate at that time.

(b) At the expense of the Terminator, the Trustee shall prepare or cause to be prepared the documentation required in connection with the adoption of a plan of liquidation of each Trust REMIC pursuant to the Section 9.02(a).

(c) By their acceptance of Certificates, the Holders thereof hereby agree to authorize the Trustee to specify the 90-day liquidation period for each Trust REMIC, which authorization shall be binding upon all successor Certificateholders.

ARTICLE X

REMIC PROVISIONS

Section 10.01 REMIC Administration

(a) The Trustee shall elect to treat each Trust REMIC as a REMIC under the Code and, if necessary, under applicable state law. Each such election will be made on Form 1066 or other appropriate federal tax or information return (including Form 8811) or any appropriate state return for the taxable year ending on the last day of the calendar year in which the Certificates are issued, copies of which forms and returns shall promptly be furnished by the Trustee to the NIMS Insurer. For the purposes of the REMIC election in respect of REMIC 1, the REMIC 1 Regular Interests shall be designated as the Regular Interests in REMIC 1 and the Class R-1 Interest shall be designated as the Residual Interest in REMIC 1. For the purposes of

the REMIC election in respect of REMIC 2, the REMIC 2 Regular Interests shall be designated as the Regular Interests in REMIC 2 and the Class R-2 Interest shall be designated as the Residual Interest in REMIC 2. The REMIC 3 Regular Interests shall be designated as the Regular Interests in REMIC 3 and the Class R-3 Interest shall be designated as the Residual Interest in REMIC 3. For the purposes of the REMIC election in respect of REMIC CX, the Class C Certificates shall be designated as the Regular Interests in REMIC CX and the Class R-CX Interest shall be designated as the Residual Interest in REMIC CX. For the purposes of the REMIC election in respect of REMIC PX, the Class P Certificates shall be designated as the Regular Interests in REMIC PX and the Class R-PX Interest shall be designated as the Residual Interest in REMIC PX. For the purposes of the REMIC election in respect of REMIC SwapX, the Class Swap IO Upper-Tier Interest shall be designated as the Regular Interests in REMIC SwapX and the Class R-SwapX Interest shall be designated as the Residual Interest in REMIC SwapX. The Trustee shall not permit the creation of any “interests” in REMIC 1, REMIC 2, REMIC 3, REMIC 4, REMIC CX, REMIC SwapX or REMIC PX (within the meaning of Section 860G of the Code) other than the REMIC 1 Regular Interests, the REMIC 2 Regular Interests, the REMIC 3 Regular Interests and the interests represented by the Certificates.

(b) The Closing Date is hereby designated as the “Startup Day” of each Trust REMIC within the meaning of Section 860G(a)(9) of the Code.

(c) The Trustee shall pay, out of funds on deposit in the Distribution Account, any and all expenses relating to any tax audit of the Trust Fund (including, but not limited to, any professional fees or any administrative or judicial proceedings with respect to any Trust REMIC that involve the Internal Revenue Service or state tax authorities) unless such expenses, professional fees or any administrative or judicial proceedings are incurred by reason of the Trustee’s willful misfeasance, bad faith or negligence. The Trustee, as agent for each Trust REMIC’s tax matters person, shall (i) act on behalf of the Trust Fund in relation to any tax matter or controversy involving any Trust REMIC and (ii) represent the Trust Fund in any administrative or judicial proceeding relating to an examination or audit by any governmental taxing authority with respect thereto and will be entitled to reimbursement from the Trust Fund for any expenses incurred by the Trustee in connection therewith unless such administrative or judicial proceeding relating to an examination or audit by any governmental taxing authority is incurred by reason of the Trustee’s willful misfeasance, bad faith or negligence. The holder of the largest Percentage Interest of the Class R Certificates shall be designated, in the manner provided under Treasury regulations Section 1.860F-4(d) and Treasury regulations Section 301.6231(a)(7)-1, as the tax matters person of each Trust REMIC created hereunder other than REMIC CX, REMIC SwapX and REMIC PX. The holder of the largest Percentage Interest of the Class R-CX Certificates shall be designated, in the manner provided under Treasury regulations Section 1.860F-4(d) and Treasury regulations Section 301.6231(a)(7)-1, as the tax matters person of REMIC CX and REMIC SwapX. The holder of the largest Percentage Interest of the Class R-PX Certificates shall be designated, in the manner provided under Treasury regulations Section 1.860F-4(d) and Treasury regulations Section 301.6231(a)(7)-1, as the tax matters person of REMIC PX. By its acceptance thereof, each such holder hereby agrees to irrevocably appoint the Trustee or an Affiliate as its agent to perform all of the duties of the tax matters person of each respective REMIC.

(d) The Trustee shall prepare, sign and file in a timely manner, all of the Tax Returns in respect of each REMIC created hereunder, copies of which Tax Returns shall be

promptly furnished to the NIMS Insurer. The expenses of preparing and filing such returns shall be borne by the Trustee without any right of reimbursement therefor. The Master Servicer shall provide on a timely basis to the Trustee or its designee such information with respect to the assets of the Trust Fund as is in its possession and reasonably required by the Trustee to enable it to perform its respective obligations under this Article.

(e) The Trustee shall perform on behalf of each Trust REMIC all reporting and other tax compliance duties that are the responsibility of such REMIC under the Code, the REMIC Provisions or other compliance guidance issued by the Internal Revenue Service or any state or local taxing authority. Among its other duties, as required by the Code, the REMIC Provisions or such other compliance guidance, the Trustee shall provide (i) to any Transferor of a Residual Certificate (or other person designated in Section 860E(e)(3) of the Code) and to the Internal Revenue Service such information as is necessary for the computation of any tax relating to the transfer of a Residual Certificate to any Person who is not a Permitted Transferee, (ii) to the Certificateholders such information or reports as are required by the Code or the REMIC Provisions including reports relating to interest, original issue discount and market discount or premium (using the Prepayment Assumption as required) and (iii) to the Internal Revenue Service the name, title, address and telephone number of the person who will serve as the representative of each Trust REMIC. The Master Servicer shall provide on a timely basis to the Trustee such information with respect to the assets of the Trust Fund, including, without limitation, the Mortgage Loans, as is in its possession and reasonably required by the Trustee to enable it to perform its obligations under this subsection. In addition, the Depositor shall provide or cause to be provided to the Trustee, within ten (10) days after the Closing Date, all information or data that the Trustee reasonably determines to be relevant for tax purposes as to the valuations and issue prices of the Certificates, including, without limitation, the price, yield, prepayment assumption and projected cash flow of the Certificates. The Depositor shall also provide such information or data to the NIMS Insurer.

(f) The Trustee shall take such action and shall cause each Trust REMIC created hereunder to take such action as shall be necessary to create or maintain the status thereof as a REMIC under the REMIC Provisions (and the Master Servicer shall assist the Trustee, to the extent reasonably requested by the Trustee to do specific actions in order to assist in the maintenance of such status). The Trustee shall not take any action, cause the Trust Fund to take any action or fail to take (or fail to cause to be taken) any action that, under the REMIC Provisions, if taken or not taken, as the case may be, could (i) endanger the status of any Trust REMIC as a REMIC or (ii) result in the imposition of a tax upon the Trust Fund (including but not limited to the tax on prohibited transactions set forth in Section 860F(a) of the Code and the tax on contributions to a REMIC set forth in Section 860G(d) of the Code) (either such event, an "Adverse REMIC Event") unless the Trustee and the NIMS Insurer have received an Opinion of Counsel, addressed to the Trustee and the NIMS Insurer (at the expense of the party seeking to take such action but in no event at the expense of the Trustee) to the effect that the contemplated action will not, with respect to any Trust REMIC, endanger such status or result in the imposition of such a tax, nor shall the Master Servicer take or fail to take any action (whether or not authorized hereunder) as to which the Trustee has advised it in writing that it has received an Opinion of Counsel to the effect that an Adverse REMIC Event could occur with respect to such action; provided that the Master Servicer may conclusively rely on such Opinion of Counsel and shall incur no liability for its action or failure to act in accordance with such Opinion of Counsel. The Trustee shall deliver to the NIMS Insurer a copy of any such advice or opinion. In addition,

prior to taking any action with respect to any Trust REMIC or the assets thereof, or causing any Trust REMIC to take any action, which is not contemplated under the terms of this Agreement, the Master Servicer will consult with the Trustee or its designee, in writing, with respect to whether such action could cause an Adverse REMIC Event to occur with respect to a Trust REMIC, and the Master Servicer shall not take any such action or cause any Trust REMIC to take any such action as to which the Trustee has advised it in writing that an Adverse REMIC Event could occur; provided that the Master Servicer may conclusively rely on such writing and shall incur no liability for its action or failure to act in accordance with such writing. The Trustee may consult with counsel to make such written advice, and the cost of same shall be borne by the party seeking to take the action not permitted by this Agreement, but in no event shall such cost be an expense of the Trustee. At all times as may be required by the Code, the Trustee will ensure that substantially all of the assets of REMIC 1 will consist of “qualified mortgages” as defined in Section 860G(a)(3) of the Code and “permitted investments” as defined in Section 860G(a)(5) of the Code.

(g) If any tax is imposed on prohibited transactions of any Trust REMIC created hereunder pursuant to Section 860F(a) of the Code, on the net income from foreclosure property of any such REMIC pursuant to Section 860G(c) of the Code, or on any contributions to any such REMIC after the Startup Day therefor pursuant to Section 860G(d) of the Code, or if any other tax is imposed by the Code or any applicable provisions of state or local tax laws, such tax shall be charged (i) to the Trustee pursuant to Section 10.03 hereof, if such tax arises out of or results from a breach by the Trustee of any of its obligations under this Article X, (ii) to the Master Servicer pursuant to Section 10.03 hereof, if such tax arises out of or results from a breach by the Master Servicer of any of its obligations under Article III or this Article X, or (iii) otherwise against amounts on deposit in the Distribution Account and shall be paid by withdrawal therefrom.

(h) On or before April 15 of each calendar year commencing after the date of this Agreement, the Trustee shall deliver to the Master Servicer, the NIMS Insurer and each Rating Agency a Certificate from a Responsible Officer of the Trustee stating the Trustee’s compliance with this Article X.

(i) The Trustee shall, for federal income tax purposes, maintain books and records with respect to each Trust REMIC on a calendar year and on an accrual basis.

(j) Following the Startup Day, the Trustee shall not accept any contributions of assets to any Trust REMIC other than in connection with any Qualified Substitute Mortgage Loan delivered in accordance with Section 2.03 unless it shall have received an Opinion of Counsel to the effect that the inclusion of such assets in the Trust Fund will not cause any Trust REMIC to fail to qualify as a REMIC at any time that any Certificates are outstanding or subject any Trust REMIC to any tax under the REMIC Provisions or other applicable provisions of federal, state and local law or ordinances.

(k) Neither the Trustee nor the Master Servicer shall enter into any arrangement by which any Trust REMIC will receive a fee or other compensation for services or permit any Trust REMIC to receive any income from assets other than “qualified mortgages” as defined in Section 860G(a)(3) of the Code or “permitted investments” as defined in Section 860G(a)(5) of the Code.

(l) The Trustee shall treat each of the Reserve Fund, the Supplemental Interest Account and the Final Maturity Reserve Account as an outside reserve fund within the meaning of Treasury Regulation 1.860G-2(h) that is owned by the Holders of the Class C Certificates and that is not an asset of any REMIC. The Trustee shall treat the beneficial owners of the Certificates (other than the Class P Certificates, the Class C Certificates and the Residual Certificates) as having entered into a notional principal contract with respect to the beneficial owners of the Class C Certificates. Pursuant to each such notional principal contract, all beneficial owners of the Certificates (other than the Class P Certificates, the Class C Certificates and the Residual Certificates) shall be treated as having agreed to pay, on each Distribution Date, to the beneficial owners of the Class C Certificates an aggregate amount equal to the excess, if any, of (i) the amount payable on such Distribution Date on the interest in REMIC 3 corresponding to such Class of Certificates over (ii) the amount payable on such Class of Certificates on such Distribution Date (such excess, a “Class C Shortfall”). A Class C Shortfall payable from interest collections shall be allocated *pro rata* among such Certificates based on the amount of interest otherwise payable to such Certificates, and a Class C Shortfall payable from principal collections shall be allocated to the most subordinate Class of Certificates with an outstanding Certificate Principal Balance to the extent of such balance. In addition, pursuant to such notional principal contract, the beneficial owner of the Class C Certificates shall be treated as having agreed to pay (i) Net WAC Rate Carryover Amounts and (ii) on any Distribution Date on or after September 2012 through the Distribution Date in August 2035, if amounts are not paid in to the Final Maturity Reserve Account because the Final Maturity Reserve Funding Date has occurred, any amounts that would have been paid to the Final Maturity Reserve if the Final Maturity Reserve Funding Date had not occurred, to the extent such amounts are used to make payments on such Certificates to the Holders of the Certificates (other than the Class P Certificates, the Class C Certificates and the Residual Certificates) pursuant to the terms of this Agreement. Any payments on the Certificates in light of the foregoing shall not be payments with respect to a “regular interest” in a REMIC within the meaning of Code Section 860G(a)(1). However, any payment from the Certificates of a Class C Shortfall shall be treated for tax purposes as having been received by the beneficial owners of such Certificates in respect of their interests in the REMIC 4 and as having been paid by such beneficial owners to the Supplemental Interest Account pursuant to the notional principal contract. Thus, each Certificate (other than the Class P Certificates, the Class C Certificates and the Residual Certificates) shall be treated as representing ownership of not only regular interests in REMIC 3, but also ownership of an interest in (and obligations with respect to) a notional principal contract. For purposes of determining the issue price of the regular interests in REMIC 3, the Trustee shall assume that the notional principal contract has a value of \$10,000 as of the Closing Date in favor of the Certificates (other than the Class C Certificates, the Class P Certificates and the Residual Certificates) and shall allocate such value proportionately to each such Class of Certificates based on such Class’s initial Certificate Principal Balance.

Section 10.02 Prohibited Transactions and Activities.

None of the Depositor, the Master Servicer or the Trustee shall sell, dispose of or substitute for any of the Mortgage Loans (except in connection with (i) the foreclosure of a Mortgage Loan, including but not limited to, the acquisition or sale of a Mortgaged Property acquired by deed in lieu of foreclosure, (ii) the bankruptcy of REMIC 1, (iii) the termination of REMIC 1 pursuant to Article IX of this Agreement, (iv) a substitution pursuant to Article II of this Agreement or (v) a purchase of Mortgage Loans pursuant to Article II or III of this

Agreement), nor acquire any assets for any Trust REMIC (other than REO Property acquired in respect of a defaulted Mortgage Loan), nor sell or dispose of any investments in the Collection Account or the Distribution Account for gain, nor accept any contributions to any Trust REMIC after the Closing Date (other than a Qualified Substitute Mortgage Loan delivered in accordance with Section 2.03), unless it and the NIMS Insurer have received an Opinion of Counsel, addressed to the Trustee and the NIMS Insurer (at the expense of the party seeking to cause such sale, disposition, substitution, acquisition or contribution but in no event at the expense of the Trustee) that such sale, disposition, substitution, acquisition or contribution will not (a) affect adversely the status of any Trust REMIC as a REMIC or (b) cause any Trust REMIC to be subject to a tax on “prohibited transactions” or “contributions” pursuant to the REMIC Provisions.

Section 10.03 Trustee, Master Servicer and Depositor Indemnification

(a) The Trustee agrees to indemnify the Trust Fund, the Depositor and the Master Servicer for any taxes and costs including, without limitation, any reasonable attorneys’ fees imposed on or incurred by the Trust Fund, the Depositor or the Master Servicer as a result of a breach of the Trustee’s covenants set forth in this Article X or any state, local or franchise taxes imposed upon the Trust as a result of the location of the Trustee.

(b) The Master Servicer agrees to indemnify the Trust Fund, the Depositor and the Trustee for any taxes and costs including, without limitation, any reasonable attorneys’ fees imposed on or incurred by the Trust Fund, the Depositor or the Trustee as a result of a breach of the Master Servicer’s covenants set forth in Article III or this Article X or any state, local or franchise taxes imposed upon the Trust as a result of the location of the Master Servicer or any subservicer.

(c) The Depositor agrees to indemnify the Trust Fund, the Master Servicer and the Trustee for any taxes and costs including, without limitation, any reasonable attorneys’ fees imposed on or incurred by the Trust Fund, the Master Servicer or the Trustee as a result of a breach of the Depositor’s covenants set forth in this Article X.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.01 Amendment.

This Agreement or any Custodial Agreement may be amended from time to time by the Depositor, the Master Servicer, the Trustee and, if applicable, the Custodian, with the consent of the NIMS Insurer, and if necessary, with the prior written consent of the Swap Counterparty (as described below), and without the consent of any of the Certificateholders, (i) to cure any ambiguity or defect, (ii) to correct, modify or supplement any provisions herein (including to give effect to the expectations of Certificateholders), or in any Custodial Agreement, (iii) to modify, eliminate or add to any of its provisions to such extent as shall be necessary or desirable to maintain the qualification of the Trust Fund as a REMIC at all times that any Certificate is outstanding or to avoid or minimize the risk of the imposition of any tax on the Trust Fund pursuant to the Code that would be a claim against the Trust Fund, provided that the Trustee, the

NIMS Insurer, the Depositor and the Master Servicer have received an Opinion of Counsel to the effect that (A) such action is necessary or desirable to maintain such qualification or to avoid or minimize the risk of the imposition of any such tax and (B) such action will not adversely affect the status of the Trust Fund as a REMIC or adversely affect in any material respect the interest of any Certificateholder or (iv) to make any other provisions with respect to matters or questions arising under this Agreement or in any Custodial Agreement which shall not be inconsistent with the provisions of this Agreement or such Custodial Agreement, provided that, in each case, such action shall not, as evidenced by an Opinion of Counsel delivered to the parties hereto and the NIMS Insurer, adversely affect in any material respect the interests of any Certificateholder and, provided, further, that (A) such action will not affect in any material respect the permitted activities of the Trust and (B) such action will not increase in any material respect the degree of discretion which the Master Servicer is allowed to exercise in servicing the Mortgage Loans. No amendment shall be deemed to adversely affect in any material respect the interests of any Certificateholder who shall have consented thereto, and no Opinion of Counsel shall be required to address the effect of any such amendment on any such consenting Certificateholder.

This Agreement or any Custodial Agreement may also be amended from time to time by the Depositor, the Master Servicer, the Trustee and, if applicable, the Custodian, with the consent of the NIMS Insurer, and if necessary, with the prior written consent of the Swap Counterparty (as described below) with the consent of the Holders of Certificates entitled to at least 66% of the Voting Rights, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or any Custodial Agreement or of modifying in any manner the rights of the Holders of Certificates; provided, however, that no such amendment shall (i) reduce in any manner the amount of, or delay the timing of, payments received on Mortgage Loans which are required to be distributed on any Certificate without the consent of the Holder of such Certificate, (ii) adversely affect in any material respect the interests of the Holders of any Class of Certificates in a manner, other than as described in (i), without the consent of the Holders of Certificates of such Class evidencing at least 66% of the Voting Rights allocated to such Class, or (iii) modify the consents required by the immediately preceding clauses (i) and (ii) without the consent of the Holders of all Certificates then outstanding. Notwithstanding any other provision of this Agreement, for purposes of the giving or withholding of consents pursuant to this Section 11.01, Certificates registered in the name of the Depositor or the Master Servicer or any Affiliate thereof shall be entitled to Voting Rights with respect to matters affecting such Certificates.

In addition to the provisions of this Section 11.01 and as long as the Swap Counterparty remains the Swap Counterparty under the Swap Agreement or is owed any amounts under this Agreement, the prior written consent of the Swap Counterparty shall be necessary for the adoption of any proposed amendment of this Agreement that, in the Swap Counterparty's reasonable determination, materially affects the Swap Counterparty's rights or interests under this Agreement, including, but not limited to, the right to receive any Net Swap Payment or Swap Termination Payment due and owing to it under this Agreement; provided that any such consent of the Swap Counterparty shall not be unreasonably withheld.

Notwithstanding any contrary provision of this Agreement, the Trustee and the NIMS Insurer shall be entitled to receive an Opinion of Counsel to the effect that such amendment will not result in the imposition of any tax on any Trust REMIC pursuant to the REMIC Provisions or

cause any Trust REMIC to fail to qualify as a REMIC at any time that any Certificates are outstanding.

Promptly after the execution of any such amendment the Trustee shall furnish a copy of such amendment to each Certificateholder and the NIMS Insurer.

It shall not be necessary for the consent of Certificateholders under this Section 11.01 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof. The manner of obtaining such consents and of evidencing the authorization of the execution thereof by Certificateholders shall be subject to such reasonable regulations as the Trustee may prescribe.

The cost of any Opinion of Counsel to be delivered pursuant to this Section 11.01 shall be borne by the Person seeking the related amendment, but in no event shall such Opinion of Counsel be an expense of the Trustee.

The Trustee may, but shall not be obligated to enter into any amendment pursuant to this Section that affects its rights, duties and immunities under this Agreement or otherwise.

Section 11.02 Recordation of Agreement; Counterparts.

To the extent permitted by applicable law, this Agreement is subject to recordation in all appropriate public offices for real property records in all the counties or other comparable jurisdictions in which any or all of the properties subject to the Mortgages are situated, and in any other appropriate public recording office or elsewhere, such recordation to be effected by the Master Servicer at the expense of the Trust, but only upon direction of Certificateholders accompanied by an Opinion of Counsel to the effect that such recordation materially and beneficially affects the interests of the Certificateholders.

For the purpose of facilitating the recordation of this Agreement as herein provided and for other purposes, this Agreement may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

Section 11.03 Limitation on Rights of Certificateholders.

The death or incapacity of any Certificateholder shall not (i) operate to terminate this Agreement or the Trust, (ii) entitle such Certificateholder's legal representatives or heirs to claim an accounting or to take any action or proceeding in any court for a partition or winding up of the Trust, or (iii) otherwise affect the rights, obligations and liabilities of the parties hereto or any of them.

Except as expressly provided for herein, no Certificateholder shall have any right to vote or in any manner otherwise control the operation and management of the Trust, or the obligations of the parties hereto, nor shall anything herein set forth or contained in the terms of the Certificates be construed so as to constitute the Certificateholders from time to time as partners or members of an association; nor shall any Certificateholder be under any liability to any third person by reason of any action taken by the parties to this Agreement pursuant to any provision hereof.

No Certificateholder shall have any right by virtue of any provision of this Agreement to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Agreement, unless such Holder previously shall have given to the Trustee a written notice of default and of the continuance thereof, as hereinbefore provided, and unless also the Holders of Certificates entitled to at least 25% of the Voting Rights shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee for 15 days after its receipt of such notice, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding. It is understood and intended, and expressly covenanted by each Certificateholder with every other Certificateholder and the Trustee, that no one or more Holders of Certificates shall have any right in any manner whatever by virtue of any provision of this Agreement to affect, disturb or prejudice the rights of the Holders of any other of such Certificates, or to obtain or seek to obtain priority over or preference to any other such Holder, which priority or preference is not otherwise provided for herein, or to enforce any right under this Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all Certificateholders. For the protection and enforcement of the provisions of this Section 11.03 each and every Certificateholder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Section 11.04 Governing Law; Jurisdiction

This Agreement shall be construed in accordance with the laws of the State of New York and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

Section 11.05 Notices.

All directions, demands and notices hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by first class mail, postage prepaid, by facsimile or by express delivery service, to (a) in the case of the Master Servicer, Long Beach Mortgage Company, 1400 South Douglass Road, Suite 100, Anaheim, California 92806, Attention: General Counsel (teletype number: (206) 554-2717), or such other address or teletype number as may hereafter be furnished to the other parties hereto in writing by the Master Servicer, (b) in the case of the Trustee, Deutsche Bank National Trust Company, 1761 St. Andrew Place, Santa Ana, California 92705-4934, Attention: Trust Administration Services LB0503 (teletype number (714) 247-6478) or such other address or teletype number as may hereafter be furnished to the other parties hereto in writing by the Trustee, (c) in the case of the Depositor, Long Beach Securities Corp., 1400 South Douglass Road, Suite 100, Anaheim, California 92806, Attention: General Counsel (teletype number: (206) 554-2717), or such other address or teletype number as may be furnished to the other parties hereto in writing by the Depositor, (d) in the case of the Swap Counterparty, as provided in the Swap Agreement, and (e) in the case of the NIMS Insurer, the NIMS Insurer's address or teletype number as set forth in the Indenture, or such other addresses or teletype number as may be furnished to the other parties hereto in writing by the NIMS Insurer. Any notice required or permitted to be mailed to a Certificateholder shall be given by first class mail, postage prepaid, at the address of such Holder as shown in the Certificate Register. Notice of any Master Servicer default shall be given by teletype and by certified mail. Any notice so mailed within the time prescribed in this

Agreement shall be conclusively presumed to have duly been given when mailed, whether or not the Certificateholder receives such notice. A copy of any notice required to be telecopied hereunder shall also be mailed to the appropriate party in the manner set forth above.

Section 11.06 Severability of Provisions.

If any one or more of the covenants, agreements, provisions or terms of this Agreement shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement or of the Certificates or the rights of the Holders thereof.

Section 11.07 Notice to the Rating Agencies, the Swap Counterparty and the NIMS Insurer.

The Trustee shall use its best efforts promptly to provide notice to the Rating Agencies, the Swap Counterparty and the NIMS Insurer with respect to each of the following of which it has actual knowledge:

1. Any amendment to this Agreement;
2. The occurrence of any Master Servicer Event of Default that has not been cured or waived;
3. The resignation or termination of the Master Servicer or the Trustee;
4. The repurchase or substitution of Mortgage Loans pursuant to or as contemplated by Section 2.03;
5. The final payment to the Holders of any Class of Certificates;
6. Any change in the location of the Collection Account or the Distribution Account;
7. The Trustee were it to succeed as Master Servicer, is unable to make advances regarding delinquent Mortgage Loans; and
8. The filing of any claim under the Master Servicer's blanket bond and errors and omissions insurance policy required by Section 3.14 or the cancellation or material modification of coverage under any such instrument.

In addition, the Trustee shall promptly make available to each Rating Agency and the Swap Counterparty copies of each Statement to Certificateholders described in Section 4.03 hereof and the Master Servicer shall promptly furnish to each Rating Agency copies of the following:

1. each annual statement as to compliance described in Section 3.20 hereof;
2. each annual independent public accountants' servicing report described in Section 3.21 hereof.

Any such notice pursuant to this Section 11.07 shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by first class mail, postage prepaid, or by express delivery service to (i) Moody's Investors Service, Inc., 99 Church Street, New York, NY 10048, Attention: MBS Monitoring/Long Beach Mortgage Loan Trust 2005-3, (ii) Fitch, Inc., One State Street Plaza, New York, New York 10004, (iii) Standard & Poor's Rating Services, Inc., 55 Water Street, New York, New York 10041, (iv) Dominion Bond Rating Service, Inc., 55 Broadway, New York, New York 10006, (v) Credit Suisse First Boston International, One Cabot Square, London E14 4QJ, England, Attention: Head of Credit Risk Management and the NIMS Insurer at the address provided in Section 11.05.

In addition, each party hereto agrees that it will furnish or make available to the NIMS Insurer a copy of any opinions, notices, reports, schedules, certificates, statements, rating confirmation letters or other information that are furnished hereunder to the Trustee or the Certificateholders.

Section 11.08 Article and Section References.

All Article and Section references used in this Agreement, unless otherwise provided, are to articles and sections in this Agreement.

Section 11.09 Third-Party Beneficiaries.

(a) The NIMS Insurer shall be deemed a third-party beneficiary of this Agreement, and shall be entitled to enforce such rights, in each case, as if it were a party hereto. Notwithstanding anything to the contrary anywhere in this Agreement, all rights of the NIMS Insurer hereunder (i) shall be suspended whenever rights of the NIMS Insurer under the Indenture (other than the right to consent to amendments to the Indenture) are suspended and (ii) except in the case of any right to indemnification hereunder shall permanently terminate upon the later to occur of (A) the payment in full of the Insured NIM Notes as provided in the Indenture and (B) the payment in full to the NIMS Insurer of any amounts owed to the NIMS Insurer as provided in the Indenture.

(b) The Swap Counterparty shall be deemed a third-party beneficiary of this Agreement, and shall be entitled to enforce such rights, in each case, as if it were a party hereto. Notwithstanding anything to the contrary anywhere in this Agreement, all rights of the Swap Counterparty hereunder shall permanently terminate upon the later to occur of (i) the expiration of the Swap Agreement, and (ii) the payment in full to the Swap Counterparty, of any amounts owed to it under the Swap Agreement.

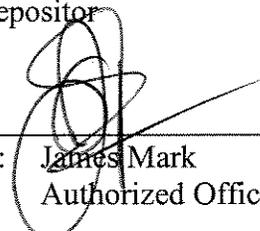
Section 11.10 Grant of Security Interest.

It is the express intent of the parties hereto that the conveyance of the Mortgage Loans and the other property specified in Section 2.01 by the Depositor to the Trustee be, and be construed as, a sale and not a pledge to secure a debt or other obligation of the Depositor. However, in the event that, notwithstanding the aforementioned intent of the parties, the Mortgage Loans or other property conveyed to the Trustee pursuant to Section 2.01 are held to be property of the Depositor, then, (a) it is the express intent of the parties that such conveyance be deemed a pledge of the Mortgage Loans and all other property conveyed to the Trustee

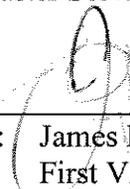
pursuant to Section 2.01 by the Depositor to the Trustee to secure a debt or other obligation of the Depositor and (b)(1) this Agreement shall also be deemed to be a security agreement within the meaning of Articles 8 and 9 of the Uniform Commercial Code as in effect from time to time in the State of New York; (2) the conveyance provided for in Section 2.01 hereof shall be deemed to be a grant by the Depositor to the Trustee of a security interest in all of the Depositor's right, title and interest in and to the Mortgage Loans and all amounts payable to the holders of the Mortgage Loans and all other property conveyed to the Trustee pursuant to Section 2.01 in accordance with the terms thereof and all proceeds of the conversion, voluntary or involuntary, of the foregoing into cash, instruments, securities or other property, including without limitation all amounts, other than investment earnings, from time to time held or invested in the Collection Account and the Distribution Account, whether in the form of cash, instruments, securities or other property; (3) the obligations secured by such security agreement shall be deemed to be all of the Depositor's obligations under this Agreement, including the obligation to provide to the Certificateholders the benefits of this Agreement relating to the Mortgage Loans and the Trust Fund; and (4) notifications to persons holding such property, and acknowledgments, receipts or confirmations from persons holding such property, shall be deemed notifications to, or acknowledgments, receipts or confirmations from, financial intermediaries, bailees or agents (as applicable) of the Trustee for the purpose of perfecting such security interest under applicable law. Accordingly, the Depositor hereby grants to the Trustee a security interest in the Mortgage Loans and all other property described in clause (2) of the preceding sentence, for the purpose of securing to the Trustee the performance by the Depositor of the obligations described in clause (3) of the preceding sentence. Notwithstanding the foregoing, the parties hereto intend the conveyance pursuant to Section 2.01 to be a true, absolute and unconditional sale of the Mortgage Loans and assets constituting the Trust Fund by the Depositor to the Trustee.

IN WITNESS WHEREOF, the Depositor, the Master Servicer and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized, all as of the day and year first above written.

LONG BEACH SECURITIES CORP.,
as Depositor

By: 
Name: James Mark
Title: Authorized Officer

LONG BEACH MORTGAGE COMPANY,
as Master Servicer

By: 
Name: James Mark
Title: First Vice President

DEUTSCHE BANK NATIONAL TRUST
COMPANY,
as Trustee

By: _____
Name: Ronaldo Reyes
Title: Vice President

By: _____
Name: Hang Luu
Title: Authorized Signer

IN WITNESS WHEREOF, the Depositor, the Master Servicer and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized, all as of the day and year first above written.

LONG BEACH SECURITIES CORP.,
as Depositor

By: _____
Name: James Mark
Title: Authorized Officer

LONG BEACH MORTGAGE COMPANY,
as Master Servicer

By: _____
Name: James Mark
Title: First Vice President

DEUTSCHE BANK NATIONAL TRUST
COMPANY,
as Trustee

By: _____
Name: Ronaldo Reyes
Title: Vice President

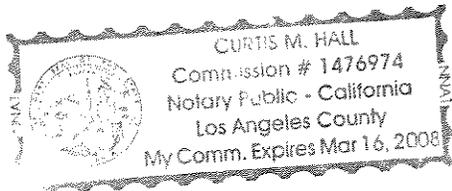
By: _____
Name: Hang Luu
Title: Authorized Signer

STATE OF CALIFORNIA)
) ss.:
COUNTY OF ORANGE)

On September 2nd, 2005 before me, CURTIS HALL, personally appeared RONALDO REYES, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature 



(Seal)

STATE OF CALIFORNIA)
) ss.:
COUNTY OF ORANGE)

On September 2nd, 2005 before me, Curtis Hall, personally appeared HANG LUU, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature 

(Seal)

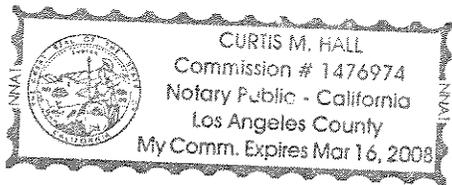


EXHIBIT A-1

CLASS I-A CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	[____]%
Pass-Through Rate	:	Variable
CUSIP	:	[____]
Class	:	I-A
Final Scheduled Distribution Date	:	September, 2035

Assumed Final Maturity Date : September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class I-A

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class I-A Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class IA Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class I-A Certificate (obtained by dividing the Denomination of this Class I-A Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class I-A Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class I-A Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class I-A Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class I-A Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class I-A
Certificates referenced in the within-
mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class I-A Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-2

CLASS II-A1 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No. : 1

Cut-off Date : With respect to any Mortgage Loan, August 1, 2005

First Distribution Date : September 26, 2005

Initial Certificate Principal Balance of this Certificate (“Denomination”) : \$[_____]

Original Class Certificate Principal Balance of this Class : \$[_____]

Percentage Interest : [_____]%

Pass-Through Rate : Variable

CUSIP : [_____]

Class : II-A1

Final Scheduled Distribution Date : September, 2035

Assumed Final Maturity Date : September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class II-A1

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class II-A1 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class II-A1 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class II-A1 Certificate (obtained by dividing the Denomination of this Class II-A1 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class II-A1 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class II-A1 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class II-A1 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class II-A1 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class II-A1 Certificates
referenced in the within-mentioned
Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class II-A1 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____

_____ account number _____,

or, if mailed by check, to _____.

Applicable statements should be mailed to _____

_____.

This information is provided by _____,

the assignee named above, or _____,

as its agent.

EXHIBIT A-3

CLASS II-A2 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%
Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	II-A2
Final Scheduled Distribution Date	:	September, 2035

Assumed Final Maturity Date : September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class II-A2

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class II-A2 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class II-A2 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class II-A2 Certificate (obtained by dividing the Denomination of this Class II-A2 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class II-A2 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class II-A2 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class II-A2 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class II-A2 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class II-A2 Certificates
referenced in the within-mentioned
Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class II-A2 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____

_____ account number _____,

or, if mailed by check, to _____.

Applicable statements should be mailed to _____

_____.

This information is provided by _____,

the assignee named above, or _____,

as its agent.

EXHIBIT A-4

CLASS II-A3 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%
Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	II-A3
Final Scheduled Distribution Date	:	September, 2035

Assumed Final Maturity Date : September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class II-A3

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class II-A3 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class II-A3 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class II-A3 Certificate (obtained by dividing the Denomination of this Class II-A3 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class II-A3 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class II-A3 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class II-A3 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class II-A3 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class II-A3 Certificates
referenced in the within-mentioned
Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class II-A3 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____

_____ account number _____,

or, if mailed by check, to _____.

Applicable statements should be mailed to _____

_____.

This information is provided by _____,

the assignee named above, or _____,

as its agent.

EXHIBIT A-5

CLASS M-1 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES AND THE CLASS II-A3 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	\$_[_____]
Original Class Certificate Principal Balance of this Class	:	\$_[_____]
Percentage Interest	:	100.00%
Pass-Through Rate	:	Variable
CUSIP	:	[____]

Class : M-1
Final Scheduled Distribution Date : September, 2035
Assumed Final Maturity Date : September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-1

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-1 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-1 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-1 Certificate (obtained by dividing the Denomination of this Class M-1 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-1 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-1 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-1 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-1 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-1 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-1 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____, or, if mailed by check, to _____.

_____ Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-6

CLASS M-2 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES AND THE CLASS M-1 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	\$_[_____]
Original Class Certificate Principal Balance of this Class	:	\$_[_____]
Percentage Interest	:	100.00%
Pass-Through Rate	:	Variable
CUSIP	:	[____]

Class : M-2
Final Scheduled Distribution Date : September, 2035
Assumed Final Maturity Date : September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-2

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-2 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-2 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-2 Certificate (obtained by dividing the Denomination of this Class M-2 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-2 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-2 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-2 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-2 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-2 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-2 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____, or, if mailed by check, to _____.

_____ Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-7

CLASS M-3 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M-1 CERTIFICATES AND THE CLASS M-2 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%
Pass-Through Rate	:	Variable

CUSIP : []
Class : M-3
Final Scheduled Distribution Date : September, 2035
Assumed Final Maturity Date : September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-3

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-3 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-3 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-3 Certificate (obtained by dividing the Denomination of this Class M-3 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-3 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-3 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-3 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-3 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-3 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-3 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-8

CLASS M-4 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M-2 CERTIFICATES AND THE CLASS M-3 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%
Pass-Through Rate	:	Variable

CUSIP : []
Class : M-4
Final Scheduled Distribution Date : September, 2035
Assumed Final Maturity Date : September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-4

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-4 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-4 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-4 Certificate (obtained by dividing the Denomination of this Class M-4 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-4 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-4 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-4 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-4 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-4 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-4 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the “Certificates”), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the “Distribution Date”), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,

account number _____,

or, if mailed by check, to _____.

_____ Applicable statements should be mailed to _____

_____.

This information is provided by _____,

the assignee named above, or _____,

as its agent.

EXHIBIT A-9

CLASS M-5 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M2 CERTIFICATES, THE CLASS M-3 CERTIFICATES AND THE CLASS M-4 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%

Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	M-5
Final Scheduled Distribution Date	:	September, 2035
Assumed Final Maturity Date	:	September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-5

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-5 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-5 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-5 Certificate (obtained by dividing the Denomination of this Class M-5 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-5 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-5 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-5 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-5 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-5 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-5 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-10

CLASS M-6 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M2 CERTIFICATES, THE CLASS M-3 CERTIFICATES, THE CLASS M-4 CERTIFICATES AND THE CLASS M-5 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%

Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	M-6
Final Scheduled Distribution Date	:	September, 2035
Assumed Final Maturity Date	:	September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-6

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-6 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-6 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-6 Certificate (obtained by dividing the Denomination of this Class M-6 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-6 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-6 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-6 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-6 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-6 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-6 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-11

CLASS M-7 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M2 CERTIFICATES, THE CLASS M3 CERTIFICATES, THE CLASS M4 CERTIFICATES, THE CLASS M5 CERTIFICATES AND THE CLASS M6 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%

Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	M-7
Final Scheduled Distribution Date	:	September, 2035
Assumed Final Maturity Date	:	September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-7

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-7 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-7 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-7 Certificate (obtained by dividing the Denomination of this Class M-7 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-7 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-7 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-7 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-7 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-7 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-7 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-12

CLASS M-8 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M2 CERTIFICATES, THE CLASS M-3 CERTIFICATES, THE CLASS M-4 CERTIFICATES, THE CLASS M-5 CERTIFICATES, THE CLASS M-6 CERTIFICATES AND THE CLASS M-7 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%

Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	M-8
Final Scheduled Distribution Date	:	September, 2035
Assumed Final Maturity Date	:	September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-8

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-8 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-8 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-8 Certificate (obtained by dividing the Denomination of this Class M-8 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-8 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-8 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-8 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-8 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-8 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-8 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-13

CLASS M-9 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M2 CERTIFICATES, THE CLASS M3 CERTIFICATES, THE CLASS M4 CERTIFICATES, THE CLASS M5 CERTIFICATES, THE CLASS M6 CERTIFICATES, THE CLASS M-7 CERTIFICATES AND THE CLASS M-8 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%

Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	M-9
Final Scheduled Distribution Date	:	September, 2035
Assumed Final Maturity Date	:	September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-9

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-9 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-9 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-9 Certificate (obtained by dividing the Denomination of this Class M-9 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-9 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-9 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-9 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-9 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-9 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-9 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-14

CLASS M-10 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M2 CERTIFICATES, THE CLASS M3 CERTIFICATES, THE CLASS M4 CERTIFICATES, THE CLASS M5 CERTIFICATES, THE CLASS M6 CERTIFICATES, THE CLASS M7 CERTIFICATES, THE CLASS M-8 CERTIFICATES AND THE CLASS M-9 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%

Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	M-10
Final Scheduled Distribution Date	:	September, 2035
Assumed Final Maturity Date	:	September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-10

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-10 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-10 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-10 Certificate (obtained by dividing the Denomination of this Class M-10 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-10 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-10 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-10 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-10 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-10 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-10 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-15

CLASS M-11 CERTIFICATES

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M2 CERTIFICATES, THE CLASS M-3 CERTIFICATES, THE CLASS M-4 CERTIFICATES, THE CLASS M-5 CERTIFICATES, THE CLASS M-6 CERTIFICATES, THE CLASS M-7 CERTIFICATES, THE CLASS M-8 CERTIFICATES, THE CLASS M-9 CERTIFICATES AND THE CLASS M-10 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	[\$_____]
Original Class Certificate Principal Balance of this Class	:	[\$_____]
Percentage Interest	:	100.00%

Pass-Through Rate	:	Variable
CUSIP	:	[_____]
Class	:	M-11
Final Scheduled Distribution Date	:	September, 2035
Assumed Final Maturity Date	:	September, 2045

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class M-11

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class M-11 Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class M-11 Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Cede & Co. is the registered owner of the Percentage Interest evidenced by this Class M-11 Certificate (obtained by dividing the Denomination of this Class M-11 Certificate by the Original Class Certificate Principal Balance) in certain monthly distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class M-11 Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class M-11 Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class M-11 Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class M-11 Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class M-11 Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class M-11 Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

_____ Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-16

CLASS C CERTIFICATES

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A "REGULAR INTEREST" IN A "REAL ESTATE MORTGAGE INVESTMENT CONDUIT," AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE").

THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). ANY RESALE OR TRANSFER OF THIS CERTIFICATE WITHOUT REGISTRATION THEREOF UNDER THE ACT MAY ONLY BE MADE IN A TRANSACTION EXEMPTED FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

THIS CERTIFICATE IS SUBORDINATE TO THE CLASS I-A CERTIFICATES, THE CLASS II-A1 CERTIFICATES, THE CLASS II-A2 CERTIFICATES, THE CLASS II-A3 CERTIFICATES, THE CLASS M1 CERTIFICATES, THE CLASS M2 CERTIFICATES, THE CLASS M3 CERTIFICATES, THE CLASS M4 CERTIFICATES, THE CLASS M5 CERTIFICATES, THE CLASS M6 CERTIFICATES, THE CLASS M7 CERTIFICATES, THE CLASS M8 CERTIFICATES, THE CLASS M9 CERTIFICATES, THE CLASS M10 CERTIFICATES AND THE CLASS M11 CERTIFICATES TO THE EXTENT DESCRIBED IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN.

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A "PLAN") SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Original Certificate Principal Balance	:	[\$_____]
Initial Notional Amount of this Certificate ("Denomination")	:	[\$_____]
Original Notional Amount of this Class	:	[\$_____]
Percentage	:	100.00%
Pass-Through Rate	:	Variable

Class : C

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class C

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class C Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class C Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Long Beach Asset Holdings Corp. is the registered owner of the Percentage Interest evidenced by this Class C Certificate (obtained by dividing the Denomination of this Class C Certificate by the Original Notional Amount) in certain distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class C Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class C Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

No transfer, sale, pledge or other disposition of a Certificate of this Class shall be made unless such disposition is exempt from the registration requirements of the 1933 Act, and any applicable state securities laws or is made in accordance with the 1933 Act and laws. In the event that a transfer is to be made in reliance upon an exemption from the Act and such laws, in order to assure compliance with the Act and such laws, the Certificateholder desiring to effect such transfer and such Certificateholder's prospective transferee shall each certify to the Trustee and the Depositor in writing the facts surrounding the transfer. In the event that such a transfer is not to be made pursuant to Rule 144A of the Act, there shall be delivered to the Trustee and the Depositor an Opinion of Counsel that such transfer may be made pursuant to an exemption from the Act, which Opinion of Counsel shall not be obtained at the expense of the Trustee, the Master Servicer or the Depositor; or there shall be delivered to the Trustee and the Depositor a transferor certificate by the transferor and an investment letter shall be executed by the transferee. The Holder hereof desiring to effect such transfer shall, and does hereby agree to, indemnify the Trustee and the Depositor against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class C Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class C Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class C Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class C Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the “Certificates”), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the “Distribution Date”), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-17

CLASS P CERTIFICATE

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE IS A “REGULAR INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”). ANY RESALE OR TRANSFER OF THIS CERTIFICATE WITHOUT REGISTRATION THEREOF UNDER THE ACT MAY ONLY BE MADE IN A TRANSACTION EXEMPTED FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Initial Certificate Principal Balance of this Certificate (“Denomination”)	:	\$100.00
Original Class Certificate Principal Balance of this Class	:	\$100.00
Percentage Interest	:	100.00%
Class	:	P

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class P

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

Principal in respect of this Certificate is distributable monthly as set forth herein. Accordingly, the Certificate Principal Balance of this Class P Certificate at any time may be less than the Initial Certificate Principal Balance set forth on the face hereof, as described herein. This Class P Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Long Beach Asset Holdings Corp. is the registered owner of the Percentage Interest evidenced by this Class P Certificate (obtained by dividing the Denomination of this Class P Certificate by the Original Class Certificate Principal Balance) in certain distributions with respect to a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Class P Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Class P Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

This Certificate does not have a pass-through rate and will be entitled to distributions only to the extent set forth in the Agreement.

No transfer, sale, pledge or other disposition of a Certificate of this Class shall be made unless such disposition is exempt from the registration requirements of the 1933 Act, and any applicable state securities laws or is made in accordance with the 1933 Act and laws. In the event that a transfer is to be made in reliance upon an exemption from the Act and such laws, in order to assure compliance with the Act and such laws, the Certificateholder desiring to effect such transfer and such Certificateholder's prospective transferee shall each certify to the Trustee and the Depositor in writing the facts surrounding the transfer. In the event that such a transfer is not to be made pursuant to Rule 144A of the Act, there shall be delivered to the Trustee and the Depositor an Opinion of Counsel that such transfer may be made pursuant to an exemption from the Act, which Opinion of Counsel shall not be obtained at the expense of the Trustee, the Master Servicer or the Depositor; or there shall be delivered to the Trustee and the Depositor a transferor certificate by the transferor and an investment letter shall be executed by the transferee. The Holder hereof desiring to effect such transfer shall, and does hereby agree to,

indemnify the Trustee and the Depositor against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Reference is hereby made to the further provisions of this Class P Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Class P Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized signatory of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class P Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class P Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not rotation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-18

CLASS R CERTIFICATES

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE REPRESENTS “RESIDUAL INTERESTS” IN **THREE** SEPARATE “REAL ESTATE MORTGAGE INVESTMENT CONDUITS,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”). ANY RESALE OR TRANSFER OF THIS CERTIFICATE WITHOUT REGISTRATION THEREOF UNDER THE ACT MAY ONLY BE MADE IN A TRANSACTION EXEMPTED FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

THIS CLASS R CERTIFICATE HAS NO PRINCIPAL BALANCE, DOES NOT BEAR INTEREST AND WILL NOT RECEIVE ANY DISTRIBUTIONS EXCEPT AS PROVIDED HEREIN.

NO TRANSFER OF THIS CERTIFICATE TO A “DISQUALIFIED ORGANIZATION,” AS SUCH TERM IS DEFINED IN SECTION 860E OF THE CODE, SHALL BE MADE.

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE PROPOSED TRANSFEREE DELIVERS TO THE TRUSTEE A TRANSFER AFFIDAVIT IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Percentage Interest	:	100.00%
Class	:	R

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class R

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting primarily of a pool of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

This Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Long Beach Asset Holdings Corp. is the registered owner of the Percentage Interest evidenced by this Certificate specified above in the interest represented by all Certificates of the Class to which this Certificate belongs in a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

This Certificate does not have a principal balance or pass-through rate and will be entitled to distributions only to the extent set forth in the Agreement. In addition, any distribution of the proceeds of any remaining assets of the Trust will be made only upon presentment and surrender of this Certificate at the office or agency designated by the Trustee.

No transfer, sale, pledge or other disposition of a Certificate of this Class shall be made unless such disposition is exempt from the registration requirements of the 1933 Act, and any applicable state securities laws or is made in accordance with the 1933 Act and laws. In the event that a transfer is to be made in reliance upon an exemption from the Act and such laws, in order to assure compliance with the Act and such laws, the Certificateholder desiring to effect such transfer and such Certificateholder's prospective transferee shall each certify to the Trustee and the Depositor in writing the facts surrounding the transfer. In the event that such a transfer is not to be made pursuant to Rule 144A of the Act, there shall be delivered to the Trustee and the Depositor an Opinion of Counsel that such transfer may be made pursuant to an exemption from the Act, which Opinion of Counsel shall not be obtained at the expense of the Trustee, the Master Servicer or the Depositor; or there shall be delivered to the Trustee and the Depositor a transferor certificate by the transferor and an investment letter shall be executed by the transferee. The Holder hereof desiring to effect such transfer shall, and does hereby agree to,

indemnify the Trustee and the Depositor against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Each Holder of this Certificate will be deemed to have agreed to be bound by the restrictions of the Agreement, including but not limited to the restrictions that (i) each person holding or acquiring any Ownership Interest in this Certificate must be a Permitted Transferee, (ii) no Ownership Interest in this Certificate may be transferred without delivery to the Trustee of (a) a transfer affidavit of the proposed transferee and (b) a transfer certificate of the transferor, each of such documents to be in the form described in the Agreement, (iii) each person holding or acquiring any Ownership Interest in this Certificate must agree to require a transfer affidavit and to deliver a transfer certificate to the Trustee as required pursuant to the Agreement, (iv) each person holding or acquiring an Ownership Interest in this Certificate must agree not to transfer an Ownership Interest in this Certificate if it has actual knowledge that the proposed transferee is not a Permitted Transferee and (v) any attempted or purported transfer of any Ownership Interest in this Certificate in violation of such restrictions will be absolutely null and void and will vest no rights in the purported transferee. Pursuant to the Agreement, the Trustee will provide the Internal Revenue Service and any pertinent persons with the information needed to compute the tax imposed under the applicable tax laws on transfers of residual interests to Disqualified Organizations, if any Disqualified Organization acquires an Ownership Interest on a Class R Certificate in violation of the restrictions mentioned above.

Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized officer of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class R Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class R Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the “Certificates”), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the “Distribution Date”), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

By acceptance of the Class R Certificates the Holders of the Class R Certificates agree that, in connection with any amounts distributable to the Holders of the Class R Certificates pursuant to Section 4.01(d)(i)(ff) of the Agreement, their rights to receive the amounts so distributable are assigned and transferred and any such amounts shall be paid by the Trustee out of the Trust Fund, and to the extent received by the Holders of the Class R Certificates they shall pay any such amounts, to the Holders of the Class C Certificates. By acceptance of the Class R Certificates, the Holders of the Class R Certificates direct the Trustee to pay any amounts due to the Holders of the Class R Certificates on the first Distribution Date to the Holders of the Class C Certificates.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-19

CLASS R-CX CERTIFICATES

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE REPRESENTS A "RESIDUAL INTEREST" IN A "REAL ESTATE MORTGAGE INVESTMENT CONDUIT," AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE").

THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). ANY RESALE OR TRANSFER OF THIS CERTIFICATE WITHOUT REGISTRATION THEREOF UNDER THE ACT MAY ONLY BE MADE IN A TRANSACTION EXEMPTED FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

THIS CLASS R-CX CERTIFICATE HAS NO PRINCIPAL BALANCE, DOES NOT BEAR INTEREST AND WILL NOT RECEIVE ANY DISTRIBUTIONS EXCEPT AS PROVIDED HEREIN.

NO TRANSFER OF THIS CERTIFICATE TO A "DISQUALIFIED ORGANIZATION," AS SUCH TERM IS DEFINED IN SECTION 860E OF THE CODE, SHALL BE MADE.

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE PROPOSED TRANSFEREE DELIVERS TO THE TRUSTEE A TRANSFER AFFIDAVIT IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A "PLAN") SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Percentage Interest	:	100.00%
Class	:	R-CX

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class R-CX

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting primarily of a pool of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

This Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Long Beach Asset Holdings Corp. is the registered owner of the Percentage Interest evidenced by this Certificate specified above in the interest represented by all Certificates of the Class to which this Certificate belongs in a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

This Certificate does not have a principal balance or pass-through rate and will be entitled to distributions only to the extent set forth in the Agreement. In addition, any distribution of the proceeds of any remaining assets of the Trust will be made only upon presentment and surrender of this Certificate at the office or agency designated by the Trustee.

No transfer, sale, pledge or other disposition of a Certificate of this Class shall be made unless such disposition is exempt from the registration requirements of the 1933 Act, and any applicable state securities laws or is made in accordance with the 1933 Act and laws. In the event that a transfer is to be made in reliance upon an exemption from the Act and such laws, in order to assure compliance with the Act and such laws, the Certificateholder desiring to effect such transfer and such Certificateholder's prospective transferee shall each certify to the Trustee and the Depositor in writing the facts surrounding the transfer. In the event that such a transfer is not to be made pursuant to Rule 144A of the Act, there shall be delivered to the Trustee and the Depositor an Opinion of Counsel that such transfer may be made pursuant to an exemption from the Act, which Opinion of Counsel shall not be obtained at the expense of the Trustee, the Master Servicer or the Depositor; or there shall be delivered to the Trustee and the Depositor a transferor certificate by the transferor and an investment letter shall be executed by the transferee. The Holder hereof desiring to effect such transfer shall, and does hereby agree to,

indemnify the Trustee and the Depositor against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Each Holder of this Certificate will be deemed to have agreed to be bound by the restrictions of the Agreement, including but not limited to the restrictions that (i) each person holding or acquiring any Ownership Interest in this Certificate must be a Permitted Transferee, (ii) no Ownership Interest in this Certificate may be transferred without delivery to the Trustee of (a) a transfer affidavit of the proposed transferee and (b) a transfer certificate of the transferor, each of such documents to be in the form described in the Agreement, (iii) each person holding or acquiring any Ownership Interest in this Certificate must agree to require a transfer affidavit and to deliver a transfer certificate to the Trustee as required pursuant to the Agreement, (iv) each person holding or acquiring an Ownership Interest in this Certificate must agree not to transfer an Ownership Interest in this Certificate if it has actual knowledge that the proposed transferee is not a Permitted Transferee and (v) any attempted or purported transfer of any Ownership Interest in this Certificate in violation of such restrictions will be absolutely null and void and will vest no rights in the purported transferee. Pursuant to the Agreement, the Trustee will provide the Internal Revenue Service and any pertinent persons with the information needed to compute the tax imposed under the applicable tax laws on transfers of residual interests to Disqualified Organizations, if any Disqualified Organization acquires an Ownership Interest on a Class R-CX Certificate in violation of the restrictions mentioned above.

Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized officer of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class R-CX Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class R-CX Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the “Certificates”), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the “Distribution Date”), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT A-20

CLASS R-PX CERTIFICATES

SOLELY FOR U.S. FEDERAL INCOME TAX PURPOSES, THIS CERTIFICATE REPRESENTS A “RESIDUAL INTEREST” IN A “REAL ESTATE MORTGAGE INVESTMENT CONDUIT,” AS THOSE TERMS ARE DEFINED, RESPECTIVELY, IN SECTIONS 860G AND 860D OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”).

THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”). ANY RESALE OR TRANSFER OF THIS CERTIFICATE WITHOUT REGISTRATION THEREOF UNDER THE ACT MAY ONLY BE MADE IN A TRANSACTION EXEMPTED FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

THIS CLASS R-PX CERTIFICATE HAS NO PRINCIPAL BALANCE, DOES NOT BEAR INTEREST AND WILL NOT RECEIVE ANY DISTRIBUTIONS EXCEPT AS PROVIDED HEREIN.

NO TRANSFER OF THIS CERTIFICATE TO A “DISQUALIFIED ORGANIZATION,” AS SUCH TERM IS DEFINED IN SECTION 860E OF THE CODE, SHALL BE MADE.

NEITHER THIS CERTIFICATE NOR ANY INTEREST HEREIN MAY BE TRANSFERRED UNLESS THE PROPOSED TRANSFEREE DELIVERS TO THE TRUSTEE A TRANSFER AFFIDAVIT IN ACCORDANCE WITH THE PROVISIONS OF THE AGREEMENT REFERRED TO HEREIN.

NO TRANSFER OF THIS CERTIFICATE TO AN EMPLOYEE BENEFIT PLAN OR OTHER RETIREMENT ARRANGEMENT (EACH A “PLAN”) SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), SHALL BE MADE EXCEPT IN COMPLIANCE WITH THE PROCEDURES DESCRIBED HEREIN.

Certificate No.	:	1
Cut-off Date	:	With respect to any Mortgage Loan, August 1, 2005
First Distribution Date	:	September 26, 2005
Percentage Interest	:	100.00%
Class	:	R-PX

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3
Class R-PX

evidencing the Percentage Interest in the distributions allocable to the Certificates of the above-referenced Class with respect to the Trust consisting primarily of a pool of first lien, fixed rate and adjustable rate mortgage loans (the "Mortgage Loans")

LONG BEACH SECURITIES CORP., as Depositor

This Certificate does not evidence an obligation of, or an interest in, and is not guaranteed by the Depositor, the Master Servicer or the Trustee referred to below or any of their respective affiliates.

This certifies that Long Beach Asset Holdings Corp. is the registered owner of the Percentage Interest evidenced by this Certificate specified above in the interest represented by all Certificates of the Class to which this Certificate belongs in a Trust consisting primarily of the Mortgage Loans deposited by Long Beach Securities Corp. (the "Depositor"). The Trust was created pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among the Depositor, Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). To the extent not defined herein, the capitalized terms used herein have the meanings assigned in the Agreement. This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreement, to which Agreement the Holder of this Certificate by virtue of the acceptance hereof assents and by which such Holder is bound.

This Certificate does not have a principal balance or pass-through rate and will be entitled to distributions only to the extent set forth in the Agreement. In addition, any distribution of the proceeds of any remaining assets of the Trust will be made only upon presentment and surrender of this Certificate at the office or agency designated by the Trustee.

No transfer, sale, pledge or other disposition of a Certificate of this Class shall be made unless such disposition is exempt from the registration requirements of the 1933 Act, and any applicable state securities laws or is made in accordance with the 1933 Act and laws. In the event that a transfer is to be made in reliance upon an exemption from the Act and such laws, in order to assure compliance with the Act and such laws, the Certificateholder desiring to effect such transfer and such Certificateholder's prospective transferee shall each certify to the Trustee and the Depositor in writing the facts surrounding the transfer. In the event that such a transfer is not to be made pursuant to Rule 144A of the Act, there shall be delivered to the Trustee and the Depositor an Opinion of Counsel that such transfer may be made pursuant to an exemption from the Act, which Opinion of Counsel shall not be obtained at the expense of the Trustee, the Master Servicer or the Depositor; or there shall be delivered to the Trustee and the Depositor a transferor certificate by the transferor and an investment letter shall be executed by the transferee. The Holder hereof desiring to effect such transfer shall, and does hereby agree to,

indemnify the Trustee and the Depositor against any liability that may result if the transfer is not so exempt or is not made in accordance with such federal and state laws.

No transfer of this Certificate to a Plan subject to ERISA or Section 4975 of the Code, any Person acting, directly or indirectly, on behalf of any such Plan or any person using Plan Assets to acquire this Certificate shall be made except in accordance with Section 5.02(c) of the Agreement.

Each Holder of this Certificate will be deemed to have agreed to be bound by the restrictions of the Agreement, including but not limited to the restrictions that (i) each person holding or acquiring any Ownership Interest in this Certificate must be a Permitted Transferee, (ii) no Ownership Interest in this Certificate may be transferred without delivery to the Trustee of (a) a transfer affidavit of the proposed transferee and (b) a transfer certificate of the transferor, each of such documents to be in the form described in the Agreement, (iii) each person holding or acquiring any Ownership Interest in this Certificate must agree to require a transfer affidavit and to deliver a transfer certificate to the Trustee as required pursuant to the Agreement, (iv) each person holding or acquiring an Ownership Interest in this Certificate must agree not to transfer an Ownership Interest in this Certificate if it has actual knowledge that the proposed transferee is not a Permitted Transferee and (v) any attempted or purported transfer of any Ownership Interest in this Certificate in violation of such restrictions will be absolutely null and void and will vest no rights in the purported transferee. Pursuant to the Agreement, the Trustee will provide the Internal Revenue Service and any pertinent persons with the information needed to compute the tax imposed under the applicable tax laws on transfers of residual interests to Disqualified Organizations, if any Disqualified Organization acquires an Ownership Interest on a Class R-PX Certificate in violation of the restrictions mentioned above.

Reference is hereby made to the further provisions of this Certificate set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

This Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose unless manually countersigned by an authorized officer of the Trustee.

IN WITNESS WHEREOF, the Trustee, on behalf of the Trust has caused this Certificate to be duly executed.

Dated: September __, 2005

LONG BEACH MORTGAGE LOAN TRUST 2005-3

By: DEUTSCHE BANK NATIONAL TRUST
COMPANY
not in its individual capacity, but solely as
Trustee

By _____

This is one of the Class R-PX Certificates
referenced in the within-mentioned Agreement

By _____
Authorized Signatory of
Deutsche Bank National Trust Company,
as Trustee

[Reverse of Class R-PX Certificate]

Long Beach Mortgage Loan Trust 2005-3
Asset-Backed Certificates,
Series 2005-3

This Certificate is one of a duly authorized issue of Certificates designated as Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3 (herein collectively called the "Certificates"), and representing a beneficial ownership interest in the Trust created by the Agreement.

The Certificateholder, by its acceptance of this Certificate, agrees that it will look solely to the funds on deposit in the Distribution Account for payment hereunder and that the Trustee is not liable to the Certificateholders for any amount payable under this Certificate or the Agreement or, except as expressly provided in the Agreement, subject to any liability under the Agreement.

This Certificate does not purport to summarize the Agreement and reference is made to the Agreement for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Trustee.

Pursuant to the terms of the Agreement, a distribution will be made on the 25th day of each month or, if such 25th day is not a Business Day then the first Business Day following such Distribution Date (the "Distribution Date"), commencing on the first Distribution Date specified on the face hereof, to the Person in whose name this Certificate is registered at the close of business on the applicable Record Date in an amount equal to the product of the Percentage Interest evidenced by this Certificate and the amount required to be distributed to Holders of Certificates of the Class to which this Certificate belongs on such Distribution Date pursuant to the Agreement.

Distributions on this Certificate shall be made by check or money order mailed to the address of the person entitled thereto as it appears on the Certificate Register or by wire transfer or otherwise, as set forth in the Agreement. The final distribution on each Certificate will be made in like manner, but only upon presentment and surrender of such Certificate at the office or agency of the Trustee specified in the notice to Certificateholders of such final distribution.

The Agreement permits, with certain exceptions therein provided, the amendment thereof and the modification of the rights and obligations of the Trustee and the rights of the Certificateholders under the Agreement at any time by the Depositor, the Master Servicer, the Trustee and of Holders of the requisite percentage of the Percentage Interests of each Class of Certificates affected by such amendment, as specified in the Agreement. Any such consent by the Holder of this Certificate shall be conclusive and binding on such Holder and upon all future Holders of this Certificate and of any Certificate issued upon the transfer hereof or in exchange therefor or in lieu hereof whether or not notation of such consent is made upon this Certificate. The Agreement also permits the amendment thereof, in certain limited circumstances, without the consent of the Holders of any of the Certificates.

As provided in the Agreement and subject to certain limitations therein set forth, the transfer of this Certificate is registrable in the Certificate Register of the Trustee upon surrender of this Certificate for registration of transfer at the office or agency maintained by the Trustee accompanied by a written instrument of transfer in form satisfactory to the Trustee duly executed by the holder hereof or such holder's attorney duly authorized in writing, and thereupon one or more new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest in the Trust will be issued to the designated transferee or transferees.

The Certificates are issuable only as registered Certificates without coupons in denominations specified in the Agreement. As provided in the Agreement and subject to certain limitations therein set forth, Certificates are exchangeable for new Certificates of the same Class in authorized denominations and evidencing the same aggregate Percentage Interest, as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Depositor, the Master Servicer, the Trustee and any agent of the Depositor, the Master Servicer, the Trustee or the NIMS Insurer, if any, may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, and neither the Depositor, the Master Servicer, the Trustee, the NIMS Insurer, if any, nor any such agent shall be affected by any notice to the contrary.

On any Distribution Date following the date at which the remaining Stated Principal Balance of the Mortgage Loans and REO Properties is equal to or less than 10% of the Stated Principal Balance of the Mortgage Loans as of the Cut-off Date, the Holders of the majority of the Percentage Interest of the Class C Certificates, the Master Servicer or the NIMS Insurer, if any, may purchase, in whole, from the Trust the Mortgage Loans in the manner and at a purchase price determined as provided in the Agreement. In the event that no such optional termination occurs, the obligations and responsibilities created by the Agreement will terminate upon notice to the Trustee upon the earliest of (i) the Distribution Date on which the Certificate Principal Balances of the Regular Certificates have been reduced to zero, (ii) the final payment or other liquidation of the last Mortgage Loan in the Trust and (iii) the Distribution Date for the Certificates in September, 2045.

Capitalized terms used herein that are defined in the Agreement shall have the meanings ascribed to them in the Agreement, and nothing herein shall be deemed inconsistent with that meaning.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite name and address including postal zip code of assignee)

the Percentage Interest evidenced by the within Certificate and hereby authorizes the transfer of registration of such Percentage Interest to assignee on the Certificate Register of the Trust.

I (We) further direct the Trustee to issue a new Certificate of a like denomination and Class, to the above named assignee and deliver such Certificate to the following address:

Dated: _____

Signature by or on behalf of assignor

DISTRIBUTION INSTRUCTIONS

The assignee should include the following for purposes of distribution:

Distributions shall be made, by wire transfer or otherwise, in immediately available funds to _____

_____ for the account of _____,
account number _____,
or, if mailed by check, to _____.

Applicable statements should be mailed to _____
_____.

This information is provided by _____,
the assignee named above, or _____,
as its agent.

EXHIBIT B
FORM OF SWAP AGREEMENT

Facsimile Cover Sheet

To: Long Beach Mortgage Loan Trust 2005-3
Attention: Heakyung Chung, CSFBi Marketer
Fax number: To be delivered by Heakyung Chung
Date: 7 September 2005
Pages (including cover page): 8

Our Reference No: External ID: 9231339N3 / Risk ID: 47092864

Credit Suisse First Boston International has entered into a transaction with you as attached. Please find attached a letter agreement (the "Confirmation") which confirms the terms and conditions of the above transaction.

If you agree with the terms specified therein, **please arrange for the Confirmation to be signed by your authorised signatories** and return a signed copy to this office to the facsimile listed below.

For Interest Rate Products:
Telephone Numbers: (212) 538-9370
Facsimile number: (917) 326-8603
Email: list.otc-inc-accept-ny@csfb.com

For Equity Derivatives:
Telephone numbers: (212) 538-4437 / (212) 538-8297 / (212) 325-5119
Facsimile number: (212) 325-8173

For Credit Derivatives:
Telephone Numbers: (212) 538-9370
Facsimile number: (917) 326-8603
Email: list.otc-inc-accept-ny@csfb.com

We are delighted to have entered into this transaction with you.

CONFIDENTIALITY NOTICE: This facsimile is intended only for the use of the individual or entity to which it is addressed and may contain information which is privileged and confidential. If the reader of this message is not the intended recipient or an employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us by mail. Thank you.

7 September 2005

Long Beach Mortgage Loan Trust 2005-3

External ID: 9231339N3

Dear Sir/Madam

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between us on the Trade Date specified below (the "Transaction"). This Confirmation constitutes a "Confirmation" as referred to in the Agreement specified below.

In this Confirmation "CSFBI" means Credit Suisse First Boston International and "Counterparty" means Long Beach Mortgage Loan Trust 2005-3

1. The definitions and provisions contained in the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) are incorporated into this Confirmation. In the event of any inconsistency between those definitions and provisions and this Confirmation, this Confirmation will govern.

This Confirmation supplements, forms part of, and is subject to, the 1992 ISDA Master Agreement dated as of 7 September 2005 as amended and supplemented from time to time (the "Agreement"), between you and us. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

CSFBI and Counterparty each represents to the other that it has entered into this Swap Transaction in reliance upon such tax, accounting, regulatory, legal, and financial advice as it deems necessary and not upon any view expressed by the other.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

Notional Amount:	USD 1,472,692,902, subject to amortisation as set out in the Additional Terms attached hereto
Trade Date:	19 August 2005
Effective Date:	25 September 2005

Termination Date: 25 August 2010, subject to adjustment in accordance with the Modified Following Business Day Convention

Fixed Amounts:

Fixed Rate Payer: Counterparty

Fixed Rate Payer
Payment Dates: The 25th day of each month commencing on 25 October 2005, and ending on the Termination Date, inclusive, subject to adjustment in accordance with the Following Business Day Convention, using No Adjustment of Period End Dates

Fixed Rate Payer
initial Calculation Period: From and including 25 September 2005 up to but excluding the Payment Date scheduled to occur on 25 October 2005

Fixed Rate: 4.394 %

Fixed Rate
Day Count Fraction: 30/360

Floating Amounts:

Floating Rate Payer: CSFBi

Floating Rate Payer
Payment Dates: The 25th day of each month commencing on 25 October 2005, and ending on the Termination Date, inclusive, subject to adjustment in accordance with the Modified Following Business Day Convention

Floating Rate Payer
initial Calculation Period: From and including 26 September 2005 up to but excluding the Payment Date scheduled to occur on 25 October 2005

Floating Rate Option: USD-LIBOR-BBA

Designated Maturity: 1 month

Spread:	None
Floating Rate Day Count Fraction:	Actual/360
Reset Dates:	The first day of each Calculation Period
Compounding:	Inapplicable

Business Day: The States of California, Delaware, New York and Washington or if the Trustee gives CSFBi notice of the change in the principal corporate trust office of the Trustee in accordance with the PSA, the city in which the principal corporate trust office of the Trustee is located.

Calculation Agent: CSFBi

3. Account Details:

Payments to CSFBi:	As advised separately in writing
Payments to Counterparty:	As advised separately in writing

Credit Suisse First Boston International is authorised and regulated by the Financial Services Authority and has entered into this transaction as principal. The time at which the above transaction was executed will be notified to Counterparty on request.

ADDITIONAL TERMS

Period up to but excluding the Payment Date scheduled to occur on:	Notional Amount:
25 October 2005	USD 1,472,692,902
25 November 2005	USD 1,426,656,706
25 December 2005	USD 1,382,027,410
25 January 2006	USD 1,338,761,497
25 February 2006	USD 1,296,818,986
25 March 2006	USD 1,256,158,204
25 April 2006	USD 1,216,741,650
25 May 2006	USD 1,178,531,421
25 June 2006	USD 1,141,489,848
25 July 2006	USD 1,105,582,761
25 August 2006	USD 1,070,774,905
25 September 2006	USD 1,037,033,849
25 October 2006	USD 1,004,326,069
25 November 2006	USD 972,620,847
25 December 2006	USD 941,887,661
25 January 2007	USD 912,097,482
25 February 2007	USD 883,220,805
25 March 2007	USD 855,230,261
25 April 2007	USD 828,099,299
25 May 2007	USD 801,801,530
25 June 2007	USD 776,312,027
25 July 2007	USD 751,605,361
25 August 2007	USD 702,653,492
25 September 2007	USD 439,602,910

Period up to but excluding the Payment Date scheduled to occur on:	Notional Amount:
25 October 2007	USD 370,074,070
25 November 2007	USD 313,550,993
25 December 2007	USD 277,005,243
25 January 2008	USD 249,066,281
25 February 2008	USD 226,685,250
25 March 2008	USD 208,501,685
25 April 2008	USD 193,570,287
25 May 2008	USD 181,180,826
25 June 2008	USD 170,830,002
25 July 2008	USD 161,063,391
25 August 2008	USD 151,850,126
25 September 2008	USD 142,817,986
25 October 2008	USD 134,412,905
25 November 2008	USD 126,565,549
25 December 2008	USD 119,335,744
25 January 2009	USD 112,581,599
25 February 2009	USD 106,200,397
25 March 2009	USD 100,173,997
25 April 2009	USD 94,488,197
25 May 2009	USD 89,123,561
25 June 2009	USD 84,062,901
25 July 2009	USD 79,289,379
25 August 2009	USD 74,786,651
25 September 2009	USD 70,539,230
25 October 2009	USD 66,533,650
25 November 2009	USD 62,755,625

Period up to but excluding the Payment Date scheduled to occur on:	Notional Amount:
25 December 2009	USD 59,192,832
25 January 2010	USD 55,833,285
25 February 2010	USD 52,664,971
25 March 2010	USD 49,677,614
25 April 2010	USD 46,861,054
25 May 2010	USD 44,205,341
25 June 2010	USD 41,701,665
25 July 2010	USD 39,341,215
25 August 2010	USD 37,116,264

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us.

Yours faithfully,

Credit Suisse First Boston International

By: _____
Name:
Title:

Confirmed as of the date first written above:

Long Beach Mortgage Loan Trust 2005-3

By Deutsche Bank National Trust Company,
National Association not in its individual
capacity but solely as Trustee on behalf of the Trust

By: _____
Name:
Title:

By: _____
Name:
Title:

ISDA[®]

International Swap Dealers Association, Inc.

MASTER AGREEMENT

dated as of September 7, 2005

Credit Suisse First Boston International
("Party A")

and

Long Beach Mortgage Loan Trust 2005-3
("Party B")

have entered and/or anticipate entering into one or more transactions (each a "Transaction") that are or will be governed by this Master Agreement, which includes the schedule (the "Schedule"), and the documents and other confirming evidence (each a "Confirmation") exchanged between the parties confirming those Transactions.

Accordingly, the parties agree as follows:—

1. Interpretation

(a) **Definitions.** The terms defined in Section 14 and in the Schedule will have the meanings therein specified for the purpose of this Master Agreement.

(b) **Inconsistency.** In the event of any inconsistency between the provisions of the Schedule and the other provisions of this Master Agreement, the Schedule will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Master Agreement (including the Schedule), such Confirmation will prevail for the purpose of the relevant Transaction.

(c) **Single Agreement.** All Transactions are entered into in reliance on the fact that this Master Agreement and all Confirmations form a single agreement between the parties (collectively referred to as this "Agreement"), and the parties would not otherwise enter into any Transactions.

2. Obligations

(a) General Conditions.

(i) Each party will make each payment or delivery specified in each Confirmation to be made by it, subject to the other provisions of this Agreement.

(ii) Payments under this Agreement will be made on the due date for value on that date in the place of the account specified in the relevant Confirmation or otherwise pursuant to this Agreement, in freely transferable funds and in the manner customary for payments in the required currency. Where settlement is by delivery (that is, other than by payment), such delivery will be made for receipt on the due date in the manner customary for the relevant obligation unless otherwise specified in the relevant Confirmation or elsewhere in this Agreement.

(iii) Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing, (2) the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred or been effectively designated and (3) each other applicable condition precedent specified in this Agreement.

value of that which was (or would have been) required to be delivered as of the originally scheduled date for delivery, in each case together with (to the extent permitted under applicable law) interest, in the currency, of such amounts, from (and including) the date such amounts or obligations were or would have been required to have been paid or performed to (but excluding) such Early Termination Date, at the Applicable Rate. Such amounts of interest will be calculated on the basis of daily compounding and the actual number of days elapsed. The fair market value of any obligation referred to in clause (b) above shall be reasonably determined by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it shall be the average of the Termination Currency Equivalents of the fair market values reasonably determined by both parties.

IN WITNESS WHEREOF the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

Credit Suisse First Boston International

Long Beach Mortgage Loan Trust 2005-3

By Deutsche Bank National Trust Company,
not in its individual capacity but solely
as Trustee on behalf of the Trust

By: _____

By: _____

Name:
Title:
Date:

Name:
Title:
Date:

By: _____

By: _____

Name:
Title:
Date:

Name:
Title:
Date:

**SCHEDULE
to the
Master Agreement**

dated as of September 7, 2005

between

**CREDIT SUISSE FIRST BOSTON
INTERNATIONAL**

**LONG BEACH MORTGAGE LOAN TRUST
2005-3**

and

("Party A")

("Party B")

Part 1

Termination Provisions.

(a) **"Specified Entity"** means in relation to Party A for the purpose of:

Section 5(a)(v),	Not applicable
Section 5(a)(vi),	Not applicable
Section 5(a)(vii),	Not applicable
Section 5(b)(iv),	Not applicable

and in relation to Party B for the purpose of:

Section 5(a)(v),	Not applicable
Section 5(a)(vi),	Not applicable
Section 5(a)(vii),	Not applicable
Section 5(b)(iv),	Not applicable

(b) **"Specified Transaction"** will have the meaning specified in Section 14 of this Agreement.

(c) **Certain Events of Default.** The following Events of Default will apply to the parties as specified below, and the definition of "Event of Default" in Section 14 is deemed to be modified accordingly:

Section 5(a)(i) (Failure to Pay or Deliver) will apply to Party A and Party B.
Section 5(a)(ii) (Breach of Agreement) will not apply to Party A or Party B.
Section 5(a)(iii) (Credit Support Default) will not apply to Party A or Party B.
Section 5(a)(iv) (Misrepresentation) will not apply to Party A or Party B.

Section 5(a)(v) (Default under Specified Transaction) will not apply to Party A or Party B.
Section 5(a)(vi) (Cross Default) will not apply to Party A or Party B.
Section 5(a)(vii) (Bankruptcy) will apply to Party A and Party B; provided that clause (2) thereof shall not apply to Party B.
Section 5(a)(viii) (Merger without Assumption) will apply to Party A and will not apply to Party B.

(d) **Termination Events.** The following Termination Events will apply to the parties as specified below:

Section 5(b)(i) (Illegality) will apply to Party A and Party B.
Section 5(b)(ii) (Tax Event) will apply to Party A and Party B.
Section 5(b)(iii) (Tax Event upon Merger) will apply to Party A and will not apply to Party B.
Section 5(b)(iv) (Credit Event upon Merger) will not apply to Party A or Party B.

(e) The "**Automatic Early Termination**" provision of Section 6(a) of this Agreement will not apply to Party A or Party B.

(f) **Payments on Early Termination.** For the purpose of Section 6(e) of this Agreement:

- (i) Loss will apply.
- (ii) The Second Method will apply.

(g) "**Termination Currency**" means United States Dollars.

(h) **Additional Termination Events.** The following Additional Termination Events will apply, in each case with respect to Party B as the sole Affected Party (unless otherwise provided below):

- (i) Party A fails to comply with the Downgrade Provisions as set forth in Part 5(b). For all purposes of this Agreement, Party A shall be the sole Affected Party with respect to the occurrence of a Termination Event described in this Part 1(h)(i).
- (ii) The Pooling and Servicing Agreement dated as of September 1, 2005 among Long Beach Securities Corp. as Depositor, Long Beach Mortgage Company as Master Servicer and Deutsche Bank National Trust Company as Trustee for the Trust (the "**Trustee**") as amended and supplemented from time to time (the "**PSA**") or other transaction document is amended or modified without the prior written consent of Party A, where such consent is required under the terms of the PSA.
- (iii) The Trust is terminated pursuant to PSA.
- (iv) The deposit of the Termination Price by the Terminator with the Trust pursuant to Section 9.01 of the PSA on a date that is no later than the Determination Date in the month immediately preceding the Distribution Date in which the Certificates will be retired; provided that the Early Termination Date may not occur until a date that is no earlier than the Business Day after the Distribution Date falling in the month immediately preceding the Distribution Date on which the Certificates will be retired pursuant to Section 9.01 of the PSA.

Part 2

Tax Representations.

- (a) **Payer Representations.** For the purpose of Section 3(e) of this Agreement, Party A will make the following representation and Party B will make the following representation:

It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 2(e), 6(d)(ii) or 6(e) of this Agreement) to be made by it to the other party under this Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of this Agreement, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of this Agreement and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii) of this Agreement and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of this Agreement, provided that it shall not be a breach of this representation where reliance is placed on clause (ii) and the other party does not deliver a form or document under Section 4(a)(iii) of this Agreement by reason of material prejudice to its legal or commercial position.

- (b) **Payee Representations.** For the purpose of Section 3(f) of this Agreement, Party A and Party B make the representations specified below, if any:

- (i) Party A makes the following representation to Party B:

- (A) Party A is entering into each Transaction in the ordinary course of its trade as, and is, a recognized UK bank as defined in Section 840A of the UK Income and Corporation Taxes Act of 1988.
- (B) Party A has been approved as a Withholding Foreign Partnership by the US Internal Revenue Service.
- (C) Party A's Withholding Foreign Partnership Employer Identification Number is 98-0330001.
- (D) Party A is a partnership that agrees to comply with any withholding obligation under Section 1446 of the Internal Revenue Code.

- (ii) Party B makes no representations for the purpose of Section 3(f) of this Agreement.

Part 3

Agreement to Deliver Documents.

For the purpose of Sections 4(a)(i) and (ii) of this Agreement, each party agrees to deliver the following documents, as applicable:

(a) Tax forms, documents or certificates to be delivered are:— None

(b) Other documents to be delivered are:—

Party required to deliver document	Form/Document/Certificate	Date by which to be delivered	Covered by Section 3(d) Representation
Party A	Certified copy of the board of directors resolution (or equivalent authorizing documentation) which sets forth the authority of each signatory to this Agreement and each Credit Support Document (if any) signing on its behalf and the authority of such party to enter into Transactions contemplated and performance of its obligations hereunder.	Concurrently with the execution and delivery of this Agreement.	Yes
Party A and Party B	Incumbency certificate (or, if available the current authorized signature book or equivalent authorizing documentation) specifying the names, titles, authority and specimen signatures of the persons authorized to execute this Agreement which sets forth the specimen signatures of each signatory to this Agreement, each Confirmation and each Credit Support Document (if any) signing on its behalf.	Concurrently with the execution and delivery of this Agreement unless previously delivered and still in full force and effect.	Yes
Party A and B	An opinion of counsel to such party reasonably satisfactory in form and substance to the other party.	Concurrently with the execution and delivery of the Confirmation unless previously delivered and still in full force and effect.	No
Party B	An executed copy of the PSA.	Within 30 days after the date of this Agreement.	Yes

Part 4.

Miscellaneous.

(a) **Addresses for Notices.** For the purposes of Section 12(a) of this Agreement:

Party A:

(1) Address for notices or communications to Party A (other than by facsimile):-

Address:	One Cabot Square London E14 4QJ England	Attention:	(1) Head of Credit Risk Management; (2) Managing Director - Operations Department; (3) Managing Director - Legal Department
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Telex No.:	264521	Answerback:	CSFBI G
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(For all purposes.)

(2) For the purpose of facsimile notices or communications under this Agreement (other than a notice or communication under Section 5 or 6):-

Facsimile No.: 44 20 7888 2686
Attention: Managing Director - Legal Department

Telephone number for oral confirmation of receipt of facsimile in legible form: 44 20 7888 2028
Designated responsible employee for the purposes of Section 12(a)(iii): Senior Legal Secretary

Party B: Long Beach Mortgage Loan Trust 2005-3

c/o: Deutsche Bank National Trust Company
1761 East St. Andrew Place,
Santa Ana,
California 92705-4934
Attention: Long Beach Mortgage Loan Trust 2005-3

(b) **Process Agent.** For the purposes of Section 13(c) of this Agreement:

Party A appoints as its Process Agent:

Credit Suisse First Boston LLC
Eleven Madison Avenue
New York, NY 10010

Attention: General Counsel
Legal and Compliance Department

Party B appoints as its Process Agent: Not applicable.

(c) **Offices.** With respect to Party A, the provisions of Section 10(a) will apply to this Agreement.

(d) **Multibranch Party.** For the purpose of Section 10(c) of this Agreement:

Party A is not a Multibranch Party.

Party B is not a Multibranch Party.

(e) **Calculation Agent.** The Calculation Agent is Party A.

(f) **Credit Support Document.** Credit Support Document means

With respect to Party A: The Credit Support Annex.

With respect to Party B: The PSA.

(g) **Credit Support Provider.**

Credit Support Provider means in relation to Party A: Not applicable.

Credit Support Provider means in relation to Party B: Not applicable.

(h) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of New York (without reference to choice of law doctrine other than New York General Obligation Law Sections 5-1401 and 5-1402).

(i) **Netting of Payments.** Subparagraph (ii) of Section 2(c) of this Agreement will apply to all Transactions.

(j) **"Affiliate."** Each of Party A and Party B shall be deemed to have no Affiliates.

Part 5.

Other Provisions.

(a) **Definitions.**

Any capitalized terms used but not otherwise defined in this Agreement shall have the meanings assigned to them (or incorporated by reference) in the PSA. In the event of any inconsistency between the terms of this Agreement and the terms of the PSA, this Agreement will govern.

(b) **Downgrade Provisions.**

(1) It shall be a collateralization event (a "**Collateralization Event**") if (A) (i) the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of Party A are rated below "A1" by Moody's Investors Service, Inc. ("**Moody's**") or are rated "A1" by Moody's and such rating is on watch for possible downgrade (but only for so long as it is on watch for possible downgrade) and (ii) the unsecured, unguaranteed and otherwise unsupported short-term debt obligations of Party A are rated below "P-1" by Moody's or are rated "P-1" by Moody's and such rating is on watch for possible downgrade (but only for so long as it is on watch for possible downgrade), (B) no short-term rating is available from Moody's and the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of Party A are rated below "Aa3" by Moody's or are rated "Aa3" by Moody's and such rating is on watch for possible downgrade (but only for so long as it is on watch for possible downgrade), or (C) either (i) the unsecured, unguaranteed and otherwise unsupported short-term debt obligations of Party A are rated below "A-1" by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**") or (ii) if Party A does not have a short-term rating from S&P, the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of Party A are rated below "A+" by S&P. For the avoidance of doubt, the parties hereby acknowledge and agree that notwithstanding the occurrence of a Collateralization Event, this Agreement and each Transaction hereunder shall continue to qualify as a Swap Agreement for purposes of the distribution priorities in Article IV of the PSA. During any period in which a Collateralization Event is occurring, Party A shall, at its own expense, and subject to satisfaction of the Rating Agency Condition either (i) post collateral according to the terms of the 1994 ISDA Credit Support Annex to this Schedule, including Paragraph 13, thereof (the "**Credit Support Annex**"), (ii) furnish a guarantee of Party A's obligations under this Agreement from a guarantor with a long-term credit rating greater than or equal to "A+" by S&P and "Aa3" by Moody's, or (iii) obtain a substitute counterparty that (a) is reasonably acceptable to Party B, (b) satisfies the Hedge Counterparty Ratings Requirement (as defined herein) and (c) assumes the obligations of Party A under this Agreement (through an assignment and assumption agreement in form and substance reasonably satisfactory to Party B) or replaces the outstanding Transactions hereunder with transactions on identical terms, except that Party A shall be replaced as counterparty, provided that such substitute counterparty, as of the date of such assumption or replacement, must not, as a result thereof, be required to withhold or deduct on account of tax under the Agreement or the new transactions, as applicable, and such assumption or replacement must not lead to a termination event or event of default occurring in respect of the new transactions, as applicable. To the extent that Party A elects or is required to post collateral pursuant to this Part 5(b)(1), Party A shall request its legal counsel to deliver to each applicable Rating Agency within thirty (30) calendar days of the occurrence of such Collateralization Event an opinion as to the enforceability of the Credit Support Annex.

(2) It shall be a ratings event (a "**Ratings Event**") if at any time after the date hereof Party A shall fail to satisfy the Hedge Counterparty Ratings Threshold. "**Hedge Counterparty Ratings Threshold**" shall mean (A) the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of Party A are rated at least "BBB-" by S&P, (B) the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of Party A are rated at least "A3" by Moody's (and such rating is not on watch for possible downgrade) and the unsecured, unguaranteed and

otherwise unsupported short-term debt obligations of Party A are rated at least "P-2" by Moody's (and such rating is not on watch for possible downgrade), and (C) either (i) the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of Party A are rated at least "A" by Fitch, Inc. ("Fitch") or (ii) the unsecured, unguaranteed and otherwise unsupported short-term debt obligations of Party B are rated at least "F1" by Fitch. For the avoidance of all doubts, the parties hereby acknowledge and agree that notwithstanding the occurrence of a Ratings Event, this Agreement and each Transaction hereunder shall continue to qualify as a Swap Agreement for purposes of the distribution priorities in Section 4.01 of the PSA.

(3) Following a Ratings Event, Party A shall take the following actions:

(a) Party A, at its sole expense, shall (i) commence actively to seek to obtain a substitute counterparty that (A) satisfies the Rating Agency Condition, (B) satisfies the Hedge Counterparty Ratings Requirement and (C) assumes the obligations of Party A under this Agreement (through an assignment and assumption agreement in form and substance reasonably satisfactory to Party B) or replaces the outstanding Transactions hereunder with transactions on identical terms, except that Party A shall be replaced as counterparty, provided that such substitute counterparty, as of the date of such assumption or replacement, must not, as a result thereof, be required to withhold or deduct on account of tax under the Agreement or the new transactions, as applicable, and such assumption or replacement must not lead to a termination event or event of default occurring in respect of the new transactions, as applicable, and (ii) be required to post collateral as set forth in (b) below;

(b) If Party A has not obtained a substitute counterparty as set forth in (3)(a) above within 30 days (or, in the case of a failure to meet the requirements of subparagraph (A) of the definition of "Hedge Counterparty Ratings Threshold", as soon as commercially practicable after such failure) of the Ratings Event, then Party A shall continue to seek a substitute counterparty and, on or prior to the expiration of such period, post collateral according to the terms of the Credit Support Annex. Notwithstanding anything contained herein to the contrary, if Party A is required to transfer its rights and obligations under this Agreement pursuant to this Part 5(b)(3) as a result of a rating issued by S&P, Party A shall, at all times prior to such transfer, be required to post collateral in accordance with (i) the terms of the Credit Support Annex or (ii) an agreement with Party B providing for the posting of collateral, which agreement shall satisfy the Rating Agency Condition specified in Part 5(n) below and require Party A to post the required collateral.

"Hedge Counterparty Ratings Requirement" shall mean (a) either (i) the unsecured, unguaranteed and otherwise unsupported short-term debt obligations of the substitute counterparty are rated at least "A-1" by S&P or (ii) if the substitute counterparty does not have a short-term rating from S&P, the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of the substitute counterparty are rated at least "A+" by S&P, (b) either (i) the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of such substitute counterparty are rated at least "A1" by Moody's (and if rated "A1" by Moody's, such rating is not on watch for possible downgrade) and the unsecured, unguaranteed and otherwise unsupported short-term debt obligations of such substitute counterparty are rated at least "P-1" by Moody's (and if rated "P-1" by Moody's, such rating is not on watch for possible downgrade and remaining on watch for possible downgrade), or (ii) if such substitute counterparty does not have a short-term debt rating from Moody's, the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of such substitute counterparty are rated at least "Aa3" by Moody's (and if rated "Aa3" by Moody's, such rating is not on watch for possible downgrade), and (c) either (i) the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of such substitute counterparty are rated at least "A" by Fitch or (ii) the unsecured, unguaranteed and otherwise unsupported short-term debt obligations of such substitute counterparty are rated at least "F1" by Fitch. For the purpose of this definition, no direct or

indirect recourse against one or more shareholders of the substitute counterparty (or against any Person in control of, or controlled by, or under common control with, any such shareholder) shall be deemed to constitute a guarantee, security or support of the obligations of the substitute counterparty.

(c) Section 3(a) of this Agreement is hereby amended to include the following additional representations after paragraph 3(a)(v):

(vi) **Eligible Contract Participant.** It is an "eligible contract participant" as defined in section 1a(12) of the U.S. Commodity Exchange Act.

(vii) **Individual Negotiation.** This Agreement and each Transaction hereunder is subject to individual negotiation by the parties.

(viii) **Relationship between Party A and Party B.** Subject as provided in Part 5(g), each of Party A and Party B will be deemed to represent to the other on the date on which it enters into a Transaction or an amendment thereof that (absent a written agreement between Party A and Party B that expressly imposes affirmative obligations to the contrary for that Transaction):

(1) **Principal.** It is acting as principal and not as agent when entering into this Agreement and each Transaction.

(2) **Non-Reliance.** It is acting for its own account and it has made its own independent decisions to enter into that Transaction and as to whether that Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into that Transaction; it being understood that information and explanations related to the terms and conditions of a Transaction shall not be considered investment advice or a recommendation to enter into that Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of that Transaction.

(3) **Evaluation and Understanding.** It is capable of evaluating and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Agreement and each Transaction hereunder. It is also capable of assuming, and assumes, all financial and other risks of this Agreement and each Transaction hereunder.

(4) **Status of Parties.** The other party is not acting as a fiduciary or an advisor for it in respect of that Transaction.

(d) **Section 1(c).** For purposes of Section 1(c) of the Agreement, the Transaction with External ID: 9231339N3 shall be the sole Transaction under the Agreement.

(e) **Transfer.** Section 7 is hereby amended to read in its entirety as follows:

Except as stated under Section 6(b)(ii), neither Party A nor Party B is permitted to assign, novate or transfer (whether by way of security or otherwise) as a whole or in part any of its rights, obligations or interests under this Agreement or any Transaction without the prior written consent of the other party; provided, however, that (i) Party A may make such a transfer of this Agreement pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of substantially all of its assets to,

another entity, or an incorporation, reincorporation or reconstitution, and (ii) Party A may transfer this Agreement to any Person that is an office, branch or affiliate of Party A (any such Person, office, branch or affiliate, a "**Transferee**") on at least five Business Days' prior written notice to Party B; provided that, with respect to clause (ii), (A) as of the date of such transfer the Transferee will not be required to withhold or deduct on account of a Tax from any payments under this Agreement unless the Transferee will be required to make payments of additional amounts pursuant to Section 2(d)(i)(4) of this Agreement in respect of such Tax; (B) a Termination Event or Event of Default does not occur under this Agreement as a result of such transfer; (C) such notice is accompanied by a written instrument pursuant to which the Transferee acquires and assumes the rights and obligations of Party A so transferred; and (D) Party A will be responsible for any costs or expenses incurred in connection with such transfer. Party B will execute such documentation as is reasonably deemed necessary by Party A for the effectuation of any such transfer. Notwithstanding the foregoing, no such transfer shall be made unless the transferring party obtains a written acknowledgment from each of the Rating Agencies that, notwithstanding such transfer, the then-current ratings of the Class A Certificates and the Mezzanine Certificates (the "Offered Certificates") will not be reduced or withdrawn.

Except as specified otherwise in the documentation evidencing a transfer, a transfer of all the obligations of Party A made in compliance with this Section 7 will constitute an acceptance and assumption of such obligations (and any related interests so transferred) by the Transferee, a novation of the transferee in place of Party A with respect to such obligations (and any related interests so transferred), and a release and discharge by Party B of Party A from, and an agreement by Party B not to make any claim for payment, liability, or otherwise against Party A with respect to, such obligations from and after the effective date of the transfer.

- (f) **Trustee Capacity.** It is expressly understood and agreed by the parties hereto that (i) this Agreement is executed and delivered by the Trustee not individually or personally but solely as trustee of the Trust, in the exercise of the powers and authority conferred and vested in it under the PSA, (ii) each of the representations, undertakings and agreements herein made on the part of the Trust is made and intended not as personal representations, undertakings and agreements by the Trustee but is made and intended for the purpose of binding only the Trust, (iii) nothing herein contained shall be construed as creating any liability on the part of the Trustee, individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any Person claiming by, through or under the parties hereto and (iv) under no circumstances shall the Trustee be personally liable for the payment of any indebtedness or expenses of the Trust or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Trust under this Agreement or any other related documents as to all of which recourse shall be had solely to the assets of the Trust in accordance with the terms of the PSA.

(g) **Additional Representations.**

Party B represents that:

- (i) **Status.** The Trustee is trustee of the Trust whose appointment is valid and effective both under the laws of the State of New York and under the PSA, and the Trustee has the power to own assets in its capacity as trustee of the Trust.
- (ii) **Powers.** In its capacity as trustee of the Trust, the Trustee has power under the PSA to execute this Agreement and any other documentation relating to this Agreement that the Trustee is executing and delivering on behalf of the Trust, to deliver this Agreement and any other documentation relating to this Agreement that it is required to execute and deliver and to perform the obligations (on behalf of the Trust) under this Agreement and any obligations (on behalf of the Trust) under any Credit

Support Document to which the Trust is party and has taken all necessary action to authorize such execution, delivery and performance;

- (iii) No violation or conflict. Such execution, delivery and performance do not violate or conflict with any law applicable to the Trustee or the Trust, any provision of the PSA, any order or judgment of any court or other agency of government applicable to the Trustee, the Trust or any assets of the Trust, or any contractual restriction binding on or affecting the Trustee, the Trust or any assets of the Trust;
- (iv) Consents. All governmental and other consents that are required have been obtained by the Trust with respect to this Agreement or any Credit Support Document to which the Trust is party have been obtained and are in full force and effect and all conditions of such consents have been complied with; and
- (v) Obligations binding. The obligation of the Trust under this Agreement and any Credit Support Document to which the Trust is party constitute legal, valid and binding obligations of the Trust, enforceable against the Trust in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or law)) and no circumstances are known to the Trust or the Trustee which would or might prevent the Trustee from having recourse to the assets of the Trust for the purposes of meeting such obligations.
- (h) **Proceedings.** Without impairing any right afforded to it under the PSA as a third party beneficiary, Party A shall not institute against or cause any other person to institute against, or join any other person in instituting against the Trust, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any federal or state bankruptcy, dissolution or similar law, for a period of one year and one day, or if longer the applicable preference period then in effect, following indefeasible payment in full of the Certificates. Nothing shall preclude, or be deemed to stop, Party A (i) from taking any action prior to the expiration of the aforementioned one year and one day period, or if longer the applicable preference period then in effect, in (A) any case or proceeding voluntarily filed or commenced by Party B or (B) any involuntary insolvency proceeding filed or commenced by a Person other than Party A, or (ii) from commencing against Party B or any of the Mortgage Loans any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium, liquidation or similar proceeding.
- (i) **Change of Account.** Section 2(b) of this Agreement is hereby amended by the addition of the following after the word "delivery" in the first line thereof:-

"to another account in the same legal and tax jurisdiction as the original account"
- (j) **Pooling and Servicing Agreement.** Party B will provide at least ten days' prior written notice to Party A of any proposed amendment or modification to the PSA and Party B will obtain the prior written consent of Party A to any such amendment or modification, where such consent is required under the terms of the PSA.
- (k) **Set-off.** Notwithstanding any provision of this Agreement or any other existing or future agreements, each of Party A and Party B irrevocably waives as to itself any and all contractual rights it may have to set off, net, recoup or otherwise withhold or suspend or condition its payment or performance of any obligation to the other party under this Agreement against any obligation of one party hereto to the

other party hereto arising outside of this Agreement. The provisions for set-off set forth in Section 6(e) of this Agreement shall not apply for purposes of this Transaction.

- (l) **Notice of Certain Events or Circumstances.** Each party agrees, upon learning of the occurrence or existence of any event or condition that constitutes (or that with the giving of notice or passage of time or both would constitute) an Event of Default or Termination Event with respect to such party, promptly to give the other party notice of such event or condition (or, in lieu of giving notice of such event or condition in the case of an event or condition that with the giving of notice or passage of time or both would constitute an Event of Default or Termination Event with respect to the party, to cause such event or condition to cease to exist before becoming an Event of Default or Termination Event); provided that failure to provide notice of such event or condition pursuant to this Part 5(l) shall not constitute an Event of Default or a Termination Event.
- (m) **Regarding Party A.** Party B acknowledges and agrees that Party A has had and will have no involvement in and, accordingly Party A accepts no responsibility for: (i) the establishment, structure, or choice of assets of Party B; (ii) the selection of any person performing services for or acting on behalf of Party B; (iii) the selection of Party A as the Counterparty; (iv) the terms of the Certificates; (v) the preparation of or passing on the disclosure and other information contained in any offering circular for the Certificates, the PSA, or any other agreements or documents used by Party B or any other party in connection with the marketing and sale of the Certificates (other than information provided by Party A for purposes of the disclosure document relating to the Offered Certificates); (vi) the ongoing operations and administration of Party B, including the furnishing of any information to Party B which is not specifically required under this Agreement; or (vii) any other aspect of Party B's existence.
- (n) **Rating Agency Condition.** Without prejudice to Section 9 of this Agreement, this Agreement will not be amended unless Party B shall have received prior written confirmation from each of the Rating Agencies that such amendment will not cause S&P, Moody's or Fitch to downgrade or withdraw its then-current ratings of any outstanding Offered Certificates.
- (o) **Jurisdiction.** Section 13(b) is hereby amended by: (i) deleting in the second line of subparagraph (i) thereof the word "non-" and (ii) deleting the final paragraph thereof.
- (p) **Waiver of Jury Trial.** Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to this Agreement or any Credit Support Document. Each party certifies (i) that no representative, agent or attorney of the other party or any Credit Support Provider has represented, expressly or otherwise, that such other party would not, in the event of such a suit, action or proceeding, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other party have been induced to enter into this Agreement and provide for any Credit Support Document, as applicable, by, among other things, the mutual waivers and certifications in this Section.
- (q) **Consent to Recording.** Each party (i) consents to the recording of the telephone conversations of trading and marketing personnel of the parties in connection with this Agreement or any potential transaction and (ii) if applicable, agrees to obtain any necessary consent of, and give notice of such recording to, such personnel.
- (r) **Independent Reliance.** The parties agree to amend Section 3 of this Agreement by the addition of the following provision at the end thereof and marked as subsection (g).
 - "(g) **Independent Reliance.** Party A is entering into this Agreement and will enter into each Transaction in reliance upon such tax, accounting, regulatory, legal, and financial advice as it

deems necessary and not upon any view expressed by the other party. Party B is entering into this Agreement and will enter into each Transaction in reliance upon the direction of the Depositor and not upon any view expressed by the other party."

- (s) **Escrow Payments.** If (whether by reason of the time difference between the cities in which payments are to be made or otherwise) it is not possible for simultaneous payments to be made on any date on which both parties are required to make payments hereunder, either party may at its option and in its sole discretion notify the other party that payments on that date are to be made in escrow. In this case deposit of the payment due earlier on that date shall be made by 2:00 pm (local time at the place for the earlier payment) on that date with an escrow agent selected by the notifying party, accompanied by irrevocable payment instructions (i) to release the deposited payment to the intended recipient upon receipt by the escrow agent of the required deposit of the corresponding payment from the other party on the same date accompanied by irrevocable payment instructions to the same effect or (ii) if the required deposit of the corresponding payment is not made on that same date, to return the payment deposited to the party that paid it into escrow. The party that elects to have payments made in escrow shall pay all costs of the escrow arrangements.

IN WITNESS WHEREOF, the parties have executed this document by their duly authorized officers with effect from the date specified on the first page hereof.

**CREDIT SUISSE FIRST BOSTON
INTERNATIONAL**

**LONG BEACH MORTGAGE LOAN TRUST
2005-3**

**By Deutsche Bank National Trust Company, not
in its individual capacity but solely as Trustee on
behalf of Long Beach Mortgage Loan Trust
2005-3**

By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

ISDA®

International Swaps and Derivatives Association, Inc.

CREDIT SUPPORT ANNEX

to the Schedule to the

1992 ISDA MASTER AGREEMENT (MULTICURRENCY - CROSS BORDER)

.....
DATED AS OF SEPTEMBER 7, 2005

between

..... CREDIT SUISSE FIRST BOSTON INTERNATIONAL

and

..... LONG BEACH MORTGAGE LOAN TRUST 2005-3

("Party A")

("Party B")

This Annex supplements, forms part of, and is subject to, the above-referenced Agreement, is part of its Schedule and is a Credit Support Document under this Agreement with respect to each party.

Accordingly, the parties agree as follows:—

Paragraph 1. Interpretation

(a) **Definitions and Inconsistency.** Capitalized terms not otherwise defined herein or elsewhere in this Agreement have the meanings specified pursuant to Paragraph 12, and all references in this Annex to Paragraphs are to Paragraphs of this Annex. In the event of any inconsistency between this Annex and the other provisions of this Schedule, this Annex will prevail, and in the event of any inconsistency between Paragraph 13 and the other provisions of this Annex, Paragraph 13 will prevail.

(b) **Secured Party and Pledgor.** All references in this Annex to the "Secured Party" will be to either party when acting in that capacity and all corresponding references to the "Pledgor" will be to the other party when acting in that capacity; *provided, however*, that if Other Posted Support is held by a party to this Annex, all references herein to that party as the Secured Party with respect to that Other Posted Support will be to that party as the beneficiary thereof and will not subject that support or that party as the beneficiary thereof to provisions of law generally relating to security interests and secured parties.

Paragraph 2. Security Interest

Each party, as the Pledgor, hereby pledges to the other party, as the Secured Party, as security for its Obligations, and grants to the Secured Party a first priority continuing security interest in, lien on and right of Set-off against all Posted Collateral Transferred to or received by the Secured Party hereunder. Upon the Transfer by the Secured Party to the Pledgor of Posted Collateral, the security interest and lien granted hereunder on that Posted Collateral will be released immediately and, to the extent possible, without any further action by either party.

Paragraph 3. Credit Support Obligations

(a) **Delivery Amount.** Subject to Paragraphs 4 and 5, upon a demand made by the Secured Party on or promptly following a Valuation Date, if the Delivery Amount for that Valuation Date equals or exceeds the Pledgor's Minimum Transfer Amount, then the Pledgor will Transfer to the Secured Party Eligible Credit Support having a Value as of the date of Transfer at least equal to the applicable Delivery Amount (rounded pursuant to Paragraph 13). Unless otherwise specified in Paragraph 13, the "**Delivery Amount**" applicable to the Pledgor for any Valuation Date will equal the amount by which:

(i) the Credit Support Amount

exceeds

(ii) the Value as of that Valuation Date of all Posted Credit Support held by the Secured Party.

(b) **Return Amount.** Subject to Paragraphs 4 and 5, upon a demand made by the Pledgor on or promptly following a Valuation Date, if the Return Amount for that Valuation Date equals or exceeds the Secured Party's Minimum Transfer Amount, then the Secured Party will Transfer to the Pledgor Posted Credit Support specified by the Pledgor in that demand having a Value as of the date of Transfer as close as practicable to the applicable Return Amount (rounded pursuant to Paragraph 13). Unless otherwise specified in Paragraph 13, the "**Return Amount**" applicable to the Secured Party for any Valuation Date will equal the amount by which:

(i) the Value as of that Valuation Date of all Posted Credit Support held by the Secured Party

exceeds

(ii) the Credit Support Amount.

"**Credit Support Amount**" means, unless otherwise specified in Paragraph 13, for any Valuation Date (i) the Secured Party's Exposure for that Valuation Date plus (ii) the aggregate of all Independent Amounts applicable to the Pledgor, if any, minus (iii) all Independent Amounts applicable to the Secured Party, if any, minus (iv) the Pledgor's Threshold; *provided, however*, that the Credit Support Amount will be deemed to be zero whenever the calculation of Credit Support Amount yields a number less than zero.

Paragraph 4. Conditions Precedent, Transfer Timing, Calculations and Substitutions

(a) **Conditions Precedent.** Each Transfer obligation of the Pledgor under Paragraphs 3 and 5 and of the Secured Party under Paragraphs 3, 4(d)(ii), 5 and 6(d) is subject to the conditions precedent that:

(i) no Event of Default, Potential Event of Default or Specified Condition has occurred and is continuing with respect to the other party; and

(ii) no Early Termination Date for which any unsatisfied payment obligations exist has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the other party.

(b) **Transfer Timing.** Subject to Paragraphs 4(a) and 5 and unless otherwise specified, if a demand for the Transfer of Eligible Credit Support or Posted Credit Support is made by the Notification Time, then the relevant Transfer will be made not later than the close of business on the next Local Business Day; if a demand is made after the Notification Time, then the relevant Transfer will be made not later than the close of business on the second Local Business Day thereafter.

(c) **Calculations.** All calculations of Value and Exposure for purposes of Paragraphs 3 and 6(d) will be made by the Valuation Agent as of the Valuation Time. The Valuation Agent will notify each party (or the other party, if the Valuation Agent is a party) of its calculations not later than the Notification Time on the Local Business Day following the applicable Valuation Date (or in the case of Paragraph 6(d), following the date of calculation).

(d) Substitutions.

(i) Unless otherwise specified in Paragraph 13, upon notice to the Secured Party specifying the items of Posted Credit Support to be exchanged, the Pledgor may, on any Local Business Day, Transfer to the Secured Party substitute Eligible Credit Support (the "Substitute Credit Support"); and

(ii) subject to Paragraph 4(a), the Secured Party will Transfer to the Pledgor the items of Posted Credit Support specified by the Pledgor in its notice not later than the Local Business Day following the date on which the Secured Party receives the Substitute Credit Support, unless otherwise specified in Paragraph 13 (the "Substitution Date"); *provided* that the Secured Party will only be obligated to Transfer Posted Credit Support with a Value as of the date of Transfer of that Posted Credit Support equal to the Value as of that date of the Substitute Credit Support.

Paragraph 5. Dispute Resolution

If a party (a "Disputing Party") disputes (I) the Valuation Agent's calculation of a Delivery Amount or a Return Amount or (II) the Value of any Transfer of Eligible Credit Support or Posted Credit Support, then (1) the Disputing Party will notify the other party and the Valuation Agent (if the Valuation Agent is not the other party) not later than the close of business on the Local Business Day following (X) the date that the demand is made under Paragraph 3 in the case of (I) above or (Y) the date of Transfer in the case of (II) above, (2) subject to Paragraph 4(a), the appropriate party will Transfer the undisputed amount to the other party not later than the close of business on the Local Business Day following (X) the date that the demand is made under Paragraph 3 in the case of (I) above or (Y) the date of Transfer in the case of (II) above, (3) the parties will consult with each other in an attempt to resolve the dispute and (4) if they fail to resolve the dispute by the Resolution Time, then:

(i) In the case of a dispute involving a Delivery Amount or Return Amount, unless otherwise specified in Paragraph 13, the Valuation Agent will recalculate the Exposure and the Value as of the Recalculation Date by:

(A) utilizing any calculations of Exposure for the Transactions (or Swap Transactions) that the parties have agreed are not in dispute;

(B) calculating the Exposure for the Transactions (or Swap Transactions) in dispute by seeking four actual quotations at mid-market from Reference Market-makers for purposes of calculating Market Quotation, and taking the arithmetic average of those obtained; *provided* that if four quotations are not available for a particular Transaction (or Swap Transaction), then fewer than four quotations may be used for that Transaction (or Swap Transaction); and if no quotations are available for a particular Transaction (or Swap Transaction), then the Valuation Agent's original calculations will be used for that Transaction (or Swap Transaction); and

(C) utilizing the procedures specified in Paragraph 13 for calculating the Value, if disputed, of Posted Credit Support.

(ii) In the case of a dispute involving the Value of any Transfer of Eligible Credit Support or Posted Credit Support, the Valuation Agent will recalculate the Value as of the date of Transfer pursuant to Paragraph 13.

Following a recalculation pursuant to this Paragraph, the Valuation Agent will notify each party (or the other party, if the Valuation Agent is a party) not later than the Notification Time on the Local Business Day following the Resolution Time. The appropriate party will, upon demand following that notice by the Valuation Agent or a resolution pursuant to (3) above and subject to Paragraphs 4(a) and 4(b), make the appropriate Transfer.

Paragraph 6. Holding and Using Posted Collateral

(a) **Care of Posted Collateral.** Without limiting the Secured Party's rights under Paragraph 6(c), the Secured Party will exercise reasonable care to assure the safe custody of all Posted Collateral to the extent required by applicable law, and in any event the Secured Party will be deemed to have exercised reasonable care if it exercises at least the same degree of care as it would exercise with respect to its own property. Except as specified in the preceding sentence, the Secured Party will have no duty with respect to Posted Collateral, including, without limitation, any duty to collect any Distributions, or enforce or preserve any rights pertaining thereto.

(b) **Eligibility to Hold Posted Collateral; Custodians.**

(i) **General.** Subject to the satisfaction of any conditions specified in Paragraph 13 for holding Posted Collateral, the Secured Party will be entitled to hold Posted Collateral or to appoint an agent (a "Custodian") to hold Posted Collateral for the Secured Party. Upon notice by the Secured Party to the Pledgor of the appointment of a Custodian, the Pledgor's obligations to make any Transfer will be discharged by making the Transfer to that Custodian. The holding of Posted Collateral by a Custodian will be deemed to be the holding of that Posted Collateral by the Secured Party for which the Custodian is acting.

(ii) **Failure to Satisfy Conditions.** If the Secured Party or its Custodian fails to satisfy any conditions for holding Posted Collateral, then upon a demand made by the Pledgor, the Secured Party will, not later than five Local Business Days after the demand, Transfer or cause its Custodian to Transfer all Posted Collateral held by it to a Custodian that satisfies those conditions or to the Secured Party if it satisfies those conditions.

(iii) **Liability.** The Secured Party will be liable for the acts or omissions of its Custodian to the same extent that the Secured Party would be liable hereunder for its own acts or omissions.

(c) **Use of Posted Collateral.** Unless otherwise specified in Paragraph 13 and without limiting the rights and obligations of the parties under Paragraphs 3, 4(d)(ii), 5, 6(d) and 8, if the Secured Party is not a Defaulting Party or an Affected Party with respect to a Specified Condition and no Early Termination Date has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the Secured Party, then the Secured Party will, notwithstanding Section 9-207 of the New York Uniform Commercial Code, have the right to:

(i) sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business any Posted Collateral it holds, free from any claim or right of any nature whatsoever of the Pledgor, including any equity or right of redemption by the Pledgor; and

(ii) register any Posted Collateral in the name of the Secured Party, its Custodian or a nominee for either.

For purposes of the obligation to Transfer Eligible Credit Support or Posted Credit Support pursuant to Paragraphs 3 and 5 and any rights or remedies authorized under this Agreement, the Secured Party will be deemed to continue to hold all Posted Collateral and to receive Distributions made thereon, regardless of whether the Secured Party has exercised any rights with respect to any Posted Collateral pursuant to (i) or (ii) above.

(d) **Distributions and Interest Amount.**

(i) **Distributions.** Subject to Paragraph 4(a), if the Secured Party receives or is deemed to receive Distributions on a Local Business Day, it will Transfer to the Pledgor not later than the following Local Business Day any Distributions it receives or is deemed to receive to the extent that a Delivery Amount would not be created or increased by that Transfer, as calculated by the Valuation Agent (and the date of calculation will be deemed to be a Valuation Date for this purpose).

(ii) **Interest Amount.** Unless otherwise specified in Paragraph 13 and subject to Paragraph 4(a), in lieu of any interest, dividends or other amounts paid or deemed to have been paid with respect to Posted Collateral in the form of Cash (all of which may be retained by the Secured Party), the Secured Party will Transfer to the Pledgor at the times specified in Paragraph 13 the Interest Amount to the extent that a Delivery Amount would not be created or increased by that Transfer, as calculated by the Valuation Agent (and the date of calculation will be deemed to be a Valuation Date for this purpose). The Interest Amount or portion thereof not Transferred pursuant to this Paragraph will constitute Posted Collateral in the form of Cash and will be subject to the security interest granted under Paragraph 2.

Paragraph 7. Events of Default

For purposes of Section 5(a)(iii)(1) of this Agreement, an Event of Default will exist with respect to a party if:

- (i) that party fails (or fails to cause its Custodian) to make, when due, any Transfer of Eligible Collateral, Posted Collateral or the Interest Amount, as applicable, required to be made by it and that failure continues for two Local Business Days after notice of that failure is given to that party;
- (ii) that party fails to comply with any restriction or prohibition specified in this Annex with respect to any of the rights specified in Paragraph 6(c) and that failure continues for five Local Business Days after notice of that failure is given to that party; or
- (iii) that party fails to comply with or perform any agreement or obligation other than those specified in Paragraphs 7(i) and 7(ii) and that failure continues for 30 days after notice of that failure is given to that party.

Paragraph 8. Certain Rights and Remedies

(a) **Secured Party's Rights and Remedies.** If at any time (1) an Event of Default or Specified Condition with respect to the Pledgor has occurred and is continuing or (2) an Early Termination Date has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the Pledgor, then, unless the Pledgor has paid in full all of its Obligations that are then due, the Secured Party may exercise one or more of the following rights and remedies:

- (i) all rights and remedies available to a secured party under applicable law with respect to Posted Collateral held by the Secured Party;
- (ii) any other rights and remedies available to the Secured Party under the terms of Other Posted Support, if any;
- (iii) the right to Set-off any amounts payable by the Pledgor with respect to any Obligations against any Posted Collateral or the Cash equivalent of any Posted Collateral held by the Secured Party (or any obligation of the Secured Party to Transfer that Posted Collateral); and
- (iv) the right to liquidate any Posted Collateral held by the Secured Party through one or more public or private sales or other dispositions with such notice, if any, as may be required under applicable law, free from any claim or right of any nature whatsoever of the Pledgor, including any equity or right of redemption by the Pledgor (with the Secured Party having the right to purchase any or all of the Posted Collateral to be sold) and to apply the proceeds (or the Cash equivalent thereof) from the liquidation of the Posted Collateral to any amounts payable by the Pledgor with respect to any Obligations in that order as the Secured Party may elect.

Each party acknowledges and agrees that Posted Collateral in the form of securities may decline speedily in value and is of a type customarily sold on a recognized market, and, accordingly, the Pledgor is not entitled to prior notice of any sale of that Posted Collateral by the Secured Party, except any notice that is required under applicable law and cannot be waived.

(b) **Pledgor's Rights and Remedies.** If at any time an Early Termination Date has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the Secured Party, then (except in the case of an Early Termination Date relating to less than all Transactions (or Swap Transactions) where the Secured Party has paid in full all of its obligations that are then due under Section 6(e) of this Agreement):

(i) the Pledgor may exercise all rights and remedies available to a pledgor under applicable law with respect to Posted Collateral held by the Secured Party;

(ii) the Pledgor may exercise any other rights and remedies available to the Pledgor under the terms of Other Posted Support, if any;

(iii) the Secured Party will be obligated immediately to Transfer all Posted Collateral and the Interest Amount to the Pledgor; and

(iv) to the extent that Posted Collateral or the Interest Amount is not so Transferred pursuant to (iii) above, the Pledgor may:

(A) Set-off any amounts payable by the Pledgor with respect to any Obligations against any Posted Collateral or the Cash equivalent of any Posted Collateral held by the Secured Party (or any obligation of the Secured Party to Transfer that Posted Collateral); and

(B) to the extent that the Pledgor does not Set-off under (iv)(A) above, withhold payment of any remaining amounts payable by the Pledgor with respect to any Obligations, up to the Value of any remaining Posted Collateral held by the Secured Party, until that Posted Collateral is Transferred to the Pledgor.

(c) **Deficiencies and Excess Proceeds.** The Secured Party will Transfer to the Pledgor any proceeds and Posted Credit Support remaining after liquidation, Set-off and/or application under Paragraphs 8(a) and 8(b) after satisfaction in full of all amounts payable by the Pledgor with respect to any Obligations; the Pledgor in all events will remain liable for any amounts remaining unpaid after any liquidation, Set-off and/or application under Paragraphs 8(a) and 8(b).

(d) **Final Returns.** When no amounts are or thereafter may become payable by the Pledgor with respect to any Obligations (except for any potential liability under Section 2(d) of this Agreement), the Secured Party will Transfer to the Pledgor all Posted Credit Support and the Interest Amount, if any.

Paragraph 9. Representations

Each party represents to the other party (which representations will be deemed to be repeated as of each date on which it, as the Pledgor, Transfers Eligible Collateral) that:

(i) it has the power to grant a security interest in and lien on any Eligible Collateral it Transfers as the Pledgor and has taken all necessary actions to authorize the granting of that security interest and lien;

(ii) it is the sole owner of or otherwise has the right to Transfer all Eligible Collateral it Transfers to the Secured Party hereunder, free and clear of any security interest, lien, encumbrance or other restrictions other than the security interest and lien granted under Paragraph 2;

(iii) upon the Transfer of any Eligible Collateral to the Secured Party under the terms of this Annex, the Secured Party will have a valid and perfected first priority security interest therein (assuming that any central clearing corporation or any third-party financial intermediary or other entity not within the control of the Pledgor involved in the Transfer of that Eligible Collateral gives the notices and takes the action required of it under applicable law for perfection of that interest); and

(iv) the performance by it of its obligations under this Annex will not result in the creation of any security interest, lien or other encumbrance on any Posted Collateral other than the security interest and lien granted under Paragraph 2.

Paragraph 10. Expenses

(a) **General.** Except as otherwise provided in Paragraphs 10(b) and 10(c), each party will pay its own costs and expenses in connection with performing its obligations under this Annex and neither party will be liable for any costs and expenses incurred by the other party in connection herewith.

(b) **Posted Credit Support.** The Pledgor will promptly pay when due all taxes, assessments or charges of any nature that are imposed with respect to Posted Credit Support held by the Secured Party upon becoming aware of the same, regardless of whether any portion of that Posted Credit Support is subsequently disposed of under Paragraph 6(c), except for those taxes, assessments and charges that result from the exercise of the Secured Party's rights under Paragraph 6(c).

(c) **Liquidation/Application of Posted Credit Support.** All reasonable costs and expenses incurred by or on behalf of the Secured Party or the Pledgor in connection with the liquidation and/or application of any Posted Credit Support under Paragraph 8 will be payable, on demand and pursuant to the Expenses Section of this Agreement, by the Defaulting Party or, if there is no Defaulting Party, equally by the parties.

Paragraph 11. Miscellaneous

(a) **Default Interest.** A Secured Party that fails to make, when due, any Transfer of Posted Collateral or the Interest Amount will be obligated to pay the Pledgor (to the extent permitted under applicable law) an amount equal to interest at the Default Rate multiplied by the Value of the items of property that were required to be Transferred, from (and including) the date that Posted Collateral or Interest Amount was required to be Transferred to (but excluding) the date of Transfer of that Posted Collateral or Interest Amount. This interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

(b) **Further Assurances.** Promptly following a demand made by a party, the other party will execute, deliver, file and record any financing statement, specific assignment or other document and take any other action that may be necessary or desirable and reasonably requested by that party to create, preserve, perfect or validate any security interest or lien granted under Paragraph 2, to enable that party to exercise or enforce its rights under this Annex with respect to Posted Credit Support or an Interest Amount or to effect or document a release of a security interest on Posted Collateral or an Interest Amount.

(c) **Further Protection.** The Pledgor will promptly give notice to the Secured Party of, and defend against, any suit, action, proceeding or lien that involves Posted Credit Support Transferred by the Pledgor or that could adversely affect the security interest and lien granted by it under Paragraph 2, unless that suit, action, proceeding or lien results from the exercise of the Secured Party's rights under Paragraph 6(c).

(d) **Good Faith and Commercially Reasonable Manner.** Performance of all obligations under this Annex, including, but not limited to, all calculations, valuations and determinations made by either party, will be made in good faith and in a commercially reasonable manner.

(e) **Demands and Notices.** All demands and notices made by a party under this Annex will be made as specified in the Notices Section of this Agreement, except as otherwise provided in Paragraph 13.

(f) **Specifications of Certain Matters.** Anything referred to in this Annex as being specified in Paragraph 13 also may be specified in one or more Confirmations or other documents and this Annex will be construed accordingly.

Paragraph 12. Definitions

As used in this Annex:—

“**Cash**” means the lawful currency of the United States of America.

“**Credit Support Amount**” has the meaning specified in Paragraph 3.

“**Custodian**” has the meaning specified in Paragraphs 6(b)(i) and 13.

“**Delivery Amount**” has the meaning specified in Paragraph 3(a).

“**Disputing Party**” has the meaning specified in Paragraph 5.

“**Distributions**” means with respect to Posted Collateral other than Cash, all principal, interest and other payments and distributions of cash or other property with respect thereto, regardless of whether the Secured Party has disposed of that Posted Collateral under Paragraph 6(c). Distributions will not include any item of property acquired by the Secured Party upon any disposition or liquidation of Posted Collateral or, with respect to any Posted Collateral in the form of Cash, any distributions on that collateral, unless otherwise specified herein.

“**Eligible Collateral**” means, with respect to a party, the items, if any, specified as such for that party in Paragraph 13.

“**Eligible Credit Support**” means Eligible Collateral and Other Eligible Support.

“**Exposure**” means for any Valuation Date or other date for which Exposure is calculated and subject to Paragraph 5 in the case of a dispute, the amount, if any, that would be payable to a party that is the Secured Party by the other party (expressed as a positive number) or by a party that is the Secured Party to the other party (expressed as a negative number) pursuant to Section 6(e)(ii)(2)(A) of this Agreement as if all Transactions (or Swap Transactions) were being terminated as of the relevant Valuation Time; *provided* that Market Quotation will be determined by the Valuation Agent using its estimates at mid-market of the amounts that would be paid for Replacement Transactions (as that term is defined in the definition of “Market Quotation”).

“**Independent Amount**” means, with respect to a party, the amount specified as such for that party in Paragraph 13; if no amount is specified, zero.

“**Interest Amount**” means, with respect to an Interest Period, the aggregate sum of the amounts of interest calculated for each day in that Interest Period on the principal amount of Posted Collateral in the form of Cash held by the Secured Party on that day, determined by the Secured Party for each such day as follows:

- (x) the amount of that Cash on that day; multiplied by
- (y) the Interest Rate in effect for that day; divided by
- (z) 360.

“**Interest Period**” means the period from (and including) the last Local Business Day on which an Interest Amount was Transferred (or, if no Interest Amount has yet been Transferred, the Local Business Day on which Posted Collateral in the form of Cash was Transferred to or received by the Secured Party) to (but excluding) the Local Business Day on which the current Interest Amount is to be Transferred.

“**Interest Rate**” means the rate specified in Paragraph 13.

“**Local Business Day**”, unless otherwise specified in Paragraph 13, has the meaning specified in the Definitions Section of this Agreement, except that references to a payment in clause (b) thereof will be deemed to include a Transfer under this Annex.

“Minimum Transfer Amount” means, with respect to a party, the amount specified as such for that party in Paragraph 13; if no amount is specified, zero.

“Notification Time” has the meaning specified in Paragraph 13.

“Obligations” means, with respect to a party, all present and future obligations of that party under this Agreement and any additional obligations specified for that party in Paragraph 13.

“Other Eligible Support” means, with respect to a party, the items, if any, specified as such for that party in Paragraph 13.

“Other Posted Support” means all Other Eligible Support Transferred to the Secured Party that remains in effect for the benefit of that Secured Party.

“Pledgor” means either party, when that party (i) receives a demand for or is required to Transfer Eligible Credit Support under Paragraph 3(a) or (ii) has Transferred Eligible Credit Support under Paragraph 3(a).

“Posted Collateral” means all Eligible Collateral, other property, Distributions, and all proceeds thereof that have been Transferred to or received by the Secured Party under this Annex and not Transferred to the Pledgor pursuant to Paragraph 3(b), 4(d)(ii) or 6(d)(i) or released by the Secured Party under Paragraph 8. Any Interest Amount or portion thereof not Transferred pursuant to Paragraph 6(d)(ii) will constitute Posted Collateral in the form of Cash.

“Posted Credit Support” means Posted Collateral and Other Posted Support.

“Recalculation Date” means the Valuation Date that gives rise to the dispute under Paragraph 5; *provided, however*, that if a subsequent Valuation Date occurs under Paragraph 3 prior to the resolution of the dispute, then the “Recalculation Date” means the most recent Valuation Date under Paragraph 3.

“Resolution Time” has the meaning specified in Paragraph 13.

“Return Amount” has the meaning specified in Paragraph 3(b).

“Secured Party” means either party, when that party (i) makes a demand for or is entitled to receive Eligible Credit Support under Paragraph 3(a) or (ii) holds or is deemed to hold Posted Credit Support.

“Specified Condition” means, with respect to a party, any event specified as such for that party in Paragraph 13.

“Substitute Credit Support” has the meaning specified in Paragraph 4(d)(i).

“Substitution Date” has the meaning specified in Paragraph 4(d)(ii).

“Threshold” means, with respect to a party, the amount specified as such for that party in Paragraph 13; if no amount is specified, zero.

“Transfer” means, with respect to any Eligible Credit Support, Posted Credit Support or Interest Amount, and in accordance with the instructions of the Secured Party, Pledgor or Custodian, as applicable:

- (i) in the case of Cash, payment or delivery by wire transfer into one or more bank accounts specified by the recipient;
- (ii) in the case of certificated securities that cannot be paid or delivered by book-entry, payment or delivery in appropriate physical form to the recipient or its account accompanied by any duly executed instruments of transfer, assignments in blank, transfer tax stamps and any other documents necessary to constitute a legally valid transfer to the recipient;
- (iii) in the case of securities that can be paid or delivered by book-entry, the giving of written instructions to the relevant depository institution or other entity specified by the recipient, together with a written copy thereof to the recipient, sufficient if complied with to result in a legally effective transfer of the relevant interest to the recipient; and
- (iv) in the case of Other Eligible Support or Other Posted Support, as specified in Paragraph 13.

“Valuation Agent” has the meaning specified in Paragraph 13.

“Valuation Date” means each date specified in or otherwise determined pursuant to Paragraph 13.

“Valuation Percentage” means, for any item of Eligible Collateral, the percentage specified in Paragraph 13.

“Valuation Time” has the meaning specified in Paragraph 13.

“Value” means for any Valuation Date or other date for which Value is calculated and subject to Paragraph 5 in the case of a dispute, with respect to:

- (i) Eligible Collateral or Posted Collateral that is:
 - (A) Cash, the amount thereof; and
 - (B) a security, the bid price obtained by the Valuation Agent multiplied by the applicable Valuation Percentage, if any;
- (ii) Posted Collateral that consists of items that are not specified as Eligible Collateral, zero; and
- (iii) Other Eligible Support and Other Posted Support, as specified in Paragraph 13.

Elections and Variables
to the ISDA Credit Support Annex
dated as of September 7, 2005
between

Credit Suisse First Boston International and Long Beach Mortgage Loan Trust 2005-3
("Party A") ("Party B")

Paragraph 13.

(a) ***Security Interest for "Obligations".***

The term "***Obligations***" as used in this Annex includes the following additional obligations:

With respect to Party A: None.

With respect to Party B: None.

(b) ***Credit Support Obligations.***

(i) ***Delivery Amount, Return Amount and Credit Support Amount.***

(A) "***Delivery Amount***" has the meaning specified in Paragraph 3(a), except that the words "upon a demand made by the Secured Party" shall be deleted and the word "that" on the second line of Paragraph 3(a) shall be replaced with the word "a". Paragraph 4(b) is hereby amended by the insertion of the words "(i) in respect of a Transfer pursuant to Paragraph 3(b)," immediately prior to the words "if a demand for" and the insertion of the words "; and (ii) in respect of a Transfer pursuant to Paragraph 3(a), the relevant Transfer will be made not later than the close of business on the Local Business Day following the Valuation Date" immediately prior to the period.

(B) "***Return Amount***" has the meaning specified in Paragraph 3(b).

(C) "***Credit Support Amount***" for a Valuation Date shall mean one of the following depending on whether or not the specified events have occurred on such Valuation Date:-

- (i) if a Collateralization Event has not occurred, or has occurred but is not continuing, "***Credit Support Amount***" shall mean zero (0);
- (ii) if a Ratings Event has occurred and is continuing or a Collateralization Event has occurred other than pursuant to Part 5(b)(1)(C) and is continuing, "***Credit Support Amount***" shall mean an amount in USD equal to the greater of (a) the Secured Party's Exposure and (b) an amount equal to the Floating Amount payable by Party A in respect of the first Floating Rate Payer Payment Date scheduled to occur on or after the date on which the Delivery Amount as a result of such Collateralization Event is due;
- (iii) if a Collateralization Event has occurred pursuant to Part 5(b)(1)(C) and is continuing, "***Credit Support Amount***" shall mean an amount in USD equal to the

Buffer and (b) zero. **"Notional Volatility Buffer"**, as determined by the Valuation Agent for any date, means the product of (i) the Notional Amount of the Transaction on such date, (ii) multiplied by the Payment Factor, (iii) multiplied by the Volatility Buffer Percentage for such date as set out in the table below on such date,

Party A S&P Rating on such date	Volatility Buffer Percentage
S&P S-T Rating of A-1 or above	0.00%
S&P S-T Rating of A-2	3.25%
S&P S-T Rating of A-3	4.00%
S&P L-T Rating of BB+ or lower	4.50%

L-T Rating means with respect to any Person, the unsecured, unguaranteed and otherwise unsupported long-term senior debt obligations of such Person.

S-T Rating means with respect to any Person, the unsecured, unguaranteed and otherwise unsupported short-term debt obligations of such Person.

Payment Factor means 1.

- (ii) **Eligible Collateral.** On any date, the following items will qualify as **"Eligible Collateral"** for Party A:

	Valuation Percentage
(A) Cash	100%
(B) negotiable debt obligations issued after 18 July 1984 by the U.S. Treasury Department having a residual maturity on such date of less than 1 year	98.5%
(C) negotiable debt obligations issued after 18 July 1984 by the U.S. Treasury Department having a residual maturity on such date equal to or greater than 1 year but less than 5 years	93.6%
(D) negotiable debt obligations issued after 18 July 1984 by the U.S. Treasury Department having a residual maturity on such date equal to or greater than 5 years but less than 10 years	89.9%

- (iii) **Other Eligible Support.** None.

- (iv) **Thresholds.**

- (A) **"Independent Amount"** means with respect to Party A: Not applicable.

"Independent Amount" means with respect to Party B: Not applicable.

(B) **"Threshold"** means with respect to Party A and Party B: Not applicable.

(C) **"Minimum Transfer Amount"** means with respect to Party A: USD50,000.

"Minimum Transfer Amount" means with respect to Party B: Not applicable.

(D) **Rounding** The Delivery Amount and the Return Amount will be rounded up and down respectively to the nearest integral multiple of USD10,000, provided that this "Rounding" provision shall not apply in respect of any Return Amount payable in respect of any date on which Party B's Exposure is less than or equal to zero.

(c) **Valuation and Timing.**

(i) **"Valuation Agent"** means Party A. Calculations by Party A will be made by reference to commonly accepted market sources.

(ii) **"Valuation Date"** means,

(A) in the event that (1) no Collateralization Event has occurred, or has occurred but is not continuing, (2) a Collateralization Event has occurred other than pursuant to Part 5(b)(1)(C) and is continuing, or (3) two or more Collateralization Events have occurred pursuant to Part 5(b)(1)(C) and any other subparagraph of Part 5(b)(1) and are continuing, each Local Business Day which, if treated as a Valuation Date, would result in a Delivery Amount or a Return Amount; and

(B) in the event that a Collateralization Event has occurred solely pursuant to Part 5(b)(1)(C) and is continuing, or a Ratings Event has occurred and Party A has not obtained a substitute counterparty as set forth in Part 5(b)(3) the last Local Business Day of each calendar week.

(iii) **"Valuation Time"** means the close of business in the city of the Valuation Agent on the Local Business Day before the Valuation Date or date of calculation, as applicable, provided that the calculations of Value and Exposure will be made as of approximately the same time on the same date.

(iv) **"Notification Time"** means 4:00 p.m., London time, on a Local Business Day.

(d) **Conditions Precedent and Secured Party's Rights and Remedies.**

No events shall constitute a "Specified Condition."

(e) **Substitution.**

(i) **"Substitution Date"** has the meaning specified in Paragraph 4(d)(ii).

(ii) **Consent.** The Pledgor must obtain the Secured Party's prior consent to any substitution pursuant to Paragraph 4(d) and shall give to the Secured Party not less than two (2) Local Business Days' notice thereof specifying the items of Posted Credit Support intended for substitution.

(f) **Dispute Resolution.**

- (i) **"Resolution Time"** means 4:00 p.m. London time on the Local Business Day following the date on which the notice of the dispute is given under Paragraph 5.
- (ii) **Value.** For the purpose of Paragraphs 5(i)(C) and 5(ii), on any date, the Value of Eligible Collateral and Posted Collateral will be calculated as follows:
 - (A) with respect to any Cash; the amount thereof; and
 - (B) with respect to any Eligible Collateral comprising securities; the sum of (a)(x) the last bid price on such date for such securities on the principal national securities exchange on which such securities are listed, multiplied by the applicable Valuation Percentage or (y) where any such securities are not listed on a national securities exchange, the bid price for such securities quoted as at the close of business on such date by any principal market maker for such securities chosen by the Valuation Agent, multiplied by the applicable Valuation Percentage or (z) if no such bid price is listed or quoted for such date, the last bid price listed or quoted (as the case may be), as of the day next preceding such date on which such prices were available; multiplied by the applicable Valuation Percentage; plus (b) the accrued interest on such securities (except to the extent that such interest shall have been paid to the Pledgor pursuant to Paragraph 6(d)(ii) or included in the applicable price referred to in subparagraph (a) above) as of such date.
- (iii) **Alternative.** The provisions of Paragraph 5 will apply provided the obligation of the appropriate party to deliver the undisputed amount to the other party will not arise prior to the time that would otherwise have applied to the Transfer pursuant to, or deemed made, under Paragraph 3 if no dispute had arisen.

(g) ***Holding and Using Posted Collateral.***

(i) ***Eligibility to Hold Posted Collateral; Custodians:***

The Trustee (as defined in the PSA) will be entitled to hold Posted Collateral pursuant to Paragraph 6(b).

- (ii) ***Use of Posted Collateral.*** The provisions of Paragraph 6(c) will not apply to Party B. Therefore, Party B will not have any of the rights specified in Paragraph 6(c)(i) or 6(c)(ii).

(h) ***Distributions and Interest Amount.***

- (i) ***Interest Rate.*** The **"Interest Rate"** will be the annualized rate of return actually achieved on Posted Collateral in the form of Cash during the relevant Interest Period.
- (ii) ***Transfer of Interest Amount.*** The Transfer of the Interest Amount will be made on any Local Business Day on which Posted Collateral in the form of Cash is Transferred to the Pledgor pursuant to Paragraph 3(b).
- (iii) ***Alternative to Interest Amount.*** The provisions of Paragraph 6(d)(ii) will apply and for the purposes of calculating the Interest Amount the amount of interest calculated for each day of the Interest Period shall be compounded daily.

(i) ***Additional Representation(s).***

There are no additional representations by either party.

(j) ***Demands and Notices.***

All demands, specifications and notices under this Annex will be made pursuant to the Notices Section of this Agreement, save that any demand, specification or notice:

(i) shall be given to or made at the following addresses:

If to Party A:

Address: One Cabot Square
London E14 4QJ
England

Telephone: 44 20 7888 3083
Facsimile: 44 20 7883 7987
Attention: Collateral Management Unit

If to Party B:

As set forth in Part 4(a) of the Schedule;

or at such other address as the relevant party may from time to time designate by giving notice (in accordance with the terms of this paragraph) to the other party;

(ii) shall (unless otherwise stated in this Annex) be deemed to be effective at the time such notice is actually received unless such notice is received on a day which is not a Local Business Day or after the Notification Time on any Local Business Day in which event such notice shall be deemed to be effective on the next succeeding Local Business Day.

(k) ***Address for Transfers.***

Party A: To be notified to Party B by Party A at the time of the request for the Transfer.

Party B: To be notified to Party A by Party B at the time of the request for the Transfer.

(l) ***Other Provisions.***

(i) ***Additional Definitions***

As used in this Annex:

"Equivalent Collateral" means, with respect to any security constituting Posted Collateral, a security of the same issuer and, as applicable, representing or having the same class, series, maturity, interest rate, principal amount or liquidation value and such other provisions as are necessary for that security and the security constituting Posted Collateral to be treated as equivalent in the market for such securities;

"Local Business Day" means: (i) any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, and (ii) in relation to a Transfer of Eligible Collateral, a day on which the clearance system agreed between the parties for the delivery of Eligible Collateral is open for acceptance and execution of settlement instructions (or in the case of a Transfer of Cash or other Eligible Collateral for which delivery is contemplated by other means, a day on which commercial banks are open for business (including

dealings for foreign exchange and foreign currency deposits) in New York and such other places as the parties shall agree);

(ii) ***Transfer Timing***

(a) Paragraph 4(b) shall be deleted and replaced in its entirety by the following paragraph:

"Subject to Paragraphs 4(a) and 5 and unless otherwise specified, if a demand for the Transfer of Eligible Credit Support or Posted Credit Support is made by the Notification Time, then the relevant Transfer will be made not later than the close of business on the second Local Business Day thereafter; if a demand is made after the Notification Time then the relevant Transfer will be made not later than the close of business on the third Local Business Day thereafter."

(b) Paragraph 6(d)(1) shall be amended so that the reference therein to "the following Local Business Day" shall be replaced by reference to "the second Local Business Day thereafter".

(iii) ***Events of Default***

Paragraph 7 shall be deleted and replaced in its entirety by the following paragraph:

"For the purposes of Section 5(a)(i) of this Agreement, an Event of Default will exist with respect to a party if that party fails (or fails to cause its Custodian) to make, when due, any Transfer of Posted Credit Support or the Interest Amount, as applicable, required to be made by it and that failure continues for two Local Business Days after the notice of that failure is given to that party".

(iv) ***Return of Fungible Securities***

In lieu of returning to the Pledgor pursuant to Paragraphs 3(b), 4(d), 5 and 8(d) any Posted Collateral comprising securities the Secured Party may return Equivalent Collateral.

(v) ***Covenants of the Pledgor***

So long as the Agreement is in effect, the Pledgor covenants that it will keep the Posted Collateral free from all security interests or other encumbrances created by the Pledgor, except the security interest created hereunder and any security interests or other encumbrances created by the Secured Party; and will not sell, transfer, assign, deliver or otherwise dispose of, or grant any option with respect to any Posted Collateral or any interest therein, or create, incur or permit to exist any pledge, lien, mortgage, hypothecation, security interest, charge, option or any other encumbrance with respect to any Posted Collateral or any interest therein, without the prior written consent of the Secured Party.

(vi) ***No Counterclaim***

A party's rights to demand and receive the Transfer of Eligible Collateral as provided hereunder and its rights as Secured Party against the Posted Collateral or otherwise shall be absolute and subject to no counterclaim, set-off, deduction or defense in favor of the Pledgor except as contemplated in Sections 2 and 6 of the Agreement and Paragraph 8 of this Annex.

(vii) ***Holding Collateral***

The Secured Party shall cause any Custodian appointed hereunder to open and maintain a segregated account and to hold, record and identify all the Posted Collateral in such segregated account and, subject to Paragraphs 6(c) and 8(a), such Posted Collateral shall at all times be and remain the property of the Pledgor and shall at no time constitute the property of, or be commingled with the property of, the Secured Party or the Custodian.

(viii) ***Security and Performance***

Eligible Collateral Transferred to the Secured Party constitutes security and performance assurance without which the Secured Party would not otherwise enter into and continue any and all Transactions.

(ix) ***Agreement as to Single Secured Party and Pledgor***

Party A and Party B agree that, notwithstanding anything to the contrary in the recital to this Annex, Paragraph 1(b), Paragraph 2 or the definitions in Paragraph 12, (a) the term "***Secured Party***" as used in this Annex means only Party B, (b) the term "***Pledgor***" as used in this Annex means only Party A, (c) only Party A makes the pledge and grant in Paragraph 2, the acknowledgment in the final sentence of Paragraph 8(a) and the representations in Paragraph 9 and (d) only Party A will be required to make Transfers of Eligible Credit Support hereunder.

(x) ***External Verification of Mark-to-Market Valuations.***

Every month after a Collateralization Event has occurred pursuant to Part 5(b)(1)(C) and is continuing, then, unless otherwise agreed in writing with S&P, Party A will verify its determination of Exposure of the Transaction on the next Valuation Date by seeking quotations from two (2) Reference Market-makers for their determination of Exposure of the Transaction on such Valuation Date and the Valuation Agent will use the greater of either (a) its own determination or (b) the highest quotation for a Reference Market-maker, if applicable, for the next Valuation Date; provided, that this Paragraph 13(l)(xi) shall only apply to the extent that the Offered Certificates outstanding at such time (as defined in the PSA) are rated higher by S&P than the S&P L-T Rating of Party A; and provided further, that Party A shall not seek verification of its determination of Exposure as described above from the same Reference Market-maker more than four times in any twelve-month period.

**CREDIT SUISSE FIRST BOSTON
INTERNATIONAL**

**LONG BEACH MORTGAGE LOAN TRUST
2005-3**

**By Deutsche Bank National Trust Company, not in
its individual capacity but solely as Trustee on
behalf of Long Beach Mortgage Loan Trust 2005-3**

By: _____
Name:
Title: Authorized Signatory

By: _____
Name:
Title:

By: _____
Name:
Title: Authorized Signatory

By: _____
Name:
Title:

EXHIBIT C

FORM OF MORTGAGE LOAN PURCHASE AGREEMENT

MORTGAGE LOAN PURCHASE AGREEMENT

This is a Mortgage Loan Purchase Agreement (the "Agreement"), dated September 1, 2005, between Long Beach Securities Corp., a Delaware corporation (the "Purchaser") and Long Beach Mortgage Company, a Delaware corporation (the "Seller").

Preliminary Statement

The Seller intends to sell certain mortgage loans and the swap agreement to the Purchaser on the terms and subject to the conditions set forth in this Agreement. The Purchaser intends to deposit the mortgage loans and the swap agreement into a mortgage pool constituting the trust fund. The trust fund will issue fixed rate and adjustable rate asset backed certificates designated as Long Beach Mortgage Loan Trust 2005-3 Asset-Backed Certificates, Series 2005-3 (the "Certificates"). The Certificates will consist of twenty classes of certificates. The Certificates will be issued pursuant to a Pooling and Servicing Agreement, dated as of August 1, 2005 (the "Pooling and Servicing Agreement"), among the Purchaser, as depositor, Deutsche Bank National Trust Company, as trustee (the "Trustee") and the Seller, as master servicer (in such capacity, the "Master Servicer"). Capitalized terms used but not defined herein shall have the meanings set forth in the Pooling and Servicing Agreement.

The parties hereto agree as follows:

SECTION 1. Agreement to Purchase.

The Seller agrees to sell, and the Purchaser agrees to purchase, on or before September 7, 2005 (the "Closing Date"), certain fixed-rate and adjustable-rate residential mortgage loans (the "Mortgage Loans") and a swap agreement, dated August 22, 2005 between Washington Mutual Bank and Credit Suisse First Boston International (the "Counterparty") as set forth on Schedule A attached hereto (the "Trust Swap Agreement"). The Trust Swap Agreement will be novated to the Seller pursuant to a novation dated as of September 7, 2005, among the Counterparty, WMB and the Seller. The Trust Swap Agreement will be novated to the Purchaser pursuant to a novation dated as of September 7, 2005, among the Counterparty, the Seller and the Purchaser.

SECTION 2. Mortgage Loan Schedule.

The Purchaser and the Seller have agreed upon which of the mortgage loans owned by the Seller are to be purchased by the Purchaser pursuant to this Agreement on the Closing Date and the Seller shall prepare or cause to be prepared on or prior to the Closing Date a final schedule (the "Closing Schedule") that shall describe such Mortgage Loans and set forth all of the Mortgage Loans to be purchased under this Agreement. The Closing Schedule shall conform to the requirements set forth in this Agreement and to the definition of "Mortgage Loan Schedule" under the Pooling and Servicing Agreement. The Closing Schedule shall be the Mortgage Loan Schedule under the Pooling and Servicing Agreement.

SECTION 3. Consideration.

In consideration for the Mortgage Loans and the Trust Swap Agreement to be purchased hereunder, the Purchaser shall on the Closing Date, as described in Section 8 hereof, (i) pay to or upon the order of the Seller in immediately available funds an amount (the "Purchase Price") equal to the proceeds of the Class A Certificates and the Mezzanine Certificates, net of the aggregate amount of the underwriting commissions and discounts applicable to such certificates; and (ii) deliver to the Seller or Long Beach Asset Holdings Corp., upon the order of the Seller, the Class C Certificates, the Class P Certificates, the Class R Certificates, the Class R-CX Certificates and the Class R-PX Certificates (the "Long Beach Certificates").

The Purchaser or any assignee, transferee or designee of the Purchaser shall be entitled to (i) all scheduled payments of principal due after August 1, 2005 (the "Cut-off Date"), (ii) all unscheduled collections in respect of the Mortgage Loans received after the Cut-off Date (other than the portion of such collections due on or prior to the Cut-off Date), (iii) all other payments of principal due and collected after the Cut-off Date, and (iv) all payments of interest on the Mortgage Loans due after the Cut-off Date. All scheduled payments of principal and interest due on or before the Cut-off Date and collected after the Cut-off Date shall belong to the Seller.

Pursuant to the Pooling and Servicing Agreement, the Purchaser will transfer, assign, set over and otherwise convey to the Trustee without recourse for the benefit of the Certificateholders, all the right, title and interest of the Purchaser in and to the Mortgage Loans and the Trust Swap Agreement, together with its rights under this Agreement (other than Section 17 hereof).

SECTION 4. Transfer of the Mortgage Loans and the Trust Swap Agreement.

(a) Possession of Mortgage Files. The Seller does hereby sell, transfer, assign, set over and convey to the Purchaser, without recourse, but subject to the terms of this Agreement, all of its right, title and interest in, to and under the Mortgage Loans and the Trust Swap Agreement. The contents of each Mortgage File related to a Mortgage Loan not delivered to the Purchaser or to any assignee, transferee or designee of the Purchaser on or prior to the Closing Date are and shall be held in trust by the Seller for the benefit of the Purchaser or any assignee, transferee or designee of the Purchaser and promptly transferred to the Trustee. Upon the sale of the Mortgage Loans, the ownership of each related Mortgage Note, the related Mortgage and the other contents of the related Mortgage File shall be vested in the Purchaser and the ownership of all records and documents with respect to the related Mortgage Loan prepared by or that come into the possession of the Seller on or after the Closing Date shall immediately vest in the Purchaser and shall be delivered promptly to the Purchaser or as otherwise directed by the Purchaser.

(b) Delivery of Mortgage Loan Documents. The Seller will, on or prior to the Closing Date deliver or cause to be delivered to the Purchaser, the Trustee or their designee each of the following documents for each Mortgage Loan:

(i) the original Mortgage Note, endorsed in blank or in the following form: “Pay to the order of Deutsche Bank National Trust Company, as Trustee, under the applicable agreement, without recourse,” with all prior and intervening endorsements, showing a complete chain of endorsement from the originator to the Person so endorsing to the Trustee or (in the case of not more than 1.00% of the Mortgage Loans, by aggregate principal balance as of the Cut-off Date) a copy of such original Mortgage Note with an accompanying Lost Note Affidavit executed by the Seller;

(ii) the original Mortgage with evidence of recording thereon, and a copy, certified by the appropriate recording office, of the recorded power of attorney, if the Mortgage was executed pursuant to a power of attorney, with evidence of recording thereon;

(iii) an original Assignment in blank;

(iv) the original recorded Assignment or Assignments showing a complete chain of assignment from the originator to the Person assigning the Mortgage to the Trustee or in blank;

(v) the original or copies of each assumption, modification, written assurance or substitution agreement, if any; and

(vi) the original lender’s title insurance policy, (or a copy of the above, in the case of any Washington Mutual Mortgage Loans) together with all endorsements or riders issued with or subsequent to the issuance of such policy, insuring the priority of the Mortgage as a first lien on the Mortgaged Property represented therein as a fee interest vested in the Mortgagor, or in the event such title policy is unavailable, a written commitment or uniform binder or preliminary report of the title issued by the title insurance or escrow company.

The Seller shall promptly (and in no event later than thirty (30) Business Days, subject to extension upon a mutual agreement between the Seller and the Purchaser) following the later of the Closing Date and the date of receipt by the Seller of the recording information for a Mortgage submit or cause to be submitted for recording, at no expense to the Purchaser, in the appropriate public office for real property records, each Assignment referred to in (iii) and (iv) above and shall execute each original Assignment referred to in clause (iii) above in the following form: “Deutsche Bank National Trust Company, as Trustee under the applicable agreement, without recourse.” In the event that any such Assignment is lost or returned unrecorded because of a defect therein, the Seller shall promptly prepare or cause to be prepared a substitute Assignment or cure or cause to be cured such defect, as the case may be, and thereafter cause each such Assignment to be duly recorded. Notwithstanding the foregoing, the Assignments referred to in (iii) and (iv) above shall not be required to be completed and submitted for recording with respect to any Mortgage Loan if each Rating Agency does not require recordation for such Rating Agency to assign the initial ratings to the Class A Certificates, the Mezzanine Certificates and the Other NIM Notes and initial shadow rating to the Insured NIM Notes, without giving effect to any insurance policy issued by the

NIMS Insurer; provided, however, each Assignment referred to in (iii) and (iv) above shall be submitted for recording by the Seller, in the manner described above, at no expense to the Purchaser, Trust Fund or the Trustee, upon the earliest to occur of: (i) reasonable direction by Holders of Certificates entitled to at least 25% of the Voting Rights, (ii) the occurrence of a Master Servicer Event of Default, (iii) the occurrence of a bankruptcy, insolvency or foreclosure relating to the Seller, (iv) the occurrence of a servicing transfer as described in Section 7.02 of the Pooling and Servicing Agreement and (v) if the Seller is not the Master Servicer and with respect to any one Assignment, the occurrence of a bankruptcy, insolvency or foreclosure relating to the Mortgagor under the related Mortgage.

If any document referred to in Section 4(b)(ii), Section 4(b)(iii), Section 4(b)(iv), or Section 4(b)(v) above (collectively, the "Recording Documents") has as of the Closing Date been submitted for recording but either (x) has not been returned from the applicable public recording office or (y) has been lost or such public recording office has retained the original of such document, the obligations of the Seller to deliver such Recording Documents shall be deemed to be satisfied upon (1) delivery to the Purchaser, the Trustee or their designee of a copy of each such Recording Document certified by the Seller in the case of (x) above or the applicable public recording office in the case of (y) above to be a true and complete copy of the original that was submitted for recording and (2) if such copy is certified by the Seller, delivery to the Purchaser, the Trustee or their designee upon receipt thereof, and in any event no later than one year after the Closing Date (except as provided below), of either the original or a copy of such Recording Document certified by the applicable public recording office to be a true and complete copy of the original. In instances where, due to a delay on the part of the applicable recording office where any such Recording Documents have been delivered for recordation, the Recording Documents cannot be delivered to the Purchaser, the Trustee or their designee within one year after the Closing Date, the Seller shall deliver to the Purchaser, the Trustee or their designee within such time period an Officer's Certificate stating the date by which the Seller expects to receive such Recording Documents from the applicable recording office. If the Recording Documents have still not been received by the Seller and delivered to the Purchaser, the Trustee or their designee by such date, the Seller shall deliver to the Purchaser, the Trustee or their designee by such date an additional Officer's Certificate stating a revised date by which Seller expects to receive the applicable Recording Documents. This procedure shall be repeated until the Recording Documents have been received by the Seller and delivered to the Purchaser, the Trustee or their designee. If the original or copy of the lender's title insurance policy was not delivered pursuant to Section 4(b)(vi) above, the Seller shall deliver or cause to be delivered to the Purchaser, the Trustee or their designee promptly after receipt thereof, and in any event within 120 days after the Closing Date such title insurance policy. The Seller shall deliver or cause to be delivered to the Purchaser, the Trustee or their designee promptly upon receipt thereof any other original documents constituting a part of a Mortgage File received with respect to any Mortgage Loan, including, but not limited to, any original documents evidencing an assumption or modification of any Mortgage Loan.

Each original document relating to a Mortgage Loan which is not delivered to the Purchaser, the Trustee or their designee, if held by the Seller, shall be so held for the benefit of the Purchaser, the Trustee or their designees. In the event that any such original document is required pursuant to the terms of this Section to be a part of a Mortgage File, such document

shall be delivered promptly to the Purchaser, the Trustee or their designee. Any such original document that is not required pursuant to the terms of this Section to be a part of a Mortgage File shall be held by the Seller in its capacity as Master Servicer.

(c) Acceptance of Mortgage Loans. The documents delivered pursuant to Section 4(b) hereof shall be reviewed by the Purchaser or any assignee, transferee or designee of the Purchaser at any time before, on and after the Closing Date (and with respect to each document permitted to be delivered after the Closing Date within seven days of its delivery) to ascertain that all required documents have been executed and received and that such documents relate to the Mortgage Loans identified on the Mortgage Loan Schedule.

(d) Transfer of Interest in Agreements. The Purchaser has the right to assign its interest under this Agreement (other than Section 17 hereof), in whole or in part, to the Trustee, as may be required to effect the purposes of the Pooling and Servicing Agreement, without the consent of the Seller, and the Trustee shall succeed to the rights and obligations hereunder of the Purchaser. Any expense reasonably incurred by or on behalf of the Purchaser, the Trustee, or the NIMS Insurer, if any, in connection with enforcing any obligations of the Seller under this Agreement will be promptly reimbursed by the Seller.

(e) Examination of Mortgage Files. Prior to the Closing Date the Seller shall either (i) deliver in escrow to the Purchaser or to any assignee, transferee or designee of the Purchaser, for examination, the Mortgage File pertaining to each Mortgage Loan, or (ii) make such Mortgage Files available to the Purchaser or to any assignee, transferee or designee of the Purchaser for examination. Such examination may be made by the Purchaser or the Trustee, and their respective designees, upon reasonable notice to the Seller during normal business hours at any time before or after the Closing Date. If any such person makes such examination prior to the Closing Date and identifies any Mortgage Loans with respect to which the Seller's representations and warranties contained in this Agreement are not correct, such Mortgage Loans shall be deleted from the Mortgage Loan Schedule. The Purchaser may, at its option and without notice to the Seller, purchase all or part of the Mortgage Loans without conducting any partial or complete examination. The fact that the Purchaser or any person has conducted or has failed to conduct any partial or complete examination of the related Mortgage Files shall not affect the rights of the Purchaser or any assignee, transferee or designee of the Purchaser to demand repurchase or other relief as provided herein or under the Pooling and Servicing Agreement.

SECTION 5. Representations, Warranties and Covenants of the Seller.

The Seller hereby represents and warrants and covenants to the Purchaser, as of the date hereof and as of the Closing Date:

(i) The Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is duly authorized and qualified to transact any and all business contemplated by this Agreement to be conducted by the Seller in any state in which a Mortgaged Property is located or is otherwise not required under applicable law to effect such qualification and, in any event, is in compliance with the doing business laws of any such state, to the extent

necessary to ensure its ability to enforce each Mortgage Loan and to service the Mortgage Loans in accordance with the terms of the Pooling and Servicing Agreement;

(ii) The Seller had the full corporate power and authority to originate, hold and sell each Mortgage Loan and has the full corporate power and authority to service each Mortgage Loan, and to execute, deliver and perform, and to enter into and consummate the transactions contemplated by this Agreement and has duly authorized by all necessary corporate action on the part of the Seller the execution, delivery and performance of this Agreement; and this Agreement, assuming the due authorization, execution and delivery thereof by the Purchaser, constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except to the extent that the enforceability thereof may be limited by (a) bankruptcy, insolvency, moratorium, receivership, conservatorship, arrangement, moratorium and other similar laws relating to creditors' rights generally and (b) the general principles of equity, whether such enforcement is sought in equity or at law;

(iii) The execution and delivery of this Agreement by the Seller, the servicing of the Mortgage Loans by the Seller under the Pooling and Servicing Agreement, the consummation of any other of the transactions herein contemplated, and the fulfillment of or compliance with the terms hereof are in the ordinary course of business of the Seller and does not (A) result in a breach of any term or provision of the charter or by-laws of the Seller, (B) conflict with, result in a breach, violation or acceleration of, or result in a default under, the terms of any other material agreement, instrument or indenture to which the Seller is a party or by which it may be bound, or any statute, order or regulation applicable to the Seller of any court, regulatory body, administrative agency or governmental body having jurisdiction over the Seller or any of its property or (C) result in the creation or imposition of any lien, charge or encumbrance which would have a material adverse effect upon the Mortgage Loans or any documents or instruments evidencing or securing the Mortgage Loans; and the Seller is not a party to, bound by, or in breach or violation of any indenture or other agreement or instrument, or subject to or in violation of any statute, order or regulation of any court, regulatory body, administrative agency or governmental body having jurisdiction over it, which materially and adversely affects or, to the Seller's knowledge, would in the future result in the creation or imposition of any lien, charge or encumbrance which would have a material adverse effect upon the Mortgage Loans or any documents or instruments evidencing or securing the Mortgage Loans or materially and adversely affect (x) the ability of the Seller to perform its obligations under this Agreement or the Pooling and Servicing Agreement or (y) the business, operations, financial condition, properties or assets of the Seller taken as a whole;

(iv) No consent, approval, authorization, or order of, any court or governmental agency or body is required for the execution, delivery and performance by the Seller of, or compliance by the Seller with, this Agreement or

the consummation of the transactions contemplated hereby, or if any such consent, approval, authorization or order is required, the Seller has obtained the same;

(v) The Seller is an approved seller/servicer for Fannie Mae or Freddie Mac in good standing and is a HUD approved mortgagee pursuant to Section 203 and Section 211 of the National Housing Act;

(vi) No litigation or proceeding is pending or, to the best knowledge of the Seller, threatened, against the Seller that would materially and adversely affect the execution, delivery or enforceability of this Agreement or the Pooling and Servicing Agreement or the issuance of the Certificates or the ability of the Seller to service the Mortgage Loans or to perform any of its other obligations hereunder in accordance with the terms hereof and the terms of the Pooling and Servicing Agreement or, that would result in a material adverse change in the financial or operating conditions of the Seller;

(vii) No certificate of an officer, statement or other information furnished in writing or report delivered by the Seller to the Purchaser, any Affiliate of the Purchaser or the Trustee for use in connection with the purchase of the Mortgage Loans and the transactions contemplated hereunder and under the Pooling and Servicing Agreement contains any untrue statement of a material fact, or omits a material fact necessary to make the information, certificate, statement or report not misleading in any material respect;

(viii) The Seller has not dealt with any broker, investment banker, agent or other person, except for the Purchaser or any of its affiliates, that may be entitled to any commission or compensation in connection with the sale of the Mortgage Loans;

(ix) Each Mortgage Note, each Mortgage, each Assignment and any other document required to be delivered by or on behalf of the Seller under this Agreement or the Pooling and Servicing Agreement to the Purchaser or any assignee, transferee or designee of the Purchaser for each Mortgage Loan has been or will be, in accordance with Section 4(b) hereof, delivered to the Purchaser or any such assignee, transferee or designee. With respect to each Mortgage Loan, the Seller is in possession of a complete Mortgage File in compliance with the Pooling and Servicing Agreement, except for such documents that have been delivered (1) to the Purchaser or any assignee, transferee or designee of the Purchaser or (2) for recording to the appropriate public recording office and have not yet been returned;

(x) The Seller (A) is a solvent entity and is paying its debts as they become due, (B) immediately after giving effect to the transfer of the Mortgage Loans, will be a solvent entity and will have sufficient resources to pay its debts as they become due and (C) did not sell the Mortgage Loans to the Purchaser with the intent to hinder, delay or defraud any of its creditors; and

(xi) The transfer of the Mortgage Loans to the Purchaser at the Closing Date will be treated by the Seller for financial accounting and reporting purposes as a sale of assets.

SECTION 6. Representations and Warranties of the Seller Relating to the Individual Mortgage Loans.

The Seller hereby represents and warrants to the Purchaser, that as of the Closing Date with respect to each Mortgage Loan:

(i) The information set forth on the Mortgage Loan Schedule with respect to each Mortgage Loan is true and correct in all material respects as of the Cut-off Date, unless another date is set forth on the Mortgage Loan Schedule;

(ii) [reserved];

(iii) Each Mortgage is a valid and enforceable first or second lien on the Mortgaged Property, including all improvements thereon, subject only to (a) the lien of non-delinquent current real property taxes and assessments, (b) covenants, conditions and restrictions, rights of way, easements and other matters of public record as of the date of recording of such Mortgage, such exceptions appearing of record being acceptable to mortgage lending institutions generally or specifically reflected in the appraisal made in connection with the origination of the related Mortgage Loan and which do not materially interfere with the benefits of the security intended to be provided by such Mortgage, (c) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by such Mortgage and (d) in the case of a second lien, only to a first lien on such Mortgaged Property;

(iv) Immediately prior to the assignment of the Mortgage Loans to the Purchaser, the Seller had good title to, and was the sole legal and beneficial owner of, each Mortgage Loan, free and clear of any pledge, lien, encumbrance or security interest and has full right and authority, subject to no interest or participation of, or agreement with, any other party to sell and assign the same. The form of endorsement of each Mortgage Note satisfied the requirement, if any, of endorsement in order to transfer all right, title and interest of the party so endorsing, as noteholder or assignee thereof, in and to that Mortgage Note; and each Assignment to be delivered hereunder is in recordable form and is sufficient to effect the assignment of and to transfer to the assignee thereunder the benefits of the assignor, as mortgagee or assignee thereof, under each Mortgage to which that Assignment relates;

(v) To the best of the Seller's knowledge, there is no delinquent tax or assessment lien against any Mortgaged Property;

(vi) There is no valid offset, defense or counterclaim to any Mortgage Note (including any obligation of the Mortgagor to pay the unpaid

principal of or interest on such Mortgage Note) or the Mortgage, nor will the operation of any of the terms of the Mortgage Note and the Mortgage, or the exercise of any right thereunder, render the Mortgage Note or the Mortgage unenforceable, in whole or in part, or subject to any right of rescission, set-off, counterclaim or defense, including the defense of usury and no such right of rescission, set-off, counterclaim or defense has been asserted with respect thereto;

(vii) To the best of the Seller's knowledge, there are no mechanics' liens or claims for work, labor or material affecting any Mortgaged Property which are or may be a lien prior to, or equal with, the lien of the related Mortgage, except those which are insured against by the title insurance policy referred to in (xi) below;

(viii) To the best of the Seller's knowledge, each Mortgaged Property is free of material damage and is at least in average repair;

(ix) Each Mortgage Loan at origination complied in all material respects with applicable local, state and federal laws, including, without limitation, predatory and abusive lending, usury, equal credit opportunity, real estate settlement procedures, truth-in-lending and disclosure laws, and consummation of the transactions contemplated hereby, including without limitation the receipt of interest does not involve the violation of any such laws;

(x) Neither the Seller nor any prior holder of any Mortgage has modified the Mortgage in any material respect, satisfied, canceled or subordinated such Mortgage in whole or in part; released the related Mortgaged Property in whole or in part from the lien of such Mortgage; or executed any instrument of release, cancellation, modification or satisfaction with respect thereto (except that a Mortgage Loan may have been modified by a written instrument signed by the Seller or a prior holder of the Mortgage Loan which has been recorded, if necessary, to protect the interests of the Seller and the Purchaser and which has been delivered to the Purchaser or any assignee, transferee or designee of the Purchaser as part of the Mortgage File, and the terms of which are reflected in the Mortgage Loan Schedule);

(xi) A lender's policy of title insurance together with a condominium endorsement and extended coverage endorsement, if applicable, and, with respect to each Adjustable Rate Mortgage Loan, an adjustable rate mortgage endorsement in an amount at least equal to the balance of the Mortgage Loan as of the Cut-off Date or a commitment (binder) to issue the same was effective on the date of the origination of each Mortgage Loan, each such policy is valid and remains in full force and effect, the transfer of the related Mortgage Loan to the Purchaser and the Trustee does not affect the validity or enforceability of such policy and each such policy was issued by a title insurer qualified to do business in the jurisdiction where the Mortgaged Property is located and acceptable to Fannie Mae or Freddie Mac and in a form acceptable to Fannie Mae or Freddie Mac on the date of origination of such Mortgage Loan, which policy insures the Seller and

successor owners of indebtedness secured by the insured Mortgage, as to the first or second, as the case may be, priority lien of the Mortgage; to the best of the Seller's knowledge, no claims have been made under such mortgage title insurance policy and no prior holder of the related Mortgage, including the Seller, has done, by act or omission, anything which would impair the coverage of such mortgage title insurance policy;

(xii) Each Mortgage Loan was originated by, or generated on behalf of, the Seller, or originated by a savings and loan association, savings bank, commercial bank, credit union, insurance company or similar institution which is supervised and examined by a federal or state authority, or by a mortgagee approved by the Secretary of Housing and Urban Development pursuant to Sections 203 and 211 of the National Housing Act;

(xiii) With respect to each Adjustable Rate Mortgage Loan, on each Adjustment Date, the Mortgage Rate will be adjusted to equal the Index plus the Gross Margin, rounded to the nearest 0.125%, subject to the Periodic Rate Cap, the Maximum Mortgage Rate and the Minimum Mortgage Rate. The related Mortgage Note is payable on the first day of each month in self-amortizing monthly installments of principal and interest (unless such Mortgage Loan is a mortgage loan that requires the payment of interest only with respect to some or all of the related monthly payments as indicated on the Mortgage Loan Schedule), with interest payable in arrears, and requires a Monthly Payment which is sufficient to fully amortize the outstanding principal balance of the Mortgage Loan over its remaining term and to pay interest at the applicable Mortgage Rate. No Mortgage Loan is subject to negative amortization. All rate adjustments have been performed in accordance with the terms of the related Mortgage Note or subsequent modifications, if any;

(xiv) To the best of the Seller's knowledge, all of the improvements which were included for the purpose of determining the Value of the Mortgaged Property lie wholly within the boundaries and building restriction lines of such property, and no improvements on adjoining properties encroach upon the Mortgaged Property;

(xv) All inspections, licenses and certificates required to be made or issued with respect to all occupied portions of the Mortgaged Property and, with respect to the use and occupancy of the same, including but not limited to certificates of occupancy, have been made or obtained from the appropriate authorities and to the best of the Seller's knowledge, the Mortgaged Property is lawfully occupied under applicable law;

(xvi) All parties which have had any interest in the Mortgage, whether as mortgagee, assignee, pledgee or otherwise, are (or, during the period in which they held and disposed of such interest, were) in compliance with any and all applicable licensing requirements of the laws of the state wherein the Mortgaged Property is located;

(xvii) The Mortgage Note and the related Mortgage are genuine, and each is the legal, valid and binding obligation of the Mortgagor enforceable against the Mortgagor by the mortgagee or its representative in accordance with its terms, except only as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by law. To the best of the Seller's knowledge, all parties to the Mortgage Note and the Mortgage had full legal capacity to execute all Mortgage Loan documents and to convey the estate purported to be conveyed by the Mortgage and each Mortgage Note and Mortgage have been duly and validly executed by such parties;

(xviii) The proceeds of each Mortgage Loan have been fully disbursed, there is no requirement for future advances thereunder and any and all requirements as to completion of any on-site or off-site improvements and as to disbursements of any escrow funds therefor have been complied with. All costs, fees and expenses incurred in making, closing or recording the Mortgage Loans were paid;

(xix) The related Mortgage contains customary and enforceable provisions which render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security, including, (i) in the case of a Mortgage designated as a deed of trust, by trustee's sale, and (ii) otherwise by judicial foreclosure. There is no homestead or other exemption available to the Mortgagor which would interfere with the right to sell the Mortgaged Property at a trustee's sale or the right to foreclose the Mortgage;

(xx) With respect to each Mortgage constituting a deed of trust, a trustee, duly qualified under applicable law to serve as such, has been properly designated and currently so serves and is named in such Mortgage, and no fees or expenses are or will become payable by the Purchaser to the trustee under the deed of trust, except in connection with a trustee's sale after default by the Mortgagor;

(xxi) There exist no deficiencies with respect to escrow deposits and payments, if such are required, for which customary arrangements for repayment thereof have not been made, and no escrow deposits or payments of other charges or payments due the Seller have been capitalized under the Mortgage or the related Mortgage Note;

(xxii) The origination, underwriting and collection practices used by the Seller with respect to each Mortgage Loan have been in all material respects legal, proper, prudent and customary in the subprime mortgage servicing business. Each Mortgage Loan is currently being serviced by Washington Mutual Bank;

(xxiii) There is no pledged account or other security other than real estate securing the Mortgagor's obligations;

(xxiv) No Mortgage Loan has a shared appreciation feature, or other contingent interest feature;

(xxv) [reserved];

(xxvi) The improvements upon each Mortgaged Property are covered by a valid and existing hazard insurance policy with a generally acceptable carrier that provides for fire extended coverage and coverage of such other hazards as are customarily covered by hazard insurance policies with extended coverage in the area where the Mortgaged Property is located representing coverage not less than the lesser of the outstanding principal balance of the related Mortgage Loan or the minimum amount required to compensate for damage or loss on a replacement cost basis. All individual insurance policies and flood policies referred to in this clause (xxvi) and in clause (xxvii) below contain a standard mortgagee clause naming the Seller or the original mortgagee, and its successors in interest, as mortgagee, and the Seller has received no notice that any premiums due and payable thereon have not been paid; the Mortgage obligates the Mortgagor thereunder to maintain all such insurance, including flood insurance, at the Mortgagor's cost and expense, and upon the Mortgagor's failure to do so, authorizes the holder of the Mortgage to obtain and maintain such insurance at the Mortgagor's cost and expense and to seek reimbursement therefor from the Mortgagor;

(xxvii) If the Mortgaged Property is in an area identified in the Federal Register by the Federal Emergency Management Agency as subject to special flood hazards, a flood insurance policy in a form meeting the requirements of the current guidelines of the Flood Insurance Administration is in effect with respect to such Mortgaged Property with a generally acceptable carrier in an amount representing coverage not less than the least of (A) the original outstanding principal balance of the Mortgage Loan, (B) the minimum amount required to compensate for damage or loss on a replacement cost basis or (C) the maximum amount of insurance that is available under the Flood Disaster Protection Act of 1973;

(xxviii) There is no default, breach, violation or event of acceleration existing under the Mortgage or the related Mortgage Note; and neither the Seller nor any other entity involved in originating or servicing the Mortgage Loan has waived any default, breach, violation or event of acceleration;

(xxix) Each Mortgaged Property is improved by a one- to four-family residential dwelling, including condominium units and dwelling units in planned unit developments, which, to the best of the Seller's knowledge, does not include cooperatives and does not constitute property other than real property under state law;

(xxx) There is no obligation on the part of the Seller or any other party under the terms of the Mortgage or related Mortgage Note to make payments in addition to those made by the Mortgagor;

(xxxix) Any future advances made prior to the Cut-off Date have been consolidated with the outstanding principal amount secured by the Mortgage, and the secured principal amount, as consolidated, bears a single interest rate and single repayment term reflected on the related Mortgage Loan Schedule. The consolidated principal amount does not exceed the original principal amount of the Mortgage Loan;

(xxxix) Each Mortgage Loan was underwritten in accordance with the Seller's underwriting guidelines as described in the Prospectus Supplement as applicable to its credit grade in all material respects (the "Underwriting Guidelines");

(xxxix) Each appraisal of a Mortgage Loan that was used to determine the appraised value of the related Mortgaged Property was conducted generally in accordance with the Underwriting Guidelines, and included an assessment by the appraiser of the fair market value of the related Mortgaged Property at the time of the appraisal. The Mortgage File contains an appraisal of the applicable Mortgaged Property;

(xxxix) None of the Mortgage Loans is a graduated payment Mortgage Loan, nor is any Mortgage Loan subject to a temporary buydown or similar arrangement;

(xxxix) There are no Mortgage Loans with respect to which the monthly payment due thereon in July, 2005 had not been made, none of the Mortgage Loans has been contractually delinquent for more than 30 days more than once during the preceding twelve months and, no Mortgage Loan has ever experienced a delinquency of 60 or more days since the origination thereof;

(xxxix) Each Mortgage contains a provision that is, to the extent not prohibited by federal or state law, enforceable for the acceleration of the payment of the unpaid principal balance of the Mortgage Loan in the event that the Mortgaged Property is sold or transferred without the prior written consent of the mortgagee thereunder;

(xxxix) To the best of the Seller's knowledge no misrepresentation, negligence, fraud or similar occurrence with respect to a Mortgage Loan has taken place on the part of any person, including, without limitation, the Mortgagor, any appraiser, any builder or developer, or any other party involved in the origination of the Mortgage Loan or in the application of any insurance in relation to such Mortgage Loan;

(xxxix) Each Mortgage Loan constitutes a "qualified mortgage" within the meaning of Section 860G(a)(3) of the Code;

(xxxix) The information set forth in the Prepayment Charge Schedule is complete, true and correct in all material respects at the date or dates respecting

which such information is furnished and each Prepayment Charge is permissible and enforceable in accordance with its terms under applicable law upon the Mortgagor's voluntary Principal Prepayment (except to the extent that: (1) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally; or (2) the collectability thereof may be limited due to acceleration in connection with a foreclosure or other involuntary prepayment). No Mortgage Loan originated before October 1, 2002 has a Prepayment Charge for a term in excess of five years from the date of its origination and no Mortgage Loan originated on or after October 1, 2002 has a prepayment charge for a term in excess of three years from the date of its origination;

(xl) The Loan-to-Value Ratio for each Mortgage Loan was no greater than 100% at the time of origination;

(xli) The first date on which each Mortgagor must make a payment on the related Mortgage Note is no later than 60 days from the date of this Agreement;

(xlii) With respect to each Mortgage Loan, the related Mortgagor shall not fail or has not failed to make the first Monthly Payment due under the terms of the Mortgage Loan by the second succeeding Due Date after the Due Date on which such Monthly Payment was due;

(xliii) The transfer, assignment and conveyance of the Mortgage Notes and the Mortgages by the Seller pursuant to this Agreement are not subject to the bulk transfer or any similar statutory provisions in effect in any relevant jurisdiction, except any as may have been complied with;

(xliv) There are no defaults in complying with the terms of the Mortgage, and either (1) any taxes, governmental assessments, insurance premiums, water, sewer and municipal charges or ground rents which previously became due and owing have been paid, or (2) an escrow of funds has been established in an amount sufficient to pay for every such item which remains unpaid and which has been assessed but is not yet due and payable. Except for payments in the nature of escrow payments, including without limitation, taxes and insurance payments, the Seller has not advanced funds, or induced, solicited or knowingly received any advance of funds by a party other than the Mortgagor, directly or indirectly, for the payment of any amount required by the Mortgage Note, except for interest accruing from the date of the Mortgage Note or date of disbursement of the Mortgage proceeds, whichever is greater, to the day which precedes by one month the Due Date of the first installment of principal and interest;

(xlv) There is no proceeding pending, or to best of the Seller's knowledge threatened, for the total or partial condemnation of the Mortgaged Property or the taking by eminent domain of any Mortgaged Property;

(xlvi) No Mortgage Loan is subject to the requirements of the Home Ownership and Equity Protection Act of 1994, as amended, or is a “high cost” or “predatory” loan under any state or local law or regulation applicable to the originator of such Mortgage Loan or which would result in liability to the purchaser or assignee of such Mortgage Loan under any predatory or abusive lending law. In the event that Financial Security Assurance, Inc. becomes a NIMS Insurer, no Mortgage Loan is a “covered” loan under the laws of the states of California, Colorado or Ohio;

(xlvii) No proceeds from any Mortgage Loans were used to finance single-premium credit insurance policies. No borrower was required to purchase any credit life, disability, accident or health insurance product as a condition of obtaining the extension of credit. No borrower obtained a prepaid single-premium credit life, disability, accident or health insurance policy in connection with the origination of the Mortgage Loan;

(xlviii) The Seller did not select the Mortgage Loans with the intent to adversely affect the interests of the Purchaser;

(xlix) The Seller has not received any notice that any Mortgagor has filed for any bankruptcy or similar legal protection since the date of the origination of such Mortgage Loan. Prior to the date of the origination of any Mortgage Loan, the Seller did not receive any notice that any Mortgagor has filed for bankruptcy or similar legal protection except as permitted under the Underwriting Guidelines;

(l) No Group I Mortgage Loan is a “High-Cost Home Loan” as defined in the Georgia Fair Lending Act, as amended (the “Georgia Act”), and no Mortgage Loan that was originated on or after October 1, 2002 and before March 7, 2003, is secured by a Mortgaged Property located in the State of Georgia;

(li) No Group I Mortgage Loan is a “High Cost Home Loan” as defined in the Kentucky high-cost loan statute effective June 24, 2003 (Ky. Rev. Stat. Section 360.100);

(lii) No Group I Mortgage Loan is a “High Cost Home Loan” as defined in the New Jersey Home Ownership Act effective November 27, 2003 (N.J.S.A. 46; 10B-22 et seq.);

(liii) No Group I Mortgage Loan is a subsection 10 mortgage under the Oklahoma Home Ownership and Equity Protection Act;

(liv) No Group I Mortgage Loan is a “High-Cost Home Loan” as defined in New York Banking Law 6-1;

(lv) No Group I Mortgage Loan is a “High Cost Home Loan” as defined in the Arkansas Home Loan Protection Act effective July 16, 2003 (Act 1340 of 2003);

(lvi) No Group I Mortgage Loan is a “High-Cost Home Loan” as defined in the New Mexico Home Loan Protection Act effective January 1, 2004 (N.M. Stat. Am. §§ 58-21A-1 et seq.);

(lvii) No Group I Mortgage Loan is a “High-Risk Home Loan” as defined in the Illinois High-Risk Home Loan Act effective January 1, 2004 (815 Ill. Comp. Stat. 137/1 et seq.);

(lviii) Each Group I Mortgage Loan was originated in compliance with the following anti-predatory lending guidelines:

a. Each Group I Mortgage Loan satisfies the eligibility for purchase requirements and was originated in compliance with Lender Letter # LL03-00 dated April 11, 2000 for Fannie Mae Sellers (the “Lender Letter”);

b. No borrower was encouraged or required by the Seller to select a Group I Mortgage Loan product offered by the Group I Mortgage Loan’s originator which is a higher cost product designed for less creditworthy borrowers, unless at the time of the Group I Mortgage Loan’s origination, such borrower did not qualify taking into account credit history and debt-to-income ratios for a lower-cost credit product then offered by the Group I Mortgage Loan’s originator or any affiliate of the Group I Mortgage Loan’s originator;

c. The methodology used in underwriting the extension of credit for each Group I Mortgage Loan employs objective mathematical principles which relate the borrower’s income, assets and liabilities to the proposed payment and such underwriting methodology does not rely on the extent of the borrower’s equity in the collateral as the principal determining factor in approving such credit extension. Such underwriting methodology provided reasonable assurance that at the time of origination (application/approval) the borrower had a reasonable ability to make timely payments on the Group I Mortgage Loan;

d. With respect to any Group I Mortgage Loan that contains a provision permitting imposition of a premium upon a prepayment prior to maturity, (i) the Seller’s pricing methods include mortgage loans with and without prepayment premiums; borrowers selecting Group I Mortgage Loans which include such prepayment premiums receive a monetary benefit, including but not limited to a rate or fee reduction, in exchange for selecting a Group I Mortgage Loan with a prepayment premium, (ii) prior to the Group I Mortgage Loan’s origination, the borrower had the opportunity to choose between an array of mortgage loan products which included mortgage loan products with prepayment premiums and mortgage loan products that did not require payment of such a premium, (iii) the prepayment premium is disclosed to the borrower in the loan documents pursuant to applicable state and federal law, and (iv) notwithstanding any state or federal law to the contrary, the Master Servicer shall not impose such prepayment premium in any instance when the mortgage debt is accelerated as the result of the borrower’s default in making the loan payments;

e. All points and fees related to each Group I Mortgage Loan were disclosed in writing to the borrower in accordance with applicable state and federal law. Except in the case of a Group I Mortgage Loan in an original principal amount of less than \$60,000 which would have resulted in an unprofitable origination, no borrower was charged “points and fees” (whether or not financed) in an amount greater than 5% of the principal amount of such loan, such 5% limitation calculated in accordance with the Lender Letter;

f. All fees and charges (including finance charges) and whether or not financed, assessed, collected or to be collected in connection with the origination and servicing of each Group I Mortgage Loan have been disclosed in writing to the borrower in accordance with applicable state and federal law and regulation;

(lix) No Group I Mortgage Loan had a principal balance at origination in excess of Fannie Mae’s conforming loan balance limitations for single family loans set forth in the Fannie Mae Charter Act and the Fannie Mae Selling Guide in effect at the time of such Group I Mortgage Loan's origination;

(lx) With respect to each Group I Mortgage Loan, information regarding the borrower credit file related to such Mortgage Loan has been furnished to credit reporting agencies in compliance with the provisions of the Fair Credit Reporting Act and the applicable implementing regulations;

(lxi) No Mortgage Loan is a “High Cost Loan” or “Covered Loan” (as such terms are defined in the Standard & Poor’s LEVELS® Glossary in effect on the Closing Date which is now Version 5.6c Revised, Exhibit E, applicable portions of which are attached hereto as Exhibit A) and no Mortgage Loan originated on or after October 1, 2002 through March 6, 2003 is governed by the Georgia Act;

(lxii) No Group I Mortgage Loan is a “High Cost Home Mortgage Loan” as defined in the Massachusetts Predatory Home Loan Practices Act effective November 7, 2004 (Mass. Ann. Laws ch. 183C);

(lxiii) No Group I Mortgage Loan is a “High Cost Home Loan” as defined in the Indiana Home Loan Practices Act effective January 1, 2005 (Ind. Code Ann. §§ 24-9-1 through 24-9-9); and

(lxiv) With respect to any Group I Mortgage Loan originated on or after August 1, 2004, neither the related Mortgage nor the related Mortgage Note requires the Mortgagor to submit to arbitration to resolve any dispute arising out of or relating in any way to the Mortgage Loan transaction.

SECTION 7. Repurchase Obligation for Defective Documentation and for Breach of Representation and Warranty.

(a) The representations and warranties contained in Section 5(ix) and Section 6 shall not be impaired by any review and examination of loan files or other documents evidencing or relating to the Mortgage Loans or any failure on the part of the Seller or the Purchaser to review or examine such documents and shall inure to the benefit of any assignee, transferee or designee of the Purchaser, including the Trustee for the benefit of holders of asset-backed certificates evidencing an interest in all or a portion of the Mortgage Loans. With respect to the representations and warranties contained herein which are made to the knowledge or the best of knowledge of the Seller, or as to which the Seller has no knowledge, if it is discovered that the substance of any such representation and warranty was inaccurate as of the date such representation and warranty was made or deemed to be made, and such inaccuracy materially and adversely affects the value of the related Mortgage Loan or the interest therein of the Purchaser or the Purchaser's assignee, transferee or designee, then notwithstanding the lack of knowledge by the Seller with respect to the substance of such representation and warranty being inaccurate at the time the representation and warranty was made, the Seller shall take such action described in the following paragraph in respect of such Mortgage Loan.

Upon discovery by the Seller, the Purchaser or any assignee, transferee or designee of the Purchaser of any materially defective document in, or that any material document was not transferred by the Seller (as listed on the Trustee's initial certification), as part of any Mortgage File or of a breach of any of the representations and warranties contained in Section 5 or Section 6 that materially and adversely affects the value of any Mortgage Loan or the interest of the Purchaser or the Purchaser's assignee, transferee or designee (it being understood that with respect to the representations and warranties set forth in the last sentence of (xxxix), (xlvi), the first sentence of (xlvii), (lxi) and (lxiv) of Section 6 herein, a breach of any such representation or warranty shall in and of itself be deemed to materially and adversely affect the interest therein of the Purchaser and the Purchaser's assignee, transferee or designee) in any Mortgage Loan, the party discovering the breach shall give prompt written notice to the others. Within ninety (90) days of the earlier of the discovery or the Seller's receipt of notice of any such missing documentation which was not transferred to the Purchaser as described above or materially defective documentation or any such breach of a representation and warranty, the Seller promptly shall deliver such missing document or cure such defect or breach in all material respects, or in the event the Seller cannot deliver such missing document or such defect or breach cannot be cured, the Seller shall, within 90 days of its discovery or receipt of notice, either (i) repurchase the affected Mortgage Loan at a price equal to the Purchase Price (as defined in the Pooling and Servicing Agreement) or (ii) pursuant to the provisions of the Pooling and Servicing Agreement, cause the removal of such Mortgage Loan from the Trust Fund and substitute one or more Qualified Substitute Mortgage Loans; provided, however, that in the case of a breach of the representation and warranty concerning the Mortgage Loan Schedule contained in Section 6(i), if such breach relates to any field on the Mortgage Loan Schedule which identifies any Prepayment Charge and such Prepayment Charge has been triggered pursuant to the terms of the related Mortgage Note, then in lieu of purchasing such Mortgage Loan from the Trust Fund at the Purchase Price (as defined in the Pooling and Servicing Agreement), the Seller shall pay the amount of the incorrectly identified Prepayment Charge (net of any amount previously collected by or paid to the Trust Fund in

respect of such Prepayment Charge), and the Seller shall have no obligation to repurchase or substitute for such Mortgage Loan. In the event of a substitution permitted hereunder, the Seller shall amend the Closing Schedule to reflect the withdrawal of each removed Mortgage Loan from the terms of this Agreement and the Pooling and Servicing Agreement and the addition of the Qualified Substitute Mortgage Loan(s). The Seller shall deliver to the Purchaser such amended Closing Schedule and shall deliver such other documents as are required by this Agreement or the Pooling and Servicing Agreement within five (5) days of any such amendment. Any repurchase pursuant to this Section 7(a) shall be accomplished by deposit in the Collection Account of the amount of the Purchase Price (as defined in the Pooling and Servicing Agreement) in accordance with Section 2.03 of the Pooling and Servicing Agreement. Any repurchase or substitution required by this Section shall be made in a manner consistent with Section 2.03 of the Pooling and Servicing Agreement and any remedy by the Seller for a breach of a representation or warranty that materially and adversely affects the value of any Prepayment Charge shall be made in a manner consistent with Section 2.03(c) of the Pooling and Servicing Agreement.

(b) It is understood and agreed that the obligations of the Seller set forth in this Section 7 to cure, repurchase or substitute for a defective Mortgage Loan constitute the sole remedies of the Purchaser against the Seller respecting a missing or defective document or a breach of the representations and warranties contained in Section 5 or Section 6.

SECTION 8. Closing; Payment for the Mortgage Loans.

The closing of the purchase and sale of the Mortgage Loans and the Trust Swap Agreement shall be held at the Seattle office of Heller Ehrman LLP at 9:30 am New York time on the Closing Date (or such other location or time as is mutually agreeable to the parties).

The Purchaser's obligation to close the transactions contemplated by this Agreement shall be subject to each of the following conditions:

(a) All of the representations and warranties of the Seller under this Agreement shall be true and correct in all material respects as of the date as of which they are made and no event shall have occurred which, with notice or the passage of time, would constitute a default under this Agreement;

(b) The Purchaser shall have received, or the attorneys of the Purchaser shall have received in escrow (to be released from escrow at the time of closing), all Closing Documents as specified in Section 9 of this Agreement, in such forms as are agreed upon and acceptable to the Purchaser, duly executed by all signatories other than the Purchaser as required pursuant to the respective terms thereof;

(c) The Seller shall have delivered or caused to be delivered and released to the Purchaser or to its designee, all documents (including without limitation, the Mortgage Loans) required to be so delivered by the Purchaser pursuant to Section 2.01 of the Pooling and Servicing Agreement; and

(d) All other terms and conditions of this Agreement to be complied with by Seller, shall have been complied with.

Subject to the foregoing conditions, the Purchaser shall deliver or cause to be delivered to the Seller on the Closing Date, against delivery and release by the Seller to the Trustee of all documents required pursuant to the Pooling and Servicing Agreement, the consideration for the Mortgage Loans and the Trust Swap Agreement as specified in Section 3 of this Agreement, by delivery to the Seller of the Purchase Price in immediately available funds and delivery of the Long Beach Certificates to the Seller or, upon the direction of the Seller, to Long Beach Asset Holdings Corp.

SECTION 9. Closing Documents.

Without limiting the generality of Section 8 hereof, the closing shall be subject to delivery of each of the following documents:

(a) An Officers' Certificate of the Seller, dated the Closing Date, upon which the Purchaser, Lehman Brothers Inc. ("Lehman") and WaMu Capital Corp. ("WCC", and together with Lehman, the "Co-Representatives") and the NIMS Insurer, if any, may rely and attached thereto copies of the certificate of incorporation, bylaws and certificate of good standing of the Seller under the laws of the State of Delaware;

(b) An Officers' Certificate of the Seller, dated the Closing Date, upon which the Purchaser, the Co-Representatives and the NIMS Insurer, if any, may rely, with respect to certain facts regarding the sale of the Mortgage Loans, by the Seller to the Purchaser;

(c) An Opinion of Counsel of the Seller (which may be in-house counsel of the Seller), dated the Closing Date and addressed to the Purchaser, the Co-Representatives and the NIMS Insurer, if any;

(d) Such opinions of counsel as the Rating Agencies, the Co-Representatives, the Trustee or the NIMS Insurer, if any, may reasonably request in connection with the sale of the Mortgage Loans and the Trust Swap Agreement by the Seller to the Purchaser or the Seller's execution and delivery of, or performance under, this Agreement;

(e) A letter from Deloitte & Touche L.L.P., certified public accountants, dated the date hereof and to the effect that they have performed certain specified procedures as a result of which they determined that certain information of an accounting, financial or statistical nature set forth in the Prospectus Supplement under the captions "Summary of Terms—Mortgage Loans", "Risk Factors", "The Mortgage Pool" and "Long Beach Mortgage Company" agrees with the records of the Seller;

(f) The Seller shall deliver to the Purchaser for inclusion in the Prospectus Supplement under the caption "Long Beach Mortgage Company" or for inclusion in other offering materials, such publicly available information regarding the Seller, its financial condition and its mortgage loan delinquency, foreclosure and loss experience, underwriting standards, lending activities and loan sales, production, and servicing and collection practices,

and any similar nonpublic, unaudited financial information and a computer tape with respect to the pool information, as the Co-Representatives may reasonably request;

(g) Letters from at least two nationally recognized statistical rating agencies rating the Offered Certificates (as defined in the Prospectus Supplement); and

(h) Such further information, certificates, opinions and documents as the Purchaser or the Co-Representatives may reasonably request.

SECTION 10. Costs.

The Seller shall pay (or shall reimburse the Purchaser or any other Person to the extent that the Purchaser or such other Person shall pay) all costs and expenses incurred in connection with the transfer and delivery of the Mortgage Loans and the Trust Swap Agreement, including without limitation, recording fees, fees for title policy endorsements and continuations and the fees for recording Assignments, the fees and expenses of the Seller's in-house accountants and in-house attorneys; the costs and expenses incurred in connection with determining the Seller's loan loss, foreclosure and delinquency experience, the costs and expenses incurred in connection with obtaining the documents referred to in Sections 9(d) and 9(e), the cost of an opinion of counsel regarding the true sale of the Mortgage Loans and the Trust Swap Agreement and non-consolidation of the Seller, the costs and expenses of printing (or otherwise reproducing) and delivering this Agreement, the Pooling and Servicing Agreement, the Certificates, the prospectus, the Prospectus Supplement, any blue sky filings and private placement memorandum relating to the Certificates and other related documents, costs and expenses of the Trustee, the fees and expenses of the Purchaser's counsel in connection with the preparation of all documents relating to the securitization of the Mortgage Loans, the filing fee charged by the Securities and Exchange Commission for registration of the Certificates, the cost of any opinions of outside special counsel that may be required for the Seller and the fees charged by any Rating Agency to rate the Certificates. All other costs and expenses in connection with the transactions contemplated hereunder shall be borne by the party incurring such expense.

SECTION 11. Servicing.

The Seller has represented to the Purchaser that the Mortgage Loans are being serviced in accordance with the terms of the Pooling and Servicing Agreement, and it is understood and agreed by and between the Seller and the Purchaser that any interim servicing arrangements with the Seller will be superseded by the servicing arrangements set forth in the Pooling and Servicing Agreement.

SECTION 12. Mandatory Delivery; Grant of Security Interest.

The sale and delivery on the Closing Date of the Mortgage Loans and the Trust Swap Agreement in accordance with the terms and conditions of this Agreement is mandatory. It is specifically understood and agreed that each Mortgage Loan is unique and identifiable on the Closing Date and that an award of money damages would be insufficient to compensate the

Purchaser for the losses and damages incurred by the Purchaser in the event of the Seller's failure to deliver the Mortgage Loans on or before the Closing Date.

The Seller hereby grants to the Purchaser a lien on and a continuing security interest in the Seller's interest in each Mortgage Loan and the Trust Swap Agreement, and each document and instrument evidencing each such Mortgage Loan and the Trust Swap Agreement to secure the performance by the Seller of its obligation hereunder, and the Seller agrees that it holds such Mortgage Loans and such Trust Swap Agreement in custody for the Purchaser, subject to (i) the Purchaser's right, prior to the Closing Date, to reject any Mortgage Loan to the extent permitted by this Agreement and (ii) the Purchaser's obligation to deliver or cause to be delivered the consideration for the Mortgage Loans and the Trust Swap Agreement pursuant to Section 8 hereof. Any Mortgage Loan rejected by the Purchaser shall concurrently therewith be automatically released from the security interest created hereby. The Seller agrees that, upon acceptance of the Mortgage Loans and the Trust Swap Agreement by the Purchaser or its designee and delivery of payment to the Seller, that any security interest held by the Seller in such Mortgage Loans and such Trust Swap Agreement shall be released.

All rights and remedies of the Purchaser under this Agreement are distinct from, and cumulative with, any other rights or remedies under this Agreement or afforded by law or equity and all such rights and remedies may be exercised concurrently, independently or successively. Notwithstanding the foregoing, if on the Closing Date, each of the conditions set forth in Section 8 hereof shall have been satisfied and the Purchaser shall not have paid or caused to be paid the Purchase Price, or shall not have delivered or caused to be delivered the Long Beach Certificates to the Seller or, upon the direction of the Seller, to Long Beach Asset Holding Corp., or any such condition shall not have been waived or satisfied and the Purchaser determines not to pay or cause to be paid the Purchase Price or not to deliver or cause to be delivered the Long Beach Certificates to the Seller or Long Beach Asset Holding Corp., the Purchaser shall immediately effect the re-delivery of the Mortgage Loans and the Trust Swap Agreement, if delivery to the Purchaser has occurred and any security interest created by this Section 12 shall be deemed to have been released.

SECTION 13. Notices.

All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered to or mailed by registered mail, postage prepaid, or transmitted by telex or telegraph and confirmed by a similar mailed writing, if to the Purchaser, addressed to the Purchaser at 1201 Third Ave., WMT1706, Seattle, Washington 98101, Attn: LBSC Legal Counsel, or such other address as may hereafter be furnished to the Seller in writing by the Purchaser; if to the Seller, addressed to the Seller at 1201 Third Ave., WMT1706, Seattle, Washington 98101, Attn: LBMC Legal Counsel, or to such other address as the Seller may designate in writing to the Purchaser.

SECTION 14. Severability of Provisions.

Any part, provision, representation or warranty of this Agreement which is prohibited or unenforceable or is held to be void or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without

invalidating the remaining provisions hereof. To the extent permitted by applicable law, the parties hereto waive any provision of law which prohibits or renders void or unenforceable any provision hereof.

SECTION 15. Agreement of Parties.

The Seller and the Purchaser each agree to execute and deliver such instruments (including UCC financing statements and continuation statements) and take such actions as either of the others may, from time to time, reasonably request in order to effectuate the purpose and to carry out the terms of this Agreement and the Pooling and Servicing Agreement.

SECTION 16. Survival.

The Seller agrees that the representations, warranties and agreements made by it herein and in any certificate or other instrument delivered pursuant hereto shall be deemed to be relied upon by the Purchaser and its successors and assigns, notwithstanding any investigation heretofore or hereafter made by the Purchaser or on its behalf, and that the representations, warranties and agreements made by the Seller herein or in any such certificate or other instrument shall survive the delivery of and payment for the Mortgage Loans and the Trust Swap Agreement and shall continue in full force and effect, notwithstanding any restrictive or qualified endorsement on the Mortgage Notes and notwithstanding subsequent termination of this Agreement, the Pooling and Servicing Agreement or the Trust Fund.

SECTION 17. Indemnification, Representative.

(a) The Seller indemnifies and holds harmless the Purchaser, the Purchaser's officers and directors and each person, if any, who controls the Purchaser within the meaning of Section 15 of the Securities Act of 1933, as amended (the "1933 Act") or Section 20 of the Exchange Act of 1934, as amended, (the "Exchange Act"), as follows:

(i) against any and all losses, claims, expenses, damages or liabilities, joint or several, to which the Purchaser or such controlling person may become subject under the 1933 Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof), including, but not limited to, any loss, claim, expense, damage or liability related to purchases and sales of the Class A Certificates and the Mezzanine Certificates arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Prospectus Supplement, in the case of purchases and sales of the Class A Certificates and the Mezzanine Certificates, or any amendment or supplement thereto, or arise out of, or are based upon, the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements made therein not misleading; and will reimburse, as incurred, the Purchaser and each such controlling person for any legal or other expenses reasonably incurred by the Purchaser or such controlling person in connection with investigating, defending against or appearing as a third party witness in connection with any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that the Seller will be liable in any such case only to the extent

that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or omission, or alleged untrue statement or omission, made therein in reliance upon and in conformity with written information furnished to the Purchaser by the Seller specifically for use in the preparation thereof (the “Seller’s Information”);

(ii) against any and all loss, liability, claim, damage and expense whatsoever, to the extent of the aggregate amount paid in settlement of any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Seller; and

(iii) against any and all expense whatsoever (including the fees and disbursements of counsel chosen by the Purchaser, subject to Section 17(c) below), reasonably incurred in investigating, preparing or defending against any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under clause (i) or clause (ii) above.

This indemnity agreement will be in addition to any liability which the Seller may otherwise have.

(b) The Purchaser agrees to indemnify and hold harmless the Seller, each of its directors, each of its officers and each person, if any, who controls the Seller within the meaning of Section 15 of the 1933 Act or Section 20 of the Exchange Act, against any and all losses, claims, expenses, damages or liabilities to which the Seller or any such director, officer or controlling person may become subject, under the 1933 Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Prospectus Supplement, in the case of purchases and sales of the Class A Certificates and the Mezzanine Certificates, other than in the Seller’s Information, or arise out of, or are based upon, the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements made therein not misleading, and will reimburse any legal or other expenses reasonably incurred by the Seller or any such director, officer or controlling person in connection with investigating or defending any such loss, claim, damage, liability or action. This indemnity agreement will be in addition to any liability which the Purchaser may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section 17 of notice of the commencement of any action described therein, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 17, notify the indemnifying party of the commencement thereof; but the omission so to notify the indemnifying party will not relieve the indemnifying party from any liability that it may have to any indemnified party under this Section 17 unless the indemnifying party is materially prejudiced by such omission to notify and in any event the failure to notify the indemnifying

party shall not relieve it from any liability which it may have to the indemnified party otherwise than under this Agreement. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein, and, to the extent that it may wish to do so, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party (such consent not to be unreasonably withheld, conditioned or delayed), be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party under this Section 17, such indemnifying party shall not be liable for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation and preparation for a defense.

Any indemnified party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless: (i) the employment thereof has been specifically authorized by the indemnifying party in writing (ii) such indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party and in the reasonable judgment of such counsel it is advisable for such indemnified party to employ separate counsel; (iii) a conflict or potential conflict exists (based on advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party) or (iv) the indemnifying party has failed to assume the defense of such action and employ counsel reasonably satisfactory to the indemnified party, in which case, if such indemnified party notifies the indemnifying party in writing that it elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party, it being understood, however, the indemnifying party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to local counsel) at any time for all such indemnified parties, which firm shall be designated in writing (i) by the Seller if the indemnified parties under this Section 17 consist of the Seller or any of its officers, directors or controlling persons, or (ii) the Purchaser, if the indemnified party under this Section 17 consist of the Purchaser or any of the Purchaser's directors, officers or controlling persons.

Each indemnified party, as a condition of the indemnity agreements contained in Section 17(a) and Section 17(b), shall use its reasonable efforts to cooperate with the indemnifying party in the defense of any such action or claim. No indemnifying party shall be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld, conditioned or delayed), but if settled with its written consent or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability (to the extent set forth in Section 17(a) or Section 17(b) as applicable) by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been

sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or failure to act by or on behalf of an indemnified party.

Notwithstanding the foregoing paragraph, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement.

(d) If the indemnification provided for in Section 17(a) or 17(b) is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Purchaser on the one hand and the Seller on the other from the offering of the Class A Certificates and the Mezzanine Certificates or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Purchaser on the one hand and the Seller on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. If the indemnification provided for in Section 17(b) is unavailable or insufficient to hold harmless the indemnified party under Section 17(b), then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in Section 17(b) in such proportion as appropriate to reflect the relative fault of the Purchaser on one hand and the Seller on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Purchaser on the one hand and the Seller on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Purchaser bear to the total underwriting discounts and commissions received by the Underwriters (as defined in the Prospectus Supplement). The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Purchaser or by the Seller and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to above in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

SECTION 18. Representations and Warranties of the Seller Relating to the Trust Swap Agreement.

The Seller hereby represents and warrants to the Purchaser, that as of the Closing Date with respect to the Trust Swap Agreement:

(a) Immediately prior to the novation of the Trust Swap Agreement to the Purchaser, the Seller had good title to, and was the sole legal and beneficial owner of, the Trust Swap Agreement, free and clear of any pledge, lien, security interest, charge, claim, equity or encumbrance of any kind created by the Seller, and has full right and authority, subject to no interest or participation of, or agreement with, any other party to sell, assign and novate the same. Upon the delivery, transfer or novation of the Trust Swap Agreement to the Purchaser as contemplated herein, the Purchaser will receive the Trust Swap Agreement, free and clear of any pledge, lien, security interest, charge, claim, equity or encumbrance of any kind created by the Seller;

(b) The Trust Swap Agreement constitutes “general intangibles” within the meaning of the applicable UCC;

(c) The Seller has received all consents and approvals required by the terms of the Trust Swap Agreement for the sale of such Trust Swap Agreement hereunder to the Purchaser;

(d) The Seller has caused or will have caused, within ten days after the Closing Date, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law as necessary to perfect the security interest in the Trust Swap Agreement granted to the Purchaser hereunder; and

(e) The Seller has not authorized the filing of and is not aware of any financing statements against Seller that include a description of collateral covering either of the Trust Swap Agreement other than any financing statement (a) relating to the security interest granted to the Purchaser hereunder or (b) that has been terminated.

SECTION 19. Governing Law.

THIS AGREEMENT AND THE RIGHTS, DUTIES, OBLIGATIONS AND RESPONSIBILITIES OF THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS AND DECISIONS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES. THE PARTIES HERETO INTEND THAT THE PROVISIONS OF SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW SHALL APPLY TO THIS AGREEMENT.

SECTION 20. Miscellaneous.

This Agreement may be executed in two or more counterparts, each of which when so executed and delivered shall be an original, but all of which together shall constitute

one and the same instrument. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Agreement supersedes all prior agreements and understandings relating to the subject matter hereof. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought. The headings in this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

It is the express intent of the parties hereto that the conveyance of the Mortgage Loans and the Trust Swap Agreement by the Seller to the Purchaser as provided in Section 4 hereof be, and be construed as, a sale of the Mortgage Loans and the Trust Swap Agreement by the Seller to the Purchaser and not as a pledge of the Mortgage Loans and the Trust Swap Agreement by the Seller to the Purchaser to secure a debt or other obligation of the Seller. However, in the event that, notwithstanding the aforementioned intent of the parties, the Mortgage Loans and the Trust Swap Agreement are held to be property of the Seller, then, (a) it is the express intent of the parties that such conveyance be deemed a pledge of the Mortgage Loans and the Trust Swap Agreement by the Seller to the Purchaser to secure a debt or other obligation of the Seller and (b) (1) this Agreement shall also be deemed to be a security agreement within the meaning of Articles 8 and 9 of the New York Uniform Commercial Code; (2) the conveyance provided for in Section 4 hereof shall be deemed to be a grant by the Seller to the Purchaser of a security interest in all of the Seller's right, title and interest in and to the Mortgage Loans, the Trust Swap Agreement and all amounts payable to the holders of the Mortgage Loans and the Trust Swap Agreement in accordance with the terms thereof and all proceeds of the conversion, voluntary or involuntary, of the foregoing into cash, instruments, securities or other property, including without limitation all amounts, other than investment earnings, from time to time held or invested in the Collection Account whether in the form of cash, instruments, securities or other property; (3) the possession by the Purchaser or its agent of the Mortgage Notes, the Trust Swap Agreement, the related Mortgages and such other items of property that constitute instruments, money, negotiable documents or chattel paper shall be deemed to be "possession by the secured party" for purposes of perfecting the security interest pursuant to Section 9-305 of the New York Uniform Commercial Code; and (4) notifications to persons holding such property, and acknowledgments, receipts or confirmations from persons holding such property, shall be deemed notifications to, or acknowledgments, receipts or confirmations from, financial intermediaries, bailees or agents (as applicable) of the Purchaser for the purpose of perfecting such security interest under applicable law. Any assignment of the interest of the Purchaser pursuant to Section 4(d) hereof shall also be deemed to be an assignment of any security interest created hereby. The Seller and the Purchaser shall, to the extent consistent with this Agreement, take such actions as may be necessary to ensure that, if this Agreement were deemed to create a security interest in the Mortgage Loans and the Trust Swap Agreement, such security interest would be deemed to be a perfected security interest of first priority under applicable law and will be maintained as such throughout the term of this Agreement and the Pooling and Servicing Agreement.

SECTION 21. Third Party Beneficiary.

Each of the Trustee and the NIMS Insurer, if any, shall be a third-party beneficiary hereof (except with respect to Section 17) and shall be entitled to enforce the

provisions hereof as if a party hereto, except the provisions of Section 17 hereof. The Co-Representatives, on behalf of the Underwriters (as defined in the Prospectus Supplement), shall be third-party beneficiaries hereof solely with respect to Section 17 and shall be entitled to enforce the provisions of Section 17 as if it were a party hereto.

IN WITNESS WHEREOF, the Purchaser and the Seller have caused their names to be signed by their respective officers thereunto duly authorized as of the date first above written.

LONG BEACH SECURITIES CORP.

By: _____
Name: James Mark
Title: Authorized Officer

LONG BEACH MORTGAGE COMPANY

By: _____
Name: James Mark
Title: First Vice President

EXHIBIT A TO MORTGAGE LOAN PURCHASE AGREEMENT

STANDARD & POOR'S LEVELS® GLOSSARY in effect on the CLOSING DATE

As of September 7, 2005 (**Update as of the Closing Date**)

APPENDIX E TO GLOSSARY FOR FILE FORMAT FOR LEVELS® VERSION 5.6c:
Standard & Poor's Anti-Predatory Lending Categorization

REVISED July 11, 2005

Standard & Poor's has categorized loans governed by anti-predatory lending laws in the Jurisdictions listed below into three categories based upon a combination of factors that include (a) the risk exposure associated with the assignee liability and (b) the tests and thresholds set forth in those laws. Note that certain loans classified by the relevant statute as Covered are included in Standard & Poor's High Cost Loan Category because they included thresholds and tests that are typical of what is generally considered High Cost by the industry.

Standard & Poor's High Cost Loan Categorization

<u>State/Jurisdiction</u>	<u>Name of Anti-Predatory Lending Law/Effective Date</u>	<u>Category under Applicable Anti-Predatory Lending Law</u>
Arkansas	Arkansas Home Loan Protection Act, Ark. Code Ann. §§ 23-53-101 <u>et seq.</u> Effective July 16, 2003	High Cost Home Loan
Cleveland Heights, OH	Ordinance No. 72-2003 (PSH), Mun. Code §§ 757.01 <u>et seq.</u> Effective June 2, 2003	Covered Loan
Colorado	Consumer Equity Protection, Colo. Stat. Ann. §§ 5-3.5-101 <u>et seq.</u> Effective for covered loans offered or entered into on or after January 1, 2003. Other provisions of the Act took effect on June 7, 2002	Covered Loan
Connecticut	Connecticut Abusive Home Loan Lending Practices Act, Conn. Gen. Stat. §§ 36a-746 <u>et seq.</u> Effective October 1, 2001	High Cost Home Loan
District of Columbia	Home Loan Protection Act, D.C. Code §§ 26-1151.01 <u>et seq.</u> Effective for loans closed on or after January 28, 2003	Covered Loan

Standard & Poor's High Cost Loan Categorization

<u>State/Jurisdiction</u>	<u>Name of Anti-Predatory Lending Law/Effective Date</u>	<u>Category under Applicable Anti-Predatory Lending Law</u>
Florida	Fair Lending Act, Fla. Stat. Ann. §§ 494.0078 <u>et seq.</u> Effective October 2, 2002	High Cost Home Loan
Georgia (Oct. 1, 2002 – Mar. 6, 2003)	Georgia Fair Lending Act, Ga. Code Ann. §§ 7-6A-1 <u>et seq.</u> Effective October 1, 2002 – March 6, 2003	High Cost Home Loan
Georgia as amended (Mar. 7, 2003 – current)	Georgia Fair Lending Act, Ga. Code Ann. §§ 7-6A-1 <u>et seq.</u> Effective for loans closed on or after March 7, 2003	High Cost Home Loan
HOEPA Section 32	Home Ownership and Equity Protection Act of 1994, 15 U.S.C. § 1639, 12 C.F.R. §§ 226.32 and 226.34 Effective October 1, 1995, amendments October 1, 2002	High Cost Loan
Illinois	High Risk Home Loan Act, Ill. Comp. Stat. tit. 815, §§ 137/5 <u>et seq.</u> Effective January 1, 2004 (prior to this date, regulations under Residential Mortgage License Act effective from May 14, 2001)	High Risk Home Loan
Kansas	Consumer Credit Code, Kan. Stat. Ann. §§ 16a-1-101 <u>et seq.</u> Sections 16a-1-301 and 16a-3-207 became effective April 14, 1999; Section 16a-3-308a became effective July 1, 1999	High Loan to Value Consumer Loan (id. § 16a-3-207) and; <hr/> High APR Consumer Loan (id. § 16a-3-308a)
Kentucky	2003 KY H.B. 287 – High Cost Home Loan Act, Ky. Rev. Stat. §§ 360.100 <u>et seq.</u> Effective June 24, 2003	High Cost Home Loan
Maine	Truth in Lending, Me. Rev. Stat. tit. 9-A, §§ 8-101 <u>et seq.</u> Effective September 29, 1995 and as amended from time to time	High Rate High Fee Mortgage

Standard & Poor's High Cost Loan Categorization

<u>State/Jurisdiction</u>	<u>Name of Anti-Predatory Lending Law/Effective Date</u>	<u>Category under Applicable Anti-Predatory Lending Law</u>
Massachusetts	Part 40 and Part 32, 209 C.M.R. §§ 32.00 <u>et seq.</u> and 209 C.M.R. §§ 40.01 <u>et seq.</u> Effective March 22, 2001 and amended from time to time	High Cost Home Loan
Nevada	Assembly Bill No. 284, Nev. Rev. Stat. §§ 598D.010 <u>et seq.</u> Effective October 1, 2003	Home Loan
New Jersey	New Jersey Home Ownership Security Act of 2002, N.J. Rev. Stat. §§ 46:10B-22 <u>et seq.</u> Effective for loans closed on or after November 27, 2003	High Cost Home Loan
New Mexico	Home Loan Protection Act, N.M. Rev. Stat. §§ 58-21A-1 <u>et seq.</u> Effective as of January 1, 2004; Revised as of February 26, 2004	High Cost Home Loan
New York	N.Y. Banking Law Article 6-1 Effective for applications made on or after April 1, 2003	High Cost Home Loan
North Carolina	Restrictions and Limitations on High Cost Home Loans, N.C. Gen. Stat. §§ 24-1.1E <u>et seq.</u> Effective July 1, 2000; amended October 1, 2003 (adding open-end lines of credit)	High Cost Home Loan
Ohio	H.B. 386 (codified in various sections of the Ohio Code), Ohio Rev. Code Ann. §§ 1349.25 <u>et seq.</u> Effective May 24, 2002	Covered Loan
Oklahoma	Consumer Credit Code (codified in various sections of Title 14A) Effective July 1, 2000; amended effective January 1, 2004	Subsection 10 Mortgage

Standard & Poor's High Cost Loan Categorization

<u>State/Jurisdiction</u>	<u>Name of Anti-Predatory Lending Law/Effective Date</u>	<u>Category under Applicable Anti-Predatory Lending Law</u>
South Carolina	South Carolina High Cost and Consumer Home Loans Act, S.C. Code Ann. §§ 37-23-10 <u>et seq.</u> Effective for loans taken on or after January 1, 2004	High Cost Home Loan
West Virginia	West Virginia Residential Mortgage Lender, Broker and Servicer Act, W. Va. Code Ann. §§ 31-17-1 <u>et seq.</u> Effective June 5, 2002	West Virginia Mortgage Loan Act Loan

Standard & Poor's Covered Loan Categorization

<u>State/Jurisdiction</u>	<u>Name of Anti-Predatory Lending Law/Effective Date</u>	<u>Category under Applicable Anti-Predatory Lending Law</u>
Georgia (Oct. 1, 2002 – Mar. 6, 2003)	Georgia Fair Lending Act, Ga. Code Ann. §§ 7-6A-1 <u>et seq.</u> Effective October 1, 2002 – March 6, 2003	Covered Loan
New Jersey	New Jersey Home Ownership Security Act of 2002, N.J. Rev. Stat. §§ 46:10B-22 <u>et seq.</u> Effective November 27, 2003 – July 5, 2004	Covered Home Loan

SCHEDULE A

Trust Swap Agreement

Provider

Transaction Reference

Credit Suisse First Boston International

9231339N3

EXHIBIT D

MORTGAGE LOAN SCHEDULE

Copies of the Mortgage Loan Schedule (which has been intentionally omitted from this filing) may be obtained from Long Beach Securities Corp. by contacting:

James Mark
Long Beach Securities Corp.
1201 Third Avenue WMT1041
Seattle, Washington 98101
Telephone: (206) 377-2977
Facsimile: (206) 490-5656

EXHIBIT E-1

REQUEST FOR RELEASE
(for Trustee /Custodian)

Loan Information

Name of Mortgagor: _____

Master Servicer
Loan No.: _____

Trustee /Custodian

Name: _____

Address: _____

Trustee/
Custodian
Mortgage File No.: _____

Depositor

Name: LONG BEACH SECURITIES CORP.

Address: _____

Certificates: Long Beach Mortgage Certificates, Series 2005-3.

The undersigned Master Servicer hereby acknowledges that it has received from _____, as Trustee for the Holders of Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3, the documents referred to below (the "Documents"). All capitalized terms not otherwise defined in this Request for Release shall have the meanings given them in the Pooling and Servicing Agreement, dated as of September 1, 2005, among the Trustee, the Depositor and the Master Servicer (the "Pooling and Servicing Agreement").

(a) Promissory Note dated _____, 20__, in the original principal sum of \$_____, made by _____, payable to, or endorsed to the order of, the Trustee.

(b) Mortgage recorded on _____ as instrument no. _____ in the County Recorder's Office of the County of _____, State of _____ in book/reel/docket _____ of official records at page/image _____.

(c) Deed of Trust recorded on _____ as instrument no. _____ in the County Recorder's Office of the County of _____, State of _____ in book/reel/docket _____ of official records at page/image _____.

(d) Assignment of Mortgage or Deed of Trust to the Trustee, recorded on _____ as instrument no. _____ in the County Recorder's Office of the County of _____, State of _____ in book/reel/docket _____ of official records at page/image _____.

(e) Other documents, including any amendments, assignments or other assumptions of the Mortgage Note or Mortgage.

(f) _____

(g) _____

(h) _____

(i) _____

The undersigned Master Servicer hereby acknowledges and agrees as follows:

(1) The Master Servicer shall hold and retain possession of the Documents in trust for the benefit of the Trustee, solely for the purposes provided in the Agreement.

(2) The Master Servicer shall not cause or permit the Documents to become subject to, or encumbered by, any claim, liens, security interest, charges, writs of attachment or other impositions nor shall the Master Servicer assert or seek to assert any claims or rights of setoff to or against the Documents or any proceeds thereof.

(3) The Master Servicer shall return each and every Document previously requested from the Mortgage File to the Trustee when the need therefor no longer exists, unless the Mortgage Loan relating to the Documents has been liquidated and the proceeds thereof have been remitted to the Collection Account and except as expressly provided in the Agreement.

(4) The Documents and any proceeds thereof, including any proceeds of proceeds, coming into the possession or control of the Master Servicer shall at all times be ear-marked for the account of the Trustee, and the Master Servicer shall keep the Documents and any proceeds separate and distinct from all other property in the Master Servicer's possession, custody or control.

Dated:

LONG BEACH MORTGAGE COMPANY

By: _____
Name:
Title:

EXHIBIT E-2

REQUEST FOR RELEASE
(Certificate – Mortgage Loan Paid in Full)

OFFICERS' CERTIFICATE AND TRUST RECEIPT
MORTGAGE LOAN PASS-THROUGH CERTIFICATES
SERIES 2005-3

_____ HEREBY CERTIFIES THAT HE/SHE IS AN OFFICER OF THE MASTER SERVICER, HOLDING THE OFFICE SET FORTH BENEATH HIS/HER SIGNATURE, AND HEREBY FURTHER CERTIFIES AS FOLLOWS:

WITH RESPECT TO THE MORTGAGE LOANS, AS THE TERM IS DEFINED IN THE POOLING AND SERVICING AGREEMENT DESCRIBED IN THE ATTACHED SCHEDULE:

ALL PAYMENTS OF PRINCIPAL, PREMIUM (IF ANY), AND INTEREST HAVE BEEN MADE.

LOAN NUMBER: _____ BORROWER'S NAME: _____

COUNTY: _____

WE HEREBY CERTIFY THAT ALL AMOUNTS RECEIVED IN CONNECTION WITH SUCH PAYMENTS, WHICH ARE REQUIRED TO BE DEPOSITED IN THE COLLECTION ACCOUNT PURSUANT TO SECTION 3.10 OF THE POOLING AND SERVICING AGREEMENT, HAVE BEEN OR WILL BE CREDITED.

DATED: _____

// VICE PRESIDENT

// ASSISTANT VICE PRESIDENT

EXHIBIT E-3

FORM OF MORTGAGE LOAN ASSIGNMENT AGREEMENT

This **MORTGAGE LOAN ASSIGNMENT AGREEMENT** (this "Agreement"), dated as of _____, 200__, is by and between _____, a _____, as purchaser (the "Company"), and **DEUTSCHE BANK NATIONAL TRUST COMPANY**, not in its individual capacity but as trustee (the "Trustee") for **LONG BEACH MORTGAGE LOAN TRUST 2005-3**, as seller (the "Trust").

In consideration of the mutual covenants made herein and for other good and valuable consideration the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Pooling and Servicing Agreement dated as of September 1, 2005 (the "Pooling and Servicing Agreement") by and among Long Beach Mortgage Company, as master servicer (the "Master Servicer"), Long Beach Securities Corp., as depositor, and the Trustee, as trustee.

**ARTICLE 2. SALE AND CONVEYANCE OF MORTGAGE LOAN;
POSSESSION OF FILES; PAYMENT OF PURCHASE
PRICE; DELIVERY OF MORTGAGE LOAN DOCUMENTS;
RECORDATION OF ASSIGNMENTS OF MORTGAGE**

Section 2.1 Sale and Conveyance of Mortgage Loans; Possession of Files

(a) Pursuant to Section 2.03 of the Pooling and Servicing Agreement and Section 6._____ of the Mortgage Loan Purchase Agreement, subject to the provisions of the Pooling and Servicing Agreement and after the deposit of the Purchase Price in the Collection Account and the Trustee's receipt of a written certification from the Master Servicer of such deposit (the "Certification"), the Trustee hereby sells, transfers, assigns, sets over, and conveys to the Company, without recourse, or, except as set forth in Article 3, representations or warranties, all the right, title, and interest of the Trust in and to the mortgage loan identified on Schedule I attached hereto (the "Mortgage Loan").

(b) In accordance with Section 3.17 of the Pooling and Servicing Agreement, the Trustee will deliver to the Company, or to such third party as the Company may direct, the documents comprising the Mortgage File with respect to the Mortgage Loan upon the Trustee's receipt of the Certification. Upon payment for the Mortgage Loan pursuant to Section 2.1(c) below, the beneficial ownership of the Mortgage Note, the Mortgage, and each of the other documents comprising the Mortgage File with respect to the Mortgage Loan is and shall be vested in the Company, and the ownership of all records and documents with respect to the Mortgage Loan prepared by or which come into the possession of the Trustee or any agent or designee thereof shall immediately vest in the Company and shall be delivered to the Company or as the Company may otherwise direct.

(c) In full consideration for the sale of the Mortgage Loan pursuant to Section 2.1(a) hereof, and upon the terms and conditions of this Agreement, the Company hereby purchases the Mortgage Loan.

(d) Subject to the fulfillment of any other conditions to such [purchase/repurchase] under the Pooling and Servicing Agreement and following the deposit of the Purchase Price in the Collection Account and the Trustee's receipt of the Certification, the Company shall own and be entitled to receive with respect to the Mortgage Loan all Monthly Payments and all other recoveries of principal and interest. All such amounts that are collected after the date of the deposit of the Purchase Price and the Trustee's receipt of the Certification shall be held and remitted by the Master Servicer to the Company in accordance with the terms of this Agreement.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE TRUSTEE CONCERNING THE MORTGAGE LOAN

The Trustee hereby represents and warrants to, and agrees with the Company that, as to the Mortgage Loan and as of the date first written above:

The Trustee, to its actual knowledge has not taken any action with respect to the Mortgage Loans, other than at the direction of the Company, its attorneys and subservicers or Long Beach Securities Corp., which would result in the imposition of any lien on, security interest in, or other encumbrance of, the real property securing the Mortgage Loan, other than permitted pursuant to the Pooling and Servicing Agreement, and other than such action as might be required to preserve and maintain the Mortgage.

ARTICLE 4. MISCELLANEOUS PROVISIONS

Section 4.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York (including Section 5-1401 of the New York General Obligations Law) and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws without giving effect to conflict of laws principles other than Section 5-1401 of the New York General Obligations Law.

Section 4.2 Severability of Provisions

If any one or more of the covenants, agreements, provisions, or terms of this Agreement shall be held invalid for any reason whatsoever, then such covenants, agreements, provisions, or terms shall be deemed severable from the remaining covenants, agreements, provisions, or terms of this Agreement and shall in no way affect the validity or enforceability of the other covenants, agreements, provisions, or terms of this Agreement or the rights of the parties hereunder.

Section 4.3 Schedules

The schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

Section 4.4 Counterparts; Successors and Assigns

This Agreement may be executed in one or more counterparts, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed to be an original; such counterparts, together, shall constitute one and the same agreement. This Agreement shall inure to the benefit of and be binding upon the Company and the Trustee.

Section 4.5 Effect of Headings

The headings in this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

Section 4.6 Survival

The representations, warranties, covenants and agreements of the parties provided in this Agreement and the parties' obligations hereunder shall survive the execution, delivery and termination of this Agreement.

Section 4.7 Costs

The Company shall pay all costs, fees and expenses incurred in connection with the transfer and delivery of the Mortgage Loan purchased by the Company under this Agreement.

[Signature page follows]

TO WITNESS THIS, the Company and the Trustee have caused their names to be signed to this Mortgage Loan Assignment Agreement by their duly authorized respective officers as of the day and year first above written.

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee for Long Beach Mortgage
Loan Trust 2005-3 and not in its individual capacity

By: _____
Name: _____
Title: _____

[_____]

By: _____
Name: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 200____, by
_____ as _____ of Long Beach Mortgage
Company.

[Print Name]_____
NOTARY PUBLIC in and for the State of
_____, residing at _____
My commission expires _____

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 200____, by _____ as _____ of Deutsche Bank National Trust Company, as trustee for Long Beach Mortgage Loan Trust 200____-____ and not in its individual capacity.

[Print Name] _____
NOTARY PUBLIC in and for the State of _____,
residing at _____
My commission expires _____

SCHEDULE I
MORTGAGE LOAN SCHEDULE

EXHIBIT F-1

FORM OF TRUSTEE'S INITIAL CERTIFICATION

[Date]

Long Beach Securities Corp.
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Long Beach Mortgage Company
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Re: Pooling and Servicing Agreement (the "Pooling and Servicing Agreement"), dated as of September 1, 2005 among Long Beach Securities Corp., Long Beach Mortgage Company and Deutsche Bank National Trust Company,
Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3

Ladies and Gentlemen:

Pursuant to Section 2.02 of the Pooling and Servicing Agreement, the undersigned, as Trustee, hereby acknowledges receipt of each Mortgage File and certifies that, as to each Mortgage Loan listed in the Mortgage Loan Schedule (other than any Mortgage Loan paid in full or any Mortgage Loan specifically identified in the exception report annexed hereto as not being covered by this certification), (i) all documents constituting part of such Mortgage File (other than such documents described in Section 2.01(e) of the Pooling and Servicing Agreement) required to be delivered to it pursuant to the Pooling and Servicing Agreement are in its possession, (ii) such documents have been reviewed by it and are not mutilated, torn or defaced unless initialed by the related borrower and relate to such Mortgage Loan and (iii) based on its examination and only as to the foregoing, the information set forth in the Mortgage Loan Schedule that corresponds to items (i), (ii), (ix), (xii), (xiv) (to the extent of the Periodic Rate Cap for the first Adjustment Date and subsequent Adjustment Dates) and (xvi) of the definition of "Mortgage Loan Schedule" of the Pooling and Servicing Agreement accurately reflects information set forth in the Mortgage File.

The Trustee has made no independent examination of any documents contained in each Mortgage File beyond the review specifically required in the above-referenced Pooling and Servicing Agreement. The Trustee makes no representations as to: (i) the validity, legality, sufficiency, enforceability due authorization, recordability or genuineness of any of the documents contained in the Mortgage File of any of the Mortgage Loans identified on the Mortgage Loan Schedule, or (ii) the collectability, insurability, effectiveness or suitability of any such Mortgage Loan.

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT F-2
FORM OF TRUSTEE'S FINAL CERTIFICATION

[Date]

Long Beach Securities Corp.
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Long Beach Mortgage Company
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Re: Pooling and Servicing Agreement (the "Pooling and Servicing Agreement"), dated as of September 1, 2005 among Long Beach Securities Corp., Long Beach Mortgage Company and Deutsche Bank National Trust Company,
Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3

Ladies and Gentlemen:

In accordance with Section 2.02 of the above-captioned Pooling and Servicing Agreement, the undersigned, as Trustee, hereby certifies that as to each Mortgage Loan listed in the Mortgage Loan Schedule (other than any Mortgage Loan paid in full or listed on the attachment hereto), it or a Custodian on its behalf has received:

(a) the original Mortgage Note, endorsed in blank or in the following form: "Pay to the order of Deutsche Bank National Trust Company, as Trustee under the applicable agreement, without recourse," with all prior and intervening endorsements showing a complete chain of endorsement from the originator to the Person so endorsing to the Trustee or a copy of such original Mortgage Note with an accompanying Lost Note Affidavit executed by the Seller;

(b) the original Mortgage with evidence of recording thereon, and a copy, certified by the appropriate recording office, of the recorded power of attorney, if the Mortgage was executed pursuant to a power of attorney, with evidence of recording thereon;

(c) an original Assignment in blank;

(d) the original recorded Assignment or Assignments showing a complete chain of assignment from the originator to the Person assigning the Mortgage to the Trustee or in blank;

(e) the original or copies of each assumption, modification, written assurance or substitution agreement, if any; and

(f) the original lender's title insurance policy, together with all endorsements or riders issued with or subsequent to the issuance of such policy, insuring the priority of the Mortgage as a first lien on the Mortgaged Property represented therein as a fee

interest vested in the Mortgagor, or in the event such title policy is unavailable, a written commitment or uniform binder or preliminary report of title issued by the title insurance or escrow company.

The Trustee has made no independent examination of any documents contained in each Mortgage File beyond the review specifically required in the above-referenced Pooling and Servicing Agreement. The Trustee makes no representations as to: (i) the validity, legality, sufficiency, enforceability or genuineness of any of the documents contained in the Mortgage File of any of the Mortgage Loans identified on the Mortgage Loan Schedule, or (ii) the collectability, insurability, effectiveness or suitability of any such Mortgage Loan.

Capitalized words and phrases used herein shall have the respective meanings assigned to them in the above-captioned Pooling and Servicing Agreement.

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT G

FORM OF RESIDUAL NIM HOLDER CERTIFICATE

Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, California 92705

Re: Pooling and Servicing Agreement (the "Agreement"), dated as of September 1, 2005 among Long Beach Securities Corp., Long Beach Mortgage Company and Deutsche Bank National Trust Company, Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3

Ladies and Gentlemen:

The undersigned hereby certifies that the undersigned is the Residual NIM Holder and further certifies that the undersigned is not an Affiliate of Long Beach Mortgage Company, a Delaware corporation. Capitalized terms used in this certificate without definition have the meaning given to them in the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, 200[___].

By: _____
Name: _____
Title: _____

EXHIBIT I
FORM OF ERISA REPRESENTATION

[DATE]

Long Beach Securities Corp.
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Long Beach Mortgage Company
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, California 92705

Re: Long Beach Mortgage Loan Trust 2005-3,
Asset-Backed Certificates, Series 2005-3

Ladies and Gentlemen:

_____ (the "Transferee") intends to acquire from _____ (the "Transferor") \$_____ Initial Certificate Principal Balance of the Class [____] Certificate of Long Beach Mortgage Loan Trust 2005-3, Asset-Backed Certificates, Series 2005-3, (the "Certificates"), issued pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among Long Beach Securities Corp., as depositor (the "Depositor"), Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Pooling and Servicing Agreement. The Transferee hereby certifies, represents and warrants to, and covenants with the Depositor, the Trustee and the Master Servicer that the following statements in either (1) or (2) are accurate:

(A) In the case of the Class C Certificates, the Class P Certificates and the Residual Certificates the following statements in either (1) or (2) are accurate:

_____ (1) The Certificates (i) are not being acquired by, and will not be transferred to, any employee benefit plan within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or other retirement arrangement, including individual retirement accounts and annuities, Keogh plans and bank collective investment funds and insurance company general or separate accounts in which such plans, accounts or arrangements are invested, that is subject to Section 406 of ERISA or Section 4975 of the Internal Revenue Code of 1986 (the "Code") (any of the foregoing, a "Plan"), (ii) are not being acquired with "plan assets" of a Plan within the meaning of the Department of Labor ("DOL") regulation, 29 C.F.R. § 2510.3-101, and (iii) will not be transferred to any entity that is deemed to be investing in plan assets within the meaning of the DOL regulation at 29 C.F.R. § 2510.3-101; or

_____ (2) **[With respect to the Class C Certificates and the Class P Certificates Only]** The Transferee will provide an Opinion of Counsel to the Depositor, the Trustee and the Master Servicer which establishes to the satisfaction of the Depositor, the Trustee and the Master Servicer that the purchase of such Certificates is permissible under applicable law, will not constitute or result in any prohibited transaction under ERISA or Section 4975 of the Code and will not subject the Depositor, the Trustee, the Master Servicer, or the Trust Fund to any obligation or liability (including obligations or liabilities under ERISA or Section 4975 of the Code) in addition to those undertaken in this Agreement.

(B) [Complete only if the transfer occurs prior to termination of the Supplemental Interest Account or the date the Holder is entitled to receive payments from the Final Maturity Reserve Account] In the case of the Class A Certificates and the Mezzanine Certificates either (i) such Transferee is neither a Plan nor a Person acting on behalf of any such Plan or using the assets of any such Plan to effect such transfer or (ii) the acquisition and holding of the such Certificate are eligible for exemptive relief under Prohibited Transaction Class Exemption (“PTCE”) 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60 or PTCE 96-23.

IN WITNESS WHEREOF, the Transferee executed this certificate.

[Transferee]

By: _____

Name: _____

Title: _____

EXHIBIT J

FORM OF INVESTMENT LETTER [NON-RULE 144A]

[DATE]

Long Beach Securities Corp.
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, California 92705

Re: Long Beach Mortgage Loan Trust 2005-3,
Asset-Backed Certificates Series 2005-3

Ladies and Gentlemen:

In connection with our acquisition of \$_____ Initial Certificate Principal Balance of the Class [] Certificate of Long Beach Mortgage Loan Trust 2005-3 Asset-Backed Certificates, Series 2005-3 (the "Certificates"), issued pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among Long Beach Securities Corp., as depositor (the "Depositor"), Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"), we certify that (a) we understand that the Certificates are not being registered under the Securities Act of 1933, as amended (the "Act"), or any state securities laws and are being transferred to us in a transaction that is exempt from the registration requirements of the Act and any such laws, (b) we are an "accredited investor," as defined in Regulation D under the Act, and have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of investments in the Certificates, (c) we have had the opportunity to ask questions of and receive answers from the Depositor concerning the purchase of the Certificates and all matters relating thereto or any additional information deemed necessary to our decision to purchase the Certificates, (d) we are not an employee benefit plan that is subject to the Employee Retirement Income Security Act of 1974, as amended, or a plan that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended, nor are we acting on behalf of any such plan, (e) we are acquiring the Certificates for investment for our own account and not with a view to any distribution of such Certificates (but without prejudice to our right at all times to sell or otherwise dispose of the Certificates in accordance with clause (g) below), (f) we have not offered or sold any Certificates to, or solicited offers to buy any Certificates from, any person, or otherwise approached or negotiated with any person with respect thereto, or taken any other action which would result in a violation of Section 5 of the Act, and (g) we will not sell, transfer or otherwise dispose of any Certificates unless (1) such sale, transfer or other disposition is made pursuant to an effective registration statement under the Act or is exempt from such registration requirements, and if requested, we will at our expense provide an opinion of counsel satisfactory to the addressees of this certificate that such sale, transfer or other disposition may be made pursuant to an exemption from the Act, (2) the purchaser or transferee of such Certificate has

executed and delivered to you a certificate to substantially the same effect as this certificate, and
(3) the purchaser or transferee has otherwise complied with any conditions for transfer set forth
in the Agreement.

Very truly yours,

[NAME OF TRANSFEREE]

By: _____
Authorized Officer

FORM OF RULE 144A INVESTMENT LETTER

[DATE]

Long Beach Securities Corp.
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, California 92705

Re: Long Beach Mortgage Loan Trust 2005-3,
Asset-Backed Certificates Series 2005-3

Ladies and Gentlemen:

In connection with our acquisition of \$_____ Initial Certificate Principal Balance of the Class [___] Certificate of Long Beach Mortgage Loan Trust 2005-3 Asset-Backed Certificates, Series 2005-3 (the "Certificates"), issued pursuant to a Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among Long Beach Securities Corp., as depositor (the "Depositor"), Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee"), we certify that (a) we understand that the Certificates are not being registered under the Securities Act of 1933, as amended (the "Act"), or any state securities laws and are being transferred to us in a transaction that is exempt from the registration requirements of the Act and any such laws, (b) we have had the opportunity to ask questions of and receive answers from the Depositor concerning the purchase of the Certificates and all matters relating thereto or any additional information deemed necessary to our decision to purchase the Certificates, (c) we are not an employee benefit plan that is subject to the Employee Retirement Income Security Act of 1974, as amended, or a plan that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended, nor are we acting on behalf of any such plan, (d) we have not, nor has anyone acting on our behalf offered, transferred, pledged, sold or otherwise disposed of the Certificates, any interest in the Certificates or any other similar security to, or solicited any offer to buy or accept a transfer, pledge or other disposition of the Certificates, any interest in the Certificates or any other similar security from, or otherwise approached or negotiated with respect to the Certificates, any interest in the Certificates or any other similar security with, any person in any manner, or made any general solicitation by means of general advertising or in any other manner, or taken any other action, that would constitute a distribution of the Certificates under the Securities Act or that would render the disposition of the Certificates a violation of Section 5 of the Securities Act or require registration pursuant thereto, nor will act, nor has authorized or will authorize any person to act, in such manner with respect to the Certificates, (e) we are a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act and have completed either of the forms of certification to that effect attached hereto as Annex 1 or Annex 2. We are aware that the sale to us is being made in reliance on Rule 144A. We are acquiring the Certificates for our own account or for resale pursuant to Rule 144A and further, understand that such Certificates may be resold, pledged or transferred only (i) to a person reasonably believed to be a qualified

institutional buyer that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the resale, pledge or transfer is being made in reliance on Rule 144A, or (ii) pursuant to another exemption from registration under the Securities Act.

Very truly yours,

[NAME OF TRANSFEREE]

By: _____
Authorized Officer

QUALIFIED INSTITUTIONAL BUYER STATUS UNDER SEC RULE 144A

[For Transferees Other Than Registered Investment Companies]

The undersigned (the “Buyer”) hereby certifies as follows to the parties listed in the Rule 144A Transferee Certificate to which this certification relates with respect to the Certificates described therein:

1. As indicated below, the undersigned is the chief financial officer, a person fulfilling an equivalent function, or other executive officer of the Buyer.

2. In connection with purchases by the Buyer, the Buyer is a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (“Rule 144A”) because (i) the Buyer owned and/or invested on a discretionary basis at least \$100,000,000 in securities (except for the excluded securities referred to below) as of the end of the Buyer’s most recent fiscal year (such amount being calculated in accordance with Rule 144A) and (ii) the Buyer satisfies the criteria in the category marked below.

_____ Corporation, etc. The Buyer is a corporation (other than a bank, savings and loan association or similar institution), Massachusetts or similar business trust, partnership, or any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

_____ Bank. The Buyer (a) is a national bank or a banking institution organized under the laws of any State, U.S. territory or the District of Columbia, the business of which is substantially confined to banking and is supervised by the State or territorial banking commission or similar official or is a foreign bank or equivalent institution, and (b) has an audited net worth of at least \$25,000,000 as demonstrated in its latest annual financial statements, a copy of which is attached hereto, as of a date not more than 16 months preceding the date of sale of the Certificates in the case of a U.S. bank or a banking institution organized under the laws of any State, U.S. territory or the District of Columbia, and not more than 18 months preceding such date of sale for a foreign bank or equivalent institution.

_____ Savings and Loan. The Buyer (a) is a savings and loan association, building and loan association, cooperative bank, homestead association or similar institution, which is supervised and examined by a State or Federal authority having supervision over any such institutions or is a foreign savings and loan association or equivalent institution and (b) has an audited net worth of at least \$25,000,000 as demonstrated in its latest annual financial statements, a copy of which is attached hereto, as of a date not more than 16 months preceding the date of sale of the Certificates in the case of a U.S. savings and loan association, building and loan association, cooperative bank, homestead association or similar institution, and not more than 18 months preceding such date of sale for a foreign savings and loan association, or equivalent institution.

_____ Broker-dealer. The Buyer is a dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended.

_____ Insurance Company. The Buyer is an insurance company whose primary and predominant business activity is the writing of insurance or the reinsuring of risks underwritten by insurance companies and which is subject to supervision by the insurance commissioner or a similar official or agency of a State, U.S. territory or the District of Columbia.

_____ State or Local Plan. The Buyer is a plan established and maintained by a State, its political subdivisions, or any agency or instrumentality of the State or its political subdivisions, for the benefit of its employees.

_____ ERISA Plan. The Buyer is an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974.

_____ Investment Advisor. The Buyer is an investment advisor registered under the Investment Advisers Act of 1940.

_____ Other. (Please supply a brief description of the entity and a cross-reference to the paragraph and subparagraph under subsection (a)(1) of Rule 144A pursuant to which it qualifies. Note that registered investment companies should complete Annex 2 rather than this Annex 1.) _____

3. The term “securities” as used herein does not include (i) securities of issuers that are affiliated with the Buyer, (ii) if the Buyer is a dealer, securities that are part of an unsold allotment to or subscription by the Buyer as a participant in a public offering, (iii) bank deposit notes and certificates of deposit, (iv) loan participations, (v) repurchase agreements, (vi) securities owned but subject to a repurchase agreement and (vii) currency, interest rate and commodity swaps. For purposes of determining the aggregate amount of securities owned and/or invested on a discretionary basis by the Buyer, the Buyer did not include any of the securities referred to in this paragraph.

4. For purposes of determining the aggregate amount of securities owned and/or invested on a discretionary basis by the Buyer, the Buyer used the cost of such securities to the Buyer, except the Buyer reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published, in which case, the securities were valued at market. Further, in determining such aggregate amount, the Buyer may have included securities owned by subsidiaries of the Buyer, but only if such subsidiaries are consolidated with the Buyer in its financial statements prepared in accordance with generally accepted accounting principles and if the investments of such subsidiaries are managed under the Buyer’s direction. However, such securities were not included if the Buyer is a majority-owned, consolidated subsidiary of another enterprise and the Buyer is not itself a reporting company under the Securities Exchange Act of 1934, as amended.

5. The Buyer acknowledges that it is familiar with Rule 144A and understands that the seller to it and other parties related to the Certificates are relying and will continue to rely on

QUALIFIED INSTITUTIONAL BUYER STATUS UNDER SEC RULE 144A

[For Transferees That are Registered Investment Companies]

The undersigned (the “Buyer”) hereby certifies as follows to the parties listed in the Rule 144A Transferee Certificate to which this certification relates with respect to the Certificates described therein:

1. As indicated below, the undersigned is the chief financial officer, a person fulfilling an equivalent function, or other executive officer of the entity purchasing the Certificates or, if the Buyer is a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (“Rule 144A”) because Buyer is part of a Family of Investment Companies (as defined below), is an executive officer of the investment adviser (the “Adviser”).

2. In connection with purchases by Buyer, the Buyer is a “qualified institutional buyer” as defined in SEC Rule 144A because (i) the Buyer is an investment company registered under the Investment Company Act of 1940, as amended and (ii) as marked below, the Buyer alone owned and/or invested on a discretionary basis, or the Buyer’s Family of Investment Companies, owned at least \$100,000,000 in securities (other than the excluded securities referred to below) as of the end of the Buyer’s most recent fiscal year. For purposes of determining the amount of securities owned by the Buyer or the Buyer’s Family of Investment Companies, the cost of such securities was used, except where the Buyer or any member of the Buyer’s Family of Investment Companies, as the case may be, reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published, in which case, the securities of such entity were valued at market.

_____ The Buyer owned and/or invested on a discretionary basis, \$_____ in securities (other than the excluded securities referred to below) as of the end of the Buyer’s most recent fiscal year (such amount being calculated in accordance with Rule 144A).

_____ The Buyer is part of a Family of Investment Companies which owned in the aggregate \$_____ in securities (other than the excluded securities referred to below) as of the end of the Buyer’s most recent fiscal year (such amount being calculated in accordance with Rule 144A).

3. The term “Family of Investment Companies” as used herein means two or more registered investment companies (or series thereof) that have the same investment adviser or investment advisers that are affiliated (by virtue of being majority owned subsidiaries of the same parent or because one investment adviser is a majority owned subsidiary of the other).

4. The term “securities” as used herein does not include (i) securities of issuers that are affiliated with the Buyer or are part of the Buyer’s Family of Investment Companies, (ii)

bank deposit notes and certificates of deposit, (iii) loan participations, (iv) repurchase agreements, (v) securities owned but subject to a repurchase agreement and (vi) currency, interest rate and commodity swaps. For purposes of determining the aggregate amount of securities owned and/or invested on a discretionary basis by the Buyer, or owned by the Buyer's Family of Investment Companies, the securities referred to in this paragraph were excluded.

5. The Buyer is familiar with Rule 144A and understands that the parties listed in the Rule 144A Transferee Certificate to which this certification relates are relying and will continue to rely on the statements made herein because one or more sales to the Buyer will be in reliance on Rule 144A.

_____ _____ Will the Buyer be purchasing the Certificates only
Yes No for the Transferee's own account?

6. If the answer to the foregoing question is "no", then in each case where the Buyer is purchasing for an account other than its own, such account belongs to a third party that is itself a "qualified institutional buyer" within the meaning of Rule 144A, and the "qualified institutional buyer" status of such third party has been established by the Buyer through one or more of the appropriate methods contemplated by Rule 144A.

7. Until the date of purchase of the Certificates, the undersigned will notify the parties listed in the Rule 144A Transferee Certificate to which this certification relates of any changes in the information and conclusions herein. Until such notice is given, the Buyer's purchase of the Certificates will constitute a reaffirmation of this certification by the undersigned as of the date of such purchase.

Print Name of Buyer or Adviser

By: _____
Name: _____
Title: _____

IF AN ADVISER:

Print Name of Buyer

Date: _____

record holder is a Permitted Transferee and the pass-through entity does not have actual knowledge that such affidavit is false. (For this purpose, a “pass-through entity” includes a regulated investment company, a real estate investment trust or common trust fund, a partnership, trust or estate, and certain cooperatives and, except as may be provided in Treasury Regulations, persons holding interests in pass-through entities as a nominee for another Person.)

5. The Transferee has reviewed the provisions of Section 5.02(d) of the Agreement and understands the legal consequences of the acquisition of an Ownership Interest in the Certificate including, without limitation, the restrictions on subsequent Transfers and the provisions regarding voiding the Transfer and mandatory sales. The Transferee expressly agrees to be bound by and to abide by the provisions of Section 5.02(d) of the Agreement and the restrictions noted on the face of the Certificate. The Transferee understands and agrees that any breach of any of the representations included herein shall render the Transfer to the Transferee contemplated hereby null and void.

6. The Transferee agrees to require a Transfer Affidavit from any Person to whom the Transferee attempts to Transfer its Ownership Interest in the Certificate, and in connection with any Transfer by a Person for whom the Transferee is acting as nominee, trustee or agent, and the Transferee will not Transfer its Ownership Interest or cause any Ownership Interest to be Transferred to any Person that the Transferee knows is not a Permitted Transferee. In connection with any such Transfer by the Transferee, the Transferee agrees to deliver to the Trustee a certificate substantially in the form set forth as Exhibit L to the Agreement (a “Transferor Certificate”) to the effect that such Transferee has no actual knowledge that the Person to which the Transfer is to be made is not a Permitted Transferee.

7. The Transferee does not have the intention to impede the assessment or collection of any tax legally required to be paid with respect to the Certificate.

8. The Transferee’s taxpayer identification number is _____.

9. The Transferee is a U.S. Person as defined in Code Section 7701(a)(30).

10. The Transferee is aware that the Certificate may be “noneconomic residual interests” within the meaning of Treasury regulations promulgated pursuant to the Code and that the transferor of a noneconomic residual interest will remain liable for any taxes due with respect to the income on such residual interest, if a significant purpose of the transfer was to impede the assessment or collection of tax. The Transferee understands that, as the holder of a noneconomic residual interest, the Transferee may incur tax liabilities in excess of any cash flows generated by the Certificates. The Transferee intends to pay taxes associated with holding the Certificate as they become due.

11. The Transferee is not an employee benefit plan that is subject to ERISA or a plan that is subject to Section 4975 of the Code, nor is it acting on behalf of such a plan.

IN WITNESS WHEREOF, the Transferee has caused this instrument to be executed on its behalf, pursuant to authority of its Board of Directors, by its Vice President, attested by its Secretary, this ____ day of [_____].

[TRANSFEREE NAME]

By: _____
Name: _____

Title: _____

[Corporate Seal]

ATTEST:

Secretary

On [_____, 200_] before me, _____, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT L

FORM OF TRANSFEROR CERTIFICATE

[DATE]

Long Beach Securities Corp.
1400 South Douglass Road, Suite 100
Anaheim, CA 92806

Deutsche Bank National Trust Company
1761 East St. Andrew Place
Santa Ana, California 92705

Re: Long Beach Mortgage Loan Trust 2005-3,
Asset-Backed Certificates Series 2005-3

Ladies and Gentlemen:

In connection with our disposition of the Class [] Certificates (the "Certificates"), issued pursuant to the Pooling and Servicing Agreement dated as of September 1, 2005 (the "Agreement") among Long Beach Securities Corp., as depositor (the "Depositor"), Long Beach Mortgage Company, as master servicer (the "Master Servicer") and Deutsche Bank National Trust Company, as trustee (the "Trustee") we certify that (a) we understand that the Certificates have not been registered under the Securities Act of 1933, as amended (the "Act"), and are being disposed by us in a transaction that is exempt from the registration requirements of the Act, (b) we have not offered or sold any Certificates to, or solicited offers to buy any Certificates from, any person, or otherwise approached or negotiated with any person with respect thereto, in a manner that would be deemed, or taken any other action which would result in, a violation of Section 5 of the Act, (c) to the extent we are disposing of the Class [] Certificate, we have no knowledge that the Transferee is not a Permitted Transferee and (d) no purpose of the proposed disposition of the Class [] Certificate is to impede the assessment or collection of tax.

Very truly yours,

TRANSFEROR

By: _____

Name: _____

Title: _____

SCHEDULE I

PREPAYMENT CHARGE SCHEDULE

AVAILABLE UPON REQUEST

SCHEDULE II

SWAP NOTIONAL AMOUNT SCHEDULE

Distribution Date	Swap Notional Amount (\$)
October 25, 2005.....	1,472,692,902
November 25, 2005.....	1,426,656,706
December 25, 2005.....	1,382,027,410
January 25, 2006.....	1,338,761,497
February 25, 2006.....	1,296,818,986
March 25, 2006.....	1,256,158,204
April 25, 2006.....	1,216,741,650
May 25, 2006.....	1,178,531,421
June 25, 2006.....	1,141,489,848
July 25, 2006.....	1,105,582,761
August 25, 2006.....	1,070,774,905
September 25, 2006.....	1,037,033,849
October 25, 2006.....	1,004,326,069
November 25, 2006.....	972,620,847
December 25, 2006.....	941,887,661
January 25, 2007.....	912,097,482
February 25, 2007.....	883,220,805
March 25, 2007.....	855,230,261
April 25, 2007.....	828,099,299
May 25, 2007.....	801,801,530
June 25, 2007.....	776,312,027
July 25, 2007.....	751,605,361
August 25, 2007.....	702,653,492
September 25, 2007.....	439,602,910
October 25, 2007.....	370,074,070
November 25, 2007.....	313,550,993
December 25, 2007.....	277,005,243
January 25, 2008.....	249,066,281
February 25, 2008.....	226,685,250
March 25, 2008.....	208,501,685
April 25, 2008.....	193,570,287
May 25, 2008.....	181,180,826
June 25, 2008.....	170,830,002
July 25, 2008.....	161,063,391
August 25, 2008.....	151,850,126
September 25, 2008.....	142,817,986
October 25, 2008.....	134,412,905
November 25, 2008.....	126,565,549
December 25, 2008.....	119,335,744
January 25, 2009.....	112,581,599
February 25, 2009.....	106,200,397
March 25, 2009.....	100,173,997
April 25, 2009.....	94,488,197
May 25, 2009.....	89,123,561
June 25, 2009.....	84,062,901
July 25, 2009.....	79,289,379
August 25, 2009.....	74,786,651
September 25, 2009.....	70,539,230
October 25, 2009.....	66,533,650
November 25, 2009.....	62,755,625
December 25, 2009.....	59,192,832
January 25, 2010.....	55,833,285
February 25, 2010.....	52,664,971
March 25, 2010.....	49,677,614
April 25, 2010.....	46,861,054
May 25, 2010.....	44,205,341
June 25, 2010.....	41,701,665
July 25, 2010.....	39,341,215
August 25, 2010.....	37,116,264

SCHEDULE III

SCHEDULED FINAL MATURITY BALANCE SCHEDULE

<u>Distribution Date</u>	<u>Principal Balance of Mortgage Loans Having 40-Year Original Terms to Maturity (\$)</u>
September 25, 2012.....	645,419,182.61
October 25, 2012.....	642,556,490.77
November 25, 2012.....	639,705,340.18
December 25, 2012.....	636,865,677.38
January 25, 2013.....	634,037,449.14
February 25, 2013.....	631,220,602.42
March 25, 2013.....	628,415,084.36
April 25, 2013.....	625,620,842.31
May 25, 2013.....	622,837,823.84
June 25, 2013.....	620,065,976.68
July 25, 2013.....	617,305,248.77
August 25, 2013.....	614,555,588.26
September 25, 2013.....	611,816,943.46
October 25, 2013.....	609,089,262.90
November 25, 2013.....	606,372,495.29
December 25, 2013.....	603,666,589.53
January 25, 2014.....	600,971,494.70
February 25, 2014.....	598,287,160.09
March 25, 2014.....	595,613,535.17
April 25, 2014.....	592,950,569.57
May 25, 2014.....	590,298,213.14
June 25, 2014.....	587,656,415.90
July 25, 2014.....	585,025,128.04
August 25, 2014.....	582,404,299.96
September 25, 2014.....	579,793,882.22
October 25, 2014.....	577,193,825.56
November 25, 2014.....	574,604,080.91
December 25, 2014.....	572,024,599.38
January 25, 2015.....	569,455,332.24
February 25, 2015.....	566,896,230.95
March 25, 2015.....	564,347,247.14
April 25, 2015.....	561,808,332.63
May 25, 2015.....	559,279,439.38
June 25, 2015.....	556,760,519.56
July 25, 2015.....	554,251,525.48
August 25, 2015.....	551,752,409.65
September 25, 2015.....	549,263,124.72
October 25, 2015.....	546,783,623.53
November 25, 2015.....	544,313,859.08
December 25, 2015.....	541,853,784.54
January 25, 2016.....	539,403,353.24
February 25, 2016.....	536,962,518.68
March 25, 2016.....	534,531,234.53
April 25, 2016.....	532,109,454.60
May 25, 2016.....	529,697,132.90
June 25, 2016.....	527,294,223.57
July 25, 2016.....	524,900,680.91
August 25, 2016.....	522,516,459.40
September 25, 2016.....	520,141,513.68
October 25, 2016.....	517,775,798.51
November 25, 2016.....	515,419,268.85
December 25, 2016.....	513,071,879.80

Distribution Date	Principal Balance of Mortgage Loans Having 40-Year Original Terms to Maturity (\$)
January 25, 2017.....	510,733,586.61
February 25, 2017.....	508,404,344.69
March 25, 2017.....	506,084,109.60
April 25, 2017.....	503,772,837.06
May 25, 2017.....	501,470,482.92
June 25, 2017.....	499,177,003.21
July 25, 2017.....	496,892,354.10
August 25, 2017.....	494,616,491.88
September 25, 2017.....	492,349,373.04
October 25, 2017.....	490,090,954.18
November 25, 2017.....	487,841,192.04
December 25, 2017.....	485,600,043.55
January 25, 2018.....	483,367,465.73
February 25, 2018.....	481,143,415.79
March 25, 2018.....	478,927,851.04
April 25, 2018.....	476,720,728.98
May 25, 2018.....	474,522,007.20
June 25, 2018.....	472,331,643.47
July 25, 2018.....	470,149,595.67
August 25, 2018.....	467,975,821.85
September 25, 2018.....	465,810,280.17
October 25, 2018.....	463,652,928.94
November 25, 2018.....	461,503,726.60
December 25, 2018.....	459,362,631.74
January 25, 2019.....	457,229,603.05
February 25, 2019.....	455,104,599.39
March 25, 2019.....	452,987,579.73
April 25, 2019.....	450,878,503.19
May 25, 2019.....	448,777,329.00
June 25, 2019.....	446,684,016.54
July 25, 2019.....	444,598,525.31
August 25, 2019.....	442,520,814.92
September 25, 2019.....	440,450,845.14
October 25, 2019.....	438,388,575.85
November 25, 2019.....	436,333,967.06
December 25, 2019.....	434,286,978.89
January 25, 2020.....	432,247,571.61
February 25, 2020.....	430,215,705.60
March 25, 2020.....	428,191,341.36
April 25, 2020.....	426,174,439.51
May 25, 2020.....	424,164,960.80
June 25, 2020.....	422,162,866.09
July 25, 2020.....	420,168,116.37
August 25, 2020.....	418,180,672.74
September 25, 2020.....	416,200,496.43
October 25, 2020.....	414,227,548.76
November 25, 2020.....	412,261,791.20
December 25, 2020.....	410,303,185.31
January 25, 2021.....	408,351,692.78
February 25, 2021.....	406,407,275.40
March 25, 2021.....	404,469,895.08
April 25, 2021.....	402,539,513.84
May 25, 2021.....	400,616,093.82
June 25, 2021.....	398,699,597.25
July 25, 2021.....	396,789,986.50
August 25, 2021.....	394,887,224.02
September 25, 2021.....	392,991,272.39
October 25, 2021.....	391,102,094.27

Distribution Date	Principal Balance of Mortgage Loans Having 40-Year Original Terms to Maturity (\$)
November 25, 2021	389,219,652.45
December 25, 2021	387,343,909.83
January 25, 2022	385,474,829.39
February 25, 2022	383,612,374.23
March 25, 2022	381,756,507.56
April 25, 2022	379,907,192.67
May 25, 2022	378,064,392.97
June 25, 2022	376,228,071.97
July 25, 2022	374,398,193.28
August 25, 2022	372,574,720.59
September 25, 2022	370,757,617.71
October 25, 2022	368,946,848.55
November 25, 2022	367,142,377.10
December 25, 2022	365,344,167.46
January 25, 2023	363,552,183.81
February 25, 2023	361,766,390.45
March 25, 2023	359,986,751.75
April 25, 2023	358,213,232.19
May 25, 2023	356,445,796.32
June 25, 2023	354,684,408.81
July 25, 2023	352,929,034.39
August 25, 2023	351,179,637.92
September 25, 2023	349,436,184.30
October 25, 2023	347,698,638.57
November 25, 2023	345,966,965.81
December 25, 2023	344,241,131.23
January 25, 2024	342,521,100.09
February 25, 2024	340,806,837.75
March 25, 2024	339,098,309.66
April 25, 2024	337,395,481.35
May 25, 2024	335,698,318.44
June 25, 2024	334,006,786.61
July 25, 2024	332,320,851.64
August 25, 2024	330,640,479.39
September 25, 2024	328,965,635.81
October 25, 2024	327,296,286.89
November 25, 2024	325,632,398.74
December 25, 2024	323,973,937.54
January 25, 2025	322,320,869.53
February 25, 2025	320,673,161.03
March 25, 2025	319,030,778.46
April 25, 2025	317,393,688.28
May 25, 2025	315,761,857.04
June 25, 2025	314,135,251.38
July 25, 2025	312,513,837.98
August 25, 2025	310,897,583.62
September 25, 2025	309,286,455.13
October 25, 2025	307,680,419.43
November 25, 2025	306,079,443.48
December 25, 2025	304,483,494.35
January 25, 2026	302,892,539.13
February 25, 2026	301,306,545.03
March 25, 2026	299,725,479.27
April 25, 2026	298,149,309.19
May 25, 2026	296,578,002.16
June 25, 2026	295,011,525.62
July 25, 2026	293,449,847.08
August 25, 2026	291,892,934.11

Distribution Date	Principal Balance of Mortgage Loans Having 40-Year Original Terms to Maturity (\$)
September 25, 2026.....	290,340,754.34
October 25, 2026.....	288,793,275.47
November 25, 2026.....	287,250,465.24
December 25, 2026.....	285,712,291.47
January 25, 2027.....	284,178,722.04
February 25, 2027.....	282,649,724.87
March 25, 2027.....	281,125,267.96
April 25, 2027.....	279,605,319.33
May 25, 2027.....	278,089,847.11
June 25, 2027.....	276,578,819.43
July 25, 2027.....	275,072,204.51
August 25, 2027.....	273,569,970.62
September 25, 2027.....	272,072,086.06
October 25, 2027.....	270,578,519.21
November 25, 2027.....	269,089,238.49
December 25, 2027.....	267,604,212.37
January 25, 2028.....	266,123,409.37
February 25, 2028.....	264,646,798.05
March 25, 2028.....	263,174,347.04
April 25, 2028.....	261,706,025.01
May 25, 2028.....	260,241,800.65
June 25, 2028.....	258,781,642.73
July 25, 2028.....	257,325,520.06
August 25, 2028.....	255,873,401.49
September 25, 2028.....	254,425,255.90
October 25, 2028.....	252,981,052.23
November 25, 2028.....	251,540,759.45
December 25, 2028.....	250,104,346.60
January 25, 2029.....	248,671,782.72
February 25, 2029.....	247,243,036.92
March 25, 2029.....	245,818,078.34
April 25, 2029.....	244,396,876.15
May 25, 2029.....	242,979,399.57
June 25, 2029.....	241,565,617.86
July 25, 2029.....	240,155,500.29
August 25, 2029.....	238,749,016.20
September 25, 2029.....	237,346,134.95
October 25, 2029.....	235,946,825.93
November 25, 2029.....	234,551,058.56
December 25, 2029.....	233,158,802.30
January 25, 2030.....	231,770,026.64
February 25, 2030.....	230,384,701.11
March 25, 2030.....	229,002,795.26
April 25, 2030.....	227,624,278.66
May 25, 2030.....	226,249,120.93
June 25, 2030.....	224,877,291.70
July 25, 2030.....	223,508,760.64
August 25, 2030.....	222,143,497.44
September 25, 2030.....	220,781,471.82
October 25, 2030.....	219,422,653.51
November 25, 2030.....	218,067,012.27
December 25, 2030.....	216,714,517.91
January 25, 2031.....	215,365,140.23
February 25, 2031.....	214,018,849.06
March 25, 2031.....	212,675,614.25
April 25, 2031.....	211,335,405.67
May 25, 2031.....	209,998,193.23
June 25, 2031.....	208,663,946.83

<u>Distribution Date</u>	Principal Balance of Mortgage Loans Having 40-Year Original Terms to Maturity (\$)
July 25, 2031.....	207,332,636.40
August 25, 2031.....	206,004,231.88
September 25, 2031.....	204,678,703.23
October 25, 2031.....	203,356,020.45
November 25, 2031.....	202,036,153.50
December 25, 2031.....	200,719,072.41
January 25, 2032.....	199,404,747.19
February 25, 2032.....	198,093,147.87
March 25, 2032.....	196,784,244.49
April 25, 2032.....	195,478,007.10
May 25, 2032.....	194,174,405.78
June 25, 2032.....	192,873,410.59
July 25, 2032.....	191,574,991.61
August 25, 2032.....	190,279,118.93
September 25, 2032.....	188,985,762.64
October 25, 2032.....	187,694,892.84
November 25, 2032.....	186,406,479.64
December 25, 2032.....	185,120,493.16
January 25, 2033.....	183,836,903.49
February 25, 2033.....	182,555,680.76
March 25, 2033.....	181,276,795.08
April 25, 2033.....	180,000,216.58
May 25, 2033.....	178,725,915.37
June 25, 2033.....	177,453,861.56
July 25, 2033.....	176,184,025.29
August 25, 2033.....	174,916,376.65
September 25, 2033.....	173,650,885.77
October 25, 2033.....	172,387,522.74
November 25, 2033.....	171,126,257.68
December 25, 2033.....	169,867,060.67
January 25, 2034.....	168,609,901.82
February 25, 2034.....	167,354,751.20
March 25, 2034.....	166,101,578.88
April 25, 2034.....	164,850,354.95
May 25, 2034.....	163,601,049.44
June 25, 2034.....	162,353,632.42
July 25, 2034.....	161,108,073.91
August 25, 2034.....	159,864,343.93
September 25, 2034.....	158,622,412.50
October 25, 2034.....	157,382,249.62
November 25, 2034.....	156,143,825.26
December 25, 2034.....	154,907,109.39
January 25, 2035.....	153,672,071.95
February 25, 2035.....	152,438,682.89
March 25, 2035.....	151,206,912.11
April 25, 2035.....	149,976,729.51
May 25, 2035.....	148,748,104.96
June 25, 2035.....	147,521,008.32
July 25, 2035.....	146,295,409.41
August 25, 2035.....	145,071,278.06

SCHEDULE IV
PMI MORTGAGE LOAN SCHEDULE
NOT APPLICABLE

SE 2113112 v7

**EXHIBIT 4
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST**

Trust #001 -- Coast Federal 1992-1 (CO9201)

NOTICE PARTIES

US Bank Corporate Trust Services as Indenture Trustee Attn: Tiffany Jeanson 60 Livingston Avenue EP-MN-WS3D Saint Paul, MN 55107	Standard & Poor's Attn: Asset Backed Surveillance Dept 55 Water Street New York, New York 10041
JP Morgan Chase Bank, NA as Servicer 3415 Vision Dr Columbus, OH 43219	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Ace Securities Corp c/o Deutsche Bank Securities Inc, as Depositor Attn: Robert Goldstein 60 Wall Street, 3rd Floor Mail Stop NYC60-0323 New York, NY 10005	Fitch Ratings One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [190348AA0]	INACTIVE [190348ZZ6]
AGL-DEL C/O STATE STREET BANK & TRUST BOX 5756 BOSTON MA 02206 [190348ZZ9]	INACTIVE [190348ZZ5]
Deutsche Bank 1761 E St Andrew Place Santa Ana, CA 92705 [190348ZZ8]	SIGLER & CO c/o The Chase Manhattan Bank PO BOX 35308 Newark, NJ 07101-8006 [190348ZZ4]
INACTIVE [190348ZZ7]	

Trust #002 -- GSAMP Trust 2005-S2 (GS05X2)

NOTICE PARTIES

Depositor - GS Mortgage Securities Corp. Attn: Structured Finance- Residential 200 West Street, 7th Floor New York, NY 10282	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
CO-Trustee - U.S. Bank National Association Attn: General Counsel (GSAMP Trust 2005-S2) 401 South Tyron Street, 12th Floor, NC-1179 Charlotte, NC 28288-1179	Radiance Insurance Inc. Mortgage Pool Insurer Attn: General Counsel 1601 Market Street Philadelphia, PA 19103
Washington Mutual Inc. Master Servicer & Responsible Party Attn: General Counsel 221 Enterprise Drive Florence, SC 29501	Radian Insurance Inc. 1601 Market Street Philadelphia, PA 19103
Moody's Investors Service, Inc. 7 world Trade Center 250 Greenwich Street New York, NY 10007	

BENEFICIARIES/HOLDERS

INACTIVE [36242D3D3]	INACTIVE [36242D3K7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [36242D3E1]	INACTIVE [36242D3L5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [36242D3F8]	GOLDMAN, SACHS & CO. ATTN: MICHAEL CALLAGHAN 30 HUDSON STREET 17TH FLOOR JERSEY CITY, NJ 07302 [36242D3N1]
INACTIVE [36242D3G6]	INACTIVE [36242D3Q4]
INACTIVE [36242D3H4]	INACTIVE [36242D3M3]
INACTIVE [36242D3J0]	CITIBANK, N. A. ATTN ACCOUNTING DEPT 390 GREENWICH ST NEW YORK, NY 10013-2375 [36242D3P6]

Trust #003 -- GSAMP Trust 2006-S1 (GS06L1)**NOTICE PARTIES**

GS Mortgage Securities Corp. as Depositor Attention: Principal Finance Group/Christopher M. Gething and Asset Management Group/Senior Asset Manager 85 Broad Street New York, NY 10004	Fitch, Inc. Attention: MBS Monitoring – GSAMP Trust 2006-S1 One State Street Plaza New York, NY 10004
Long Beach Mortgage Company as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Moody’s Investors Service, Inc. Attention: Residential Mortgage Pass-Through Group 99 Church Street New York, NY 10007
Long Beach Mortgage Company as Responsible Party Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	JP Morgan Chase Bank, NA as Servicer 3415 Vision Dr Columbus, OH 43219

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623412J7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623412Q1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623413A5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623412R9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623413B3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623412S7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623412K4]	GOLDMAN, SACHS & CO. ATTN: MICHAEL CALLAGHAN 30 HUDSON STREET 17TH FLOOR JERSEY CITY, NJ 07302 [3623412T5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623412L2]	GOLDMAN, SACHS & CO. ATTN: MICHAEL CALLAGHAN 30 HUDSON STREET 17TH FLOOR JERSEY CITY, NJ 07302 [3623412U2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [3623412M0]	GOLDMAN, SACHS & CO. ATTN: MICHAEL CALLAGHAN 30 HUDSON STREET 17TH FLOOR JERSEY CITY, NJ 07302 [3623412V0]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[3623412N8]</p>	<p>CITIBANK NA ATTN ACCOUNTING DEPT TARGETED ARBITRAGE PRODUCTS 390 GREENWICH ST NY 10013-2391</p> <p>[3623412W8]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[3623412P3]</p>	

Trust #004 -- Long Beach Home Equity Loan Trust 2000-LB1 (LB00F1)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. CI 2004-4, as Issuer
c/o Deutsche Bank (Cayman) Limited
Attention: The Directors
P.O. Box 1984GT
Elizabethan Square, George Town
Grand Cayman, Cayman Islands

Fitch, Inc
One State Street Plaza
New York, NY 10004

Long Beach Asset Holdings CI 2004-4 LLC, as Co-Issuer
Attention: Donald Puglisi
850 Library Avenue, Suite 204
Newark, DE 19711

BENEFICIARIES/HOLDERS

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[LB10000PF]

[04541GAU6]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[LB10000PV]

[04541GAV4]

LONG BEACH MORTGAGE COMPANY
ATTN LB 2000-LB1
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

INACTIVE

[04541GAW2]

[LB00000RI]

LONG BEACH MORTGAGE COMPANY
ATTN LB 2000-LB1
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

INACTIVE

[04541GAX0]

[LB00000RII]

INACTIVE

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[04541GAM4]

[04541GAY8]

INACTIVE

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[04541GAN2]

[04541GAZ5]

INACTIVE

LONG BEACH MORTGAGE COMPANY
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[04541GAP7]

[LB100BIOF]

<p>INACTIVE</p> <p>[04541GAQ5]</p>	<p>LONG BEACH MORTGAGE COMPANY 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868</p> <p>[LB100BIOV]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[04541GAR3]</p>	<p>LONG BEACH MORTGAGE COMPANY 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868</p> <p>[LB10000XF]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[04541GAS1]</p>	<p>LONG BEACH MORTGAGE COMPANY 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868</p> <p>[LB10000XV]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[04541GAT9]</p>	<p>LONG BEACH MORTGAGE COMPANY ATTN LB 2000-LB1 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868</p> <p>[LB000RIII]</p>

Trust #005 -- Long Beach Mortgage Loan Trust 2000-1 (LB0002)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. CI 2004-6, as Issuer
c/o Deutsche Bank (Cayman) Limited
Attention: The Directors
P.O. Box 1984GT
Elizabethan Square, George Town
Grand Cayman, Cayman Islands

Standard & Poor's Ratings Services
Attention: Asset Backed Surveillance Department
55 Water Street - 41st Floor
New York, NY 10041

Long Beach Asset Holdings CI 2004-6 LLC, as Co-Issuer
Attention: Donald Puglisi
850 Library Avenue, Suite 204
Newark, DE 19711

BENEFICIARIES/HOLDERS

INACTIVE
[LB0002212]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041
[542514AE4]

INACTIVE
[542514AA2]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041
[542514AF1]

INACTIVE
[542514AB0]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041
[542514AG9]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041
[542514AC8]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868
[LB0002104]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041
[542514AD6]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868
[LB0002105]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041
[542514AH7]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868
[LB0002103]

Trust #006 -- Long Beach Mortgage Loan Trust 2001-1 (LB0101)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2005-1 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514AJ3]	INACTIVE [542514AL8]
INACTIVE [542514AK0]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0101104]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514AM6]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0101105]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514AN4]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0101103]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514AP9]	

Trust #007 -- Long Beach Mortgage Loan Trust 2001-2 (LB0102)

NOTICE PARTIES

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2005-2 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

FEDERAL HOME LOAN MORTGAGE CORP 8200 JONES BRANCH DRIVE MAIL STOP 365 MCLEAN, VA 22102 [DB00985T2]	INACTIVE [DB00985U9]
INACTIVE [DB00985S4]	INACTIVE [542514AR5]
INACTIVE [542514AQ7]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0102102]
CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514AS3]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0102103]
CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514AT1]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0102101]
CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514AU8]	

Trust #008 -- Long Beach Mortgage Loan Trust 2001-3 (LB0103)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2005-3 99 Church Street New York, NY 10048	Dominion Bond Rating Service, Inc. 55 Broadway New York, NY 10006

BENEFICIARIES/HOLDERS

INACTIVE [542514AZ7]	INACTIVE [542514AY0]
LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0103101]	CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514BA1]
LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0103102]	CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514BB9]
LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0103103]	CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514BC7]
CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514BD5]	INACTIVE [542514BE3]

Trust #009 -- Long Beach Mortgage Loan Trust 2001-4 (LB0104)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. CI 2005-2, as Issuer
c/o Deutsche Bank (Cayman) Limited
Attention: The Directors
P.O. Box 1984GT
Elizabethan Square, George Town
Grand Cayman, Cayman Islands

Fitch, Inc
One State Street Plaza
New York, NY 10004

Long Beach Asset Holdings CI 2005-2 LLC, as Co-Issuer
Attention: Donald Puglisi
850 Library Avenue, Suite 204
Newark, DE 19711

BENEFICIARIES/HOLDERS

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

[542514BF0]

INACTIVE

[542514BJ2]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

[542514BQ6]

BANKERS TRUST COMPANY, AS INDENTURE TRUSTEE
LONG BEACH CI-1 NIM 2001-4
1761 E. ST. ANDREW PLACE
SANTA ANA, CA 92705

[LB0104105]

INACTIVE

[542514BR4]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0104101]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

[542514BS2]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0104102]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

[542514BK9]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0104103]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

[542514BL7]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0104104]

CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514BN3]	ACTIVE [LB0104106]
INACTIVE [542514BH6]	

Trust #010 -- Long Beach Mortgage Loan Trust 2002-1 (LB0201)

NOTICE PARTIES

Long Beach Asset Holdings Corp. CI 2005-WL1, as Issuer c/o Deutsche Bank (Cayman) Limited Attention: The Directors P.O. Box 1984GT Elizabethan Square, George Town Grand Cayman, Cayman Islands	Standard & Poor's Ratings Services Attention: Asset Backed Surveillance Department 55 Water Street - 41st Floor New York, NY 10041
Long Beach Asset Holdings CI 2005-WL1 LLC, as Co-Issuer Attention: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	Dominion Bond Rating Service, Inc. 55 Broadway New York, NY 10006

BENEFICIARIES/HOLDERS

CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514CC6]	INACTIVE [542514CD4]
INACTIVE [542514BT0]	INACTIVE [542514BX1]
INACTIVE [542514BU7]	ACTIVE [LB0201205]
INACTIVE [542514BV5]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0201101]
INACTIVE [542514BW3]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0201102]
CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514BY9]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0201103]
CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514BZ6]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0201104]

CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514CA0]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0201105]
INACTIVE [542514CB8]	

Trust #011 -- Long Beach Mortgage Loan Trust 2002-2 (LB0202)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. NIM Trust 2005-WL2, as
Issuer
(or Owner Trustee on behalf of the Issuer)
c/o Wilmington Trust Company
Attention: Corporate Trust Administration
Rodney Square North
1100 North Market Street
Wilmington, DE 19801

Standard & Poor's Ratings Services
Attention: Asset Backed Surveillance Department
55 Water Street - 41st Floor
New York, NY 10041

BENEFICIARIES/HOLDERS

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

INACTIVE
[LB0202101]

[542514CE2]

INACTIVE

INACTIVE

[542514CG7]

[LB0202102]

INACTIVE

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0202107]

[542514CJ1]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0202103]

[542514CK8]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0202104]

[542514CL6]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0202105]

[542514CM4]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868

[LB0202106]

[542514CN2]

INACTIVE [542514CF9]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0202108]
INACTIVE [542514CH5]	

Trust #012 -- Long Beach Mortgage Loan Trust 2002-5 (LB0205)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. CI 2005-3, as Issuer
c/o Deutsche Bank (Cayman) Limited
Attention: The Directors
P.O. Box 1984GT
Elizabethan Square, George Town
Grand Cayman, Cayman Islands

Standard & Poor's Ratings Services
Attention: Asset Backed Surveillance Department
55 Water Street - 41st Floor
New York, NY 10041

Long Beach Asset Holdings CI 2005-3 LLC, as Co-Issuer
Attention: Donald Puglisi
850 Library Avenue, Suite 204
Newark, DE 19711

BENEFICIARIES/HOLDERS

INACTIVE
[542514CX0]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274
[542514DE1]

INACTIVE
[542514CY8]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274
[542514DF8]

INACTIVE
[542514CZ5]

LONG BEACH MORTGAGE COMPANY
ATTN ANDY SCIANDRA
1100 TOWN & COUNTRY ROAD SUITE 1600
ORANGE CA 92868
[LB0205403]

INACTIVE
[542514DA9]

LONG BEACH MORTGAGE COMPANY
1400 S. DOUGLASS RD, SUITE 100
ANAHEIM, CA 92806
[LB0205401]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274
[542514DB7]

MKM I CORP.
C/O PUGLISI & ASSOCIATES
850 LIBRARY AVE. SUITE 204
NEWARK, DE 19711
[LB0205404]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274
[542514DC5]

LONG BEACH MORTGAGE COMPANY
1400 S. DOUGLASS RD, SUITE 100
ANAHEIM, CA 92806
[LB0205402]

CEDE & CO FAST
P. O. BOX 20
BOWLING GREEN STATION
NEW YORK, NY 10274
[542514DD3]

MKM I CORP.
C/O PUGLISI & ASSOCIATES
850 LIBRARY AVE. SUITE 204
NEWARK, DE 19711
[LB0205405]

Trust #013 -- Long Beach Mortgage Loan Trust 2003-1 (LB0301)**NOTICE PARTIES**

Wilmington Trust Company Attn: Corporate Trust Administration Rodney Square North 1100 North Market Street Wilmington, DE 19801	Standard and Poor's Ratings Services Attn: Asset Backed Surveillance Dept. Surveillance Monitoring 55 Water Street, 41st Floor New York, NY 10041
Long Beach Mortgage Company Attn: Richard Fisher and James Mark 1201 Third Avenue, Mail Stop: WMT1041 Seattle, WA 98101	

BENEFICIARIES/HOLDERS

CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514DN1]	CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514DM3]
INACTIVE [542514DG6]	MKM I CORP. C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE. SUITE 204 NEWARK, DE 19711 [LB0301103]
INACTIVE [542514DP6]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0301106]
INACTIVE [542514DH4]	LONG BEACH MORTGAGE COMPANY 1400 S. DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0301101]
INACTIVE [542514DJ0]	LONG BEACH MORTGAGE COMPANY 1400 S. DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0301102]
CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514DK7]	MKM I CORP. C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE. SUITE 204 NEWARK, DE 19711 [LB0301104]
CEDE & CO FAST P. O. BOX 20 BOWLING GREEN STATION NEW YORK, NY 10274 [542514DL5]	MKM I CORP. C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE. SUITE 204 NEWARK, DE 19711 [LB0301105]

Trust #014 -- Long Beach Mortgage Loan Trust 2003-2 (LB0302)

NOTICE PARTIES

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2005-WL1 99 Church Street New York, NY 10048	Dominion Bond Rating Service, Inc. 55 Broadway New York, NY 10006

BENEFICIARIES/HOLDERS

INACTIVE [542514DQ4]	INACTIVE [542514DR2]
INACTIVE [542514DS0]	INACTIVE [542514DT8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514DU5]	LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE CA 92868 [LB0302301]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514DV3]	LONG BEACH ASSET HOLDINGS CORP C/O LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE, CA 92868 [LB0302304]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514DW1]	INACTIVE [LB0302302]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514DX9]	LONG BEACH ASSET HOLDINGS CORP C/O LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE, CA 92868 [LB0302305]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514DY7]	

Trust #015 -- Long Beach Mortgage Loan Trust 2003-3 (LB0303)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2005-WL2 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

INACTIVE [542514DZ4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514ED2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EA8]	LONG BEACH ASSET HOLDINGS CORP CI 2003-3 C/O MAPLES FINANCE LIMITED PO BOX 1093 GT QUEENSGATE HOUSE SOUTH EET, GRAND CAYMAN CAYMAN ISL CAYMAN ISLAND [LB0303301]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EB6]	INACTIVE [LB0303302]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EC4]	LONG BEACH ASSET HOLDINGS CORP C/O LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE, CA 92868 [LB0303303]

Trust #016 -- Long Beach Mortgage Loan Trust 2003-4 (LB0304)

NOTICE PARTIES

Long Beach Mortgage Company Attn: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp. Attn: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
MBIA Insurance Corporation Attn: IPM Global Mortgages (LBMC 2005-WL3) 113 King Street Armonk, NY 10504	Credit Suisse First Boston International, Attn: Head of Credit Risk Management One Cabot Square London E14 4QJ England
Moody's Investors Services, Inc. Attn: MBS Monitoring/Long Beach Mortgage Loan Trust 2005-WL3 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EE0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EN0]
INACTIVE [542514EF7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EP5]
INACTIVE [542514EG5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EQ3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EH3]	LONG BEACH ASSET HOLDINGS CORP C/O LONG BEACH MORTGAGE COMPANY ATTN ANDY SCIANDRA 1100 TOWN & COUNTRY ROAD SUITE 1600 ORANGE, CA 92868 [LB0304103]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EJ9]	LONG BEACH ASSET HOLDINGS CORP CI 2003-4 C/O DEUTSCHE BANK (CAYMAN) LIMITED PO BOX 1984GT ELIZABETHAN SQUARE N, GRAND CAYMAN CAYMAN ISL CAYMAN ISLAND [LB0304101]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514EK6]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0304104]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514EL4]</p>	<p>INACTIVE</p> <p>[LB0304102]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514EM2]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0304105]</p>

Trust #017 -- Long Beach Mortgage Loan Trust 2004-1 (LB0401)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2006-1 99 Church Street New York, NY 10048
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FD1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EY6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FE9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EZ3]
INACTIVE [542514ER1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FA7]
INACTIVE [542514ES9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FB5]
INACTIVE [542514ET7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FC3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EU4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FF6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EV2]	MAC & CO LLC P.O. BOX 3195 PITTSBURGH, PA 15230-3195 [LB0401201]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EW0]	HBK MASTER FUND L.P. C/O HBK SERVICES LLC ATTN: LEGAL DEPARTMENT 2101 CEDAR SPRINGS ROAD, SUITE 700 Dallas, TX 75201 [LB0401202]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514EX8]	LONG BEACH ASSET HOLDINGS CORP 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0401203]
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Trust #018 -- Long Beach Mortgage Loan Trust 2004-2 (LB0402)

NOTICE PARTIES

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2006-2 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FT6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GB4]
INACTIVE [542514FU3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GC2]
INACTIVE [542514FV1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GD0]
INACTIVE [542514FW9]	INACTIVE [542514GE8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FX7]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE ADMINISTRATOR, ON BEHALF OF US BANK NATIONAL ASSOCIATION AS INDENTURE TRUSTEE, SERIES 2004-2 1761 E ST ANDREW PLACE SANTA ANA, CA 92705 [LB0402201]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FY5]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE ADMINISTRATOR, ON BEHALF OF US BANK NATIONAL ASSOCIATION AS INDENTURE TRUSTEE, SERIES 2004-2 1761 E ST ANDREW PLACE SANTA ANA, CA 92705 [LB0402202]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514FZ2]	LONG BEACH ASSET HOLDINGS CORP 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0402203]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GA6]	

Trust #019 -- Long Beach Mortgage Loan Trust 2004-3 (LB0403)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2006-3 99 Church Street New York, NY 10048
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GF5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GQ1]
INACTIVE [542514GG3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GR9]
INACTIVE [542514GH1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GS7]
INACTIVE [542514GJ7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GT5]
INACTIVE [542514GK4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GU2]
INACTIVE [542514GL2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GV0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GM0]	GOLDMAN SACHS & CO 30 HUDSON ST 17TH FL JERSEY CITY, NJ 07302 [LB0403301]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GN8]	LONG BEACH ASSET HOLDINGS CORP 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0403302]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GP3]	LONG BEACH ASSET HOLDINGS CORP 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0403303]
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Trust #020 -- Long Beach Mortgage Loan Trust 2004-4 (LB0404)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2006-4 99 Church Street New York, NY 10048
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HN7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JA3]
INACTIVE [542514HP2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JB1]
INACTIVE [542514HQ0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JC9]
INACTIVE [542514HR8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JD7]
INACTIVE [542514HS6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JE5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HT4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JF2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HU1]	CITIBANK NA ATTN ACCOUNTING DEPT TARGETED ARBITRAGE PRODUCTS 390 GREENWICH ST 10013 [LB04041R1]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514HV9]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE, LONG BEACH ASSET HOLDING CL SERIES 2004-4 NIM NOTES 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB04041C1]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514HW7]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0404RCX]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514HX5]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE, LONG BEACH ASSET HOLDING CL SERIES 2004-4 NIM NOTES 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB04041P1]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514HY3]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0404RPX]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514HZ0]</p>	

Trust #021 -- Long Beach Mortgage Loan Trust 2004-5 (LB0405)**NOTICE PARTIES**

Long Beach Mortgage Company Attn: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
Long Beach Securities Corp. Attn: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	ABN AMRO Bank N.V. 55 Park Avenue Plaza New York, NY 10005
Moody's Investors Services, Inc. Attn: MBS Monitoring/Long Beach Mortgage Loan Trust 2005-WL3 99 Church Street New York, NY 10048	ABN AMRO Bank N.V. Chicago Branch Global Documentation Unit 540 W. Madison Street, 22nd Floor Chicago, IL 60661

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514GW8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HG2]
INACTIVE [542514GX6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HH0]
INACTIVE [542514GY4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HJ6]
INACTIVE [542514GZ1]	INACTIVE [542514HK3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HB3]	INACTIVE [542514HL1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HC1]	INACTIVE [542514HM9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514HD9]	CITIBANK NA ATTN ACCOUNTING DEPT TARGETED ARBITRAGE PRODUCTS 390 GREENWICH ST NY 10013-2375 [LB0405003]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514HE7]</p>	<p>GERLACH & COMPANY C/O CITIBANK NA 399 PARK AVE LEVEL B VAULT NEW YORK NY 10022</p> <p>[LB0405001]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514HF4]</p>	<p>GERLACH & COMPANY C/O CITIBANK NA 399 PARK AVE LEVEL B VAULT NEW YORK NY 10022</p> <p>[LB0405002]</p>

Trust #022 -- Long Beach Mortgage Loan Trust 2004-6 (LB0406)

NOTICE PARTIES

Washington Mutual Bank Attn: General Counsel 1301 Second Avenue Seattle, WA 98101	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
Deutsche Bank Trust Company Delaware 1011 Centre Road Suite 200 Wilmington Delaware 19805	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp. Attn: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Credit Suisse International Attn: Head of Credit Risk Management One Cabot Square London E14 4QJ England
Moody's Investors Service, Inc. Attn: MBS Monitoring/Long Beach Mortgage Loan Trust 2006-6 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

INACTIVE [542514JG0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JR6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JH8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JS4]
INACTIVE [542514JJ4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JU9]
INACTIVE [542514JK1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JT2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JL9]	CITIBANK NA ATTN ACCOUNTING DEPT TARGETED ARBITRAGE PRODUCTS 390 GREENWICH ST NY 10013-2375 [LB0406203]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JM7]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE, LONG BEACH ASSET HOLDING CL SERIES 2004-6 NIM NOTES 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB0406201]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514JN5]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0406204]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514JP0]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE, LONG BEACH ASSET HOLDING CL SERIES 2004-6 NIM NOTES 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB0406202]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514JQ8]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0406205]</p>

Trust #023 -- Long Beach Mortgage Loan Trust 2005-1 (LB0501)

NOTICE PARTIES

Washington Mutual Bank - Servicer Washington Mutual Bank Attn: General Counsel 1301 Second Ave. Seattle, Washington 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. - Depositor Attn: General Counsel 1400 Suth Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Deutsche Bank Trust Company Delaware, Delaware Trustee Attn: General Counsel 1011 Centre Rd, Suite 200 Wilmington DE 19805	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

INACTIVE [542514JV7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KE3]
INACTIVE [542514JW5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KF0]
INACTIVE [542514JX3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KG8]
INACTIVE [542514JY1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KH6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514JZ8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KJ2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KA1]	LONG BEACH MORTGAGE COMPANY ATTN: DEVEN PATEL 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [542514KK9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KB9]	LONG BEACH MORTGAGE COMPANY ATTN: DEVEN PATEL 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0501203]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KC7]	CREDIT SUISSE SECURITIES USA LLC 11 MADISON AVE, 4TH FLOOR NEW YORK, NY 10010 [LB0501201]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KD5]	INACTIVE [LB0501202]

Trust #024 -- Long Beach Mortgage Loan Trust 2005-2 (LB0502)

NOTICE PARTIES

Washington Mutual Bank - Servicer Washington Mutual Bank Attn: General Counsel 1301 Second Ave. Seattle, Washington 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. - Depositor Attn: General Counsel 1400 Suth Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Deutsche Bank Trust Company Delaware, Delaware Trustee Attn: General Counsel 1011 Centre Rd, Suite 200 Wilmington DE 19805	

BENEFICIARIES/HOLDERS

INACTIVE [542514KL7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KX1]
INACTIVE [542514KM5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KY9]
INACTIVE [542514KN3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KZ6]
INACTIVE [542514KP8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LA0]
INACTIVE [542514KQ6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LB8]
INACTIVE [542514KR4]	LONG BEACH ASSET HOLDINGS CORP 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0502403]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514KS2]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2005-2 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB0502401]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514KT0]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0502404]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514KU7]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2005-2 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB0502402]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514KV5]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0502405]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514KW3]</p>	

Trust #025 -- Long Beach Mortgage Loan Trust 2005-3 (LB0503)**NOTICE PARTIES**

Washington Mutual Bank - Servicer Washington Mutual Bank Attn: General Counsel 1301 Second Ave. Seattle, Washington 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. - Depositor Attn: General Counsel 1400 Suth Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Deutsche Bank Trust Company Delaware, Delaware Trustee Attn: General Counsel 1011 Centre Rd, Suite 200 Wilmington DE 19805	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NT7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PD0]
INACTIVE [542514NU4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PE8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NV2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PF5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NW0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PG3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NX8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PH1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NY6]	LONG BEACH ASSET HOLDINGS CORP 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0503303]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NZ3]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2005-3 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB0503301]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PA6]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0503304]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PB4]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2005-3 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB0503302]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PC2]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0503305]</p>

Trust #026 -- Long Beach Mortgage Loan Trust 2005-WL1 (LB05W1)

NOTICE PARTIES

Long Beach Mortgage Company - Seller and Master Servicer Attn: General Counsel 1400 Suth Douglass Road, Suite 100 Anaheim, CA 92806	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. - Depositor Attn: General Counsel 1400 Suth Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

INACTIVE [542514LC6]	INACTIVE [542514LY8]
INACTIVE [542514LD4]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [542514LZ5]
INACTIVE [542514LE2]	INACTIVE [542514MC5]
INACTIVE [542514LF9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MD3]
INACTIVE [542514LG7]	INACTIVE [542514ME1]
INACTIVE [542514LH5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MF8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LJ1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MG6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LK8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MH4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LL6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MJ0]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LM4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MK7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LN2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514ML5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LP7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MM3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LQ5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MN1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LR3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MS0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LW2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MP6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LS1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MQ4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LT9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514MR2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LU6]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2005-WL1 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [542514MT8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514LV4]	INACTIVE [542514MU5]

DEUTSCHE BANK NATIONAL TRUST COMPANY
AS INDENTURE TRUSTEE FOR
LONG BEACH ASSET HOLDING CI SERIES 2005-WL1
1761 E. ST. ANDREW PL.
SANTA ANA CA 92705

[542514LX0]

Trust #027 -- Long Beach Mortgage Loan Trust 2005-WL2 (LB05W2)

NOTICE PARTIES

Washington Mutual Bank Attn: General Counsel 1301 Second Avenue Seattle, WA 98101	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
Deutsche Bank Trust Company Delaware 1011 Centre Road Suite 200 Wilmington Delaware 19805	ABN AMRO Bank N.V. 55 Park Avenue Plaza New York, NY 10005
Long Beach Securities Corp. Attn: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	c/o RBS Global Banking & Markets Attn: Swaps Administration 280 Bishopsgate London EC2M 4RB
Moody's Investors Service, Inc. Attn: MBS Monitoring/Long Beach Mortgage Loan Trust 2006-10 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

INACTIVE [542514NM2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NG5]
INACTIVE [542514MV3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NH3]
INACTIVE [542514NN0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NJ9]
INACTIVE [542514NP5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NK6]
INACTIVE [542514MW1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NL4]
INACTIVE [542514MX9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NQ3]

INACTIVE [542514MY7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NR1]
INACTIVE [542514MZ4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NS9]
INACTIVE [542514NA8]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2005-WL2 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [542514PJ7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NB6]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2005-WL2 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [542514PK4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NC4]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [542514PL2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514ND2]	CREDIT SUISSE FIRST BOSTON CORP LLC ATTN: JOE LITTLE 11 MADISON AVE, 4TH FLOOR NEW YORK, NY 10010 [542514PM0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NE0]	CREDIT SUISSE FIRST BOSTON CORP LLC ATTN: JOE LITTLE 11 MADISON AVE, 4TH FLOOR NEW YORK, NY 10010 [542514PN8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514NF7]	

Trust #028 -- Long Beach Mortgage Loan Trust 2005-WL3 (LB05W3)

NOTICE PARTIES

Washington Mutual Bank - Servicer Washington Mutual Bank Attn: General Counsel 1301 Second Ave. Seattle, Washington 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. - Depositor Attn: General Counsel 1400 Suth Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Deutsche Bank Trust Company Delaware, Delaware Trustee Attn: General Counsel 1011 Centre Rd, Suite 200 Wilmington DE 19805	

BENEFICIARIES/HOLDERS

INACTIVE [542514QA5]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PW8]
INACTIVE [542514QB3]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PX6]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QC1]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PY4]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QD9]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514PZ1]
INACTIVE [542514QE7]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QG2]
INACTIVE [542514QF4]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QH0]

<p>INACTIVE</p> <p>[542514PP3]</p>	<p>Deutsche Bank National Trust Company as Indenture Trustee for Long Beach Asset Holding Corp. CL 2005-WL3 1761 East St. Andrew Place Santa Ana, CA 92705</p> <p>[542514QJ6]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PQ1]</p>	<p>INACTIVE</p> <p>[542514QK3]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PR9]</p>	<p>Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286</p> <p>[542514QL1]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PS7]</p>	<p>INACTIVE</p> <p>[LB05W3R42]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PT5]</p>	<p>INACTIVE</p> <p>[LB05W3R43]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PU2]</p>	<p>Credit Suisse First Boston Corp, LLC 11 Madison Avenue, 4th Floor New York, NY 10010</p> <p>[542514QM9]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514PV0]</p>	<p>Credit Suisse First Boston Corp, LLC 11 Madison Avenue, 4th Floor New York, NY 10010</p> <p>[542514QN7]</p>

Trust #029 -- Long Beach Mortgage Loan Trust 2006-1 (LB0601)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. CI 2006-WL2, as Issuer c/o Deutsche Bank (Cayman) Limited Attention: The Directors P.O. Box 1984GT Elizabethan Square, George Town Grand Cayman, Cayman Islands	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Long Beach Asset Holdings CI 2006-WL2 LLC, as Co-Issuer Attention: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
U.S. Bank National Association, as Co-Trustee Attention: Corporate Trust 123 Broad Street Philadelphia, PA 19109	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RH9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RU0]
INACTIVE [542514RJ5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RV8]
INACTIVE [542514RK2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RW6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RL0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RX4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RM8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RY2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RN6]	LONG BEACH ASSET HOLDINGS CORP ATTN: LBMLT 2006-1 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0601303]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514RP1]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-1 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB0601301]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514RQ9]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0601304]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514RR7]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-1 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB0601302]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514RS5]</p>	<p>MKM I CORP C/O PUGLISI & ASSOCIATES 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB0601305]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514RT3]</p>	

Trust #030 -- Long Beach Mortgage Loan Trust 2006-2 (LB0602)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. CI 2006-3, as Issuer c/o Deutsche Bank (Cayman) Limited Attention: The Directors P.O. Box 1984GT Elizabethan Square, George Town Grand Cayman, Cayman Islands	Standard & Poor's Ratings Services Attention: Asset Backed Surveillance Department 55 Water Street - 41st Floor New York, NY 10041
Long Beach Asset Holdings CI 2006-3 LLC, as Co-Issuer Attention: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	Dominion Bond Rating Service, Inc. 55 Broadway New York, NY 10006

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TQ7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UB8]
INACTIVE [542514TR5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UC6]
INACTIVE [542514TS3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UD4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TT1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UE2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TU8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UF9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TV6]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-2 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB0602301]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TW4]	INACTIVE [LB0602503]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TX2]	INACTIVE [LB0602504]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TY0]	INACTIVE [LB0602205]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TZ7]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-2 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB0602302]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UA0]	LONG BEACH ASSET HOLDINGS CORP 1400 S DOUGLASS RD, SUITE 100 ANAHEIM, CA 92806 [LB0602303]

Trust #031 -- Long Beach Mortgage Loan Trust 2006-3 (LB0603)

NOTICE PARTIES

Long Beach Asset Holdings Corp. CI 2006-4, as Issuer c/o Deutsche Bank (Cayman) Limited Attention: The Directors P.O. Box 1984GT Elizabethan Square, George Town Grand Cayman, Cayman Islands	Standard & Poor's Ratings Services Attention: Asset Backed Surveillance Department 55 Water Street - 41st Floor New York, NY 10041
Long Beach Asset Holdings CI 2006-4 LLC, as Co-Issuer Attention: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UG7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514US1]
INACTIVE [542514UH5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UT9]
INACTIVE [542514UJ1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UU6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UK8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UV4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UL6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UW2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UM4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UX0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514UN2]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-3 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB0603303]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514UP7]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-3 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB0603301]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514UQ5]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TTEE UNDER THE INDENTURE LONG BEACH ASSET HOLDINGS CORP CLASS 2006-3 NIM 1761 E ST ANDREW PLACE SANTA ANA, CA 92705</p> <p>[LB0603302]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514UR3]</p>	

Trust #032 -- Long Beach Mortgage Loan Trust 2006-4 (LB0604)**NOTICE PARTIES**

WM Asset Holdings Corp. CI 2006-5 c/o Deutsche Bank (Cayman) Limited Attn: The Directors P.O. Box 1984GT Elizabethan Square, George Town, Grand Cayman Cayman Islands	Standard and Poor's Ratings Services Asset-Backed Surveillance Monitoring 55 Water Street, 41st Floor New York, NY 10041
Long Beach Mortgage Company Attn: James Mark 1301 Second Avenue Mail Stop: WMC 1505 Seattle, WA 98101	Maples and Calder Attn: Tim Frawley P.O. Box 309GT Ugland House, South Church Street Grand Cayman, Cayman Islands
WM Asset Holdings CI 2006-5 LLC Attn: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAA2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAL8]
INACTIVE [54251MAB0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAM6]
INACTIVE [54251MAC8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAN4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAD6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAP9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAE4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAQ7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAF1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAR5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251MAG9]	INACTIVE [54251MAS3]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251MAH7]</p>	<p>LONG BEACH ASSET HOLDINGS CORP ATTN: PATRICIA SCHULTE 1201 THIRD STREET WMT0511 SEATTLE, WA 98101</p> <p>[LB0604303]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251MAJ3]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-4 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB0604301]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251MAK0]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-4 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB0604302]</p>

Trust #033 -- Long Beach Mortgage Loan Trust 2006-5 (LB0605)**NOTICE PARTIES**

WM Asset Holdings Corp. CI 2006-6
 c/o Deutsche Bank (Cayman) Limited
 Attn: The Directors
 P.O. Box 1984GT
 Elizabethan Square, George Town, Grand Cayman
 Cayman Islands

Fitch, Inc.
 Attn: Asset-Backed Surveillance Dept.,
 One State Street Plaza
 New York, NY 10004

Long Beach Mortgage Company
 Attn: James Mark
 1301 Second Avenue
 Mail Stop: WMC 1505
 Seattle, WA 98101

Maples and Calder
 Attn: Tim Frawley
 P.O. Box 309GT
 Uglan House, South Church Street
 Grand Cayman, Cayman Islands

WM Asset Holdings CI 2006-6 LLC
 Attn: Donald Puglisi
 850 Library Avenue, Suite 204
 Newark, DE 19711

BENEFICIARIES/HOLDERS

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

[54251PAA5]

[54251PAL1]

INACTIVE

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

[54251PAB3]

[54251PAM9]

INACTIVE

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

[54251PAC1]

[54251PAN7]

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

[54251PAD9]

[54251PAP2]

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

[54251PAE7]

[54251PAQ0]

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

Cede & Co FAST
 c/o Depository Trust & Clearing Corporation
 55 Water Street
 New York, NY 10041

[54251PAF4]

[54251PAR8]

<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251PAG2]</p>	<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251PAS6]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251PAH0]</p>	<p>WM Asset Holdings Corp 1301 Second Avenue Seattle, WA 98101</p> <p>[LB0605303]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251PAJ6]</p>	<p>Deutsche Bank National Trust Company as Indenture Trustee for Long Beach CI NIM Notes Series 2006-5 1761 East St. Andrew Place Santa Ana, CA 92705</p> <p>[LB0605301]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251PAK3]</p>	<p>Deutsche Bank National Trust Company as Indenture Trustee for Long Beach CI NIM Notes Series 2006-5 1761 East St. Andrew Place Santa Ana, CA 92705</p> <p>[LB0605302]</p>

Trust #034 -- Long Beach Mortgage Loan Trust 2006-6 (LB0606)**NOTICE PARTIES**

WM Asset holdings Corp. CI 2006-7 - Issuer c/o Deutsche Bank Limited Attn: Directors PO Box 1984 George Town, Grand Cayman KY1-1104 Cayman Islands	WM Asset Holdings CI 2006-7 - Co-Issuer Attn: Donald Puglisi 850 Library ave, Suite 204 Newark, Delaware 19711
Washington Mutual Bank Attn: General Counsel 1301 Second Ave. Seattle, Washington 98101	Fitch, Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAA1]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAM5]
INACTIVE [54251RAB9]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAN3]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAC7]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAP8]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAD5]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAQ6]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAE3]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAR4]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251RAF0]	WM Asset Holdings Corp 1301 Second Avenue Seattle, WA 98101 [LB0606303]

<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251RAG8]</p>	<p>Deutsche Bank National Trust Company as Indenture Trustee for Long Beach CI NIM Notes Series 2006-6 1761 East St. Andrew Place Santa Ana, CA 92705</p> <p>[LB0606301]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251RAH6]</p>	<p>MKM I Corp. c/o Puglisi & Associates 850 Library Ave. Suite 204 Newark, DE 19711</p> <p>[LB0606304]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251RAJ2]</p>	<p>Deutsche Bank National Trust Company as Indenture Trustee for Long Beach CI NIM Notes Series 2006-6 1761 East St. Andrew Place Santa Ana, CA 92705</p> <p>[LB0606302]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251RAK9]</p>	<p>MKM I Corp. c/o Puglisi & Associates 850 Library Ave. Suite 204 Newark, DE 19711</p> <p>[LB0606305]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251RAL7]</p>	

Trust #035 -- Long Beach Mortgage Loan Trust 2006-7 (LB0607)**NOTICE PARTIES**

WM Asset holdings Corp. CI 2006-8 - Issuer c/o Deutsche Bank Limited Attn: Directors PO Box 1984 George Town, Grand Cayman KY1-1104 Cayman Islands	WM Asset Holdings CI 2006-8 - Co-Issuer Attn: Donald Puglisi 850 Library ave, Suite 204 Newark, Delaware 19711
Washington Mutual Bank Attn: General Counsel 1301 Second Ave. Seattle, Washington 98101	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAA7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAL3]
INACTIVE [54251TAB5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAM1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAC3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAN9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAD1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAP4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAE9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAQ2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAF6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAR0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAG4]	WM Asset Holdings Corp 1301 Second Ave Seattle, WA 98101 [LB0607303]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAH2]	DBNTC - Long Beach CI NIM 2006-7 [LB0607301]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAJ8]	DBNTC - Long Beach CI NIM 2006-7 [LB0607302]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251TAK5]	

Trust #036 -- Long Beach Mortgage Loan Trust 2006-8 (LB0608)**NOTICE PARTIES**

WM Asset holdings Corp. CI 2006-9 - Issuer c/o Deutsche Bank Limited Attn: Directors PO Box 1984 George Town, Grand Cayman KY1-1104 Cayman Islands	WM Asset Holdings CI 2006-9 - Co-Issuer Attn: Donald Puglisi 850 Library ave, Suite 204 Newark, Delaware 19711
Washington Mutual Bank Attn: General Counsel 1301 Second Ave. Seattle, Washington 98101	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAA4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAM8]
INACTIVE [54251UAB2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAN6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAC0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAP1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAD8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAQ9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAE6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAR7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAF3]	WM Asset Holdings Corp 1301 Second Ave Seattle, WA 98101 [LB0608303]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAG1]	DBNTC - Long Beach CI NIM 2006-8 [LB0608301]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAH9]	MKM I Corp. C/O Puglisi & Associates 850 Library Ave Suite 204 Newark, DE 19711 [LB0608304]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAJ5]	DBNTC - Long Beach CI NIM 2006-8 [LB0608302]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAK2]	MKM I Corp. C/O Puglisi & Associates 850 Library Ave Suite 204 Newark, DE 19711 [LB0608305]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251UAL0]	

Trust #037 -- Long Beach Mortgage Loan Trust 2006-9 (LB0609)**NOTICE PARTIES**

WM Asset Holdings Corp. CI 2006-10 c/o Deutsche Bank (Cayman) Limited Attn: The Directors P.O. Box 1984 George Town, Grand Cayman KY1-1104 Cayman Islands	U.S. Bank National Association Attn: CT2845/Maryanne Schrader 123 South Broad St., PA1328 Philadelphia, PA 19109
Long Beach Mortgage Company Attn: James Mark 1301 Second Avenue Mail Stop: WMC 1505 Seattle, WA 98101	Standard and Poor's Ratings Services Asset-Backed Surveillance Monitoring 55 Water Street, 41st Floor New York, NY 10041
WM Asset Holdings CI 2006-10 LLC Attn: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	ABN AMRO Bank N.V. Chicago Branch Global Documentation Unit 540 W. Madison Street, 22nd Floor Chicago, IL 60661
Radian Insurance, Inc. Attn: Controller re: WM Asset Holdings Corp. CI 2006-10 Notes 1601 Market Street Philadelphia, PA 19103	Maples and Calder Attn: Tim Frawley P.O. Box 309GT Ugland House, South Church Street Grand Cayman, Cayman Islands

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAA0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAL6]
INACTIVE [54251WAB8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAM4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAC6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAN2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAD4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAP7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAE2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAQ5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAF9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAR3]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAG7]	WM Asset Holdings Corp 1301 Second Ave Seattle, WA 98101 [LB0609303]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAH5]	DBNTC - Long Beach CI NIM 2006-9 [LB0609301]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAJ1]	DBNTC - Long Beach CI NIM 2006-9 [LB0609302]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54251WAK8]	

Trust #038 -- Long Beach Mortgage Loan Trust 2006-10 (LB0610)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. CI 2006-1, as Issuer
c/o Deutsche Bank (Cayman) Limited
Attention: The Directors
P.O. Box 1984GT
Elizabethan Square, George Town
Grand Cayman, Cayman Islands

Standard & Poor's Ratings Services
Attention: Asset Backed Surveillance Department
55 Water Street - 41st Floor
New York, NY 10041

Long Beach Asset Holdings CI 2006-1 LLC, as Co-Issuer
Attention: Donald Puglisi
850 Library Avenue, Suite 204
Newark, DE 19711

BENEFICIARIES/HOLDERS

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[54251YAA6]

[54251YAM0]

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[54251YAB4]

[54251YAN8]

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[54251YAC2]

[54251YAP3]

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[54251YAD0]

[54251YAQ1]

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[54251YAE8]

[54251YAR9]

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

WM Asset Holdings Corp
1301 Second Avenue
Seattle, WA 98101

[54251YAF5]

[LB0610303]

<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251YAG3]</p>	<p>Deutsche Bank National Trust Company as Indenture Trustee for Long Beach CI NIM Notes Series 2006-10 1761 East St. Andrew Place Santa Ana, CA 92705</p> <p>[LB0610301]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251YAH1]</p>	<p>MKM I Corp. c/o Puglisi & Associates 850 Library Ave. Suite 204 Newark, DE 19711</p> <p>[LB0610304]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251YAJ7]</p>	<p>Deutsche Bank National Trust Company as Indenture Trustee for Long Beach CI NIM Notes Series 2006-10 1761 East St. Andrew Place Santa Ana, CA 92705</p> <p>[LB0610302]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251YAK4]</p>	<p>MKM I Corp. c/o Puglisi & Associates 850 Library Ave. Suite 204 Newark, DE 19711</p> <p>[LB0610305]</p>
<p>Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[54251YAL2]</p>	

Trust #039 -- Long Beach Mortgage Loan Trust 2006-11 (LB0611)**NOTICE PARTIES**

Long Beach Asset Holdings Corp. CI 2006-2, as Issuer c/o Deutsche Bank (Cayman) Limited Attention: The Directors P.O. Box 1984GT Elizabethan Square, George Town Grand Cayman, Cayman Islands	Standard & Poor's Ratings Services Attention: Asset Backed Surveillance Department 55 Water Street - 41st Floor New York, NY 10041
Long Beach Asset Holdings CI 2006-2 LLC, as Co-Issuer Attention: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	Dominion Bond Rating Service, Inc. 55 Broadway New York, NY 10006

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AA6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AM0]
INACTIVE [542512AB4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AN8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AC2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AP3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AD0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AQ1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AE8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AR9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AF5]	WM Asset Holdings Corp 1301 Second Ave Seattle, WA 98101 [LB0611303]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AG3]	DBNTC - Long Beach CI NIM 2006-11 [LB0611301]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AH1]	MKM I Corp. C/O Puglisi & Associates 850 Library Ave Suite 204 Newark, DE 19711 [LB0611304]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AJ7]	DBNTC - Long Beach CI NIM 2006-11 [LB0611302]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AK4]	MKM I Corp. C/O Puglisi & Associates 850 Library Ave Suite 204 Newark, DE 19711 [LB0611305]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542512AL2]	

Trust #040 -- Long Beach Mortgage Loan Trust 2006-A (LB060A)**NOTICE PARTIES**

WM Asset holdings Corp. CI 2006-11 - Issuer c/o Deutsche Bank Limited Attn: Directors PO Box 1984 George Town, Grand Cayman KY1-1104 Cayman Islands	Radian Insurance Inc. Attn: General counsel 1601 Market Street Philadelphia, PA 19103
Washington Mutual Bank Attn: General Counsel 1301 Second Ave. Seattle, Washington 98101	U.S Bank N.A. 123 South Broad St PA1328 Philadelphia, PA 19109
WM Asset Holdings CI 2006-11 - Co-Issuer Attn: Donald Puglisi 850 Library ave, Suite 204 Newark, Delaware 19711	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AA9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AJ0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AB7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AK7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AC5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AL5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AD3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AM3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AE1]	LONG BEACH MORTGAGE COMPANY 1400 S Douglass SUITE 180 Anaheim CA 92868 [LB060A201]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AF8]	LONG BEACH MORTGAGE COMPANY 1400 S Douglass SUITE 180 Anaheim CA 92868 [LB060A202]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AG6]	LONG BEACH ASSET HOLDINGS CORP ATTN PATRICIA SCHULTE 1201 THIRD STREET WMT0511 SEATTLE, WA 98101 [LB060A203]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542515AH4]	
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Trust #041 -- Long Beach Mortgage Loan Trust 2006-WL1 (LB06W1)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2006-WL1 99 Church Street New York, NY 10048
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QP2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RA4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QQ0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RB2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QR8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RC0]
INACTIVE [542514QS6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RD8]
INACTIVE [542514QT4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RE6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QU1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RF3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QV9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RG1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514QW7]	CITIBANK NA ATTN ACCOUNTING DEPT TARGETED ARBITRAGE PRODUCTS 390 GREENWICH ST NY 10013 [LB06W1303]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514QX5]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-WL1 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB06W1301]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514QY3]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-WL1 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB06W1302]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514QZ0]</p>	

Trust #042 -- Long Beach Mortgage Loan Trust 2006-WL2 (LB06W2)

NOTICE PARTIES

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2006-WL2 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514RZ9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SM7]
INACTIVE [542514SA3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SN5]
INACTIVE [542514SB1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SP0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SC9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SQ8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SD7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SR6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SE5]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-WL2 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB06W2301]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514SF2]</p>	<p>DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-WL2 1761 E. ST. ANDREW PL. SANTA ANA CA 92705</p> <p>[LB06W2302]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514SG0]</p>	<p>CITIBANK NA ATTN ACCOUNTING DEPT TARGETED ARBITRAGE PRODUCTS 390 GREENWICH ST NY 10013</p> <p>[LB06W2303]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514SH8]</p>	<p>INACTIVE</p> <p>[LB06W2307]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514SJ4]</p>	<p>MKM I CORP 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB06W2304]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514SK1]</p>	<p>MKM I CORP 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711</p> <p>[LB06W2305]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[542514SL9]</p>	<p>INACTIVE</p> <p>[LB06W2306]</p>

Trust #043 -- Long Beach Mortgage Loan Trust 2006-WL3 (LB06W3)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2006-WL3 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SS4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TD6]
INACTIVE [542514ST2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TE4]
INACTIVE [542514SU9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TF1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SV7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TG9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SW5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TH7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SX3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TJ3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SY1]	CITIBANK NA ATTN ACCOUNTING DEPT TARGETED ARBITRAGE PRODUCTS 390 GREENWICH ST NY 10013 [LB06W3303]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514SZ8]	MKM I CORP 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711 [LB06W3304]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TA2]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-WL3 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB06W3301]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TB0]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR LONG BEACH ASSET HOLDING CI SERIES 2006-WL3 1761 E. ST. ANDREW PL. SANTA ANA CA 92705 [LB06W3302]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542514TC8]	MKM I CORP 850 LIBRARY AVE, SUITE 204 NEWARK DE 19711 [LB06W3305]

Trust #044 -- Morgan Stanley ABS Capital I Inc. 2000-1 (MS0001)

NOTICE PARTIES

MORGAN STANLEY ABS CAPITAL I, INC. as Depositor 1585 Broadway New York, NY 10036	Fitch, Inc. One State Street Plaza New York, NY 10007
Long Beach Mortgage Company as Originator and as Master Servicer Attention: General Counsel 1100 Town & Country Road, Suite 900 Orange, CA 92868	Moody's Investors Service, Inc. Attention: MBS Monitoring/Morgan Stanley ABS Capital I, Inc., Series 2000 1 99 Church Street New York, NY 10048
Wilmington Trust Company as Owner Trust Attention: Corporate Trust Administration Rodney Square North 1100 N. Market Street Wilmington, DE 19890-0001	

BENEFICIARIES/HOLDERS

DEUTSCHE BANK NATIONAL TRUST COMPANY AS INDENTURE TRUSTEE FOR MORGAN STANLEY ABS CAPITAL I TRUST 2000-1 MORTGAGE LOAN ASSET-BACKED NOTES SERIES 2000-1 ATTN: MS0001 1761 EAST ST. ANDREW PLACE SANTA ANA, CA 92705 [MS0001CLC]	MORGAN STANLEY ABS CAPITAL I INC ATTN KEVIN J HYLAND MORGAN STANLEY DEAN WITTER 1221 AVENUE OF THE AMERICAS 31ST FLOOR NEW YORK NY 10020 [MS0001CR2]
DEUTSCHE BANK NATIONAL TRUST COMPANY, AS INDENTURE TRUSTEE ON BEHALF OF THE HOLDERS OF MORGAN STANLEY & CO INC 1761 E. ST. ANDREW PLACE CA 92705 [MS0001CLP]	

Trust #045 -- WaMu 2006-OA1 (WA0602)

NOTICE PARTIES

Depositor - Structured Asset Securities Corporation Attn: Single Family Mortgage Dept 12th Floor 200 Vesey Street 12th Floor New York, NY 10285	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Bank FA Seller/Servicer Attn: Jess G. Almanza 540 E Main Street Stockton, CA 95290	Fitch One Attn: Residential Mortgages State Street Plaza New York, NY 10004
Washington Mustual Bank FA Seller/Servicer Attn: Gabriel V Barraso 9451 Corbin Ave Northridge, CA 91324 Attn: Gabriel V Barraso	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
Washington Mutual Bank FA Seller/Servicer Attn: Fay L Chapman Senior Executive 9200 Oakdale Ave Chatsworth CA 91311	

BENEFICIARIES/HOLDERS

Washington Mutual Preferred Funding LLC c/o Washington Mutual Bank 1301 Third Avenue Seattle, WA 98101 [WA0602001]	WASHINGTON MUTUAL BANK 1301 Second Avenue, WMC 1315 Seattle, WA 98101 [WA0602002]
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Trust #046 -- WaMu 2007-Flex1 (WA0701)

NOTICE PARTIES

Seller- Structured Asset Mortgage Investments Inc. Attn: Legal Dept 245 Park Avenue New York, NY 10167 Attn: Legal Dept	Washington Mustual Bank FA Seller/Servicer Attn: Gabriel V Barraso 9451 Corbin Ave Northridge, CA 91324 Attn: Gabriel V Barraso
Washington Mutual Bank FA Mortgage Loan Seller/Master Servicer Attn: Jess G Almanza 540 E. Main Street Stockton, CA 95290	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mustual Bank FA Seller/Servicer Attn: Gabriel V Barraso 9451 Corbin Ave Northridge, CA 91324 Attn: Gabriel V Barraso	Fitch One Attn: Residential Mortgages State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Washington Mutual Preferred Funding LLC C/O WASHINGTON MUTUAL BANK 1301 Second Avenue Seattle, WA 98101 [WA0701301]	WASHINGTON MUTUAL BANK 1301 Second Avenue, WMC 1315 Seattle, WA 98101 [WA0701302]
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Trust #047 -- WaMu Asset Acceptance Corp. 2005-AR13 (WA05AB)**NOTICE PARTIES**

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4M7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F5G9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4N5]	AMIDPASS & CO C/O STATE STREET BANK & TRUST BOX 5756 BOSTON, MA 02206 [92922F5M6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4P0]	BACCHUS & CO C/O STATE STREET BANK & TRUST BOX 5756 BOSTON, MA 02206 [92922F5M6]
INACTIVE [92922F4Q8]	BOST & CO MELLON BANK P O BOX 3195 PITTSBURGH, PA 15230-3195, [92922F5M6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4R6]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92922F5M6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4S4]	GOLDMAN SACHS & CO 30 HUDSON STREET JERSEY CITY, NJ 07302 [92922F5M6]
INACTIVE [92922F4T2]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922F5M6]

INACTIVE [92922F4U9]	MAC & CO PO BOX 3195 PITTSBURGH, PA 15230-3195 [92922F5M6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4V7]	Pershing LLC PO Box 2050 Jersey City, NJ 07303 [92922F5M6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4W5]	SPUME & CO C/O STATE STREET BANK & TRUST BOX 5756 BOSTON, MA 02206 [92922F5M6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4X3]	GREENWICH CAPITAL MARKETS INC 600 STEAMBOAT ROAD GREENWICH, CT 06850 [92922F5N4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4Y1]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92922F5P9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F4Z8]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922F5Q7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F5A2]	GREENWICH CAPITAL MARKETS INC 600 STEAMBOAT ROAD GREENWICH, CT 06850 [92922F5Q7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F5B0]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922F5R5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F5C8]	GREENWICH CAPITAL MARKETS INC 600 STEAMBOAT ROAD GREENWICH, CT 06850 [92922F5R5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F5D6]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922F5S3]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F5E4]	WASHINGTON MUTUAL BANK ATTN. WAMU BANK 2005-AR09 VERNON HILLS, IL 60061 [92922F5H7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F5F1]	

Trust #048 -- WaMu Asset Acceptance Corp. 2005-AR16 (WA05AC)

NOTICE PARTIES

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F6W3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F7F9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F6X1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F7G7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F6Y9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F7H5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F6Z6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F7J1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F7A0]	Embassy & Co c/o US Bank NA PO Box 1787 Milwaukee, WI 53201-1787 [92922F7L6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F7B8]	HARE & CO C/O THE BANK OF NEW YORK PO BOX 11203 NEW YORK, NY 10286 [92922F7M4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F7C6]	HARE & CO C/O THE BANK OF NEW YORK PO BOX 11203 NEW YORK, NY 10286 [92922F7N2]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922F7D4]</p>	<p>WASHINGTON MUTUAL BANK ATTN. WAMU BANK 2005-AR09 75 NORTH FAIRWAY DRIVE MAIL STOP VHJIB02 VERNON HILLS, IL 60061</p> <p>[92922F7K8]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922F7E2]</p>	

Trust #049 -- WaMu Asset Acceptance Corp. 2005-AR18 (WA05AD)**NOTICE PARTIES**

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8K7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8U5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8L5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8V3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8M3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8W1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8N1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8X9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8P6]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92925CAG7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8Q4]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92925CAH5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8R2]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92925CAJ1]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8S0]	HSBC BANK USA, NATIONAL ASSOCIATION 1 WEST 39TH STREET. 5TH FLOOR TAX DEPARTMENT NEW YORK, NY 10018 [92922F8Y7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F8T8]	

Trust #050 -- WaMu Asset Acceptance Corp. 2006-AR1 (WA06A1)**NOTICE PARTIES**

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCC4]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92925CCU4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCD2]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92925CCV2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCE0]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92925CCW0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCF7]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92925CCX8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCG5]	GREENWICH CAPITAL MARKETS, INC 600 STEAMBOAT ROAD GREENWICH CT 06830 [92925CCX8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCH3]	MERRILL LYNCH PIERCE FENNER & SMITH INC 101 HUDSON STREET JERSEY CITY NJ 07302-3997 [92925CCX8]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCJ9]	TFINN & CO. C/O J.P.MORGAN CHASE BANK N.A. P.O.BOX 50000 NEWARK, NJ 07101-8006 [92925CCX8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCK6]	BEAR STEARNS SECURITIES CORP. P.O.BOX 596 BOWLING GREEN STATION New York, NY 10274 [92925CCY6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCL4]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92925CCY6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCM2]	GREENWICH CAPITAL MARKETS, INC 600 STEAMBOAT ROAD GREENWICH CT 06830 [92925CCY6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCN0]	MERRILL LYNCH PIERCE FENNER & SMITH INC 101 HUDSON STREET JERSEY CITY NJ 07302-3997 [92925CCY6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCP5]	GREENWICH CAPITAL MARKETS INC 600 STEAMBOAT ROAD GREENWICH, CT 06850 [92925CCZ3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCQ3]	PLATINUM GROVE CONTINGENT CAPITAL MASTER FUND LTD 1100 KING STREET BLDG FOUR RYE BROOK, NY 10573-1057 [92925CCZ3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCR1]	WASHINGTON MUTUAL BANK MAILSTOP VHJIB02 ATTN WAMU BANK 2005-AR18 75 NORTH FAIRWAY DRIVE VERNON HILLS, IL 60061 [92925CCT7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CCS9]	

Trust #051 -- WaMu Asset Acceptance Corp. 2006-AR3 (WA06A3)**NOTICE PARTIES**

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch One Attn: Residential Mortgages State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CDA7]	EMBASSY & CO C/O US BANK, NA P.O. BOX 1787 MILWAUKEE, WI 53201-1787 [92925CEB4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CDB5]	BEAR STEARNS SECURITIES CORP PO BOX 596 BOWLING GREEN STATION NEW YORK, NY 10274 [92925CEC2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CDC3]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92925CED0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CDE9]	EMBASSY & CO C/O US BANK, NA P.O. BOX 1787 MILWAUKEE, WI 53201-1787 [92925CEE8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CDF6]	GREENWICH CAPITAL MARKETS, INC 600 STEAMBOAT ROAD GREENWICH CT 06830 [92925CEE8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CDG4]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92925CEF5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92925CDH2]	GREENWICH CAPITAL MARKETS, INC 600 STEAMBOAT ROAD GREENWICH CT 06830 [92925CEF5]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92925CDJ8]</p>	<p>Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057</p> <p>[92925CEF5]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92925CDK5]</p>	<p>Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-8121 Philadelphia, PA 19170-8121</p> <p>[92925CEF5]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92925CDL3]</p>	<p>UBS SECURITIES LLC 480 WASHINGTON BLVD JERSEY CITY, NJ 07310</p> <p>[92925CEF5]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92925CDM1]</p>	<p>Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286</p> <p>[92925CEG3]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92925CDN9]</p>	<p>WASHINGTON MUTUAL BANK 75 NORTH FAIRWAY DRIVE MAIL STOP VHJIB02 ATTN WAMU BANK 2006 AR3 VERNON HILLS, IL 60061</p> <p>[92925CDD1]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92925CDP4]</p>	

Trust #052 -- WaMu Asset Acceptance Corp. 2006-AR5 (WA06A5)**NOTICE PARTIES**

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch One Attn: Residential Mortgages State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAA0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAP7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAB8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAQ5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAC6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAR3]
INACTIVE [93362YAD4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAG7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAE2]	WELLS FARGO BANK NA FBO ACACIA CDO II, LTD 9062 OLD ANNAPOLIS ROAD COLUMBIA, MD 21045 [93362YAU6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAF9]	EMBASSY & CO C/O US BANK, NA P.O. BOX 1787 MILWAUKEE, WI 53201-1787 [93362YAV4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAH5]	EMBASSY & CO C/O US BANK, NA P.O. BOX 1787 MILWAUKEE, WI 53201-1787 [93362YAW2]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAJ1]	EMBASSY & CO C/O US BANK, NA P.O. BOX 1787 MILWAUKEE, WI 53201-1787 [93362YAX0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAK8]	GREENWICH CAPITAL MARKETS, INC 600 STEAMBOAT ROAD GREENWICH CT 06830 [93362YAX0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAL6]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [93362YAY8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAM4]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [93362YAY8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93362YAN2]	WASHINGTON MUTUAL BANK MAILSTOP VHJIB02 75 NORTH FAIRWAY DRIVE VERNON HILLS, IL 60061 [93362YAS1]

Trust #053 -- WaMu Asset Acceptance Corp. 2007-HE1 (WA07H1)

NOTICE PARTIES

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch One Attn: Residential Mortgages State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AA1]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AJ2]
INACTIVE [933631AB9]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AK9]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AC7]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AL7]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AD5]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AM5]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AE3]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AN3]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AF0]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AP8]

Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AG8]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AQ6]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AH6]	Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [933631AR4]

Trust #054 -- Washington Mutual Home Equity Trust I (WA0601)

NOTICE PARTIES

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch One Attn: Residential Mortgages State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Washington Mutual Preferred Funding LLC c/o Washington Mutual Bank 1201 Third Avenue Seattle, WA 98101 [WA0601001]	WASHINGTON MUTUAL BANK 1201 Third Avenue Seattle, WA 98101 [WA0601002]
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Trust #055 -- Washington Mutual Mortgage Securities Corp. 2000-1 (WA0001)

NOTICE PARTIES

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch One Attn: Residential Mortgages State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

INACTIVE [863572L68]	INACTIVE [863572M34]
INACTIVE [863572L76]	INACTIVE [863572M42]
INACTIVE [863572L84]	INACTIVE [863572M59]
INACTIVE [863572L92]	INACTIVE [863572M67]
INACTIVE [863572M26]	

Trust #056 -- Washington Mutual Mortgage Securities Corp. 2001-7 (WA0107)

NOTICE PARTIES

DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch One Attn: Residential Mortgages State Street Plaza New York, NY 10004
Washington Mutual Bank FA Seller/Administrator Attn: Thomas Lehmann 1201 Third Avenue Seattle, WA 98101	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93933TAS2]	INACTIVE [93933TAX1]
INACTIVE [93933TAU7]	INACTIVE [93933TAY9]
INACTIVE [93933TAV5]	AG SECURITIZED ASSET RECOVERY FUND LP C/O ANGELO GORDON & CO ATTN PHILIP O BRIEN 245 PARK AVE 42ND FLOOR NEW YORK NY 10167-2699 [93933TAZ6]
INACTIVE [93933TAW3]	Merrill Lynch, Pierce Fenner & Smith Inc PO Box 13216 Newark, NY 07101 [93933TAT0]

Trust #057 -- Washington Mutual Mortgage Securities Corp. 2001-AR3 (WA01A3)**NOTICE PARTIES**

WASHINGTON MUTUAL BANK FA, as Seller and Administrator Attention: Thomas Lehman 1201 Third Ave. Seattle, WA 98101	Fitch Inc. One State Street Plaza New York, NY 10004
DEUTSCHE BANK TRUSR COMPANY DELAWARE, as Delaware Trustee, 1011 Centre Road Suite 200 Wilmington Delaware 19805-1266	

BENEFICIARIES/HOLDERS

JPMorgan Chase Bank NA 270 Park Ave New York, NY 10017 [929227ER3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227EQ5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227EL6]	MERRILL LYNCH PIERCE FENNER & SMITH INCORPORATED BOX 13216 NEWARK, NJ 07101 [929227FD3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227EM4]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [929227FE1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227EN2]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [929227FF8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227EP7]	INACTIVE [WA01A3R2U]

Trust #058 -- Washington Mutual Mortgage Securities Corp. 2002-AR2 (WA02A2)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Citibank NA Targeted Arbitrage Products Attn: Accounting Dept 390 Greenwich St New York, NY 10013-2309 [929227LJ3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227LH7]
Washington Mutual Securities Corp 245 Park Ave New York, NY 10167 [929227LJ3]	Embassy & Co c/o US Bank NA PO Box 1787 Milwaukee, WI 53201-1787 [929227LK0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227LE4]	WELLS FARGO BANK, NA FBO SBF OPPORTUNITIES MASTER FD LIMITED PO BOX 1450, WF 9919 MINNEAPOLIS, MN 55485 [929227LL8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227LF1]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [929227LM6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227LG9]	INACTIVE [WA02A2R2L]

Trust #059 -- Washington Mutual Mortgage Securities Corp. 2002-AR6 (WA02A6)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227QB5]	NIMER & CO C/O CITIBANK NA/CUSTODY IC&D LOCK BOX P O BOX 7247-7057 PHILADELPHIA PA 19170-7057 [929227OH2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227QC3]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [929227QJ8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227QD1]	CECE & CO LTD LLC 666 Greenwich St Suite 312 New York, NY 10014 [929227QF6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227QE9]	Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061 [929227QF6]
Embassy & Co c/o US Bank NA PO Box 1787 Milwaukee, WI 53201-1787 [929227QG4]	

Trust #060 -- Washington Mutual Mortgage Securities Corp. 2002-AR9 (WA02A9)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9393357P4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9393357U3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9393357Q2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9393357V1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9393357R0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9393357W9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9393357S8]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [9393356Q3]
Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [9393356M2]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [9393356R1]
Gerlach & Co c/o Citibank NA Custody IC&D Lockbox PO BOX 7247-7057 Philadelphia, PA 19170-7057 [9393356N0]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [9393356S9]

<p>Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057</p> <p>[9393356P5]</p>	<p>CECE & CO LTD LLC 666 Greenwich St Suite 312 New York, NY 10014</p> <p>[9393357X7]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[9393357T6]</p>	<p>Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061</p> <p>[9393357X7]</p>

Trust #061 -- Washington Mutual Mortgage Securities Corp. 2002-AR12 (WA02AC)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336CR2]	Band & Co 1555 North Rivercenter Drive Ste 302 Milwaukee, WI 53212 [939336CW1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336CS0]	Band & Co 1555 North Rivercenter Drive Ste 302 Milwaukee, WI 53212 [939336CX9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336CT8]	Band & Co 1555 North Rivercenter Drive Ste 302 Milwaukee, WI 53212 [939336CY7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336CU5]	Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061 [939336CV3]

Trust #062 -- Washington Mutual Mortgage Securities Corp. 2002-AR13 (WA02AD)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227UB0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227UG9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227UC8]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [929227UJ3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227UD6]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [929227UK0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227UE4]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [929227UL8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227UF1]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP 75 NORTH FAIRWAY DRIVE VERNON HILLS, IL 60061 [929227UH7]

Trust #063 -- Washington Mutual Mortgage Securities Corp. 2002-AR14 (WA02AE)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336CZ4]	Wells Fargo Bank Minnesota NA As Trustee for the holders for class CBASS V LTD 9062 Old Annapolis Rd Colombia, MD 21045 [939336DD2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336DH3]	Wells Fargo Bank Minnesota NA As Trustee for the holders for class CBASS V LTD 9062 Old Annapolis Rd Colombia, MD 21045 [939336DE0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336DA8]	INACTIVE [939336DF7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336DB6]	CECE & CO LTD LLC 666 Greenwich St Suite 312 New York, NY 10014 [939336DG5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336DC4]	Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061 [939336DG5]

Trust #064 -- Washington Mutual Mortgage Securities Corp. 2002-AR15 (WA02AF)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

CECE & CO LTD LLC 666 Greenwich St Suite 312 New York, NY 10014 [929227XZ4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227WM4]
Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061 [929227XZ4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227WN2]
INACTIVE [939336DJ9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227WP7]
INACTIVE [939336DK6]	AXA Investment Mangagers Inc. 1 Fawcett Place Greenwich CT 06877 [939336FH1]
INACTIVE [939336DL4]	BLIZZARD CO C/O STATE STREET BANK & TRUST BOX 5756 BOSTON MA 02206, [939336FJ7]
INACTIVE [939336DM2]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [939336FK4]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336DNO]	INACTIVE [929227XY4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XY7]	INACTIVE [WA02AF0R2]

Trust #065 -- Washington Mutual Mortgage Securities Corp. 2002-AR16 (WA02AG)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227WQ5]	Pershing LLC PO Box 2050 Jersey City, NJ 07303 [929227WV4]
INACTIVE [929227YA8]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [929227WX0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227WR3]	Credit Suisse First Boston LLC 1 Madison Ave New York, NY 10010 [929227WZ5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227WS1]	CECE & CO LTD LLC 666 Greenwich St Suite 312 New York, NY 10014 [929227WU6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227WT9]	Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061 [929227WU6]

Trust #066 -- Washington Mutual Mortgage Securities Corp. 2002-AR17 (WA02AH)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XB7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XG6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XC5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XH4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XD3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XJ0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XE1]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [929227XP6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227XF8]	Wells Fargo Bank NA FBO STS Partners Fund LP PO Box 1450 WF 9919 Minneapolis, MN 55485 [929227XQ4]
Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [929227XL5]	HILLTOP SECURITIES INC. 1201 ELM STREET SUITE 3500 DALLAS, TX 75270 [929227XR2]

<p>CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010</p> <p>[929227XM3]</p>	<p>Citibank NA Targeted Arbitrage Products Attn: Accounting Dept 390 Greenwich St New York, NY 10013-2309</p> <p>[929227XK7]</p>
<p>CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010</p> <p>[929227XN1]</p>	<p>Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061</p> <p>[929227XK7]</p>

Trust #067 -- Washington Mutual Mortgage Securities Corp. 2002-AR18 (WA02AI)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227ZE9]	Credit Suisse First Boston LLC 1 Madison Ave New York, NY 10010 [929227ZL3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227ZF6]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP 75 NORTH FAIRWAY DRIVE VERNON HILLS, IL 60061 [929227ZH2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227ZG4]	Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061 [929227ZH2]
Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [929227ZJ8]	Deutsche Bank National Trust Company as Trustee for Bear Stearns ARM Trust Mortgage Pass Through Certs 2003-2 [929227ZC3]
Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [929227ZK5]	INACTIVE [929227ZD1]

Trust #068 -- Washington Mutual Mortgage Securities Corp. 2002-AR19 (WA02AJ)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

CECE & CO LTD LLC 666 Greenwich St Suite 312 New York, NY 10014 [929227A22]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227ZU3]
Washington MUTUAL Mortgage Securities Corp 75 North Fairway Dr Vernon Hills, IL 60061 [929227A22]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227ZX7]
INACTIVE [929227ZM1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227ZY5]
INACTIVE [929227ZN9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227ZZ2]
INACTIVE [929227ZP4]	BLIZZARD CO C/O STATE STREET BANK & TRUST BOX 5756 BOSTON MA 02206, [929227A63]
INACTIVE [929227ZQ2]	HILLTOP SECURITIES INC. 1201 ELM STREET SUITE 3500 DALLAS, TX 75270 [929227A71]

<p>INACTIVE</p> <p>[929227ZR0]</p>	<p>Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057</p> <p>[929227A89]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[929227ZS8]</p>	<p>INACTIVE</p> <p>[WA02A4215]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[929227ZT6]</p>	<p>INACTIVE</p> <p>[WA02A4216]</p>

Trust #069 -- Washington Mutual Mortgage Securities Corp. 2003-AR1 (WA03A1)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

DTC 666 GREENWICH ST SUITE 312 NEW YORK, NY 10014 [939336RV7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336PD9]
WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [939336RV7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336PE7]
INACTIVE [939336NX7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336PF4]
INACTIVE [939336NY5]	BLIZZARD CO C/O STATE STREET BANK & TRUST BOX 5756 BOSTON MA 02206 [939336PG2]
INACTIVE [939336NZ2]	BLIZZARD CO C/O STATE STREET BANK & TRUST BOX 5756 BOSTON MA 02206 [939336PH0]
INACTIVE [939336PA5]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [939336PJ6]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336PB3]	INACTIVE [WA03A1213]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336PC1]	INACTIVE [939336PK3]

Trust #070 -- Washington Mutual Mortgage Securities Corp. 2003-AR2 (WA03A2)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

INACTIVE [939336NX7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227F43]
INACTIVE [939336NYS]	WELLS FARGO BANK N. A. FBO NAUTILUS RMBS CDO I, LTD, 9062 OLD ANNAPOLIS ROAD, COLUMBIA, MD 21045 [929227F68]
INACTIVE [939336PK3]	GOLDMAN SACHS & CO ATTN: MICHAEL CALLAGHAN 30 HUDSON STREET 17TH FLOOR JERSEY CITY NJ 07302, [929227F76]
INACTIVE [9.29227E+98]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [929227F84]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227F27]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP 75 NORTH FAIRWAY DRIVE VERNON HILLS, IL 60061 [929227F50]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227F35]	

Trust #071 -- Washington Mutual Mortgage Securities Corp. 2003-AR3 (WA03A3)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

INACTIVE [929227F92]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227G91]
INACTIVE [929227G26]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227H25]
INACTIVE [929227G34]	Embassy & Co c/o US Bank NA PO Box 1787 Milwaukee, WI 53201-1787 [929227K88]
INACTIVE [929227G42]	KNOTDOCK & CO C/O STATE STREET BANK & TRUST BOX 5756 BOSTON, MA 02206 [929227K96]
INACTIVE [929227G59]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [929227L20]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227G67]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP 75 NORTH FAIRWAY DRIVE VERNON HILLS, IL 60061 [929227H33]

INACTIVE [929227G75]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [929227H33]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227G83]	

Trust #072 -- Washington Mutual Mortgage Securities Corp. 2003-AR4 (WA03A4)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

INACTIVE [929227L38]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227M45]
INACTIVE [929227L46]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227M52]
INACTIVE [929227L53]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227M60]
INACTIVE [929227L61]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [929227M86]
INACTIVE [929227L79]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [929227M94]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227L87]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [929227N28]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227L95]	CECE & CO LTD LLC 666 GREENWICH ST SUITE 312 NEW YORK, NY 10014 [929227M78]
INACTIVE [929227M29]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [929227M78]
INACTIVE [929227M37]	

Trust #073 -- Washington Mutual Mortgage Securities Corp. 2003-AR5 (WA03A5)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

CECE & CO LTD LLC 666 GREENWICH ST SUITE 312 NEW YORK, NY 10014 [929227R73]	INACTIVE [929227R81]
WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [929227R73]	INACTIVE [929227R99]
INACTIVE [929227Q82]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227S23]
INACTIVE [929227Q90]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227S31]
INACTIVE [929227R24]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929227S49]
INACTIVE [929227R32]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [929227S56]

<p>INACTIVE</p> <p>[929227R40]</p>	<p>Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286</p> <p>[929227S64]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[929227R57]</p>	<p>Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286</p> <p>[929227S72]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[929227R65]</p>	

Trust #074 -- Washington Mutual Mortgage Securities Corp. 2003-AR6 (WA03A6)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292274D5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292274K9]
INACTIVE [9292274000]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [9292274M5]
INACTIVE [9292274F0]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [9292274N3]
INACTIVE [9292274G8]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [9292274P8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292274H6]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [9292274L7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292274J2]	

Trust #075 -- Washington Mutual Mortgage Securities Corp. 2003-AR7 (WA03A7)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

INACTIVE [9292276D3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292276N1]
INACTIVE [92922760]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292276P6]
INACTIVE [9292276F8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292276Q4]
INACTIVE [9292276G6]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [9292276A9]
INACTIVE [9292276H4]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [9292276B7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292276J0]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [9292276C5]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292276K7]	CECE & CO LTD LLC 666 GREENWICH ST SUITE 312 NEW YORK, NY 10014 [9292276R2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [9292276L5]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [9292276R2]
INACTIVE [9292276M3]	

Trust #076 -- Washington Mutual Mortgage Securities Corp. 2003-AR8 (WA03A8)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [92922FAX6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FAW8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FAS7]	HARE & CO C/O THE BANK OF NEW YORK P O BOX 11203 [92922FAY4]
INACTIVE [92922FAT5]	HARE & CO C/O THE BANK OF NEW YORK P O BOX 11203 [92922FAZ1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FAU2]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FBA5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FAV0]	INACTIVE [WA03A8R2U]

Trust #077 -- Washington Mutual Mortgage Securities Corp. 2003-AR9 (WA03A9)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

RESIDUAL INTEREST INVESTMENTS,L.P. C/O C-BASS , LLC, ATTN: TREASURY 11TH FL, 1601 MARKET STREET, PHILADELPHIA, PA 19103 [92922FCE6]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FCF3]
INACTIVE [92922FBP2]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FCG1]
INACTIVE [92922FBQ0]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FCH9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FBR8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FBX5]
INACTIVE [92922FBS6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FCB2]
INACTIVE [92922FBT4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FCC0]

<p>INACTIVE</p> <p>[92922FBU1]</p>	<p>Depository Trust & Clearing Corporation</p> <p>55 Water Street</p> <p>New York, NY 10041</p> <p>[92922FCD8]</p>
<p>Depository Trust & Clearing Corporation</p> <p>55 Water Street</p> <p>New York, NY 10041</p> <p>[92922FBV9]</p>	<p>HILLTOP SECURITIES INC.</p> <p>1201 ELM STREET</p> <p>SUITE 3500</p> <p>DALLAS, TX 75270</p> <p>[92922FCJ5]</p>
<p>Depository Trust & Clearing Corporation</p> <p>55 Water Street</p> <p>New York, NY 10041</p> <p>[92922FBW7]</p>	<p>HILLTOP SECURITIES INC.</p> <p>1201 ELM STREET</p> <p>SUITE 3500</p> <p>DALLAS, TX 75270</p> <p>[92922FCK2]</p>
<p>Depository Trust & Clearing Corporation</p> <p>55 Water Street</p> <p>New York, NY 10041</p> <p>[92922FBY3]</p>	<p>CREDIT SUISSE SECURITIES (USA) LLC</p> <p>1 MADISON AVE</p> <p>NEW YORK, NY 10010</p> <p>[92922FCL0]</p>
<p>Depository Trust & Clearing Corporation</p> <p>55 Water Street</p> <p>New York, NY 10041</p> <p>[92922FBZ0]</p>	<p>INACTIVE</p> <p>[WA03A92R2]</p>
<p>Depository Trust & Clearing Corporation</p> <p>55 Water Street</p> <p>New York, NY 10041</p> <p>[92922FCA4]</p>	

Trust #078 -- Washington Mutual Mortgage Securities Corp. 2003-AR10 (WA03AA)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

CECE & CO LTD LLC 666 GREENWICH ST SUITE 312 NEW YORK, NY 10014 [92922FEF1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FEB0]
WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [92922FEF1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FEC8]
INACTIVE [92922FDU9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FED6]
INACTIVE [92922FDV7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FEE4]
INACTIVE [92922FDW5]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FEG9]
INACTIVE [92922FDX3]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FEH7]

<p>INACTIVE [92922FDY1]</p>	<p>Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FEJ3]</p>
<p>INACTIVE [92922FDZ8]</p>	<p>INACTIVE [WA03AA215]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FEA2]</p>	<p>INACTIVE [WA03AA216]</p>

Trust #079 -- Washington Mutual Mortgage Securities Corp. 2003-AR11 (WA03AB)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

INACTIVE [92922FJA7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJJ8]
INACTIVE [92922FJB5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJK5]
INACTIVE [92922FJC3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJL3]
INACTIVE [92922FJD1]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FJN9]
INACTIVE [92922FJE9]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FJP4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJF6]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FJQ2]

INACTIVE [92922FJG4]	CECE & CO LTD LLC 666 GREENWICH ST SUITE 312 NEW YORK, NY 10014 [92922FJM1]
INACTIVE [92922FJH2]	

Trust #080 -- Washington Mutual Mortgage Securities Corp. 2003-AR12 (WA03AC)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Inc. One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

HOUSEHOLD POOLING CORPORATION 26525 NORTH RIVERWOODS BOULEVARD METTAWA, IL 60045 [92922FKV9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FKX5]
INACTIVE [92922FKP2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FKY3]
INACTIVE [92922FKQ0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FKZ0]
INACTIVE [92922FKR8]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FLA4]
INACTIVE [92922FKS6]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92922FLB2]
INACTIVE [92922FKT4]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FLC0]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FKU1]	INACTIVE [WA03ACAR2]
INACTIVE [92922FKW7]	

Trust #081 -- Washington Mutual Mortgage Securities Corp. 2004-AR1 (WA04A1)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FLD8]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FLK2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FLE6]	BEAR STEARNS SECURITIES CORP. P.O.BOX 596, BOWLING GREEN STATION New York, NY 10274 [92922FLL0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FLF3]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FLM8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FLG1]	INACTIVE [92922FLJ5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FLH9]	

Trust #082 -- Washington Mutual Mortgage Securities Corp. 2004-AR2 (WA04A2)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP. as Depositor, Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNW4]	WELLS FARGO BANK NA FBO ACACIA CDO 7 LTD, 9062 OLD ANNAPOLIS ROAD, COLUMBIA, MD 21045 [92922FPB8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNX2]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922FPC6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNY0]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FPD4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNZ7]	CECE & CO LTD LLC 666 GREENWICH ST SUITE 312 NEW YORK, NY 10014 [92922FPA0]

Trust #083 -- Washington Mutual Mortgage Securities Corp. 2004-AR3 (WA04A3)**NOTICE PARTIES**

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP. as Depositor, Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNH7]	WELLS FARGO BANK NA FBO ACCACIA CDO V, 9062 OLD ANNAPOLIS ROAD, COLUMBIA MD 21045 [92922FNQ7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNJ3]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FNR5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNL8]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FNS3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNM6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNK0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FNN4]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [92922FNP9]

Trust #084 -- Washington Mutual Mortgage Securities Corp. 2004-AR4 (WA04A4)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP. as Depositor Attn: Servicing Dept 75 North Fairway Drive Vernon Hills, IL 60061	DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007

BENEFICIARIES/HOLDERS

INACTIVE [92922FPN2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FPV4]
INACTIVE [92922FPP7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FPW2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FPQ5]	ROBERT & SAMANTHA MORO JTWROS 94 DOUBLING RD, GREENWICH, CT 06830-4047 [92922FPY8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FPR3]	ROBERT & SAMANTHA MORO JTWROS 94 DOUBLING RD, GREENWICH, CT 06830-4047 [92922FPZ5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FPS1]	ROBERT & SAMANTHA MORO JTWROS 94 DOUBLING RD, GREENWICH, CT 06830-4047 [92922FQA9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FPT9]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [92922FPX0]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FPU6]	
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Trust #085 -- Washington Mutual Mortgage Securities Corp. 2004-AR5 (WA04A5)

NOTICE PARTIES

WaMu Asset Acceptance Corp., as Depositor 1201 Third Avenue WMT 1706A Seattle, WA 98101	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP. as Depositor Attn: Servicing Dept 75 North Fairway Drive Vernon Hills, IL 60061
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

INACTIVE [92922FRX8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSE9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FRY6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSF6]
INACTIVE [92922FRZ3]	PERSHING LLC PO BOX 2050 JERSEY CITY NJ 07303 [92922FSH2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSA7]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FSJ8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSB5]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FSK5]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSC3]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [92922FSG4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSD1]	

Trust #086 -- Washington Mutual Mortgage Securities Corp. 2004-AR6 (WA04A6)**NOTICE PARTIES**

WaMu Asset Acceptance Corp., as Depositor 1201 Third Avenue WMT 1706A Seattle, WA 98101	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP. as Depositor Attn: Servicing Dept 75 North Fairway Drive Vernon Hills, IL 60061
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Fitch Inc. One State Street Plaza New York, NY 10004
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSL3]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE 8TH FLOOR NEW YORK, NY 10010 [92922FST6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSM1]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922FSU3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSN9]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FSV1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSP4]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [92922FSS8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSQ2]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS TRUSTEE FOR WAMU MORTGAGE, PASS-THROUGH CERTIFICATES, 2004-AR6 1761 E ST ANDREW PLACE SANTA ANA, CA 92705 [930108ZZ9]

Trust #087 -- Washington Mutual Mortgage Securities Corp. 2004-AR7 (WA04A7)

NOTICE PARTIES

WaMu Asset Acceptance Corp., as Depositor 1201 Third Avenue WMT 1706A Seattle, WA 98101	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP. as Depositor Attn: Servicing Dept 75 North Fairway Drive Vernon Hills, IL 60061
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Fitch Inc. One State Street Plaza New York, NY 10004
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

INACTIVE [92922FSW9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FTF5]
INACTIVE [92922FSX7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FTG3]
INACTIVE [92922FTC2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FTH1]
INACTIVE [92922FSY5]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FTT5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FSZ2]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FTU2]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FTA6]</p>	<p>Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057</p> <p>[92922FTV0]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FTB4]</p>	<p>WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061</p> <p>[92922FTD0]</p>

Trust #088 -- Washington Mutual Mortgage Securities Corp. 2004-AR8 (WA04A8)**NOTICE PARTIES**

Washington Mutual Bank Attn: Washington Mutual Legal Dept. MS: WMT 1706 1201 Third Avenue Seattle, WA 98101	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
Washington Mutual Bank Attn: Corporate Secretary 1201 Third Avenue Seattle, WA 98101	Fitch, Inc. MBS Monitoring One State Street Plaza New York, NY 10004
Deutsche Bank Trust Company Delaware 1011 Centre Road Suite 200 Wilmington Delaware 19805-1266	Moody's Investors Services, Inc. Residential Loan Monitoring Group 7 World Trade Center 250 Greenwich Street New York, NY 10007

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FTJ7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FTN8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FUN6]	WELLS FARGO BANK NA FBO ACACIA CDO 7 LTD, 9062 OLD ANNAPOLIS ROAD, COLUMBIA, MD 21045 [92922FTP3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FUP1]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FTQ1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FTK4]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FTR9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FTL2]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [92922FTS7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FTM0]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS TRUSTEE FOR WAMU MORTGAGE, PASS-THROUGH CERTIFICATES, 2004-AR8 1761 E ST ANDREW PLACE SANTA ANA, CA 92705 [930108ZZ8]

Trust #089 -- Washington Mutual Mortgage Securities Corp. 2004-AR10 (WA04AA)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FXJ2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FXB9]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FWU8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FXC7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FWV6]	Embassy & Co c/o US Bank NA PO Box 1787 Milwaukee, WI 53201-1787 [92922FXF0]
INACTIVE [92922FWW4]	PERSHING LLC PO BOX 2050 JERSEY CITY, NJ 07303 [92922FXF0]
INACTIVE [92922FWX2]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922FXG8]
INACTIVE [92922FWY0]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FXH6]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FWZ7]</p>	<p>WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061</p> <p>[92922FXE3]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FXD5]</p>	<p>DEUTSCHE BANK NATIONAL TRUST CO AS TRUSTEE FOR WAMU MORTGAGE PASS, THROUGH CERTIFICATES, SERIES 2004-AR10 1761 E ST ANDREW PLACE SANTA ANA, CA 92705</p> <p>[930108ZZ7]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FXA1]</p>	

Trust #090 -- Washington Mutual Mortgage Securities Corp. 2004-AR12 (WA04AC)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FZE1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FZP6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FZF8]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FZQ4]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FZV3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FZL5]
INACTIVE [92922FZG6]	MILLENNIUM PARTNERS 666 5TH AVENUE - 8TH FLOOR NEW YORK, NY 10103 [92922FZS0]
INACTIVE [92922FZH4]	CREDIT SUISSE SECURITIES [USA] LLC 1 MADISON AVE NEW YORK, NY 10010 [92922FZT8]
INACTIVE [92922FZJ0]	CREDIT SUISSE SECURITIES [USA] LLC 1 MADISON AVE NEW YORK, NY 10010 [92922FZU5]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FZK7]</p>	<p>DEUTSCHE BANK NATIONAL TRUST CO AS TRUSTEE FOR WAMU MORTGAGE, PASS-THROUGH CERTIFICATES, SERIES 2004-AR12 1761 E ANDREW PLACE SANTA ANA, CA 92705</p> <p>[WA04AR120]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FZN1]</p>	<p>WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061</p> <p>[92922FZR2]</p>

Trust #091 -- Washington Mutual Mortgage Securities Corp. 2004-AR13 (WA04AD)

NOTICE PARTIES

WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor and Master Servicer Attention: Master Servicing Department 75 North Fairway Drive Vernon Hills, IL 60061	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FB49]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FC48]
INACTIVE [92922FB56]	DEUTSCHE BANK NATIONAL TRUST COMPANY AS TRUSTEE UNDER THE AGREEMENT FOR, DEUTSCHE MORTGAGE SECURITIES INC, 2006-RS1 1761 E ST ANDREW PLACE SANTA ANA, CA 92705 [92922FC55]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FB64]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92922FC63]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FB72]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FC30]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FB80]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922FC71]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FB98]	DEUTSCHE BANK NATIONAL TRUST CO AS TTEE FOR WANU MTG PASS-THROUGH CERTS SERIES 2004-AR13 1761 E ST ANDREW PLACE SANTA ANA, CA 92705 [WA04AR130]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FC22]

WASHINGTON MUTUAL MORTGAGE
SECURITIES CORP,
75 NORTH FAIRWAY DRIVE,
VERNON HILLS, IL 60061

[92922FC89]

Trust #092 -- Washington Mutual Mortgage Securities Corp. 2005-AR1 (WA05A1)**NOTICE PARTIES**

Washington Mutual Bank Attn: Treasury, MS: WMC1411 1301 Second Avenue Seattle, WA 98101	Deutsche Bank Trust Company Delaware 1011 Centre Road Suite 200 Wilmington Delaware 19805-1266
Washington Mutual Bank Attn: Legal Department MS: WMC3501 1301 Second Avenue Seattle, WA 98101	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
Washington Mutual Bank Attn: Loan Accounting, MS: WMC1315 1301 Second Avenue Seattle, WA 98101	Fitch, Inc. MBS Monitoring One State Street Plaza New York, NY 10004
Washington Mutual Mortgage Securities Corp. Attn: Bond Administration 75 North Fairway Drive Vernon Hills, IL 60061	Moody's Investors Services, Inc. Residential Loan Monitoring Group 7 World Trade Center 250 Greenwich Street New York, NY 10007

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336X40]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336Y23]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336X57]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336Y31]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336X65]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336Y49]
INACTIVE [939336X73]	Embassy & Co c/o US Bank NA PO Box 1787 Milwaukee, WI 53201-1787 [939336Y72]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [939336X81]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [939336Y80]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[939336X99]</p>	<p>Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057</p> <p>[939336Y98]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[939336Z22]</p>	<p>DEUTSCHE BANK NATIONAL TRUST CO, AS TTEE FOR WAMU MTG PASS-THROUGH CERTS, SERIES 2005-AR1 1761 E ST ANDREW PLACE SANTA ANA, CA 92705</p> <p>[WA05A1101]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[939336Y56]</p>	<p>WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061</p> <p>[939336Y64]</p>

Trust #093 -- Washington Mutual Mortgage Securities Corp. 2005-AR2 (WA05A2)**NOTICE PARTIES**

WaMu Asset Acceptance Corp., as Depositor 1201 Third Avenue WMT 1706A Seattle, WA 98101	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP. as Depositor Attn: Servicing Dept 75 North Fairway Drive Vernon Hills, IL 60061
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1314 King Street Wilmington, Delaware 19801	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FC97]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FF29]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FE87]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FF37]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FD21]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FF45]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FD39]	BAND & CO 1555 NORTH RIVERCENTER DRIVE STE 302, MILWAUKEE, WI 53212 [92922FF52]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FD47]	KANE & CO C/O JPMORGAN CHASE BANK NA PO BOX 35308 NEWARK, NJ 07101-8006 [92922FF52]

INACTIVE [92922FD54]	SHIP MOORING & CO C/O STATE STREET BANK & TRUST, PO BOX 5756, BOSTON, MA 02206 [92922FF52]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FD62]	TFINN & CO C/O JPMORGAN CHASE BANK, NA, DEPT 6583, P.O. BOX 50000 NEWARK, NJ 07101 [92922FF52]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FD70]	CITIGROUP GLOBAL MARKETS INC 111 WALL ST., 6TH FL NEW YORK, NY 10005 [92922FF60]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FE95]	DEUTSCHE BANK SECURITIES INC 60 WALL STREET, 14TH FLOOR NEW YORK, NY 10005, [92922FF60]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FD88]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92922FF60]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FD96]	GALEWIND & CO C/O STATE STREET BANK & TRUST PO BOX 5756 BOSTON MA 02206, [92922FF60]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FE20]	MAC & CO PO BOX 3195 PITTSBURGH, PA 15230-3195 [92922FF60]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FE38]	WELLS FARGO BANK N. A. FBO NAUTILUS RMBS CDO I, LTD, 9062 OLD ANNAPOLIS ROAD, COLUMBIA, MD 21045 [92922FF60]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FE46]	INACTIVE [92922FF78]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FE53]</p>	<p>DEUTSCHE BANK NATIONAL TRUST CO AS TTEE FOR WAMU MTG PASS-THROUGH CERTS, SERIES 2005-AR2 1761 E ST ANDREW PLACE SANTA ANA, CA 92705</p> <p>[WA05A2301]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FE61]</p>	<p>WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061</p> <p>[92922FE79]</p>

Trust #094 -- Washington Mutual Mortgage Securities Corp. 2005-AR4 (WA05A4)

NOTICE PARTIES

WaMu Asset Acceptance Corp., as Depositor 1201 Third Avenue WMT 1706A Seattle, WA 98101	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor Attn: Bond Administration 1301 Second Avenue WMC 1401 Seattle, WA 98101
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WAMU 1201 Third Avenue, WMT 1706 Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

INACTIVE [92922FF94]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FG93]
INACTIVE [92922FG28]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FH27]
INACTIVE [92922FG36]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FH35]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FG44]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FH50]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FG51]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FH68]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FG69]</p>	<p>Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286</p> <p>[92922FH76]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FG77]</p>	<p>WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061</p> <p>[92922FH43]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FG85]</p>	

Trust #095 -- Washington Mutual Mortgage Securities Corp. 2005-AR6 (WA05A6)**NOTICE PARTIES**

WaMu Asset Acceptance Corp., as Depositor 1201 Third Avenue WMT 1706A Seattle, WA 98101	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP., as Depositor Attn: Bond Administration 1301 Second Avenue WMC 1401 Seattle, WA 98101
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WAMU 1201 Third Avenue, WMT 1706 Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FH84]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FK31]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FH92]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FK49]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJ25]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FK56]
INACTIVE [92922FJ33]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FK64]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJ41]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FK72]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FL48]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92922FK98]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJ58]	KANE & CO C/O JPMORGAN CHASE BANK NA PO BOX 35308 NEWARK, NJ 07101-8006 [92922FK98]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJ66]	BOST & CO MELLON BANK P O BOX 3195 PITTSBURGH, PA 15230-3195, [92922FL22]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJ74]	KANE & CO C/O JPMORGAN CHASE BANK NA PO BOX 35308 NEWARK, NJ 07101-8006 [92922FL22]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJ82]	CREDIT SUISSE FIRST BOSTON LLC 1 MADISON AVE NEW YORK, NY 10010 [92922FL30]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FJ90]	KANE & CO C/O JPMORGAN CHASE BANK NA PO BOX 35308 NEWARK, NJ 07101-8006 [92922FL30]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FK23]	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061 [92922FK80]

Trust #096 -- Washington Mutual Mortgage Securities Corp. 2005-AR8 (WA05A8)

NOTICE PARTIES

TERMINATED

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FR67]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FS90]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FR75]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FT24]

INACTIVE

[92922FR83]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FT32]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FR91]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FT40]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FS25]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FT57]

INACTIVE

[92922FS33]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FT65]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FS41]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FT73]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FS58]

GGRE LLC
20 DAYTON AVENUE
GREENWICK, CT 06830-6478

[92922FT99]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FS66]

MESIROW FINANCIAL INC
353 N CLARK ST
CHICAGO IL 60654-4704

[92922FU22]

<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FS74]</p>	<p>Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286</p> <p>[92922FU30]</p>
<p>Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041</p> <p>[92922FS82]</p>	<p>WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 NORTH FAIRWAY DRIVE, VERNON HILLS, IL 60061</p> <p>[92922FT81]</p>

Trust #097 -- Washington Mutual Mortgage Securities Corp. 2005-AR9 (WA05A9)

NOTICE PARTIES

JPMorgan Chase Bank, N.A. Attn: Treasury 270 Park Avenue New York, NY 10017	Moody's Investors Service Ltd. 1st Floor, 2 Minster Court, Mincing Lane London EC3R 7XB United Kingdom
Fitch Inc. One State Street Plaza New York, NY 10004	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
Fitch Ratings Ltd. 101 Finsbury Pavement London EC2A 1RS United Kingdom	Standard & Poor's 20 Canada Square Canary Wharf, London E14 5LH United Kingdom
Moody's Investors Services, Inc. Residential Loan Monitoring Group 7 World Trade Center 250 Greenwich Street New York, NY 10007	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FU48]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FV47]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FU55]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FV54]
INACTIVE [92922FU63]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FV21]
INACTIVE [92922FU71]	GGRE LLC 20 DAYTON AVENUE GREENWICK, CT 06830-6478 [92922FV70]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FU89]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922FV88]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922FU97]	Nimer & Co C/o Citibank NA Custody IC&D Lock Box PO BOX 7247-7057 Philadelphia, PA 19170-7057 [92922FV96]

Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

[92922FV39]

WASHINGTON MUTUAL MORTGAGE
SECURITIES CORP,
75 NORTH FAIRWAY DRIVE,
VERNON HILLS, IL 60061

[92922FV62]

Trust #098 -- Washington Mutual Mortgage Securities Corp. 2005-AR10 (WA05AA)

NOTICE PARTIES

WaMu Asset Acceptance Corp., as Depositor 1201 Third Avenue WMT 1706A Seattle, WA 98101	WASHINGTON MUTUAL MORTGAGE SECURITIES CORP. as Depositor Attn: Servicing Dept 75 North Fairway Drive Vernon Hills, IL 60061
Washington Mutual Bank as Servicer Attn: Vice President Investor Reporting 19850 Plummer Street (Mail Stop N070205) Chatsworth, CA 91311	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Moody's Investors Service, Inc. 99 Church Street New York, NY 10007
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2G2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2X5]
INACTIVE [92922F2H0]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2Y3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2J6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2Z0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2K3]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922F3B2]
INACTIVE [92922F2L1]	Ell & Co c/o Northern Trust Company PO Box 92395 Chicago, IL 60675 [92922F3C0]

INACTIVE [92922F2M9]	CREDIT AGRICOLE SECURITIES USA INC 1301 AVENUE OF THE AMERICAS CACS - 13TH FLOOR NEW YORK, NY 10019 [92922F3D8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2N7]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922F3D8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2P2]	GREENWICH CAPITAL MARKETS, INC 600 STEAMBOAT ROAD GREENWICH CT 06830 [92922F3D8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2Q0]	WELLS FARGO BANK N. A. FBO CRYSTAL RIVER CDO 2005-1, LTD 9062 OLD ANNAPOLIS ROAD COLUMBIA, MD 21045 [92922F3D8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2R8]	CHERRYTRUST & CO. C/O ANB BANK ATTN: TRUST DEPARTMENT 2ND FLOOR 3033 EAST FIRST AVENUE [92922F3E6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2S6]	CREDIT SUISSE SECURITIES (USA) LLC 1 MADISON AVE NEW YORK, NY 10010 [92922F3E6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2T4]	GREENWICH CAPITAL MARKETS, INC 600 STEAMBOAT ROAD GREENWICH CT 06830 [92922F3E6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2U1]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922F3E6]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2V9]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [92922F3Z9]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92922F2W7]	WACHOVIA BANK, NA 301 S COLLEGE STREET, 10TH FLOOR CHARLOTTE, NC 28288-5707 [92922F3A4]
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Trust #099 -- Washington Mutual Mortgage Securities Corp. 2006-AR4 (WA06A4)**NOTICE PARTIES**

Washington Mutual Bank Attn: Treasury, MS: WMC1411 1301 Second Avenue Seattle, WA 98101	Deutsche Bank Trust Company Delaware 1011 Centre Road Suite 200 Wilmington Delaware 19805-1266
Washington Mutual Bank Attn: Treasury, MS: WMC1411 1301 Second Avenue Seattle, WA 98101	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
Washington Mutual Bank Attn: Loan Accounting, MS: WMC1315 1301 Second Avenue Seattle, WA 98101	Fitch, Inc. MBS Monitoring One State Street Plaza New York, NY 10004
Washington Mutual Mortgage Securities Corp. Attn: Bond Administration 75 North Fairway Drive Vernon Hills, IL 60061	Moody's Investors Services, Inc. Residential Loan Monitoring Group 7 World Trade Center 250 Greenwich Street New York, NY 10007

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPN6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FQB1]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPP1]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FQC9]
INACTIVE [93934FPQ9]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FQD7]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPR7]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FQE5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPS5]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FQF2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPT3]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [93934FPH9]

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPU0]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [93934FPJ5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPV8]	DEUTSCHE BANK SECURITIES INC 1251 AVE OF THE AMERICAS, 25TH FLOOR NEW YORK, NY 10020 [93934FPK2]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPW6]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [93934FPL0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPX4]	Hare & Co c/o The Bank of New York PO Box 11203 New York, NY 10286 [93934FPM8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPY2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FQH8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FPZ9]	WASHINGTON MUTUAL BANK 75 NORTH FAIRWAY DRIVE MAIL STOP VHJIB02 VERNON HILLS, IL 60061 [93934FQG0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [93934FQA3]	

Trust #100 -- Long Beach Asset Holdings Corp CI 2003-3 (LB07P3)

NOTICE PARTIES

Long Beach Mortgage Company,
as Master Servicer
Attention: General Counsel
1100 Town & Country Road, Suite 1600
Orange, CA 92868

Fitch, Inc.
One State Street Plaza
New York, NY 10004

Long Beach Securities Corp,
as Depositor
Attention: General Counsel
1100 Town & Country Road, Suite 1600
Orange, CA 92868

Standard & Poor's Rating Services, Inc.
55 Water Street
New York, NY 10041

Moody's Investors Service, Inc.
Attention: MBS Monitoring/LBMLT 2003-4
99 Church Street
New York, NY 10048

BENEFICIARIES/HOLDERS

GOLDMAN SACHS & CO
30 HUDSON ST 4TH FLOOR
JERSEY CITY NJ 07302

HARE & CO
C/O SEAFAIR SECURITIES HOLDING CORP
1301 2ND AVE
SEATTLE WA 98101

[LB07P3101]

[LB07P3101]

Trust #101 -- Long Beach Asset Holdings Corp CI 2003-4 (LB07P4)

NOTICE PARTIES

Long Beach Mortgage Company,
as Master Servicer
Attention: General Counsel
1100 Town & Country Road, Suite 1600
Orange, CA 92868

Fitch, Inc.
One State Street Plaza
New York, NY 10004

Long Beach Securities Corp,
as Depositor
Attention: General Counsel
1100 Town & Country Road, Suite 1600
Orange, CA 92868

Standard & Poor's Rating Services, Inc.
55 Water Street
New York, NY 10041

Moody's Investors Service, Inc.
Attention: MBS Monitoring
99 Church Street
New York, NY 10048

BENEFICIARIES/HOLDERS

GOLDMAN SACHS & CO
30 HUDSON ST 4TH FLOOR
JERSEY CITY NJ 07302

HARE & CO
C/O SEAFAIR SECURITIES HOLDING CORP
1301 2ND AVE
SEATTLE WA 98101

[LB07P4101]

[LB07P4101]

Trust #102 -- Long Beach Asset Holding Corp. 2004-2 (LB04N2)**NOTICE PARTIES**

Long Beach Mortgage Company - Master Servicer Attn: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
First Union National Bank - Trustee 401 South Tryon Street Charlotte, North Carolina 28288	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp. - Depositor Attn: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Radian Insurance Inc. Attn: General counsel 1601 Market Street Philadelphia, PA 19103	

BENEFICIARIES/HOLDERS

INACTIVE [54239FAA4]	HARE & CO C/O GOLDMAN SACHS & CO 85 BROAD ST - TAX DEPT NEW YORK NY 10004 [LB04N2101]
INACTIVE [54239EAA7]	HARE & CO C/O SEAFAIR SECURITIES HOLDING CORP 1301 2ND AVE SEATTLE WA 98101 [LB04N2101]

Trust #103 -- Long Beach Asset Holding Corp. 2004-4 (LB04N4)**NOTICE PARTIES**

Asset Backed Securities Corp - Depositor Attn: Rhonda Matty 11 Madison Ave New York, NY 10010	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Mortgage Company - Master Servicer Attn: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Fitch, Inc. One State Street Plaza New York, NY 10004
R.V.I Guaranty Co., Ltd., Attn: Adrenne Hintz 20 Reid Street 3rd Floor Williams House, Hamilton HM HX Bermuda	

BENEFICIARIES/HOLDERS

INACTIVE [54239JAA6]	INACTIVE [54239JAE8]
INACTIVE [54239JAB4]	INACTIVE [54239HAA0]
INACTIVE [54239JAC2]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54239HAB8]
INACTIVE [54239JAD0]	GREENWICH CAPITAL MARKETS, INC ATTN: P&I DEPT 600 STEAMBOAT ROAD GREENWICH CT 06830 [LB04N4101]

Trust #104 -- Long Beach Asset Holding Corp. 2004-6 (LB04N6)**NOTICE PARTIES**

Long Beach Mortgage Company - Master Servicer Attn: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. - Depositor Attn: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Fitch, Inc. One State Street Plaza New York, NY 10004
Radian Insurance Inc. Attn: General counsel 1601 Market Street Philadelphia, PA 19103	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

INACTIVE [54239KAA3]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54239GAB0]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54239GAA2]	GERLACH & COMPANY C/O CITIBANK NA 399 PARK AVE LEVEL B VAULT NEW YORK NY 10022 [LB04N6101]

Trust #105 -- Long Beach Asset Holding Corp. 2005-2 (LB05N2)**NOTICE PARTIES**

Long Beach Mortgage Company Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, California 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange CA 92868	Fitch, Inc. One State Street Plaza New York, NY 10004
Freddie Mac Attention: Director, Mortgage Security Operations – Funding and Investments 8200 Jones Branch Drive McLean, VA 22102	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Radian Insurance Inc. Attn: General counsel 1601 Market Street Philadelphia, PA 19103	

BENEFICIARIES/HOLDERS

INACTIVE [542396AA4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542396AD8]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542396AB2]	CREDIT SUISSE FIRST BOSTON 11 MADISON AVE, 5TH FLOOR NEW YORK, NY 10010 [LB05N2001]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542396AC0]	

Trust #106 -- Long Beach Asset Holding Corp. 2005-3 (LB05N5)**NOTICE PARTIES**

Long Beach Mortgage Company Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, California 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange CA 92868	Fitch, Inc. One State Street Plaza New York, NY 10004
Fannie Mae Attention: Vice President-Capital Markets 3900 Wisconsin Avenue, NW, Washington, D.C. 20016	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

INACTIVE [542394AA9]	GOLDMAN SACHS & CO 30 HUDSON ST 4TH FLOOR JERSEY CITY NJ 07302 [LB05N5001]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542394AB7]	HARE & CO C/O SEAFAIR SECURITIES HOLDING CORP 1301 2ND AVE SEATTLE WA 98101 [LB05N5001]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542394AC5]	

Trust #107 -- Long Beach Asset Holding Corp. CI 2005-WL1 (LB05N3)**NOTICE PARTIES**

Long Beach Mortgage Company Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, California 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange CA 92868	Fitch, Inc. One State Street Plaza New York, NY 10004
Fannie Mae Attention: Vice President-Capital Markets 3900 Wisconsin Avenue, NW, Washington, D.C. 20016	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Asset Guaranty Insurance Company Attention: Manager, Asset-Backed Surveillance 335 Madison Avenue New York, New York 10017	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542395AA6]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54239WAB5]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542395AB4]	Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54239WAC3]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54239WAA7]	GREENWICH CAPITAL MARKETS, INC 600 STEAMBOAT ROAD GREENWICH CT 06830 [LB05N3101]

Trust #108 -- Long Beach Asset Holding Corp. CI 2005-WL2 (LB05N4)

NOTICE PARTIES

Long Beach Mortgage Company Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, California 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Long Beach Securities Corp. Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange CA 92868	Fitch, Inc. One State Street Plaza New York, NY 10004
Fannie Mae Attention: Vice President-Capital Markets 3900 Wisconsin Avenue, NW, Washington, D.C. 20016	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54239QAV4]	CREDIT SUISSE FIRST BOSTON 11 MADISON AVE, 5TH FLOOR NEW YORK, NY 10010 [54239QAW2]
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Trust #109 -- Long Beach Asset Holding Corp. CI 2005-WL3 (LB05N6)

NOTICE PARTIES

Long Beach Mortgage Company,
as Master Servicer
Attention: General Counsel
1100 Town & Country Road, Suite 1600
Orange, CA 92868

Fitch, Inc.
One State Street Plaza
New York, NY 10004

Long Beach Securities Corp,
as Depositor
Attention: General Counsel
1100 Town & Country Road, Suite 1600
Orange, CA 92868

Standard & Poor's Rating Services, Inc.
55 Water Street
New York, NY 10041

Moody's Investors Service, Inc.
Attention: MBS Monitoring/LBMLT 2003-2
99 Church Street
New York, NY 10048

BENEFICIARIES/HOLDERS

Cede & Co FAST
c/o Depository Trust & Clearing Corporation
55 Water Street
New York, NY 10041

US BANK N.A. AS INDENTURE TRUSTEE
AS OF 12/15/06 RELATING TO CAYMAN
ABSC NIMS 2006-DSRT 9.60 PCT
CLASS A NOTES SERIES 2006-DSRT
60 LIVINGSTON AVE, EP-MN-WS3D
ST PAUL, MN 55107

[54239QAX0]

[LB05N6101]

Trust #110 -- Long Beach Asset Holding Corp. 2006-1 (LB06N4)**NOTICE PARTIES**

Long Beach Mortgage Company Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, California 92868	First Union National Bank 401 South Tryon Street Charlotte, NC 28288
Long Beach Securities Corp. Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange CA 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Fannie Mae Attention: Vice President-Capital Markets 3900 Wisconsin Avenue, NW, Washington, D.C. 20016	Fitch, Inc. One State Street Plaza New York, NY 10004
Radian Insurance Inc. Attn: General counsel 1601 Market Street Philadelphia, PA 19103	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54240CAA8]	GOLDMAN SACHS & CO 30 HUDSON ST 4TH FLOOR JERSEY CITY NJ 07302 [LB06N1001]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54240CAB6]	HARE & CO C/O SEAFAIR SECURITIES HOLDING CORP 1301 2ND AVE SEATTLE WA 98101 [LB06N1001]

Trust #111 -- Long Beach Asset Holding Corp. 2006-2 (LB06N5)**NOTICE PARTIES**

Long Beach Mortgage Company Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, California 92868	First Union National Bank 401 South Tryon Street Charlotte, NC 28288
Long Beach Securities Corp. Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange CA 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Fannie Mae Attention: Vice President-Capital Markets 3900 Wisconsin Avenue, NW, Washington, D.C. 20016	Fitch, Inc. One State Street Plaza New York, NY 10004
Asset Guaranty Insurance Company Attention: Manager, Asset-Backed Surveillance 335 Madison Avenue New York, New York 10017	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542393AA1]	GOLDMAN SACHS & CO 30 HUDSON ST 4TH FLOOR JERSEY CITY NJ 07302 [LB06N5001]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542393AB9]	HARE & CO C/O SEAFAIR SECURITIES HOLDING CORP 1301 2ND AVE SEATTLE WA 98101 [LB06N5001]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [542393AC7]	

Trust #112 -- Long Beach Asset Holding Corp. 2006-WL2 (LB06N2)**NOTICE PARTIES**

Long Beach Mortgage Company Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, California 92868	Wachovia Bank, National Association 401 South Tryon Street Charlotte, NC 28288
Long Beach Securities Corp. Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange CA 92868	Moody's Investors Service, Inc. 99 Church Street New York, NY 10048
Fannie Mae Attention: Vice President-Capital Markets 3900 Wisconsin Avenue, NW, Washington, D.C. 20016	Fitch, Inc. One State Street Plaza New York, NY 10004
Asset Guaranty Insurance Company Attention: Manager, Asset-Backed Surveillance 335 Madison Avenue New York, New York 10017	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54240KAA0]	GERLACH & COMPANY C/O CITIBANK NA/CUSTODY IC&D LOCK BOX P.O. BOX 7247-7057 PHILADELPHIA, PA 19170-7057 [LB06N2001]
INACTIVE [54240KAB8]	

Trust #113 -- Long Beach Asset Holding Corp. CI 2006-3 (LB06N6)

NOTICE PARTIES

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2003-3 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54240DAA6]	GOLDMAN SACHS & CO 30 HUDSON ST 4TH FLOOR JERSEY CITY NJ 07302 [LB06N6001]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54240DAB4]	HARE & CO C/O SEAFAIR SECURITIES HOLDING CORP 1301 2ND AVE SEATTLE WA 98101 [LB06N6001]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [54240BAA0]	

Trust #114 -- Long Beach CI NIM Notes 2006-4 (LB06N7)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2004-2 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92931FAA5]	GOLDMAN SACHS & CO 30 HUDSON ST 4TH FLOOR JERSEY CITY NJ 07302 [LB06N7101]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92931FAB3]	HARE & CO C/O SEAFAIR SECURITIES HOLDING CORP 1301 2ND AVE SEATTLE WA 98101 [LB06N7101]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92931GAA3]	

Trust #115 -- Long Beach CI NIM Notes 2006-5 (LB06N8)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2004-3 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92929AAA0]	GOLDMAN SACHS & CO 30 HUDSON ST 4TH FLOOR JERSEY CITY NJ 07302 [LB06N8101]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92929AAB8]	Hare & Co. c/o Seafair Securities Holding Corp. 1301 2nd Ave. Seattle, WA 98101 [LB06N8101]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92928YAA9]	

Trust #116 -- Long Beach CI NIM Notes 2006-6 (LB06N9)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2004-4 99 Church Street New York, NY 10048
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Financial Security Assurance, Inc., as Certificate Insurer Attention: Surveillance Department Re: LBMLT 2004-4 350 Park Avenue New York, NY 10022	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92932GAA2]	GOLDMAN SACHS & CO 30 HUDSON ST 4TH FLOOR JERSEY CITY NJ 07302 [LB06N9101]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92932GAB0]	Hare & Co. c/o Seafair Securities Holding Corp. 1301 2nd Ave. Seattle, WA 98101 [LB06N9101]
Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92932EAA7]	

Trust #117 -- Long Beach CI NIM Notes 2006-7 (LB06NA)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2004-5 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92932LAA1]	Goldman Sachs & Co 30 Hudson St 4th Floor Jersey City, NJ 07302 [LB06NA101]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92932LAB9]	Hare & Co C/O Seafair Securities Holding Corp 1301 2nd Ave Seattle, WA 98101 [LB06NA101]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92932LAC7]	

Trust #118 -- Long Beach CI NIM Notes 2006-8 (LB06NB)

NOTICE PARTIES

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92932YAA3]	Goldman Sachs & Co 30 Hudson St 4th Floor Jersey City, NJ 07302 [LB06NB101]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92932YAB1]	

Trust #119 -- Long Beach CI NIM Notes 2006-9 (LB06NC)

NOTICE PARTIES

Long Beach Asset Holdings Corp. CI 2004-2, as Issuer c/o Deutsche Bank (Cayman) Limited Attention: The Directors P.O. Box 1984GT Elizabethan Square, George Town Grand Cayman, Cayman Islands	Fitch Ratings, Inc One State Street Plaza New York, NY 10004
Long Beach Asset Holdings CI 2004-2 LLC, as Co-Issuer Attention: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	U.S. Bank National Association, as Indenture Trustee U.S. Bank Trust Center, EP-MN-T2CT Attention: Charles F. Pedersen 180 East Fifth Street St. Paul, MN 55101
Standard & Poor's Ratings Services Attention: Asset Backed Surveillance Department 55 Water Street - 41st Floor New York, NY 10041	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929321AA5]	Goldman Sachs & Co 30 Hudson St 4th Floor Jersey City, NJ 07302 [LB06NC101]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929321AB3]	Hare & Co C/O Seafair Securities Holding Corp 1301 2nd Ave Seattle, WA 98101 [LB06NC101]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929319AA9]	

Trust #120 -- Long Beach CI NIM Notes 2006-10 (LB06ND)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1100 Town & Country Road, Suite 1600 Orange, CA 92868	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [929306AA6]	GOLDMAN SACHS & CO 30 HUDSON ST 4TH FLOOR JERSEY CITY NJ 07302 [LB06ND101]
INACTIVE [929306AB4]	Hare & Co. c/o Seafair Securities Holding Corp. 1301 2nd Ave. Seattle, WA 98101 [LB06ND101]

Trust #121 -- Long Beach CI NIM Notes 2006-11 (LB06NE)**NOTICE PARTIES**

Long Beach Mortgage Company, as Master Servicer Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Fitch, Inc. One State Street Plaza New York, NY 10004
Long Beach Securities Corp, as Depositor Attention: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	Standard & Poor's Rating Services, Inc. 55 Water Street New York, NY 10041
Moody's Investors Service, Inc. Attention: MBS Monitoring/LBMLT 2004-1 99 Church Street New York, NY 10048	

BENEFICIARIES/HOLDERS

Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92933KAA2]	Hare & Co C/O GOLDMAN, SACHS & CO 85 BROAD STREET - TAX DEPT NEW YORK NY 10004 [LB06NE101]
Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92933KAB0]	

Trust #122 -- Long Beach Securities Corp. 2003-P1 (2003-W5) (LB03P1 (LB03PB))

NOTICE PARTIES

Long Beach Asset Holdings Corp. CI 2003-3, as Issuer
c/o Maples Finance Limited
Queensgate House
Attention: The Directors
P.O. Box 1093
George Town, Grand Cayman, Cayman Islands

BENEFICIARIES/HOLDERS

LONG BEACH MORTGAGE COMPANY
1400 S DOUGLASS RD, SUITE 100
ANAHEIM, CA 92806

[LB03PA001]

Trust #123 -- WM Covered Bond Program 1 (WA06C1)

NOTICE PARTIES

JPMorgan Chase Bank, N.A. Attn: Treasury 270 Park Avenue New York, NY 10017	Moody's Investors Service Ltd. 1st Floor, 2 Minster Court, Mincing Lane London EC3R 7XB United Kingdom
Fitch Inc. One State Street Plaza New York, NY 10004	Standard and Poor's Ratings Services Mortgage Surveillance Monitoring 55 Water Street New York, NY 10041
Fitch Ratings Ltd. 101 Finsbury Pavement London EC2A 1RS United Kingdom	Standard & Poor's 20 Canada Square Canary Wharf, London E14 5LH United Kingdom
Moody's Investors Services, Inc. Residential Loan Monitoring Group 7 World Trade Center 250 Greenwich Street New York, NY 10007	

BENEFICIARIES/HOLDERS

INACTIVE [WA06C1001]	
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Trust #124 -- WM Covered Bond Program 2 (WA06C2)

NOTICE PARTIES

Washington Mutual Bank Attn: General Counsel 1301 Second Avenue Seattle, WA 98101	Moody's Investors Service, Inc. Attn: MBS Monitoring/WaMu Series 2007-HE1 Trust 99 Church Street New York, NY 10048
Washington Mutual Bank Attn: Investor Reporting 11200 W. Parkland Ave. Milwaukee, WI 53224	Standard & Poor's Ratings Services, Inc. 55 Water Street New York, NY 10041
Deutsche Bank Trust Company Delaware 1011 Centre Road Suite 200 Wilmington Delaware 19805	The Bank of New York Swaps and Derivatives Products Group Global Market Division Attn: Steve Lawler 32 Old Slip, 15th Floor New York, NY 10286
WaMu Asset Acceptance Corp. Attn: General Counsel 1400 South Douglass Road, Suite 100 Anaheim, CA 92806	

BENEFICIARIES/HOLDERS

WM Covered Bond Program c/o Wilmington Trust Company 1100 North Market Street Wilmington, DE 19890 [WA06C2001]	
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Trust #125 -- WM Covered Bond Program 3 (WA07C3)

NOTICE PARTIES

WM Asset Holdings Corp. CI 2007-WM1 c/o Deutsche Bank (Cayman) Limited Attn: The Directors P.O. Box 1984 George Town, Grand Cayman KY1-1104 Cayman Islands	Radian Insurance, Inc. Attn: Controller re: WM Asset Holdings Corp. CI 2007-WM1 Notes 1601 Market Street Philadelphia, PA 19103
Washington Mutual Bank Attn: James Mark 1301 Second Avenue Mail Stop: WMC 1401 Seattle, WA 98101	Standard and Poor's Ratings Services Asset-Backed Surveillance Monitoring 55 Water Street, 41st Floor New York, NY 10041
WM Asset Holdings CI 2007-WM1 LLC Attn: Donald Puglisi 850 Library Avenue, Suite 204 Newark, DE 19711	Barclays Bank PLC 5 The North Colonnade Canary Wharf, Londong E14 4BB England
Radian Insurance, Inc. Attn: Controller re: WM Asset Holdings Corp. CI 2007-WM1 Notes 1601 Market Street Philadelphia, PA 19103	Maples and Calder Attn: Tim Frawley P.O. Box 309GT Ugland House, South Church Street Grand Cayman, Cayman Islands

BENEFICIARIES/HOLDERS

WM Covered Bond Program c/o Wilmington Trust Company 1100 North Market Street Wilmington, DE 19890 [WA07C3001]	
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Trust #126 -- WaMu CI NIM Notes 2007-WM1 (WA07N1)**NOTICE PARTIES**

Company - Washington Mutual Mortgage Securities Corp Attn: Master Servicer Dept 75 North Fairway Drive Vernon Hills, Illinois 60061	Moody's Investors Service, Inc. 7 World Trade Center 250 Greenwich Street New York, NY 10007
Washington Mutual Legal Department Attention: WMMSC 1201 Third Avenue WMT 1706, Seattle, WA 98101	Standard & Poors Rating Services Attn: Residential Mortgages 55 Water Street New York, NY 10041
DEUTSCHE BANK TRUST COMPANY DELAWARE, as Delaware Trustee 1011 Centre Road, Suite 200 Wilmington, Delaware 19805-1266	Fitch Attn: Residential Mortgages One State Street Plaza New York, NY 10004

BENEFICIARIES/HOLDERS

Cede & Co FAST c/o Depository Trust & Clearing Corporation 55 Water Street New York, NY 10041 [92933UAA0]	Goldman Sachs & Co 30 Hudson Street, 4th Floor Jersey City, NJ 07302 [WA07N1101]
INACTIVE [92933UAB8]	Hare & Co. c/o Seafair Securities Holding Corp. 1301 2nd Ave. Seattle, WA 98101 [WA07N1101]

**EXHIBIT 5
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST**

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee for the Trusts listed in Exhibits 1-A and 1-B,

Plaintiff,

v.

FEDERAL DEPOSIT INSURANCE CORPORATION,
as receiver for Washington Mutual Bank; JPMORGAN
CHASE BANK, National Association; and
WASHINGTON MUTUAL MORTGAGE
SECURITIES CORPORATION,

Defendants.

Case No.: 09-CV-1656-RMC
Hon. Rosemary M. Collyer

JURY TRIAL DEMANDED

AMENDED COMPLAINT

Plaintiff Deutsche Bank National Trust Company, as trustee for the Trusts listed in Exhibits 1-A and 1-B (“DBNTC” or the “Trustee”), for its Amended Complaint (“Complaint”) against the Federal Deposit Insurance Corporation, as receiver for Washington Mutual Bank; JPMorgan Chase Bank, National Association; and Washington Mutual Mortgage Securities Corporation (collectively the “Defendants”), upon information and belief, alleges as follows:

PARTIES

1. DBNTC is a national banking association organized under the laws of the United States of America to carry on the business of a limited purpose trust company. DBNTC’s main office and principal place of business is located at 300 South Grand Avenue, Suite 3950, Los Angeles, California 90071, and the principal site of its trust administration is located at 1761 East St. Andrew Place, Santa Ana, California 97025.

2. DBNTC serves as trustee and in various other related capacities for 99 trusts (the “Primary Trusts”) created, sponsored, and/or serviced by Washington Mutual Bank, its

subsidiaries, their predecessors-in-interest and their affiliates, including Washington Mutual Mortgage Securities Corporation (“WMB”). See Exhibit 1-A. The Primary Trusts provide for the issuance of residential mortgage-backed securities and certain other mortgage-related securities. The Primary Trusts currently hold, as trust assets or collateral, mortgage loans originated or acquired by WMB and sold into the Primary Trusts.

3. DBNTC also serves as indenture trustee or in other capacities for 28 secondary trusts or entities through which WMB issued mortgage-backed or derivative securities whose performance is dependent, in whole or in part, on the performance of the Primary Trusts or of other residential mortgage-backed securities issued by WMB (the “Secondary Trusts”). See Exhibit 1-B. The Secondary Trusts are express or implied third-party beneficiaries of the Primary Trusts and, as such, have standing to enforce the terms and conditions thereof. See, e.g., Pooling and Servicing Agreement for Long Beach Mortgage Loan Trust, Series 2005-3, passim (Issue ID No. LB0503) (voting, consent, payment and other rights of NIM Insurer, Other NIM Notes and Holders of Class C and Class P Certificates); Indenture Agreement for Long Beach Asset Holding Corp. CI 2005-03 (Issue ID No. LB05N5) (Granting Clause conveying LB2005-3 Class C and Class P “Underlying Certificates” as Trust Estate; § 1.01, definition of “Underlying Agreement” and “Underlying Certificates”; Article 6, “Administration of the Trust Estate”; § 9.11, “Certain Representations Regarding the Trust Estate”). The Primary Trusts, and the Secondary Trusts, as appropriate, are referred to herein collectively as the “Trusts.”

4. The Primary Trusts’ original principal balance outstanding was approximately \$165 billion. As of September 25, 2008, the Primary Trusts’ current principal balance outstanding was approximately \$45 billion. As of September 2, 2010, the Primary Trusts’ current principal balance outstanding was approximately \$34 billion.

5. The Trustee brings this action on behalf of the Trusts and the investors in the Trusts.

6. The Trusts are “express trusts” created by written instruments manifesting the express intention to create a trust and setting forth the subject, purpose and beneficiaries of the Trusts. The Trustee therefore brings this action pursuant to Federal Rule of Civil Procedure 17(a)(1)(E) as the trustee of an express trust for the benefit of the Trusts and the investors in the Trusts.

7. The Federal Deposit Insurance Corporation (“FDIC”) is an independent agency of the United States created by the Federal Deposit Insurance Act (the “FDI Act”), 12 U.S.C. § 1811 et seq., and related laws and regulations. The FDIC acts, from time-to-time and among other things, as a receiver for and/or conservator of banking institutions. The Trustee brings this action against the FDIC solely in its capacity as receiver for WMB.

8. JPMorgan Chase Bank, National Association (collectively, with its affiliates, including but not limited to Washington Mutual Mortgage Securities Corporation, “JPMC”) is a national banking association under the provisions of federal law, pursuant to the National Bank Act, 12 U.S.C. § 21 et seq., with its principal place of business in Columbus, Ohio. JPMC maintains an office at 800 Connecticut Avenue NW, Washington, DC 20006. JPMC is a wholly-owned subsidiary of JPMorgan Chase & Co., a corporation organized under the laws of the state of Delaware.

9. Washington Mutual Mortgage Securities Corporation (“WMMSC”) is a Delaware corporation. WMMSC was a wholly-owned subsidiary of WMB, and is currently a wholly-owned subsidiary of JPMC.

10. WMB was the United States' largest savings and loan association with total assets of over \$300 billion as of June 30, 2008. On September 25, 2008, the Director of the Office of Thrift Supervision ("OTS"), by Order Number 2008-36, shut down WMB and appointed the FDIC as receiver for WMB.

11. On September 25, 2008, JPMC entered into a Purchase and Assumption Agreement dated as of the same day (the "PAA") with the FDIC, under which JPMC agreed to purchase substantially all of WMB's assets and assume substantially all of its liabilities (including WMMSC). The PAA was facilitated by the FDIC and the FDIC was a party to the PAA in both its corporate capacity and as receiver for WMB. The PAA is incorporated herein by reference and attached hereto as Exhibit 2.

12. In connection with JPMC's purchase of WMB, JPMC conducted a due diligence review of WMB, including a review of WMB's loan tapes and data and discussions with WMB employees.

13. The Trustee originally brought this action against the FDIC, as receiver for WMB. The FDIC now asserts that all of the liabilities with respect to the claims asserted by the Trustee on behalf of the Trusts have been assumed by JPMC. JPMC denies that it has assumed these liabilities. The Trustee thus brings this action against WMB and its successors or successors-in-interest, whoever they are adjudicated to be (collectively, "WaMu").

THE PROOF OF CLAIM AND ORIGINAL COMPLAINT

14. On December 30, 2008, the Trustee timely filed with the FDIC a Proof of Claim on behalf of the Trusts and the Trustee pursuant to 12 U.S.C. § 1821(d). The Proof of Claim, which is incorporated herein by reference and attached hereto as Exhibit 3, sets forth various claims against the FDIC relating to the Trusts.

15. Pursuant to 12 U.S.C. § 1821(d)(5)(A)(i), the FDIC should have determined whether to allow or disallow the Trustee's Proof of Claim within 180 days of December 30, 2008.

16. Pursuant to 12 U.S.C. § 1821(d)(5)(A)(iv), the FDIC was further required to give the Trustee notice of disallowance of its claims, which notice was required to contain "a statement of each reason for the disallowance" and "the procedures available for obtaining agency review of the determination to disallow the claim or judicial determination of the claim."

17. The FDIC failed to respond to the Proof of Claim and failed to issue any notice of disallowance to the Trustee.

18. Pursuant to 12 U.S.C. § 1821(d)(6)(A)(i), the FDIC's failure to respond timely to the Proof of Claim triggered the Trustee's right to "file suit on such claim in the district or territorial court of the United States for the district within which the depository institution's principal place of business is located or the United States District Court for the District of Columbia (and such court shall have jurisdiction to hear such claim)" within 60 days thereafter.

19. On August 26, 2009, the Trustee timely filed this action against the FDIC as receiver for WMB.

JURISDICTION AND VENUE

20. This action arises under the FDI Act, 12 U.S.C. § 1811 et seq., as amended. The claims raised herein include, without limitation, an appeal from the FDIC's rejection, pursuant to 12 U.S.C. § 1821(d)(6), of the Proof of Claim by virtue of the FDIC's failure to respond to the Proof of Claim. The statutorily-prescribed proper forum for jurisdiction and venue for such an appeal expressly includes the United States District Court for the District of Columbia. 12

U.S.C. § 1821(d)(6). This Court has jurisdiction over the subject matter of this action pursuant to 12 U.S.C. §§ 1819(b)(2)(A), 1821(d)(6) and 28 U.S.C. § 1331.

21. The FDIC takes the position in its motion to dismiss the initial complaint (docket entry 20) that, pursuant to the PAA, the FDIC transferred to JPMC, and JPMC expressly agreed to assume, all of WaMu's "Trust-related" liabilities and obligations, including "liability for all Trust-related claims" asserted in this action by the Trustee. The PAA was entered into pursuant to and in furtherance of the federal statutory provisions governing the FDIC's administration of the receivership of WMB. Determination of the relative rights and responsibilities of the FDIC and JPMC under the PAA is therefore a federal question pursuant to 12 U.S.C. §§ 1819(b)(2)(A), 1821(d)(6) and 28 U.S.C. § 1331.

22. This Court also has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1332.

23. This Court also has jurisdiction over the state law claims in this action pursuant to 28 U.S.C. § 1367.

24. Venue is proper in this Court pursuant to 12 U.S.C. § 1821(d)(6) and 28 U.S.C. § 1391(e).

BACKGROUND

A. The Trusts

25. WaMu sponsored and/or otherwise participated in the issuance of mortgage-backed securities pursuant to which WaMu sold investors interests in residential mortgage loans originated by WaMu or by third party loan originators from whom WaMu had acquired loans. These securities are commonly referred to as "Residential Mortgage-Backed Securities" or "RMBS."

26. Many RMBS, including most of the securities issued by the Trusts, are established under a provision of the Tax Code allowing for the creation of a Real Estate Mortgage Investment Conduit (a “REMIC”), which allows the issuance of multiple classes of securities in trust certificate form, with monthly payments and no residual equity, that are treated as debt for tax purposes (plus an equity-like class called the “residual interest”). See Internal Revenue Code §§ 860A-860G.

27. Securitization is a common financing tool used to pool and convert financial assets such as residential mortgages into financial instruments that can be sold in the capital markets. Between 2000 and 2007, WaMu securitized approximately \$77 billion in principal amount of subprime home mortgage loans.

28. Although the exact structures of RMBS transactions are varied and can be fairly complex, the structure of the Primary Trusts, as well as most RMBS transactions, involves the following parties:

a. **Depositor and Seller:** The depositor is the entity that acquires the pool of mortgage loans and deposits the loans in a trust formed by the depositor pursuant to the governing documents for the transaction. The depositor assigns the legal and beneficial interest in the mortgage loans, including related collateral, to the trust. In many RMBS transactions, the depositor purchases the mortgage loans from another entity, referred to as the seller, and deposits the pool of loans into the trust. As set forth in Exhibit 1-A, with respect to the Primary Trusts, WaMu served as the Depositor and/or Seller for 97 of the 99 Primary Trusts. Through a series of assignments and other agreements, WaMu indirectly undertook responsibilities substantially similar to those of a Depositor or Seller for the remaining two Primary Trusts. See Exhibit 1-A, n.1.

b. **The Trust:** The trust purchases the mortgage loans from the depositor and issues RMBS, which represent specific interests in and entitlements to the cash flows derived from the trust's assets (i.e., the mortgage loans). The governing documents forming the trust typically appoint an independent trustee and specify the trustee's rights, responsibilities and powers in respect of the RMBS transaction.

c. **Investors:** By purchasing RMBS, investors acquire the right to receive monies from the cash flows of the underlying mortgage loans held as trust assets or collateral by the trust (in the form of borrower payments of principal and interest and proceeds from the liquidation of loan collateral). Those cash flows are applied to payment of the RMBS pursuant to a contractually specified distribution plan and schedule.

d. **Servicer:** The servicer is the day-to-day administrator of the mortgage loan assets held by the trust. Under the governing documents forming the trust, the servicer is required to administer the mortgage loans in the best interests of RMBS investors. The servicer's responsibilities include collecting payments due from the borrowers, remitting those payments to the trust for ultimate payment to the investors, and furnishing the trustee or a securities administrator with performance data regarding the mortgage loans in the pool. The servicer-generated data is used to calculate the distribution of funds and report pool performance to investors. The servicer also conducts all remedial activity on behalf of the trust when borrowers default on their loans. Such remedial servicing activity requires the servicer to review relevant loan files, act as the trust's sole source of contact with the borrower, and inquire into the status of the borrower and the mortgage loan collateral. As set forth in Exhibit 1-A, WaMu is the

Servicer or Master Servicer for the mortgage loans included in the Primary Trusts, in addition to serving as the Depositor and Seller as set forth above.

B. WaMu's Contractual Obligations

(1) The Governing Documents for the Trusts

29. The duties and responsibilities of the various parties to an RMBS transaction are set forth in the governing securitization documents. These documents generally include a mortgage loan purchase agreement (“MLPA”) and a pooling and servicing agreement (“PSA”). The MLPA and PSA provide for the sale of the mortgage loans and contain representations, warranties and covenants made by the seller and/or depositor concerning the nature, characteristics, history and quality of the mortgage loans and mortgage loan files sold to, and deposited in, the trusts. These documents also provide for the establishment and administration of the trust, including setting forth the responsibilities and duties of the depositor, trustee, seller, and servicer with respect to the trust.

30. The PSAs and MLPAs for the Primary Trusts are listed in Exhibit 1-A. The relevant agreements for the Secondary Trusts are listed in Exhibit 1-B. Electronic copies of the documents referenced in Exhibits 1-A and 1-B are being submitted to the Court and the parties as Exhibit 4 and are incorporated herein by reference. The PSAs and MLPAs for the Primary Trusts and the relevant agreements for the Secondary Trusts (each a “Governing Document” and collectively, with all related ancillary documents and agreements for the Trusts, the “Governing Documents”) contain representations, warranties and covenants made by WaMu, as Seller and/or Depositor, concerning the nature, characteristics, history and quality of the mortgage loans and mortgage loan files sold to, and deposited in, the Trusts (the “Representations and Warranties”).

The Governing Documents assign to the Trustee the right to enforce the Representations and Warranties for the benefit of the Trusts' beneficiaries.

31. The Governing Documents represent an integrated set of contractual undertakings on behalf of WaMu with respect to the formation of the Trusts and the servicing by WaMu of the loans sold to, and deposited in, the Trusts.

32. Each Governing Document is a unitary contract that is not divisible.

33. The Governing Documents are executory contracts that involve obligations that are ongoing, mutual, and interrelated.

34. The Governing Documents are fully integrated "Qualified Financial Contracts" under 12 U.S.C. § 1821(e)(8)(D) and, as such, they must be transferred or retained in whole by the FDIC as receiver for WMB. 12 U.S.C. § 1821(e)(9)(i)-(ii).

35. 12 U.S.C. § 1821(e)(2) requires the FDIC to make any determination to repudiate or disaffirm a contract of a failed institution for which it acts as receiver "within a reasonable time" following its appointment as receiver.

36. The FDIC has not within a reasonable time made a determination to exercise any right, as receiver for WMB, to repudiate or disaffirm any Governing Document pursuant to 12 U.S.C. § 1821(e)(1).

37. Given the passage of two years since the FDIC was appointed as receiver for WMB, the FDIC can no longer make such determination to repudiate or disaffirm "within a reasonable time" following its appointment and is now barred from repudiating or disaffirming any Governing Document.

38. The PAA expressly provides that JPMC "specifically assumes all mortgage servicing rights and obligations of [WMB]." PAA (Exhibit 2), § 2.1.

39. The FDIC assigned to JPMC, and JPMC has assumed, all mortgage servicing rights and obligations of WaMu to the extent provided in the PAA.

40. The mortgage servicing rights and obligations of WaMu with respect to the Trusts arose under the Governing Documents.

41. To assign to JPMC any rights and obligations under the Governing Documents, the FDIC, as receiver for WMB, was required first to assume, and not repudiate or disaffirm, such Governing Documents.

42. The Governing Documents:

- a. are all in writing;
- b. were all executed by WaMu and DBNTC, as Trustee, at the time the associated property interests were transferred;
- c. were executed on behalf of WaMu by individuals duly authorized by the applicable WaMu entity's Board of Directors;
- d. have been continuously in existence, since the time of execution, and constitute official books and records of WaMu; and
- e. constituted official books and records of WMB at the time of WMB's closing on September 25, 2008.

43. WaMu's obligations under the Governing Documents include both the Representations and Warranties as well as continuing obligations that require WaMu to, among other things: (i) give prompt written notice to the Trustee and other parties of any breach of the Representations and Warranties that has a material and adverse effect on the value of the mortgage loans in the Trusts or the interests of the Trusts therein; (ii) cure the breach of the Representations and Warranties in all material respects, repurchase the mortgage loans at a

specified repurchase price, or substitute for the affected mortgage loans; (iii) provide the Trustee and other parties with access to all records maintained by WaMu as Servicer in respect of WaMu's rights and obligations under the Governing Documents and access to officers of WaMu responsible for such obligations; and (iv) to indemnify the Trustee for any losses or expenses incurred by the Trustee in, among other things, enforcing the rights of the Trusts and their beneficiaries.

44. As Seller, Depositor and/or Servicer, WaMu has possession of documents and other information concerning the mortgage loans in the Trusts that are not in the possession of the Trustee or other parties acting on behalf of the Trusts, which documents may confirm whether a particular mortgage loan in the Trusts is in breach of any of the Representations and Warranties. Such documents and other information includes origination and underwriting files, servicing records, borrower statements both recorded on tape and transcribed into servicing notes, borrower statements made during the origination of the loan, payment histories, and borrower correspondence.

(2) **WaMu's Representations and Warranties**

45. In connection with each of the Primary Trusts, WaMu, in its various capacities, made Representations and Warranties in the Governing Documents for each of the Primary Trusts. While the specific Representations and Warranties made by WaMu, as Seller and/or Depositor or in various other capacities, are not identical for each of the Primary Trusts, they generally include Representations and Warranties by WaMu regarding the underwriting of the mortgage loans, the loan to value ratios for the mortgage loans, and compliance of the loans with local, state and federal laws.

46. By way of example, Section 6 of the MLPA for the Long Beach Mortgage Loan Trust, Series 2006-2 (Issue ID No. LB0602) (the “LB0602 Trust”), which contains the “Representations and Warranties of the Seller Relating to the Individual Mortgage Loans,” provides that WaMu represents and warrants with respect to the mortgage loans sold to, and deposited in, the LB0602 Trust that:

- a. § 6(vi) – “There is no valid offset, defense or counterclaim to any Mortgage Note (including any obligation of the Mortgagor to pay the unpaid principal of or interest on such Mortgage Note) or the Mortgage, nor will the operation of any of the terms of the Mortgage Note and the Mortgage, or the exercise of any right thereunder, render the Mortgage Note or the Mortgage unenforceable, in whole or in part, or subject to any right of rescission, set-off, counterclaim or defense, including the defense of usury and no such right of rescission, set-off, counterclaim or defense has been asserted with respect thereto”;
- b. § 6(ix) – “Each Mortgage Loan at origination complied in all material respects with applicable local, state and federal laws, including, without limitation, predatory and abusive lending, usury, equal credit opportunity, real estate settlement procedures, truth-in-lending and disclosure laws, and consummation of the transactions contemplated hereby, including without limitation the receipt of interest does not involve the violation of any such laws”;
- c. § 6(xvii) – “The Mortgage Note and the related Mortgage are genuine, and each is the legal, valid and binding obligation of the Mortgagor enforceable against the Mortgagor by the mortgagee or its representative in accordance with its terms, except only as such enforcement may be limited by bankruptcy, insolvency,

reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by law. To the best of the Seller's knowledge, all parties to the Mortgage Note and the Mortgage had full legal capacity to execute all Mortgage Loan documents and to convey the estate purported to be conveyed by the Mortgage and each Mortgage Note and Mortgage have been duly and validly executed by such parties”;

- d. § 6(xxii) – “The origination, underwriting and collection practices used by the Seller with respect to each Mortgage Loan have been in all material respects legal, proper, prudent and customary in the subprime mortgage servicing business. Each Mortgage Loan is currently being serviced by Washington Mutual Bank”;
- e. § 6(xxviii) – “There is no default, breach, violation or event of acceleration existing under the Mortgage or the related Mortgage Note; and neither the Seller nor any other entity involved in originating or servicing the Mortgage Loan has waived any default, breach, violation or event of acceleration”;
- f. § 6(xxxii) – “Each Mortgage Loan was underwritten in accordance with the Seller's underwriting guidelines as described in the Prospectus Supplement as applicable to its credit grade in all material respects (the “Underwriting Guidelines”);”;
- g. § 6(xxxiii) – “Each appraisal of a Mortgage Loan that was used to determine the appraised value of the related Mortgaged Property was conducted generally in accordance with the Seller's Underwriting Guidelines, and included an assessment by the appraiser of the fair market value of the related Mortgaged

Property at the time of the appraisal. The Mortgage File contains an appraisal of the applicable Mortgaged Property”;

- h. § 6(xxxv) – “There are no Mortgage Loans with respect to which the monthly payment due thereon in January, 2006 had not been made, none of the Mortgage Loans has been contractually delinquent for more than 30 days more than once during the preceding twelve months and, no Mortgage Loan has ever experienced a delinquency of 60 or more days since the origination thereof”;
- i. § 6(xxxvii) – “To the best of the Seller’s knowledge, no misrepresentation, negligence, fraud or similar occurrence with respect to a Mortgage Loan has taken place on the part of any person, including, without limitation, the Mortgagor, any appraiser, any builder or developer, or any other party involved in the origination of the Mortgage Loan or in the application of any insurance in relation to such Mortgage Loan”;
- j. § 6(xl) – “The Loan-to-Value Ratio for each Mortgage Loan was no greater than 100% at the time of origination”;
- k. § 6(xlii) – “With respect to each Mortgage Loan, the related Mortgagor shall not fail or has not failed to make the first monthly payment due under the terms of the Mortgage Loan by the second succeeding Due Date after the Due Date on which such monthly payment was due”;
- l. § 6(xliv) – “There are no defaults in complying with the terms of the Mortgage, and either (1) any taxes, governmental assessments, insurance premiums, water, sewer and municipal charges or ground rents which previously became due and owing have been paid, or (2) an escrow of funds has been established in an

amount sufficient to pay for every such item which remains unpaid and which has been assessed but is not yet due and payable. Except for payments in the nature of escrow payments, including without limitation, taxes and insurance payments, the Seller has not advanced funds, or induced, solicited or knowingly received any advance of funds by a party other than the Mortgagor, directly or indirectly, for the payment of any amount required by the Mortgage Note, except for interest accruing from the date of the Mortgage Note or date of disbursement of the Mortgage proceeds, whichever is greater, to the day which precedes by one month the Due Date of the first installment of principal and interest”;

- m. § 6(xlviii) – “The Seller did not select the Mortgage Loans with the intent to adversely affect the interests of the Purchaser”; and
- n. § 6(lviii) – “Each Group I Mortgage Loan was originated in compliance with the following anti-predatory lending guidelines: . . . c. The methodology used in underwriting the extension of credit for each Group I Mortgage Loan employs objective mathematical principles which relate the borrower’s income, assets and liabilities to the proposed payment and such underwriting methodology does not rely on the extent of the borrower’s equity in the collateral as the principal determining factor in approving such credit extension. Such underwriting methodology provided reasonable assurance that at the time of origination (application/approval) the borrower had a reasonable ability to make timely payments on the Group I Mortgage Loan.”

47. Attached as Exhibit 5 is an excerpt of Section 6 of the MLPA for the LB0602 Trust cited above. Attached as Exhibit 6 is a chart cross-referencing the fourteen specific

Representations and Warranties listed above from Section 6 of the MLPA for the LB0602 Trust with corresponding Representations and Warranties of a substantially similar nature made by WaMu in the Governing Documents for each of the other Primary Trusts.

48. WaMu as the Seller, Depositor and/or Servicer has exclusive possession of the loan origination and servicing records and, as the Servicer charged with enforcing the terms and conditions of mortgage loans on behalf of the Trusts, WaMu would be the first party acting on behalf of the Trusts likely to discover facts and circumstances that constitute a breach of a Representation and Warranty with respect to any particular mortgage loan in the Trusts, and in most circumstances is the only party able to confirm the existence of such a breach.

(3) WaMu's Notice Obligation

49. The Governing Documents require WaMu, as Seller, Depositor and/or Servicer, to give prompt written notice to the Trustee and other parties upon discovery or notice of any breach of the Representations and Warranties that has a material and adverse effect on the value of the mortgage loans in the Trusts or the interests of the Trusts therein (“the Notice Obligation”).

50. By way of example, the Notice Obligation of WaMu is set forth in Section 2.08 of the PSA for the Washington Mutual Mortgage Securities Corp. Trust, Series 2002-AR2 (Issue ID No. WA02A2) (the “WA02A2 Trust”), in pertinent part, as follows:

Upon discovery by any of the Company, the Master Servicer, the Trustee or the Custodian of a breach of any of the foregoing representations and warranties which materially and adversely affects the value of the related Mortgage Loans or the interests of the Trust in the related Mortgage Loans, the Company, the Master

Servicer, the Trustee or the Custodian, as the case may be, discovering such breach shall give prompt written notice to the others.

51. WaMu's Notice Obligation is also set forth in Section 7(a) of the MLPA for the LB0602 Trust, in pertinent part, as follows:

Upon discovery by the Seller, the Purchaser or any assignee, transferee or designee of the Purchaser of any materially defective document in, or that any material document was not transferred by the Seller (as listed on the Trustee's initial certification), as part of any Mortgage File or of a breach of any of the representations and warranties contained in Section 5 or Section 6 that materially and adversely affects the value of any Mortgage Loan or the interest of the Purchaser or the Purchaser's assignee, transferee or designee (it being understood that with respect to the representations and warranties set forth in the last sentence of (xxxix), (xlvi), the first sentence of (xlvii), (lxi) and (lxiv) of Section 6 herein, a breach of any such representation or warranty shall in and of itself be deemed to materially and adversely affect the interest therein of the Purchaser and the Purchaser's assignee, transferee or designee) in any Mortgage Loan, the party discovering the breach shall give prompt written notice to the others.

52. Attached as Exhibit 7 is a chart indicating the contractual provisions in the Governing Documents for each of the Primary Trusts setting forth WaMu's Notice Obligations with respect to each Primary Trust.

(4) WaMu's Repurchase Obligation

53. The Governing Documents require WaMu, as Seller and/or Depositor, to cure the defect in the mortgage loan file or breach of the Representations and Warranties in all material

respects, repurchase the mortgage loan at a specified repurchase price, or substitute for the affected mortgage loan upon discovery or receipt of notice of any breach of the Representations and Warranties that has a material and adverse effect on the value of the mortgage loans in the Trusts or the interests of the Trusts therein (the “Repurchase Obligation”).

54. Under the Governing Documents for each Primary Trust, WaMu, as Seller and/or Depositor, has Repurchase Obligations to each Primary Trust. By way of example, the Repurchase Obligation is set forth in Section 2.08 of the PSA for the Washington Mutual Mortgage Securities Corp. Trust, Series 2005-AR1 (Issue ID No. WA05A1) (the “WA05A1 Trust”), in pertinent part, as follows:

It is understood and agreed that the representations and warranties set forth in this Section 2.08 shall survive delivery of the respective Mortgage Files to the Trustee or the Custodian, as the case may be, and shall continue throughout the term of this Agreement. Upon discovery by any of the Company, the Master Servicer, the Trustee or the Custodian of a breach of any of the foregoing representations and warranties which materially and adversely affects the value of the related Mortgage Loans or the interests of the Trust in the related Mortgage Loans, the Company, the Master Servicer, the Trustee or the Custodian, as the case may be, discovering such breach shall give prompt written notice to the others. Any breach of the representation set forth in clause (xxix) or (xxx) of this Section 2.08 shall be deemed to materially and adversely affect the value of the related Mortgage Loans or the interests of the Trust in the related Mortgage Loans. Within 90 days of its discovery or its receipt of notice of breach, the Company shall repurchase, subject to the limitations set forth in the definition of “Purchase

Price” or substitute for the affected Mortgage Loan or Mortgage Loans or any property acquired in respect thereof from the Trust, unless it has cured such breach in all material respects. After the end of the three-month period beginning on the “start-up day,” any such substitution shall be made only if the Company provides to the Trustee an Opinion of Counsel addressed to the Trust and the Trustee reasonably satisfactory to the Trustee that each Substitute Mortgage Loan will be a “qualified replacement mortgage” within the meaning of Section 860G(a)(4) of the Code. Such substitution shall be made in the manner and within the time limits set forth in Section 2.07. Any such repurchase by the Company shall be accomplished in the manner and at the Purchase Price if applicable, but shall not be subject to the time limits, set forth in Section 2.07. It is understood and agreed that the obligation of the Company to provide such substitution or to make such repurchase of any affected Mortgage Loan or Mortgage Loans or any property acquired in respect thereof as to which a breach has occurred and is continuing shall constitute the sole remedy respecting such breach available to the Holders of the REMIC I Regular Interests and the Class R-1 Residual Interest or the Trustee on behalf of the Holders of the REMIC I Regular Interests and the Class R-1 Residual Interest.

55. WaMu’s Repurchase Obligation is also set forth in Section 2.03(a) of the PSA for the LB0602 Trust, in pertinent part, as follows:

Upon discovery or receipt of notice of any materially defective document in, or that a document is missing from, the Mortgage File or of the breach by the Seller of any representation, warranty or covenant under the Mortgage Loan Purchase

Agreement in respect of any Mortgage Loan which materially and adversely affects the value of such Mortgage Loan or the interest therein of the Certificateholders (it being understood that (i) in the case of any such representation or warranty made to the knowledge or the best of knowledge of the Seller, as to which the Seller has no knowledge, without regard to the Seller's lack of knowledge with respect to the substance of such representation or warranty being inaccurate at the time it was made or (ii) with respect to the representation and warranty set forth in the last sentence of Section 6(xxxix), Section 6(xlvi), the first sentence of Section 6(xlvii), Section 6(lxi) and Section 6(lxiv) of the Mortgage Loan Purchase Agreement, a breach of any such representation or warranty shall in and of itself be deemed to materially and adversely affect the interest of the Certificateholders in the related Mortgage Loan), the Trustee shall promptly notify the Depositor, the Seller, the NIMS Insurer and the Master Servicer of such defect, missing document or breach and request that the Seller deliver such missing document or cure such defect or breach within 90 days from the date the Seller was notified of such missing document, defect or breach (except as described in Section 2.03(e)), and if the Seller does not deliver such missing document or cure such defect or breach in all material respects during such period, the Master Servicer (or, in accordance with Section 3.02(b), the Trustee) shall enforce the obligations of the Seller under the Mortgage Loan Purchase Agreement to repurchase such Mortgage Loan from REMIC 1 at the Purchase Price within 90 days after the date on which the Seller was notified (subject to Section 2.03(e)) of such missing document, defect or breach, if and to

the extent that the Seller is obligated to do so under the Mortgage Loan Purchase Agreement.

56. The Trusts' remedies for breaches of the Representations and Warranties, including, but not limited to, the Repurchase Obligations, are especially important because many of the mortgage loans sold to, and deposited in, the Trusts are subprime and were made to borrowers who represent higher credit risks than traditional borrowers. Thus, seemingly small differences in a borrower's qualifications, the terms of the mortgage loan, the quality and value of mortgage loan collateral, or the integrity of the mortgage loan-origination process could materially and adversely affect the value of the mortgage loans in the Trusts or the interests of the Trusts therein.

57. Attached hereto as Exhibit 7 is a chart indicating the contractual provisions in the Governing Documents for each Primary Trust setting forth WaMu's Repurchase Obligations with respect to each Primary Trust.

(5) **The Trustee's Access and Indemnification Rights**

58. Under the Governing Documents for each Primary Trust, WaMu, as Servicer, is obligated to provide the Trustee and other parties with access to all records maintained by WaMu in respect of WaMu's rights and obligations under the Governing Documents, including information about the mortgage loans and the mortgage loan files, and access to officers of WaMu responsible for such obligations (the "Access Rights").

59. By way of example, the Access Rights are set forth in Section 6.05 of the PSA for the LB0602 Trust, in pertinent part, as follows:

The Master Servicer shall afford (and any Sub-Servicing Agreement shall provide that each Sub-Servicer shall afford) the Depositor, the NIMS Insurer and the

Trustee, upon reasonable notice, during normal business hours, access to all records maintained by the Master Servicer (and any such Sub-Servicer) in respect of the Master Servicer's rights and obligations hereunder and access to officers of the Master Servicer (and those of any such Sub-Servicer) responsible for such obligations.

60. WaMu, in its various capacities, is also obligated under the Governing Documents for each Primary Trust to indemnify the Trustee for any losses or expenses incurred by the Trustee in, among other things, enforcing the rights of the Trusts (the "Indemnification Rights"). By way of example, the Indemnification Rights are set forth in Section 8.05(b) of the PSA for the LB0602 Trust, in pertinent part, as follows:

Without limiting the Master Servicer's indemnification obligations under Section 6.03, the Master Servicer agrees to indemnify the Trustee from, and hold it harmless against, any loss, liability or expense resulting from a breach of the Master Servicer's obligations and duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement and the resignation or removal of the Trustee. Any payment under this Section 8.05(b) made by the Master Servicer to the Trustee shall be from the Master Servicer's own funds, without reimbursement from the Trust Fund therefor.

61. Both before and after the date the FDIC was appointed as receiver of WMB, the Trustee and/or Trusts have been subject to claims, including litigation claims, by borrowers and other parties alleging, among other things, violations of federal and state laws relating to the servicing of the mortgage loans in the Trusts. Accordingly, the Indemnification Rights have both matured and continue to accrue with respect to existing and future claims.

62. Attached as Exhibit 7 is a chart indicating some of the contractual provisions in the Governing Documents setting forth the Access Rights and the Indemnification Rights with respect to each Primary Trust.

(6) WaMu's Servicing Obligations

63. The Governing Documents for each Primary Trust further provide that WaMu must service and administer the mortgage loans in the Trusts on behalf of the Trustee, and in the best interests of, and for the benefit of, the Trusts' beneficiaries, in a particular manner (the "Servicing Obligations"). These Servicing Obligations are set forth in the Governing Documents for each Primary Trust. By way of example, these Servicing Obligations are set forth in Section 3.01 of the PSA for the Long Beach Mortgage Loan Trust, Series 2006-4 (Issue ID No. LB0604), in pertinent part, as follows:

The Master Servicer shall service and administer the Mortgage Loans on behalf of the Trustee and in the best interests of and for the benefit of the Certificateholders (as determined by the Master Servicer in its reasonable judgment) in accordance with the terms of this Agreement and the respective Mortgage Loans and, to the extent consistent with such terms, in the same manner in which it services and administers similar mortgage loans for its own portfolio, giving due consideration to customary and usual standards of practice of mortgage lenders and loan servicers administering similar mortgage loans in the local areas where the related Mortgaged Property is located but without regard to: (i) any relationship that the Master Servicer, any Sub-Servicer or any Affiliate of the Master Servicer or any Sub-Servicer may have with the related Mortgagor; (ii) the ownership or non-ownership of any Certificate by the Master Servicer or any Affiliate of the Master

Servicer; (iii) the Master Servicer's obligation to make Advances or Servicing Advances; or (iv) the Master Servicer's or any Sub-Servicer's right to receive compensation for its services hereunder or with respect to any particular transaction.

64. Under many of the PSAs for the Primary Trusts, the Servicer is obligated to enforce the Repurchase Obligations on behalf of the Trust to the extent that it is not the Seller. See, e.g., §§ 2.03(a), 3.02(b) of the PSA for the LB0602 Trust.

C. WaMu Breached the Representations and Warranties

65. In April 2010, the United States Senate Subcommittee on Investigations (the "Senate Subcommittee") held hearings about WaMu's origination and securitization of mortgage loans. Based on the Senate Subcommittee's findings, as well as the reports of other governmental agencies, the Trustee has reason to believe that many of the mortgage loans in the Trusts do not comply with the Representations and Warranties and that WaMu breached the Representations and Warranties, which breaches had a material and adverse effect on the value of the loans or the interests of the Trusts therein.

66. Because WaMu has denied the Trustee access to records maintained by WaMu, as Servicer, and has repeatedly refused to honor the Trustee's contractual Access Rights, the Trustee is unable to specifically identify particular mortgage loans with respect to which there have been such breaches of particular Representations and Warranties. Notwithstanding, there is a reasonable basis to conclude that many of the mortgage loans included in the Trusts do not comply with the Representations and Warranties, and that WaMu breached the Representations and Warranties, which breaches had a material and adverse effect on the value of the loans or the interests of the Trusts therein.

67. The Senate Subcommittee investigation covered both WaMu's Wholesale Specialty Lending division ("Specialty Lending") and WaMu's Mutual Mortgage Securities division ("Mutual Mortgage"). The Senate Subcommittee found that between 2000 and 2007, WaMu's Specialty Lending, *i.e.*, subprime lending, sponsored 46 securitizations with a total original collateral balance of approximately \$77 billion. These securitizations were primarily by WaMu's Long Beach Mortgage Company ("Long Beach") affiliate. The Primary Trusts include 43 of the 46 subprime securitizations referenced in the Senate Committee report, with a total original collateral balance of approximately \$73 billion – or over 95 percent of all of WaMu's subprime securitizations during the time period. Wall Street and the Financial Crisis: Hearing before the Permanent Subcomm. On Investigations, April 13, 2010, ("Subcommittee Hearing"), Hearing Ex. #45. See Exhibit 1-A (Trusts 1-43).

68. The remaining Primary Trusts, with a total original collateral balance of approximately \$92 billion, account for nearly half of the securitizations of WaMu's Mutual Mortgage division between 2000 and 2007 that were analyzed by the Senate Subcommittee. Id., Hearing Ex. #46.

69. The Senate Subcommittee found that "WaMu selected *and securitized* loans that it had identified as likely to go delinquent, *without disclosing its analysis to investors who bought the securities.*" The Senate Subcommittee also found that WaMu "*securitized* loans tainted by fraudulent information, *without notifying purchasers of the fraud that was discovered.*" Id., Hearing Ex. #1a, at p. 6 (emphasis added).

70. The Senate Subcommittee report, associated hearings, and documents released related to those hearings (collectively, the "Senate Record") provide multiple examples of WaMu's breaches of Representations and Warranties. For example, the Senate Record indicates

that WaMu lacked effective internal controls, used shoddy lending practices, performed inadequate underwriting, failed to follow procedures, and committed critical errors. These practices by WaMu breached the Governing Documents, including, but not limited to, Sections 6(vi), (ix), (xvii), (xxii), (xxxii), (xxxvii), (xlviii), and (lviii) of the MLPA, which, in turn, triggered WaMu’s Repurchase and Notice Obligations with respect to the mortgage loans in the Trusts. See, e.g., Exhibits 6, 7.

(1) **The Senate Subcommittee Findings**

71. In addition to the extensive evidence that WaMu’s securitized loans breached the Representations and Warranties, the Senate Subcommittee also found evidence that WaMu discovered and/or had notice of these breaches, which, in turn, triggered its Repurchase and Notice Obligations, and that WaMu failed to notify RMBS investors and others who purchased the loans of these breaches. See Subcommittee Hearing, Hearing Ex. #1a, at p. 6; ¶ 69 supra.

72. The Senate Subcommittee made the following “findings of fact related to Washington Mutual Bank, and its parent holding company, Washington Mutual Inc.”

- a. **“Shoddy Lending Practices.** WaMu and its affiliate Long Beach Mortgage Company (“Long Beach”), used shoddy lending practices riddled with credit, compliance, and operation deficiencies to make tens of thousands of high risk home loans that too often contained excessive risk, fraudulent information, or errors.”
- b. **“Securitizing Delinquency-Prone and Fraudulent Loans.** At times, WaMu selected and securitized loans that it had identified as likely to go delinquent, without disclosing its analysis to investors who bought the securities, and also

securitized loans tainted by fraudulent information, without notifying purchasers of the fraud that was discovered.” Id.

73. These practices by WaMu breached the Governing Documents, including, but not limited to, Sections 6(xxii), (xxxii), (xxxvii), (xlviii), and (lviii) of the MLPA, which, in turn, triggered WaMu’s Repurchase and Notice Obligations with respect to the mortgage loans in the Trusts. See, e.g., Exhibits 6, 7.

74. Based upon: (a) the pervasiveness of such practices by WaMu, as found by the Senate Subcommittee; and (b) the high proportion of WaMu’s securitized mortgage loans that were sold to, or deposited in, the Trusts during the relevant time period, the Trustee has reason to believe that such practices affected mortgage loans sold to, or deposited in, the Trusts by WaMu and that, accordingly, many of the mortgage loans in the Trusts do not comply with the Representations and Warranties. Thus, WaMu breached the Representations and Warranties, which breaches had a material and adverse effect on the value of the mortgage loans in the Trusts or the interests of the Trusts therein, which, in turn, triggered WaMu’s Repurchase and Notice Obligations with respect to the mortgage loans in the Trusts.

75. The extent of such practices by WaMu and WaMu’s discovery and/or notice of the breaches of the Representations and Warranties is further evidenced by the following excerpt from the Senate Subcommittee’s report:

Over the years, both Long Beach and Washington Mutual were the subject of repeated criticisms by the bank’s internal auditors and reviewers, as well as its regulators, OTS and the FDIC, for deficient lending and securitization practices. Long Beach loans repeatedly suffered from early payment defaults, poor underwriting, fraud, and high delinquency rates. Its mortgage backed securities

were among the worst performing in the marketplace. In 2003, for example, Washington Mutual stopped Long Beach's securitizations and sent a legal team for three months to address problems and ensure its securitizations and whole loan sales were meeting the representations and warranties in Long Beach's sales agreements.

In 2005, Long Beach had to repurchase over \$875 million of nonperforming loans from investors, suffered a \$107 million loss, and had to increase its repurchase reserve by nearly \$75 million. As a result, Long Beach's senior management was removed, and Long Beach's subprime lending operations were made subject to oversight by Washington Mutual's Home Loans Division. Despite those changes, early payment defaults and delinquencies surged again in 2006, and several 2007 reviews identified multiple lending, credit, and appraisal problems. By mid-2007, Washington Mutual shut down Long Beach as a separate entity and took over its subprime lending operations. At the end of the year, a Long Beach employee was indicted for having taken kickbacks to process fraudulent or substandard loans.

In addition to problems with its subprime lending, Washington Mutual suffered from lending and securitization deficiencies related to its own mortgage activities. It received, for example, repeated criticisms for unsatisfactory underwriting procedures, loans that did not meet credit requirements, and loans subject to fraud, appraisal problems, and errors. For example, a 2005 internal investigation found that loans originated from two top loan producing offices in southern California contained an extensive level of fraud caused primarily by

employees circumventing bank policies. Despite fraud rates in excess of 58% and 83% at those two offices, no steps were taken to address the problems, and no investors who purchased loans originated by those offices were notified in 2005 of the fraud problem. In 2006, securitizations with elevated delinquency rates were found to contain lower quality loans that did not meet the bank's credit standards. In 2007, fraud problems resurfaced at the southern California offices, and another internal review of one of the offices found a fraud rate of 62%. In 2008, the bank uncovered evidence that employees at still another top producing loan office were 'manufacturing' false documentation to support loan applications. A September 2008 internal review found that loans marked as containing fraudulent information had nevertheless been securitized and sold to investors, identifying ineffective controls that had "existed for some time." Subcommittee Hearing, Hearing Ex. #1a, at p. 4.

(2) **The Senate Record**

76. The Senate Record, which is replete with internal WaMu documents, indicates that WaMu lacked effective internal controls, used shoddy lending practices, performed inadequate underwriting, failed to follow procedures, and committed critical errors in its mortgage origination and securitization. These practices by WaMu breached the Governing Documents, which, in turn, triggered WaMu's Repurchase and Notice Obligations.

77. By way of example, the following excerpts from the Senate Record evidence WaMu's breaches of the Governing Documents, including but not limited to, Sections 6(xxii), (xxxii), and (lviii) of the MLPAs (see Exhibit 6):

- a. “In its examinations from 2004 to 2008, the OTS noted that WaMu did not have effective controls in place to ensure proper risk management. Risk management was especially important in the case of WaMu because of its high-risk lending strategy, significant and frequent management changes, corporate reorganizations, and significant growth. Further, when OTS pointed out weaknesses in WaMu’s internal controls, WaMu management did not always take action to resolve those weaknesses.” Offices of Inspector General, Department of the Treasury and Federal Deposit Insurance Corporation, Evaluation of Federal Regulatory Oversight of Washington Mutual Bank, Report No. EVAL-10-002, April 2010 (the “Evaluation Report”), at p. 12.
- b. A WaMu audit of Long Beach found that “the overall system of risk management and internal controls has deficiencies related to multiple critical origination and underwriting processes,” and that “[t]hese deficiencies require immediate effective corrective action to limit continued exposure to losses.” Subcommittee Hearing, Hearing Ex. #1d.
- c. An April 17, 2006 WaMu audit of Long Beach found that “[r]elaxed credit guidelines, breakdowns in manual underwriting processes, and inexperienced subprime personnel . . . coupled with a push to increase loan volume and the lack of an automated fraud monitoring tool, exacerbated the deterioration in loan quality.” Id.
- d. A September 21, 2005 WaMu audit of Long Beach found that “[i]n 24 of 27 (88%) of the refinance transactions reviewed, policies established to preclude

origination of loans providing no net tangible benefit to the borrower were not followed.” Id.

- e. An email from the Senior Credit Risk Officer of Corporate Credit Review in December 2006 noted the findings from a monthly test of 275 loans, 15 days after closing: “Appraisal deficiencies Material misrepresentations Legal documents were missing or contained errors or discrepancies Credit evaluation or loan decision errors” The email added that “deterioration was accelerating in recent vintages with each vintage since 2002 having performed worse than the prior vintage.” The email prompted the Executive Vice President and Chief Enterprise Risk Officer to write that “Long Beach represents a real problem for WaMu,” and express concern that “Credit Review may seem to have been standing on the sidelines while problems continue.” Id., Hearing Ex. #16.
- f. A credit review report “disclosed that [Long Beach]’s credit management and portfolio oversight practices were unsatisfactory. . . . Approximately 4,000 of the 13,000 loans in the warehouse had been reviewed” and “of these, approximately 950 were deemed saleable, 800 were deemed unsaleable, and the remainder contained deficiencies requiring remediation prior to sale.” Furthermore, “[o]f 4,500 securitized loans eligible for foreclosure, 10% could not be foreclosed due to documentation issues.” Id., Hearing Ex. #8b.
- g. An OTS examiner “tried to object to so-called NINA loans – meaning loans in which ‘No Income and No Asset’ numbers are required to be provided by the borrower. An OTS policy official agreed, writing in a 2007 email that NINA loans are ‘collateral dependent lending and deemed unsafe and unsound by all the

agencies.’” Opening Statement of Senator Carl Levin Before the U.S. Senate Permanent Subcommittee on Investigations, Wall Street and the Financial Crisis: The Role of Bank Regulators, April 16, 2010 (“Levin Statement”).

- h. Another example of WaMu’s breaches of the Representations and Warranties involves WaMu’s flagship product, the Option Adjustable Rate Mortgage: “WaMu engaged in a host of shoddy lending practices that vastly increased the risks associated with its Option ARMs, such as permitting virtually every Option ARM borrower to make minimum payments which resulted in negatively amortizing loans in which the loan principal actually increased over time. Washington Mutual relied on rising house prices and refinancing to avoid payment shock and loan defaults.” Id.
- i. In addition, “WaMu and Long Beach too often steered borrowers into home loans they could not afford, allowing and encouraging them to make low initial payments that would be followed by much higher payments, and presumed that rising home prices would enable those borrowers to refinance their loans or sell their homes before the payments shot up.” Subcommittee Hearing, Hearing Ex. #1a, at p. 6.
- j. Moreover, loan officers and processors were paid based on volume, not the quality of their loans, and were paid more for issuing higher risk loans. Loan officers and mortgage brokers were also paid more when they got borrowers to pay higher interest rates, even if the borrower qualified for a lower rate – a practice that enriched WaMu in the short-term, but made defaults more likely down the road. See id., at pp. 4-5.

- k. “(High) Repeat Issue – Underwriting guidelines established to mitigate the risk of unsound underwriting decisions are not always followed and decisioning methodology is not always fully documented.” Id., Hearing Ex. #19, at p. 3.
- l. A November 1, 2005 internal WaMu Long Beach “Post Mortem” also found that “[u]nderwriting guidelines are not consistently followed and conditions are not consistently or effectively met.” LBMC Post Mortem – Early Findings Read Out, November 1, 2005, at p. 1. That same report found that only 1% of first payment defaults were unavoidable, and that 60% of first payment defaults “could have been prevented had current policy, procedures and guidelines been better executed.” Id., at p. 2.

78. The Senate Record also evidences that WaMu did not follow standard residential appraisal methods, and breached the Representations and Warranties, including, but not limited to, Section 6(xxxiii) of the MLPAs (see Exhibit 6): “WaMu’s review of appraisals establishing the value of single family homes did not always follow standard residential appraisal methods because WaMu allowed a homeowner’s estimate of the value of the home to be included on the form sent from WaMu to third-party appraisers, thereby biasing the appraiser’s evaluation.” Evaluation Report, at p.11.

79. WaMu’s shoddy lending practices and its securitization of loans that were likely to go delinquent greatly increased the risks associated with those loans. As Steve Rotella, WaMu’s former president and chief operating officer, wrote to Kerry Killinger, WaMu’s former chairman and chief executive officer: “Here are the facts: the portfolio (total serviced) is up 46% YOY through March but our delinquencies [sic] are up 140% and foreclosures close to

70%.” Mr. Rotella summarized by telling his boss “[i]t is ugly.” Subcommittee Hearing, Hearing Ex. #11.

80. Moreover, after September 25, 2008, the Trusts have experienced a substantial increase in delinquencies giving rise to foreclosures or other remedial activity by WaMu as Servicer, as well as an increase in realized losses to the Trusts.

D. WaMu’s Breaches of the Governing Documents

81. Based on, among other things, the Senate Subcommittee findings and the Senate Record, and given that the Primary Trusts constitute a significant percentage of the total number of securitizations by WaMu during the relevant time period, the Trustee has reason to believe that: (i) WaMu breached the Representations and Warranties, which breaches had a material and adverse effect on the value of the mortgage loans in the Trusts or the interests of the Trusts therein; (ii) WaMu discovered and/or had notice of those breaches, which triggered WaMu’s Notice and Repurchase Obligations; (iii) WaMu breached its Repurchase and Notice Obligations by failing to cure the breach of the Representations and Warranties in all material respects, repurchase the mortgage loans at a specified repurchase price, or substitute for the affected mortgage loans upon discovery or receipt of notice of those breaches; and (iv) WaMu breached and continues to breach its obligations in respect of the Trustee’s Access Rights. However, because WaMu has denied the Trustee access to the loan-level books and records, and information concerning the mortgage loans in the Trusts, the Trustee is unable to specifically identify particular mortgage loans in the Trusts that breached particular Representations and Warranties or for which the Notice and/or Repurchase Obligations have been triggered and breached.

82. To date, WaMu has not provided the Trustee with notice of any breaches of Representations and Warranties giving rise to Repurchase Obligations, except with respect to certain mortgage loans repurchased from certain Trusts soon after the Trusts were formed. In addition, the Trustee has been denied access to WaMu's records and other information concerning the mortgage loans in the Trusts, and WaMu has failed to grant the Trustee such access on the stated basis, among others, that the Access Rights have not been triggered because the Trustee and investors have presented no evidence that WaMu has breached its obligations (including the Notice Obligations). Indeed, despite numerous requests to WaMu – including, most recently on June 7, 2010, June 9, 2010, June 11, 2010, and August 16, 2010 – the Trustee has not been afforded its contractually required access to WaMu's records and other information concerning the mortgage loans in the Trusts.

83. WaMu has thus created a “Catch 22” situation, asserting that the Trustee cannot seek to enforce Repurchase Obligations because it lacks evidence that WaMu breached Representations and Warranties with respect to specific mortgage loans, and also cannot exercise Access Rights to acquire such evidence of a breach because, according to WaMu, such exercise is not “reasonable” without evidence of a breach.

84. In sum: (i) WaMu breached the Representations and Warranties, which breaches had a material and adverse effect on the value of the mortgage loans in the Trusts or the interests of the Trusts therein; (ii) WaMu discovered and/or had notice of those breaches, which triggered WaMu's Notice and Repurchase Obligations; (iii) WaMu breached its Notice and Repurchase Obligations; and (iv) WaMu breached and continues to breach its obligations in respect of the Trustee's Access Rights.

85. As a direct and proximate result of the breaches of contract set forth in this Complaint, the Primary Trusts have incurred losses estimated by the Trustee, based on the limited information available to it, to range from approximately \$6 billion to \$10 billion, with such losses continuing to accrue. In addition, as a direct and proximate result of the breaches of contract set forth in this Complaint, the Secondary Trusts have also been damaged because their performance is dependent, in whole or in part, on the performance of the Primary Trusts.

E. The FDIC's and JPMC's Contentions Regarding Successor Liability

86. Upon the FDIC's appointment as receiver for WMB, on September 25, 2008, the FDIC as receiver for WMB, the FDIC in its corporate capacity, and JPMC entered into the PAA. The PAA is incorporated by reference and attached hereto as Exhibit 2. Section 2.1 of the PAA provides:

“Subject to Sections 2.5 and 4.8, the Assuming Bank expressly assumes at Book Value (subject to adjustment pursuant to Article VII) and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”). Notwithstanding Section 4.8, the Assuming Bank specifically assumes all mortgage servicing rights and obligations of the Failed Bank.”

87. Section 3.1 of the PAA provides that JPMC purchased “all mortgage servicing rights and obligations” of WaMu; and Schedule 2.1 of the PAA sets forth “Certain Liabilities Not Assumed” by JPMC. The list of liabilities not assumed by JPMC pursuant to the PAA does

not include or reference any liabilities or obligations arising under the Governing Documents, including, without limitation, WaMu's obligations as Seller, Depositor, and/or Servicer.

88. The FDIC contends that it transferred to JPMC all of the obligations and liabilities relating to the Trusts at issue in this action. In its motion to dismiss (pp. 18-19), the FDIC states: "Under the unambiguous terms of the [PAA], as well as FIRREA, all risk of liability to DBNTC or the Trusts is borne by JPMC, not FDIC Receiver."

89. More specifically, the FDIC contends in its motion to dismiss (p. 19) that: "As the structure of the [PAA] makes clear, WaMu's Trust-related seller and servicer obligations are among the liabilities that FDIC Receiver transferred to JPMC and that JPMC expressly agreed to assume. See [PAA] § 2.1."

90. JPMC contends that "JPMC acquired *only* liabilities 'reflected on the Books and Records of the Failed Bank as of Bank Closing' and *only* if and to the extent they had a 'Book Value.'" Letter from Stacey R. Friedman to Robin A. Henry dated August 25, 2010, at p. 1.

91. JPMC further contends that "[a]ll other liabilities of Washington Mutual Bank, *including the DBNTC liabilities*, remain with the Federal Deposit Insurance Corporation as receiver for the failed bank." Id. (emphasis added).

CLAIMS FOR RELIEF

Count I **Breach of Contract**

92. The Trustee incorporates by reference all prior paragraphs as if they were fully set forth herein.

93. WaMu breached the Representations and Warranties, which breaches had a material and adverse effect on the value of the mortgage loans in the Trusts or the interests of the Trusts therein. WaMu discovered and/or had notice of these breaches, which triggered WaMu's

Notice and Repurchase Obligations. WaMu breached its Repurchase and Notice Obligations by failing to cure the breaches of the Representations and Warranties in all material respects, repurchase the mortgage loans at a specified repurchase price, or substitute for the affected mortgage loans upon discovery or receipt of notice of these breaches.

94. One or both of the FDIC and/or JPMC, as WaMu's successor-in-interest and/or successors-in-interest, is liable for WaMu's breaches of the Governing Documents.

95. Defendants, in their capacity or capacities as successor Servicer for WaMu, discovered and/or had notice of WaMu's breaches of the Representations and Warranties and so are liable to the Trusts for breach of the Notice Obligation and any resulting damages.

96. Having assumed and not repudiated the Governing Documents for the Trusts, the FDIC, as receiver for WMB, is liable for WaMu's breaches of the Governing Documents.

97. The Trust's and the Trustee's claims against the FDIC for breaches of these assumed contracts are entitled at least to administrative expense priority in the WMB receivership estate.

98. WaMu also continues to breach its obligations in respect of the Trustee's Access Rights by failing to provide the Trustee, and others, with access to the records and other information concerning the mortgage loans in the Trusts so that they could determine whether Repurchase Obligations exist with respect to particular mortgage loans in the Trusts.

99. These breaches have made it impossible for the Trustee or other parties-in-interest to the Trusts to enforce WaMu's Repurchase Obligations, including the enforcement mechanism of providing WaMu with notice of a breach with respect to, and demanding cure, substitution or repurchase of, specific mortgage loans included in the Trusts.

100. The Trustee has performed all of its obligations under the Governing Documents for the Trusts by performing services both before and after the appointment of the FDIC as receiver for WMB, and has not breached any such obligations or excused the performance by WaMu of any of its obligations under the Governing Documents.

101. As a direct and proximate cause of these breaches of contract, the Trusts have suffered and continue to suffer significant damages.

Count II
Declaratory Judgment

102. The Trustee incorporates by reference all prior paragraphs as if they were fully set forth herein.

103. The FDIC contends that under the PAA, as well as FIRREA, JPMC assumed from the FDIC, as receiver, all of WaMu's liabilities and obligations "as seller, servicer, sponsor or in any other capacity under the Governing [Documents]."

104. JPMC contends that under the PAA it did not assume WaMu's liabilities or obligations to the Trusts and the Trustee under the Governing Documents.

105. A justiciable controversy exists as to the rights and obligations of the FDIC and JPMC regarding whether, and to what extent, the FDIC and/or JPMC has successor liability for WaMu's breaches of the Governing Documents, as well as for WaMu's ongoing obligations to the Trusts and the Trustee under the Governing Documents, including, but not limited to, the Repurchase Obligations, the Notice Obligations, the Access Rights and the Indemnification Rights.

106. The Trustee seeks a declaratory judgment declaring: (i) which, or in the alternative, that both of, WaMu's two potential successors-in-interest – the FDIC or JPMC – succeed(s) to WaMu's liabilities for breaches of Governing Documents and WaMu's ongoing

obligations to the Trusts and the Trustee under the Governing Documents, including, but not limited to, the Repurchase Obligations, the Notice Obligations, the Access Rights and the Indemnification Rights, and (ii) the extent to which each of the FDIC or JMPC have assumed those liabilities and ongoing obligations.

WHEREFORE, the Trusts and the Trustee request the following relief from this Court:

- A. A judgment in their favor against JPMC, in an amount to be determined, plus pre-and post-judgment interest, costs of suit, and attorneys' fees; and/or
- B. in the alternative, against the FDIC, in an amount to be determined, plus pre-and post-judgment interest, costs of suit, and attorney's fees;
- C. a declaratory judgment declaring: (i) which, or in the alternative, that both of, WaMu's two potential successors-in-interest – the FDIC or JPMC – succeed(s) to WaMu's liabilities for breaches of Governing Documents and WaMu's ongoing obligations to the Trusts and the Trustee under the Governing Documents, including, but not limited to, the Repurchase Obligations, the Notice Obligations, the Access Rights and the Indemnification Rights, and (ii) the extent to which each of the FDIC or JMPC have assumed those liabilities and ongoing obligations;
- D. costs, expenses and attorneys' fees incurred by the Trustee in connection with this action; and
- E. such other and further relief as the Court may deem just.

JURY TRIAL DEMAND

The Trustee hereby demands a jury trial to the fullest extent allowed by law.

Dated: September 8, 2010
Armonk, NY

Respectfully submitted,

BOIES, SCHILLER & FLEXNER LLP

By: /s/ Robin A. Henry

Robin A. Henry (admitted pro hac vice)
Michael Endler (admitted pro hac vice)
Motty Shulman (admitted pro hac vice)
333 Main Street
Armonk, NY 10504
Phone: (914) 749-8200
Fax: (914) 749-8300

Tanya S. Chutkan (D.C. Bar No. 420478)
BOIES, SCHILLER & FLEXNER LLP
5301 Wisconsin Ave. NW #800
Washington, DC 20015
Phone: (202) 237-2727
Fax: (202) 237-6131

*Counsel for Plaintiff Deutsche Bank National Trust
Company, as Trustee for the Trusts listed in
Exhibits 1-A and 1-B, for all claims except with
respect to paragraph 97 of the Complaint.*

- and -

TALCOTT FRANKLIN P.C.

Talcott J. Franklin (D.D.C. Bar No. TX0078)
208 North Market Street, Suite 200
Dallas, Texas 75202
Phone: (214) 736-8730
Fax: (877) 577-1356

*Counsel for Plaintiff Deutsche Bank National Trust
Company, as Trustee for the Trusts listed in
Exhibits 1-A and 1-B.*

Certificate of Service

This is to certify that on September 8, 2010 the foregoing Amended Complaint was filed electronically with the Clerk of the Court via email and served upon all appearing parties and Counsel of record via email and Federal Express overnight mail at the below listed addresses.

By: /s/ Sara Clinton

Scott H. Christensen
HUGHES HUBBARD & REED, LLP
1775 I Street, NW
Suite 600
Washington, DC 20006
(202) 721-4644
Fax: (202) 721-4646
Email: christen@hugheshubbard.com

William Robert Stein
HUGHES HUBBARD & REED LLP
1775 I Street, NW
Washington, DC 20006-2402
(202) 721-4600
Fax: (202) 721-4646
Email: stein@hugheshubbard.com

Anne M. Devens
FEDERAL DEPOSIT INSURANCE CORPORATION
3501 Fairfax Drive
Room VS-D-7062
Arlington, VA 22207
(703) 562-2204
Email: adevens@fdic.gov

Jason Samuel Cohen
HUGHES HUBBARD & REED, LLP
1775 I Street, NW
Washington, DC 20006
(202) 721-4788
Email: cohenj@hugheshubbard.com

Jeffrey D. Wexler

LUCE, FORWARD, HAMILTON & SCRIPPS, LLP

601 South Figueroa Street

Suite 3900

Los Angeles, CA 90017

(213) 892-4910

Fax: (213) 452-8029

Email: jwexler@luce.com

Michael Hain Bierman

LUCE, FORWARD, HAMILTON & SCRIPPS LLP

601 South Figueroa Street

Suite 3900

Los Angeles, CA 90017

(213) 892-4992

Fax: (213) 452-8032

Email: mbierman@luce.com

**EXHIBIT 6
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST**

PURCHASE AND ASSUMPTION AGREEMENT

WHOLE BANK

AMONG

**FEDERAL DEPOSIT INSURANCE CORPORATION,
RECEIVER OF WASHINGTON MUTUAL BANK,
HENDERSON, NEVADA**

FEDERAL DEPOSIT INSURANCE CORPORATION

and

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

DATED AS OF

SEPTEMBER 25, 2008

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PURCHASE AND ASSUMPTION AGREEMENT

WHOLE BANK

THIS AGREEMENT, made and entered into as of the 25th day of September, 2008, by and among the **FEDERAL DEPOSIT INSURANCE CORPORATION, RECEIVER of WASHINGTON MUTUAL BANK, HENDERSON, NEVADA** (the "Receiver"), **JPMORGAN CHASE BANK, NATIONAL ASSOCIATION**, organized under the laws of the United States of America, and having its principal place of business in Seattle, Washington (the "Assuming Bank"), and the **FEDERAL DEPOSIT INSURANCE CORPORATION**, organized under the laws of the United States of America and having its principal office in Washington, D.C., acting in its corporate capacity (the "Corporation").

WITNESSETH:

WHEREAS, on Bank Closing, the Chartering Authority closed Washington Mutual Bank (the "Failed Bank") pursuant to applicable law and the Corporation was appointed Receiver thereof; and

WHEREAS, the Assuming Bank desires to purchase substantially all of the assets and assume all deposit and substantially all other liabilities of the Failed Bank on the terms and conditions set forth in this Agreement; and

WHEREAS, pursuant to 12 U.S.C. Section 1823(c)(2)(A), the Corporation may provide assistance to the Assuming Bank to facilitate the transactions contemplated by this Agreement, which assistance may include indemnification pursuant to Article XII; and

WHEREAS, the Board of Directors of the Corporation (the "Board") has determined to provide assistance to the Assuming Bank on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, the Board has determined pursuant to 12 U.S.C. Section 1823(c)(4)(A) that such assistance is necessary to meet the obligation of the Corporation to provide insurance coverage for the insured deposits in the Failed Bank and is the least costly to the deposit insurance fund of all possible methods for meeting such obligation.

NOW THEREFORE, in consideration of the mutual promises herein set forth and other valuable consideration, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Capitalized terms used in this Agreement shall have the meanings set forth in this Article I, or elsewhere in this Agreement. As used herein, words imparting the singular include the plural and vice versa.

"Accounting Records" means the general ledger and subsidiary ledgers and supporting schedules which support the general ledger balances.

"Acquired Subsidiaries" means Subsidiaries of the Failed Bank acquired pursuant to Section 3.1.

"Adversely Classified" means, with respect to any Loan or security, a Loan or security which has been designated in the most recent report of examination as "Substandard," "Doubtful" or "Loss" by the Failed Bank's appropriate Federal or State Chartering Authority or regulator.

"Affiliate" of any Person means any director, officer, or employee of that Person and any other Person (i) who is directly or indirectly controlling, or controlled by, or under direct or indirect common control with, such Person, or (ii) who is an affiliate of such Person as the term "affiliate" is defined in Section 2 of the Bank Holding Company Act of 1956, as amended, 12 U.S.C. Section 1841.

"Agreement" means this Purchase and Assumption Agreement by and among the Assuming Bank, the Corporation and the Receiver, as amended or otherwise modified from time to time.

"Assets" means all assets of the Failed Bank purchased pursuant to Section 3.1. Assets owned by Subsidiaries of the Failed Bank are not "Assets" within the meaning of this definition.

"Assumed Deposits" means Deposits.

"Bank Closing" means the close of business of the Failed Bank on the date on which the Chartering Authority closed such institution.

"Bank Premises" means the banking houses, drive-in banking facilities, and teller facilities (staffed or automated) together with appurtenant parking, storage and service facilities and structures connecting remote facilities to banking houses, and land on which the foregoing are located, that are owned or leased by the Failed Bank and that are occupied by the Failed Bank as of Bank Closing.

"Bid Amount" has the meaning provided in Article VII.

"Book Value" means, with respect to any Asset and any Liability Assumed, the dollar amount thereof stated on the Accounting Records of the Failed Bank. The Book Value of any item shall be determined as of Bank Closing after adjustments made by the Assuming Bank for normal operational and timing differences in accounts, suspense items, unposted debits and credits, and other similar adjustments or corrections and for setoffs, whether voluntary or involuntary. The Book Value of a Subsidiary of the Failed Bank acquired by the Assuming Bank shall be determined from the investment in subsidiary and related accounts on the "bank only" (unconsolidated) balance sheet of the Failed Bank based on the equity method of accounting. Without limiting the generality of the foregoing, (i) the Book Value of a Liability Assumed shall include all accrued and unpaid interest thereon as of Bank Closing, and (ii) the Book Value of a Loan shall reflect adjustments for earned interest, or unearned interest (as it relates to the "rule of 78s" or add-on-interest loans, as applicable), if any, as of Bank Closing, adjustments for the portion of earned or unearned loan-related credit life and/or disability insurance premiums, if any, attributable to the Failed Bank as of Bank Closing, and adjustments for Failed Bank Advances, if any, in each case as determined for financial reporting purposes. The Book Value of an Asset shall not include any adjustment for loan premiums, discounts or any related deferred income or fees, or general or specific reserves on the Accounting Records of the Failed Bank.

"Business Day" means a day other than a Saturday, Sunday, Federal legal holiday or legal holiday under the laws of the State where the Failed Bank is located, or a day on which the principal office of the Corporation is closed.

"Chartering Authority" means (i) with respect to a national bank, the Office of the Comptroller of the Currency, (ii) with respect to a Federal savings association or savings bank, the Office of Thrift Supervision, (iii) with respect to a bank or savings institution chartered by a State, the agency of such State charged with primary responsibility for regulating and/or closing banks or savings institutions, as the case may be, (iv) the Corporation in accordance with 12 U.S.C. Section 1821(c), with regard to self appointment, or (v) the appropriate Federal banking agency in accordance with 12 U.S.C. 1821(c)(9).

"Commitment" means the unfunded portion of a line of credit or other commitment reflected on the books and records of the Failed Bank to make an extension of credit (or additional advances with respect to a Loan) that was legally binding on the Failed Bank as of Bank Closing, other than extensions of credit pursuant to the credit card business and overdraft protection plans of the Failed Bank, if any.

"Credit Documents" mean the agreements, instruments, certificates or other documents at any time evidencing or otherwise relating to, governing or executed in connection with or as security for, a Loan, including without limitation notes, bonds, loan agreements, letter of credit applications, lease financing contracts, banker's acceptances, drafts, interest protection agreements, currency exchange agreements, repurchase agreements, reverse repurchase agreements, guarantees, deeds of trust, mortgages, assignments, security agreements, pledges, subordination or priority agreements, lien priority agreements, undertakings, security instruments, certificates, documents, legal opinions, participation agreements and intercreditor agreements, and all amendments, modifications, renewals, extensions, rearrangements, and substitutions with respect to any of the foregoing.

"Credit File" means all Credit Documents and all other credit, collateral, or insurance documents in the possession or custody of the Assuming Bank, or any of its Subsidiaries or Affiliates, relating to an Asset or a Loan included in a Put Notice, or copies of any thereof.

"Data Processing Lease" means any lease or licensing agreement, binding on the Failed Bank as of Bank Closing, the subject of which is data processing equipment or computer hardware or software used in connection with data processing activities. A lease or licensing agreement for computer software used in connection with data processing activities shall constitute a Data Processing Lease regardless of whether such lease or licensing agreement also covers data processing equipment.

"Deposit" means a deposit as defined in 12 U.S.C. Section 1813(l), including without limitation, outstanding cashier's checks and other official checks and all uncollected items included in the depositors' balances and credited on the books and records of the Failed Bank; provided, that the term "Deposit" shall not include all or any portion of those deposit balances which, in the discretion of the Receiver or the Corporation, (i) may be required to satisfy it for any liquidated or contingent liability of any depositor arising from an unauthorized or unlawful transaction, or (ii) may be needed to provide payment of any liability of any depositor to the Failed Bank or the Receiver, including the liability of any depositor as a director or officer of the Failed Bank, whether or not the amount of the liability is or can be determined as of Bank Closing.

"Failed Bank Advances" means the total sums paid by the Failed Bank to (i) protect its lien position, (ii) pay ad valorem taxes and hazard insurance, and (iii) pay credit life insurance, accident and health insurance, and vendor's single interest insurance.

"Fixtures" means those leasehold improvements, additions, alterations and installations constituting all or a part of Bank Premises and which were acquired, added, built, installed or purchased at the expense of the Failed Bank, regardless of the holder of legal title thereto as of Bank Closing.

"Furniture and Equipment" means the furniture and equipment (other than leased data processing equipment, including hardware and software), leased or owned by the Failed Bank and reflected on the books of the Failed Bank as of Bank Closing, including without limitation automated teller machines, carpeting, furniture, office machinery (including personal computers), shelving, office supplies, telephone, surveillance and security systems, and artwork.

"Indemnitees" means, except as provided in paragraph (11) of Section 12.1(b), (i) the Assuming Bank, (ii) the Subsidiaries and Affiliates of the Assuming Bank other than any Subsidiaries or Affiliates of the Failed Bank that are or become Subsidiaries or Affiliates of the Assuming Bank, and (iii) the directors, officers, employees and agents of the Assuming Bank and its Subsidiaries and Affiliates who are not also present or former directors, officers, employees or agents of the Failed Bank or of any Subsidiary or Affiliate of the Failed Bank.

"Initial Payment" means the payment made pursuant to Article VII, the amount of which shall be either (i) if the Bid Amount is positive, the Bid Amount plus the Required Payment or (ii) if the Bid Amount is negative, the Required Payment minus the Bid Amount. The Initial Payment shall be payable by the Corporation to the Assuming Bank if the Initial Payment is a negative amount. The Initial Payment shall be payable by the Assuming Bank to the Corporation if the Initial Payment is positive.

"Legal Balance" means the amount of indebtedness legally owed by an Obligor with respect to a Loan, including principal and accrued and unpaid interest, late fees, attorneys' fees and expenses, taxes, insurance premiums, and similar charges, if any.

"Liabilities Assumed" has the meaning provided in Section 2.1.

"Lien" means any mortgage, lien, pledge, charge, assignment for security purposes, security interest, or encumbrance of any kind with respect to an Asset, including any conditional sale agreement or capital lease or other title retention agreement relating to such Asset.

"Loans" means all of the following owed to or held by the Failed Bank as of Bank Closing:

(i) loans (including loans which have been charged off the Accounting Records of the Failed Bank in whole or in part prior to Bank Closing), participation agreements, interests in participations, overdrafts of customers (including but not limited to overdrafts made pursuant to an overdraft protection plan or similar extensions of credit in connection with a deposit account), revolving commercial lines of credit, home equity lines of credit, Commitments, United States and/or State-guaranteed student loans, and lease financing contracts;

(ii) all Liens, rights (including rights of set-off), remedies, powers, privileges, demands, claims, priorities, equities and benefits owned or held by, or accruing or to accrue to or for the benefit of, the holder of the obligations or instruments referred to in clause (i) above, including but not limited to those arising under or based upon Credit Documents, casualty insurance policies and binders, standby letters of credit, mortgagee title insurance policies and binders, payment bonds and performance bonds at any time and from time to time existing with respect to any of the obligations or instruments referred to in clause (i) above; and

(iii) all amendments, modifications, renewals, extensions, refinancings, and refundings of or for any of the foregoing;

provided, that there shall be excluded from the definition of "Loans" amounts owing under Qualified Financial Contracts.

"Obligor" means each Person liable for the full or partial payment or performance of any Loan, whether such Person is obligated directly, indirectly, primarily, secondarily, jointly, or severally.

"Other Real Estate" means all interests in real estate (other than Bank Premises and Fixtures), including but not limited to mineral rights, leasehold rights, condominium and cooperative interests, air rights and development rights that are owned by the Failed Bank.

"Payment Date" means the first Business Day after Bank Closing.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof, excluding the Corporation.

"Primary Indemnitor" means any Person (other than the Assuming Bank or any of its Affiliates) who is obligated to indemnify or insure, or otherwise make payments (including payments on account of claims made against) to or on behalf of any Person in connection with the claims covered under Article XII, including without limitation any insurer issuing any directors and officers liability policy or any Person issuing a financial institution bond or banker's blanket bond.

"Proforma" means producing a balance sheet that reflects a reasonably accurate financial statement of the Failed Bank through the date of closing. The Proforma financial statements serve as a basis for the opening entries of both the Assuming Bank and the Receiver.

"Put Date" has the meaning provided in Section 3.4.

"Put Notice" has the meaning provided in Section 3.4.

"Qualified Financial Contract" means a qualified financial contract as defined in 12 U.S.C. Section 1821(e)(8)(D).

"Record" means any document, microfiche, microfilm and computer records (including but not limited to magnetic tape, disc storage, card forms and printed copy) of the Failed Bank generated or maintained by the Failed Bank that is owned by or in the possession of the Receiver at Bank Closing.

"Related Liability" with respect to any Asset means any liability existing and reflected on the Accounting Records of the Failed Bank as of Bank Closing for (i) indebtedness secured by mortgages, deeds of trust, chattel mortgages, security interests or other liens on or affecting such Asset, (ii) ad valorem taxes applicable to such Asset, and (iii) any other obligation determined by the Receiver to be directly related to such Asset.

"Related Liability Amount" with respect to any Related Liability on the books of the Assuming Bank, means the amount of such Related Liability as stated on the Accounting Records of the Assuming Bank (as maintained in accordance with generally accepted accounting principles) as of the date as of which the Related Liability Amount is being determined. With respect to a liability that relates to more than one asset, the amount of such Related Liability shall be allocated among such assets for the purpose of determining the Related Liability Amount with

respect to any one of such assets. Such allocation shall be made by specific allocation, where determinable, and otherwise shall be pro rata based upon the dollar amount of such assets stated on the Accounting Records of the entity that owns such asset.

"Required Payment" means \$50,000,000.00.

"Repurchase Price" means with respect to any Asset or asset, which shall be determined by the Receiver, the lesser of (a) or (b):

(a) (i) in the event of a negative Bid Amount, the amount paid by the Assuming Bank, discounted by a percentage equal to the quotient produced by dividing the Assuming Bank's Bid Amount by the aggregate Book Value of the Risk Assets of the Failed Bank;

(ii) in the event of a negative Bid Amount, the amount resulting from (a)(i), above, or in the event of a positive Bid Amount, the amount paid by the Assuming Bank, (x) for a Loan, shall be decreased by any portion of the Loan classified "loss" and by one-half of any portion of the Loan classified "doubtful" as of the date of Bank Closing, and (y) for any Asset or asset, including a Loan, decreased by the amount of any money received with respect thereto since Bank Closing and, if the Asset is a Loan or other interest bearing or earning asset, the resulting amount shall then be increased or decreased, as the case may be, by interest or discount (whichever is applicable) accrued from and after Bank Closing at the lower of: (i) the contract rate with respect to such Asset, or (ii) the Settlement Interest Rate; net proceeds received by or due to the Assuming Bank from the sale of collateral, any forgiveness of debt, or otherwise shall be deemed money received by the Assuming Bank; or

(b) the dollar amount thereof stated on the Accounting Records of the Assuming Bank as of the date as of which the Repurchase Price is being determined, as maintained in accordance with generally accepted accounting principles, and, if the asset is a Loan, regardless of the Legal Balance thereof and adjusted in the same manner as the Book Value of a Failed Bank Loan would be adjusted hereunder.

Provided, however, (b), above, shall not be applicable and the Bid Amount shall be considered to have been positive for Loans repurchased pursuant to Section 3.4(a).

"Risk Assets" means (i) all Loans purchased hereunder, excluding (a) New Loans and (b) Loans to the extent secured by Assumed Deposits (and not included in (i)(a)), plus (ii) the Accrued Interest Receivable, Prepaid Expense, and Other Assets.

"Safe Deposit Boxes" means the safe deposit boxes of the Failed Bank, if any, including the removable safe deposit boxes and safe deposit stacks in the Failed Bank's vault(s), all rights and benefits (other than fees collected prior to Bank Closing) under rental agreements with respect to such safe deposit boxes, and all keys and combinations thereto.

"Settlement Date" means the first Business Day immediately prior to the day which is one hundred eighty (180) days after Bank Closing, or such other date prior thereto as

may be agreed upon by the Receiver and the Assuming Bank. The Receiver, in its discretion, may extend the Settlement Date.

"Settlement Interest Rate" means, for the first calendar quarter or portion thereof during which interest accrues, the rate determined by the Receiver to be equal to the equivalent coupon issue yield on twenty-six (26)-week United States Treasury Bills in effect as of Bank Closing as published in The Wall Street Journal; provided, that if no such equivalent coupon issue yield is available as of Bank Closing, the equivalent coupon issue yield for such Treasury Bills most recently published in The Wall Street Journal prior to Bank Closing shall be used. Thereafter, the rate shall be adjusted to the rate determined by the Receiver to be equal to the equivalent coupon issue yield on such Treasury Bills in effect as of the first day of each succeeding calendar quarter during which interest accrues as published in The Wall Street Journal.

"Subsidiary" has the meaning set forth in Section 3(w)(4) of the Federal Deposit Insurance Act, 12 U.S.C. Section 1813(w)(4), as amended.

ARTICLE II ASSUMPTION OF LIABILITIES

2.1 Liabilities Assumed by Assuming Bank. Subject to Sections 2.5 and 4.8, the Assuming Bank expressly assumes at Book Value (subject to adjustment pursuant to Article VIII) and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as "Liabilities Assumed"). Notwithstanding Section 4.8, the Assuming Bank specifically assumes all mortgage servicing rights and obligations of the Failed Bank.

2.2 Interest on Deposit Liabilities. The Assuming Bank agrees that it will assume all deposit contracts as of Bank Closing, and it will accrue and pay interest on Deposit liabilities assumed pursuant to Section 2.1 at the same rate(s) and on the same terms as agreed to by the Failed Bank as existed as of Bank Closing. If such Deposit has been pledged to secure an obligation of the depositor or other party, any withdrawal thereof shall be subject to the terms of the agreement governing such pledge.

2.3 Unclaimed Deposits. If, within eighteen (18) months after Bank Closing, any depositor of the Failed Bank does not claim or arrange to continue such depositor's Deposit assumed pursuant to Section 2.1 at the Assuming Bank, the Assuming Bank shall, within fifteen (15) Business Days after the end of such eighteen (18)-month period, (i) refund to the Corporation the full amount of each such Deposit (without reduction for service charges), (ii) provide to the Corporation an electronic schedule of all such refunded Deposits in such form as may be prescribed by the Corporation, and (iii) assign, transfer, convey and deliver to the Receiver all right, title and interest of the Assuming Bank in and to Records previously transferred to the Assuming Bank and other records generated or maintained by the Assuming Bank pertaining to such Deposits. During such eighteen (18)-month period, at the request of the

Corporation, the Assuming Bank promptly shall provide to the Corporation schedules of unclaimed deposits in such form as may be prescribed by the Corporation.

2.4 Omitted.

2.5 Borrower Claims. Notwithstanding anything to the contrary in this Agreement, any liability associated with borrower claims for payment of or liability to any borrower for monetary relief, or that provide for any other form of relief to any borrower, whether or not such liability is reduced to judgment, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, legal or equitable, judicial or extra-judicial, secured or unsecured, whether asserted affirmatively or defensively, related in any way to any loan or commitment to lend made by the Failed Bank prior to failure, or to any loan made by a third party in connection with a loan which is or was held by the Failed Bank, or otherwise arising in connection with the Failed Bank's lending or loan purchase activities are specifically not assumed by the Assuming Bank.

**ARTICLE III
PURCHASE OF ASSETS**

3.1 Assets Purchased by Assuming Bank. Subject to Sections 3.5, 3.6 and 4.8, the Assuming Bank hereby purchases from the Receiver, and the Receiver hereby sells, assigns, transfers, conveys, and delivers to the Assuming Bank, all right, title, and interest of the Receiver in and to all of the assets (real, personal and mixed, wherever located and however acquired) including all subsidiaries, joint ventures, partnerships, and any and all other business combinations or arrangements, whether active, inactive, dissolved or terminated, of the Failed Bank whether or not reflected on the books of the Failed Bank as of Bank Closing. Assets are purchased hereunder by the Assuming Bank subject to all liabilities for indebtedness collateralized by Liens affecting such Assets to the extent provided in Section 2.1. The subsidiaries, joint ventures, partnerships, and any and all other business combinations or arrangements, whether active, inactive, dissolved or terminated being purchased by the Assuming Bank includes, but is not limited to, the entities listed on Schedule 3.1a. Notwithstanding Section 4.8, the Assuming Bank specifically purchases all mortgage servicing rights and obligations of the Failed Bank.

3.2 Asset Purchase Price.

(a) All Assets and assets of the Failed Bank subject to an option to purchase by the Assuming Bank shall be purchased for the amount, or the amount resulting from the method specified for determining the amount, as specified on Schedule 3.2, except as otherwise may be provided herein. Any Asset, asset of the Failed Bank subject to an option to purchase or other asset purchased for which no purchase price is specified on Schedule 3.2 or otherwise herein shall be purchased at its Book Value. Loans or other assets charged off the Accounting Records of the Failed Bank prior to the date of Bank Closing shall be purchased at a price of zero.

(b) The purchase price for securities (other than the capital stock of any Acquired Subsidiary) purchased under Section 3.1 by the Assuming Bank shall be the market value thereof as of Bank Closing, which market value shall be (i) the "Mid/Last", or "Trade" (as applicable), market price for each such security quoted at the close of the trading day effective on Bank Closing as published electronically by Bloomberg, L.P.; (ii) provided, that if such market price is not available for any such security, the Assuming Bank will submit a bid for each such security within three days of notification/bid request by the Receiver (unless a different time period is agreed to by the Assuming Bank and the Receiver) and the Receiver, in its sole discretion will accept or reject each such bid; and (iii) further provided in the absence of an acceptable bid from the Assuming Bank, each such security shall not pass to the Assuming Bank and shall be deemed to be an excluded asset hereunder.

(c) Qualified Financial Contracts shall be purchased at market value determined in accordance with the terms of Exhibit 3.2(c). Any costs associated with such valuation shall be shared equally by the Receiver and the Assuming Bank.

3.3 Manner of Conveyance; Limited Warranty; Nonrecourse; Etc. THE CONVEYANCE OF ALL ASSETS, INCLUDING REAL AND PERSONAL PROPERTY INTERESTS, PURCHASED BY THE ASSUMING BANK UNDER THIS AGREEMENT SHALL BE MADE, AS NECESSARY, BY RECEIVER'S DEED OR RECEIVER'S BILL OF SALE, "AS IS", "WHERE IS", WITHOUT RECOURSE AND, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS AGREEMENT, WITHOUT ANY WARRANTIES WHATSOEVER WITH RESPECT TO SUCH ASSETS, EXPRESS OR IMPLIED, WITH RESPECT TO TITLE, ENFORCEABILITY, COLLECTIBILITY, DOCUMENTATION OR FREEDOM FROM LIENS OR ENCUMBRANCES (IN WHOLE OR IN PART), OR ANY OTHER MATTERS.

3.4 Puts of Assets to the Receiver.

(a) Omitted.

(b) Puts Prior to the Settlement Date. During the period from Bank Closing to and including the Business Day immediately preceding the Settlement Date, the Assuming Bank shall be entitled to require the Receiver to purchase any Asset which the Assuming Bank can establish is evidenced by forged or stolen instruments as of Bank Closing. The Assuming Bank shall transfer all such Assets to the Receiver without recourse, and shall indemnify the Receiver against any and all claims of any Person claiming by, through or under the Assuming Bank with respect to any such Asset, as provided in Section 12.4.

(c) Notices to the Receiver. In the event that the Assuming Bank elects to require the Receiver to purchase one or more Assets, the Assuming Bank shall deliver to the Receiver a notice (a "Put Notice") which shall include:

(i) a list of all Assets that the Assuming Bank requires the Receiver to purchase;

- (ii) a list of all Related Liabilities with respect to the Assets identified pursuant to (i) above; and
- (iii) a statement of the estimated Repurchase Price of each Asset identified pursuant to (i) above as of the applicable Put Date.

Such notice shall be in the form prescribed by the Receiver or such other form to which the Receiver shall consent. As provided in Section 9.6, the Assuming Bank shall deliver to the Receiver such documents, Credit Files and such additional information relating to the subject matter of the Put Notice as the Receiver may request and shall provide to the Receiver full access to all other relevant books and records.

(d) **Purchase by Receiver.** The Receiver shall purchase Loans that are specified in the Put Notice and shall assume Related Liabilities with respect to such Loans, and the transfer of such Loans and Related Liabilities shall be effective as of a date determined by the Receiver which date shall not be later than thirty (30) days after receipt by the Receiver of the Credit Files with respect to such Loans (the "Put Date").

(e) **Purchase Price and Payment Date.** Each Loan purchased by the Receiver pursuant to this Section 3.4 shall be purchased at a price equal to the Repurchase Price of such Loan less the Related Liability Amount applicable to such Loan, in each case determined as of the applicable Put Date. If the difference between such Repurchase Price and such Related Liability Amount is positive, then the Receiver shall pay to the Assuming Bank the amount of such difference; if the difference between such amounts is negative, then the Assuming Bank shall pay to the Receiver the amount of such difference. The Assuming Bank or the Receiver, as the case may be, shall pay the purchase price determined pursuant to this Section 3.4(e) not later than the twentieth (20th) Business Day following the applicable Put Date, together with interest on such amount at the Settlement Interest Rate for the period from and including such Put Date to and including the day preceding the date upon which payment is made.

(f) **Servicing.** The Assuming Bank shall administer and manage any Asset subject to purchase by the Receiver in accordance with usual and prudent banking standards and business practices until such time as such Asset is purchased by the Receiver.

(g) **Reversals.** In the event that the Receiver purchases an Asset (and assumes the Related Liability) that it is not required to purchase pursuant to this Section 3.4, the Assuming Bank shall repurchase such Asset (and assume such Related Liability) from the Receiver at a price computed so as to achieve the same economic result as would apply if the Receiver had never purchased such Asset pursuant to this Section 3.4.

3.5 Assets Not Purchased by Assuming Bank. The Assuming Bank does not purchase, acquire or assume, or (except as otherwise expressly provided in this Agreement) obtain an option to purchase, acquire or assume under this Agreement the assets or Assets listed on the attached Schedule 3.5.

3.6 Assets Essential to Receiver.

(a) The Receiver may refuse to sell to the Assuming Bank, or the Assuming Bank agrees, at the request of the Receiver set forth in a written notice to the Assuming Bank, to assign, transfer, convey, and deliver to the Receiver all of the Assuming Bank's right, title and interest in and to, any Asset or asset essential to the Receiver as determined by the Receiver in its discretion (together with all Credit Documents evidencing or pertaining thereto), which may include any Asset or asset that the Receiver determines to be:

- (i) made to an officer, director, or other Person engaging in the affairs of the Failed Bank, its Subsidiaries or Affiliates or any related entities of any of the foregoing;
- (ii) the subject of any investigation relating to any claim with respect to any item described in Section 3.5(a) or (b), or the subject of, or potentially the subject of, any legal proceedings;
- (iii) made to a Person who is an Obligor on a loan owned by the Receiver or the Corporation in its corporate capacity or its capacity as receiver of any institution;
- (iv) secured by collateral which also secures any asset owned by the Receiver;
or
- (v) related to any asset of the Failed Bank not purchased by the Assuming Bank under this Article III or any liability of the Failed Bank not assumed by the Assuming Bank under Article II.

(b) Each such Asset or asset purchased by the Receiver shall be purchased at a price equal to the Repurchase Price thereof less the Related Liability Amount with respect to any Related Liabilities related to such Asset or asset, in each case determined as of the date of the notice provided by the Receiver pursuant to Section 3.6(a). The Receiver shall pay the Assuming Bank not later than the twentieth (20th) Business Day following receipt of related Credit Documents and Credit Files together with interest on such amount at the Settlement Interest Rate for the period from and including the date of receipt of such documents to and including the day preceding the day on which payment is made. The Assuming Bank agrees to administer and manage each such Asset or asset in accordance with usual and prudent banking standards and business practices until each such Asset or asset is purchased by the Receiver. All transfers with respect to Asset or assets under this Section 3.6 shall be made as provided in Section 9.6. The Assuming Bank shall transfer all such Asset or assets and Related Liabilities to the Receiver without recourse, and shall indemnify the Receiver against any and all claims of any Person claiming by, through or under the Assuming Bank with respect to any such Asset or asset, as provided in Section 12.4.

ARTICLE IV

ASSUMPTION OF CERTAIN DUTIES AND OBLIGATIONS

The Assuming Bank agrees with the Receiver and the Corporation as follows:

4.1 Continuation of Banking Business. The Assuming Bank agrees to provide full service banking in the trade area of the Failed Bank commencing on the first banking business day (including a Saturday) after Bank Closing. At the option of the Assuming Bank, such banking services may be provided at any or all of the Bank Premises, or at other premises within such trade area.

4.2 Agreement with Respect to Debit and Credit Card Business. The Assuming Bank agrees to honor and perform, from and after Bank Closing, all duties and obligations with respect to the Failed Bank's debit and credit card business, and/or processing related to debit and credit cards, if any, and assumes all outstanding extensions of credit with respect thereto.

4.3 Agreement with Respect to Safe Deposit Business. The Assuming Bank assumes and agrees to discharge, from and after Bank Closing, in the usual course of conducting a banking business, the duties and obligations of the Failed Bank with respect to all Safe Deposit Boxes, if any, of the Failed Bank and to maintain all of the necessary facilities for the use of such boxes by the renters thereof during the period for which such boxes have been rented and the rent therefor paid to the Failed Bank, subject to the provisions of the rental agreements between the Failed Bank and the respective renters of such boxes; provided, that the Assuming Bank may relocate the Safe Deposit Boxes of the Failed Bank to any office of the Assuming Bank located in the trade area of the Failed Bank. Fees related to the safe deposit business collected prior to Bank Closing shall be for the benefit of the Receiver and fees collected after Bank Closing shall be for the benefit of the Assuming Bank.

4.4 Agreement with Respect to Safekeeping Business. The Receiver transfers, conveys and delivers to the Assuming Bank and the Assuming Bank accepts all securities and other items, if any, held by the Failed Bank in safekeeping for its customers as of Bank Closing. The Assuming Bank assumes and agrees to honor and discharge, from and after Bank Closing, the duties and obligations of the Failed Bank with respect to such securities and items held in safekeeping. The Assuming Bank shall be entitled to all rights and benefits heretofore accrued or hereafter accruing with respect thereto; provided, that, fees related to the safe keeping business collected prior to Bank Closing shall be for the benefit of the Receiver and fees collected after Bank Closing shall be for the benefit of the Assuming Bank. The Assuming Bank shall provide to the Receiver written verification of all assets held by the Failed Bank for safekeeping within sixty (60) days after Bank Closing.

4.5 Agreement with Respect to Trust Business.

(a) The Assuming Bank shall, without further transfer, substitution, act or deed, to the full extent permitted by law, succeed to the rights, obligations, properties, assets, investments, deposits, agreements, and trusts of the Failed Bank under trusts, executorships, administrations, guardianships, and agencies, and other fiduciary or representative capacities, all to the same extent as though the Assuming Bank had assumed the same from the Failed Bank prior to Bank

Closing; provided, that any liability based on the misfeasance, malfeasance or nonfeasance of the Failed Bank, its directors, officers, employees or agents with respect to the trust business is not assumed hereunder.

(b) The Assuming Bank shall, to the full extent permitted by law, succeed to, and be entitled to take and execute, the appointment to all executorships, trusteeships, guardianships and other fiduciary or representative capacities to which the Failed Bank is or may be named in wills, whenever probated, or to which the Failed Bank is or may be named or appointed by any other instrument.

(c) In the event additional proceedings of any kind are necessary to accomplish the transfer of such trust business, the Assuming Bank agrees that, at its own expense, it will take whatever action is necessary to accomplish such transfer. The Receiver agrees to use reasonable efforts to assist the Assuming Bank in accomplishing such transfer.

(d) The Assuming Bank shall provide to the Receiver written verification of the assets held in connection with the Failed Bank's trust business within sixty (60) days after Bank Closing.

4.6 Agreement with Respect to Bank Premises.

(a) Option to Lease. The Receiver hereby grants to the Assuming Bank an exclusive option for the period of ninety (90) days commencing the day after Bank Closing to cause the Receiver to assign to the Assuming Bank any or all leases for leased Bank Premises, if any, which have been continuously occupied by the Assuming Bank from Bank Closing to the date it elects to accept an assignment of the leases with respect thereto to the extent such leases can be assigned; provided, that the exercise of this option with respect to any lease must be as to all premises or other property subject to the lease. If an assignment cannot be made of any such leases, the Receiver may, in its discretion, enter into subleases with the Assuming Bank containing the same terms and conditions provided under such existing leases for such leased Bank Premises or other property. The Assuming Bank shall give notice to the Receiver within the option period of its election to accept or not to accept an assignment of any or all leases (or enter into subleases or new leases in lieu thereof). The Assuming Bank agrees to assume all leases assigned (or enter into subleases in lieu thereof) pursuant to this Section 4.6.

(b) Facilitation. The Receiver agrees to facilitate the assumption, assignment or sublease of leases or the negotiation of new leases by the Assuming Bank; provided, that neither the Receiver nor the Corporation shall be obligated to engage in litigation, make payments to the Assuming Bank or to any third party in connection with facilitating any such assumption, assignment, sublease or negotiation or commit to any other obligations to third parties.

(c) Occupancy. The Assuming Bank shall give the Receiver fifteen (15) days' prior written notice of its intention to vacate prior to vacating any leased Bank Premises with respect to which the Assuming Bank has not exercised the option provided in Section 4.6(a). Any such notice shall be deemed to terminate the Assuming Bank's option with respect to such leased Bank Premises.

(d) **Occupancy Costs.**

(i) The Assuming Bank agrees, during the period of any occupancy by it of leased Bank Premises, to pay to the Receiver, or to appropriate third parties at the direction of the Receiver, all operating costs with respect thereto and to comply with all relevant terms of applicable leases entered into by the Failed Bank, including without limitation the timely payment of all rent, taxes, fees, charges, utilities, insurance and assessments.

(ii) The Assuming Bank agrees during the period of occupancy by it of leased Bank Premises to pay to the Receiver rent for the use of all leased Furniture and Equipment and all owned or leased Fixtures located on such Bank Premises for the period of such occupancy. Rent for such property owned by the Failed Bank shall be the market rental value thereof, as determined by the Receiver within sixty (60) days after Bank Closing. Rent for such leased property shall be an amount equal to any and all rent and other amounts which the Receiver incurs or accrues as an obligation or is obligated to pay for such period of occupancy pursuant to all leases and contracts with respect to such property. If the Assuming Bank purchases any owned Fixtures in accordance with Section 4.6(f), the amount of any rents paid by the Assuming Bank with respect thereto shall be applied as an offset against the purchase price thereof.

(e) **Certain Requirements as to Furniture, Equipment and Fixtures.** If the Assuming Bank accepts an assignment of the lease (or enters into a sublease or a new lease in lieu thereof) for leased Bank Premises, or if the Assuming Bank does not exercise such option but within twelve (12) months following Bank Closing obtains the right to occupy such premises (whether by assignment, lease, sublease, purchase or otherwise), other than in accordance with Section 4.6(a), the Assuming Bank shall (i) accept an assignment or a sublease of the leases or negotiate new leases for all Furniture and Equipment and Fixtures leased by the Failed Bank and located thereon, and (ii) if applicable, accept an assignment or a sublease of any ground lease or negotiate a new ground lease with respect to any land on which such Bank Premises are located; provided, that the Receiver shall not have disposed of such Furniture and Equipment and Fixtures or repudiated the leases specified in clause (i) or (ii).

(f) **Vacating Premises.** If the Assuming Bank elects not to accept an assignment of the lease or sublease any leased Bank Premises, the notice of such election in accordance with Section 4.6(a) shall specify the date upon which the Assuming Bank's occupancy of such leased Bank Premises shall terminate, which date shall not be later than the date which is one hundred eighty (180) days after Bank Closing. Upon vacating such premises, the Assuming Bank shall relinquish and release to the Receiver such premises and the Fixtures located thereon in the same condition as at Bank Closing, normal wear and tear excepted. By failing to provide notice of its intention to vacate such premises prior to the expiration of the option period specified in Section 4.6(a), or by occupying such premises after the one hundred eighty (180)-day period specified above in this paragraph, the Assuming Bank shall, at the Receiver's option, (x) be deemed to have assumed all leases, obligations and liabilities with respect to such premises (including any ground lease with respect to the land on which premises are located), and leased Furniture and Equipment and leased Fixtures located thereon in accordance with this Section 4.6 (unless the

Receiver previously repudiated any such lease), and (y) be required to purchase all Fixtures owned by the Failed Bank and located on such premises as of Bank Closing.

(g) **Omitted.**

4.7 Agreement with Respect to Leased Data Processing Equipment

(a) The Receiver hereby grants to the Assuming Bank an exclusive option for the period of ninety (90) days commencing the day after Bank Closing to accept an assignment from the Receiver of any or all Data Processing Leases to the extent that such Data Processing Leases can be assigned.

(b) The Assuming Bank shall (i) give written notice to the Receiver within the option period specified in Section 4.7(a) of its intent to accept an assignment or sublease of any or all Data Processing Leases and promptly accept an assignment or sublease of such Data Processing Leases, and (ii) give written notice to the appropriate lessor(s) that it has accepted an assignment or sublease of any such Data Processing Leases.

(c) The Receiver agrees to facilitate the assignment or sublease of Data Processing Leases or the negotiation of new leases or license agreements by the Assuming Bank; provided, that neither the Receiver nor the Corporation shall be obligated to engage in litigation or make payments to the Assuming Bank or to any third party in connection with facilitating any such assumption, assignment, sublease or negotiation.

(d) The Assuming Bank agrees, during its period of use of any property subject to a Data Processing Lease, to pay to the Receiver or to appropriate third parties at the direction of the Receiver all operating costs with respect thereto and to comply with all relevant terms of the applicable Data Processing Leases entered into by the Failed Bank, including without limitation the timely payment of all rent, taxes, fees, charges, utilities, insurance and assessments.

(e) The Assuming Bank shall, not later than fifty (50) days after giving the notice provided in Section 4.7(b), (i) relinquish and release to the Receiver all property subject to the relevant Data Processing Lease, in the same condition as at Bank Closing, normal wear and tear excepted, or (ii) accept an assignment or a sublease thereof or negotiate a new lease or license agreement under this Section 4.7.

4.8 Agreement with Respect to Certain Existing Agreements.

With respect to agreements existing as of Bank Closing which provide for the rendering of services by or to the Failed Bank, within one hundred twenty (120) days after Bank Closing, the Assuming Bank shall give the Receiver written notice specifying whether it elects to assume or not to assume each such agreement. Except as may be otherwise provided in this Article IV, the Assuming Bank agrees to comply with the terms of each such agreement for a period commencing on the day after Bank Closing and ending on: (i) in the case of an agreement that provides for the rendering of services by the Failed Bank, the date which is ninety (90) days after Bank Closing, and (ii) in the case of an agreement that provides for the rendering of services to

the Failed Bank, the date which is thirty (30) days after the Assuming Bank has given notice to the Receiver of its election not to assume such agreement; provided, that the Receiver can reasonably make such service agreements available to the Assuming Bank. The Assuming Bank shall be deemed by the Receiver to have assumed agreements for which no notification is timely given. The Receiver agrees to assign, transfer, convey, and deliver to the Assuming Bank all right, title and interest of the Receiver, if any, in and to agreements the Assuming Bank assumes hereunder. In the event the Assuming Bank elects not to accept an assignment of any lease (or sublease) or negotiate a new lease for leased Bank Premises under Section 4.6 and does not otherwise occupy such premises, the provisions of this Section 4.8 shall not apply to service agreements related to such premises. The Assuming Bank agrees, during the period it has the use or benefit of any such agreement, promptly to pay to the Receiver or to appropriate third parties at the direction of the Receiver all operating costs with respect thereto and to comply with all relevant terms of such agreement. This paragraph shall not apply with respect to deposit contracts which are expressly assumed by the Assuming Bank under Section 2.2 of this Agreement.

4.9 Informational Tax Reporting. The Assuming Bank agrees to perform all obligations of the Failed Bank with respect to Federal and State income tax informational reporting related to (i) the Assets and the Liabilities Assumed, (ii) deposit accounts that were closed and loans that were paid off or collateral obtained with respect thereto prior to Bank Closing, (iii) miscellaneous payments made to vendors of the Failed Bank, and (iv) any other asset or liability of the Failed Bank, including, without limitation, loans not purchased and Deposits not assumed by the Assuming Bank, as may be required by the Receiver.

Under a private letter ruling (PLR) issued to the FDIC in January of 1988, the Internal Revenue Service will allow the Assuming Bank to report for the Failed Bank transactions under its own TIN for the entire year 2008; there is no need to dual-report for different payors in pre- v. post-closing date periods.

The Assuming Bank agrees to prepare on behalf of the Receiver all required Federal and State compliance and income/franchise tax returns for the Failed Bank and acquired subsidiary entities as of Bank Closing. The returns will be provided to the Receiver within the statutorily required filing timeframe.

4.10 Insurance. The Assuming Bank agrees to obtain insurance coverage effective from and after Bank Closing, including public liability, fire and extended coverage insurance acceptable to the Receiver with respect to leased Bank Premises that it occupies, and all leased Furniture and Equipment and Fixtures and leased data processing equipment (including hardware and software) located thereon, in the event such insurance coverage is not already in force and effect with respect to the Assuming Bank as the insured as of Bank Closing. All such insurance shall, where appropriate (as determined by the Receiver), name the Receiver as an additional insured.

4.11 Office Space for Receiver and Corporation. For the period commencing on the day following Bank Closing and ending on the one hundred eightieth (180th) day thereafter, the Assuming Bank agrees to provide to the Receiver and the Corporation, without charge, adequate

and suitable office space (including parking facilities and vault space), furniture, equipment (including photocopying and telecopying machines) and utilities (including local telephone service and a dedicated broadband or T-1 internet service) at the Bank Premises occupied by the Assuming Bank for their use in the discharge of their respective functions with respect to the Failed Bank. In the event the Receiver and the Corporation determine that the space provided is inadequate or unsuitable, the Receiver and the Corporation may relocate to other quarters having adequate and suitable space and the costs of relocation and any rental and utility costs for the balance of the period of occupancy by the Receiver and the Corporation shall be borne by the Assuming Bank.

4.12 **Omitted.**

4.13 **Omitted.**

ARTICLE V DUTIES WITH RESPECT TO DEPOSITORS OF THE FAILED BANK

5.1 Payment of Checks, Drafts and Orders. Subject to Section 9.5, the Assuming Bank agrees to pay all properly drawn checks, drafts and withdrawal orders of depositors of the Failed Bank presented for payment, whether drawn on the check or draft forms provided by the Failed Bank or by the Assuming Bank, to the extent that the Deposit balances to the credit of the respective makers or drawers assumed by the Assuming Bank under this Agreement are sufficient to permit the payment thereof, and in all other respects to discharge, in the usual course of conducting a banking business, the duties and obligations of the Failed Bank with respect to the Deposit balances due and owing to the depositors of the Failed Bank assumed by the Assuming Bank under this Agreement.

5.2 Certain Agreements Related to Deposits. Subject to Section 2.2, the Assuming Bank agrees to honor the terms and conditions of any written escrow or mortgage servicing agreement or other similar agreement relating to a Deposit liability assumed by the Assuming Bank pursuant to this Agreement.

5.3 Notice to Depositors.

(a) Within thirty (30) days after Bank Closing, the Assuming Bank shall give (i) notice to depositors of the Failed Bank of its assumption of the Deposit liabilities of the Failed Bank, and (ii) any notice required under Section 2.2, by mailing to each such depositor a notice with respect to such assumption and by advertising in a newspaper of general circulation in the county or counties in which the Failed Bank was located. The Assuming Bank agrees that it will obtain prior approval of all such notices and advertisements from counsel for the Receiver and that such notices and advertisements shall not be mailed or published until such approval is received.

(b) The Assuming Bank shall give notice by mail to depositors of the Failed Bank concerning the procedures to claim their deposits, which notice shall be provided to the

Assuming Bank by the Receiver or the Corporation. Such notice shall be included with the notice to depositors to be mailed by the Assuming Bank pursuant to Section 5.3(a).

(c) If the Assuming Bank proposes to charge fees different from those charged by the Failed Bank before it establishes new deposit account relationships with the depositors of the Failed Bank, the Assuming Bank shall give notice by mail of such changed fees to such depositors.

ARTICLE VI RECORDS

6.1 Transfer of Records.

(a) In accordance with Section 3.1, the Receiver assigns, transfers, conveys and delivers to the Assuming Bank the following Records pertaining to the Deposit liabilities of the Failed Bank assumed by the Assuming Bank under this Agreement, except as provided in Section 6.4:

- (i) signature cards, orders, contracts between the Failed Bank and its depositors and Records of similar character;
- (ii) passbooks of depositors held by the Failed Bank, deposit slips, cancelled checks and withdrawal orders representing charges to accounts of depositors;

and the following Records pertaining to the Assets:

- (iii) records of deposit balances carried with other banks, bankers or trust companies;
- (iv) Loan and collateral records and Credit Files and other documents;
- (v) deeds, mortgages, abstracts, surveys, and other instruments or records of title pertaining to real estate or real estate mortgages;
- (vi) signature cards, agreements and records pertaining to Safe Deposit Boxes, if any; and
- (vii) records pertaining to the credit card business, trust business or safekeeping business of the Failed Bank, if any.

(b) The Receiver, at its option, may assign and transfer to the Assuming Bank by a single blanket assignment or otherwise, as soon as practicable after Bank Closing, any other Records not assigned and transferred to the Assuming Bank as provided in this Agreement, including but not limited to loan disbursement checks, general ledger tickets, official bank checks, proof transactions (including proof tapes) and paid out loan files.

6.2 Delivery of Assigned Records. The Receiver shall deliver to the Assuming Bank all Records described in (i) Section 6.1(a) as soon as practicable on or after the date of this Agreement, and (ii) Section 6.1(b) as soon as practicable after making any assignment described therein.

6.3 Preservation of Records. The Assuming Bank agrees that it will preserve and maintain for the joint benefit of the Receiver, the Corporation and the Assuming Bank, all Records of which it has custody for such period as either the Receiver or the Corporation in its discretion may require, until directed otherwise, in writing, by the Receiver or Corporation. The Assuming Bank shall have the primary responsibility to respond to subpoenas, discovery requests, and other similar official inquiries with respect to the Records of which it has custody.

6.4 Access to Records; Copies. The Assuming Bank agrees to permit the Receiver and the Corporation access to all Records of which the Assuming Bank has custody, and to use, inspect, make extracts from or request copies of any such Records in the manner and to the extent requested, and to duplicate, in the discretion of the Receiver or the Corporation, any Record in the form of microfilm or microfiche pertaining to Deposit account relationships; provided, that in the event that the Failed Bank maintained one or more duplicate copies of such microfilm or microfiche Records, the Assuming Bank hereby assigns, transfers, and conveys to the Corporation one such duplicate copy of each such Record without cost to the Corporation, and agrees to deliver to the Corporation all Records assigned and transferred to the Corporation under this Article VI as soon as practicable on or after the date of this Agreement. The party requesting a copy of any Record shall bear the cost (based on standard accepted industry charges to the extent applicable, as determined by the Receiver) for providing such duplicate Records. A copy of each Record requested shall be provided as soon as practicable by the party having custody thereof.

ARTICLE VII BID; INITIAL PAYMENT

The Assuming Bank has submitted to the Receiver a positive bid of \$1,888,000,000.00 for the Assets purchased and Liabilities Assumed hereunder (the "Bid Amount"). On the Payment Date, the Assuming Bank will pay to the Corporation, or the Corporation will pay to the Assuming Bank, as the case may be, the Initial Payment, together with interest on such amount (if the Payment Date is not the day following the day of Bank Closing) from and including the day following Bank Closing to and including the day preceding the Payment Date at the Settlement Interest Rate.

ARTICLE VIII PROFORMA

The Assuming Bank, as soon as practical after Bank Closing, in accordance with the best information then available, shall provide to the Receiver a Proforma Statement of Condition indicating all assets and liabilities of the Failed Bank as shown on the Failed Bank's books and records as of Bank Closing and reflecting which assets and liabilities are passing to the Assuming Bank and which assets and liabilities are to be retained by the Receiver. In addition, the Assuming Bank is to provide to the Receiver, in a standard data request as defined by the Receiver, an electronic database of all loans, deposits, and subsidiaries and other business combinations owned by the Failed Bank as of Bank Closing. See Schedule 3.1a.

ARTICLE IX CONTINUING COOPERATION

9.1 General Matters. The parties hereto agree that they will, in good faith and with their best efforts, cooperate with each other to carry out the transactions contemplated by this Agreement and to effect the purposes hereof.

9.2 Additional Title Documents. The Receiver, the Corporation and the Assuming Bank each agree, at any time, and from time to time, upon the request of any party hereto, to execute and deliver such additional instruments and documents of conveyance as shall be reasonably necessary to vest in the appropriate party its full legal or equitable title in and to the property transferred pursuant to this Agreement or to be transferred in accordance herewith. The Assuming Bank shall prepare such instruments and documents of conveyance (in form and substance satisfactory to the Receiver) as shall be necessary to vest title to the Assets in the Assuming Bank. The Assuming Bank shall be responsible for recording such instruments and documents of conveyance at its own expense.

9.3 Claims and Suits.

(a) The Receiver shall have the right, in its discretion, to (i) defend or settle any claim or suit against the Assuming Bank with respect to which the Receiver has indemnified the Assuming Bank in the same manner and to the same extent as provided in Article XII, and (ii) defend or settle any claim or suit against the Assuming Bank with respect to any Liability Assumed, which claim or suit may result in a loss to the Receiver arising out of or related to this Agreement, or which existed against the Failed Bank on or before Bank Closing. The exercise by the Receiver of any rights under this Section 9.3(a) shall not release the Assuming Bank with respect to any of its obligations under this Agreement.

(b) In the event any action at law or in equity shall be instituted by any Person against the Receiver and the Corporation as codefendants with respect to any asset of the Failed Bank retained or acquired pursuant to this Agreement by the Receiver, the Receiver agrees, at the request of the Corporation, to join with the Corporation in a petition to remove the action to the United States District Court for the proper district. The Receiver agrees to institute, with or without joinder of the Corporation as coplaintiff, any action with respect to any such retained or acquired asset or any matter connected therewith whenever notice requiring such action shall be given by the Corporation to the Receiver.

9.4 Payment of Deposits. In the event any depositor does not accept the obligation of the Assuming Bank to pay any Deposit liability of the Failed Bank assumed by the Assuming Bank pursuant to this Agreement and asserts a claim against the Receiver for all or any portion of any such Deposit liability, the Assuming Bank agrees on demand to provide to the Receiver funds sufficient to pay such claim in an amount not in excess of the Deposit liability reflected on the books of the Assuming Bank at the time such claim is made. Upon payment by the Assuming Bank to the Receiver of such amount, the Assuming Bank shall be discharged from any further obligation under this Agreement to pay to any such depositor the amount of such Deposit liability paid to the Receiver.

9.5 Withheld Payments. At any time, the Receiver or the Corporation may, in its discretion, determine that all or any portion of any deposit balance assumed by the Assuming Bank pursuant to this Agreement does not constitute a "Deposit" (or otherwise, in its discretion, determine that it is the best interest of the Receiver or Corporation to withhold all or any portion of any deposit), and may direct the Assuming Bank to withhold payment of all or any portion of any such deposit balance. Upon such direction, the Assuming Bank agrees to hold such deposit and not to make any payment of such deposit balance to or on behalf of the depositor, or to itself, whether by way of transfer, set-off, or otherwise. The Assuming Bank agrees to maintain the "withheld payment" status of any such deposit balance until directed in writing by the Receiver or the Corporation as to its disposition. At the direction of the Receiver or the Corporation, the Assuming Bank shall return all or any portion of such deposit balance to the Receiver or the Corporation, as appropriate, and thereupon the Assuming Bank shall be discharged from any further liability to such depositor with respect to such returned deposit balance. If such deposit balance has been paid to the depositor prior to a demand for return by the Corporation or the Receiver, and payment of such deposit balance had not been previously withheld pursuant to this Section, the Assuming Bank shall not be obligated to return such deposit balance to the Receiver or the Corporation. The Assuming Bank shall be obligated to reimburse the Corporation or the Receiver, as the case may be, for the amount of any deposit balance or portion thereof paid by the Assuming Bank in contravention of any previous direction to withhold payment of such deposit balance or return such deposit balance the payment of which was withheld pursuant to this Section.

9.6 Proceedings with Respect to Certain Assets and Liabilities.

(a) In connection with any investigation, proceeding or other matter with respect to any asset or liability of the Failed Bank retained by the Receiver, or any asset of the Failed Bank acquired by the Receiver pursuant to this Agreement, the Assuming Bank shall cooperate to the extent reasonably required by the Receiver.

(b) In addition to its obligations under Section 6.4, the Assuming Bank shall provide representatives of the Receiver access at reasonable times and locations without other limitation or qualification to (i) its directors, officers, employees and agents and those of the Subsidiaries acquired by the Assuming Bank, and (ii) its books and records, the books and records of such Subsidiaries and all Credit Files, and copies thereof. Copies of books, records and Credit Files

shall be provided by the Assuming Bank as requested by the Receiver and the costs of duplication thereof shall be borne by the Receiver.

(c) Not later than ten (10) days after the Put Notice pursuant to Section 3.4 or the date of the notice of transfer of any Loan by the Assuming Bank to the Receiver pursuant to Section 3.6, the Assuming Bank shall deliver to the Receiver such documents with respect to such Loan as the Receiver may request, including without limitation the following: (i) all related Credit Documents (other than certificates, notices and other ancillary documents), (ii) a certificate setting forth the principal amount on the date of the transfer and the amount of interest, fees and other charges then accrued and unpaid thereon, and any restrictions on transfer to which any such Loan is subject, and (iii) all Credit Files, and all documents, microfiche, microfilm and computer records (including but not limited to magnetic tape, disc storage, card forms and printed copy) maintained by, owned by, or in the possession of the Assuming Bank or any Affiliate of the Assuming Bank relating to the transferred Loan.

9.7 Information. The Assuming Bank promptly shall provide to the Corporation such other information, including financial statements and computations, relating to the performance of the provisions of this Agreement as the Corporation or the Receiver may request from time to time, and, at the request of the Receiver, make available employees of the Failed Bank employed or retained by the Assuming Bank to assist in preparation of the pro forma statement pursuant to Section 8.1.

ARTICLE X CONDITION PRECEDENT

The obligations of the parties to this Agreement are subject to the Receiver and the Corporation having received at or before Bank Closing evidence reasonably satisfactory to each of any necessary approval, waiver, or other action by any governmental authority, the board of directors of the Assuming Bank, or other third party, with respect to this Agreement and the transactions contemplated hereby, the closing of the Failed Bank and the appointment of the Receiver, the chartering of the Assuming Bank, and any agreements, documents, matters or proceedings contemplated hereby or thereby.

ARTICLE XI REPRESENTATIONS AND WARRANTIES OF THE ASSUMING BANK

The Assuming Bank represents and warrants to the Corporation and the Receiver as follows:

(a) **Corporate Existence and Authority.** The Assuming Bank (i) is duly organized, validly existing and in good standing under the laws of its Chartering Authority and has full power and authority to own and operate its properties and to conduct its business as now conducted by it, and (ii) has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The Assuming Bank has taken all necessary corporate

action to authorize the execution, delivery and performance of this Agreement and the performance of the transactions contemplated hereby.

(b) **Third Party Consents.** No governmental authority or other third party consents (including but not limited to approvals, licenses, registrations or declarations) are required in connection with the execution, delivery or performance by the Assuming Bank of this Agreement, other than such consents as have been duly obtained and are in full force and effect.

(c) **Execution and Enforceability.** This Agreement has been duly executed and delivered by the Assuming Bank and when this Agreement has been duly authorized, executed and delivered by the Corporation and the Receiver, this Agreement will constitute the legal, valid and binding obligation of the Assuming Bank, enforceable in accordance with its terms.

(d) **Compliance with Law.**

(i) Neither the Assuming Bank nor any of its Subsidiaries is in violation of any statute, regulation, order, decision, judgment or decree of, or any restriction imposed by, the United States of America, any State, municipality or other political subdivision or any agency of any of the foregoing, or any court or other tribunal having jurisdiction over the Assuming Bank or any of its Subsidiaries or any assets of any such Person, or any foreign government or agency thereof having such jurisdiction, with respect to the conduct of the business of the Assuming Bank or of any of its Subsidiaries, or the ownership of the properties of the Assuming Bank or any of its Subsidiaries, which, either individually or in the aggregate with all other such violations, would materially and adversely affect the business, operations or condition (financial or otherwise) of the Assuming Bank or the ability of the Assuming Bank to perform, satisfy or observe any obligation or condition under this Agreement.

(ii) Neither the execution and delivery nor the performance by the Assuming Bank of this Agreement will result in any violation by the Assuming Bank of, or be in conflict with, any provision of any applicable law or regulation, or any order, writ or decree of any court or governmental authority.

e) **Representations Remain True.** The Assuming Bank represents and warrants that it has executed and delivered to the Corporation a Purchaser Eligibility Certification and Confidentiality Agreement and that all information provided and representations made by or on behalf of the Assuming Bank in connection with this Agreement and the transactions contemplated hereby, including, but not limited to, the Purchaser Eligibility Certification and Confidentiality Agreement (which are affirmed and ratified hereby) are and remain true and correct in all material respects and do not fail to state any fact required to make the information contained therein not misleading.

ARTICLE XII INDEMNIFICATION

12.1 Indemnification of Indemnitees. From and after Bank Closing and subject to the limitations set forth in this Section and Section 12.6 and compliance by the Indemnitees with Section 12.2, the Receiver agrees to indemnify and hold harmless the Indemnitees against any and all costs, losses, liabilities, expenses (including attorneys' fees) incurred prior to the assumption of defense by the Receiver pursuant to paragraph (d) of Section 12.2, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with claims against any Indemnitee (1) based on liabilities of the Failed Bank that are not assumed by the Assuming Bank pursuant to this Agreement or subsequent to the execution hereof by the Assuming Bank or any Subsidiary or Affiliate of the Assuming Bank for which indemnification is provided hereunder in (a) of this Section 12.1 or (2) described in Section 12.1(a) below subject in each case to certain exclusions as provided in (b) of this Section 12.1:

(a)

(1) claims based on the rights of any shareholder or former shareholder as such of (x) the Failed Bank, or (y) any Subsidiary or Affiliate of the Failed Bank;

(2) claims based on the rights of any creditor as such of the Failed Bank, or any creditor as such of any director, officer, employee or agent of the Failed Bank or any Affiliate of the Failed Bank, with respect to any indebtedness or other obligation of the Failed Bank or any Affiliate of the Failed Bank arising prior to Bank Closing;

(3) claims based on the rights of any present or former director, officer, employee or agent as such of the Failed Bank or of any Subsidiary or Affiliate of the Failed Bank;

(4) claims based on any action or inaction prior to Bank Closing of the Failed Bank, its directors, officers, employees or agents as such, or any Subsidiary or Affiliate of the Failed Bank, or the directors, officers, employees or agents as such of such Subsidiary or Affiliate;

(5) claims based on any malfeasance, misfeasance or nonfeasance of the Failed Bank, its directors, officers, employees or agents with respect to the trust business of the Failed Bank, if any;

(6) claims based on any failure or alleged failure (not in violation of law) by the Assuming Bank to continue to perform any service or activity previously performed by the Failed Bank which the Assuming Bank is not required to perform pursuant to this Agreement or which arise under any contract to which the Failed Bank was a party which the Assuming Bank elected not to assume in accordance with this Agreement and which neither the Assuming Bank nor any Subsidiary or Affiliate of the Assuming Bank has assumed subsequent to the execution hereof;

(7) claims arising from any action or inaction of any Indemnitee, including for purposes of this Section 12.1(a)(7) the former officers or employees of the Failed Bank or of any Subsidiary or Affiliate of the Failed Bank that is taken upon the specific written direction of the Corporation or the Receiver, other than any action or inaction taken in a manner constituting bad faith, gross negligence or willful misconduct; and

(8) claims based on the rights of any depositor of the Failed Bank whose deposit has been accorded "withheld payment" status and/or returned to the Receiver or Corporation in accordance with Section 9.5 and/or has become an "unclaimed deposit" or has been returned to the Corporation or the Receiver in accordance with Section 2.3;

(9) claims asserted by, or derivatively by any shareholder on behalf of, the Failed Bank's parent company based on the process of bidding, negotiation, execution and consummation of the transactions contemplated by this Agreement, provided that (x) the amount of the indemnification paid or payable pursuant to this clause (9) shall not exceed \$500,000,000, and (y) the indemnification provided by this clause (9) shall cover only those claims specifically enumerated in the FDIC's approval of the transactions contemplated by this Agreement.

(b) provided, that, with respect to this Agreement, except for paragraphs (7), (8) and (9) of Section 12.1(a), no indemnification will be provided under this Agreement for any:

(1) judgment or fine against, or any amount paid in settlement (without the written approval of the Receiver) by, any Indemnitee in connection with any action that seeks damages against any Indemnitee (a "counterclaim") arising with respect to any Asset and based on any action or inaction of either the Failed Bank, its directors, officers, employees or agents as such prior to Bank Closing, unless any such judgment, fine or amount paid in settlement exceeds the greater of (i) the Repurchase Price of such Asset, or (ii) the monetary recovery sought on such Asset by the Assuming Bank in the cause of action from which the counterclaim arises; and in such event the Receiver will provide indemnification only in the amount of such excess; and no indemnification will be provided for any costs or expenses other than any costs or expenses (including attorneys' fees) which, in the determination of the Receiver, have been actually and reasonably incurred by such Indemnitee in connection with the defense of any such counterclaim; and it is expressly agreed that the Receiver reserves the right to intervene, in its discretion, on its behalf and/or on behalf of the Receiver, in the defense of any such counterclaim;

(2) claims with respect to any liability or obligation of the Failed Bank that is expressly assumed by the Assuming Bank pursuant to this Agreement or subsequent to the execution hereof by the Assuming Bank or any Subsidiary or Affiliate of the Assuming Bank;

(3) claims with respect to any liability of the Failed Bank to any present or former employee as such of the Failed Bank or of any Subsidiary or Affiliate of the Failed Bank, which liability is expressly assumed by the Assuming Bank pursuant to this Agreement or subsequent to the execution hereof by the Assuming Bank or any Subsidiary or Affiliate of the Assuming Bank;

(4) claims based on the failure of any Indemnitee to seek recovery of damages from the Receiver for any claims based upon any action or inaction of the Failed Bank, its directors, officers, employees or agents as fiduciary, agent or custodian prior to Bank Closing;

(5) claims based on any violation or alleged violation by any Indemnitee of the antitrust, branching, banking or bank holding company or securities laws of the United States of America or any State thereof;

(6) claims based on the rights of any present or former creditor, customer, or supplier as such of the Assuming Bank or any Subsidiary or Affiliate of the Assuming Bank;

(7) claims based on the rights of any present or former shareholder as such of the Assuming Bank or any Subsidiary or Affiliate of the Assuming Bank regardless of whether any such present or former shareholder is also a present or former shareholder of the Failed Bank;

(8) claims, if the Receiver determines that the effect of providing such indemnification would be to (i) expand or alter the provisions of any warranty or disclaimer thereof provided in Section 3.3 or any other provision of this Agreement, or (ii) create any warranty not expressly provided under this Agreement;

(9) claims which could have been enforced against any Indemnitee had the Assuming Bank not entered into this Agreement;

(10) claims based on any liability for taxes or fees assessed with respect to the consummation of the transactions contemplated by this Agreement, including without limitation any subsequent transfer of any Assets or Liabilities Assumed to any Subsidiary or Affiliate of the Assuming Bank;

(11) except as expressly provided in this Article XII, claims based on any action or inaction of any Indemnitee, and nothing in this Agreement shall be construed to provide indemnification for (i) the Failed Bank, (ii) any Subsidiary or Affiliate of the Failed Bank, or (iii) any present or former director, officer, employee or agent of the Failed Bank or its Subsidiaries or Affiliates; provided, that the Receiver, in its discretion, may provide indemnification hereunder for any present or former director, officer, employee or agent of the Failed Bank or its Subsidiaries or Affiliates who is also or becomes a director, officer, employee or agent of the Assuming Bank or its Subsidiaries or Affiliates;

(12) claims or actions which constitute a breach by the Assuming Bank of the representations and warranties contained in Article XI;

(13) claims arising out of or relating to the condition of or generated by an Asset arising from or relating to the presence, storage or release of any hazardous or toxic substance, or any pollutant or contaminant, or condition of such Asset which violate any applicable Federal, State or local law or regulation concerning environmental protection;

(14) claims based on, related to or arising from any asset, including a loan, acquired or liability assumed by the Assuming Bank, other than pursuant to this Agreement; and

(15) claims based on, related to or arising from any liability specifically not assumed by the Assuming Bank pursuant to Section 2.5 of this Agreement.

12.2 Conditions Precedent to Indemnification. It shall be a condition precedent to the obligation of the Receiver to indemnify any Person pursuant to this Article XII that such

Person shall, with respect to any claim made or threatened against such Person for which such Person is or may be entitled to indemnification hereunder:

(a) give written notice to the Regional Counsel (Litigation Branch) of the Corporation in the manner and at the address provided in Section 13.7 of such claim as soon as practicable after such claim is made or threatened; provided, that notice must be given on or before the date which is six (6) years from the date of this Agreement;

(b) provide to the Receiver such information and cooperation with respect to such claim as the Receiver may reasonably require;

(c) cooperate and take all steps, as the Receiver may reasonably require, to preserve and protect any defense to such claim;

(d) in the event suit is brought with respect to such claim, upon reasonable prior notice, afford to the Receiver the right, which the Receiver may exercise in its sole discretion, to conduct the investigation, control the defense and effect settlement of such claim, including without limitation the right to designate counsel and to control all negotiations, litigation, arbitration, settlements, compromises and appeals of any such claim, all of which shall be at the expense of the Receiver; provided, that the Receiver shall have notified the Person claiming indemnification in writing that such claim is a claim with respect to which the Person claiming indemnification is entitled to indemnification under this Article XII;

(e) not incur any costs or expenses in connection with any response or suit with respect to such claim, unless such costs or expenses were incurred upon the written direction of the Receiver; provided, that the Receiver shall not be obligated to reimburse the amount of any such costs or expenses unless such costs or expenses were incurred upon the written direction of the Receiver;

(f) not release or settle such claim or make any payment or admission with respect thereto, unless the Receiver consents in writing thereto, which consent shall not be unreasonably withheld; provided, that the Receiver shall not be obligated to reimburse the amount of any such settlement or payment unless such settlement or payment was effected upon the written direction of the Receiver; and

(g) take reasonable action as the Receiver may request in writing as necessary to preserve, protect or enforce the rights of the indemnified Person against any Primary Indemnitor.

12.3 No Additional Warranty. Nothing in this Article XII shall be construed or deemed to (i) expand or otherwise alter any warranty or disclaimer thereof provided under Section 3.3 or any other provision of this Agreement with respect to, among other matters, the title, value, collectibility, genuineness, enforceability or condition of any (x) Asset, or (y) asset of the Failed Bank purchased by the Assuming Bank subsequent to the execution of this Agreement by the Assuming Bank or any Subsidiary or Affiliate of the Assuming Bank, or (ii) create any warranty not expressly provided under this Agreement with respect thereto.

12.4 Indemnification of Receiver and Corporation. From and after Bank Closing, the Assuming Bank agrees to indemnify and hold harmless the Corporation and the Receiver and their respective directors, officers, employees and agents from and against any and all costs, losses, liabilities, expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with any of the following:

(a) claims based on any and all liabilities or obligations of the Failed Bank assumed by the Assuming Bank pursuant to this Agreement or subsequent to the execution hereof by the Assuming Bank or any Subsidiary or Affiliate of the Assuming Bank, whether or not any such liabilities subsequently are sold and/or transferred, other than any claim based upon any action or inaction of any Indemnitee as provided in paragraph (7) or (8) of Section 12.1(a); and

(b) claims based on any act or omission of any Indemnitee (including but not limited to claims of any Person claiming any right or title by or through the Assuming Bank with respect to Assets transferred to the Receiver pursuant to Section 3.4 or 3.6), other than any action or inaction of any Indemnitee as provided in paragraph (7) or (8) of Section 12.1(a).

12.5 Obligations Supplemental. The obligations of the Receiver, and the Corporation as guarantor in accordance with Section 12.7, to provide indemnification under this Article XII are to supplement any amount payable by any Primary Indemnitor to the Person indemnified under this Article XII. Consistent with that intent, the Receiver agrees only to make payments pursuant to such indemnification to the extent not payable by a Primary Indemnitor. If the aggregate amount of payments by the Receiver, or the Corporation as guarantor in accordance with Section 12.7, and all Primary Indemnitors with respect to any item of indemnification under this Article XII exceeds the amount payable with respect to such item, such Person being indemnified shall notify the Receiver thereof and, upon the request of the Receiver, shall promptly pay to the Receiver, or the Corporation as appropriate, the amount of the Receiver's (or Corporation's) payments to the extent of such excess.

12.6 Criminal Claims. Notwithstanding any provision of this Article XII to the contrary, in the event that any Person being indemnified under this Article XII shall become involved in any criminal action, suit or proceeding, whether judicial, administrative or investigative, the Receiver shall have no obligation hereunder to indemnify such Person for liability with respect to any criminal act or to the extent any costs or expenses are attributable to the defense against the allegation of any criminal act, unless (i) the Person is successful on the merits or otherwise in the defense against any such action, suit or proceeding, or (ii) such action, suit or proceeding is terminated without the imposition of liability on such Person.

12.7 Limited Guaranty of the Corporation. The Corporation hereby guarantees performance of the Receiver's obligation to indemnify the Assuming Bank as set forth in this Article XII. It is a condition to the Corporation's obligation hereunder that the Assuming Bank shall comply in all respects with the applicable provisions of this Article XII. The Corporation shall be liable hereunder only for such amounts, if any, as the Receiver is obligated to pay under the terms of this Article XII but shall fail to pay. Except as otherwise provided above in this Section 12.7, nothing in this Article XII is intended or shall be construed to create any liability or obligation on the part of the Corporation, the United States of America or any department or

agency thereof under or with respect to this Article XII, or any provision hereof, it being the intention of the parties hereto that the obligations undertaken by the Receiver under this Article XII are the sole and exclusive responsibility of the Receiver and no other Person or entity.

12.8 Subrogation. Upon payment by the Receiver, or the Corporation as guarantor in accordance with Section 12.7, to any Indemnitee for any claims indemnified by the Receiver under this Article XII, the Receiver, or the Corporation as appropriate, shall become subrogated to all rights of the Indemnitee against any other Person to the extent of such payment.

ARTICLE XIII MISCELLANEOUS

13.1 Entire Agreement. This Agreement embodies the entire agreement of the parties hereto in relation to the subject matter herein and supersedes all prior understandings or agreements, oral or written, between the parties.

13.2 Headings. The headings and subheadings of the Table of Contents, Articles and Sections contained in this Agreement, except the terms identified for definition in Article I and elsewhere in this Agreement, are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

13.3 Counterparts. This Agreement may be executed in any number of counterparts and by the duly authorized representative of a different party hereto on separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

13.4 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE FEDERAL LAW OF THE UNITED STATES OF AMERICA, AND IN THE ABSENCE OF CONTROLLING FEDERAL LAW, IN ACCORDANCE WITH THE LAWS OF THE STATE IN WHICH THE MAIN OFFICE OF THE FAILED BANK IS LOCATED.

13.5 Successors. All terms and conditions of this Agreement shall be binding on the successors and assigns of the Receiver, the Corporation and the Assuming Bank. Except as otherwise specifically provided in this Agreement, nothing expressed or referred to in this Agreement is intended or shall be construed to give any Person other than the Receiver, the Corporation and the Assuming Bank any legal or equitable right, remedy or claim under or with respect to this Agreement or any provisions contained herein, it being the intention of the parties hereto that this Agreement, the obligations and statements of responsibilities hereunder, and all other conditions and provisions hereof are for the sole and exclusive benefit of the Receiver, the Corporation and the Assuming Bank and for the benefit of no other Person.

13.6 Modification; Assignment. No amendment or other modification, rescission, release, or assignment of any part of this Agreement shall be effective except pursuant to a written agreement subscribed by the duly authorized representatives of the parties hereto.

13.7 Notice. Any notice, request, demand, consent, approval or other communication to any party hereto shall be effective when received and shall be given in writing, and delivered in person against receipt therefore, or sent by certified mail, postage prepaid, courier service, telex or facsimile transmission to such party (with copies as indicated below) at its address set forth below or at such other address as it shall hereafter furnish in writing to the other parties. All such notices and other communications shall be deemed given on the date received by the addressee.

Assuming Bank

JPMorgan Chase Bank, National Association
270 Park Avenue
New York, New York 10017

Attention: Brian A. Bessey

with a copy to: Stephen M. Cutler

Receiver and Corporation

Federal Deposit Insurance Corporation,
Receiver of Washington Mutual Bank, Henderson, Nevada
1601 Bryan St., Suite 1700
Dallas, Texas 75201

Attention: Deputy Director (DRR-Field Operations Branch)

with copy to: Regional Counsel (Litigation Branch)

and with respect to notice under Article XII:

Federal Deposit Insurance Corporation
Receiver of Washington Mutual Bank, Henderson, Nevada
1601 Bryan St., Suite 1700
Dallas, Texas 75201
Attention: Regional Counsel (Litigation Branch)

13.8 Manner of Payment. All payments due under this Agreement shall be in lawful money of the United States of America in immediately available funds as each party hereto may specify to the other parties; provided, that in the event the Receiver or the Corporation is obligated to make any payment hereunder in the amount of \$25,000.00 or less, such payment may be made by check.

13.9 Costs, Fees and Expenses. Except as otherwise specifically provided herein, each party hereto agrees to pay all costs, fees and expenses which it has incurred in connection with or incidental to the matters contained in this Agreement, including without limitation any fees and disbursements to its accountants and counsel; provided, that the Assuming Bank shall pay all fees, costs and expenses (other than attorneys' fees incurred by the Receiver) incurred in connection with the transfer to it of any Assets or Liabilities Assumed hereunder or in accordance herewith.

13.10 Waiver. Each of the Receiver, the Corporation and the Assuming Bank may waive its respective rights, powers or privileges under this Agreement; provided, that such waiver shall be in writing; and further provided, that no failure or delay on the part of the Receiver, the Corporation or the Assuming Bank to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege by the Receiver, the Corporation, or the Assuming Bank under this Agreement, nor will any such waiver operate or be construed as a future waiver of such right, power or privilege under this Agreement.

13.11 Severability. If any provision of this Agreement is declared invalid or unenforceable, then, to the extent possible, all of the remaining provisions of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.

13.12 Term of Agreement. This Agreement shall continue in full force and effect until the sixth (6th) anniversary of Bank Closing; provided, that the provisions of Section 6.3 and 6.4 shall survive the expiration of the term of this Agreement. Provided, however, the receivership of the Failed Bank may be terminated prior to the expiration of the term of this Agreement; in such event, the guaranty of the Corporation, as provided in and in accordance with the provisions of Section 12.7 shall be in effect for the remainder of the term. Expiration of the term of this Agreement shall not affect any claim or liability of any party with respect to any (i) amount which is owing at the time of such expiration, regardless of when such amount becomes payable, and (ii) breach of this Agreement occurring prior to such expiration, regardless of when such breach is discovered.

13.13 Survival of Covenants, Etc. The covenants, representations, and warranties in this Agreement shall survive the execution of this Agreement and the consummation of the transactions contemplated hereunder.

[Signature Page Follows]

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

**FEDERAL DEPOSIT INSURANCE CORPORATION,
RECEIVER OF: WASHINGTON MUTUAL BANK,
HENDERSON, NEVADA**

BY: _____

NAME: Mitchell L. Glassman
TITLE: Director

Attest:

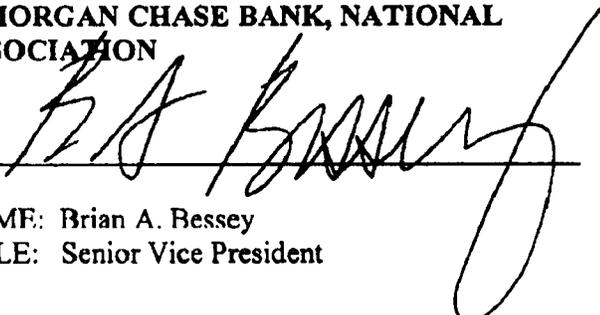
FEDERAL DEPOSIT INSURANCE CORPORATION

BY: _____

NAME: Mitchell L. Glassman
TITLE: Director

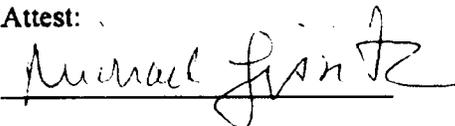
Attest:

**JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION**

BY:  _____

NAME: Brian A. Bessey
TITLE: Senior Vice President

Attest:



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

**FEDERAL DEPOSIT INSURANCE CORPORATION,
RECEIVER OF: WASHINGTON MUTUAL BANK,
HENDERSON, NEVADA**

BY: Mitchell L. Glassman

NAME: Mitchell L. Glassman
TITLE: Director

Attest:

David Geam

FEDERAL DEPOSIT INSURANCE CORPORATION

BY: Mitchell L. Glassman

NAME: Mitchell L. Glassman
TITLE: Director

Attest:

David Geam

**JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION**

BY: _____

NAME: Brian A. Bessey
TITLE: Senior Vice President

Attest:

SCHEDULE 2.1 - Certain Liabilities Not Assumed

1. Preferred stock and litigation pending against the Failed Bank related to liabilities retained by the receiver.
2. Subordinated debt.
3. Senior debt.
4. All employee benefit plans sponsored by the holding company of the Failed Bank except the tax-qualified pension and 401(k) plans and employee medical plan.
5. All management, employment, change-in-control, severance, unfunded deferred compensation and individual consulting agreements or plans (i) between the Failed Bank and its employees or (ii) maintained by the Failed Bank on behalf of its employees.

SCHEDULE 3.2 - Purchase Price of Assets

(a)	cash and receivables from depository institutions, including cash items in the process of collection, plus interest thereon:	Book Value
(b)	securities (exclusive of the capital stock of Acquired Subsidiaries), plus interest thereon:	Market Value
(c)	federal funds sold and repurchase agreements, if any, including interest thereon:	Book Value
(d)	Loans:	Book Value
(e)	Other Real Estate:	Book Value
(f)	credit card business, if any, including all outstanding extensions of credit:	Book Value
(g)	Safe Deposit Boxes and related business, safekeeping business and trust business, if any:	Book Value
(h)	Records and other documents:	Book Value
(i)	capital stock of any Acquired Subsidiaries:	Book Value
(j)	amounts owed to the Failed Bank by any Acquired Subsidiary:	Book Value
(k)	assets securing Deposits of public money, to the extent not otherwise purchased hereunder:	Book Value
(l)	Overdrafts of customers:	Book Value

- | | | |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| (m) | rights, if any, with respect to Qualified Financial Contracts. | Market Value |
| (n) | rights of the Failed Bank to provide mortgage servicing for others and to have mortgage servicing provided to the Failed Bank by others and related contracts. | Book Value |
| (o) | Bank Premises: | Book Value |
| (p) | Furniture and Equipment: | Book Value |
| (q) | Fixtures: | Book Value |

SCHEDULE 3.5 - Certain Assets Not Purchased

(1) Any Financial Institution Bonds, Banker's Blanket Bonds, surety bonds (except Court bonds required for retained litigation risk), Directors and Officers insurance, Professional Liability insurance, or related premium refund, unearned premium derived from cancellation, or any proceeds payable with respect to any of the foregoing. This shall exclude Commercial General Liability, International Liability, Commercial Automobile, Worker's Compensation, Employer's Liability, Umbrella and Excess Liability, Property, Mortgage Impairment and Mortgage Errors & Omissions, Lender-placed coverage, Private Mortgage Insurance, Boiler & Machinery, Terrorism, Mail, Storage Tank Liability, Marine Liability, Vessel Hull and Vessel Pollution (if marine assets are acquired), Aircraft Liability (if aircraft assets are acquired) insurance policies, proceeds and collateral related to, held or issued with respect to or in connection with any Asset (including Bank staff) acquired by the Assuming Bank under this Agreement, which such policies, proceeds and collateral are acquired Assets.

(2) any interest, right, action, claim, or judgment against (i) any officer, director, employee, accountant, attorney, or any other Person employed or retained by the Failed Bank or any Subsidiary of the Failed Bank on or prior to Bank Closing arising out of any act or omission of such Person in such capacity, (ii) any underwriter of financial institution bonds, banker's blanket bonds or any other insurance policy of the Failed Bank, (iii) any shareholder or holding company of the Failed Bank, or (iv) any other Person whose action or inaction may be related to any loss (exclusive of any loss resulting from such Person's failure to pay on a Loan made by the Failed Bank) incurred by the Failed Bank; provided, that for the purposes hereof, the acts, omissions or other events giving rise to any such claim shall have occurred on or before Bank Closing, regardless of when any such claim is discovered and regardless of whether any such claim is made with respect to a financial institution bond, banker's blanket bond, or any other insurance policy of the Failed Bank in force as of Bank Closing;

(3) leased Bank Premises and leased Furniture and Equipment and Fixtures and data processing equipment (including hardware and software) located on leased or owned Bank Premises, if any; provided, that the Assuming Bank does obtain an option under Section 4.6, Section 4.7 or Section 4.8, as the case may be, with respect thereto; and

(4) any criminal/restitution orders issued in favor of the Failed Bank;

EXHIBIT 3.2(c) -- VALUATION OF CERTAIN QUALIFIED FINANCIAL CONTRACTS

A. Scope

Interest Rate Contracts - All interest rate swaps, forward rate agreements, interest rate futures, caps, collars and floors, whether purchased or written.

Option Contracts - All put and call option contracts, whether purchased or written, on marketable securities, financial futures, foreign currencies, foreign exchange or foreign exchange futures contracts.

Foreign Exchange Contracts - All contracts for future purchase or sale of foreign currencies, foreign currency or cross currency swap contracts, or foreign exchange futures contracts.

B. Exclusions

All financial contracts used to hedge assets and liabilities that are acquired by the Assuming Bank but are not subject to adjustment from Book Value.

C. Adjustment

The difference between the Book Value and market value as of Bank Closing.

D. Methodology

1. The price at which the Assuming Bank sells or disposes of Qualified Financial Contracts will be deemed to be the fair market value of such contracts, if such sale or disposition occurs at prevailing market rates within a predefined timetable as agreed upon by the Assuming Bank and the Receiver.
2. In valuing all other Qualified Financial Contracts, the following principles will apply:
 - (i) All known cash flows under swaps or forward exchange contracts shall be present valued to the swap zero coupon interest rate curve.
 - (ii) All valuations shall employ prices and interest rates based on the actual frequency of rate reset or payment.
 - (iii) Each tranche of amortizing contracts shall be separately valued. The total value of such amortizing contract shall be the sum of the values of its component tranches.

- (iv) For regularly traded contracts, valuations shall be at the midpoint of the bid and ask prices quoted by customary sources (e.g., The Wall Street Journal, Telerate, Reuters or other similar source) or regularly traded exchanges.

- (v) For all other Qualified Financial Contracts where published market quotes are unavailable, the adjusted price shall be the average of the bid and ask price quotes from three (3) securities dealers acceptable to the Receiver and Assuming Bank as of Bank Closing. If quotes from securities dealers cannot be obtained, an appraiser acceptable to the Receiver and the Assuming Bank will perform a valuation based on modeling, correlation analysis, interpolation or other techniques, as appropriate.

**EXHIBIT 7
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST**

**Federal Deposit Insurance Corporation as Receiver for:
Washington Mutual Bank**

(Name of Bank/Financial Institution and Location)

PROOF OF CLAIM

CONFIDENTIAL TREATMENT REQUESTED

Attachment A contains confidential, non-public financial information. Claimant Deutsche Bank National Trust Company requests that the claim, the information contained in Attachment A, and the non-public documents attached hereto be considered and treated as confidential.

SSN/Tax ID # (1) 33-0943418

The undersigned, (2) Barbara Campbell, Vice President

says that the Washington Mutual Bank now in liquidation is
(Name of Bank/Financial Institution)

justly indebted to (3) Deutsche Bank National Trust Company in the sum of
(Individual/Joint/Corporation/Partnership/Firm/Agency)

(4) \$10,146,399,660 (approximately, see Attachment A) Dollars upon the following Claim:

Description of (invoice) claim:	Liability Number	Amount of Claim
C L A I M S	(5) <u>See Exhibit A</u>	<u>\$6,764,266,440 to \$10,146,399,660 approx., (see Attachment A).</u>
	Total Claim: (6)	<u>Approximately \$10,146,399,660 (see Attachment A).</u>

The undersigned further states that he/she makes this Claim on behalf of

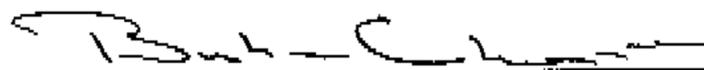
(7) Deutsche Bank National Trust Company

that no part of said debt has been paid, that

(8) Deutsche Bank National Trust Company
(Individual/Joint/Corporation/Partnership/Firm/Agency)

has given no endorsement or assignment of the same or any part thereof, and that there is no set-off or counterclaim, or other legal or equitable defense to said Claim or any part thereof.

NAME (9) Barbara Campbell, Vice President


(Signature of Person making the Claim) (Title)

FIRM Deutsche Bank National Trust Company
(If applicable)

ADDRESS (10) 1761 East St Andrew Pl

CITY/STATE/ZIP Santa Ana, CA 92705-4934

TELEPHONE NUMBER 714-247-6278

The penalty for knowingly making or inviting reliance of any false, forged, or counterfeit statement, document, or thing for the purpose of influencing in any way the action of the Federal Deposit Insurance Corporation is a fine of not more than \$1,000,000 or imprisonment for not more than thirty years, or both (18 U.S.C. Section 1007).

RLS7212

CONFIDENTIAL TREATMENT REQUESTED

ATTACHMENT A
to
Proof of Claim of
DEUTSCHE BANK NATIONAL TRUST COMPANY,
AS TRUSTEE AND CUSTODIAN

A. CAPACITIES AND DOCUMENTS.

1. This proof of claim ("Proof of Claim") is made by Deutsche Bank National Trust Company ("DBNTC") (a) as trustee ("Trustee") for the securitization trusts listed on Exhibit A-1 attached hereto (the "Trusts"), on behalf of itself, the Trusts and the owners of certain residential mortgaged backed securities issued by the Trusts (the "Securities"), (b) as trustee of certain "net interest margin" trusts listed on Exhibit A-2 ("NIM Trusts", and collectively with the Trusts, the "Securitization Trusts") pursuant to which DBNTC owns, on behalf of NIM Trust beneficiaries, interests in certain Securities (the "NIM Trustee") and (c) as custodian (the "Custodian") under certain custody agreements listed on Exhibit A-3 (the "Custody Agreements") by and among DBNTC, and one or more of Washington Mutual Bank (in some cases, as successor-in-interest to Long Beach Mortgage) and/or its affiliates (collectively, "WAMU"), and/or third party lenders or purchasers of mortgage loans.
2. Each of the Trusts holds, as Trust assets or collateral, mortgage loans originated by and/or sold into the Trusts by WAMU.
3. With respect to each Trust, DBNTC entered into one or more Pooling and Servicing Agreements, Servicing Agreements, Indentures or Trust Agreements, and related ancillary agreements (collectively, the "Governing Documents"). The Governing Documents are voluminous and are in the possession of both the Trustee and WAMU. Accordingly, it is impractical and wasteful to attach them to this Proof of Claim. Additional documentation regarding the Trusts is available on the SEC's EDGAR website at <http://sec.gov/>, and the monthly distribution reports and prospectus supplements for each Trust are available on the Trustee's investor reporting website at <https://tss.sfs.db.com/investpublic/>. Upon request by the FDIC, the Trustee will furnish electronic or hard copies of any Governing Documents in its possession.
4. Pursuant to the Governing Documents for each Trust, WAMU sold, either directly or indirectly, mortgage loans into the related Trusts. In connection with such sales, WAMU also made numerous representations, warranties and covenants ("Representations and Warranties") concerning the mortgage loans, which Representations and Warranties were ultimately assigned to the Trusts pursuant the Governing Documents and certain ancillary agreements. The Trusts have claims for breach of such Representations and Warranties as further described herein.
5. DBNTC has also served as Custodian under the Custody Agreements. Pursuant to the Custody Agreements, DBNTC has held in custody mortgage loan files evidencing mortgage loans originated, purchased, financed and/or serviced by WAMU. In

addition, pursuant to certain Custody Agreements, the Custodian held and disbursed funds with respect to the funding and/or financing of such mortgage loans in accordance with instructions furnished to the Custodian by WAMU, loan purchasers or lenders. The Custody Agreements are voluminous and are in the possession of both the Trustee and WAMU. Accordingly, it is impractical and unnecessary to attach them to this Proof of Claim. Upon request by the FDIC, the Trustee will furnish electronic or hard copies of any Custody Agreements in its possession.

6. DBNTC is aware that certain other parties to the Trusts, including, without limitation, securities underwriters, depositors, loan servicers, insurers and investors, intend to file proofs of claim in these proceedings relating to the Governing Documents and ancillary agreements which may be duplicative of, or supplemental to, the claims stated herein (the "Third Party Trust Related Claims"). To the extent that such Third Party Trust Related Claims relate to or are property of the Trusts, DBNTC incorporates such Third Party Trust Related Claims herein by reference.

B. DESCRIPTION OF CLAIMS.

Claims Arising from Breach of Representations and Warranties (Estimated Range: \$6.764 billion to \$10.146 billion)

7. Pursuant to the Governing Documents, WAMU, as seller and [master] servicer, made certain Representations and Warranties in connection with the sale of the mortgage loans to the Trusts. WAMU has breached certain of these Representations and Warranties. Pursuant to the Governing Documents, WAMU has express contractual obligations (i) to notify certain parties to the Governing Documents, including the Trustee, when WAMU becomes aware of breaches of Representations and Warranties, (ii) to make certain cure payments with respect to certain such breaches or (iii) to repurchase the mortgage loans affected by WAMU's breaches, at the repurchase price (the "Repurchase Price") specified in the Governing Documents (typically equal to the unpaid principal balance of such mortgage loans, plus accrued interest thereon through the date of repurchase) (the "Repurchase Obligations"). Further, as described below, WAMU is liable to the Trustee and the Trusts for all liability, loss, cost and expense arising from breaches of Representations and Warranties, including all costs and expenses of enforcement of these obligations.
8. Based on the public statements of the FDIC, it is unclear to the Trustee which obligations under the Governing Documents the FDIC purports to have assumed and assigned to JPMorgan Chase Bank, National Association ("JPMC"). Moreover, the FDIC has not notified the Trustee whether it intends to repudiate any obligations of WAMU under the Governing Documents, many of which obligations are executory in nature. The Trustee asserts that the FDIC does not have the power, with respect to the Governing Documents for any particular Trust, to "cherry pick" valuable contractual rights of WAMU, such as servicing rights, while repudiating potentially burdensome obligations of WAMU, such as Repurchase Obligations under those same contracts. Rather, if the FDIC wishes to reap the benefits of these contracts (by receiving the purchase price paid by JPMC for WAMU's assets), it must also accept their burdens. Accordingly, to the extent that the FDIC purports to have assumed and assigned to JPMC any rights and benefits of WAMU to service Mortgage Loans under the

Governing Documents for any Trust, the FDIC must make provision to perform fully all of WAMU's obligations under the Governing Documents for that Trust. In this regard, the Trustee notes that a single entity—Washington Mutual Bank (fka Long Beach Mortgage Company)—generally entered into the Governing Documents both as seller and as [master] servicer. In addition, the Governing Documents represent an integrated set of contractual undertakings on behalf of WAMU with respect to the formation and servicing of the Trusts and WAMU (or its successors and assigns) cannot selectively assume the benefits of these undertakings while repudiating the related burdens. To the extent that WAMU has either (a) failed—in its capacities as seller or servicer—to notify the Trustee and other transaction parties of material breaches of Representations and Warranties of which it was aware, and/or (b) repudiates and fails to perform its obligations to replace or repurchase defective loans, the Trusts have claims for breach of such obligations (the “Repurchase Claims”). Moreover, even if the FDIC did have the power to repudiate certain obligations of WAMU to the Trusts while assuming and assigning other obligations, the Trusts would have a right of set-off against any and all amounts owing to WAMU under the Governing Documents (including the right to recover servicing advances) with respect to any and all damages arising from the breach of such repudiated obligations.

9. As of September 28, 2008, the Trusts held in excess of \$49.9 billion in current principal balance outstanding of mortgage loans sold to the Trusts by WAMU. Recent media reports allege certain abuses in WAMU's loan origination procedures which, if true, would constitute breaches of the Representations and Warranties. (*see e.g.* attached NY Times article dated as of December 27, 2008). Notwithstanding provisions of the Governing Documents permitting the Trustee and certain other parties access to WAMU's books and records concerning the mortgage loans, the Trustee is informed and believes that during the last 18 months, WAMU has consistently refused to allow the Trustee, bond insurers, and investors with an interest in the Trusts to perform any meaningful due diligence to determine whether Representations and Warranties were breached. Since WAMU's denial of counterparties' contractual inspection rights has deprived those parties of the ability to detect and quantify specific breaches of Representations and Warranties, claimants must be given reasonable access and time to investigate their claims prior to specifying them with greater particularity. Nevertheless, on the basis of the limited data currently available to the Trustee, the Trustee further describes these claims below.
10. Assuming, for purposes of this Proof of Claim, that WAMU has and will continue to breach its obligations with respect to Repurchase Claims, the damages flowing from such breaches will vary depending on the losses suffered by the Trusts in respect of the related mortgage loans. Certain of the properties underlying the mortgage loans subject to Repurchase Claims either (a) have been foreclosed upon and are owned by the Trusts as of the date of this Proof of Claim (the “REO Loans”) or (b) are owned by the Mortgagors (the “Mortgagor-Owned Loans”). The dollar amount of any Repurchase Claims related to REO Loans and Mortgagor-Owned Loans will be affected by the value of those loans and their underlying collateral because the damages suffered by the Trusts as a result of WAMU's breach will be partially offset by the value of the collateral retained by the Trusts. Due to the ever-changing nature of market forces impacting the value of REO Loans and Mortgagor-Owned Loans, the amount due to the Trusts on account of the REO Loans and Mortgagor-Owned Loans

remains in flux. Until the amount of WAMU's exposure on REO Loans and Mortgagor-Owned Loans is finally determined, the Trusts' corresponding claim remains unliquidated and may decrease or increase as a result of fluctuations in the valuation of the underlying property and related loans, and payments of principal and interest either made or not made by the mortgagor of the underlying loans. Certain of the properties underlying the mortgage loans subject to Repurchase Claims have been foreclosed upon and in turn sold ("REO Sold Loans"). The sale prices of the properties underlying the REO Sold Loans will be a partial offset to the Repurchase Price related to such REO Sold Loans.

11. On information and belief, taking into account (a) industry information regarding frequency of breaches of representations and warranties in portfolios of mortgage loans similar to those sold by WAMU to the Trusts, (b) the performance of the mortgage loans held by the Trusts and (c) the severity of losses experienced by the Trusts to date and anticipated in the future, the Trustee estimates that the Trusts have claims in respect to breaches of Representations and Warranties, in the estimated range of \$6.764 billion to \$10.146 billion.
12. Although Representations and Warranties were breached at the time that they were made, certain of the Repurchase Claims of the Trusts are unmaturing, unliquidated and/or contingent in nature because, although breaches of Representation and Warranties exist for certain mortgage loans, such breaches have not been (a) discovered and/or (b) asserted, and/or (c) otherwise given rise to claims for the Repurchase Price as of the date hereof. The actual Repurchase Claims relating to such loans would be increased by accrued interest thereon and the Trusts' cost of enforcement, and be partially offset by the value of mortgage loan collateral and mortgage payments retained by the Trusts by reason of WAMU's failure to repurchase such loans.
13. In addition to the foregoing, under the Governing Documents, WAMU is also subject to Repurchase Claims with respect to missing or defective documents in mortgage loan files. The Governing Documents generally provide that if a material defect in any Mortgage File is discovered which may materially and adversely affect the value of the related Mortgage Loan, or the interests of the Trustee (as pledgee of the Mortgage Loans), the Noteholders or the Certificateholders in such Mortgage Loan, then the responsible party shall cure such defect, repurchase the related Mortgage Loan at the purchase price or substitute a qualified substitute mortgage loan for the related Mortgage Loan upon the same terms and conditions set forth for breaches of representations and warranties as to the Mortgage.
14. The Trustee or other document custodian has furnished WAMU, on an ongoing basis, document exception reports with respect to missing or defective loan file documents. The Exceptions Reports are voluminous and are in the possession of both the Trustee and WAMU. Accordingly it is impractical and wasteful to attach them to this Proof of Claim. Upon request by the FDIC, the Trustee will furnish electronic or hard copies of any Exceptions Reports in its possession. If WAMU repudiates or fails to satisfy its obligations under the Governing Documents, the Trustee will require additional time to assess the materiality of the remaining missing defective documents and to calculate the amount of any Repurchase Claims with respect thereto. For purposes of this Proof of Claim, however, the Trustee asserts that all loans with missing or defective loan file

documents are subject to Repurchase Claims for the Repurchase Price. The Trustee is not in a position to calculate the amount of such Repurchase Price until the population of such loans and the materiality of any document exceptions are finally determined (since borrowers continue to pay interest on some of these loans and, in many cases, other recoveries continue to be made on collateral securing such loans).

Indemnification Claims

15. The Trusts have been damaged by virtue of WAMU's defaults and breaches with respect to the Representations and Warranties under the Governing Documents and ancillary agreements. Without limiting the generality of the foregoing, the Trusts have incurred, and will continue to incur, significant legal expenses enforcing mortgage loan documents and defending against borrower counterclaims and third party claims arising from breaches or alleged breaches of Representations and Warranties or of other obligations of WAMU (including loan servicing obligations) under the Governing Documents.
16. Without limiting the generality of the foregoing, WAMU is obligated to indemnify, defend and hold the Trusts and the Trustee harmless all liability, loss, cost or expense arising from the claims asserted in the following litigation matters:
 - (a) Elaine Trahan vs. Long Beach Mortgage Company et al, pending in the United District Court, Eastern District of Texas. A putative class action seeking to invalidate certain variable rate mortgage loans under Texas law.
 - (b) Jenkins vs. Deutsche Bank et al, actions brought in the United States District Court for the Eastern District of New York and the Southern District of Florida alleging inappropriate foreclosure and debt collection activity.
 - (c) Suits and other proceedings against the Trusts and/or the Trustee by the cities of Buffalo, NY, Cleveland, OH, and other jurisdictions claiming that REO properties owned by the Trusts have not been maintained in accordance with law and constitute a nuisance. In addition, the Trusts and/or the Trustee have been forced to address similar allegations. Such property maintenance is the sole obligation of WAMU, as loan servicer, with respect to certain of the properties at issue in these matters. The affected Trusts and the Trustee are entitled to indemnification by WAMU, its successors and assigns, against any liability, loss, cost or expense suffered in connection with such matters.
 - (d) Suits or counterclaims (typically asserted in the context of foreclosure proceedings) alleging breaches, inter alia, of the Truth in Lending Act, Fair Debt Collection Practices Act and other laws, in connection with the origination and/or servicing of WAMU-originated mortgage loans currently owned by Trusts. Because WAMU, as [master] servicer has handled all such litigation on behalf of the Trusts and the Trustee, the Trustee is currently unaware of the existence or nature of all such claims and reserves the right to amend this Proof of Claim to specify such matters at a later date. The affected Trusts and the Trustee are entitled to indemnification by WAMU, its successors and assigns, against any liability, loss, cost or expense suffered in connection with such matters.

17. Pursuant to the Governing Documents and applicable law, WAMU is liable to the Trusts and the Trustee for any losses, claims, expenses or damages, including legal fees and related costs, arising out of or based upon any breaches of any representation, warranty or covenant made by WAMU or any affiliate of WAMU in the Governing Documents. Such liability arises both from WAMU's breach of its contractual obligation to the Trusts and the Trustee to perform all of its obligations under the Governing Documents and from WAMU's obligation to indemnify, defend and hold the Trusts and the Trustee harmless from any liability, loss, cost or expense arising from WAMU's failure to perform such obligations. Moreover, even if the FDIC, as receiver for WAMU, were entitled to assume and assign certain obligations of WAMU while repudiating others, the Trustee and the Trusts would have a right of set-off with respect to breach claims for any repudiated obligations, against any and all amounts owing by the Trusts to WAMU (including the right to recover servicing advances) in any capacity under the Governing Documents. To the extent that WAMU (a) assumes, or assumes and assigns, any of its rights under the Governing Documents, and (b) indemnifies, or causes its successor-in-interest to indemnify, the Trusts and the Trustee for such matters, such indemnification obligation will have been satisfied. Although, to date, the Trustee is informed and believes that JPMC has performed certain of such obligations, neither JPMC nor the FDIC, as receiver of WAMU, has made a clear statement to the Trustee specifying which obligations of WAMU have been assumed by JPMC and which, if any, obligations have not been so assumed, but rather assumed or rejected by the FDIC as receiver of WAMU. Accordingly, for purposes of this Proof of Claim, the Trustee assumes such obligations may not be fully satisfied.
18. Based upon the foregoing, the Trustee asserts a claim against WAMU for indemnification for, *inter alia*, all losses, claims, expenses and damages, including legal fees and related costs, arising out of or based upon any breaches of any representation, warranty or covenant made by WAMU under the Governing Documents.

Servicing Claims

19. As stated above, WAMU generally served as "servicer" or "master servicer" with respect to the mortgage loans held by the Trusts. The Trustee is informed and believes that JPMC intended to assume, at a minimum, all of WAMU's loan servicing rights and obligations. To the extent that JPMC, as successor-in-interest to WAMU, as [master] servicer, performs all obligations of WAMU, as [master] servicer, under the Governing Documents (including by curing any breaches that have occurred), WAMU will have mitigated claims with respect to WAMU's servicing of the loans. The Trustee reserves the right to amend this Proof of Claim to specify further any servicing claims in the event that such assumption has not taken place.

Claims as NIM Trustee

20. As NIM Trustee, the Trustee is the legal owner, for the benefit of securities holders under the NIM Trusts, of Securities issued by the Trusts. Since the NIM Trusts were formed concurrently and in conjunction with the corresponding Trusts, the NIM Trustee was the original purchaser of such Securities.

21. As purchaser of the such Securities on behalf of the NIM Trusts, the NIM Trustee hereby alleges that, to the extent that WAMU knew or should have known of the breaches of Representations and Warranties described above, the NIM Trusts have a claim for common law fraud and/or negligent misrepresentation and/or violation of applicable federal and state securities laws in connection with the issuance, distribution and sale of the such Securities to the NIM Trusts. Such claim is unliquidated and partially unmatured, but would be measured by the impact, if any, of such breaches on cash flows to the NIM Trusts.

Claims as Custodian

22. Pursuant to the Custody Agreements, DBNTC is entitled to be paid certain fees stipulated therein, plus expenses incurred in connection with its serving as Custodian. In addition, where WAMU is seller/servicer under the Custody Agreement, WAMU has agreed to indemnify, defend and hold the Custodian harmless against all liabilities, loss, cost and expense incurred by the Custodian in the performance of its duties as Custodian. The Custodian reserves the right to amend this Proof of Claim to specify further any claims relating to any fees or expenses are incurred and remain outstanding in connection with the Custody Agreements.

C. MISCELLANEOUS

23. By executing and filing this Proof of Claim, DBNTC does not waive any right to any security or any other right or rights with respect to any claim that DBNTC has or may have against WAMU or any other person or persons. The filing of this Proof of Claim is not intended and should not be construed to be an election of remedies or waiver of any past, present or future Defaults or Events of Default under the Governing Documents and ancillary agreements.
24. To the knowledge of the signatory hereto, the claims are not subject to any setoff or counterclaim, and no judgment has been rendered on the claims. The amount of all payments made prior to the date hereof, if any, have been credited and deducted.
25. DBNTC reserves its right to amend and/or supplement this Proof of Claim and to assert any and all other claims of whatever kind or nature that it has, or may have, that come to DBNTC's attention or arise after the filing of this Proof of Claim. The filing of this Proof of Claim shall not be deemed a waiver of any such claims or rights.
26. Nothing contained in this Proof of Claim shall be deemed or construed as: (a) a waiver of, or other limitation on, any rights or remedies of DBNTC or the Securitization Trusts, or any predecessor in interest to DBNTC or the Securitization Trusts, under the Governing Documents or ancillary agreements, at law, or in equity (including any setoff rights, lien rights, rights of recoupment, or any other rights that the Trustee or each Trust has or may have against WAMU or any other entity), all of which rights are expressly reserved; (b) a consent by DBNTC or the Securitization Trusts, or any predecessor in interest to DBNTC or the Securitization Trusts, to the jurisdiction of any court with respect to proceedings, if any, commenced in any action against, or otherwise involving DBNTC or the Securitization Trusts, or any predecessor in interest to DBNTC or the Securitization Trusts; (c) a waiver or release of, or any limitation on DBNTC's or the Securitization Trusts', or any predecessor in interest to DBNTC's or

the Securitization Trusts', right to trial by jury in the Court or any other court in any proceeding; (d) a waiver or release of, or any other limitation on, DBNTC's or the Securitization Trusts', or any predecessor in interest to DBNTC or the Securitization Trusts', rights to have any orders entered only after de novo review by the applicable court; (e) a waiver of, or any other limitation on, DBNTC or the Securitization Trusts', or any predecessor in interest to DBNTC's or the Securitization Trusts', right to seek a withdrawal of the reference with respect to any matter, including any matter relating to this Proof of Claim; or (f) a waiver or release of, or any other limitation on, DBNTC's or the Securitization Trusts', or any predecessor in interest to DBNTC's or the Securitization Trusts', right to assert that any portion of the claims asserted herein are entitled to treatment as priority claims. Without limiting the generality of the foregoing, the Trustee asserts, on behalf of each Trust and itself, the right to set off the amount of all claims of such Trust and itself as Trustee of such Trust, against all claims and amounts assertable by or distributable to WAMU (or its successors-in-interest under the Governing Documents) in any capacity, including, without limitation, any rights of WAMU to recover delinquency advances, servicing advances or other amounts distributable with respect to securities or other interests in such Trusts.

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THE RECKONING

Saying Yes, WaMu Built Empire on Shaky Loans

By PETER S. GOODMAN and GRETCHEN MORGENSON
Published: December 27, 2008

"We hope to do to this industry what Wal-Mart did to theirs, Starbucks did to theirs, Costco did to theirs and Lowe's-Home Depot did to their industry. And I think if we've done our job, five years from now you're not going to call us a bank."

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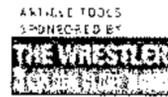
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Sandy Huffaker for The New York Times

"It was just disheartening," said Sherri Zaback, a mortgage screener for Washington Mutual. "Just spit it out and get it done. That's they wanted us to do. Garbage in, garbage out."

— Kerry K. Killinger, chief executive of Washington Mutual, 2003



SAN DIEGO — As a supervisor at a Washington Mutual mortgage processing center, John D. Parsons was accustomed to seeing baby sitters claiming salaries worthy of college presidents, and schoolteachers with incomes rivaling stockbrokers'. He rarely questioned them. A real estate frenzy was under way and WaMu, as his bank was known, was all about saying yes.

Yet even by WaMu's relaxed standards, one mortgage four years ago raised eyebrows. The borrower was claiming a six-figure income and an unusual profession: mariachi singer.

Mr. Parsons could not verify the singer's income, so he had him photographed in front of his home dressed in his mariachi outfit. The photo went into a WaMu file. Approved.

"I'd lie if I said every piece of documentation was properly signed and dated," said Mr. Parsons, speaking through wire-reinforced glass at a California prison near here, where he is serving 16 months for theft after his fourth arrest — all involving drugs.

While Mr. Parsons, whose incarceration is not related to his work for WaMu, oversaw a team screening mortgage applications, he was snorting methamphetamine daily, he said.

"In our world, it was tolerated," said Sherri Zaback, who worked for Mr. Parsons and recalls seeing drug paraphernalia on his desk. "Everybody said, 'He gets the job done.'"

At WaMu, getting the job done meant lending money to nearly anyone who asked for it — the force behind the

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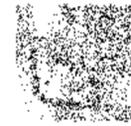
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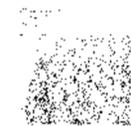
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The Arctic Hotel in Alaska is a prime example of a charming little place on the West Coast that has become a hotbed of energy efficiency.



Doha and Dalian

From the Los Angeles Times: I happened to visit Doha and Dalian, Qatar and China, respectively, last week.

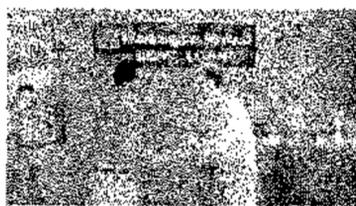


It's Too Late for Later

Provisional results from the U.S. Census Bureau show that the economy is still in a recession, with a 3.7% decline in real gross domestic product in the third quarter.

The New York Times

Multimedia



Video

Washington Mutual 'Power of Yes' Ad via YouTube



Graphic
Rise and Fall



PUSH TO GROW Former employees say that with Kerry Killinger in charge, WaMu became a loan factory, ignoring borrowers' incomes.

bank's meteoric rise and its precipitous collapse this year in the biggest bank failure in American history.

On a financial landscape littered with wreckage, WaMu, a Seattle-based bank that opened branches at a clip worthy of a fast-food chain, stands out as a singularly brazen case of lax lending. By the first half of this year, the value of its bad loans had reached \$11.5 billion, nearly tripling from \$4.2 billion a year earlier.

Interviews with two dozen former employees, mortgage brokers, real estate agents and appraisers reveal the relentless pressure to churn out loans that produced such results. While that sample may not fully represent a bank with tens of thousands of people, it does reflect the views of employees in WaMu mortgage operations in California,

Florida, Illinois and Texas.

Their accounts are consistent with those of 89 other former employees who are confidential witnesses in a class action filed against WaMu in federal court in Seattle by former shareholders.

According to these accounts, pressure to keep lending emanated from the top, where executives profited from the swift expansion — not least, Kerry K. Killinger, who was WaMu's chief executive from 1990 until he was forced out in September.

Between 2001 and 2007, Mr. Killinger received compensation of \$88 million, according to the Corporate Library, a research firm. He declined to respond to a list of questions, and his spokesman said he was unavailable for an interview.

During Mr. Killinger's tenure, WaMu pressed sales agents to pump out loans while disregarding borrowers' incomes and assets, according to former employees. The bank set up what insiders described as a system of dubious legality that enabled real estate agents to collect fees of more than \$10,000 for bringing in borrowers, sometimes making the agents more beholden to WaMu than they were to their clients.

WaMu gave mortgage brokers handsome commissions for selling the riskiest loans, which carried higher fees, bolstering profits and ultimately the compensation of the bank's executives. WaMu pressured appraisers to provide inflated property values that made loans appear less risky, enabling Wall Street to bundle them more easily for sale to investors.

"It was the Wild West," said Steven M. Knobel, a founder of an appraisal company, Mitchell, Maxwell & Jackson, that did business with WaMu until 2007. "If you were alive, they would give you a loan. Actually, I think if you were dead, they would still give you a loan."

JPMorgan Chase, which bought WaMu for \$1.9 billion in September and received \$25 billion a few weeks later as part of the taxpayer bailout of the financial services industry, declined to make former WaMu executives available for interviews.

JPMorgan also declined to comment on WaMu's operations before it bought the company. "It is a different era for our customers and for the company," a spokesman said.

For those who placed their faith and money in WaMu, the bank's implosion came as a shock.

"I never had a clue about the amount of off-the-cliff activity that was going on at Washington Mutual, and I was in constant contact with the company," said Vincent Au, president of Avalon Partners, an investment firm. "There were people at WaMu that

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orchestrated nothing more than a sham or charade. These people broke every fundamental rule of running a company."

'Like a Sweatshop'

Some WaMu employees who worked for the bank during the boom now have regrets.

"It was a disgrace," said Dana Zweibel, a former financial representative at a WaMu branch in Tampa, Fla. "We were giving loans to people that never should have had loans."

If Ms. Zweibel doubted whether customers could pay, supervisors directed her to keep selling, she said.

"We were told from up above that that's not our concern," she said. "Our concern is just to write the loan."

The ultimate supervisor at WaMu was Mr. Killinger, who joined the company in 1983 and became chief executive in 1990. He inherited a bank that was founded in 1889 and had survived the Depression and the savings and loan scandal of the 1980s.

An investment analyst by training, he was attuned to Wall Street's hunger for growth. Between late 1996 and early 2002, he transformed WaMu into the nation's sixth-largest bank through a series of acquisitions.

A crucial deal came in 1999, with the purchase of Long Beach Financial, a California lender specializing in subprime mortgages, loans extended to borrowers with troubled credit.

WaMu underscored its eagerness to lend with an advertising campaign introduced during the 2003 Academy Awards: "The Power of Yes." No mere advertising pitch, this was also the mantra inside the bank, underwriters said.

"WaMu came out with that slogan, and that was what we had to live by," Ms. Zaback said. "We joked about it a lot." A file would get marked problematic and then somehow get approved. "We'd say: 'O.K.! The power of yes.'"

Revenue at WaMu's home-lending unit swelled from \$707 million in 2002 to almost \$2 billion the following year, when the "The Power of Yes" campaign started.

Between 2000 and 2003, WaMu's retail branches grew 70 percent, reaching 2,200 across 38 states, as the bank used an image of cheeky irreverence to attract new customers. In offbeat television ads, casually dressed WaMu employees ridiculed staid bankers in suits.

Branches were pushed to increase lending. "It was just disgusting," said Ms. Zweibel, the Tampa representative. "They wanted you to spend time, while you're running teller transactions and opening checking accounts, selling people loans."

Employees in Tampa who fell short were ordered to drive to a WaMu office in Sarasota, an hour away. There, they sat in a phone bank with 20 other people, calling customers to push home equity loans.

"The regional manager would be over your shoulder, listening to every word," Ms. Zweibel recalled. "They treated us like we were in a sweatshop."

On the other end of the country, at WaMu's San Diego processing office, Ms. Zaback's job was to take loan applications from branches in Southern California and make sure they passed muster. Most of the loans she said she handled merely required borrowers to provide an address and Social Security number, and to state their income and assets.

She ran applications through WaMu's computer system for approval. If she needed more

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information, she had to consult with a loan officer — which she described as an unpleasant experience. “They would be furious,” Ms. Zaback said. “They would put it on you, that they weren’t going to get paid if you stood in the way.”

On one loan application in 2005, a borrower identified himself as a gardener and listed his monthly income at \$12,000, Ms. Zaback recalled. She could not verify his business license, so she took the file to her boss, Mr. Parsons.

He used the mariachi singer as inspiration: a photo of the borrower’s truck emblazoned with the name of his landscaping business went into the file. Approved.

Mr. Parsons, who worked for WaMu in San Diego from about 2002 through 2005, said his supervisors constantly praised his performance. “My numbers were through the roof,” he said.

On another occasion, Ms. Zaback asked a loan officer for verification of an applicant’s assets. The officer sent a letter from a bank showing a balance of about \$150,000 in the borrower’s account, she recalled. But when Ms. Zaback called the bank to confirm, she was told the balance was only \$5,000.

The loan officer yelled at her, Ms. Zaback recalled. “She said, ‘We don’t call the bank to verify.’” Ms. Zaback said she told Mr. Parsons that she no longer wanted to work with that loan officer, but he replied: “Too bad.”

Shortly thereafter, Mr. Parsons disappeared from the office. Ms. Zaback later learned of his arrest for burglary and drug possession.

The sheer workload at WaMu ensured that loan reviews were limited. Ms. Zaback’s office had 108 people, and several hundred new files a day. She was required to process at least 10 files daily.

“I’d typically spend a maximum of 35 minutes per file,” she said. “It was just disheartening. Just spit it out and get it done. That’s what they wanted us to do. Garbage in, and garbage out.”

Referral Fees for Loans

WaMu’s boiler room culture flourished in Southern California, where housing prices rose so rapidly during the bubble that creative financing was needed to attract buyers.

To that end, WaMu embraced so-called option ARMs, adjustable rate mortgages that enticed borrowers with a selection of low initial rates and allowed them to decide how much to pay each month. But people who opted for minimum payments were underpaying the interest due and adding to their principal, eventually causing loan payments to balloon.

Customers were often left with the impression that low payments would continue long term, according to former WaMu sales agents.

For WaMu, variable-rate loans — option ARMs, in particular — were especially attractive because they carried higher fees than other loans, and allowed WaMu to book profits on interest payments that borrowers deferred. Because WaMu was selling many of its loans to investors, it did not worry about defaults: by the time loans went bad, they were often in other hands.

WaMu’s adjustable-rate mortgages expanded from about one-fourth of new home loans in 2003 to 70 percent by 2006. In 2005 and 2006 — when WaMu pushed option ARMs most aggressively — Mr. Killinger received pay of \$19 million and \$24 million respectively.

The ARM Loan Niche

WaMu's retail mortgage office in Downey, Calif., specialized in selling option ARMs to Latino customers who spoke little English and depended on advice from real estate brokers, according to a former sales agent who requested anonymity because he was still in the mortgage business.

According to that agent, WaMu turned real estate agents into a pipeline for loan applications by enabling them to collect "referral fees" for clients who became WaMu borrowers.

Buyers were typically oblivious to agents' fees, the agent said, and agents rarely explained the loan terms.

"Their Realtor was their trusted friend," the agent said. "The Realtors would sell them on a minimum payment, and that was an outright lie."

According to the agent, the strategy was the brainchild of Thomas Ramirez, who oversaw a sales team of about 20 agents at the Downey branch during the first half of this decade, and now works for Wells Fargo.

Mr. Ramirez confirmed that he and his team enabled real estate agents to collect commissions, but he maintained that the fees were fully disclosed.

"I don't think the bank would have let us do the program if it was bad," Mr. Ramirez said.

Mr. Ramirez's team sold nearly \$1 billion worth of loans in 2004, he said. His performance made him a perennial member of WaMu's President's Club, which brought big bonuses and recognition at an awards ceremony typically hosted by Mr. Killinger in tropical venues like Hawaii.

Mr. Ramirez's success prompted WaMu to populate a neighboring building in Downey with loan processors, underwriters and appraisers who worked for him. The fees proved so enticing that real estate agents arrived in Downey from all over Southern California, bearing six and seven loan applications at a time, the former agent said.

WaMu banned referral fees in 2006, fearing they could be construed as illegal payments from the bank to agents. But the bank allowed Mr. Ramirez's team to continue using the referral fees, the agent said.

Forced Out With Millions

By 2005, the word was out that WaMu would accept applications with a mere statement of the borrower's income and assets — often with no documentation required — so long as credit scores were adequate, according to Ms. Zaback and other underwriters.

"We had a flier that said, 'A thin file is a good file,'" recalled Michele Culbertson, a wholesale sales agent with WaMu.

Martine Lado, an agent in the Irvine, Calif., office, said she coached brokers to leave parts of applications blank to avoid prompting verification if the borrower's job or income was sketchy.

"We were looking for people who understood how to do loans at WaMu," Ms. Lado said.

Top producers became heroes. Craig Clark, called the "king of the option ARM" by colleagues, closed loans totaling about \$1 billion in 2005, according to four of his former coworkers, a tally he amassed in part by challenging anyone who doubted him.

"He was a bulldozer when it came to getting his stuff done," said Lisa Alvarez, who worked in the Irvine office from 2003 to 2006.

Christine Crocker, who managed WaMu's wholesale underwriting division in Irvine,

recalled one mortgage to an elderly couple from a broker on Mr. Clark's team.

With a fixed income of about \$3,200 a month, the couple needed a fixed-rate loan. But their broker earned a commission of three percentage points by arranging an option ARM for them, and did so by listing their income as \$7,000 a month. Soon, their payment jumped from roughly \$1,000 a month to about \$3,000, causing them to fall behind.

Mr. Clark, who now works for JPMorgan, referred calls to a company spokesman, who provided no further details.

In 2006, WaMu slowed option ARM lending. But earlier, ill-considered loans had already begun hurting its results. In 2007, it recorded a \$67 million loss and shut down its subprime lending unit.

By the time shareholders joined WaMu for its annual meeting in Seattle last April, WaMu had posted a first-quarter loss of \$1.14 billion and increased its loan loss reserve to \$3.5 billion. Its stock had lost more than half its value in the previous two months. Anger was in the air.

Some shareholders were irate that Mr. Killinger and other executives were excluding mortgage losses from the computation of their bonuses. Others were enraged that WaMu turned down an \$8-a-share takeover bid from JPMorgan.

"Calm down and have a little faith," Mr. Killinger told the crowd. "We will get through this."

WaMu asked shareholders to approve a \$7 billion investment by Texas Pacific Group, a private equity firm, and other unnamed investors. David Bouderman, a founder of Texas Pacific and a former WaMu director, declined to comment.

Hostile shareholders argued that the deal would dilute their holdings, but Mr. Killinger forced it through, saying WaMu desperately needed new capital.

Weeks later, with WaMu in tatters, directors stripped Mr. Killinger of his board chairmanship. And the bank began including mortgage losses when calculating executive bonuses.

In September, Mr. Killinger was forced to retire. Later that month, with WaMu buckling under roughly \$180 billion in mortgage-related loans, regulators seized the bank and sold it to JPMorgan for \$1.9 billion, a fraction of the \$40 billion valuation the stock market gave WaMu at its peak.

Billions that investors had plowed into WaMu were wiped out, as were prospects for many of the bank's 50,000 employees. But Mr. Killinger still had his millions, rankling laid-off workers and shareholders alike.

"Kerry has made over \$100 million over his tenure based on the aggressiveness that sunk the company," said Mr. Au, the money manager. "How does he justify taking that money?"

In June, Mr. Au sent an e-mail message to the company asking executives to return some of their pay. He says he has not heard back.

A version of this article appeared in print on December 28, 2008, on page A1 of the New York edition.

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Issue ID	Transaction	Series	Agreement Date	Original Collateral Balance	Current Principal Balance 9/25/08
LB0002	Long Beach Mortgage Loan Trust	2000-1	12/1/00	1,000,000,594.71	34,811,895.51
LB00F1	Long Beach Home Equity Loan Trust	2000-LB1	8/1/00	1,312,248,898.65	59,532,662.65
LB0101	Long Beach Mortgage Loan Trust	2001-1	3/1/01	725,466,488.78	36,039,908.53
LB0102	Long Beach Mortgage Loan Trust	2001-2	7/1/01	1,594,353,660.72	71,505,949.50
LB0103	Long Beach Mortgage Loan Trust	2001-3	9/1/01	1,001,006,145.53	49,540,692.95
LB0104	Long Beach Mortgage Loan Trust	2001-4	12/1/01	1,999,995,140.51	104550975.6
LB0201	Long Beach Mortgage Loan Trust	2002-1	4/1/02	1,600,002,996.85	78,501,732.67
LB0202	Long Beach Mortgage Loan Trust	2002-2	6/1/02	1,000,001,438.60	52,951,722.09
LB0205	Long Beach Mortgage Loan Trust	2002-5	11/1/02	1,000,000,848.34	73,845,139.93
LB0301	Long Beach Mortgage Loan Trust	2003-1	2/1/03	2,000,000,169.33	130,090,598.75
LB0302	Long Beach Mortgage Loan Trust	2003-2	4/1/03	926,370,950.24	63,358,995.33
LB0303	Long Beach Mortgage Loan Trust	2003-3	6/1/03	900,000,208.99	75,119,530.93
LB0304	Long Beach Mortgage Loan Trust	2003-4	7/1/03	2,200,000,305.17	224,438,308.88
LB0401	Long Beach Mortgage Loan Trust	2004-1	2/1/04	4,500,000,018.86	532,202,224.67
LB0402	Long Beach Mortgage Loan Trust	2004-2	5/1/04	1,519,139,252.43	204,931,765.30
LB0403	Long Beach Mortgage Loan Trust	2004-3	6/1/04	1,999,383,410.65	292,775,378.36
LB0404	Long Beach Mortgage Loan Trust	2004-4	9/1/04	2,719,328,087.12	386,675,678.52
LB0405	Long Beach Mortgage Loan Trust	2004-5	8/1/04	1,015,407,092.63	151,014,830.26
LB0406	Long Beach Mortgage Loan Trust	2004-6	10/1/04	1,104,297,532.58	165,563,241.68
LB0501	Long Beach Mortgage Loan Trust	2005-1	1/1/05	3,500,003,000.56	581,873,653.66
LB0502	Long Beach Mortgage Loan Trust	2005-2	4/1/05	2,500,002,732.02	485,463,232.28

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Issue ID	Transaction	Series	Agreement Date	Original Collateral Balance	Current Principal Balance 9/25/08
LB0503	Long Beach Mortgage Loan Trust	2005-3	9/1/05	1,527,819,573.20	496,077,274.56
LB05W1	Long Beach Mortgage Loan Trust	2005-WL1	7/1/2005	2,783,633,153.00	624,023,514.56
LB05W2	Long Beach Mortgage Loan Trust	2005-WL2	8/1/05	2,755,716,668.32	791,199,316.92
LB05W3	Long Beach Mortgage Loan Trust	2005-WL3	11/1/05	2,191,257,007.17	827,566,265.49
LB0601	Long Beach Mortgage Loan Trust	2006-1	2/1/06	2,499,987,903.06	1,160,361,979.44
LB0602	Long Beach Mortgage Loan Trust	2006-2	3/1/06	3,003,799,169.81	1,386,914,706.65
LB0603	Long Beach Mortgage Loan Trust	2006-3	4/1/06	1,743,796,134.40	888,155,925.30
LB0604	Long Beach Mortgage Loan Trust	2006-4	5/1/06	1,922,678,765.19	1,053,549,542.12
LB0605	Long Beach Mortgage Loan Trust	2006-5	6/1/06	1,925,001,176.58	1,061,924,757.27
LB0606	Long Beach Mortgage Loan Trust	2006-6	7/1/06	1,688,107,433.24	1,031,620,844.36
LB0607	Long Beach Mortgage Loan Trust	2006-7	8/1/06	1,596,611,009.81	1,066,308,386.86
LB0608	Long Beach Mortgage Loan Trust	2006-8	9/1/06	1,380,727,062.40	954,086,893.15
LB0609	Long Beach Mortgage Loan Trust	2006-9	10/1/06	1,520,086,184.10	1,091,628,311.24
LB060A	Long Beach Mortgage Loan Trust	2006-A	5/1/06	532,619,585.98	144,205,711.88
LB0610	Long Beach Mortgage Loan Trust	2006-10	11/1/06	1,008,199,873.58	740,325,465.58
LB0611	Long Beach Mortgage Loan Trust	2006-11	12/1/06	1,499,999,921.58	1,126,024,144.81
LB06W1	Long Beach Mortgage Loan Trust	2006-WL1	1/1/06	1,903,659,401.04	810,309,534.48
LB06W2	Long Beach Mortgage Loan Trust	2006-WL2	1/1/06	1,908,950,760.04	739,358,759.85
LB06W3	Long Beach Mortgage Loan Trust	2006-WL3	1/1/06	1,917,874,232.74	737,068,803.57
WA0001	Washington Mutual Mortgage Securities Corp.	2000-1	3/31/00	6,701,536,869.34	480,305,038.41
WA0107	Washington Mutual Mortgage Securities Corp.	2001-7	5/1/01	1,051,032,555.94	19,541,729.02
WA01A3	Washington Mutual Mortgage Securities Corp.	2001-AR3	11/9/01	1,167,350,333.57	32,739,901.70

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Issue ID	Transaction	Series	Agreement Date	Original Collateral Balance	Current Principal Balance 9/25/08
WA02A2	Washington Mutual Mortgage Securities Corp.	2002-AR2	2/26/02	846,869,196.58	133,386,070.04
WA02A6	Washington Mutual Mortgage Securities Corp.	2002-AR6	5/1/02	976,270,151.47	33,967,222.14
WA02A9	Washington Mutual Mortgage Securities Corp.	2002-AR9	7/1/02	1,497,233,409.59	63,032,301.89
WA02AC	Washington Mutual Mortgage Securities Corp.	2002-AR12	9/1/02	998,724,014.44	7,164,395.08
WA02AD	Washington Mutual Mortgage Securities Corp.	2002-AR13	9/1/02	801,901,920.87	6,622,003.44
WA02AE	Washington Mutual Mortgage Securities Corp.	2002-AR14	10/25/02	1,028,589,782.28	10,938,312.60
WA02AF	Washington Mutual Mortgage Securities Corp.	2002-AR15	10/1/02	1,975,024,800.28	22,477,420.27
WA02AG	Washington Mutual Mortgage Securities Corp.	2002-AR16	10/1/02	1,030,719,967.88	21,216,427.56
WA02AH	Washington Mutual Mortgage Securities Corp.	2002-AR17	10/1/02	1,141,838,488.95	59,353,086.07
WA02AI	Washington Mutual Mortgage Securities Corp.	2002-AR18	11/1/02	1,995,977,878.00	48,423,693.51
WA02AJ	Washington Mutual Mortgage Securities Corp.	2002-AR19	12/1/02	1,999,854,039.48	47,816,425.15
WA02T1	Washington Mutual Bank FA	2002-PR2	9/27/02	\$1,810,000,000.00	\$412,182,299.00
WA02T2	Washington Mutual Bank FA	2002-PR3	11/26/02	\$1,569,403,402.00	\$460,528,036.14
WA03A1	Washington Mutual Mortgage Securities Corp.	2003-AR1	1/1/03	1,929,958,305.53	78,084,582.05
WA03A2	Washington Mutual Mortgage Securities Corp.	2003-AR2	2/1/03	453,072,396.92	14,354,070.03
WA03A3	Washington Mutual Mortgage Securities Corp.	2003-AR3	2/1/03	1,498,678,348.09	76,606,402.47
WA03A4	Washington Mutual Mortgage Securities Corp.	2003-AR4	3/1/03	1,248,537,577.61	96,324,730.77
WA03A5	Washington Mutual Mortgage Securities Corp.	2003-AR5	4/1/03	1,497,993,405.95	191,453,076.81
WA03A6	Washington Mutual Mortgage Securities Corp.	2003-AR6	5/1/03	1,817,570,225.97	273,859,507.75
WA03A7	Washington Mutual Mortgage Securities Corp.	2003-AR7	6/1/03	1,782,734,144.99	330,974,020.39
WA03A8	Washington Mutual Mortgage Securities Corp.	2003-AR8	7/1/03	1,249,964,133.60	306,284,588.45
WA03A9	Washington Mutual Mortgage Securities Corp.	2003-AR9	8/1/03	1,499,961,494.15	459,523,660.91

Exhibit A-1
To Proof of Claim of
Deutsche Bank National Trust Company

Issue ID	Transaction	Series	Agreement Date	Original Collateral Balance	Current Principal Balance 9/25/08
WA03AA	Washington Mutual Mortgage Securities Corp.	2003-AR10	9/1/03	2,149,945,638.93	758,972,394.10
WA03AB	Washington Mutual Mortgage Securities Corp.	2003-AR11	10/1/03	569,335,006.37	201,418,222.95
WA03AC	Washington Mutual Mortgage Securities Corp.	2003-AR12	12/22/03	624,366,307.97	169,054,089.25
WA04A1	Washington Mutual Mortgage Securities Corp.	2004-AR1	2/12/04	549,954,684.34	184,779,040.96
WA04A2	Washington Mutual Mortgage Securities Corp.	2004-AR2	4/28/04	607,568,701.01	75,847,329.67
WA04A3	Washington Mutual Mortgage Securities Corp.	2004-AR3	4/27/04	1,199,094,712.64	627,200,249.89
WA04A4	Washington Mutual Mortgage Securities Corp.	2004-AR4	5/25/04	999,949,639.60	640,104,266.85
WA04A5	Washington Mutual Mortgage Securities Corp.	2004-AR5	5/25/04	324,778,296.44	319,246,042.00
WA04A6	Washington Mutual Mortgage Securities Corp.	2004-AR6	5/27/04	694,961,493.88	120,471,550.20
WA04A7	Washington Mutual Mortgage Securities Corp.	2004-AR7	6/24/04	899,173,380.28	557,746,399.24
WA04A8	Washington Mutual Mortgage Securities Corp.	2004-AR8	6/25/04	763,824,537.00	135,742,545.16
WA04AA	Washington Mutual Mortgage Securities Corp.	2004-AR10	7/27/04	1,264,666,962.70	243,688,955.92
WA04AC	Washington Mutual Mortgage Securities Corp.	2004-AR12	10/26/04	1,784,625,919.86	340,395,443.18
WA04AD	Washington Mutual Mortgage Securities Corp.	2004-AR13	11/23/04	1,539,705,677.27	325,216,452.97
WA05A1	Washington Mutual Mortgage Securities Corp.	2005-AR1	1/18/05	2,971,414,173.32	714,587,307.20
WA05A2	Washington Mutual Mortgage Securities Corp.	2005-AR2	1/26/05	3,267,405,771.83	920,722,624.68
WA05A4	Washington Mutual Mortgage Securities Corp.	2005-AR4	3/24/05	750,504,106.41	506,442,449.82
WA05A6	Washington Mutual Mortgage Securities Corp.	2005-AR6	4/26/05	3,167,184,178.32	932,737,574.84
WA05A8	Washington Mutual Mortgage Securities Corp.	2005-AR8	7/15/05	3,029,599,417.91	893,576,756.98
WA05A9	Washington Mutual Mortgage Securities Corp.	2005-AR9	7/21/05	1,505,402,999.34	423,681,934.44
WA05AA	Washington Mutual Mortgage Securities Corp.	2005-AR10	8/25/05	3,201,069,294.58	1,104,192,858.61
WA05AB	WaMu Asset Acceptance Corp.	2005-AR13	10/25/05	3,901,265,905.06	1,555,245,023.74

Exhibit A-1
To Proof of Claim of
Deutsche Bank National Trust Company

Issue ID	Transaction	Series	Agreement Date	Original Collateral Balance	Current Principal Balance 9/25/08
WA05AC	WaMu Asset Acceptance Corp.	2005-AR16	11/23/05	924,385,186.87	709,012,720.73
WA05AD	WaMu Asset Acceptance Corp.	2005-AR18	12/29/05	767,442,752.54	759,313,543.32
WA0601	Washington Mutual Home Equity Trust	I	3/7/2006	5,389,459,150.00	3,561,666,083.13
WA0602	WaMu	2006-OA1	12/13/2006	2,736,034,892.85	1,376,479,667.76
WA06A1	WaMu Asset Acceptance Corp.	2006-AR1	1/30/06	1,516,188,758.27	719,352,278.04
WA06A3	WaMu Asset Acceptance Corp.	2006-AR3	2/23/06	1,019,582,771.26	512,708,347.22
WA06A4	Washington Mutual Mortgage Securities Corp.	2006-AR4	4/25/06	932,087,563.09	474,865,940.42
WA06A5	WaMu Asset Acceptance Corp.	2006-AR5	5/25/06	796,522,188.53	481,442,704.76
WA06C1	WM Covered Bond Program	1	5/18/07	One Revolving Pool for all Series	
WA06C2	WM Covered Bond Program	2	5/18/07	One Revolving Pool for all Series	
WA0701	WaMu	2007-Flex1	10/25/2007	5,199,147,685.89	4,067,805,919.38
WA07C3	WM Covered Bond Program	3	5/18/07	One Revolving Pool for all Series	
WA07H1	WaMu Asset Acceptance Corp.	2007-HE1	1/1/07	1,393,794,251.58	1,096,561,655.17
CO9201	Coast Federal	1992-1	8/1/92	374,106,546.77	17,992,505.24
DB9902	Ace Securities	1999-2	7/1/99	416,860,972.94	9,435,113.28
MS0001	Morgan Stanley ABS Capital I Inc.	2000-1	7/1/00	360,107,788.57	7,463,097.13
GS06L1	GSAMP Trust	2006-S1	1/1/06	516,812,864.78	122,133,901.15
GS05X2	GSAMP Trust	2005-S2			

Exhibit A-2
To Proof of Claim of
Deutsche Bank National Trust Company

Issue ID	Transaction	Series	Agreement Date	Current Principal Balance
LB05N3	Long Beach Asset Holding Corp.	CI 2005-WL1	10/21/2005	70,367,411.73
LB05N4	Long Beach Asset Holding Corp.	CI 2005-WL2	9/7/2005	12,747,551.05
LB05N6	Long Beach Asset Holding Corp.	CI 2005-WL3	12/7/2005	20,387,875.63
LB06N6	Long Beach Asset Holding Corp.	CI 2006-3	4/26/2006	27,829,138.01
LB06N7	Long Beach CI NIM Notes	2006-4	5/30/2006	32,297,749.83
LB06N8	Long Beach CI NIM Notes	2006-5	6/30/2006	31,437,470.34
LB06N9	Long Beach CI NIM Notes	2006-6	7/31/2006	27,629,292.83
LB06NA	Long Beach CI NIM Notes	2006-7	8/31/2006	33,011,254.77
LB06NB	Long Beach CI NIM Notes	2006-8	9/27/2006	24,248,851.46
LB06NC	Long Beach CI NIM Notes	2006-9	10/30/2006	39,191,206.64
LB06ND	Long Beach CI NIM Notes	2006-10	11/29/2006	26,473,498.22
LB06NE	Long Beach CI NIM Notes	2006-11	12/27/2006	40,894,919.43
WA07N1	WaMu CI NIM Notes	2007-WM1	1/30/2007	30,502,416.51
LB03P1 (LB03PB)	Long Beach Securities Corp.	2003-P1 (2003-W5)	4/30/03	TBD
LB03P2	Long Beach Securities Corp.	2003-W9	6/26/03	TBD
LB04N2	Long Beach Asset Holding Corp.	2004-2	5/26/04	TBD
LB04N4	Long Beach Asset Holding Corp.	2004-4	11/24/04	5,755,410.65
LB04N6	Long Beach Asset Holding Corp.	2004-6	10/29/04	9,158,820.66
LB05N2	Long Beach Asset Holding Corp.	2005-2	4/26/05	15,457,776.33
LB05N5	Long Beach Asset Holding Corp.	2005-3	9/20/05	8,131,609.43
LB06N2	Long Beach Asset Holding Corp.	2006-WL2	3/30/2006	43,959,237.65
LB06N4	Long Beach Asset Holding Corp.	2006-1	2/28/06	41,252,394.94
LB06N5	Long Beach Asset Holding Corp.	2006-2	3/30/00	55,779,764.27
LB07P3	Long Beach Asset Holdings Corp CI	2003-3	11/16/07	TBD
LB07P4	Long Beach Asset Holdings Corp CI	2003-4	11/16/07	TBD

Exhibit A-3
To Proof of Claim of
Deutsche Bank National Trust Company

Issue ID	Transaction	Agreement Date
LB03CM	Long Beach Mortgage Company Custodial Agreement	10/15/2003
FB022C	ASSET BACKED SECURITIES CORP. 2002-HE3	10/1/2002
FB050C	CREDIT SUISSE FIRST BOSTON BI PARTY	6/1/2005
GC04FC	GREENWICH/DB FHA, VA AND CONVENTIONAL	5/20/2004
GC04JC	GREENWICH/WAMU 2004-RP1	5/20/2004
GC056C	GREENWICH RBSGC 2005-RP1	2/1/2005
GS04WC	GOLDMAN/LONG BEACH WAREHOUSE	12/1/2004
GS052C	GOLDMAN/WASHINGTON MUTUAL CUSTODY WAREHO	1/1/2005
GS05CC	GSAA 2005-7 SECURITY CUSTODY ONLY	6/1/2005
GS063C	GSAA 2006-1 CUSTODY ONLY	6/1/2006
GS06FC	GSR 2006-5F CUSTODY ONLY	5/1/2006
GS06HC	GSR 2006 6F CUSTODY ONLY	6/1/2006
GS06MC	GSR 2006-8F CUSTODY ONLY SECURITY	8/1/2006
GS06RC	GSR 2006-9F CUSTODY ONLY	10/1/2006
GS078C	GSR 2007-2F CUSTODY ONLY	3/1/2007
GS07BC	GSR 2007-3F CUSTODY ONLY	4/1/2007
GS07EC	GSR 2007-4F CUSTODY ONLY	6/1/2007
LB032C	LONG BEACH/FANNIE MAE POOLS	5/1/2007
LB052C	WASHINGTON MUTUAL/LBMC REPO FACILITY	6/22/2005
LH012C	LEHMAN/THORNBURG-SASCO 2001-8A	5/1/2001
LH07EC	LEHMAN/ SASCO 2007-GEL2	4/1/2007
MS02BC	MORGAN STANLEY 2002-WL1 BANK ONE TRUSTEE	6/1/2002
MS02JC	MORGAN STANLEY/LONG BEACH	10/1/2002
MS03EC	MORGAN STANLEY - WAMU	9/1/2003
MS045C	MORGAN STANLEY FANNIE MAE	3/23/2004
MS04GC	MORGAN STANLEY FREDDIE MAC	8/18/2004
WA071C	WASHINGTON MUTUAL WAMU 2007-HE2	4/10/2007
WA072C	WASHINGTON MUTUAL WAMU 2007-HE3	5/10/2007
WA073C	WASHINGTON MUTUAL WAMU 2007-HE4	6/13/2007

**EXHIBIT 8
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST**

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee for the Trusts listed in
Exhibits 1-A and 1-B,

Plaintiff,

v.

FEDERAL DEPOSIT INSURANCE
CORPORATION, as receiver for Washington
Mutual Bank; JPMORGAN CHASE BANK,
National Association; and WASHINGTON
MUTUAL MORTGAGE SECURITIES
CORPORATION,

Defendants.

Case No.: 09-CV-1656-RMC

Hon. Rosemary M. Collyer

FDIC-RECEIVER'S ANSWER TO AMENDED COMPLAINT

Defendant Federal Deposit Insurance Corporation, in its capacity as Receiver for Washington Mutual Bank ("FDIC-Receiver"), answers the Amended Complaint of Plaintiff Deutsche Bank National Trust Company ("DBNTC") as follows.¹

PARTIES

1. FDIC-Receiver admits the allegations in the first sentence of Paragraph 1 of the Amended Complaint and lacks knowledge or information sufficient to form a belief about the truth of the allegations in the second sentence of Paragraph 1.

1. FDIC-Receiver notes that it uses certain defined terms as it has defined them in this Answer and objects to DBNTC's definitions in the Amended Complaint. For example, in Paragraph 13 of the Amended Complaint, DBNTC defines "WaMu" as Washington Mutual Bank, its subsidiaries and affiliates, Defendant JPMorgan Chase Bank, N.A. ("JPMC"), and FDIC-Receiver, which unnecessarily conflates distinct entities.

2. FDIC-Receiver denies knowledge or information sufficient to form a belief as to the truth of the allegation that DBNTC serves “in various other related capacities,” and refers to the documents cited in Paragraph 2 of the Amended Complaint for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies that “WMB” can properly be defined to include Washington Mutual Bank’s “subsidiaries, their predecessors-in-interest and their affiliates, including Washington Mutual Mortgage Securities Corporation.” FDIC-Receiver will use the term “WaMu” to refer to Washington Mutual Bank in this Answer. FDIC-Receiver otherwise admits the allegations of Paragraph 2.

3. FDIC-Receiver admits that DBNTC serves as trustee for certain trusts and otherwise lacks knowledge or information sufficient to form a belief about the truth of the allegations in the first and second sentences of Paragraph 3 of the Amended Complaint. FDIC-Receiver refers to the documents cited in Paragraph 3 for a complete and accurate description of their content, and denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver admits the allegations of the last sentence of Paragraph 3.

4. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 4 of the Amended Complaint.

5. FDIC-Receiver admits that DBNTC purports to bring this action on behalf of the Trusts (as defined in Paragraph 3) and the investors in the Trusts, and lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 5 of the Amended Complaint.

6. FDIC-Receiver admits that DBNTC purports to bring this action pursuant to Rule 17(a)(1)(E) of the Federal Rules of Civil Procedure. FDIC-Receiver refers to the Trust documents for a complete and accurate description of their terms, and denies any allegations or implications in Paragraph 6 of the Amended Complaint inconsistent with these documents, the terms of which speak for themselves.

7. FDIC-Receiver admits the allegations in the first sentence of Paragraph 7 of the Amended Complaint. FDIC-Receiver admits that the Federal Deposit Insurance Corporation (“FDIC”) is appointed as receiver or conservator of banking institutions, as permitted by law, and that FDIC-Receiver has been appointed as receiver for WaMu. FDIC-Receiver also admits that DBNTC purports to bring this action against FDIC-Receiver and not against FDIC in any other capacity. FDIC-Receiver denies any remaining allegations in Paragraph 7 that are inconsistent with these admissions.

8. FDIC-Receiver admits that JPMC is a national banking association with its home office in Columbus, Ohio, and a place of business in Washington, D.C., and that JPMC is a wholly owned subsidiary of JPMorgan Chase & Co. FDIC-Receiver admits that WMMSC currently is a wholly owned subsidiary of JPMC. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 8 of the Amended Complaint.

9. FDIC-Receiver admits the allegations in Paragraph 9 of the Amended Complaint.

10. FDIC-Receiver admits that WaMu had assets of \$307 billion at the time it closed on September 25, 2008, and that the Office of Thrift Supervision, by Order Number 2008-36, appointed FDIC-Receiver as receiver for WaMu. FDIC-Receiver denies any allegations of Paragraph 10 of the Amended Complaint that are inconsistent with that admission.

11. FDIC-Receiver admits that JPMC, FDIC-Receiver, and FDIC in its Corporate capacity entered into a Purchase and Assumption Agreement (“P&A Agreement”) dated September 25, 2008, under which JPMC acquired substantially all of the assets and substantially all of the liabilities of WaMu (including WMMSC). FDIC-Receiver does not understand what DBNTC means when it alleges that the FDIC “facilitated” the P&A Agreement and on that basis denies the allegations in the second sentence of Paragraph 11 of the Amended Complaint. FDIC-Receiver admits that P&A Agreement is attached as Exhibit 2, refers to the P&A Agreement for a complete and accurate description of its terms, and denies any allegations or implications in the Amended Complaint that are inconsistent with that document, the terms of which speak for themselves.

12. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the content and scope of any due diligence conducted by JPMC in connection with its purchase of WaMu as alleged in Paragraph 12 of the Amended Complaint.

13. FDIC-Receiver admits the allegations in the first, second, and third sentences of Paragraph 13 of the Amended Complaint. FDIC-Receiver denies that “WaMu” can properly be defined to include (1) Washington Mutual Bank’s “subsidiaries, their predecessors-in-interest and their affiliates, including Washington Mutual Mortgage Securities Corporation,” as DBNTC defines “WMB” in Paragraph 2; (2) JPMC; and (3) FDIC-Receiver. FDIC-Receiver admits that DBNTC purports to bring this action arising out of WaMu’s liabilities against JPMC, Washington Mutual Mortgage Securities Corporation (“WMMSC”), and FDIC-Receiver. FDIC-Receiver denies that it is WaMu’s successor or successor-in-interest with respect to the liabilities at issue in this case.

THE PROOF OF CLAIM AND ORIGINAL COMPLAINT

14. FDIC-Receiver admits the allegations in the first sentence of Paragraph 14 of the Amended Complaint. With respect to the second sentence, FDIC-Receiver refers to the Proof of Claim for a complete and accurate description of its terms, and denies any allegations or implications in Paragraph 14 inconsistent with that document, the terms of which speak for themselves.

15. FDIC-Receiver admits that DBNTC's Proof of Claim was deemed disallowed by operation of law on June 28, 2009, namely 180 days after it was submitted on December 30, 2008, and denies the remaining allegations in Paragraph 15 of the Amended Complaint.

16. FDIC-Receiver admits that 12 U.S.C. § 1821(d)(5)(A)(iv) states that "If any claim filed under clause [1821(d)(5)(A)](i) is disallowed, the notice to the claimant shall contain— (I) a statement of each reason for the disallowance; and (II) the procedures available for obtaining agency review of the determination to disallow the claim or judicial determination of the claim," and denies the remaining allegations in Paragraph 16 of the Amended Complaint.

17. FDIC-Receiver admits that it did not issue a notice of disallowance to DBNTC, so DBNTC's Proof of Claim was deemed disallowed by operation of law, and denies the remaining allegations in Paragraph 17 of the Amended Complaint.

18. FDIC-Receiver admits that the disallowance of DBNTC's Proof of Claim by operation of law on June 28, 2009 permitted DBNTC to "file suit on such claim . . . in the district or territorial court of the United States for the district within which the depository institution's principal place of business is located or the United States District Court for the District of Columbia (and such court shall have jurisdiction to hear such claim)" within 60 days pursuant to 12 U.S.C. § 1821(d)(6)(A), and otherwise denies the remaining allegations in Paragraph 18 of the Amended Complaint.

19. FDIC-Receiver admits that DBNTC timely filed this action against FDIC-Receiver and denies any allegations in Paragraph 19 of the Amended Complaint that are inconsistent with that admission.

JURISDICTION AND VENUE

20. FDIC-Receiver admits that the Court has jurisdiction over the action pursuant to 12 U.S.C. §§ 1819(b)(2)(A), 1821(d)(6), and 28 U.S.C. § 1331, and that venue is proper in this District under 12 U.S.C. § 1821(d)(6). FDIC-Receiver denies the remaining allegations in Paragraph 20 of the Amended Complaint.

21. FDIC-Receiver admits the allegations in the first and second sentences of Paragraph 21 of the Amended Complaint and that this Court has jurisdiction under 12 U.S.C. §§ 1819(b)(2)(A), 1821(d)(6), and 28 U.S.C. § 1331. FDIC-Receiver denies the remaining allegations in Paragraph 21.

22. FDIC-Receiver admits the allegations in Paragraph 22 of the Amended Complaint.

23. FDIC-Receiver admits the allegations in Paragraph 23 of the Amended Complaint.

24. FDIC-Receiver admits the allegations in Paragraph 24 of the Amended Complaint.

BACKGROUND

A. The Trusts

25. FDIC-Receiver admits the allegations in Paragraph 25 of the Amended Complaint, except denies the allegations in the first sentence of Paragraph 25 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver or any entity other than Washington Mutual Bank.

26. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 26 of the Amended Complaint.

27. FDIC-Receiver admits that the securitization of residential mortgages was a common financial practice and lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 27 of the Amended Complaint.

28. FDIC-Receiver admits that the allegations in Paragraph 28 of the Amended Complaint describe in very general terms the structure of many securitizations of residential mortgage-backed securities (“RMBS”), but refers to the terms of the transaction documents governing the Trusts (the “Governing Agreements”)² at issue in this action for the structure of each Trust and the rights and obligations of each participant in the transaction, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver also denies the allegations in subparagraphs (a) and (d) of Paragraph 28 to the extent that DBNTC’s use of the term “WaMu” purports to include FDIC-Receiver.

B. WaMu’s Contractual Obligations

(1) The Governing Documents for the Trusts

29. FDIC-Receiver admits that the allegations in Paragraph 29 of the Amended Complaint describe in very general terms the structure of many securitizations of RMBS, states that the allegations in Paragraph 29 purport to describe the substance of the Governing Agreements for each of the 127 mortgage securitization trusts at issue in the Amended

2. FDIC-Receiver’s references throughout this Answer to the Governing Agreements is not an admission that the voluminous attachments in Exhibit 4 to the Amended Complaint are a comprehensive set of the Governing Agreements.

Complaint, refers to the documents cited in Paragraph 29 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves.

30. FDIC-Receiver admits that DBNTC purports to have attached — in Exhibits 1-A, 1-B, and 4 — lists and copies of the pooling and servicing agreements (“PSAs”) and mortgage loan purchase agreements (“MLPAs”) for the Primary Trusts and the relevant agreements for the Secondary Trusts. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 30. FDIC-Receiver refers to the documents cited in Paragraph 30 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 30 of the Amended Complaint to the extent that DBNTC’s use of the term “WaMu” purports to include FDIC-Receiver.

31. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 31. FDIC-Receiver refers to the documents cited in Paragraph 31 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 31 to the extent that DBNTC’s use of the term “WaMu” purports to include FDIC-Receiver.

32. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 32 of the Amended Complaint with respect to each of the Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-

Receiver refers to the documents cited in Paragraph 32 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves.

33. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 33 of the Amended Complaint with respect to each of the Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver refers to the documents cited in Paragraph 33 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves.

34. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 34 of the Amended Complaint with respect to each of the Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver refers to the documents cited in Paragraph 34 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves.

35. FDIC-Receiver admits that 12 U.S.C. § 1821(e)(1) states that the FDIC as “the conservator or receiver for any insured depository institution may disaffirm or repudiate any contract or lease— (A) to which such institution is a party; (B) the performance of which the conservator or receiver, in the conservator’s or receiver’s discretion, determines to be burdensome; and (C) the disaffirmance or repudiation of which the conservator or receiver determines, in the conservator’s or receiver’s discretion, will promote the orderly administration of the institution’s affairs.” FDIC-Receiver admits that 12 U.S.C. § 1821(e)(2), which applies only to “timing of repudiation,” states that the FDIC as a conservator or receiver “shall determine

whether or not to exercise the rights of repudiation under this [12 U.S.C. § 1821(e)(1)] within a reasonable period following such appointment.” FDIC-Receiver denies any allegations in Paragraph 35 of the Amended Complaint that are inconsistent with federal law and these admissions.

36. FDIC-Receiver admits that it has not repudiated or disaffirmed any of the Governing Agreements for the 127 trusts at issue in the Amended Complaint pursuant to 12 U.S.C. § 1821(e)(1). FDIC-Receiver denies any remaining allegations in Paragraph 36 of the Amended Complaint.

37. FDIC-Receiver denies the allegations in Paragraph 37 of the Amended Complaint.

38. FDIC-Receiver admits the allegations in Paragraph 38 of the Amended Complaint.

39. FDIC-Receiver admits that it transferred to JPMC, and JPMC assumed, all mortgage servicing rights and obligations of WaMu as provided in the P&A Agreement. FDIC-Receiver denies the allegations in Paragraph 39 of the Amended Complaint to the extent that DBNTC’s use of the term “WaMu” purports to include FDIC-Receiver.

40. FDIC-Receiver admits the allegations in Paragraph 40 of the Amended Complaint, except denies the allegations in Paragraph 40 to the extent that DBNTC’s use of the term “WaMu” purports to include FDIC-Receiver.

41. FDIC-Receiver denies the allegations in Paragraph 41 of the Amended Complaint.

42. FDIC-Receiver admits the allegations in Paragraph 42 of the Amended Complaint.

43. FDIC-Receiver states that the allegations in Paragraph 43 of the Amended Complaint purport to describe the substance of the Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 43. FDIC-Receiver refers to the documents cited in Paragraph 43 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 43 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

44. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 44 of the Amended Complaint, except denies the allegations in Paragraph 44 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

(2) WaMu's Representations and Warranties

45. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 31 of the Amended Complaint. FDIC-Receiver refers to the documents cited in Paragraph 31 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 31 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

46. FDIC-Receiver admits that Paragraph 46 of the Amended Complaint accurately quotes a portion of Section 6 of the Mortgage Loan Purchase Agreement for the LB0602 Trust.

FDIC-Receiver states that the allegations in Paragraph 46 of the Amended Complaint purport to describe the substance of the Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 46. FDIC-Receiver refers to the documents cited in Paragraph 46 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 46 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

47. FDIC-Receiver states that Exhibits 5 and 6 purport to describe the substance of the Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 47. FDIC-Receiver refers to the documents cited in Exhibits 5 and 6 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 47 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

48. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 48 of the Amended Complaint, except denies the allegations in Paragraph 48 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

(3) WaMu's Notice Obligation

49. FDIC-Receiver states that the allegations in Paragraph 49 of the Amended Complaint purport to describe the substance of the Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 49. FDIC-Receiver refers to the documents cited in Paragraph 49 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 49 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

50. FDIC-Receiver admits that Paragraph 50 of the Amended Complaint accurately quotes a portion of Section 2.08 of the Pooling and Servicing Agreement for the Washington Mutual Mortgage Securities Corp. Trust, Series 2002-AR2. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support any generalization implied in Paragraph 50. FDIC-Receiver refers to the Governing Agreements referred to in Paragraph 50 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 50 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

51. FDIC-Receiver admits that Paragraph 51 of the Amended Complaint accurately quotes a portion of Section 7(a) of the Mortgage Loan Purchase Agreement for the LB0602 Trust. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether

the Governing Agreements are sufficiently uniform to support any generalization implied in Paragraph 51. FDIC-Receiver refers to the Governing Agreements referred to in Paragraph 51 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 51 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

52. FDIC-Receiver states that Exhibit 7 purports to describe the substance of the Governing Agreements for each of the Primary Trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 52. FDIC-Receiver refers to the documents cited in Exhibit 7 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 52 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

(4) WaMu's Repurchase Obligation

53. FDIC-Receiver states that the allegations in Paragraph 53 of the Amended Complaint purport to describe the substance of the Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 53. FDIC-Receiver refers to the documents cited in Paragraph 53 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which

speak for themselves. FDIC-Receiver denies the allegations in Paragraph 53 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

54. FDIC-Receiver admits that Paragraph 54 of the Amended Complaint accurately quotes a portion of Section 2.08 of the Pooling and Servicing Agreement for the Washington Mutual Mortgage Securities Corp. Trust, Series 2005-AR1. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in the first sentence of Paragraph 54. FDIC-Receiver refers to the Governing Agreements referred to in Paragraph 54 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 54 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

55. FDIC-Receiver admits that Paragraph 55 of the Amended Complaint accurately quotes a portion of Section 2.03(a) of the Pooling and Servicing Agreement for the LB0602 Trust. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalization alleged in Paragraph 55. FDIC-Receiver refers to the Governing Agreements for a complete and accurate description of their content, and otherwise denies any allegations or implications in Paragraph 55 that are inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 55 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

56. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 56 of the Amended Complaint with respect to the

underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint.

57. FDIC-Receiver states that Exhibit 7 purports to describe the substance of the Governing Agreements for each of the Primary Trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 57 of the Amended Complaint. FDIC-Receiver refers to the documents cited in Exhibit 7 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 57 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

(5) The Trustee's Access and Indemnification Rights

58. FDIC-Receiver states that the allegations in Paragraph 58 of the Amended Complaint purport to describe the substance of the Governing Agreements for each of the Primary Trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 58. FDIC-Receiver refers to the documents cited in Paragraph 58 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 58 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

59. FDIC-Receiver admits that Paragraph 59 of the Amended Complaint accurately quotes a portion of Section 6.05 of the Pooling and Servicing Agreement for the LB0602 Trust.

FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support any generalization from this quotation. FDIC-Receiver refers to the Governing Agreements for a complete and accurate description of their content, and otherwise denies any allegations or implications in Paragraph 59 that are inconsistent with these documents, the terms of which speak for themselves.

60. FDIC-Receiver admits that Paragraph 60 of the Amended Complaint accurately quotes Section 8.05(b) of the Pooling and Servicing Agreement for the LB0602 Trust. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalization alleged in the first sentence of Paragraph 60. FDIC-Receiver refers to the Governing Agreements for a complete and accurate description of their content, and otherwise denies any allegations or implications in Paragraph 60 that are inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 60 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

61. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 61 of the Amended Complaint.

62. FDIC-Receiver states that Exhibit 7 purports to describe the substance of the Governing Agreements for each of the Primary Trusts at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 62 of the Amended Complaint. FDIC-Receiver refers to the documents cited in Exhibit 7 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for

themselves. FDIC-Receiver denies the allegations in Paragraph 62 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

(6) WaMu's Servicing Obligations

63. FDIC-Receiver admits that Paragraph 63 of the Amended Complaint accurately quotes a portion of Section 3.01 of the Pooling and Servicing Agreement for the Long Beach Mortgage Loan Trust, Series 2006-4. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations alleged in the first and second sentence of Paragraph 63. FDIC-Receiver refers to the Governing Agreements for a complete and accurate description of their content, and otherwise denies any allegations or implications in Paragraph 63 that are inconsistent with these documents, the terms of which speak for themselves. FDIC-Receiver denies the allegations in Paragraph 63 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

64. FDIC-Receiver states that the allegations in Paragraph 64 of the Amended Complaint purport to characterize or summarize the provisions of "many" of the Governing Agreements at issue in the Amended Complaint. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the Governing Agreements are sufficiently uniform to support the generalizations contained in Paragraph 64. FDIC-Receiver refers to the documents cited in Paragraph 64 for a complete and accurate description of their content, and otherwise denies any allegations or implications inconsistent with these documents, the terms of which speak for themselves.

C. WaMu Breached the Representations and Warranties

65. FDIC-Receiver admits that in April 2010 the Senate Subcommittee held a hearing on the role of high risk home loans in the financial crisis, using as a case history high risk home loans originated, sold, and securitized by WaMu, and denies the remaining allegations in the first sentence of Paragraph 65 of the Amended Complaint. FDIC-Receiver also denies the allegations in the first sentence of Paragraph 65 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in the second sentence of Paragraph 65, except denies the allegations in the second sentence of Paragraph 65 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver

66. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 66 of the Amended Complaint, except denies the allegations in Paragraph 66 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

67. FDIC-Receiver states that the allegations in Paragraph 67 of the Amended Complaint purport to describe or paraphrase the findings of the United States Senate Subcommittee on Investigations (the "Senate Subcommittee"). FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 67 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among

those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 67 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

68. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 68 of the Amended Complaint, except denies the allegations in Paragraph 68 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

69. FDIC-Receiver states that the allegations in Paragraph 69 of the Amended Complaint purport to quote, describe, or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 69 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 69 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

70. FDIC-Receiver states that the allegations in Paragraph 70 of the Amended Complaint purport to describe or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 70 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information

sufficient to form a belief about whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 70 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

(1) The Senate Subcommittee Findings

71. FDIC-Receiver states that the allegations in Paragraph 71 of the Amended Complaint purport to describe or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 71 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 71 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

72. FDIC-Receiver states that the allegations in Paragraph 72 of the Amended Complaint purport to describe or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 72 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information

sufficient to form a belief about whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 72 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

73. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 73 of the Amended Complaint. FDIC-Receiver denies the allegations in Paragraph 73 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver and denies that FDIC-Receiver breached any of the Governing Agreements.

74. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 74 of the Amended Complaint with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver denies the allegations in Paragraph 74 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver and denies that FDIC-Receiver breached Representations and Warranties in any of the Governing Agreements.

75. FDIC-Receiver states that the allegations in Paragraph 75 of the Amended Complaint purport to describe or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 75 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information sufficient to form a belief about whether the record made public by the Senate Subcommittee is

complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 75 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

(2) The Senate Record

76. FDIC-Receiver states that the allegations in Paragraph 76 of the Amended Complaint purport to describe or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 76 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 76 of the Amended Complaint regarding whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 76 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver. FDIC-Receiver further denies that it breached any of the Governing Agreements and that it had any of the Repurchase or Notice Obligations referred to in Paragraph 76.

77. FDIC-Receiver states that the allegations in Paragraph 77 of the Amended Complaint purport to quote, describe, or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these

allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 77 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 77 of the Amended Complaint regarding whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 77 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver. FDIC-Receiver further denies that it breached any of the Governing Agreements referred to in Paragraph 77.

78. FDIC-Receiver states that the allegations in Paragraph 78 of the Amended Complaint purport to quote, describe, or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 78 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 78 of the Amended Complaint regarding whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 78 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver. FDIC-Receiver further denies that it breached any of the Representations and Warranties referred to in Paragraph 78.

79. FDIC-Receiver states that the allegations in Paragraph 79 of the Amended Complaint purport to quote, describe, or paraphrase the findings of the Senate Subcommittee. FDIC-Receiver respectfully refers to the materials cited by DBNTC in support of these allegations for the actual language and complete contents thereof and denies any allegations in Paragraph 79 that are inconsistent with those materials. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 79 with respect to the underlying loans for each of the 127 trusts at issue in the Amended Complaint. FDIC-Receiver denies the allegations in Paragraph 79 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

80. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 80 of the Amended Complaint, except denies the allegations in Paragraph 80 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver. FDIC-Receiver further states that it never assumed any obligation or acted as servicer under the Governing Agreements for any of the Trusts.

D. WaMu's Breaches of the Governing Documents

81. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 81 of the Amended Complaint regarding whether the record made public by the Senate Subcommittee is complete and accurate with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, and whether the Trusts at issue in the Amended Complaint are among those referred to in the Senate Subcommittee report. FDIC-Receiver denies the allegations in Paragraph 81 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver and denies

that FDIC-Receiver had or breached any obligation under any Governing Agreement for any of the Trusts.

82. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 82 of the Amended Complaint with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, except denies the allegations in Paragraph 82 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver. FDIC-Receiver denies that it had or breached any Notice Obligations under the Governing Agreements.

83. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 83 of the Amended Complaint with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, except denies the allegations in Paragraph 83 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

84. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 84 of the Amended Complaint with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, except denies the allegations in Paragraph 84 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver. FDIC-Receiver denies that it has breached any Representations and Warranties or Notice and Repurchase Obligations under the Governing Agreements.

85. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 85 of the Amended Complaint.

E. The FDIC's and JPMC's Contentions Regarding Successor Liability

86. FDIC-Receiver admits the allegations in Paragraph 86 of the Amended Complaint.

87. FDIC-Receiver admits the allegations in Paragraph 87 of the Amended Complaint.

88. FDIC-Receiver admits the allegations in Paragraph 88 of the Amended Complaint.

89. FDIC-Receiver admits the allegations in Paragraph 89 of the Amended Complaint.

90. FDIC-Receiver admits that DBNTC has accurately stated JPMC's contention as reflected in the referenced document, but denies JPMC's contention as set forth in Paragraph 90 of the Amended Complaint.

91. FDIC-Receiver admits that DBNTC has accurately stated JPMC's contention as reflected in the referenced document, but denies JPMC's contention as set forth in Paragraph 91 of the Amended Complaint.

CLAIMS FOR RELIEF

Count I
Breach of Contract

92. In response to Paragraph 92 of the Amended Complaint, FDIC-Receiver incorporates by reference its responses to all paragraphs above as though fully set forth herein.

93. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 93 of the Amended Complaint with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, except denies the allegations in Paragraph 93 to the extent that DBNTC's use of the

term “WaMu” purports to include FDIC-Receiver. FDIC-Receiver denies that it breached any Representations, Warranties, or any obligations under any Governing Agreements for the Trusts.

94. FDIC-Receiver states that JPMC is liable for any alleged breaches of the Governing Agreements, denies any allegations in Paragraph 94 of the Amended Complaint that are inconsistent with those agreements, and denies that FDIC-Receiver is liable for WaMu’s breaches of the Governing Documents or that it is WaMu’s successor in interest.

95. FDIC-Receiver denies the allegations in Paragraph 95 of the Amended Complaint to the extent that they purport to pertain to FDIC-Receiver and otherwise lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 95.

96. FDIC-Receiver denies the allegations in Paragraph 96 of the Amended Complaint.

97. FDIC-Receiver denies the allegations in Paragraph 97 of the Amended Complaint.

98. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 98 of the Amended Complaint with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, except denies the allegations in Paragraph 98 to the extent that DBNTC’s use of the term “WaMu” purports to include FDIC-Receiver.

99. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 99 of the Amended Complaint with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, except denies the allegations in Paragraph 99 to the extent that DBNTC’s use of the term “WaMu” purports to include FDIC-Receiver.

100. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 100 of the Amended Complaint with respect to the underlying loans and Governing Agreements for each of the 127 trusts at issue in the Amended Complaint, except denies the allegations in Paragraph 100 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

101. FDIC-Receiver lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 101 of the Amended Complaint.

Count II
Declaratory Judgment

102. In response to Paragraph 102 of the Amended Complaint, FDIC-Receiver incorporates by reference its responses to all paragraphs above as though fully set forth herein.

103. FDIC-Receiver admits the allegations in Paragraph 103 of the Amended Complaint.

104. FDIC-Receiver admits that JPMC contends that it did not assume liability for DBNTC's claims under the P&A Agreement, but denies JPMC's contentions as set forth in Paragraph 104 of the Amended Complaint.

105. FDIC-Receiver states that it transferred to JPMC all of WaMu's liabilities in question but admits that there is a justiciable controversy regarding that transfer. FDIC-Receiver denies the allegations in Paragraph 105 of the Amended Complaint to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

106. FDIC-Receiver admits that DBNTC purports to seek a declaratory judgment declaring the relief alleged in paragraph 106, but denies that DBNTC is entitled to the relief sought in Paragraph 106 of the Amended Complaint and denies the allegations in Paragraph 106 to the extent that DBNTC's use of the term "WaMu" purports to include FDIC-Receiver.

107. FDIC-Receiver states that the unnumbered “wherefore” clause and Paragraphs A through E following that clause purport to assert a prayer for relief as to which no response is required. To the extent a response is required, FDIC-Receiver denies that DBNTC is entitled to any relief against FDIC Receiver and avers that judgment should be entered in its favor on all claims in the Amended Complaint.

DEFENSES

FDIC-Receiver asserts the following defenses:

1. Plaintiff’s Complaint fails, in whole or in part, to state a claim upon which relief can be granted against FDIC Receiver.
2. Plaintiff’s claim, and any liability for that claim, transferred to JPMC, and was assumed by JPMC, under the P&A Agreement between FDIC-Receiver and JPMC.
3. Plaintiff’s claims for damages are barred, in whole or in part, by the doctrine of laches or the applicable statutes of limitations.
4. Plaintiff’s claims for damages are barred, in whole or in part, for failure to exhaust administrative remedies.
5. Plaintiff’s claims for damages are barred, in whole or in part, to the extent the alleged damages are speculative, duplicative, or cumulative.
6. Plaintiff’s claims for damages are barred, in whole or in part, to the extent that Plaintiff failed to mitigate damages.
7. Plaintiff’s claims for damages are barred, in whole or in part, to the extent Plaintiff cannot demonstrate that the alleged breaches are material or that the alleged breaches caused Plaintiff’s alleged losses.
8. Any recovery to which Plaintiff may be found to be entitled is subject to any a setoff, recoupment, or offset to which FDIC-Receiver may be entitled.

9. Plaintiff cannot be granted some or all of the relief it seeks to the extent it failed to pursue its remedies under the Governing Agreements.

10. If FDIC-Receiver is determined not to have transferred to JPMC any of the obligations at issue, Plaintiff's claims for damages are barred, in whole or in part, because Plaintiff has failed to provide FDIC-Receiver with the required notice and opportunity to cure and thus failed to satisfy a condition precedent of the relevant contracts.

Dated: September 30, 2011

Respectfully submitted,

Of Counsel:

Kathryn R. Norcross, D.C. Bar No. 398120
Senior Counsel, Commercial Litigation Unit
Anne M. Devens
Counsel, Commercial Litigation Unit
Kaye A. Allison
Counsel, Commercial Litigation Unit
FEDERAL DEPOSIT INSURANCE
CORPORATION
Commercial Litigation Unit
3501 Fairfax Drive, Room VS-D-7062
Arlington, Virginia 22226
Telephone: (703) 562-2391
Facsimile: (703) 562-2481
Email: knorcross@fdic.gov
Email: adevens@fdic.gov
Email: kallison@fdic.gov

/s/ William R. Stein
William R. Stein, D.C. Bar No. 304048
Scott H. Christensen, D.C. Bar No. 476439
Jason S. Cohen, D.C. Bar No. 501834
HUGHES HUBBARD & REED LLP
1775 I Street, N.W., Suite 600
Washington, D.C. 20006-2401
Telephone: (202) 721-4600
Facsimile: (202) 721-4646
Email: christen@hugheshubbard.com
Email: cohenj@hugheshubbard.com

*Attorneys for Federal Deposit Insurance
Corporation in its capacity as Receiver for
Washington Mutual Bank*

EXHIBIT 9
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee for the Trusts listed
in Exhibits 1-A and 1-B,

Plaintiff,

v.

FEDERAL DEPOSIT INSURANCE
CORPORATION, as receiver for
Washington Mutual Bank; JPMORGAN
CHASE BANK, National Association; and
WASHINGTON MUTUAL MORTGAGE
SECURITIES CORPORATION,

Defendants.

Case No. 1:09-cv-1656 (RMC)

**ANSWER OF JPMORGAN CHASE BANK, N.A. AND
WASHINGTON MUTUAL MORTGAGE SECURITIES CORPORATION**

Defendants JPMorgan Chase Bank, N.A. (“JPMC”) and Washington Mutual Mortgage Securities Corporation (“WMMSC”; collectively with JPMC, “Defendants”), by and through their undersigned counsel, for their Answer to the Amended Complaint dated September 8, 2010 (the “Amended Complaint”), hereby respond as follows:

PARTIES

1. The first sentence of Paragraph 1 consists of legal assertions as to which no response is required. To the extent a response is required, upon information and belief, Defendants admit the allegations of the first sentence of Paragraph 1. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of the second sentence of Paragraph 1.

2. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegation that Deutsche Bank National Trust Company (“DBNTC”) serves “in various other related capacities,” and they refer the Court to the documents referenced for a complete and accurate description of their content, and otherwise deny any allegations or implications inconsistent with these documents, the terms of which speak for themselves. Defendants deny that “WMB” can properly be defined to include “its subsidiaries, their predecessors-in-interest and their affiliates, including Washington Mutual Mortgage Securities Corporation.” Defendants will use the term WMB to refer exclusively to Washington Mutual Bank throughout the remainder of this Answer. Defendants otherwise admit the allegations of Paragraph 2.

3. The first and second sentences of Paragraph 3 consist of legal assertions as to which no response is required. To the extent a response is required, Defendants admit that DBNTC serves as trustee for certain trusts and otherwise deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations, except refer the Court to the documents referenced for a complete and accurate description of their contents and deny any allegations or implications inconsistent with these documents, the terms of which speak for themselves. Defendants admit the allegations of the last sentence of Paragraph 3.

4. WMMSC admits, and JPMC denies knowledge or information sufficient to form a belief as to the truth of, the allegations of the first two sentences of Paragraph 4. Defendants admit the allegations of the third sentence of Paragraph 4.

5. Paragraph 5 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit that DBNTC purports to bring this action on

behalf of the Trusts (as defined in Paragraph 3) and the investors in the Trusts, but deny knowledge or information sufficient to form a belief as to the truth of the remaining allegations.

6. Paragraph 6 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit that DBNTC purports to bring this action pursuant to Federal Rule of Civil Procedure 17(a)(1)(E) and refer the Court to the Trust documents for a complete and accurate description of their terms, and otherwise deny any allegations or implications inconsistent with these documents, the terms of which speak for themselves.

7. The first sentence of Paragraph 7 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit the allegations of the first sentence of Paragraph 7. Defendants admit the allegations of the second and third sentences of Paragraph 7.

8. Defendants admit that JPMC is a national banking association with its home office in Columbus, Ohio, and a place of business in Washington, D.C., and that JPMC is a wholly owned subsidiary of JPMorgan Chase & Co. Defendants admit that WMMSC is currently a wholly owned subsidiary of JPMC. Defendants otherwise deny the allegations of Paragraph 8.

9. Defendants admit the allegations of Paragraph 9.

10. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of the first sentence of Paragraph 10. Defendants admit the allegations of the second sentence of Paragraph 10.

11. The first sentence of Paragraph 11 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants respectfully refer the

Court to the Purchase and Assumption Agreement (“PAA”) for a complete and accurate description of its contents and deny all allegations inconsistent therewith. JPMC denies that it agreed to “assume substantially all of [WMB’s] liabilities (including WMMSC)” and avers that it assumed only those liabilities listed on the “Books and Records” of WMB at a “Book Value” as of WMB’s closing, as set forth in the PAA. JPMC otherwise admits the allegations of the second and third sentences of Paragraph 11, and WMMSC otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations of the second and third sentences of Paragraph 11.

12. JPMC denies the allegations of Paragraph 12. WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 12.

13. Defendants admit the allegations of the first and third sentences of Paragraph 13. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of the second sentence of Paragraph 13. Defendants admit that DBNTC purports to bring this action against WMB and its successors or successors-in-interest and avers that courts have already held, in litigation involving the Federal Deposit Insurance Corporation (“FDIC”), that JPMC cannot be held liable as successor-in-interest to WMB for claims based on acts or omissions of WMB. JPMC otherwise denies, and WMMSC otherwise denies knowledge or information sufficient to form a belief as to the truth of, all other allegations or implications in the Complaint inconsistent with the corporate separateness of any entities.

THE PROOF OF CLAIM AND ORIGINAL COMPLAINT

14. Paragraph 14 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 14 and refer the Court to the documents referenced for a complete and accurate description of their contents and otherwise deny any

allegations or implications inconsistent with these documents, the terms of which speak for themselves.

15. Paragraph 15 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 15.

16. Paragraph 16 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 16.

17. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 17.

18. Paragraph 18 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 18.

19. Paragraph 19 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 19.

JURISDICTION AND VENUE

20. Paragraph 20 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit the allegations of Paragraph 20.

21. Paragraph 21 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit that this Court has jurisdiction over this matter pursuant to 12 U.S.C. §§ 1819(b)(2)(A) and 1821(d)(6) and 28 U.S.C. § 1331. JPMC otherwise denies, and WMMSC otherwise denies knowledge or information sufficient to form a belief as to the truth of, the allegations of Paragraph 21.

22. Paragraph 22 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit the allegations of Paragraph 22.

23. Paragraph 23 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit the allegations of Paragraph 23.

24. Paragraph 24 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit the allegations of Paragraph 24.

BACKGROUND

A. The Trusts

25. Upon information and belief, Defendants admit that various subsidiaries of WMB “sponsored and/or otherwise participated in the issuance of mortgage-backed securities pursuant to which” one or more subsidiaries of WMB issued or sold securities backed by residential mortgage loans. Defendants otherwise deny the allegations of Paragraph 25.

26. Paragraph 26 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit the allegations of Paragraph 26.

27. Defendants admit that the securitization of residential mortgages was a common practice until roughly the middle of 2007. Defendants deny present knowledge or information sufficient to form a belief as to the truth of the allegations contained in the second sentence of Paragraph 27. Defendants otherwise deny the allegations contained in Paragraph 27.

28. Defendants admit that Paragraph 28 is an accurate general description of residential mortgage-backed securities (“RMBS”) in the abstract, but deny that the documents governing the RMBS at issue here (the “Governing Documents”) are uniform or that this description necessarily applies to any particular RMBS at issue in this case. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description

of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

B. WaMu's Contractual Obligations

(1) The Governing Documents for the Trusts

29. Defendants deny that the securitization documents governing RMBS transactions are sufficiently uniform to support the generalizations contained in Paragraph 29. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

30. Defendants admit that DBNTC purports to have attached the pooling and servicing agreements ("PSAs") and mortgage loan purchase agreements ("MLPAs") for the Primary Trusts and the relevant agreements for the Secondary Trusts. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 30. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

31. Paragraph 31 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny the allegations of Paragraph 31.

32. Paragraph 32 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny the allegations of Paragraph 32.

33. Paragraph 33 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny the allegations of Paragraph 33.

34. Paragraph 34 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny the allegations of Paragraph 34.

35. Paragraph 35 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants admit the allegations of Paragraph 35.

36. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 36.

37. Paragraph 37 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 37.

38. JPMC respectfully refers the Court to the PAA for a complete and accurate description of its contents. JPMC otherwise denies any allegations or implications inconsistent with the PAA, the terms of which speak for themselves. WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 38.

39. Paragraph 39 consists of legal assertions as to which no response is required. To the extent a response is required, JPMC denies, and WMMSC denies knowledge or information sufficient to form a belief as to the truth of, the allegations of Paragraph 39.

40. Paragraph 40 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

41. Paragraph 41 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 41.

42. With respect to Subparagraphs 42(a) to 42(c), Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents, and Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves. Subparagraphs 42(d) and 42(e) consist of legal assertions as to which no response is required. To the extent a response is required, JPMC denies, and WMMSC denies knowledge or information sufficient to form a belief as to whether, the Governing Documents constitute official books and records of WMB or “WaMu,” as the term “Books and Records” is used in the PAA.

43. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 43. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

44. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations regarding possession of documents by DBNTC, or other parties acting on behalf of the Trusts, and they therefore deny the allegations of Paragraph 44.

(2) **WaMu’s Representations and Warranties**

45. Defendants admit that WMB and/or some entities that were affiliated with WMB made certain representations and warranties. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 45. Defendants

respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

46. Defendants admit that Section 6 of the MLPA for the Long Beach Mortgage Loan Trust, Series 2006-2 contains the language set forth in Paragraph 46 and refers the Court to the entire MLPA for a complete statement of its terms. Defendants otherwise deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 46. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

47. Defendants admit that DBNTC purports to attach the documents described in Paragraph 47. Defendants deny the accuracy of Exhibit 6 (*e.g.*, the allegation that § 6(xxxviii) of the MLPA for the LB0602 Trust corresponds to § 6(xxviii) of the same MLPA). Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 47. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

48. Defendants deny the allegations of Paragraph 48 and aver that JPMC possesses loan-level origination and servicing records pursuant to the PAA and that WMMSC possesses master servicing records related to certain of the Trusts.

(3) WaMu's Notice Obligation

49. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 49. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

50. Defendants deny that the quoted excerpt is a full and complete description of the provision at issue and deny that the quoted language is an "example" of all other RMBS at issue here. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

51. Defendants deny that the quoted excerpt is a full and complete description of the provision at issue and deny that the quoted language is an example of all other RMBS at issue here. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

52. Defendants admit that DBNTC attached to its Amended Complaint as Exhibit 7 a chart that purports to indicate the contractual provisions in the Governing Documents for each of the Primary Trusts setting forth Notice Obligations with respect to each Primary Trust. Defendants deny that the contractual provisions are uniform across the Governing Documents, deny the accuracy of the chart, and aver that the chart's inaccuracies include, for example, misrepresentations with respect to the "Notice Obligation" for nearly every Long Beach Trust. Defendants otherwise deny the allegations of Paragraph 52. Defendants respectfully refer the

Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

(4) WaMu's Repurchase Obligation

53. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 53. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

54. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 54. Defendants deny that the quoted excerpt is a full and complete description of the provision at issue. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

55. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 55. Defendants deny that the quoted excerpt is a full and complete description of the provision at issue. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

56. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 56 regarding factors that are "especially important," deny

that the assertion that certain factors “could” have certain effects is a non-hypothetical statement of fact susceptible to admission or denial, and deny that it is true as a general matter. Defendants otherwise deny the allegations of Paragraph 56.

57. Defendants admit that DBNTC attached to its Amended Complaint as Exhibit 7 a chart that purports to indicate the contractual provisions in the Governing Documents for each of the Primary Trusts setting forth Repurchase Obligations with respect to each Primary Trust. Defendants deny that the contractual provisions are uniform across the Governing Documents and deny that the chart is accurate. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

(5) The Trustee’s Access and Indemnification Rights

58. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 58. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

59. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 59. Defendants deny that the quoted excerpt is a full and complete description of the provision at issue. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

60. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 60. Defendants deny that the quoted excerpt is a full and complete description of the provision at issue. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

61. Defendants admit that DBNTC and/or the Trusts have been subject to claims, including litigation claims, by borrowers. Defendants deny knowledge or information sufficient to form a belief as to any damages suffered by DBNTC or the Trusts. Defendants otherwise deny the allegations of Paragraph 61.

62. Defendants admit that DBNTC attached to its Amended Complaint as Exhibit 7 a chart that purports to indicate the contractual provisions in the Governing Documents for each of the Primary Trusts setting forth Access Rights and Indemnification Rights with respect to each Primary Trust. Defendants deny that the contractual provisions are uniform across the Governing Documents and deny that the chart is accurate. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

(6) WaMu's Servicing Obligations

63. Defendants deny that the Governing Documents are sufficiently uniform to support the generalizations contained in Paragraph 63. Defendants deny that the quoted excerpt is a full and complete description of the provision at issue. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents.

Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

64. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

C. **WaMu Breached the Representations and Warranties**

65. Defendants deny the allegations in the first sentence of Paragraph 65, except they admit that in April 2010, the United States Senate Subcommittee on Investigations (the “Senate Subcommittee”) held a hearing related to WMB. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of the second sentence of Paragraph 65 regarding the state of DBNTC’s beliefs, deny that the limited record made public by the Senate Subcommittee is complete and accurate, but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

66. Defendants deny the allegations of Paragraph 66.

67. Defendants admit that the Senate Subcommittee examined certain of the topics identified in the first sentence of Paragraph 67 but otherwise deny the allegations of that sentence. As to the remainder of Paragraph 67, Defendants deny that the limited record made public by the Senate Subcommittee is complete and accurate but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents. Defendants deny or deny knowledge or information sufficient to form a belief as to the specific overlap between the securitizations at issue here and the securitizations referenced in the Senate Subcommittee report.

68. Defendants deny or deny knowledge or information sufficient to form a belief as to the allegations of Paragraph 68. Defendants deny that the limited record made public by the Senate Subcommittee and referenced here is complete and accurate but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

69. Defendants admit that DBNTC purports to quote from the Senate Subcommittee record, deny that the limited record made public by the Senate Subcommittee is complete and accurate, and nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents. Defendants specifically deny that the quoted language refers to any transaction or trust for which DBNTC is Trustee.

70. Defendants admit that DBNTC purports to draw conclusions from the Senate Subcommittee record but deny those conclusions and that the limited record made public by the Senate Subcommittee is complete and accurate and suffices to support those conclusions. Defendants nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

(1) **The Senate Subcommittee Findings**

71. Defendants admit that DBNTC purports to draw conclusions from the Senate Subcommittee record but deny those conclusions and that the limited record made public by the Senate Subcommittee is complete and accurate and suffices to support those conclusions. Defendants nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

72. Defendants admit that DBNTC purports to draw conclusions from the Senate Subcommittee record but deny those conclusions and that the limited record made public by the

Senate Subcommittee is complete and accurate and suffices to support those conclusions.

Defendants nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

73. Paragraph 73 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 73. Defendants respectfully refer the Court to the Governing Documents for a complete and accurate description of their contents. Defendants otherwise deny any allegations or implications inconsistent with the Governing Documents, the terms of which speak for themselves.

74. Paragraph 74 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 74 and deny that the limited record made public by the Senate Subcommittee is complete and accurate. Defendants nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

75. Paragraph 75 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 75, except they admit that Paragraph 75 purports to quote the referenced document. Defendants deny that the limited record made public by the Senate Subcommittee is complete and accurate but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

(2) **The Senate Record**

76. Paragraph 76 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 76. Defendants deny that the limited record made public by the Senate Subcommittee is complete and accurate but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

77. Paragraph 77 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 77, except they admit that Paragraph 77 purports to quote the referenced documents. Defendants deny that the limited record made public by the Senate Subcommittee is complete and accurate but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

78. Paragraph 78 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 78, except they admit that Paragraph 78 purports to quote the referenced document. Defendants deny that the limited record made public by the Senate Subcommittee is complete and accurate but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

79. Paragraph 79 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 79, except they admit that

Paragraph 79 purports to quote the referenced document. Defendants deny that the limited record made public by the Senate Subcommittee is complete and accurate but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

80. Defendants deny the allegations of Paragraph 80, except they admit that some Trusts, like most RMBS originated prior to 2008, have experienced higher delinquencies since the collapse of the housing market in 2008 and that this rise in delinquencies has in some instances led to foreclosures, other servicing activity, and loss to Trusts.

D. WaMu's Breaches of the Governing Documents

81. Paragraph 81 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 81. Defendants deny that the limited record made public by the Senate Subcommittee is complete and accurate but nonetheless respectfully refer the Court to the public record of the referenced Senate Subcommittee proceeding for a complete and accurate statement of its contents.

82. Defendants deny knowledge or information sufficient to form a belief as to the truth of the allegations of the first sentence of Paragraph 82, which pertain to actions of "WaMu" prior to September 25, 2008. Defendants deny the allegations of the second and third sentences of Paragraph 82 insofar as they relate to them, and they aver that DBNTC has never made a request for records that complies with the requirements of the Governing Documents except that it has represented to JPMC that it has sought access to 61 loan files.

83. Defendants deny the allegations of Paragraph 83.

84. Paragraph 84 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient

to form a belief as to the allegations set forth in Paragraph 84 to the extent they pertain to WMB and deny the allegations set forth in Paragraph 84 to the extent they pertain to JPMC or WMMSC.

85. Defendants deny the allegations of Paragraph 85, except they deny knowledge or information sufficient to form a belief as to what DBNTC “estimates.”

E. The FDIC’s and JPMC’s Contentions Regarding Successor Liability

86. JPMC respectfully refers the Court to the PAA for a complete and accurate description of its contents. JPMC otherwise denies any allegations or implications inconsistent with the PAA, the terms of which speak for themselves. WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 86.

87. JPMC respectfully refers the Court to the PAA for a complete and accurate description of its contents. JPMC otherwise denies any allegations or implications inconsistent with the PAA, the terms of which speak for themselves, except avers that Section 2.1 of the PAA limits the liabilities assumed by JPMC to those with “Book Value” and on WMB’s “Books and Records” as of WMB’s closing. WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 87.

88. JPMC denies the allegations of Paragraph 88, and WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 88, except they admit that DBNTC purports to quote from the FDIC’s motion to dismiss in this action and respectfully refer the Court to the full docket for a complete and accurate description of the parties’ submissions.

89. JPMC denies the allegations of Paragraph 89, and WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 89, except they admit that DBNTC purports to quote the FDIC’s motion to dismiss this action and

respectfully refer the Court to the docket for a complete and accurate description of the parties' submissions.

90. JPMC admits the allegations of Paragraph 90. WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 90.

91. JPMC admits the allegations of Paragraph 91. WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 91.

CLAIMS FOR RELIEF

Count I **Breach of Contract**

92. Defendants incorporate their responses to Paragraphs 1-91 as if fully set forth herein.

93. Paragraph 93 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny or deny knowledge or information sufficient to form a belief as to the allegations of Paragraph 93.

94. Paragraph 94 consists of legal assertions as to which no response is required. To the extent a response is required, JPMC admits that FDIC is liable for any breaches of the Governing Documents by WMB and denies that JPMC is liable for any breaches of the Governing Documents by WMB. WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 94.

95. Paragraph 95 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny the allegations of Paragraph 95.

96. Paragraph 96 consists of legal assertions as to which no response is required. To the extent a response is required, JPMC admits the allegations of Paragraph 96. WMMSC denies

knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 96.

97. Paragraph 97 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny knowledge or information sufficient to form a belief as to the allegations of Paragraph 97.

98. Paragraph 98 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny the allegations of Paragraph 98.

99. Defendants deny the allegations of Paragraph 99.

100. Paragraph 100 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny the allegations of Paragraph 100.

101. Paragraph 101 consists of legal assertions as to which no response is required. To the extent a response is required, Defendants deny the allegations of Paragraph 101.

Count II
Declaratory Judgment

102. Defendants incorporate their responses to Paragraphs 1-101 as if fully set forth herein.

103. JPMC denies the allegations of Paragraph 103, except it admits that the FDIC contends that, under the PAA and FIRREA, JPMC assumed from the FDIC as receiver all of WMB's liabilities and obligations "as seller, servicer, sponsor or in any other capacity under the Governing [Documents]." WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 103.

104. JPMC admits the allegation of Paragraph 104, except it denies the allegations of Paragraph 104 with respect to WMB's "mortgage servicing rights and obligations." WMMSC

denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 104.

105. JPMC admits that a justiciable controversy exists as to the rights and obligations of the FDIC and JPMC, but denies that Paragraph 105 fully or accurately describes that controversy. WMMSC denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 105.

106. Defendants admit that DBNTC purports to seek a declaratory judgment. JPMC avers that JPMC is not WaMu's successor-in-interest and that JPMC did not acquire liabilities except those with "Book Value" and on WMB's "Books and Records" as of WMB's closing. WMMSC otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 106.

107. Defendants deny all of the allegations of the Amended Complaint not specifically admitted above and that Plaintiff is entitled to any relief from JPMC or WMMSC as to the matters alleged in the Amended Complaint or the prayer for relief.

AFFIRMATIVE DEFENSES

In further response to the Amended Complaint, upon information and belief and subject to further investigation and discovery, Defendants allege the following affirmative defenses without assuming any burden of proof that Defendants do not otherwise bear:

First Affirmative Defense

The Amended Complaint fails to state a claim upon which relief can be granted.

Second Affirmative Defense

Plaintiff fails to state a claim against JPMC because any liability for Plaintiff's claims remained with the FDIC under the PAA.

Third Affirmative Defense

Plaintiff is barred from seeking or obtaining some or all of the relief it seeks by the doctrines of waiver, estoppel, laches and/or acquiescence.

Fourth Affirmative Defense

Plaintiff's claims are barred, in whole or in part, by applicable banking rules, regulations and statutes.

Fifth Affirmative Defense

Defendants are entitled to a setoff, recoupment and/or offset from any recovery to which Plaintiff may be found to be entitled.

Sixth Affirmative Defense

Plaintiff cannot be granted some or all of the relief it seeks because even if it were to prevail on the merits of its claims, the remedy it seeks is unavailable for its claims.

Seventh Affirmative Defense

Plaintiff cannot be granted some or all of the relief it seeks because it failed to pursue its remedies under the Governing Documents.

Eighth Affirmative Defense

Defendants are entitled to indemnification against any amounts awarded to any other party.

Ninth Affirmative Defense

Plaintiff's claims are barred by the applicable statutes of limitations.

Tenth Affirmative Defense

Any alleged harm suffered by Plaintiff or the Trusts is the result of the conduct of third parties for which Defendants are not responsible.

Eleventh Affirmative Defense

Any alleged harm suffered by Plaintiff or the Trusts was not directly or proximately caused by any conduct or act of Defendants or by any person or entity whose acts may be attributed to Defendants for any reason, including theories of successor liability.

Twelfth Affirmative Defense

Defendants specifically give notice that they intend to rely upon such other defenses as may become available by law, or pursuant to statute, or during discovery proceedings of this case, and hereby reserve their right to amend their Answer and assert such defenses.

WHEREFORE, Defendants demand judgment dismissing the Amended Complaint on the merits, in its entirety and with prejudice, and awarding such additional relief as the Court may deem just and proper.

Dated: May 6, 2011
Washington, D.C.

Robert A. Sacks (admitted *pro hac vice*)
Stacey R. Friedman (admitted *pro hac vice*)
SULLIVAN & CROMWELL LLP
125 Broad Street
New York, New York 10004
Telephone: (212) 558-4000
Facsimile: (212) 558-3588

Respectfully submitted,

/s/ Brent J. McIntosh
Brent J. McIntosh (D.C. Bar No. 991470)
Henry C. Quillen (D.C. Bar No. 986686)
SULLIVAN & CROMWELL LLP
1701 Pennsylvania Avenue, N.W.
Washington, D.C. 20006
Telephone: (202) 956-7500
Facsimile: (202) 293-6330

*Counsel for Defendants
JPMorgan Chase Bank, N.A. and
Washington Mutual Mortgage
Securities Corporation*

EXHIBIT 10
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

<hr/>)	
DEUTSCHE BANK NATIONAL)	
TRUST COMPANY,)	
)	
Plaintiff,)	Civil Action No. 09-1656 (RMC)
)	
v.)	
)	
FEDERAL DEPOSIT INSURANCE)	
CORPORATION, <i>et al.</i>,)	
)	
Defendants.)	
<hr/>)	

AMENDED MEMORANDUM OPINION

This is a contract action of some moment. Washington Mutual Bank (WaMu), the largest savings and loan (or “thrift”) in the country, failed in a spectacular way when the housing bubble burst in 2007-08. On September 25, 2008, the Office of Thrift Supervision seized WaMu and transferred ownership of the thrift to the Federal Deposit Insurance Corporation (FDIC). FDIC in turn immediately sold all of WaMu’s assets and substantially all of its liabilities to JPMorgan Chase Bank, National Association (JPMC). The acquisition of WaMu was governed by a Purchase and Assumption Agreement (P&A Agreement or Agreement), drafted by FDIC, which defined the “Liabilities Assumed” by JPMC to mean those “reflected on the Books and Records” of WaMu.

Plaintiff Deutsche Bank National Trust Company (Deutsche Bank) seeks to enforce WaMu’s contractual obligation to repurchase hundreds of faulty mortgage-backed securities that have since collapsed. Before addressing the merits of Deutsche Bank’s case, the Court must first determine which defendant—JPMC or FDIC—is responsible for WaMu’s

repurchase liabilities. Specifically, the present litigation concerns interpretation of the P&A Agreement and the question of whether FDIC transferred liabilities beyond their “Book Value” as reflected on WaMu’s “Books and Records” (i.e., unbooked liabilities) to JPMC or whether those liabilities remained with FDIC.¹ The answer to this question will likely affect other pending cases.² Ultimately, the Court finds that JPMC did not assume WaMu’s unbooked mortgage repurchase liabilities and will grant summary judgment in part to JPMC, finding that JPMC assumed liability for the disputed mortgage repurchase liabilities only to the extent that such liabilities were reflected at a stated Book Value on WaMu’s financial accounting records as of September 25, 2008. The Court will also grant summary judgment in part to FDIC, because it is not liable for mortgage repurchase obligations of Washington Mutual Mortgage Securities Corporation (WMMSC), which JPMC acquired in its entirety.

I. FACTS

A. Residential Mortgage-Backed Securities

WaMu, its subsidiaries, and Deutsche Bank all participated in securitizing and servicing residential mortgage loans. In mortgage loan securitization transactions, securities backed by thousands of residential mortgage loans are created and sold to investors; these are known as Residential Mortgage-Backed Securities or RMBS. Ex. 778 (Expert Rebuttal Report

¹ JPMC does not dispute that it assumed a certain amount of WaMu’s mortgage repurchase liabilities, but argues that it only assumed such obligations up to their “Book Value” as reflected on WaMu’s accounting records at the time of closing. JPMC Mem. in Support of Mot. for Summ. J. (JPMC Mem.) [Dkt. 142] at 25-28.

² See *North Carolina Dept. of Revenue v. FDIC*, Civil Case No. 10-505 (RMC); *JPMorgan Chase Bank, N.A. v. FDIC*, Civil Case No. 12-450 (RMC); *JPMorgan Chase Bank, N.A. v. FDIC*, Civil Case No. 13-1997 (RMC).

of George S. Oldfield (Oldfield Report)) [Dkt. 166-9], ¶¶ 14-16.³ In the securitization process, the seller—the entity sponsoring the transaction (typically a bank or bank subsidiary)—originates or acquires a pool of residential mortgage loans and sells them to the depositor—an intermediate entity—which then places the loans into an investment trust as collateral for the securities. *Id.* ¶¶ 14, 20; Ex. 775 (Expert Report of Michelle Minier (Minier Report)) [Dkt. 166-8], ¶¶ 14-16. The process also includes an underwriter, which buys the mortgage-backed securities issued by the trust and sells them to investors as RMBS. Oldfield Report, ¶ 14; Minier Report, ¶¶ 17, 21. The trust is run by a trustee, which directs payments to investors in accord with the terms of trust agreements and reports to investors about the performance of the trust’s assets. Oldfield Report, ¶ 14, 24; Minier Report, ¶¶ 17, 20. The originator, seller, underwriter, and depositor may be the same entity or subsidiaries of the same institution. Minier Report, ¶ 10; Oldfield Report, ¶ 21. The seller may also play the role of servicer, which has various responsibilities, including collecting principal and interest payments from residential mortgagors and sending the funds to the trust. Minier Report, ¶¶ 10, 18-19; Oldfield Report, ¶¶ 14, 21. In contractual agreements between the trustee and the seller, the seller makes certain representations and warranties about the quality of the residential mortgage loans sold to the investment trust. Oldfield Report, ¶ 26; Minier Report ¶ 14. The trustee usually has the ability to return defective residential mortgage loans to the seller, and the seller warrants that it will repurchase non-compliant loans. Oldfield Report, ¶ 26; Minier Report ¶ 14. The securitization process creates vast profit potential for the depositor, seller, servicer, and underwriter, providing

³ The exhibits referred to herein are part of a joint appendix of exhibits and deposition transcripts cited in the parties’ cross-motions for summary judgment. *See* Dkts. 158-169, 176.

a source of capital to the banks that approve residential mortgage loans for home buyers and subsequently sell the mortgages. Oldfield Report, ¶ 15.

B. Relevant Parties and Procedural Background

WaMu was a federally chartered savings and loan institution that engaged in residential mortgage lending and participated in the mortgage-backed securitization market. In the spring of 2008, it was the largest savings and loan association in the United States. Am. Compl. [Dkt. 32], ¶ 10. Its business operations consisted of Washington Mutual, Inc. (WMI), a parent holding company, WaMu, a wholly-owned subsidiary, and various subsidiaries of WaMu. In early 2008, WaMu had over 42,000 employees, 2,200 branch offices in 15 states, and \$188.3 billion in deposits. Ex. 327 [Dkt. 163-26] at 8;⁴ Ex. 819 [Dkt. 162] at 1.

WaMu's collapse on September 25, 2008 was the largest thrift failure in the nation's history as measured by dollar value. A significant part of WaMu's business focused on the sale and servicing of securitized residential mortgage loans through large-scale financial transactions. Ex. 801 [Dkt. 161-16] at 132-33. WaMu sold two types of loans. The first type involved loans that met the standards of federal mortgage agencies, such as the Federal National Mortgage Association (FNMA, commonly known as Fannie Mae) and the Federal Home Loan Mortgage Corporation (FHLMC, commonly known as Freddie Mac). Oldfield Report, ¶ 17. Both Fannie Mae and Freddie Mac are government sponsored enterprises (GSEs) that are not agencies of the federal government. Residential mortgage loans that complied with Fannie Mae or Freddie Mac standards were sold into securitization trusts sponsored by those entities. *Id.* The second kind of residential mortgage loans that were sold and securitized by WaMu were

⁴ Page citations within this exhibit are to the ECF page number.

sold to “private label” trusts sponsored by private sector institutions, like WaMu, and were administered by private sector trustees such as Deutsche Bank. *Id.* ¶ 18.

Deutsche Bank serves as Trustee for 99 “Primary Trusts” and 28 “Secondary Trusts” (collectively the Trusts) at issue in this case. Am. Compl. ¶¶ 2, 3. The Primary Trusts were created, sponsored, and/or serviced by WaMu and its subsidiaries, their predecessors-in-interest, and their affiliates; the Primary Trusts issued RMBS and other securities, holding as collateral mortgage loans originated or acquired by WaMu and sold into the Primary Trusts. *Id.* ¶ 2. WaMu also issued securities through 28 Secondary Trusts, which are express or implied third-party beneficiaries of the Primary Trusts, and whose performance is allegedly dependent, in whole or in part, on the performance of the Primary Trusts or other RMBS issued by WaMu. *Id.* ¶ 3. Defendant WMMSC, now a subsidiary of JPMC, serves as the seller and depositor for 44 of the 99 Primary Trusts. *Id.* WaMu served as the seller and depositor (or assumed similar roles) for the remaining Trusts. *See id.*

Each Trust is governed by a series of agreements memorializing the rights and obligations of the contracting parties (the Governing Agreements). *See, e.g.*, Ex. 802 (WaMu Series 2007-HE1 Trust) [Dkts. 161-17—161-21]. Specifically, the Governing Agreements imposed various obligations upon WaMu in its capacity as seller, including the obligation to cure, repurchase, or substitute new mortgage loans for any that were materially defective or in material breach of their representations or warranties. *See id.*⁵ WaMu accounted for the

⁵ This opinion interprets the P&A Agreement in order to determine which defendant—JPMC or FDIC—is responsible for obligations arising under the Governing Agreements in the underlying case brought by Deutsche Bank. However, the Court’s finding as to the transfer of WaMu’s liabilities under the P&A Agreement has no bearing on those Trusts for which WMMSC served as a seller and depositor, or had other obligations. As JPMC acknowledges, “WMMSC is an ‘entit[y] acquired by [JPMC] as part of . . . the Washington Mutual . . . transaction[.]’” JPMC Opp. to FDIC Mot. for Summ. J. (JPMC Opp.) [Dkt. 150] at 41 (alterations in original); *see also*

possibility that it would have to repurchase loans by recording on its balance sheet a reserve for the liabilities associated with repurchasing loans. *See* Ex. 753 (Expert Report of S.P. Kothari) [Dkt. 167-1], ¶¶ 17-18; Ex. 769 (Expert Report of Thomas Blake) [Dkt. 167-3] at 9. That reserve balance “at any given point in time reflects a dollar estimate of future resources that could be needed to satisfy this contingent liability.” Ex. 753, ¶ 21; Ex. 769 at 9 (“WMB’s repurchase reserve was based on an estimate because in many cases the liability had not yet been identified, meaning that a claim had not been made, or a determination had not been made by WMB that a representation or warranty had been breached and that the breach caused a material adverse effect on the value of a particular loan.”).

The Office of Thrift Supervision (OTS) was an agency within the U.S. Department of the Treasury, established by the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), Pub. L. No. 101-73, 103 Stat. 183 (1989), on August 9, 1989. *See* Ex. 767 (FDIC Resolution Handbook) [Dkt. 161-12] at 96.⁶ It was the primary regulator of all federal and many state chartered thrift institutions. *Id.* As WaMu’s primary regulator, Ex. 912

Ex. 1 (P&A Agreement) [Dkt. 158-1], § 3.1 (JPMC assumes “all right, title, and interest” in all subsidiaries of WaMu). Because JPMC assumed all of the stock of WMMSC, it cannot now disclaim WMMSC liabilities, whatever they turn out to be. *See* Ex. 498 (Internal JPMC December 2008 presentation) [Dkt. 164-12] at 7 (“JPMC[] cannot avoid repurchase liability under the terms of the FDIC agreement for transactions in which Washington Mutual Mortgage Securities Corp. (WMMSC) maintains the liability. This is because JPMC[] bought the stock of WMMSC.”); *see also* FDIC Opp. to JPMC’s Mot. for Summ. J. (FDIC Opp.) [Dkt. 148] at 44-45. WMMSC does not dispute that it is responsible for its own liabilities, and thus summary judgment will be entered in favor of FDIC with respect to all trusts for which WMMSC was the seller or depositor.

⁶ Under Title III of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 1376 (2010), OTS’s oversight responsibilities related to federal savings and loan associations were subsumed into the Office of the Comptroller of the Currency, a bureau within the Treasury Department that charters, regulates, and supervises national banks. *See* Ex. 767 at 95-96; 12 U.S.C. §§ 5412(b)(2)(B), 5414(a)(2)(B). On July 21, 2011, OTS became a part of OCC.

[Dkt. 162-16] at 1, OTS determined that the bank had “insufficient liquidity to meet its obligations” and thus was in an “unsafe and unsound condition to conduct business.” Ex. 819 at 1. On September 25, 2008, OTS closed WaMu and placed it into an FDIC receivership. *See* Ex. 911 [Dkt. 162-15].

FDIC is an independent federal agency established by the Banking Act of 1933, Pub. L. 73-86, 48 Stat. 162 (establishing temporary FDIC), and the Banking Act of 1935, Pub. L. 74-305, 49 Stat. 684 (making FDIC permanent), to provide insurance for depositors in U.S. banks. *See* Ex. 767 at 1. FDIC maintains a Deposit Insurance Fund by assessing insurance premiums against banks and savings and loan associations. *See* Federal Deposit Insurance Reform Act of 2005, Pub. L. 109-71, 110 Stat. 9 (merging the Bank Insurance Fund and the Savings Association Insurance Fund into the Deposit Insurance Fund). FDIC’s “primary mission is to maintain stability and public confidence in the United States financial system by insuring deposits up to the legal limit and promoting sound banking practices.” Ex. 767 at 1 (footnote omitted). “Whenever a federally insured depository institution fails, the FDIC pays off insured deposits or, more frequently, it arranges for the transfer of accounts from the failed institution to a healthy one.” *Id.* In this process, FDIC operates as two distinct legal entities: (1) FDIC-Receiver (FDIC-R), which assumes control of the failed bank, closes it, liquidates any assets, and distributes the proceeds of the liquidation to, among others, FDIC-Corporate, certain customers of the failed bank, and general creditors, all with the goal of avoiding costs to the Deposit Insurance Fund, and (2) FDIC-Corporate (FDIC-C), which values the failed institution, markets it to potential acquirers, solicits and accepts bids, decides which bid is least costly to the Deposit Insurance Fund, and works with the acquirer(s) through the closing process. *Id.* at 2. “In its role as receiver for a failed depository institution, the [FDIC-R] has a statutory obligation generally to

maximize the return on the sale or disposition of the receivership estate's assets. The receiver distributes any funds realized from its liquidation efforts to the failed institution's creditors and shareholders in accordance with the FDIC's priority scheme." *Id.* (footnote omitted).

FDIC-R received WaMu from OTS and closed WaMu momentarily after its seizure. FDIC-C and FDIC-R jointly sold all of WaMu's assets and most of its liabilities to JPMC on September 25, 2008, the same date on which OTS seized WaMu. Ex. 911.

On December 30, 2008, Deutsche Bank filed a proof of claim with FDIC-R based on WaMu's alleged breach of various obligations under the Governing Agreements relating to the mortgage-backed securities held by the various Trusts for which Deutsche Bank is the Trustee. Am. Compl. ¶ 14. FDIC failed to respond and Deutsche Bank subsequently sued FDIC-R on August 26, 2009, alleging, *inter alia*, that WaMu had breached its contractual obligations by selling "defective" mortgage loans and failing to repurchase those loans. *See* Compl. [Dkt. 1]. When FDIC answered that the claims asserted by Deutsche Bank had been assumed by JPMC, Deutsche Bank added JPMC as a defendant and now seeks a money judgment from WaMu and its "successors or successors-in-interest, whoever they are adjudicated to be." Am. Compl. ¶ 13. FDIC and JPMC engaged in discovery on the question of liability under the P&A Agreement and have filed cross-motions for summary judgment on the scope of the Agreement.

C. Context for JPMC's Purchase of Washington Mutual Bank

In 2008, the United States was undergoing one of the most severe financial crises in the nation's history. The deteriorating housing market caused an increased delinquency rate among residential borrowers who defaulted on their mortgages, which in turn increased demands that WaMu repurchase at-risk securitized loans. In early March 2008, OTS and FDIC pressured

WaMu to raise more capital or find a buyer. *See* Ex. 327 at 3. JPMC, other banks, and various private equity groups were invited to participate in the potential transaction. *Id.* JPMC engaged in “an exhaustive due diligence process,” *id.*, of which “the most critical component . . . was the assessment of losses in WaMu’s consumer loan portfolios, particularly home lending” *id.* at 4. On March 31, 2008, JPMC offered to purchase WaMu at \$5/share plus a contingent \$3/share dependent “on the magnitude of losses realized on certain WaMu loan portfolios.” *Id.* at 5. It was contemplated that any acquisition would be via an open bank transaction.⁷ *See* Ex. 486 [Dkt. 164-10]. However, WaMu obtained a capital infusion from a private equity firm and remained independent. Ex. 327 at 5.

In early September of 2008, as WaMu’s financial status continued to weaken, OTS and FDIC again demanded that WaMu raise additional capital or engineer a sale. *Id.* Advised by FDIC that FDIC was closely monitoring WaMu and anticipated a seizure of its assets and a quick sale, JPMC (and others) began a new round of due diligence, “including updating the loan portfolio loss estimates.” *Id.* In mid-September, Sheila Bair, then-Chairman of the FDIC, contacted Jamie Dimon, Chairman and CEO of JPMC, to “pitch[] an open bank transaction.” Ex. 135 [Dkt. 159-15]. However, FDIC officials changed course soon thereafter and asked various potential acquiring banks to prepare bids in the event WaMu were seized by federal regulators. *See* Ex. 327 at 5. On September 22, 2008, FDIC representatives Jim Wigand, Herb

⁷ Open bank transactions are “normally stock sales,” so the acquiring bank “assumes or acquires the business,” including all assets and liabilities. *See* Deposition of James Wigand (Wigand Dep.) [Dkt. 169-5] at 135; Ex. 767 at 47.

Held, and David Gearin⁸ met with various prospective bidders, including JPMC, to discuss a potential WaMu transaction. *See* Ex. 54 [Dkt. 158-9]; Ex. 142 [Dkt. 159-16].

D. FDIC’s Internal Drafting of the Purchase and Assumption Agreement

FDIC began drafting a purchase and assumption agreement for WaMu in mid-September 2008. *See* Deposition of David Gearin (Gearin Dep.) [Dkt. 169-24] at 18-21. FDIC attorneys David Gearin and Lee Van Fleet, Counsel, Division of Resolutions and Receiverships, “principally drafted” what would ultimately become the September 25, 2008 P&A Agreement at issue here, “based on instructions from Jim Wigand, Herb Held, and Richard Aboussie.”⁹ Ex. 901 (FDIC Interrogatory Responses) [Dkt. 162-5] at 6. Mr. Van Fleet testified that the “P&A was a completely one-off deal. It had several unique provisions that were never seen in a prior P&A and some of them have never been seen since.” Deposition of Lee Van Fleet (Van Fleet Dep.) [Dkt. 169-9] at 37; *see also id.* at 46 (“Article 2 was totally different than any other one we’ve done before or since.”); Wigand Dep. at 37 (WaMu transaction “was unique in that it was different from the standard transactions in which only identified liabilities and identified assets pass to the acquirer.”). Nonetheless, Messrs. Van Fleet and Gearin started with FDIC’s pre-existing template for a whole-bank purchase and assumption agreement, originally crafted in the 1990s by an FDIC attorney, and modified the template in various ways for the WaMu receivership transaction. Ex. 901 at 6-7. The template contained pre-existing definitions for “Record” and “Accounting Records.” *Id.* at 7; *see also* Ex. 242 [Dkt. 163-20] at 6, 12.

⁸ James Wigand was then-Deputy Director of Franchise and Asset Marketing Branch, Division of Resolutions and Receiverships; Herb Held was Assistant Director Institution Sales Unit, Franchise and Asset Marketing Branch, Division of Resolutions and Receiverships; and David Gearin was Senior Counsel, Special Issues Unit, Legal Division.

⁹ Richard Aboussie was Associate General Counsel, Large Bank Resolutions. He is now deceased.

On September 22, 2008, Mr. Van Fleet sent an internal-FDIC email to Mr. Gearin, Sheri Foster,¹⁰ and other FDIC officials, attaching drafts of two different options for whole-bank purchase and assumption agreements. Ex. 248 [Dkt. 159-25]. The first “all deposit version” would “convey all assets and all liabilities, including all deposits, except those liabilities specifically excluded on the attached Schedule 2.1.” *Id.* The second was described as “a ‘standard’ whole bank P&A” that would pass to the acquirer “all assets and only the insured and other certain liabilities listed in section 2.1.” *Id.*

On the morning of September 23, 2008,¹¹ in response to Mr. Van Fleet’s email, Mr. Gearin asked if Mr. Van Fleet could send the “current draft of the all deposit version.” Ex. 253 [Dkt. 160] at 1. Later that day, Mr. Van Fleet forwarded a draft agreement. *Id.* The relevant sections of that draft stated:

§ 2.1: Subject to Section 2.5, the Assuming Bank expressly assumes at Book Value (subject to adjustment pursuant to Article VII) and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”).

Schedule 2.1 attached hereto and incorporated herein sets forth certain categories of Liabilities Assumed and the aggregate Book Value of the Liabilities Assumed in such categories. Such schedule is based upon the best information available to the Receiver and may be adjusted as provided in Article VIII.

¹⁰ Ms. Foster was an FDIC Marketing Specialist, Franchise and Asset Marketing Branch, Division of Resolutions and Receiverships; she testified that she “facilitated” the WaMu transaction. Deposition of Sheri Foster (Foster Dep.) [Dkt 169-22] at 31, 57.

¹¹ The Court does not reference the specific times indicated in the cited exhibits because the emails originated in varying time zones. *See* JPMC Opp. at 10 n.7.

Id. at 12. At the beginning of this draft, the second introductory clause stated: “WHEREAS, the Assuming Bank desires to purchase certain assets and assume certain deposit and other liabilities of the Failed Bank on the terms and conditions set forth in this Agreement” *Id.* at 4.

In the afternoon of September 23, 2008, Ms. Foster sent an email to Messrs. Wigand and Held, forwarding a question from Mr. Van Fleet: “Lee Van Fleet called with the following questions: Can we limit liabilities assumed to just the ‘liabilities on the books and records’ and then give the options to take out the different categories of liabilities? Initial Payment = Bid Amount? These are coming from David Gearin.” Ex. 903 [Dkt. 162-7]. A positive answer presumably came very soon thereafter, because Mr. Van Fleet immediately sent an email to Mr. Gearin and other FDIC representatives, attaching a revised draft P&A Agreement. *See* Ex. 255 [Dkt. 160-1]. In that draft, Section 2.1 was amended as follows:

Subject to Section 2.5, the Assuming Bank expressly assumes at Book Value (subject to adjustment pursuant to Article VIII) and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”).

~~Schedule 2.1 attached hereto and incorporated herein sets forth certain categories of Liabilities Assumed and the aggregate Book Value of the Liabilities Assumed in such categories. Such schedule is based upon the best information available to the Receiver and may be adjusted as provided in Article VIII.~~

Ex. 256 (changes tracked to compare updated version of agreement) [Dkt. 160-2]. The second introductory clause in this draft was changed to “WHEREAS, the Assuming Bank desires to purchase *substantially all* of the assets and assume *all* deposit and *substantially all* other

liabilities of the Failed Bank on the terms and conditions set forth in this Agreement” Ex. 255 at 6 (emphasis added).¹²

E. External Bidding Process

As it internally drafted and redrafted a purchase and assumption agreement, FDIC was also putting together a “Transaction Recap” for potential bidders. Ex. 151 [Dkt. 159-18]; *see also* Ex. 56 [Dkt. 158-11]. The Transaction Recap outlined five alternative possible transaction structures from which bidders could choose:

- (1) All liabilities are assumed except the preferred stock;
- (2) All liabilities are assumed, except the preferred stock and the subordinated debt;
- (3) All liabilities are assumed, except the preferred stock, the subordinated debt, and the senior debt;
- (4) All deposits and secured liabilities are assumed by the acquirer;
and
- (5) All insured deposits and secured liabilities are assumed.

Ex. 56 at 2.¹³ According to FDIC, different proposed structures were offered in order to provide options for prospective acquirers that did not want to assume all liabilities. Wigand Dep. at 116 (The bidding “structure was set up intentionally to allow bidders to make the election of which liabilities they felt had to be assumed in order to . . . make the transaction move forward.”). The Transaction Recap emphasized that “[t]he legal documents will be the governing documents for this transaction.” Ex. 56 at 2.

¹² Page citations within this exhibit are to the ECF page number.

¹³ Page citations within this exhibit are to the ECF page number.

In connection with the Transaction Recap, the FDIC also prepared a set of bid instructions for potential bidders. Ex. 57 [Dkt. 158-12]. The instructions described Transaction Option 3 (on which JPMC ultimately bid) as a “Whole Bank, All Deposits” transaction and stated that:

Under this transaction, the Purchase and Assumption (Whole Bank), the Potential Acquirer whose Bid is accepted by the Corporation assumes the Assumed Deposits of the Bank and all other liabilities but specifically excluding the preferred stock, non-asset related defensive litigation, subordinated debt and senior debt, and purchases all the assets of the Bank, excluding those assets identified as excluded assets in the Legal Documents. . . .

Id. at 3.¹⁴ Transaction Options 1 and 2 also provided that the assuming bank would take “the Assumed Deposits of the Bank and all other liabilities.” *Id.* Under Transaction Options 4 and 5, the assuming bank would take “the Assumed Deposits of the Bank and only certain other liabilities,” subject to certain excluded categories of liabilities. *Id.* at 3-4. The Transaction Recap and bid instructions were subsequently provided to potential bidders, including JPMC, later in the day on September 23, 2008. Exs. 56 and 57.¹⁵

Also on September 23, 2008, FDIC officially invited JPMC to bid on WaMu. *See* Ex. 55 [Dkt. 158-10]. The invitation came via Ms. Foster, who sent an email to Dan Cooney and Mike Cavanaugh¹⁶ of JPMC advising: “The FDIC is offering select financial institutions, such as

¹⁴ Page citations within this exhibit are to the ECF page number.

¹⁵ While there were five alternate transaction structures, Ex. 56, FDIC had only three different draft purchase and assumption agreements. There was a draft purchase and assumption agreement for transactions 1, 2, and 3, in which the only difference was that Schedule 2.1 listed different categories of liabilities that were categorically excluded. *See, e.g.*, Ex. 255. For transactions 4 and 5, Section 2.1 of the draft purchase and assumption agreements specifically listed the liabilities assumed. *See, e.g.*, Ex. 276 [Dkt. 160-8].

¹⁶ Dan Cooney was JPMC’s General Counsel and Senior Vice President of Retail Financial Services. Mike Cavanaugh was JPMC’s Chief Financial Officer and Executive Vice President.

yours, an opportunity to bid on a depository institution. . . . If you have any questions about this process, please contact me at any time.” *Id.* The invitation included a link to a web site known as IntraLinks, which contained additional information about WaMu and the potential acquisition. *Id.*

FDIC first provided drafts of the various proposed agreements to potential bidders, including JPMC, during the evening of September 23, 2008. *See* FDIC Opp. to JPMC Statement of Facts [Dkt. 148-1], Undisputed JPMC Fact ¶ 40, at 11 (citing Ex. 257 [Dkt. 160-3]; Ex. 276 [Dkt. 160-8]; Ex. 908 [Dkt. 162-12]). In the proposed P&A Agreement for Transaction Options 1-3, Section 2.1 provided that

Subject to Section 2.5, the Assuming Bank expressly assumes at Book Value (subject to adjustment pursuant to Article VIII) and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”).

Ex. 276 at 60.¹⁷

Section 12.1 provided for various situations in which FDIC would indemnify the assuming bank. *See id.* at 77. Specifically, Section 12.1 stated that:

. . . the Receiver agrees to indemnify and hold harmless the Indemnitees against any and all costs, losses, liabilities, expenses (including attorneys’ fees) incurred prior to the assumption of defense by the Receiver pursuant to paragraph (d) of Section 12.2, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with claims against any Indemnitee based on liabilities of the Failed Bank that are not assumed by the Assuming Bank pursuant to this Agreement. . . .

¹⁷ Page citations within this exhibit are to the ECF page number.

Id.

According to the testimony of Mitchell Eitel,¹⁸ after JPMC received the draft P&A Agreement, email discussion ensued between JPMC and FDIC regarding Mr. Eitel's concern that there was a disconnect between Sections 2.1 and 12.1 of the draft agreement. Deposition of Mitchell Eitel (Eitel Dep.) [Dkt. 169-17] at 140-41.¹⁹ Mr. Eitel testified that JPMC wanted to make sure that the indemnity provision did not "undermine the limitation" that JPMC was only taking "booked liabilities," that is, only liabilities entered on WaMu's accounting books and underlying records. *Id.* at 143. Mr. Gearin similarly recalled that JPMC and FDIC had discussions about the indemnification provisions in the P&A Agreement and stated his belief that Mr. Eitel was trying to discern what liabilities were covered by Section 12.1. Gearin Dep. at 175-177.

During the evening of September 23, 2008, Mr. Gearin wrote to Mr. Cooney of JPMC, under the subject line "Indemnity Question," stating that "the liabilities assumed are described as booked liabilities which should address the concern raised by Mitch [Eitel]." Ex. 66 [Dkt. 158-16] at 2. Mr. Cooney again addressed the scope of the indemnity provision in his response:

¹⁸ Mitchell Eitel is a partner at Sullivan & Cromwell LLP, outside counsel for JPMC.

¹⁹ FDIC contends that testimony from Mr. Eitel and Mr. Cooney is inadmissible, arguing that JPMC "cannot offer the professed understanding of its attorneys as evidence of [its] supposed interpretation of the P&A Agreement at the time that it bid, because it has shielded all internal documents reflecting the contemporaneous impressions of those attorneys from disclosure." FDIC Opp. at 9. JPMC responds that it only withheld documents protected by the attorney-client privilege (which this Court found were properly withheld, *see* Order [Dkt. 129]), and that the cited testimony involves non-privileged documents. JPMC Reply [Dkt. 152] at 4-5. The Court overrules FDIC's objection because representatives of JPMC may provide testimony on discussions with FDIC and because the Court does not rely on the testimony of Messrs. Eitel or Cooney as "evidence" that might shed light on the meaning or interpretation of the P&A Agreement. Rather, the Court relies on their testimony to provide context for the exchange of non-privileged emails between JPMC and FDIC on the subject of Sections 2.1 and 12.1.

I don't think your suggestion solves the problem. Let's say there is a contract between the thrift and the Parent and that is included in the Books and Records (not something like "accrued for on the books of the Failed Bank," which probably would fix the problem) of the thrift at the time of closing. Any liability under that contract is then arguably a liability reflected in the Books and Records. Therefore one would most likely conclude that liabilities under that contract are assumed under 2.1.

So the way that 12.1 reads is we are indemnified for a claim by Wamu (shareholder of Failed Bank) with respect to that contract only to the extent the liability was not assumed -- indeed they are free to sue us for a breach by the Failed Bank that occurred before the closing.

In a normal P&A between commercial parties this is not something a buyer would ever assume and it really doesn't make sense (nor frankly is it fair) here.

Id. at 1. Mr. Gearin wrote back: "Ok I will look at [sic] again." *Id.*

On the morning of September 24, 2008, JPMC met with rating agencies to present an overview of the proposed transaction. *See* Ex. 62 [Dkt. 163-2]; Ex. 678 [Dkt 164-29].²⁰ A presentation slide with the heading "Key terms of transaction" stated that JPMC would acquire "[a]ll the deposits and substantially all liabilities excluding senior and subordinated debt." Ex. 62 at 20. Also on that morning, JPMC senior executives met with the JPMC Board of Directors to present the details of the proposed transaction. Ex. 63 [Dkt. 163-3]; Ex. 64 [163-4]. Similarly, the "Key terms of transaction" slide stated that JPMC would acquire "[a]ll the deposits and substantially all liabilities excluding senior and subordinated debt." Ex. 63 at 20.

Throughout the bid process, FDIC had been working on a document to be posted on Intralinks that addressed various bidder questions about the proposed transaction. *See* Ex.

²⁰ Specifically, JPMC met with Moody's Investors Service and Standard & Poor's. *See id.*

153 [Dkt 159-19]. Among the “Frequently Asked Questions” (FAQs)²¹ was the following question and answer:

[Question:] Are the off-balance sheet credit card portfolio and mortgage securitizations included in the transaction? Do you expect the acquirer to assume the servicing obligations? If there are pricing issues associated with the contracts (e.g., the pricing is disadvantageous to the assuming institution), can we take advantage of the FDIC’s repudiation powers to effect a repricing?

Answer: The bank’s interests and *obligations associated with the off-balance sheet credit card portfolio and mortgage securitizations pass to the acquirer*. Only contracts and obligations remaining in the receivership are subject to repudiation powers.

Id. at 4 (emphasis added).²² The FAQs were posted on Intralinks and distributed among various JPMC officials in the afternoon of September 24, 2008. Ex. 71 [Dkt. 158-21]; Ex. 129 [Dkt. 159-12]. The FAQs further stated that “the Purchase & Assumption agreement language is not negotiable.” Ex. 71 at 3.

Later in the afternoon of September 24, 2008, Mr. Eitel for JPMC proposed a revision to Section 2.5 (“Borrower Claims”) to David Gearin of FDIC. Ex. 78 [Dkt. 159-2]. Mr. Eitel’s proposal sought to exclude from “Liabilities Assumed” all claims by any “direct or indirect purchaser of securities of any mortgage loan securitization vehicle that was owned or sponsored by the Failed Bank or any of its Subsidiaries or Affiliates prior to the Bank Closing. . . .” *Id.* Mr. Gearin forwarded the email to Richard Aboussie of FDIC, reporting that “[t]he [JPMC] lawyers say that the provision doesn’t cover liability for assets in securitizations and suggest this markup—I made no representations that we would be making any changes.” Ex. 79 [Dkt. 159-3]. Mr. Aboussie responded to Mr. Gearin that “Jim Wigand [also of FDIC]

²¹ FDIC refers to this document as the “Q&As.”

²² This question came from an email sent by Citibank employee Andrew Felner to FDIC’s Herbert Held. Ex. 83 [Dkt. 159-7] at 4.

has stated that he understood and intended that all liabilities associated with loan sales (i.e., rep and warrant/repurchase claims) are to be passed to the assuming bank.” *Id.* Mr. Gearin then answered Mr. Eitel’s email, stating “I don’t believe that you will see a revised agreement—to the extent we make adjustments to the transaction that will be covered in updated Q&As.” Ex. 80 [Dkt 159-4]. Mr. Eitel wrote back: “[A] revised contract was just posted. We discussed this morning that the indemnity provision does not work and we understood you were re-drafting it. There are no changes to the indemnity section (which is also not dealt with in the FAQs.) What should we be assuming from that?” *Id.*²³ If there was a reply to that email, it is not reflected in the record.

On the evening of September 24 and morning of September 25, 2008, Mr. Eitel provided FDIC with additional suggested changes to Section 12.1 (Indemnification of Indemnitees). *See* Ex. 902 [Dkt. 162-6]. FDIC accepted the proposed changes. *See* Ex. 1 (P&A Agr.) § 12.1.²⁴ None of these revisions changed the language in Section 12.1 providing that the FDIC would indemnify the acquiring bank only for liabilities the acquiring bank did not assume under the P&A Agreement. *See* Ex. 902 at 5 (stating that FDIC would indemnify only for “liabilities of the Failed Bank that are not assumed by the Assuming Bank . . .”).

On the evening of September 24, 2008, JPMC submitted a bid of \$1.888 billion for the Transaction Option 3. *See* Ex. 58 [Dkt. 158-13] at 5;²⁵ Ex. 59 [Dkt. 158-14]. In its cover letter, JPMC stated that “[w]e understand that you may be considering revisions to the

²³ Questioned about this email exchange in deposition, Mr. Eitel could not recall conversations surrounding the email or declined to answer on the grounds of attorney-client privilege. Eitel Dep. at 232-233.

²⁴ Section 12.1 provided for various scenarios in which FDIC agreed to indemnify JPMC.

²⁵ Page citations within this exhibit are to the ECF page number.

indemnification provisions in Section 12.1. We understand that these do not relate to Section 2.5 and 12.1(b)(xv)²⁶ which we accept as drafted by the FDIC.” *Id.* Almost immediately thereafter, FDIC accepted JPMC’s bid. Ex. 910 [Dkt. 162-14]. On September 25, 2008, OTS closed WaMu and placed it into an FDIC receivership. Ex. 911.

The speed of this transaction must be appreciated: OTS and FDIC decided to close WaMu in mid- or late-September of 2008; FDIC met with potential bidders on September 22 in New York City; FDIC posted the Transaction Recap in the late afternoon or early evening on September 23; FDIC circulated the P&A Agreement in draft form during the evening of September 23; FDIC posted answers to frequently asked questions late in the day on September 24; bids were received during the evening on September 24. On September 25, the FDIC Board approved the JPMC transaction, Ex. 163 [Dkt. 159-21], and that same day FDIC and JPMC executed the P&A Agreement, Ex. 274 [Dkt. 160-7]. FDIC and JPMC revised the P&A Agreement between September 26 and 28, 2008, *see, e.g.*, Ex. 277 [Dkt. 160-9], but none of the changes pertained to Section 2.1 or is at issue here. On September 29, 2008, the parties executed the final agreement, marked “Execution Copy,” which was “effective . . . as of 6pm [sic] Pacific Time, September 25, 2008.” *Id.*; *see also* Ex. 279 [Dkt. 160-10].

F. The P&A Agreement

1. Relevant Provisions

- Section 2.1 of the P&A Agreement, titled “Liabilities Assumed by Assuming Bank,” provides:

Subject to Sections 2.5 and 4.8, the *Assuming Bank expressly assumes at Book Value* (subject to adjustment pursuant to Article VIII) *and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of*

²⁶ Section 12.1(b)(xv) is not in the final P&A Agreement.

the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”). Notwithstanding Section 4.8, the Assuming Bank specifically assumes all mortgage servicing rights and obligations of the Failed Bank.

Ex. 1 [Dkt. 158-1], Art. II, § 2.1 (emphasis added).

- Section 2.5 of the P&A Agreement, entitled “Borrower Claims,” specifies that JPMC did not assume borrower claim-related liabilities. *Id.*, Art. II, § 2.5.
- Article VIII of the P&A Agreement provides that JPMC, “in accordance with the best information then available, shall provide to the Receiver a Pro Forma Statement of Condition indicating all assets and liabilities of the Failed Bank as shown on the Failed Bank’s books and records as of Bank Closing and reflecting which assets and liabilities are passing to the Assuming Bank and which assets and liabilities are to be retained by the Receiver.” *Id.*, Art. VIII.
- Schedule 2.1 of the P&A Agreement carves out “Certain Liabilities Not Assumed,” without any reference to liabilities arising under the Governing Agreements. *Id.* at 34.
- Section 3.1 of the P&A Agreement states that JPMC purchased all assets of WaMu, “whether or not reflected on the books of the Failed Bank as of Bank Closing.” *Id.*, Art. III, § 3.1.

2. Relevant Definitions

- “Record” is defined to mean “any document, microfiche, microfilm and computer records (including but not limited to magnetic tape, disc storage, card forms and printed copy) of the Failed Bank generated or maintained by the Failed Bank that is owned by or in the possession of the Receiver at Bank Closing.” *Id.*, Art. I.

- “Book Value” is defined to mean (in relevant part): “with respect to any Asset and any Liability Assumed, the dollar amount thereof stated on the Accounting Records of the Failed Bank. The Book Value of any item shall be determined as of Bank Closing after adjustments made by the Assuming Bank for normal operations and timing differences in accounts, suspense items, unposted debits and credits, and other similar adjustments or corrections and for setoffs, whether voluntary or involuntary.” *Id.*
- “Accounting Records” is defined to mean “the general ledger and subsidiary ledgers and supporting schedules which support the general ledger balances.” *Id.*
- The phrase “Books and Records” is not defined in Article I or elsewhere in the P&A Agreement, nor is it capitalized in any other section of the Agreement.

G. Post-Transaction Questions on WaMu’s Liabilities

After the transaction closed, questions arose regarding WaMu’s federal income tax audit and whether WaMu’s tax liabilities were transferred to JPMC. *See, e.g.*, Ex. 87 [Dkt. 159-8]. On October 8, 2008, Richard Peyster, an FDIC tax attorney, sent an email to JPMC employees Allen Friedman and Ben Lopata. Mr. Peyster wrote:

With regard to what was and was not transferred to Morgan under the agreement, I do not think we have any dispute here. All assets whether or not on the books were transferred. In my view, that clearly includes pending tax refunds, and future refunds based on losses generated up to the date of failure. With regard to any tax liability arising out of an ongoing or future audit, where no assessment had been made prior to the date of closing, such liability would not pass to Morgan. *Only liabilities on the books as of the date of the agreement pass.*

Ex. 29 [Dkt. 159-10] at 1 (emphasis added).

Also on October 8, 2008, Andrew Gray, FDIC’s director of public affairs, received an email from an attorney for a third party asking whether the “tax claims of

Washington Mutual Bank reside with the receivership or were transferred to [JPMC]?” Ex. 108 [Dkt. 159-11] at 3. After forwarding through Messrs. Wigand, Gearin, and Aboussie, the question was referred to Mr. Peyster. *Id.* A series of privileged emails ensued, on which Messrs. Wigand, Gearin and Aboussie were all copied, ending with Mr. Peyster’s final response to Mr. Gray:

For public consumption I think the following should be adequate:

Tax claims, whether assets or liabilities are treated as any other assets and liabilities under the Purchase and Assumption Agreement. Section 3.1 transfers all assets, whether or not reflected on the books and records of Washington Mutual. Therefore, any tax assets would have transferred to JPMorgan Chase.

Section 2.1 transfers all liabilities reflected on the books and records of Washington Mutual to JPMorgan Chase. Therefore, any tax liabilities on the books of Washington Mutual were transferred, and *any unknown liabilities, not reflected on the books were not transferred.*

Id. at 1 (emphasis added).

Following JPMC’s acquisition of WaMu, JPMC also began to receive tax assessments from state and local taxing authorities and processed WaMu’s tax returns for tax periods prior to the thrift’s closure. *See, e.g.*, Ex. 407 [Dkt. 160-16], Ex. 408 [Dkt. 160-17], Ex. 410 [Dkt. 160-18]. On October 20, 2008, JPMC employee James Fergus recounted a conversation he had had with FDIC tax accountant James Thormahlen and another FDIC employee, James Vordtriede. Ex. 409 [Dkt. 164-6]. Mr. Fergus summarized various items discussed on the call including that “[f]or the items . . . which have yet to appear on a return, the information will be provided to the FDIC and it will be their liability.” *Id.* at 2. Mr. Fergus further noted that based on “specific comments from the FDIC, it would seem that JPMC’s

liability would be limited to the reserves booked at 9/25/08 and once those were exceeded it would be the FDIC's liability." *Id.*

Also on October 20, 2008, Mr. Thormahlen of FDIC provided JPMC with a form letter for WaMu branch offices to send to "State Tax Agenc[ies]," informing "State Tax Agenc[ies]" that WaMu was closed by OTS on September 25, 2008, that FDIC was appointed as Receiver, and advising that because "[t]he tax period on the attached return occurred prior to the bank[']s closure and was not assumed by [JPMC]," the "liability reflected on the attached return is a claim against the receivership." Ex. 30 [Dkt. 158-5] at 1. Mr. Thormahlen continued to send out such letters instructing that unassessed tax liabilities were a claim against the FDIC-Receiver, not JPMC, throughout 2008 and into 2009. *See* Ex. 404 [Dkt. 160-15], Ex. 416 [Dkt. 160-19].

On October 28, 2008, David Gearin wrote to Mr. Aboussie and Richard Osterman of FDIC, stating that he "just got off the phone with Dan Cooney, the JPMC in-house attorney who no[w] understands that we are of the view that the repurchase obligations did pass to JPMC and cannot be put back to the receiver for repudiation. Unfortunately what I said was inconsistent from what they had heard over time from three different FDIC representatives in Seattle." Ex. 82 [Dkt. 159-6] at 1. The record further includes an October 29, 2008 email in which Mr. Gearin described a conversation he had had with Dan Cooney of JPMC on the previous evening in which Mr. Gearin advised Mr. Cooney that "under the terms of 2.1 and 3.1 JPMC acquired the seller repurchase obligations related to the mortgage servicing assets they acquired." Ex. 356 [Dkt. 160-14] at 2-3.²⁷

²⁷ FDIC notes that it does *not* take the position (as it did before this lawsuit) that mortgage servicing rights, which JPMC clearly acquired under Section 2.1, necessarily include liabilities for repurchase of defective mortgages. *See* FDIC Opp. at 43 ("The FDIC-Receiver has never argued *in this case* that the repurchase liabilities under the Governing Agreements are servicer obligations. Nor has the FDIC-Receiver argued *in this case* that the seller and servicer

Deutsche Bank filed this lawsuit on August 26, 2009, seeking recovery for WaMu's alleged breach of its contractual obligations regarding the "defective" mortgage loans. That dispute remains pending while JPMC and FDIC contest which of them is liable.

II. LEGAL STANDARDS

A. Federal Rule of Civil Procedure 56

Under Federal Rule of Civil Procedure 56, summary judgment is appropriate "if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a); *accord Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247 (1986). Moreover, summary judgment is properly granted against a party who "after adequate time for discovery and upon motion . . . fails to make a

obligations under the pre-closure securitization agreements of a failed financial institution cannot be severed. To the contrary, the FDIC-Receiver has simply maintained that it can effect a transaction that transfers all of the failed bank's obligations (including both seller and servicer obligations) under the governing agreements for mortgage loan securitizations, as it did in the WaMu transaction.") (emphasis added). As its accurate but careful language conveys, FDIC previously argued that the mortgage repurchase liabilities at issue here transferred automatically to JPMC because they were an obligation related to the mortgage servicing rights assumed by JPMC. *See* FDIC Mem. in Support of Mot. to Dismiss Am. Compl. [Dkt. 54-1] at 25-28.

Indeed, this was the position taken by the GSEs Fannie Mae and Freddie Mac following JPMC's acquisition of WaMu; specifically, the GSEs maintained that the mortgage servicing rights associated with loans held in GSE-sponsored trusts were not severable from their mortgage repurchase liabilities. *See* Ex. 387 [Dkt. 164-2] at 3-4; Ex. 388 [Dkt. 164-3] at 3-4. In order to retain the servicing rights associated with the GSE mortgage loans, JPMC entered into settlement agreements with the GSEs wherein JPMC assumed various GSE repurchase liabilities. *See* Ex. 822 [Dkt. 165-17]; Ex. 823 [Dkt. 165-18]; *see also* JPMC Mem. at 16; JPMC Opp. to FDIC Statement of Facts [Dkt. 150], Undisputed FDIC Fact ¶ 126, at 81 ("Because [JPMC] did not want to lose mortgage servicing rights that it valued at \$5 billion, it entered into negotiations to settle the repurchase liability arising from WaMu's agreements with the GSEs."). FDIC also argues that JPMC assumed WaMu's repurchase liabilities to the GSEs by virtue of the P&A Agreement. FDIC Opp. at 40. However, FDIC now concedes on summary judgment that seller repurchase obligations are not inherently tied to mortgage servicing obligations. The Court makes no finding here as to GSE seller and servicing obligations because that dispute is long-since resolved.

showing sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial." *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986). In ruling on a motion for summary judgment, the court must draw all justifiable inferences in the nonmoving party's favor and accept the nonmoving party's evidence as true. *Anderson*, 477 U.S. at 255.

When evaluating cross-motions for summary judgment, each motion is reviewed "separately on its own merits to determine whether [any] of the parties deserves judgment as a matter of law." *Family Trust of Mass., Inc. v. United States*, 892 F. Supp. 2d 149, 154 (D.D.C. 2012) (internal quotation marks and citation omitted). Neither party is deemed to "concede the factual assertions of the opposing motion." *Competitive Enter. Inst. Wash. Bureau, Inc. v. Dep't of Justice*, 469 F.3d 126, 129 (D.C. Cir. 2006) (citation omitted). "[T]he court shall grant summary judgment only if one of the moving parties is entitled to judgment as a matter of law upon material facts that are not genuinely disputed." *Am. Ins. Ass'n v. United States HUD*, 2014 WL 5802283, at *5 (D.D.C. Nov. 7, 2014) (internal quotation marks and citation omitted). A genuine issue exists only where "the evidence is such that a reasonable jury could return a verdict for the nonmoving party." *Anderson*, 477 U.S. at 248.

B. Federal Common Law of Contracts

The parties agree that federal common law applies to the construction of the P&A Agreement. FDIC Mem. in Support of Mot. for Summ. J. (FDIC Mem.) [Dkt. 145] at 11; JPMC Mem. at 23. The federal common law of contracts largely "dovetails" with "general principles of contract law." *NRM Corp. v. Hercules, Inc.*, 758 F.2d 676, 681 (D.C. Cir. 1985). Additionally, courts should look to the Restatement (Second) of Contracts when analyzing questions of federal common law. See *Curtin v. United Airlines, Inc.*, 275 F.3d 88, 94 (D.C. Cir.

2001); *Bowden v. United States*, 106 F.3d 433, 439 (D.C. Cir. 1997) (explaining that the Restatement principles are those “from which we would be inclined to fashion a federal common-law rule since those principles represent the ‘prevailing view’ among the states”).

“Under general contract law, the plain and unambiguous meaning of an instrument is controlling.” *WMATA v. Mergentime Corp.*, 626 F.2d 959, 960-61 (D.C. Cir. 1980). “Where the language of a contract is clear and unambiguous on its face, a court will assume that the meaning ordinarily ascribed to those words reflects the intentions of the parties.” *NRM Corp.*, 758 F.2d at 681; accord *Mesa Air Grp., Inc. v. Dep’t of Transp.*, 87 F.3d 498, 503 (D.C. Cir. 1996). If the court determines as a matter of law that a contract is ambiguous, it may look to extrinsic evidence of intent to guide the interpretive process. *NRM Corp.*, 758 F.2d at 682. “[I]n divining the meaning of contract terms, the court is not limited to the four corners of the agreement: the party moving for summary judgment may submit affidavits and other extrinsic evidence that gives color to the words of the agreement or otherwise reveals the intent of the contracting parties at the time of the agreement.” *United Mine Workers 1974 Pension v. Pittston Co.*, 984 F.2d 469, 473 (D.C. Cir. 1993).

In determining the ambiguity of a contract, “reliance upon certain aids to construction is proper.” *United States v. I.T.T. Continental Baking Co.*, 420 U.S. 223, 238 (1975); see *United Mine Workers 1974 Pension*, 984 F.2d at 473. “Such aids include the circumstances surrounding the formation of the [contract], any technical meaning words used may have had to the parties, and any other documents expressly incorporated in the [contract].” *I.T.T. Continental Baking Co.*, 420 U.S. at 238. Courts may also consider such extrinsic evidence as “statements, course of conduct, and contemporaneous correspondence, aimed at

discerning the intent of the parties” when the meaning of a contract provision is facially uncertain. *Farmland Industries, Inc. v. Grain Bd. of Iraq*, 904 F.2d 732, 736 (D.C. Cir. 1990).

The Restatement provides the following in regard to a document’s ambiguity:

- (1) Words and other conduct are interpreted in the light of all the circumstances, and if the principal purpose of the parties is ascertainable it is given great weight.
- (2) A writing is interpreted as a whole, and all writings that are part of the same transaction are interpreted together.
- (3) Unless a different intention is manifested,
 - a) where language has a generally prevailing meaning, it is interpreted in accordance with that meaning;
 - b) technical terms and words of art are given their technical meaning when used in a transaction within their technical field.
- (4) Where an agreement involves repeated occasions for performance by either party with knowledge of the nature of the performance and opportunity for objection to it by the other, any course of performance accepted or acquiesced in without objection is given great weight in the interpretation of the agreement.
- (5) Wherever reasonable, the manifestations of intention of the parties to a promise or agreement are interpreted as consistent with each other and with any relevant course of performance, course of dealing, or usage of trade.

Restatement (Second) of Contracts, § 202 (1981). It is a cardinal principal of contract construction that “a document should be read to give effect to all of its provisions and render them consistent with each other.” *Mastrobuono v. Shearson Lehman Hutton, Inc.*, 514 U.S. 52, 63 (1995).

A contract is not rendered ambiguous merely because the parties later disagree over its proper interpretation; it is ambiguous only when it can reasonably be construed to have

two or more different meanings. *See Segar v. Mukasey*, 508 F.3d 16, 22 (D.C. Cir. 2007); *Bennett Enterprises, Inc. v. Domino's Pizza, Inc.*, 45 F.3d 493, 497 (D.C. Cir. 1995).

C. Contract Interpretation on a Rule 56 Motion

Whether an agreement is clear or ambiguous is a question of law for the court. *See NRM Corp.*, 758 F.2d at 682. “[S]ummary judgment is appropriate where a contract is unambiguous since, absent such ambiguity, a written contract duly signed and executed speaks for itself and binds the parties without the necessity of extrinsic evidence.” *Angulo v. Gochbauer*, 772 A.2d 830, 834 (D.C. 2001). “The mere presence of ambiguity, however, does not preclude summary judgment.” *Holland v. Freeman United Coal Mining Co.*, 574 F. Supp. 2d 116, 130 (D.D.C. 2008). The question for the district court is whether “there exists more than one reasonable interpretation of the contract.” *Farmland Indus.*, 904 F.2d at 736; *see also United Mine Workers 1974 Pension*, 984 F.2d at 473 (To “avoid summary judgment, the evidence submitted by the non-moving party must show that more than one reasonable interpretation exists.”). To be sure, summary judgment is improper if extrinsic evidence supports more than one reasonable interpretation. *See Farmland Indus.*, 904 F.2d at 736. But if extrinsic evidence “demonstrates that only one view is reasonable—notwithstanding the facial ambiguity—the court must decide the contract interpretation question as a matter of law.” *Id.*; *America First Inv. Corp. v. Goland*, 925 F.2d 1518, 1522 (D.C. Cir. 1991) (Even if a contract is ambiguous, summary judgment may be appropriate “so long as there is no evidence that would support a conflicting interpretation of the agreement.”).

III. ANALYSIS

A. Plain Language: Section 2.1 of the P&A Agreement is Unambiguous

The disputed provision of the P&A Agreement, Section 2.1, provides that JPMC expressly assumes at Book Value (subject to adjustment pursuant to Article VIII) and agrees to pay, perform, and discharge, *all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing*, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”).

Ex. 1, § 2.1 (emphasis added). Though JPMC and FDIC dispute the meaning of the phrase “reflected on the Books and Records,” the plain language of Section 2.1 is not reasonably subject to multiple interpretations. Therefore, the Court finds that Section 2.1 is unambiguous in that it only transfers to JPMC the liabilities of WaMu to the extent they were reflected at a stated Book Value on WaMu’s accounting records. Given the straight-forward language, summary judgment will be granted in favor of JPMC.

The choice of language and construction of the phrase “reflected on the Books and Records” make clear that the liabilities assumed by JPMC do not extend beyond the amounts listed WaMu’s financial accounting records. To start with the simplest point, “reflected” is not a legal word mired in common law precedents. We can turn to a modern dictionary, Merriam Webster, which defines “reflect” (as relevant here) as “to show (something),” “to make (something) known,” or “to make manifest or apparent: show.” *See Merriam-Webster Online Dictionary*, <http://www.merriam-webster.com/dictionary/reflect> (last visited on May 28, 2015). Thus, in assuming liabilities *reflected on* WaMu’s “Books and Records,” JPMC assumed an identifiable quantity of liability: the amounts shown on WaMu’s accounting records. FDIC argues that because the Trusts’ Governing Agreements were part of WaMu’s business records

and imposed potential mortgage repurchase obligations on WaMu without regard to ultimate cost, JPMC assumed all such liabilities without regard to ultimate cost under the P&A Agreement. However, Section 2.1 does not state that JPMC assumed all liabilities *arising out of* any records at WaMu. Rather, it specifies that liabilities passing to JPMC were those *reflected on* WaMu's books and records at the time of WaMu's closing. FDIC's interpretation does not square with the word "reflect," which, at its core, connotes visibility; under FDIC's proposed construction and argument, the P&A Agreement would transfer potential WaMu liabilities to JPMC of an unknowable monetary value and of any imaginable variety. *See* Ex. 901 (FDIC Interrogatory Responses) at 8 (asserting that "Books and Records" conveyed all liabilities except those that JPMC "could not have possibly imagined").

FDIC's primary argument in construing "Books and Records" is that the Court should apply the P&A Agreement's definition of "Records" in Article I, that is, "any document, microfiche, microfilm and computer records (including but not limited to magnetic tape, disc storage, card forms and printed copy) of the Failed Bank generated or maintained by the Failed Bank that is owned by or in the possession of the Receiver at Bank Closing." Ex. 1, Art. I. Relying on this extensive definition, FDIC contends that the "Records" referenced in Section 2.1 of the P&A Agreement necessarily encompassed all of WaMu's internal records of its potential repurchase liabilities, including the Governing Agreements, whether or not recorded on the "Books." *See* FDIC Mem. at 15 (arguing that Records "included any document, paper or electronic, that [WaMu] generated or that was maintained by [WaMu] at the time of closure"); *see also* Ex. 901 at 8 ("FDIC-Receiver used 'Books and Records' in Section 2.1 to convey to JPMC, as the assuming bank, all liabilities of [WaMu] that could be discovered by performing due diligence, and *the language excluded only those liabilities that the acquiring institution*

could not have possibly imagined.” (emphasis added)). FDIC further notes the P&A Agreement’s provision that capitalized terms “have the meanings set forth in [] Article I, or elsewhere in this Agreement.” Ex. 1, Art. I.

Viewed in isolation, the definition of “Records” in Article I of the P&A Agreement might support FDIC’s argument. However, a closer examination of the Agreement in its entirety reveals that “Records,” as used in Section 2.1, cannot have the broad meaning advanced by the FDIC because such an interpretation would make the use of the word “Records” inconsistent with its use in the rest of the Agreement. Furthermore, FDIC’s argument reads “Books” out of Section 2.1 altogether because “Records” would encompass all “imagin[able]” documents, including WaMu’s “Books.” Finally, the fact that “Books,” despite its capitalization, is not defined in the P&A Agreement undercuts FDIC’s assertion that the “Records” discussed in Section 2.1 must refer to the broad definition of “Records” in Article I. Indeed, the phrase “Books and Records” is not capitalized anywhere else in the P&A Agreement besides Section 2.1.

The meaning and usage of the capitalized term “Records” in the P&A Agreement is illuminated by the use of the word in Article VI of the P&A Agreement (titled “Records”). Ex. 1, Art. VI. In Article VI, liability for the “Records” in question refers only to records of WaMu’s liabilities to its depositors. *See id.*, §§ 6.1(i), (ii) (“[T]he Receiver assigns, transfers, conveys and delivers to the Assuming Bank the following Records pertaining to the Deposit liabilities of the Failed Bank . . . (i) signature cards, orders, contracts between the Failed Bank and its depositors and Records of similar character; [and] (ii) passbooks of depositors held by the Failed Bank, deposit slips, cancelled checks and withdrawal orders representing charges to accounts of depositors.”). The word is further used to define JPMC’s obligations to maintain and

preserve WaMu's business records for FDIC's use in managing the receivership. *See id.*, § 6.3 ("Preservation of Records"); *id.*, § 6.4 ("Access to Records"). FDIC ignores the one section of its own P&A Agreement, adopted from its predecessor agreements, which *does* give meaning to the term "Records" with a capital "R" and which clarifies the term's application to depositor records that represent potential liabilities to the Deposit Insurance Fund. Notably, FDIC does not address Article VI in its briefing.²⁸

The fact that the P&A Agreement defines "Records" and does not define "Books" or "Books and Records" does not necessarily mean that the disputed phrase is susceptible of different constructions. *See Holland*, 574 F. Supp. 2d at 129 (citing *Carey Canada, Inc., v. Columbia Casualty Co.*, 940 F.2d 1548, 1556 (D.C. Cir. 1991)). Rather, when considered in the context of Section 2.1 and read in a manner consistent with the rest of the P&A Agreement, it is clear that Section 2.1's reference to liabilities on the "Books and Records" did not transfer to JPMC liabilities that were not shown on, or exceeded the book value of amounts on, WaMu's accounting records at the time of closing. WaMu was a sprawling institution with hundreds of branches in 15 states that employed over 40,000 persons; each of WaMu's offices and each employee could have had some "Record" in a desk drawer. In that context, FDIC's argument that the defined term "Records"—apparently used to help FDIC protect depositor accounts—should be stretched beyond its purpose to impose liability on JPMC for *any* potential liability written down on *any* medium in *any* WaMu office fails from its own sheer hyperbole. Of course, at issue here is the scope of WaMu's potential repurchase liabilities as of September 25, 2008,

²⁸ Extrinsic evidence suggesting FDIC had no intent to capitalize "Records," *see infra* Part III.B.1, further confirms the Court's conclusion that "Records" in § 2.1 was not meant to have the broad meaning now attributed to it by FDIC. The only time "Books and Records" is capitalized is in Section 2.1.

not liability arising from any record in any WaMu office; however, FDIC's argument on the expanse of "Records" makes no distinction between obvious and unknown potential liabilities. It proves too much to be accepted.

Indeed, other defined terms in Section 2.1 shed light on the meaning of "Books and Records," as used in that section. Section 2.1 provides that liabilities transfer to JPMC at their "Book Value," defined as the dollar amounts stated on WaMu's Accounting Records at the time of its closing (subject to standard adjustments to be made by JPMC). The "Accounting Records" are defined as WaMu's "general ledger and subsidiary ledgers and supporting schedules which support the general ledger balances." Ex. 1, Art. I. Thus, the P&A Agreement provided that JPMC would assume liabilities at an identifiable and certain dollar value. FDIC's proposed interpretation, which would have JPMC assume liabilities that were unquantifiable at the time of WaMu's closing and excluded only those that a bidder "could not have possibly imagined," Ex. 901 at 8, would render meaningless the inclusion of the limitation "at Book Value."

FDIC responds that Section 2.1's use of the phrase "at Book Value" was in the off-the-shelf template for a whole-bank purchase and assumption transaction in use when FDIC drafted the P&A Agreement and predated insertion of the phrase "reflected on the Books and Records" in the Agreement. FDIC Opp. at 22. Thus, according to FDIC, if "at Book Value" were generally considered a limit on the scope of liabilities assumed by an acquiring institution "to the line item book value on the bank's accounting records," there would have been no need for FDIC to have added the disputed language. FDIC Opp. at 22-23. In support of this argument, FDIC cites other transactions where the phrase did not ostensibly limit liabilities assumed. *See id.* at 23. But the instant dispute focuses on the language of the P&A Agreement,

not the meaning of the same phrase in agreements between FDIC and other parties, who may or may not have been able to negotiate terms or had a carve-out for liabilities assumed. How the phrase “at Book Value” may be used elsewhere *by FDIC* is irrelevant. The question is whether the P&A Agreement at issue here, which clearly states that a bidder would assume liabilities at their Book Value as of WaMu’s closing, limited JPMC’s exposure.

Equally unpersuasive is FDIC’s argument that the language “at Book Value” in Section 2.1 merely sets a pricing scheme for WaMu’s assets and liabilities, helping to calculate the amount FDIC must pay JPMC if FDIC seeks to reacquire certain assets and their related liabilities under Section 3.6. *Id.* at 23-24. But even if the “at Book Value” language somehow serves as a pricing mechanism related to another section of the Agreement, it operates in Section 2.1 as a means of quantifying the liabilities acquired by JPMC. Specifically, it clarifies that liabilities will not transfer to JPMC in excess of their Book Value.²⁹

FDIC also argues that the directive in Section 2.1 that JPMC “pay, perform, and discharge” all liabilities on WaMu’s “Books and Records,” Ex. 1, § 2.1, means that JPMC assumed liabilities beyond those on the balance sheet because one cannot “perform” or “discharge” line items on accounting records, *see* FDIC Opp. at 27. To the contrary, JPMC is

²⁹ FDIC’s argument about the meaning of “Book Value” is severely undercut by the testimony of FDIC representatives, who uniformly failed to give the term any intentional meaning. Mr. Van Fleet testified that “Book Value “should have been stricken” and was “purely vestigial.” Van Fleet Dep. at 49, 154. Mr. Gearin, the other principal drafter, testified that the phrase “probably serves no purpose” and “could actually be surplusage.” Gearin Dep. at 134, 136. Mr. Held believed that the phrase “really doesn’t have . . . any meaning” in Section 2.1. Deposition of Herbert Held (Held Dep.) [Dkt. 169-7] at 80. There is no corresponding testimony that bidders were advised that “Book Value” in Section 2.1 was unintended, irrelevant, or meaningless. Whether FDIC purposefully included the phrase is contradicted by FDIC itself. Nonetheless, the term is in the FDIC-drafted P&A Agreement for all bidders to see and rely upon in quantifying potential liability and, thus, the proposed bid price. The Court is not persuaded it can be ignored.

required to “pay, perform, and discharge” WaMu’s liabilities, but only up to their Book Value as reflected on WaMu’s accounting records.

Finally, the facts that the phrase “books and records” is used elsewhere in the P&A Agreement in varying circumstances, is only capitalized in Section 2.1, and is not consistently used to refer to a broad set of documents further undercut FDIC’s reliance on a capacious definition of “Records.”³⁰ When analyzing each different use of the phrase in the Agreement, the Court relies on its context. In many instances, “books and records” in the P&A Agreement connotes a limited set of documents. Article I defines “Deposit” to include “all uncollected items included in the depositors’ balances and credited on the books and records of the Failed Bank.” Ex. 1, Art. I. This language describes the accounting documents recording WaMu’s depositor assets and liabilities; it is not a reference to just *any* document in WaMu’s files. Similarly, “Commitment” in the same Article is defined as “the unfunded portion of a line of credit or other commitment reflected on the books and records of the Failed Bank to make an extension of credit . . . that was legally binding on the Failed Bank as of Bank Closing . . .” *Id.*

Nor does Article VIII use “books and records” as shorthand for all of WaMu’s internal records. Article VIII states that JPMC shall provide to FDIC a “Proforma Statement of Condition indicating all assets and liabilities of [WaMu] as shown on [WaMu’s] books and records as of Bank Closing and reflecting which assets and liabilities are passing to [JPMC] and which assets and liabilities are to be retained by [FDIC].” *Id.*, Art. VIII. This language clearly

³⁰ The Court recognizes its obligation to construe the P&A Agreement “to give effect to all of its provisions and render them consistent with each other.” *Mastrobuono*, 514 U.S. at 63. But it is undeniable that “Records” and “books and records” reference different kinds of financial records in different parts of the Agreement. Variation in use for specific purposes does not support FDIC’s expansive proposed definition, however, because even if there were ambiguity in Section 2.1, contrary to the Court’s finding, the Court’s interpretation of the Agreement is still fully satisfied by confirming extrinsic evidence. *See infra* Part III.B.

contemplates some discrete set of records discernible to the acquiring bank by looking at WaMu's financial records. However, still other sections of the Agreement use "books and records" in a broad "catch-all" manner. *See e.g., id.*, Art. III, § 3.4(c) (describing situation in which JMPC might elect to have FDIC purchase certain assets and requiring JPMC to furnish a notice including a list of assets and related liabilities and to provide FDIC "full access to all other relevant books and records"); *id.*, Art. IX, § 9.6(b)(ii) (requiring JPMC to provide FDIC with access to WaMu's "books and records, the books and records of such Subsidiaries and all Credit Files, and copies thereof").

B. Extrinsic Evidence Supports JPMC's Interpretation of the P&A Agreement

Extrinsic evidence confirms that the disputed language can be reasonably understood only as transferring to JPMC WaMu's liabilities to the extent they were booked on the accounting records. Therefore, summary judgment in favor of JPMC is appropriate.

1. Unintentional Capitalization of "Records"

Despite FDIC's argument about the broad scope of the term "Records," uncontroverted deposition testimony from FDIC drafters reveals that "Records," as used in the phrase "Books and Records" in Section 2.1, had no intended definition and was not meant to refer to the defined term in Article I. Mr. Gearin attributed the decision to capitalize "Books and Records" to Mr. Van Fleet, Gearin Dep. at 94, and did not know whether a conscious decision was made to capitalize "Records." *Id.* at 95. Mr. Van Fleet was the immediate drafter who inserted the phrase into Section 2.1 of the P&A Agreement but he could not recall inserting it or intending any special meaning. Van Fleet Dep. at 131-32. FDIC does not dispute these

statements. *See* FDIC Opp. to JPMC Statement of Facts [Dkt. 148-1], ¶¶ 22-27, at 7-9.³¹ Nor does FDIC dispute that Mr. Wigand could not recall intending the word “Records” to be capitalized or to refer to the defined term “Record.” *See* FDIC Opp. Facts, ¶¶ 28-29. In addition, Mr. Held had no such intention and had no explanation for the phrase. *Id.* ¶¶ 31-32.³² Contrary to after-the-fact arguments made by FDIC lawyers, testimony from FDIC individuals contemporaneously involved makes it clear that the capitalization of “Books and Records” in Section 2.1 was inadvertent and unintentional. Furthermore, as discussed above, “books and records” must be construed in context.

2. The Disputed Phrase Had a Purpose FDIC Does Not Acknowledge

The drafting of the P&A Agreement did not begin until mid- or late-September, *see* Gearin Dep. at 18-21, after FDIC Chairman Sheila Barr unsuccessfully called Jamie Dimon of JPMC on September 16, 2008, to “pitch” a whole-bank transaction, Ex. 135. On September 22, 2008—three days before WaMu was closed by OTS—FDIC officials James Wigand, Herbert Held and David Gearin first met with possible bidders to present a potential FDIC receivership transaction. Exs. 54, 142. As of the next morning, September 23, Section 2.1 of the draft stated that “the Assuming Bank expressly assumes at Book Value . . . and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank as of Bank Closing” Ex. 253. Later that same day, Sheri Foster asked Messrs. Wigand and Held: “Lee Van Fleet called with the

³¹ FDIC “disputes” JPMC Fact No. 26 but only to the extent that it corrects JPMC’s statement that “Mr. Van Fleet inserted the phrase ‘Books and Records’ into the draft agreement” to clarify that “Mr. Van Fleet added the phrase ‘Books and Records’ to Section 2.1 of the draft agreement, but not elsewhere.” *Id.* at 8.

³² Messrs. Gearin and Van Fleet, drafters of the P&A Agreement, also testified that “Books” was erroneously capitalized. Gearin Dep. at 94 (“Q. Do you believe it’s an error? A. Yes.”); Van Fleet Dep. at 137 (“[C]apitalizing it would have been a scrivener’s error.”).

following question[]: Can we limit liabilities assumed to just the ‘liabilities on the books and records’ . . . ?” Ex. 903. The response must have been positive: Section 2.1 of the draft agreement that circulated within FDIC late in the day on September 23 stated “the Assuming Bank expressly assumes at Book Value . . . and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing” Ex. 255 at 13.

Mr. Gearin, on whose behalf Ms. Foster sent the question to Messrs. Wigand and Held, testified that the change in language was intended to give *comfort* to bidders that a bidder would assume only those liabilities it “would be able to discern by a very thorough due diligence.” Gearin Dep. at 85; *see also id.* at 92 (“[A]dding the phrase . . . could give [bidders] some comfort that there wouldn’t be exposure to liabilities that they couldn’t possibly have discerned from a *review of the books and records* of the failed bank.” (emphasis added)). As discussed above, it is undisputed that neither Mr. Gearin nor Mr. Van Fleet recalled any intention to capitalize the phrase “Books and Records” or either “Books” or “Records” in Section 2.1. Gearin Dep. at 94-95; Van Fleet Dep. at 131-132. Indeed, Ms. Foster’s email (relaying the question from Mr. Van Fleet) did not capitalize the phrase “books and records.” Ex. 903. Accordingly, the Court finds it undisputed that the phrase was adopted to provide “comfort” to bidders that they could discern liabilities to be assumed from what was shown on WaMu’s accounting records and the phrase was not intended to expand liabilities to cover anything an acquiring institution could “possibly have imagined.” Ex. 901 at 8.³³

³³ FDIC argues that the addition of the “Books and Records” language to Section 2.1 does not signify that it intended to adopt the limited meaning suggested by JPMC. It points to its simultaneous change to the preamble, from “the Assuming Bank desires to purchase certain assets and assume certain deposit and other liabilities of the Failed Bank” Ex. 253 at 4, to “the Assuming Bank desires to purchase substantially all of the assets and assume all deposit and

This testimony is consistent with normative judicial holdings that acquiring banks in purchase-and-assumption transactions do not assume unliquidated or contingent liabilities. *See, e.g., Santopadre v. Pelican Homestead & Sav. Ass'n*, 937 F.2d 268, 272 (5th Cir. 1991) (even where “agreement purports to transfer all of the closed bank’s liabilities,” unliquidated litigation liabilities were not “on the books and records” of the failed bank and thus not transferred). The reasoning for these decisions is informative: banks do not assume unliquidated liabilities precisely because the parties need to be “able to rely on the books and records of the [failed bank] in determining its net worth,” thereby allowing a sale to “take place in [a] timely fashion.” *Id.*; *see also In re Collins Sec. Corp.*, 998 F.2d 551, 554-55 (8th Cir. 1993) (treating “books and records” and “account records” as synonymous). “Undoubtedly very few, if any, banks would enter into purchase and assumption agreements with a federal receiver if the successor banks had to assume [] latent claims of unknown magnitude.” *Vernon v. RTC*, 907 F.2d 1101, 1109 (11th Cir. 1990); *see also Village of Oakwood v. State Bank & Trust Co.*, 519 F. Supp. 2d 730, 738 (N.D. Ohio 2007) (“[A]n assuming bank would rarely be inclined to enter a P&A agreement with the FDIC knowing that it could be taking on unidentified liabilities of

substantially all other liabilities of the Failed Bank on the terms and conditions set forth in this Agreement” Ex. 255 at 6 (emphasis added). FDIC maintains that the new language demonstrated its intention to transfer the disputed liabilities to the Acquiring Bank. The argument falls short. First, no bidder would have been aware that there was any change, since it was done before the P&A Agreement was sent to bidders on the evening of September 23. Second, the preamble clearly states that the Assuming Bank would acquire liabilities subject to the Agreement itself (which transferred liabilities that were on the books and records). Third, the language of the preamble is not an operative part of the Agreement. *Grynberg v. FERC*, 71 F.3d 413, 416 (D.C. Cir. 1995) (“[A] Whereas clause, while sometimes useful as an aid to interpretation, cannot create any right beyond those arising from the operative terms of the document.”) (internal quotations omitted). Fourth, JPMC insists that it *did* assume substantially all liabilities. *See infra* at III.B.4.

undefined dimensions that could arise at some uncertain date in the future.”), *aff'd*, 539 F.3d 373 (6th Cir. 2008).

FDIC asserts that the repurchase liabilities were not “unknown” or “unidentified” because JPMC “knew when it bid that it would be assuming WaMu’s off-balance sheet mortgage securitization liabilities, including its repurchase liabilities, under the terms of this transaction” and JPMC also knew the nature and scope of such liabilities. FDIC Opp. at 32. FDIC’s argument misses the mark. JPMC was aware that WaMu had large exposure from its repurchase liabilities, but no party knew the ultimate cost of these obligations after seizure by OTS. Moreover, JPMC’s knowledge of WaMu’s potential exposure is irrelevant unless the P&A Agreement transferred that exposure to JPMC. In one sense, the extent of the unknown potential liabilities lends credence to JPMC’s contention that it only would have agreed to assume quantifiable liabilities at their Book Value.

3. Assuming FDIC Intended to Transfer Unbooked Liabilities to JPMC, that Intention Was Not Communicated

FDIC argues at length that the extrinsic evidence irrefutably demonstrates its intent to pass *all* of WaMu’s unbooked liabilities to JPMC. But whether FDIC intended the liabilities to transfer and whether it communicated that intent to JPMC, who agreed, are separate questions, and only the latter is relevant for construing the Agreement. *See NTA Nat., Inc. v. DNC Services Corp.*, 511 F. Supp. 210, 223 (D.D.C. 1981) (“[I]t is a well-established principle that ‘the subjective unexpressed, uncommunicated thoughts of a party are irrelevant to the material issue of the parties’ intent.’” (quoting *Union Bank v. Winnebago Industries, Inc.*, 528 F.2d 95, 99 (9th Cir. 1975))).

When the draft P&A Agreement was delivered to JPMC on the evening of September 23, 2008, Section 2.1 unequivocally conveyed only those liabilities that were

reflected on WaMu's "Books and Records." Ex. 257, 276. FDIC argues that *JPMC should have known* it intended a broader use for the phrase because (1) FDIC outlined the terms of the proposed transaction to JPMC at a meeting on September 22, 2008 and (2) the Transaction Recap and Bid Instructions, released mere hours before, made clear that Option 3—which was the "all-deposit version" on which JPMC ultimately bid—required the acquiring bank to assume "all liabilities" except for those specifically excluded. *See* FDIC Mem. at 20-22. As a result, FDIC maintains, JPMC was aware that it was bidding on an "everything-but" transaction and knew that it was assuming all liabilities whether or not listed on WaMu's Accounting Records. *Id.* at 22.

FDIC's argument falls short. Both of its cited events occurred *before* FDIC delivered the P&A Agreement to JPMC. Therefore, even if FDIC internally intended the liabilities at issue to be acquired as of September 22, 2008, and even if JPMC knew FDIC so intended on that date, subsequent events served to alter the parties' understanding of the P&A Agreement. Indeed, the parties could not have thought that the terms were settled as of September 22 as no contract had been provided, no bid had been made, and the Transaction Recap itself emphasized that "[t]he legal documents will be the governing documents for this transaction." Ex. 56 at 2. Moreover, the Transaction Recap was inconsistent with the Bid Instructions that accompanied it: while the Transaction Recap stated that, under Option 3, the Assuming Bank would assume all liabilities "except the preferred stock, the subordinated debt and the senior debt," *id.*, the Bid Instructions stated that Assuming Bank would assume all liabilities except for "the preferred stock, non-asset related defensive litigation, subordinated debt and senior debt," Ex. 57 at 3. As of the posting of the Transaction Recap and Bid Instructions, FDIC had not clarified what liabilities it intended to transfer under the Agreement.

The scope of the liabilities to be assumed by JPMC was crystalized after the Agreement was sent to potential bidders, late on September 23, 2008, when JPMC and FDIC began to discuss the indemnity provisions of the contract. At that point, Mr. Gearin answered JPMC questions on indemnification, explicitly stating in an email: “The liabilities assumed are described as booked liabilities”, Ex. 66, conveying that liabilities that were not “booked” were not assumed and were covered by the indemnity clause in Section 12.1. This statement informs the parties’ joint interpretation that the liabilities being assumed were limited to their Book Value on WaMu’s accounting records. FDIC seeks to avoid responsibility for Mr. Gearin’s reference to “booked liabilities,” but its explanations are not convincing. According to FDIC, this email meant that “if [Mr. Eitel] wants to know which liabilities are assumed by [JPMC] . . . [he should] look at 2.1, which describes the liabilities as being those that are reflected on the books and records.” Gearin Dep. at 178:5-9. FDIC argues that Mr. Gearin’s use of the term “booked liabilities” was “paraphras[ing] [] the reference in 2.1 to liabilities that were reflected on the books and records.” *Id.* at 178:13-15. The explanation is circular and fails to satisfy.

The record forecloses giving these arguments the weight to which FDIC would assign them. In analyzing the emails between the parties in their entirety, it is apparent that JPMC was seeking to make sure that it was assuming a limited set of liabilities. As of this email chain on September 23, *see* Ex. 66, the parties had a shared understanding: both Messrs. Cooney and Gearin understood that JPMC would assume only “booked liabilities,” that is, those liabilities that were recorded at Book Value on WaMu’s financial books.³⁴

³⁴ Despite the mutual understanding that the liabilities assumed were those that were “booked,” Mr. Cooney continued to be concerned that the disputed clause could be interpreted in a broader fashion than was intended and that JPMC could be found liable for a pre-acquisition breach by

In further arguing its intention to transfer unbooked liabilities, FDIC relies heavily on the “Frequently Asked Questions” document that was posted for bidders at some point in the morning or early afternoon on September 24, 2008. *See* Exs. 71, 129.³⁵ In the FAQs, FDIC provided the following question and answer:

Are the off-balance sheet credit card portfolio and mortgage securitizations included in the transaction? Do you expect the acquirer to assume the servicing obligations? If there are pricing issues associated with the contracts (e.g., the pricing is disadvantageous to the assuming institution), can we take advantage of the FDIC’s repudiation powers to effect a repricing?

Answer: The bank’s interests and obligations associated with the off-balance sheet credit card portfolio and mortgage securitizations pass to the acquirer. Only contracts and obligations remaining in the receivership are subject to repudiation powers.

Ex. 71 at 2. FDIC contends that the statement “The bank’s interests and obligations associated with the off-balance credit card portfolio and mortgage securitizations pass to the acquirer” expressly conveyed to JPMC that “off-balance sheet” interests and obligations, such as the repurchase obligations at issue here, would transfer to the Assuming Bank. FDIC Mem. at 24. JPMC answers that other FAQs explicitly stated that they applied to a certain transaction structure but this FAQ had no such limit; thus, it must have applied to all transaction options—Transaction Options 1-3, which included “Books and Records” in Section 2.1, and Transactions

WaMu of a contract that *was* reflected on the books and records, particularly one between WaMu and its parent, WMI. *See* Ex. 66. He told Mr. Gearin, “In a normal P&A between commercial parties this is not something a buyer would ever assume and it really doesn’t make sense (nor frankly is it fair) here.” *Id.* Mr. Gearin promised to “look at [it] again,” *id.*, but there is no further evidence on the point and Section 12.1 was not changed. Notably, if Mr. Gearin did not agree with Mr. Cooney’s interpretation, he did not clarify that FDIC had some other uncommunicated intent.

³⁵ It is not clear when FDIC posted the FAQs, but they were circulated among JPMC officials during the afternoon of September 24.

Options 4-5, which did not include the phrase. Therefore, JPMC argues, FDIC's answer about acquired liabilities should be construed as addressing draft language appearing in all five transactions, that is, language involving mortgage *servicing* obligations (as raised in the question posed to FDIC), and not *seller* repurchase obligations, which were not part of Transaction Options 4 or 5.³⁶ FDIC responds that "[a]ny prospective bidder comparing the draft structures would understand that Transaction Options 1 through 3 transferred a broad scope of liabilities, while Transaction Options 4 and 5 enumerated the specific liabilities being transferred." FDIC Reply [Dkt. 175] at 7 (citing Ex. 276).

Whatever was intended or understood by the parties, the critical fact is that the FAQs came *after* FDIC's assurances to JPMC that only "booked liabilities" would be assumed, Ex. 66, and FDIC never proposed or made any change to the language of the P&A Agreement that might have changed or expanded a bidder's liabilities. Despite the FAQs, the Agreement continued to transfer only those liabilities reflected on WaMu's books and records. Moreover, the Bid Instructions warned bidders that the "legal documents" controlled the transaction. Ex. 57. Whether the FAQs were clear or not, FDIC failed to change the transaction documents to contain the language it now cites.

FDIC also maintains that a statement "made" by Jim Wigand during the afternoon of September 24, 2008 demonstrates FDIC's intention to transfer all mortgage repurchase liabilities to the acquiring bank. This "statement" of Mr. Wigand, *see* Ex. 79, was conveyed by Mr. Aboussie to Mr. Gearin when discussing JPMC's proposal to modify Section 2.5 to limit its assumption of a wide range of mortgage loan securitization claims, *see* Ex. 78. In discussing

³⁶ JPMC emphasizes that the rights and any associated obligations of a mortgage servicer are distinguishable from mortgage repurchase obligations of a seller. As noted above, *see supra* n.27, FDIC no longer disputes this point.

JPMC's proposal internally, Mr. Aboussie told Mr. Gearin that "Jim Wigand has stated that he understood and intended that all liabilities associated with loan sales (i.e., rep and warrant/repurchase claims) are to be passed to the assuming bank." Ex. 79. This statement, FDIC argues, confirms its position. But the argument is unpersuasive because the statement is irrelevant: to the extent it reflects an intention to pass mortgage repurchase liabilities beyond those booked on WaMu's accounting records, that intention was not communicated outside FDIC.³⁷ FDIC cites additional testimony of Mr. Wigand and Mr. Held concerning FDIC's intentions, *see* FDIC Mem. at 19, but these witnesses can only testify to Mr. Wigand's internal directions to FDIC lawyers *after* the draft P&A Agreement was offered to bidders, with Section 2.1's language on Assumed Liabilities left unchanged. Again, these internal communications reveal only Mr. Wigand's intentions without evidence that they were shared with any bidder or that the P&A Agreement was changed accordingly. Uncommunicated intentions do not carry any weight in interpreting the intention of contracting parties.

FDIC further argues that its rejection of JPMC's proposal to modify Section 2.5 (to restrict JPMC's assumption of various claims) signaled to JPMC that FDIC intended all securitization liabilities to transfer to and be assumed by the acquiring bank. FDIC Mem. at 26. After JPMC proposed new language, Mr. Gearin stated that he did not believe there would be a revised agreement, Ex. 80, and JPMC then submitted its bid, noting in its cover letter that it accepted as drafted the language of Section 2.5. Ex. 59 at 2. JPMC responds that its proposed

³⁷ JPMC also argues that there was nothing in this email exchange suggesting that Mr. Wigand was construing the first sentence of Section 2.1 in the draft agreement for Transaction Options 1-3, as opposed to all transaction options. JPMC Opp. at 10. Thus, it contends, Mr. Wigand's statement was addressing the conveyance of mortgage *servicing* obligations, possibly based on some misunderstanding that seller repurchase obligations automatically accompany mortgage servicing obligations. *Id.* (quoting Wigand Dep. at 276 for his statement that "if you take the servicing, you have to take the repurchase obligations").

change to Section 2.5 was merely an effort to expand its avoidance of various obligations including: RMBS securities-law claims; the “Book Value” of mortgage repurchase claims, as reflected on the Accounting Records; servicing-related claims; GSE repurchase claims; and claims based on RMBS owned or sponsored by WaMu’s subsidiaries. JPMC Opp. at 23. Thus, JPMC contends, FDIC’s refusal to accept its proposal meant that JPMC would acquire those liabilities, but did not mean that all of WaMu’s repurchase obligations, booked or unbooked, would pass to JPMC.³⁸

In any event, what ultimately controls is the language in the Agreement as it was executed. Section 2.1 of the Agreement transfers only those liabilities with a Book Value. Moreover, Section 2.5, as drafted by FDIC, indemnified the Acquiring Bank for all liabilities not assumed under Section 2.1; thus, Section 2.5 is circular and merely returns the reader to the scope of Liabilities Assumed in Section 2.1—all those on the books and records. Accordingly, FDIC’s failure to adopt JPMC’s proposed change to Section 2.5 did not necessarily communicate any intention to pass unbooked mortgage repurchase liabilities, particularly in light of the facts that FDIC had already advised that the liabilities being transferred were those that were “booked” and that the language of the Agreement remained unchanged.

FDIC also cites internal and public communications by JPMC, which FDIC argues prove that JPMC knew it had acquired WaMu’s repurchase liabilities. FDIC Mem. at 22. Specifically, FDIC quotes from presentation slides prepared for September 24, 2008 meetings with rating agencies stating that JPMC would assume “[a]ll the deposits and substantially all [WaMu] liabilities, excluding senior and subordinated debt,” Ex. 62 at 20 and Ex. 63 at 20, and a

³⁸ JPMC also notes that it is not even clear that its proposed language “would cover this very action, which is not brought by any ‘direct or indirect purchaser’ of RMBS.” JPMC Opp. at 22.

statement made on September 25, 2008 by Charlie Scharf of JPMC to investors in which he described assumed liabilities as everything but “the unsecured debt, the subordinated debt and the preferred,” Ex. 483 [Dkt. 160-24] at 3.³⁹

FDIC relies on such presentations and comments to support its position that JPMC knew it would acquire WaMu’s RMBS liabilities. However, these were high-level summaries of the transaction that did not include all details of the potential acquisition. Furthermore, as JPMC argues, it was “fair to summarize the P&A Agreement as transferring ‘substantially all’ of WMB’s liabilities,” JPMC Opp. at 17, because the liabilities at issue are estimated by Deutsche Bank to be valued between U.S. \$6 and \$10 billion and JPMC assumed liabilities under the P&A Agreement of roughly \$300 billion. Am. Compl. ¶ 85; JPMC Opp. at 18-19 (citing Ex. 682 (9/25/08 unconsolidated balance sheet)). FDIC does not dispute these amounts, which support the statements that JPMC acquired “substantially all” of WaMu’s liabilities, per the P&A Agreement.

4. Post-Transaction Conduct

In the immediate days after JPMC acquired WaMu, FDIC appeared to construe the P&A Agreement as JPMC does now: to mean that only liabilities already entered on WaMu’s accounting records were acquired by JPMC. These early conversations related to unassessed tax liabilities that were not reflected on WaMu’s books. On October 8, 2008, Richard Peyster, an FDIC tax attorney, specifically stated that “[w]ith regard to any tax liability arising out of an ongoing or future audit, where no assessment had been made prior to the date of closing, such liability would not pass to Morgan. Only liabilities on the books as of the date of the agreement pass.” Ex. 29. In a separate email related to WaMu’s tax claims, on which Messrs. Wigand,

³⁹ Page citations within this exhibit are to the ECF page number.

Gearin and Aboussie were all copied, Mr. Peyster further stated that “Section 2.1 transfers all liabilities reflected on the books and records of Washington Mutual to JPMorgan Chase. Therefore, any tax liabilities on the books of Washington Mutual were transferred, and any unknown liabilities, not reflected on the books were not transferred.” Ex. 108.

FDIC argues first that “this case is not about pending tax audits” and that Mr. Peyster’s statements are immaterial, as he played no substantive role in developing the terms of the transaction or drafting the P&A Agreement. FDIC Opp. at 41-42. Further, FDIC emphasizes Mr. Peyster’s testimony that the statements made in his email were “overly simplistic and broad” and that in stating that only liabilities on the books would pass to JPMC, he was merely paraphrasing “books and records.” *See* Peyster Dep. at 83-84.

The emails speak for themselves. Mr. Peyster may not have played a role in drafting the P&A Agreement, but when he stated that “any unknown liabilities[] not reflected on the books were not transferred,” none of the men who was intimately familiar with the Agreement’s terms—Messrs. Gearin, Wigand, and Aboussie—contradicted his understanding. Ex. 108. Nor does FDIC’s argument that WaMu’s mortgage repurchase liabilities could not have been considered “unknown” carry weight. As discussed above, while the entire banking world knew about the existence of such liabilities, no one knew the quantifiable value of the future obligation to repurchase defective mortgage loans; to the contrary, the Agreement states that a liability not reflected “on the books” did not pass to JPMC.

FDIC tax accountant Jim Thormahlen’s statements that unassessed tax liabilities were a claim against the FDIC-Receiver, not JPMC, also confirm this understanding. *See, e.g.*, Ex. 30 [Dkt. 158-5]; Ex. 404; Ex. 416. In response, FDIC contends that Mr. Thormahlen, who was not involved in drafting the P&A Agreement, relied on JPMC’s representation when

preparing a standard form letter to send to tax agencies and, thus, his statements only reflected JPMC's interpretation of the P&A Agreement. FDIC Opp. at 42. But Mr. Thormahlen's testimony does not fully support the argument. While he testified that "JPMorgan people" told him that JPMC did not assume tax liabilities and that he drafted his letter at the request of JPMC, Thormahlen Dep. at 160, Mr. Thormahlen then stated his understanding that JPMC assumed all of WaMu tax liabilities "that were on the books and records" and did not assume tax liabilities that "weren't on the books and records [because] that's what the P&A says." *Id.* at 158. Mr. Thormahlen further averred that he got his understanding of the meaning of "Books and Records" in the P&A Agreement from "the e-mails that Peyster said was his interpretation," i.e., from within the FDIC itself. *Id.* at 162. Moreover, even if Mr. Thormahlen were adopting JPMC's construction of the Agreement, his actions only confirmed to JPMC that its interpretation was shared by FDIC.

Finally, David Gearin's statements on October 28, 2008 demonstrate that JPMC and at least some FDIC employees believed the liabilities at issue did not pass to JPMC. *See* Ex. 82 [Dkt. 159-6]. In an internal FDIC email, Mr. Gearin stated that he "just got off the phone with Dan Cooney, the JPMC in-house attorney who no[w] understands that we are of the view that the repurchase obligations did pass to JPMC and cannot be put back to the receiver for repudiation. Unfortunately what I said was inconsistent from what they had heard over time from three different FDIC representatives in Seattle." *Id.* JPMC argues that this email represents the first time the FDIC actually informed JPMC of its position that WaMu's mortgage repurchase liabilities passed to JPMC; JPMC also argues that the email acknowledges that FDIC had previously taken the opposite view and had so advised JPMC. FDIC's only response to this evidence is to cite the FAQs, maintaining that it had previously informed all potential bidders

that the acquiring bank would assume all of WaMu's mortgage securitization liabilities, including the repurchase obligations. *See* Ex. 71. What Mr. Gearin's email makes clear is that before and immediately after the execution of the P&A Agreement, certain FDIC representatives advised JPMC that it was not acquiring repurchase obligations (to say nothing of Mr. Gearin's own assurance on September 23 that only "booked liabilities" would be transferred, *see* Ex. 66). FDIC cannot overcome the evidence that both parties contemporaneously shared the same understanding concerning WaMu's unbooked obligations due to the plain language of the Agreement.

5. FDIC Drafted The Contract

JPMC argues that according to *contra proferentum*, a doctrine of contractual interpretation, "any ambiguity in a contract must be construed against the drafter." JPMC Mem. at 24 (quotation omitted). FDIC responds that the doctrine is one of last resort. FDIC Opp. at 35-37. "Contra proferentum is a basic principle of contract law which provides that 'in choosing among the reasonable meanings of a promise or agreement or a term thereof, that meaning is generally preferred which operates against the party who supplies the words or from whom a writing otherwise proceeds.'" *Mesa Air Group v. DOT*, 87 F.3d 498, 506 (D.C. Cir. 1996) (quoting Restatement (Second) of Contracts, § 206). The doctrine is based on the belief that the drafter is "more likely than the other party to have reason to know of uncertainties of meaning. Indeed, he may leave meaning deliberately obscure, intending to decide at a later date what meaning to assert." Restatement (Second) of Contracts, § 206 cmt. A.

FDIC is correct that the doctrine of *contra proferentum* is limited to "cases of doubt . . . so long as other factors are not decisive." *Id.*; *see also United States ex rel. DOL v. Insurance Co. of N. Am.*, 131 F.3d 1037, 1043 (D.C. Cir. 1997). As discussed at length above,

the Agreement is clear and there is sufficient evidence to resolve this case without needing to construe the P&A Agreement against the drafter. However, if there were to remain some extant question as to the Agreement's ambiguity, this "rule of last resort" mandates the same result in favor of JPMC. *See Mesa Air*, 87 F.3d at 506.

FDIC also argues that the P&A Agreement's terms should not be construed against it because the doctrine of contra proferentum does not apply between sophisticated parties who have similar bargaining power. The Restatement provides otherwise, as does D.C. Circuit precedent. *See* Restatement (Second) of Contracts, § 206 cmt. A ("The rule is often invoked in cases of standardized contracts and in cases where the drafting party has the stronger bargaining position, but it is not limited to such cases."); *Mesa Air*, 87 F.3d at 506 (analyzing doctrine of contra proferentum and finding it weighed against Department of Transportation, as the drafter). Furthermore, while JPMC is a sophisticated party, the P&A Agreement was not a product of bilateral negotiation between FDIC and JPMC. JPMC played no role in drafting the Agreement and suggested only minimal alterations during the revision process. And, in responding to questions about the draft Agreement, FDIC clearly stated "the Purchase & Assumption agreement language is not negotiable." Ex. 71.

FDIC, as drafter of the Agreement, is bound by its terms. While not necessary to resolving the question of whether WaMu's unbooked liabilities passed to JPMC, the principle of contra proferentum serves to reinforce the Court's ultimate conclusion.

IV. CONCLUSION

This Court now has years of experience with the P&A Agreement and multiple parties' myriad litigating positions concerning its interpretation. The record suggests that certain FDIC officials intended to require the acquiring bank to assume WaMu's mortgage repurchase

obligations and that initial bid documents sought to transfer those liabilities. FDIC can also show that JPMC was familiar with WaMu's repurchase obligations; that after FDIC drafted and offered bidders the draft P&A Agreement, FDIC executive Jim Wigand internally affirmed that FDIC intended the acquiring bank to take all of WaMu's repurchase obligations, most of which were not booked; that FDIC warned bidders of its intention in the posted FAQs memorandum before the bids, but specifically stated that the legal documents controlled; and that, for disputed reasons, JPMC tried to alter the language of the Agreement.

What FDIC does not show is that, in light of its stated intention, it changed the P&A Agreement to cover these unbooked obligations explicitly. FDIC appears to think that statements made in the FAQs and bid documents, without similar and specific contract language, are sufficient to show that it passed such liabilities to JPMC. That might have been correct, had the actual language of the P&A Agreement not been clear and limited to, as Mr. Gearin told JPMC, "booked liabilities." Indeed, multiple FDIC lawyers and representatives read the P&A Agreement in the identical way (i.e., limited to "booked liabilities"). That FDIC executives intended something else does not rescue their reliance on the non-contractual FAQs, which were specifically subject to the language of the legal documents; indeed, the FAQs were posted *after* the disputed language was offered to bidders and *no change* was made by FDIC to reflect the intention stated in the FAQs. Contrary to internal FDIC communications, there is no similar evidence that JPMC *intended to assume* WaMu's mortgage repurchase liabilities. Moreover, there is no FDIC witness that can support its deep-ocean definition of "Records" and, for purposes of this suit, FDIC fails to overcome testimony from its own representatives that the capitalization of "Books and Records" was entirely inadvertent. The presentations by JPMC to its Board of Directors and outside investors, to the effect that JPMC was acquiring all of

WaMu's assets and substantially all of its liabilities, were accurate without regard to WaMu's unbooked mortgage repurchase obligations.

FDIC is bound by its own language, which apparently did not reflect its intention. JPMC may have risked tendering its bid for WaMu in reliance on the contract language and on FDIC's statement that the legal documents controlled the transaction. In the end, as lawyers know, the unambiguous language of a contract will control, particularly when one disputant was the sole drafter.

Therefore, for the reasons set forth above, the Court will grant in part and deny in part JPMC's Motion for Summary Judgment [Dkts. 142, 143, 170], finding that JPMC is entitled to judgment that it assumed liability for the disputed mortgage repurchase liabilities only to the extent that WaMu reflected such liabilities at a stated Book Value on its financial accounting records as of September 25, 2008.⁴⁰ The Court will also grant in part and deny in part FDIC's Motion for Summary Judgment [Dkt. 144, 173], finding that FDIC is entitled to judgment that it did not assume or retain mortgage repurchase liabilities of WMMSC, the stock of which was acquired by JPMC in its entirety.

The Court leaves to another day and another argument whether Plaintiff Deutsche Bank can recover from FDIC. A memorializing Order accompanies this Amended Opinion.

Date: June 17, 2015

_____/s/_____
ROSEMARY M. COLLYER
United States District Judge

⁴⁰ In other words, the Court finds that any liability exceeding the Book Value reflected on WaMu's financial accounting records as of September 25, 2008 remained with the Federal Deposit Insurance Corporation as Receiver for WaMu.

EXHIBIT 11
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

<hr/>)	
DEUTSCHE BANK NATIONAL)	
TRUST COMPANY,)	
)	
Plaintiff,)	Civil Action No. 09-1656 (RMC)
)	
v.)	
)	
FEDERAL DEPOSIT INSURANCE)	
CORPORATION, <i>et al.</i>,)	
)	
Defendants.)	
<hr/>)	

AMENDED ORDER

For the reasons set forth in the Amended Opinion filed simultaneously with this Amended Order, it is hereby

ORDERED that Defendant JPMorgan Chase, National Association’s (JPMC) Motion for Summary Judgment [Dkts. 142, 143, 170] is **GRANTED in part and DENIED in part**; and it is

FURTHER ORDERED that JPMC is entitled to **JUDGMENT** that it assumed liability for the disputed mortgage repurchase liabilities only to the extent that Washington Mutual Bank (“WaMu”) reflected such liabilities at a stated Book Value on WaMu’s financial accounting records as of September 25, 2008; and it is

FURTHER ORDERED that Defendant Federal Deposit Insurance Corporation’s Motion for Summary Judgment [Dkt. 144, 173] is **GRANTED in part and DENIED in part**; and it is

FURTHER ORDERED that FDIC is entitled to **JUDGMENT** that all mortgage repurchase liabilities of Washington Mutual Mortgage Securities Corporation (WMMSC) remained with WMMSC (the stock of which was acquired by JPMC in its entirety), not with FDIC.

SO ORDERED.

Date: June 17, 2015

_____/s/_____
ROSEMARY M. COLLYER
United States District Judge

EXHIBIT 12
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee for the Trusts listed
in Exhibits 1-A and 1-B,

Plaintiff,

v.

FEDERAL DEPOSIT INSURANCE
CORPORATION, as receiver of
Washington Mutual Bank; JPMORGAN
CHASE BANK, National Association; and
WASHINGTON MUTUAL MORTGAGE
SECURITIES CORPORATION,

Defendants.

Case No. 09-CV-1656-RMC

Hon. Rosemary M. Collyer

NOTICE OF APPEAL

Please take notice that, pursuant to Rule 4(a)(1)(B) of the Federal Rules of Appellate Procedure and 12 U.S.C. § 1291, Defendant Federal Deposit Insurance Corporation in its capacity as Receiver for Washington Mutual Bank (the “FDIC-Receiver”) hereby appeals to the United States Court of Appeals for the District of Columbia Circuit from the Amended Memorandum Opinion and Order entered on June 17, 2105 (Dkt Nos. 181 & 182). On September 22, 2015 (Dkt. No. 191), this Court certified the Memorandum Opinion and Order as a final judgment on Count II and “ready for appeal” under Rule 54(b) of the Federal Rules of Civil Procedure and further determined that there was no just reason for delay.

The FDIC-Receiver is exempt by statute from paying notice of appeal filing fees and from posting a bond for the appeal. *See* 12 U.S.C. § 1819(b)(4) (the FDIC “shall not be required

to post any bond to pursue any appeal and shall not be subject to payments of any filing fees in United States district courts or courts of appeal”).

Dated: November 16, 2015

Respectfully submitted,

Of Counsel:

Kathryn R. Norcross, D.C. Bar No. 398120
Senior Counsel
Kaye A. Allison, Counsel
Anne M. Devens, Counsel
FEDERAL DEPOSIT INSURANCE
CORPORATION
3501 Fairfax Drive, Room VS-D-7062
Arlington, Virginia 22226
Telephone: (703) 562-2676
Facsimile: (703) 562-2475
Email: knorcross@fdic.gov
Email: kallison@fdic.gov
Email: adevens@fdic.gov

/s/ Scott H. Christensen
William R. Stein, D.C. Bar No. 304048
Scott H. Christensen, D.C. Bar No. 476439
Jason S. Cohen, D.C. Bar No. 501834
HUGHES HUBBARD & REED LLP
1775 I Street, N.W., Suite 600
Washington, D.C. 20006-2401
Telephone: (202) 721-4600
Facsimile: (202) 721-4646
Email: william.stein@hugheshubbard.com
Email: scott.christensen@hugheshubbard.com
Email: jason.cohen@hugheshubbard.com

*Attorneys for Federal Deposit Insurance
Corporation in its capacity as Receiver for
Washington Mutual Bank*

EXHIBIT 13
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee for the Trusts listed in Exhibits 1-A and 1-B,

Plaintiff,

v.

FEDERAL DEPOSIT INSURANCE CORPORATION,
as receiver for Washington Mutual Bank; JPMORGAN
CHASE BANK, National Association; and
WASHINGTON MUTUAL MORTGAGE
SECURITIES CORPORATION,

Defendants.

Case No.: 09-CV-1656-RMC

Hon. Rosemary M. Collyer

NOTICE OF APPEAL

Please take notice that Plaintiff Deutsche Bank National Trust Company, as Trustee for the Trusts listed in Exhibits 1-A and 1-B, hereby appeals to the United States Court of Appeals for the District of Columbia Circuit from the Amended Memorandum Opinion and Amended Order entered on June 17, 2015 (Dkt. Nos. 181 and 182). On September 22, 2015 (Dkt. No. 191), this Court certified the Amended Memorandum Opinion and Amended Order as a final judgment on Count II and “ready for appeal” under Rule 54(b) of the Federal Rules of Civil Procedure and further determined that there was no just reason for delay. On November 16, 2015, Defendant the Federal Deposit Insurance Corporation as receiver for Washington Mutual Bank filed a Notice of Appeal (Dkt. No. 193), which is assigned USCA Case Number 15-5322.

Dated: November 20, 2015

Respectfully submitted:

TALCOTT FRANKLIN P.C.

By: /s/ Talcott J. Franklin

Talcott J. Franklin, D.D.C. Bar No. TX0078
1521 N. Cooper Street, Suite 340
Arlington, Texas 76011
Phone: (214) 321-3838
Fax: (877) 577-1356
Email: tal@talcottfranklin.com
*Counsel for Appellant Deutsche Bank
National Trust Company, as Trustee for the
Trusts listed in Exhibits 1-A and 1-B of the
Amended Complaint*

BOIES, SCHILLER & FLEXNER LLP

Robin Henry, *pro hac vice*
Motty Shulman, *pro hac vice*
Michael Endler, *pro hac vice*
333 Main Street
Armonk, NY 10504
Phone: (914) 749-8200
Fax: (914) 749-8300
Email: RHenry@BSFLLP.com
Email: MShulman@BSFLLP.com
Email: MEndler@BSFLLP.com
*Counsel for Plaintiff Deutsche Bank
National Trust Company, as Trustee for the
Trusts listed in Exhibits 1-A and 1-B, for all
claims except with respect to paragraph 97
of the Amended Complaint*

EXHIBIT 14
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

DISTRICT OF COLUMBIA CIRCUIT

333 Constitution Avenue, NW
Washington, DC 20001-2866
Phone: 202-216-7000 | Facsimile: 202-219-8530

CIVIL DOCKETING STATEMENT

All Cases Other than Administrative Agency Cases (To be completed by appellant)

- 1. CASE NO. 15-5322
2. DATE DOCKETED: 11-19-2015
3. CASE NAME (lead parties only) Deutsche Bank Nat'l Trust Co. v. FDIC as receiver for Washington Mutual Bank, et al.
4. TYPE OF CASE: [X] District Ct - [X] US Civil [] Private Civil [] Criminal [] Bankruptcy
5. IS THIS CASE REQUIRED BY STATUTE TO BE EXPEDITED? [] Yes [X] No
6. CASE INFORMATION:
a. District Court Docket No. Bankruptcy Court Docket No. Tax Court Docket No.
b. Review is sought of: [] Final Order [] Interlocutory Order appealable as of right [X] Interlocutory Order certified for appeal
c. Name of judge who entered order being appealed: Judge Rosemary Collyer Magistrate Judge
d. Date of order(s) appealed (use date docketed): 06-17-2015 e. Date notice of appeal filed: 11-16-2015
f. Has any other notice of appeal been filed in this case? [X] Yes [] No If YES, date filed: 11-20-2015
g. Are any motions currently pending in trial court? [] Yes [X] No If YES, date filed:
h. Has a transcript of proceedings been ordered pursuant to FRAP 10(b)? [] Yes [X] No
i. Has this case been before the Court under another appeal number? [X] Yes Appeal # 15-5326 [] No
j. Are any cases involving the same underlying order or, to counsel's knowledge, involving substantially the same issue, currently pending before the District Court, this Court, another Circuit Court, or the Supreme Court?
k. Does this case turn on validity or correct interpretation or application of a statute? [] Yes [X] No
7. Have the parties attempted to resolve issues in this case through arbitration, mediation, or another alternative for dispute resolution? [X] Yes [] No If so, provide program name and participation dates
Mediator Robert Meyer, JAMS (ongoing)

Signature /s/ Jerome A. Madden Date 12-18-2015
Name of Party Defendant-Appellant FDIC as receiver for Washington Mutual Bank
Name of Counsel for Appellant/Petitioner Jerome A Madden
Address 3501 Fairfax Drive, Room VS-D-7004 Arlington, Virginia 22226
Phone (703) 562-2010 Fax (703) 562-2496

ATTACH A CERTIFICATE OF SERVICE

Note: If counsel for any other party believes that the information submitted is inaccurate or incomplete, counsel may so advise the Clerk within 7 calendar days by letter, with copies to all other parties, specifically referring to the challenged statement. Attach a certificate of service to this form.

EXHIBIT 15
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

United States Court of Appeals
For the District of Columbia Circuit

Deutsche Bank National Trust Company,
as Trustee for the Trusts,

No. 15-5322
Consolidated with
No. 15-5326

Appellant

v.

Federal Deposit Insurance Corporation, in
Its capacity as Receiver of Washington
Mutual Bank,

Appellant,

JPMorgan Chase Bank, National
Association and Washington Mutual
Mortgage Securities Corporation,

Appellees.

**JOINT MOTION FOR AN EXTENSION OF TIME TO FILE
THE OPENING, RESPONSE AND REPLY BRIEFS AND
TO MODIFY THE CAPTION IN THIS CASE**

Pursuant to Federal Rule of Appellate Procedure 26 and Circuit Rule 28(e), defendant-appellant the Federal Deposit Insurance Corporation, as Receiver of Washington Mutual Bank (FDIC), plaintiff-appellant Deutsche Bank National Trust Company (DBNTC), and defendants-appellees JPMorgan Chase Bank, National Association (JPMC) and Washington Mutual Mortgage Securities Corporation (WMMSC), respectfully move for the extension of the briefing

schedule in these consolidated appeals for good cause shown below. As required by Circuit Rule 27(h)(2), the FDIC has consulted with the other parties to these consolidated appeals, and all parties consent to the relief herein requested. No party intends to file an opposition or other response to this motion.

This modest extension of about 30 days for each party's opening brief will not materially delay the resolution of the case as it will only move the due date for the final briefs by 45 days, as set forth in the table below:

	Current Due Date	Proposed Due Date
Appellant FDIC's Brief and Appellant Deutsche Bank's Brief	March 28, 2016	April 28, 2016
Appellee JPMC's Brief	April 27, 2016	June 27, 2016
Appellants' Reply Brief	May 27, 2016	August 5, 2016
Deferred Appendix	June 17, 2016	August 10, 2016
Final Briefs	July 1, 2016	August 16, 2016

In support of this motion, the parties state as follows:

1. Appellant FDIC is requesting a 30-day extension of the time to file its opening brief because the two attorneys in the FDIC's Appellate Litigation Unit assigned to handle this appeal are currently absent from the office for medical reasons. Counsel Jerome Madden had surgery to replace both knees on Monday, February 15, 2016, and is not expected to return to the office for six weeks.

Counsel Minodora Vancea is on medical leave to attend to the needs of her child.

2. In addition, Mr. Madden and Ms. Vancea were not counsel in the proceedings below and need more time to familiarize themselves with the voluminous record and the numerous legal and factual issues at issue in the case.

3. The modest proposed extension will not materially delay the resolution of this case, but will allow FDIC to prepare a brief that is helpful to the Court and to obtain the internal reviews and approvals necessary for filing the brief.

4. If FDIC is granted its proposed 30-day extension the due date of its brief would be April 28, 2016. If the Court grants the FDIC an extension, JPMC seeks a 30-day extension in light of the additional briefing time to be afforded to the FDIC (which, absent an extension to JPMC, would result in the appellees' brief being due the day after Memorial Day), the presence of two appellants, the voluminous record, and the FDIC's stated belief that this appeal presents numerous legal and factual issues, which presumably will be reflected in its appeal briefing. With the proposed extension, JPMC's brief would be due on June 27, 2016.

5. As set forth in the table above, the other deadlines in the case have been modified to accord with the two 30-day extensions described above, and to ensure that the total extension of the due date for the final briefs in the case does not exceed 45 days. The parties request that the proposed extensions apply to the briefing schedules in both of these consolidated appeals, so that the deadlines applicable to appellant FDIC also apply to appellant Deutsche Bank National Trust Company.

6. No party has requested any prior extensions of time.

7. Finally, the parties wish to inform the Court that contrary to the briefing schedule issued on February 16, 2016, there is no cross-appeal in these consolidated appeals. In these consolidated appeals, DBNTC, like FDIC, is an appellant, not a cross-appellant or an appellee. The parties, therefore, request that the caption of this case be modified to reflect both FDIC and DBNTC as Appellants (with JPMC and WMMSC remaining as Appellees) and, consistent with the proposed briefing schedule above, that the briefing schedule not refer to any dates for a cross-appeal.

Accordingly, the parties jointly move the court to grant the extension of the briefing schedule set forth in the table above.

Dated: February 19, 2016

Respectfully submitted,

/s/ Kathryn R. Norcross
Kathryn R. Norcross, Senior Counsel
Jerome A. Madden, Counsel
Minodora D. Vancea, Counsel
FEDERAL DEPOSIT INSURANCE
CORPORATION
3501 Fairfax Drive, Room VS-D-7004
Arlington, Virginia 22226
Telephone: (703) 562-2010
Facsimile: (703) 562-2496
Email: knorcross@fdic.gov
Email: jemadden@fdic.gov
Email: mvancea@fdic.gov

*Attorneys for FDIC as Receiver for
Washington Mutual Bank*

s/ Brent J. McIntosh
Brent J. McIntosh
D.C. Bar No. 991470
SULLIVAN & CROMWELL LLP
1700 New York Avenue, N.W., Suite 700
Washington, D.C. 20006
Telephone: (202) 956-7500
Facsimile: (202) 956-7571
mcintoshb@sullcrom.com

Robert A. Sacks
SULLIVAN & CROMWELL LLP
1888 Century Park East
Los Angeles, CA 90067
Telephone: (310) 712-6600
Facsimile: (310) 712-8800
sacksr@sullcrom.com

*Counsel for Defendants-Appellees
JPMorgan Chase Bank, N.A. and*

*Washington Mutual Mortgage
Securities Corporation*

Talcott J. Franklin
Talcott Franklin PC
1521 N. Cooper Street, Suite 340
Arlington, TX 76011
Email: tal@talcottfranklin.com

*Counsel for Appellant Deutsche Bank
National Trust Company, as Trustee for the
Trusts*

CERTIFICATE OF SERVICE

I hereby certify that on February 19, 2016, I electronically filed the foregoing motion with the United States Court of Appeals for the District of Columbia Circuit by using the CM/ECF system, which will electronically notify participants in the case who are registered CM/ECF users including counsel hereinafter named:

Brent J. McIntosh
Sullivan & Cromwell LLP
1700 New York Avenue, NW, Suite 700
Washington, DC 20006-5215
Email: mcintoshb@sullcrom.com
*Attorney for JPMorgan Chase Bank, N.A. and
Washington Mutual Mortgage Securities Corporation*

Talcott J. Franklin
Talcott Franklin PC
1521 N. Cooper Street, Suite 340
Arlington, TX 76011
Email: tal@talcottfranklin.com
Attorney for Deutsche Bank National Trust Company

/s/ Kathryn R. Norcross
Kathryn R. Norcross, Senior Counsel

EXHIBIT 16
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

United States Court of Appeals
For the District of Columbia Circuit

Deutsche Bank National Trust Company,
as Trustee for the Trusts,

Appellant,

v.

Federal Deposit Insurance Corporation,
in its capacity as Receiver of Washington
Mutual Bank,

Appellant,

JPMorgan Chase Bank, National
Association and Washington Mutual
Mortgage Securities Corporation,

Appellees.

No. 15-5322
Consolidated with
No. 15-5326

JOINT MOTION TO HOLD CASE IN ABEYANCE

Pursuant to Federal Rule of Appellate Procedure 27, the Federal Deposit Insurance Corporation, as Receiver of Washington Mutual Bank (FDIC), Deutsche Bank National Trust Company, JPMorgan Chase Bank, National Association, and Washington Mutual Mortgage Securities Corporation respectfully move this Court to hold this appeal in abeyance so as to provide the parties additional time to explore a possible negotiated

resolution of this dispute. All parties consent and jointly move for the relief herein requested. In support of this motion, the parties state as follows:

1. All parties are interested in exploring the possibility of a negotiated resolution of this dispute.

2. Any such resolution that the parties might negotiate would be subject to the parties' respective decision processes, which could take additional time.

3. If a negotiated resolution is achieved, the need for briefing and oral argument on this appeal would be obviated.

4. As such, the proposed abeyance has the potential to conserve the Court's and the parties' resources and could result in an expeditious resolution of this dispute; and the parties submit that any delay that may result would be justified in light of the possibility of a negotiated resolution.

5. The parties propose to provide the Court a status report regarding the possibility of a negotiated resolution in 90 days.

Accordingly, the parties jointly move the court to place this case in abeyance.

Respectfully submitted,

/s/ Kathryn R. Norcross

Kathryn R. Norcross

Senior Counsel

Minodora D. Vancea, Counsel

FEDERAL DEPOSIT INSURANCE
CORPORATION

3501 Fairfax Drive, Room VS-D-7062

Arlington, Virginia 22226

Telephone: (703) 562-2010

Facsimile: (703) 562-2496

Email: knorcross@fdic.gov

Email: jemadden@fdic.gov

Email: mvancea@fdic.gov

*Attorneys for FDIC as Receiver for
Washington Mutual Bank*

Brent J. McIntosh

Sullivan & Cromwell LLP

1700 New York Avenue, NW, Suite 700

Washington, DC 20006-5215

Email: mcintoshb@sullcrom.com

*Attorney for JPMorgan Chase Bank, N.A.
and Washington Mutual Mortgage
Securities Corporation*

Talcott J. Franklin

Talcott Franklin PC

1521 N. Cooper Street, Suite 340

Arlington, TX 76011

Email: tal@talcottfranklin.com

*Attorney for Deutsche Bank National Trust
Company*

CERTIFICATE OF SERVICE

I hereby certify that on April 15, 2016, I electronically filed the foregoing motion with the United States Court of Appeals for the District of Columbia Circuit by using the CM/ECF system, which will electronically notify participants in the case who are registered CM/ECF users including counsel hereinafter named:

Brent J. McIntosh
Sullivan & Cromwell LLP
1700 New York Avenue, NW, Suite 700
Washington, DC 20006-5215
Email: mcintoshb@sullcrom.com
*Attorney for JPMorgan Chase Bank, N.A. and Washington Mutual
Mortgage Securities Corporation*

Talcott J. Franklin
Talcott Franklin PC
1521 N. Cooper Street, Suite 340
Arlington, TX 76011
Email: tal@talcottfranklin.com
Attorney for Deutsche Bank National Trust Company

/s/ Kathryn R. Norcross
Kathryn R. Norcross

EXHIBIT 17
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

**UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT**

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee for the Trusts,

Plaintiff-Appellant,

v.

FEDERAL DEPOSIT INSURANCE
CORPORATION, in its capacity as Receiver of
Washington Mutual Bank,

Defendant-Appellant,

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION and WASHINGTON
MUTUAL MORTGAGE SECURITIES
CORPORATION,

Defendants-Appellees.

Case No: 15-5322

Consolidated with No. 15-5326

D.D.C. No. 09-cv-1656-RMC

STATUS REPORT

Pursuant to this court's April 27, 2016 order in this case, the parties (the Federal Deposit Insurance Corporation, as receiver of Washington Mutual Bank, Deutsche Bank National Trust Company ("DBNTC"), JPMorgan Chase Bank, National Association, and Washington Mutual Mortgage Securities Corporation) are filing this status report and state as follows:

1. On April 15, 2016, the parties submitted a joint motion to hold this appeal in abeyance so as to provide the parties additional time to explore a negotiated resolution of this dispute.
2. On April 27, 2016, the Court granted the parties' joint motion to hold the appeal in abeyance pending further order of the Court. The Court directed the

parties to file status reports at 90-day intervals beginning July 26, 2016, and to file motions to govern future proceedings herein within 30 days of the conclusion of settlement proceedings.

3. On July 26, 2016, the parties submitted a status report, stating that settlement negotiations were ongoing.

4. On August 19, 2016, the parties reached a negotiated settlement to resolve this case and several related disputes, but the settlement proceedings have not concluded because the parties' settlement is contingent upon successful completion of a separate state-court trustee instruction proceeding to be initiated by DBNTC to obtain judicial approval of its decision to accept and enter into the settlement agreement.

5. DBNTC expects to file the separate state-court trustee instruction proceeding within the next month to request judicial approval of its decision to accept and enter into the settlement agreement.

6. Pursuant to this Court's Order, the parties will file another status report within 90 days, or will file motions to govern future proceedings in this case within 30 days of the resolution of all remaining contingencies in the settlement agreement.

Dated: October 21, 2016
Washington, D.C.

Robert A. Sacks
SULLIVAN & CROMWELL LLP
1888 Century Park East
Los Angeles, CA 90067
Telephone: (310) 712-6600
Facsimile: (310) 712-8800
sacksr@sullcrom.com

Respectfully submitted,

/s/ Brent J. McIntosh

Brent J. McIntosh
SULLIVAN & CROMWELL LLP
1700 New York Avenue, N.W., Suite 700
Washington, D.C. 20006
Telephone: (202) 956-7500
Facsimile: (202) 956-7571
mcintoshb@sullcrom.com

*Counsel for Defendants-Appellees
JPMorgan Chase Bank, N.A. and
Washington Mutual Mortgage
Securities Corporation*

/s/ Kathryn R. Norcross

Kathryn R. Norcross, Senior Counsel

/s/ Jerome A. Madden

Jerome A. Madden

Minodora D. Vancea, Counsel

FEDERAL DEPOSIT INSURANCE
CORPORATION

3501 Fairfax Drive, Room VS-D-7062

Arlington, Virginia 22226

Telephone: (703) 562-2010

Facsimile: (703) 562-2496

Email: knorcross@fdic.gov

Email: mvancea@fdic.gov

*Counsel for Defendant-Appellant FDIC as
Receiver for Washington Mutual Bank*

/s/ Talcott J. Franklin

Talcott J. Franklin

Talcott Franklin PC

1521 N. Cooper Street, Suite 340

Arlington, TX 76011

Phone: (214) 321-3838

Fax: (877) 577-1356

Email: tal@talcottfranklin.com

*Counsel for Plaintiff-Appellant Deutsche Bank
National Trust Company*

Certificate of Service

I, Jerome A. Madden, certify that on October 21, 2016, a true and correct copy of the foregoing Status Report was served upon counsel of record by CM ECF.

/s/ Jerome A. Madden
Jerome A. Madden

EXHIBIT 18
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

October 17, 2012

THIS TRANSMITTAL CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.

**Report Regarding Status of Litigation to Enforce
Certain Trust Claims**

To the Holders of Certain Residential Mortgage Backed Securities Issued By:

Long Beach Mortgage Company and Washington Mutual Mortgage Securities Corporation

*Each transaction and its Classes and CUSIPs
are listed on Exhibit A attached hereto (the "Trusts")¹*

1. Background Information.

Deutsche Bank National Trust Company (hereinafter, the "Trustee") acts as trustee (including as trustee for certain related supplemental interest trusts) under the governing documents, which may include Pooling and Servicing Agreements, Servicing Agreements, Sale and Servicing Agreements, Trust Agreements or Indentures (collectively, the "Governing Documents") for the trusts listed on Exhibit A attached to this Notice (the "Trusts"), pursuant to which the above-referenced securities (the "Securities") were issued by Washington Mutual Bank and/or its affiliates. Except as otherwise expressly provided, all terms used in this Notice which are defined in the Governing Documents shall have the meanings assigned to them in the applicable Governing Documents.

On September 25, 2008, the Office of Thrift Supervision (the "OTS") closed Washington Mutual Bank ("WMB") and appointed the Federal Deposit Insurance Corporation (the "FDIC")

¹ *The CUSIP numbers appearing herein have been included solely for the convenience of the Holders. Deutsche Bank National Trust Company assumes no responsibility for the selection or use of such numbers and makes no representations as to the correctness of the CUSIP numbers appearing herein.*

as WMB's receiver. Also on September 25, 2008, the FDIC entered into a Purchase and Assumption Agreement (the "PAA") with JP Morgan Chase Bank, N.A. ("JPMC") under which JPMC agreed to purchase substantially all of WMB's assets and assume substantially all of its liabilities (the "Sale Transaction").

2. Trustee's Proof of Claim and Initiation of Suit against FDIC.

Under FDIC receivership procedures, a party asserting claims against a failed banking institution is required to present its claims to the FDIC, as receiver, by filing a proof of claim within the time periods specified by the FDIC and applicable law. Under 12 U.S.C. § 1821(d)(5), the FDIC must, within 180 days of the date on which a proof of claim is filed, determine whether to allow or disallow the claims asserted and notify the claimant of any determination with respect to the claims.

On December 30, 2008, the Trustee timely filed a proof of claim (the "Proof of Claim") with the FDIC as receiver of WMB asserting, *inter alia*, claims for alleged breaches of representations, warranties and covenants made by WMB and/or certain of its affiliates with respect to the sale and servicing of mortgage loans by WMB and/or certain of its affiliates, their successors and assigns. The FDIC failed to act upon the Proof of Claim and did not issue any notice of allowance or disallowance of the asserted claims.

Pursuant to 12 U.S.C. § 1821(d)(6), a claimant has the right to request administrative review of its claims by the FDIC as receiver or to file a lawsuit to enforce its claims, but only if it does so before the end of the 60-day period beginning on the earlier of (a) the date of any notice of disallowance of the claims or (b) the end of the 180-day period within which the FDIC was required to allow or disallow the claims. If the claimant fails to initiate administrative review or litigation within this time period, the claim is deemed disallowed and the claimant is deprived of any further enforcement rights. (See 12 U.S.C. § 1821(d)(6)(B).)

The Trustee determined that in light of the FDIC's failure to act upon the Proof of Claim, the appropriate course of action was to file suit against the FDIC within the prescribed time in order to preserve the ability to enforce the claims on behalf of the Trusts. Accordingly, the Trustee filed suit against the FDIC on August 26, 2009, in the United States District Court for the District of Columbia (Case No: 09-CV-1656-RMC) (the "Enforcement Action"), and the case was assigned to Judge Rosemary M. Collyer. A copy of the complaint initiating the Enforcement Action (the "Original Complaint") is available through the federal court system's PACER database at <https://ecf.dcd.uscourts.gov/>.

On June 17, 2010, the FDIC filed a motion to dismiss the Original Complaint. Among other things, the FDIC contended that the Original Complaint should be dismissed because JPMC had, pursuant to the PAA, assumed all of WMB's liabilities with respect to the claims asserted in the Proof of Claim, thus making JPMC a "necessary party" to the Enforcement Action.

3. Amended Complaint; Addition of JPMC and Certain Affiliates as Defendants.

In light of the positions taken by the FDIC in its motion to dismiss the Original Complaint, the Trustee determined that the appropriate course of action was to file an amended complaint adding JPMC as a defendant and adding detail to its allegations on the basis of information that had become public after the filing of the Original Complaint. The Trustee's first amended complaint (the "First Amended Complaint") was filed on September 8, 2010. A copy of the First Amended Complaint is available through the federal court system's PACER database at <https://ecf.dcd.uscourts.gov/>.

In addition to adding JPMC and Washington Mutual Mortgage Securities Corporation (formerly a wholly-owned subsidiary of WMB and now owned by JPMC) as defendants, the First Amended Complaint includes additional factual allegations regarding WMB's origination and securitization practices. As detailed in the First Amended Complaint, these additional factual allegations came to light in April 2010 as a result of hearings about WMB's practices held by the United States Senate Permanent Subcommittee on Investigations, the record of which is publicly available at <http://www.hsgac.senate.gov/subcommittees/investigations/hearings>.

4. Motions to Dismiss; Discovery; Motion to Intervene; Current Status.

On November 22, 2010, the FDIC and JPMC filed motions to dismiss the First Amended Complaint. The FDIC argued in its motion that it was not a proper Defendant because it transferred any potential liabilities resulting from breaches of the Governing Documents to JPMC pursuant to the PAA. Conversely, JPMC in its motion to dismiss took the position that it did not acquire any potential liabilities resulting from breaches of the Governing Documents because it did not acquire any such liabilities under the PAA. In addition, JPMC sought dismissal on the grounds that: (i) any repurchase claims must be made on a loan-by-loan basis and in the absence of notice on such a basis, the claims should not go forward; and (ii) the applicable statute of limitations had run on some or all of the claims set forth in the First Amended Complaint. A copy of the motions to dismiss the First Amended Complaint filed by the FDIC and JPMC are available through the federal court system's PACER database at <https://ecf.dcd.uscourts.gov/>.

On January 14, 2011, the Trustee filed its opposition to the motions to dismiss arguing that under the relevant language in the PAA, JPMC assumed all Trust-related liabilities. Additionally, the Trustee argued that the First Amended Complaint adequately set forth allegations supporting breaches of the representations and warranties found in the Governing Documents, and JPMC, which had yet to produce the underlying loan files for the Trusts, could not defeat the claims of the Trustee on the basis that it had purportedly not yet received adequate notice of the alleged breaches. Moreover, the Trustee pointed out that the claims set forth in the First Amended Complaint are based upon ongoing repurchase and servicing obligations and for that reason were not barred by any statute of limitations. A copy of the opposition brief filed by the Trustee, along with the reply briefs filed by the FDIC and JPMC, are available through the federal court system's PACER database at <https://ecf.dcd.uscourts.gov/>.

Judge Collyer, in a one sentence order issued on April 5, 2011, denied JPMC's motion to dismiss, stating: "the rights of the parties cannot be decided based upon these pleadings alone."

Judge Collyer subsequently denied the FDIC's motion to dismiss on August 17, 2011, stating: "having denied the Motion to Dismiss filed by JPMC..., the Court finds that it would be improvident and premature to decide the Motion to Dismiss filed by the FDIC, and thus denies the FDIC's motion without prejudice."

JPMC and the FDIC filed answers to the First Amended Complaint on May 6, 2011, and September 30, 2011, respectively. Copies of the filed answers are available through the federal court system's PACER database at <https://ecf.dcd.uscourts.gov/>.

As a result of the Court's denial of the motions to dismiss, the parties proceeded to document discovery on the PAA issue and the underlying liability under the Governing Documents. Document discovery on the PAA issue is almost complete; document discovery on the underlying liability under the Governing Documents remains ongoing. At a status conference on May 18, 2012, the Court ordered the parties to submit any motions relating to discovery concerning the PAA issue no later than June 6, 2012. The FDIC, JPMC and the Trustee each submitted briefs on issues relating to the scope of discovery. A copy of the publicly filed briefing is available through the federal court system's PACER database at <https://ecf.dcd.uscourts.gov/>.

At a hearing on July 19, 2012, the Court granted in part and denied in part the various motions. Specifically, the Court found that: (a) JPMC may pursue limited discovery on tax liabilities under the PAA, but discovery on the PAA issue is otherwise limited consistent with the FDIC motion; (b) the Trustee may continue to participate in fact discovery regarding the PAA except where it extends into areas where JPMC and FDIC share a privilege; (c) attorneys for JPMC may review documents withheld pursuant to the deliberative process privilege that were classified as documents concerning public relations and legislative strategy, and in the event JPMC seeks a fuller production objected to by the FDIC, the parties can return to Court (the Court otherwise denied JPMC's motion as it relates to deliberative process privilege); and (d) JPMC must produce to the Court for *in camera* review a sample of one hundred communications that took place between two JPMC in-house attorneys. The Court denied without prejudice: (a) JPMC's motion for the production of FDIC's policy manuals and guidance related to the resolution of failed banks; and (b) the FDIC's motion to require JPMC to organize its production.

The Court also stated that "[f]act discovery shall be completed no later than February 27, 2013." The Court has set the next status conference for February 27, 2013.

On March 12, 2012, a group of purported holders of WMB Senior Notes and investment advisors to such holders moved to intervene in the lawsuit. The District Court denied the purported Senior Noteholders' motion without prejudice and the investment advisors' motion with prejudice. The proposed intervenors appealed to the United States Court of Appeals for the District of Columbia Circuit and sought emergency expeditious consideration of the appeal. The Court of Appeals denied the emergency motion on June 22, 2012, and the proposed intervenors' appeal remains pending. Copies of the briefing and Orders are available through the federal court system's PACER database at <https://ecf.cadc.uscourts.gov/>.

5. Litigation Expenses.

To date, the Trustee has funded the costs of the Enforcement Action out of available Trust funds. The Trustee anticipates that the costs of the Enforcement Action will be considerable. The Trustee has informed JPMC that it believes that under the Governing Documents for certain Trusts, JPMC, as Master Servicer, is required to indemnify the Trustee for its legal fees and expenses, including a portion of those incurred in connection with the Enforcement Action (although the Master Servicer may, in turn, be indemnified by the related Trust fund for such amounts under certain conditions). To date, JPMC has refused to pay amounts billed to it in respect of such fees and expenses. However, JPMC and the Trustee are currently engaged in discussions that may resolve JPMC's objections. The Trustee expects to update Holders about the outcome of these discussions, but can give no assurances about their outcome.

6. Further Information.

The Enforcement Action involves complex issues of law and fact, and Securities Holders are advised to consult with their own legal and financial advisors regarding the issues presented. The Trustee will continue to consult with counsel regarding the Enforcement Action and other appropriate remedial actions, consistent with its rights and obligations under the Governing Documents and applicable law. The Trustee notes that under the Governing Documents, under certain circumstances and subject to the satisfaction of certain conditions (including the furnishing of indemnities for liabilities and expenses), Holders of requisite amounts of Securities may instruct the Trustee as to the time, place and manner in which the Trustee takes remedial action. Securities Holders considering the exercise of such rights should contact the Trustee in writing at the address noted below.

The Trustee recommends that Securities Holders stay abreast of relevant developments through various public information sources and not rely on the Trustee's notices as their sole source of information. The Trustee makes no representation about the timeliness, completeness or accuracy of any of these sources.

If you have any question with respect to this Notice, please contact us by e-mail at **wamu.trustee@db.com**. In addition, Securities Holders may monitor certain court filings in the Enforcement Action through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV-1656-RMC) and the U.S. Court of Appeals for the District of Columbia Circuit at <https://ecf.cadc.uscourts.gov/> (Case No. 12-5170).

The Trustee may conclude that a specific response to particular inquiries from an individual Holder is not consistent with equal and full dissemination of information to all Holders. The Trustee makes no recommendations and gives no investment, legal or tax advice to Securities Holders. **EACH HOLDER IS STRONGLY ADVISED TO CONSULT WITH ITS OWN FINANCIAL, TAX AND/OR LEGAL ADVISORS REGARDING THESE MATTERS.**

This notice will also be made available on the Trustee's Investor Reporting Website at <https://tss.sfs.db.com/investpublic/> under "Reports" for each Trust.

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee or Indenture Trustee

cc: Deal Parties, including Issuer, NIMS Insurer, Counterparties, Master Servicer, and
Subservicers, as applicable
Rating Agencies

Attachments

Exhibit A

DealName	Series	Class	CUSIP
Coast Federal Savings	1992-01	A	190348AA0
		B-1	190348ZZ9
		B-2	190348ZZ8
		R	190348ZZ4
DealName	Series	Class	CUSIP
Ace Securities Corp.	1999-LB2	A	004421AD5
		M1	004421AE3
		M2	004421AF0
		R	DB9902101
DealName	Series	Class	CUSIP
GSAMP Trust	2005-S2	M-1	36242D3E1
		M-2	36242D3F8
		X	36242D3N1
		R	36242D3P6
DealName	Series	Class	CUSIP
GSAMP Trust	2006-S1	A-1	3623412J7
		A-2A	3623413A5
		A-2B	3623413B3
		M-1	3623412K4
		M-2	3623412L2
		M-3	3623412M0
		M-4	3623412N8
		M-5	3623412P3
		M-6	3623412Q1
		B-1	3623412R9
		B-2	3623412S7
		X	3623412T5
		X-1	3623412U2
		P	3623412V0
R	3623412W8		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-1	AF-3	542514AC8
		AF-4	542514AD6
		AV-1	542514AH7
		M-1	542514AE4
		M-2	542514AF1
		M-3	542514AG9
		C	LB0002104
		P	LB0002105
R-2	LB0002103		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-LB1	P-F	LB10000PF
		P-V	LB10000PV
		R-I	LB00000RI

R-II	LB0000RII
AF5	04541GAR3
AF6	04541GAS1
M1F	04541GAT9
M2F	04541GAU6
BF	04541GAV4
M2V	04541GAY8
BV	04541GAZ5
B-IOF	LB100BIOF
B-IOV	LB100BIOV
X-F	LB10000XF
X-V	LB10000XV
R-III	LB000RIII

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-1	A-1	542514AJ3
		M-1	542514AM6
		M-2	542514AN4
		M-3	542514AP9
		C	LB0101104
		P	LB0101105
		R-3	LB0101103

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-2	A-1V	DB00985T2
		M-1	542514AS3
		M-2	542514AT1
		M-3	542514AU8
		C	LB0102102
		P	LB0102103
		R-3	LB0102101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-3	A-1	542514BD5
		M-1	542514BA1
		M-2	542514BB9
		M-3	542514BC7
		C	LB0103101
		P	LB0103102
R-3	LB0103103		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-4	I-A	542514BF0
		II-A1	542514BQ6
		II-A3	542514BS2
		II-M1	542514BK9
		M2	542514BL7
		M3	542514BN3
		R-3	LB0104105
I-C	LB0104101		

II-C	LB0104102
I-P	LB0104103
II-P	LB0104104
R-X	LB0104106

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-1	I-A	542514CC6
		II-M1	542514BY9
		M2	542514BZ6
		M3	542514CA0
		R-3	LB0201205
		I-C	LB0201101
		II-C	LB0201102
		I-P	LB0201103
		II-P	LB0201104
		R-X	LB0201105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-2	I-A	542514CE2
		M2	542514CK8
		M3	542514CL6
		M4A	542514CM4
		M4B	542514CN2
		R	LB0202107
		I-C	LB0202103
		II-C	LB0202104
		I-P	LB0202105
		II-P	LB0202106
R-X	LB0202108		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-5	M-1	542514DB7
		M-2	542514DC5
		M-3	542514DD3
		M-4A	542514DE1
		M-4B	542514DF8
		R-4	LB0205403
		C	LB0205401
		R-CX	LB0205404
		P	LB0205402
		R-PX	LB0205405

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-1	A-1	542514DN1
		M-2	542514DK7
		M-3	542514DL5
		M-4	542514DM3
		R-M4X	LB0301103
		R	LB0301106
		C	LB0301101

P	LB0301102
R-CX	LB0301104
R-PX	LB0301105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-2	M-1	542514DU5
		M-2	542514DV3
		M-3	542514DW1
		M-4	542514DX9
		M-5	542514DY7
		C	LB0302301
		R-1	LB0302304
		R-3	LB0302305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-3	M-1	542514EA8
		M-2	542514EB6
		M-3	542514EC4
		M-4	542514ED2
		C	LB0303301
		R	LB0303303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-4	AV-1	542514EE0
		M-1	542514EH3
		M-2	542514EJ9
		M-3	542514EK6
		M-4A	542514EL4
		M-4F	542514EM2
		M-5A	542514EN0
		M-5F	542514EP5
		M-6	542514EQ3
		R-2	LB0304103
		C	LB0304101
		R-CX	LB0304104
		R-PX	LB0304105

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P2	P	LB03P2001

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P1	P	LB03PA001

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-1	A-1	542514FD1
		A-2	542514FE9
		M-1	542514EU4
		M-2	542514EV2
		M-3	542514EW0
		M-4	542514EX8
		M-5	542514EY6
		M-6	542514EZ3

M-7	542514FA7
M-8	542514FB5
M-9	542514FC3
B	542514FF6
C	LB0401201
P	LB0401202
R	LB0401203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-2	A-1	542514FT6
		M-1	542514FX7
		M-2	542514FY5
		M-3	542514FZ2
		M-4	542514GA6
		M-5	542514GB4
		M-6	542514GC2
		M-7	542514GD0
		C	LB0402201
		P	LB0402202
		R	LB0402203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-3	A-1	542514GF5
		M-1	542514GM0
		M-2	542514GN8
		M-3	542514GP3
		M-4	542514GQ1
		M-5	542514GR9
		M-6	542514GS7
		M-7	542514GT5
		M-8	542514GU2
		M-9	542514GV0
		C	LB0403301
		R	LB0403302
		RCX	LB0403303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-4	I-A1	542514HN7
		M-1	542514HT4
		M-2	542514HU1
		M-3	542514HV9
		M-4	542514HW7
		M-5	542514HX5
		M-6	542514HY3
		M-7	542514HZ0
		M-8	542514JA3
		M-9	542514JB1
		M-10	542514JC9
		M-11	542514JD7
M-12	542514JE5		

B	542514JF2
R	LB04041R1
C	LB04041C1
R-CX	LB0404RCX
P	LB04041P1
R-PX	LB0404RPX

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-5	A-1	542514GW8
		A-5	542514HB3
		A-6	542514HC1
		M-1	542514HD9
		M-2	542514HE7
		M-3	542514HF4
		M-4	542514HG2
		M-5	542514HH0
		M-6	542514HJ6
		R	LB0405003
		C	LB0405001
		P	LB0405002

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-6	I-A2	542514JH8
		A-3	542514JL9
		M-1	542514JM7
		M-2	542514JN5
		M-3	542514JP0
		M-4	542514JQ8
		M-5	542514JR6
		M-6	542514JS4
		M-7	542514JU9
		B	542514JT2
		R	LB0406203
		C	LB0406201
		R-CX	LB0406204
		P	LB0406202
		R-PX	LB0406205
Sub-Notes	LB04N2101		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-4	N-7	54239HAB8
		SUB	LB04N4101

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-6	N-2	54239GAA2
		N-3	54239GAB0
		SUB	LB04N6101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-1	M-1	542514JZ8
		M-2	542514KA1

M-3	542514KB9
M-4	542514KC7
M-5	542514KD5
M-6	542514KE3
M-7	542514KF0
M-8	542514KG8
M-9	542514KH6
B-1	542514KJ2
B-2	542514KK9
R	LB0501203
C	LB0501201

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-2	M-2	542514KS2
		M-3	542514KT0
		M-4	542514KU7
		M-5	542514KV5
		M-6	542514KW3
		M-7	542514KX1
		M-8	542514KY9
		M-9	542514KZ6
		B-1	542514LA0
		B-2	542514LB8
		R	LB0502403
		C	LB0502401
		R-CX	LB0502404
		P	LB0502402
R-PX	LB0502405		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-3	I-A	542514NT7
		II-A2	542514NV2
		II-A3	542514NW0
		M-1	542514NX8
		M-2	542514NY6
		M-3	542514NZ3
		M-4	542514PA6
		M-5	542514PB4
		M-6	542514PC2
		M-7	542514PDO
		M-8	542514PE8
		M-9	542514PF5
		M-10	542514PG3
		M-11	542514PH1
		R	LB0503303
		C	LB0503301
		R-CX	LB0503304
P	LB0503302		
R-PX	LB0503305		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-2	N-2	542396AB2
		N-3	542396AC0
		N-4	542396AD8
		SUB	LB05N2001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-WL1	N1	542395AA6
		N2	542395AB4
		N3	54239WAA7
		N4	54239WAB5
		N5	54239WAC3
		SUB-NOTE	LB05N3101
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL2	NOTE	54239QAV4
		OWNER	54239QAW2
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-3	N-2	542394AB7
		N-3	542394AC5
		SUB	LB05N5001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL3	NOTE	54239QAX0
		OWNER	LB05N6101
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL1	I-II-M2	542514LJ1
		I-II-M3	542514LK8
		I-II-M4	542514LL6
		I-II-M5	542514LM4
		I-II-M6	542514LN2
		I-II-M7	542514LP7
		I-II-M8	542514LQ5
		I-II-M9	542514LR3
		I-II-M10	542514LW2
		I-II-B1	542514LS1
		I-II-B2	542514LT9
		I-II-B3	542514LU6
		I-II-B4	542514LV4
		I-II-C	542514LX0
		R	542514LZ5
		III-A2	542514MD3
		III-M1	542514MF8
		III-M2	542514MG6
		III-M3	542514MH4
		III-M4	542514MJ0
		III-M5	542514MK7
		III-M6	542514ML5
		III-M7	542514MM3

III-M8	542514MN1
III-M9	542514MS0
III-B1	542514MP6
III-B2	542514MQ4
III-B3	542514MR2
III-C	542514MT8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL2	M-1	542514NB6
		M-2	542514NC4
		M-3	542514ND2
		M-4	542514NE0
		M-5	542514NF7
		M-6	542514NG5
		M-7	542514NH3
		M-8	542514NJ9
		M-9	542514NK6
		M-10	542514NL4
		B-1	542514NQ3
		B-2	542514NR1
		B-3	542514NS9
		C	542514PJ7
		P	542514PK4
		R	542514PL2
		R-CX	542514PM0
		R-PX	542514PN8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL3	I-A3	542514QC1
		I-A4	542514QD9
		II-A3	542514PQ1
		M-1	542514PR9
		M-2	542514PS7
		M-3	542514PT5
		M-4	542514PU2
		M-5	542514PV0
		M-6	542514PW8
		M-7	542514PX6
		M-8	542514PY4
		M-9	542514PZ1
		B-1	542514QG2
		B-2	542514QH0
		C	542514QJ6
		R	542514QL1
		R-CX	542514QM9
		R-PX	542514QN7

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-1	I-A	542514RH9
		II-A3	542514RL0

II-A4	542514RM8
M-1	542514RN6
M-2	542514RP1
M-3	542514RQ9
M-4	542514RR7
M-5	542514RS5
M-6	542514RT3
M-7	542514RU0
M-8	542514RV8
M-9	542514RW6
M-10	542514RX4
M-11	542514RY2
R	LB0601303
C	LB0601301
R-CX	LB0601304
P	LB0601302
R-PX	LB0601305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-2	I-A	542514TQ7
		II-A3	542514TT1
		II-A4	542514TU8
		M-1	542514TV6
		M-2	542514TW4
		M-3	542514TX2
		M-4	542514TY0
		M-5	542514TZ7
		M-6	542514UA0
		M-7	542514UB8
		M-8	542514UC6
		M-9	542514UD4
		M-10	542514UE2
		B	542514UF9
		C	LB0602301
		P	LB0602302
R	LB0602303		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-3	I-A	542514UG7
		II-A3	542514UK8
		II-A4	542514UL6
		M-1	542514UM4
		M-2	542514UN2
		M-3	542514UP7
		M-4	542514UQ5
		M-5	542514UR3
		M-6	542514US1
M-7	542514UT9		
M-8	542514UU6		

M-9	542514UV4
M-10	542514UW2
B	542514UX0
R	LB0603303
C	LB0603301
P	LB0603302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-4	I-A	54251MAA2
		II-A3	54251MAD6
		II-A4	54251MAE4
		M-1	54251MAF1
		M-2	54251MAG9
		M-3	54251MAH7
		M-4	54251MAJ3
		M-5	54251MAK0
		M-6	54251MAL8
		M-7	54251MAM6
		M-8	54251MAN4
		M-9	54251MAP9
		M-10	54251MAQ7
		M-11	54251MAR5
		R	LB0604303
C	LB0604301		
P	LB0604302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-5	I-A	54251PAA5
		II-A3	54251PAD9
		II-A4	54251PAE7
		M-1	54251PAF4
		M-2	54251PAG2
		M-3	54251PAH0
		M-4	54251PAJ6
		M-5	54251PAK3
		M-6	54251PAL1
		M-7	54251PAM9
		M-8	54251PAN7
		M-9	54251PAP2
		M-10	54251PAQ0
		B-1	54251PAR8
		B-2	54251PAS6
R	LB0605303		
C	LB0605301		
P	LB0605302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-6	I-A	54251RAA1
		II-A2	54251RAC7
		II-A3	54251RAD5

II-A4	54251RAE3
M-1	54251RAF0
M-2	54251RAG8
M-3	54251RAH6
M-4	54251RAJ2
M-5	54251RAK9
M-6	54251RAL7
M-7	54251RAM5
M-8	54251RAN3
M-9	54251RAP8
M-10	54251RAQ6
M-11	54251RAR4
R	LB0606303
C	LB0606301
R-CX	LB0606304
P	LB0606302
R-PX	LB0606305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-7	I-A	54251TAA7
		II-A2	54251TAC3
		II-A3	54251TAD1
		II-A4	54251TAE9
		M-1	54251TAF6
		M-2	54251TAG4
		M-3	54251TAH2
		M-4	54251TAJ8
		M-5	54251TAK5
		M-6	54251TAL3
		M-7	54251TAM1
		M-8	54251TAN9
		M-9	54251TAP4
		M-10	54251TAQ2
		M-11	54251TAR0
		R	LB0607303
		C	LB0607301
P	LB0607302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-8	I-A	54251UAA4
		II-A2	54251UAC0
		II-A3	54251UAD8
		II-A4	54251UAE6
		M-1	54251UAF3
		M-2	54251UAG1
		M-3	54251UAH9
		M-4	54251UAJ5
		M-5	54251UAK2
		M-6	54251UAL0

M-7	54251UAM8
M-8	54251UAN6
M-9	54251UAP1
M-10	54251UAQ9
M-11	54251UAR7
R	LB0608303
C	LB0608301
R-CX	LB0608304
P	LB0608302
R-PX	LB0608305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-9	I-A	54251WAA0
		II-A2	54251WAC6
		II-A3	54251WAD4
		II-A4	54251WAE2
		M-1	54251WAF9
		M-2	54251WAG7
		M-3	54251WAH5
		M-4	54251WAJ1
		M-5	54251WAK8
		M-6	54251WAL6
		M-7	54251WAM4
		M-8	54251WAN2
		M-9	54251WAP7
		M-10	54251WAQ5
		B	54251WAR3
		R	LB0609303
C	LB0609301		
P	LB0609302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-A	A-1	542515AA9
		A-2	542515AB7
		A-3	542515AC5
		M-1	542515AD3
		M-2	542515AE1
		M-3	542515AF8
		M-4	542515AG6
		M-5	542515AH4
		M-6	542515AJ0
		M-7	542515AK7
		B-1	542515AL5
		B-2	542515AM3
		C	LB060A201
		P	LB060A202
		R	LB060A203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-10	I-A	54251YAA6

II-A1	54251YAB4
II-A2	54251YAC2
II-A3	54251YAD0
II-A4	54251YAE8
M-1	54251YAF5
M-2	54251YAG3
M-3	54251YAH1
M-4	54251YAJ7
M-5	54251YAK4
M-6	54251YAL2
M-7	54251YAM0
M-8	54251YAN8
M-9	54251YAP3
M-10	54251YAQ1
B	54251YAR9
R	LB0610303
C	LB0610301
R-CX	LB0610304
P	LB0610302
R-PX	LB0610305

DealName	Series	Class	CUSIP
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Long Beach Mortgage Loan Trust	2006-11	I-A	542512AA6
		II-A2	542512AC2
		II-A3	542512AD0
		II-A4	542512AE8
		M-1	542512AF5
		M-2	542512AG3
		M-3	542512AH1
		M-4	542512AJ7
		M-5	542512AK4
		M-6	542512AL2
		M-7	542512AM0
		M-8	542512AN8
		M-9	542512AP3
		B-1	542512AQ1
		B-2	542512AR9
		R	LB0611303
		C	LB0611301
R-CX	LB0611304		
P	LB0611302		
R-PX	LB0611305		

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	CI 2006-WL2	N-1	54240KAA0
		SUB	LB06N2001

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	2006-1	N-1	54240CAA8
		N-2	54240CAB6

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2006-2 NIM Notes	N1	542393AA1
		N2	542393AB9
		N3	542393AC7
		SUB	LB06N5001
		N-1	54240DAA6
		N-2	54240DAB4
		N-3	54240BAA0
		SUB	LB06N6001
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-4	N-1	92931FAA5
		N-2	92931FAB3
		N-3	92931GAA3
		SUB	LB06N7101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-5	N-1	92929AAA0
		N-2	92929AAB8
		N-3	92928YAA9
		SUB	LB06N8101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-6	N-1	92932GAA2
		N-2	92932GAB0
		N-3	92932EAA7
		SUB	LB06N9101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-7	N-1	92932LAA1
		N-2	92932LAB9
		N-3	92932LAC7
		SUB	LB06NA101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-8	N-1	92932YAA3
		N-2	92932YAB1
		SUB	LB06NB101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-9	N-1	929321AA5
		N-2	929321AB3
		N-3	929319AA9
		SUB	LB06NC101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-10	N-1	929306AA6
		SUB	LB06ND101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-11	N-1	92933KAA2
		N-2	92933KAB0
		SUB	LB06NE101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL1	I-A1	542514QP2
		I-A2	542514QQ0
		I-A3	542514QR8
		II-A3	542514QU1
		II-A4	542514QV9
		M-1	542514QW7
		M-2	542514QX5
		M-3	542514QY3
		M-4	542514QZ0
		M-5	542514RA4
		M-6	542514RB2
		M-7	542514RC0
		M-8	542514RD8
		M-9	542514RE6
		M-10	542514RF3
		M-11	542514RG1
	R	LB06W1303	
	C	LB06W1301	
	P	LB06W1302	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL2	I-A	542514RZ9
		II-A3	542514SC9
		II-A4	542514SD7
		M-1	542514SE5
		M-2	542514SF2
		M-3	542514SG0
		M-4	542514SH8
		M-5	542514SJ4
		M-6	542514SK1
		M-7	542514SL9
		M-8	542514SM7
		M-9	542514SN5
		B-1	542514SP0
		B-2	542514SQ8
		B-3	542514SR6
			C
	P	LB06W2302	
	R	LB06W2303	
	R-CX	LB06W2304	
	R-PX	LB06W2305	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL3	I-A	542514SS4
		II-A3	542514SV7
		II-A4	542514SW5
		M-1	542514SX3
		M-2	542514SY1

M-3	542514SZ8
M-4	542514TA2
M-5	542514TB0
M-6	542514TC8
M-7	542514TD6
M-8	542514TE4
M-9	542514TF1
B-1	542514TG9
B-2	542514TH7
B-3	542514TJ3
R	LB06W3303
R-CX	LB06W3304
C	LB06W3301
P	LB06W3302
R-PX	LB06W3305

DealName	Series	Class	CUSIP
Long Beach Asset Holdings Corp CI	2003-3 (2007)	Subnote	LB07P3101
		Subnote	LB07P4101
DealName	Series	Class	CUSIP
Morgan Stanley ABS Capital I Inc.	2000-1	B-1	61744CAF3
		C	MS0001CLC
		P	MS0001CLP
		R-2	MS0001CR2
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-7	A	93933TAS2
		B-3	93933TAZ6
		R	93933TAT0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-AR3	R-1	929227ER3
		I-A	929227EL6
		II-A	929227EM4
		B-1	929227EN2
		B-2	929227EP7
		B-3	929227EQ5
		B-4	929227FD3
		B-5	929227FE1
		B-6	929227FF8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR2	R-1	929227LJ3
		A-1	929227LE4
		B-1	929227LF1
		B-2	929227LG9
		B-3	929227LH7
		B-4	929227LK0
		B-5	929227LL8
		B-6	929227LM6

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR6	A	929227QB5
		B-1	929227QC3
		B-2	929227QD1
		B-3	929227QE9
		B-4	929227QG4
		B-5	929227QH2
		B-6	929227QJ8
		R	929227QF6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR9	I-A	9393357P4
		I-B-1	9393357Q2
		I-B-2	9393357R0
		I-B-3	9393357S8
		I-B-4	9393356M2
		I-B-5	9393356N0
		I-B-6	9393356P5
		II-A	9393357T6
		II-B-1	9393357U3
		II-B-2	9393357V1
		II-B-3	9393357W9
		II-B-4	9393356Q3
		II-B-5	9393356R1
		II-B-6	9393356S9
		R	9393357X7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR12	A	939336CR2
		B-1	939336CS0
		B-2	939336CT8
		B-3	939336CU5
		B-4	939336CW1
		B-5	939336CX9
		B-6	939336CY7
		R	939336CV3
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR13	A-1	929227UB0
		A-2	929227UC8
		M-1	929227UD6
		B-1	929227UE4
		B-2	929227UF1
		B-3	929227UG9
		B-4	929227UJ3
		B-5	929227UK0
		B-6	929227UL8
R	929227UH7		
DealName	Series	Class	CUSIP

Washington Mutual Mortgage Securities Corp.	2002-AR14	A-1	939336CZ4
		A-2	939336DH3
		B-1	939336DA8
		B-2	939336DB6
		B-3	939336DC4
		B-4	939336DD2
		B-5	939336DE0
		R	939336DG5
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR15	R-1	929227XZ4
		A-5-M	939336DN0
		X	929227XY7
		B-1	929227WM4
		B-2	929227WN2
		B-3	929227WP7
		B-4	939336FH1
		B-5	939336FJ7
		B-6	939336FK4
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR16	A	929227WQ5
		B-1	929227WR3
		B-2	929227WS1
		B-3	929227WT9
		B-4	929227WV4
		R	929227WU6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR17	II-A	929227XC5
		I-B-1	929227XD3
		I-B-2	929227XE1
		I-B-3	929227XF8
		I-B-4	929227XL5
		I-B-5	929227XM3
		I-B-6	929227XN1
		II-B-1	929227XG6
		II-B-2	929227XH4
		II-B-3	929227XJ0
		II-B-4	929227XP6
		II-B-5	929227XQ4
		II-B-6	929227XR2
		R	929227XK7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR18	A	929227ZC3
		B-1	929227ZE9
		B-2	929227ZF6
		B-3	929227ZG4
		B-4	929227ZJ8

B-5 929227ZK5
 B-6 929227ZL3
 R 929227ZH2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR19	R-1	929227A22
		A-6	929227ZS8
		A-7	929227ZT6
		A-8	929227ZU3
		B-1	929227ZX7
		B-2	929227ZY5
		B-3	929227ZZ2
		B-4	929227A63
		B-5	929227A71
		B-6	929227A89
DealName	Series	Class	CUSIP
Washington Mutual Bank FA	2002-PR2	A	93933RCJ4
		A	93933RCK1
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR1	R-1	939336RV7
		A-5	939336PB3
		A-6	939336PC1
		B-1	939336PD9
		B-2	939336PE7
		B-3	939336PF4
		B-4	939336PG2
		B-5	939336PH0
		B-6	939336PJ6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR2	B-1	929227F27
		B-2	929227F35
		B-3	929227F43
		B-4	929227F68
		B-5	929227F76
		B-6	929227F84
		R	929227F50
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR3	A-5	929227G67
		B-1	929227G83
		B-2	929227G91
		B-3	929227H25
		B-4	929227K88
		B-5	929227K96
		B-6	929227L20
		R	929227H33
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR4	A6	929227L87

A7	929227L95
B1	929227M45
B2	929227M52
B3	929227M60
B4	929227M86
B5	929227M94
B6	929227N28
R	929227M78

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2003-AR5	R-1	929227R73
		A-6	929227R57
		A-7	929227R65
		B-1	929227S23
		B-2	929227S31
		B-3	929227S49
		B-4	929227S56
		B-5	929227S64
Washington Mutual Mortgage Securities Corp.	2003-AR5	B-6	929227S72

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2003-AR6	A1	9292274D5
		B1	9292274H6
		B2	9292274J2
		B3	9292274K9
		B4	9292274M5
		B5	9292274N3
		B6	9292274P8
		R	9292274L7

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2003-AR7	A6	9292276J0
		A7	9292276K7
		A8	9292276L5
		B1	9292276N1
		B2	9292276P6
		B3	9292276Q4
		B4	9292276A9
		B5	9292276B7
		B6	9292276C5
R	9292276R2		

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2003-AR8	R-1	92922FAX6
		A-1	92922FAS7
		B-1	92922FAU2
		B-2	92922FAV0
		B-3	92922FAW8
		B-4	92922FAY4
B-5	92922FAZ1		

B-6 92922FBA5

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR9	R-1	92922FCE6
		I-A-2B	92922FBR8
		I-A-6	92922FBV9
		I-A-7	92922FBW7
		I-B-1	92922FBY3
		I-B-2	92922FBZ0
		I-B-3	92922FCA4
		I-B-4	92922FCF3
		I-B-5	92922FCG1
		I-B-6	92922FCH9
		II-A	92922FBX5
		II-B-1	92922FCB2
		II-B-2	92922FCC0
		II-B-3	92922FCD8
		II-B-4	92922FCJ5
		II-B-5	92922FCK2
II-B-6	92922FCL0		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR10	R-1	92922FEF1
		A-6	92922FEA2
		A-7	92922FEB0
		B-1	92922FEC8
		B-2	92922FED6
		B-3	92922FEE4
		B-4	92922FEG9
		B-5	92922FEH7
		B-6	92922FEJ3

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR11	A-6	92922FJF6
		B-1	92922FJJ8
		B-2	92922FJK5
		B-3	92922FJL3
		B-4	92922FJN9
		B-5	92922FJP4
		B-6	92922FJQ2
		R	92922FJM1

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR12	R-1	92922FKV9
		A-6	92922FKU1
		B-1	92922FKX5
		B-2	92922FKY3
		B-3	92922FKZ0
		B-4	92922FLA4
B-5	92922FLB2		

B-6 92922FLC0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR1	A-1	92922FLD8
		X	92922FLE6
		B-1	92922FLF3
		B-2	92922FLG1
		B-3	92922FLH9
		B-4	92922FLK2
		B-5	92922FLL0
		B-6	92922FLM8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR2	A	92922FNW4
		B-1	92922FNX2
		B-2	92922FNY0
		B-3	92922FNZ7
		B-4	92922FPB8
		B-5	92922FPC6
		B-6	92922FPD4
		R	92922FPA0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR3	A-1	92922FNH7
		A-2	92922FNJ3
		B-1	92922FNL8
		B-2	92922FNM6
		B-3	92922FNN4
		B-4	92922FNQ7
		B-5	92922FNR5
		B-6	92922FNS3
		X	92922FNK0
		R	92922FNP9
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR4	A-3	92922FPQ5
		A-4	92922FPR3
		A-5	92922FPS1
		A-6	92922FPT9
		B-1	92922FPU6
		B-2	92922FPV4
		B-3	92922FPW2
		B-4	92922FPY8
		B-5	92922FPZ5
		B-6	92922FQA9
		R	92922FPX0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR5	A-2	92922FRY6
		A-4	92922FSA7
		A-5	92922FSB5

A-6	92922FSC3
B-1	92922FSD1
B-2	92922FSE9
B-3	92922FSF6
B-4	92922FSH2
B-5	92922FSJ8
B-6	92922FSK5
R	92922FSG4

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR6	A	92922FSL3
		X	92922FSM1
		B-1	92922FSN9
		B-2	92922FSP4
		B-3	92922FSQ2
		B-4	92922FST6
		B-5	92922FSU3
		B-6	92922FSV1
		R	92922FSS8
		Y	930108ZZ9

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR7	A-4	92922FSZ2
		A-5	92922FTA6
		A-6	92922FTB4
		B-1	92922FTF5
		B-2	92922FTG3
		B-3	92922FTH1
		B-4	92922FTT5
		B-5	92922FTU2
		B-6	92922FTV0
		R	92922FTD0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR8	A-1	92922FTJ7
		A-2	92922FUN6
		A-3	92922FUP1
		X	92922FTK4
		B-1	92922FTL2
		B-2	92922FTM0
		B-3	92922FTN8
		B-4	92922FTP3
		B-5	92922FTQ1
		B-6	92922FTR9
R	92922FTS7		
Y	930108ZZ8		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR10	A-1-A	92922FXJ2
		A-1-B	92922FWU8

A-1-C	92922FWV6
A-3	92922FWZ7
X	92922FXD5
B-1	92922FXA1
B-2	92922FXB9
B-3	92922FXC7
B-4	92922FXF0
B-5	92922FXG8
B-6	92922FXH6
R	92922FXE3
Y	930108ZZ7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR12	A-1	92922FZE1
		A-2A	92922FZF8
		A-2B	92922FZV3
		A-5	92922FZK7
		B-1	92922FZN1
		B-2	92922FZP6
		B-3	92922FZQ4
		X	92922FZL5
		B-4	92922FZS0
		B-5	92922FZT8
		B-6	92922FZU5
		Y	WA04AR120
		R	92922FZR2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR13	A-1A	92922FB49
		A-1B2	92922FB64
		A-2A	92922FB72
		A-2B	92922FB80
		X	92922FB98
		B-1	92922FC22
		B-3	92922FC48
		B-4	92922FC55
		B-5	92922FC63
		B-2	92922FC30
		B-6	92922FC71
		Y	WA04AR130
		R	92922FC89

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR1	A1A	939336X40
		A1B	939336X57
		A2A1	939336X65
		A2A3	939336X81
		A2B	939336X99
		A3	939336Z22
		X	939336Y56

B1	939336Y23
B2	939336Y31
B3	939336Y49
B4	939336Y72
B5	939336Y80
B6	939336Y98
Y	WA05A1101
R	939336Y64

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR2	1A1A	92922FC97
		1A1B	92922FE87
		2A1A	92922FD21
		2A1B	92922FD39
		2A2A1	92922FD47
		2A2A3	92922FD62
		2A2B	92922FD70
		2A3	92922FE95
		X	92922FD88
		B1	92922FD96
		B2	92922FE20
		B3	92922FE38
		B4	92922FE46
		B5	92922FE53
		B6	92922FE61
		B7	92922FF29
		B8	92922FF37
		B9	92922FF45
		B10	92922FF52
		B11	92922FF60
Y	WA05A2301		
R	92922FE79		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR4	A-3	92922FG44
		A-4A	92922FG51
		A-4B	92922FG69
		A-5	92922FG77
		X	92922FG85
		B-1	92922FG93
		B-2	92922FH27
		B-3	92922FH35
		B-4	92922FH50
		B-5	92922FH68
		B-6	92922FH76
		R	92922FH43

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR6	1-A-1A	92922FH84
		1-A-1B	92922FH92

2-A-1A	92922FJ25
2-A-1B2	92922FJ41
2-A-1B3	92922FL48
2-A-1C	92922FJ58
X	92922FJ66
B-1	92922FJ74
B-2	92922FJ82
B-3	92922FJ90
B-4	92922FK23
B-5	92922FK31
B-6	92922FK49
B-7	92922FK56
B-8	92922FK64
B-9	92922FK72
B-10	92922FK98
B-11	92922FL22
B-12	92922FL30
R	92922FK80

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR8	1-A-1A	92922FR67
		2-A-1A	92922FR75
		2-A-1B2	92922FR91
		2-A-1B3	92922FS25
		2-A-1C2	92922FS41
		2-A-1C3	92922FS58
		X	92922FS66
		B-1	92922FS74
		B-2	92922FS82
		B-3	92922FS90
		B-4	92922FT24
		B-5	92922FT32
		B-6	92922FT40
		B-7	92922FT57
B-8	92922FT65		
B-9	92922FT73		
B-10	92922FT99		
B-11	92922FU22		
B-12	92922FU30		
R	92922FT81		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR9	A-1A	92922FU48
		A-1B	92922FU55
		A-1C3	92922FU89
		A-2A	92922FU97
		B-1	92922FV39
		B-2	92922FV47
		B-3	92922FV54

X	92922FV21
B-4	92922FV70
B-5	92922FV88
B-6	92922FV96
R	92922FV62

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR11	A-1A	92922F2G2
		A-1B2	92922F2J6
		A-1B3	92922F2K3
		A-1C3	92922F2N7
		A-1C4	92922F2P2
		X	92922F2Q0
		B-1	92922F2R8
		B-2	92922F2S6
		B-3	92922F2T4
		B-4	92922F2U1
		B-5	92922F2V9
		B-6	92922F2W7
		B-7	92922F2X5
		B-8	92922F2Y3
		B-9	92922F2Z0
		B-10	92922F3B2
B-11	92922F3C0		
B-12	92922F3D8		
B-13	92922F3E6		
PPP	92922F3Z9		
R	92922F3A4		

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR13	A-1A1	92922F4M7
		A-1A2	92922F4N5
		A-1A3	92922F4P0
		A-1B2	92922F4R6
		A-1B3	92922F4S4
		A-1C3	92922F4V7
		A-1C4	92922F4W5
		X	92922F4X3
		B-1	92922F4Y1
		B-2	92922F4Z8
		B-3	92922F5A2
		B-4	92922F5B0
		B-5	92922F5C8
		B-6	92922F5D6
		B-7	92922F5E4
		B-8	92922F5F1
B-9	92922F5G9		
B-10	92922F5M6		
B-11	92922F5N4		

B-12	92922F5P9
B-13	92922F5Q7
B-14	92922F5R5
PPP	92922F5S3
R	92922F5H7

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR16	1-A1	92922F6W3
		1-A2	92922F6X1
		1-A3	92922F6Y9
		1-A4A	92922F6Z6
		1-A4B	92922F7A0
		1-A5	92922F7B8
		2-A1	92922F7C6
		2-A2	92922F7D4
		2-A3	92922F7E2
		2-A4	92922F7F9
		B-1	92922F7G7
		B-2	92922F7H5
		B-3	92922F7J1
		B-4	92922F7L6
		B-5	92922F7M4
		B-6	92922F7N2
		R	92922F7K8

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR18	1-A1	92922F8K7
		1-A2	92922F8L5
		1-A3A	92922F8M3
		1-A3B	92922F8N1
		1-A4	92922F8P6
		2-A1	92922F8Q4
		2-A2	92922F8R2
		2-A3	92922F8S0
		3-A1	92922F8T8
		3-A2	92922F8U5
		B-1	92922F8V3
		B-2	92922F8W1
		B-3	92922F8X9
		B-4	92925CAG7
		B-5	92925CAH5
		B-6	92925CAJ1
		R	92922F8Y7

DealName	Series	Class	CUSIP
Washington Mutual Home Equity Trust	2006-1	A	WA0601001
		R	WA0601002

DealName	Series	Class	CUSIP
WaMu	2006-OA1	A	WA0602001

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR1	1A-1A	92925CCC4
		1A-1B	92925CCD2
		2A-1A	92925CCE0
		2A-1B	92925CCF7
		2A-1C	92925CCG5
		X	92925CCH3
		B-1	92925CCJ9
		B-2	92925CCK6
		B-3	92925CCL4
		B-4	92925CCM2
		B-5	92925CCN0
		B-6	92925CCP5
		B-7	92925CCQ3
		B-8	92925CCR1
		B-9	92925CCS9
		B-10	92925CCU4
B-11	92925CCV2		
B-12	92925CCW0		
B-13	92925CCX8		
B-14	92925CCY6		
PPP	92925CCZ3		
R	92925CCT7		
DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR3	A-1A	92925CDA7
		A-1B	92925CDB5
		A-1C	92925CDC3
		X	92925CDE9
		B-1	92925CDF6
		B-2	92925CDG4
		B-3	92925CDH2
		B-4	92925CDJ8
		B-5	92925CDK5
		B-6	92925CDL3
		B-7	92925CDM1
		B-8	92925CDN9
		B-9	92925CDP4
		B-10	92925CEB4
		B-11	92925CEC2
		B-12	92925CED0
B-13	92925CEE8		
B-14	92925CEF5		
PPP	92925CEG3		
R	92925CDD1		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2006-AR4	1A-1A	93934FPN6

1A-1B	93934FPP1
1A-1C2	93934FPR7
1A-1C3	93934FPS5
2A-1A	93934FPT3
1X-1A	93934FPU0
1X-1B	93934FPV8
2X	93934FPW6
B-1	93934FPX4
B-2	93934FPY2
B-3	93934FPZ9
B-4	93934FQA3
B-5	93934FQB1
B-6	93934FQC9
B-7	93934FQD7
B-8	93934FQE5
B-9	93934FQF2
B-10	93934FPH9
B-11	93934FPJ5
B-12	93934FPK2
B-13	93934FPL0
B-14	93934FPM8
PPP	93934FQH8
R	93934FQG0

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR5	A1A	93362YAA0
		A1A2A	93362YAB8
		A1A2B	93362YAC6
		A1B2	93362YAE2
		A1B3	93362YAF9
		B1	93362YAH5
		B2	93362YAJ1
		B3	93362YAK8
		B4	93362YAL6
		B5	93362YAM4
		B6	93362YAN2
		B7	93362YAP7
		B8	93362YAQ5
		B9	93362YAR3
		X	93362YAG7
B10	93362YAU6		
B11	93362YAV4		
B12	93362YAW2		
B13	93362YAX0		
B14	93362YAY8		
R	93362YAS1		
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 2	R-1	WA06C2001

DealName	Series	Class	CUSIP
WaMu	2007-Flex1	A	WA0701301
		R	WA0701302
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 3	R-1	WA07C3001
DealName	Series	Class	CUSIP
WaMu	2007-HE1	I-A	933631AA1
		II-A2	933631AC7
		II-A3	933631AD5
		II-A4	933631AE3
		M-1	933631AF0
		M-2	933631AG8
		M-3	933631AH6
		M-4	933631AJ2
		M-5	933631AK9
		M-6	933631AL7
		M-7	933631AM5
		M-8	933631AN3
		M-9	933631AP8
		B-1	933631AQ6
		B-2	933631AR4
		R	WA07H1303
		C	WA07H1301
R-CX	WA07H1304		
P	WA07H1302		
R-PX	WA07H1305		
DealName	Series	Class	CUSIP
WaMu CI NIM Notes	2007-WM1	N-1	92933UAA0
		SUB	WA07N1101

EXHIBIT 19
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

July 28, 2014

THIS TRANSMITTAL CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.

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 AS THEIR SOLE SOURCE OF INFORMATION.

Notice to WaMu Securities Holders Regarding Update on Litigation Against the Federal Deposit Insurance Corporation as Receiver for Washington Mutual Bank, JPMorgan Chase, N.A., and Washington Mutual Mortgage Securities Corporation (the “Litigation”)

To the Holders of Certain Residential Mortgage Backed Securities Sponsored by Washington Mutual Bank, Long Beach Mortgage Company, Washington Mutual Mortgage Securities Corporation or Washington Mutual Asset Acceptance Corp.

(Collectively, the “WaMu Securities”)

Classes and CUSIPs of the WaMu Securities are listed on Exhibit A attached hereto¹

1. Background Information.

Deutsche Bank National Trust Company (hereinafter, the “Trustee”) acts as trustee (including as trustee for certain related supplemental interest trusts) under the governing documents, which may include Pooling and Servicing Agreements, Servicing Agreements, Sale

¹ *The CUSIP numbers appearing herein have been included solely for the convenience of the WaMu Securities holders. Deutsche Bank National Trust Company assumes no responsibility for the selection or use of such numbers and makes no representations as to the correctness of the CUSIP numbers appearing herein.*

and Servicing Agreements, Trust Agreements or Indentures (collectively, the “Governing Documents”) for the residential mortgage backed securities trusts (collectively, the “WaMu Trusts”) relating to the WaMu Securities. Except as otherwise expressly provided, all terms used in this Notice that are defined in the Governing Documents shall have the meanings assigned to them in the applicable Governing Documents. For additional information, holders of WaMu Securities are referred to the Trustee’s Report Regarding Status of Litigation to Enforce Certain Trust Claims, dated October 17, 2012 (the “Litigation Status Report”).

2. General Updates Concerning the Litigation.

As reported in the Litigation Status Report, the Court denied the motions to dismiss the Amended Complaint, which had been filed by each of the Federal Deposit Insurance Corporation (“FDIC”) in its capacity as receiver for Washington Mutual Bank (“WMB”), JPMorgan Chase Bank, N.A. (“JPMC”), and Washington Mutual Mortgage Securities Corporation (“WMMSC”). The Court thereafter directed the parties to complete document and deposition discovery as to the meaning of the September 25, 2008 Purchase and Assumption Agreement (“PAA”) between the FDIC and JPMC (the “PAA Issue”). The Court also directed the parties to complete document discovery on the question of Defendants’ obligations to repurchase Mortgage Loans from the Trusts (the “Repurchase Issue”). As noted in the October 17, 2012 Litigation Status Report, the Court earlier determined that general discovery would first take place on the PAA Issue, while only document discovery would take place on the Repurchase Issue, to be followed by broader discovery once the PAA Issue is determined.

Since the October 17, 2012 Litigation Status Report was issued, the following has occurred in the Litigation. First, on May 21, 2013, the United States Court of Appeals for the District of Columbia Circuit affirmed the District Court’s denial of a motion to intervene by a group of purported holders of Washington Mutual Bank Senior Notes and investment advisors to such holders. Second, the parties completed fact discovery on the PAA Issue. Third, the parties completed expert discovery on the PAA Issue in advance of the District Court’s April 25, 2014 deadline. Fourth, the parties have continued to exchange documents on the Repurchase Issue. Finally, motions for summary judgment on the PAA Issue were filed by the FDIC and JPMC on June 20, 2014, with responses due no later than July 31, 2014, and replies due no later than September 5, 2014. Much of the PAA discovery has been designated as confidential by one or more parties to the litigation, so significant sections of the briefing on the motions for summary judgment were and will be filed under seal.

3. Additional Securities Holder Updates Concerning the Litigation.

The Trustee will provide additional information to holders of the WaMu Securities regarding the Litigation if such WaMu Securities holders execute a common interest and non-disclosure agreement, which, along with submission instructions and a proof of ownership form to accompany the submission of the common interest and non-disclosure agreement, can be obtained by emailing wamu.trustee@db.com. **WaMu Securities holders should be aware that the information provided will be subject to the attorney-client privilege and work product doctrines and may constitute material non-public information. WaMu Securities holders receiving such information must take steps to ensure that their activities following the Trustee’s presentation of information do not violate any laws or regulations related to the WaMu Securities.**

The Trustee will continue to consult with counsel regarding the Litigation and other appropriate remedial actions, consistent with its rights and obligations under the Governing Documents and applicable law. The Trustee notes that under the Governing Documents, under certain circumstances and subject to the satisfaction of certain conditions (including the furnishing of indemnities for liabilities and expenses), holders of requisite amounts of WaMu Securities may instruct the Trustee as to the time, place and manner in which the Trustee takes remedial action. WaMu Securities holders considering the exercise of such rights should contact the Trustee in writing at the email address noted below.

The Trustee recommends that WaMu Securities holders stay abreast of relevant developments through various public information sources and not rely on the Trustee's notices as their sole source of information. The Trustee makes no representation about the timeliness, completeness or accuracy of any of these sources.

The Trustee welcomes communications from all WaMu Securities holders regarding the WaMu Securities. If you have any question or comment with respect to this Notice, please contact us by e-mail at wamu.trustee@db.com. In addition, WaMu Securities holders may monitor certain court filings in the Litigation through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV-1656-RMC) and the U.S. Court of Appeals for the District of Columbia Circuit at <https://ecf.cadc.uscourts.gov/> (Case No. 12-5170).

The Trustee may conclude that a specific response to a particular inquiry from an individual WaMu Securities holder is not consistent with equal and full dissemination of information to all WaMu Securities holders. The Trustee makes no recommendations and gives no investment, legal or tax advice to WaMu Securities holders. **EACH WAMU SECURITIES HOLDER IS STRONGLY ADVISED TO CONSULT WITH ITS OWN FINANCIAL, TAX AND/OR LEGAL ADVISORS REGARDING THESE MATTERS.**

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee or Indenture Trustee

cc: Deal Parties, including Issuer, NIMS Insurer, Counterparties, Master Servicer, and Subservicers, as applicable
Rating Agencies

Attachments

Exhibit A

DealName	Series	Class	CUSIP
Coast Federal Savings	1992-01	A	190348AA0
		B-1	190348ZZ9
		B-2	190348ZZ8
		R	190348ZZ4
DealName	Series	Class	CUSIP
Ace Securities Corp.	1999-LB2	A	004421AD5
		M1	004421AE3
		M2	004421AF0
		R	DB9902101
DealName	Series	Class	CUSIP
GSAMP Trust	2005-S2	M-1	36242D3E1
		M-2	36242D3F8
		X	36242D3N1
		R	36242D3P6
DealName	Series	Class	CUSIP
GSAMP Trust	2006-S1	A-1	3623412J7
		A-2A	3623413A5
		A-2B	3623413B3
		M-1	3623412K4
		M-2	3623412L2
		M-3	3623412M0
		M-4	3623412N8
		M-5	3623412P3
		M-6	3623412Q1
		B-1	3623412R9
		B-2	3623412S7
		X	3623412T5
		X-1	3623412U2
		P	3623412V0
R	3623412W8		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-1	AF-3	542514AC8
		AF-4	542514AD6
		AV-1	542514AH7
		M-1	542514AE4
		M-2	542514AF1
		M-3	542514AG9
		C	LB0002104
		P	LB0002105
R-2	LB0002103		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-LB1	P-F	LB10000PF
		P-V	LB10000PV
		R-I	LB00000RI

R-II	LB0000RII
AF5	04541GAR3
AF6	04541GAS1
M1F	04541GAT9
M2F	04541GAU6
BF	04541GAV4
M2V	04541GAY8
BV	04541GAZ5
B-IOF	LB100BIOF
B-IOV	LB100BIOV
X-F	LB10000XF
X-V	LB10000XV
R-III	LB000RIII

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-1	A-1	542514AJ3
		M-1	542514AM6
		M-2	542514AN4
		M-3	542514AP9
		C	LB0101104
		P	LB0101105
		R-3	LB0101103

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-2	A-1V	DB00985T2
		M-1	542514AS3
		M-2	542514AT1
		M-3	542514AU8
		C	LB0102102
		P	LB0102103
		R-3	LB0102101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-3	A-1	542514BD5
		M-1	542514BA1
		M-2	542514BB9
		M-3	542514BC7
		C	LB0103101
		P	LB0103102
R-3	LB0103103		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-4	I-A	542514BF0
		II-A1	542514BQ6
		II-A3	542514BS2
		II-M1	542514BK9
		M2	542514BL7
		M3	542514BN3
		R-3	LB0104105
I-C	LB0104101		

II-C	LB0104102
I-P	LB0104103
II-P	LB0104104
R-X	LB0104106

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-1	I-A	542514CC6
		II-M1	542514BY9
		M2	542514BZ6
		M3	542514CA0
		R-3	LB0201205
		I-C	LB0201101
		II-C	LB0201102
		I-P	LB0201103
		II-P	LB0201104
		R-X	LB0201105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-2	I-A	542514CE2
		M2	542514CK8
		M3	542514CL6
		M4A	542514CM4
		M4B	542514CN2
		R	LB0202107
		I-C	LB0202103
		II-C	LB0202104
		I-P	LB0202105
		II-P	LB0202106
R-X	LB0202108		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-5	M-1	542514DB7
		M-2	542514DC5
		M-3	542514DD3
		M-4A	542514DE1
		M-4B	542514DF8
		R-4	LB0205403
		C	LB0205401
		R-CX	LB0205404
		P	LB0205402
		R-PX	LB0205405

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-1	A-1	542514DN1
		M-2	542514DK7
		M-3	542514DL5
		M-4	542514DM3
		R-M4X	LB0301103
		R	LB0301106
		C	LB0301101

P	LB0301102
R-CX	LB0301104
R-PX	LB0301105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-2	M-1	542514DU5
		M-2	542514DV3
		M-3	542514DW1
		M-4	542514DX9
		M-5	542514DY7
		C	LB0302301
		R-1	LB0302304
		R-3	LB0302305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-3	M-1	542514EA8
		M-2	542514EB6
		M-3	542514EC4
		M-4	542514ED2
		C	LB0303301
		R	LB0303303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-4	AV-1	542514EE0
		M-1	542514EH3
		M-2	542514EJ9
		M-3	542514EK6
		M-4A	542514EL4
		M-4F	542514EM2
		M-5A	542514EN0
		M-5F	542514EP5
		M-6	542514EQ3
		R-2	LB0304103
		C	LB0304101
		R-CX	LB0304104
		R-PX	LB0304105

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P2	P	LB03P2001

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P1	P	LB03PA001

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-1	A-1	542514FD1
		A-2	542514FE9
		M-1	542514EU4
		M-2	542514EV2
		M-3	542514EW0
		M-4	542514EX8
		M-5	542514EY6
		M-6	542514EZ3

M-7	542514FA7
M-8	542514FB5
M-9	542514FC3
B	542514FF6
C	LB0401201
P	LB0401202
R	LB0401203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-2	A-1	542514FT6
		M-1	542514FX7
		M-2	542514FY5
		M-3	542514FZ2
		M-4	542514GA6
		M-5	542514GB4
		M-6	542514GC2
		M-7	542514GD0
		C	LB0402201
		P	LB0402202
		R	LB0402203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-3	A-1	542514GF5
		M-1	542514GM0
		M-2	542514GN8
		M-3	542514GP3
		M-4	542514GQ1
		M-5	542514GR9
		M-6	542514GS7
		M-7	542514GT5
		M-8	542514GU2
		M-9	542514GV0
		C	LB0403301
		R	LB0403302
		RCX	LB0403303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-4	I-A1	542514HN7
		M-1	542514HT4
		M-2	542514HU1
		M-3	542514HV9
		M-4	542514HW7
		M-5	542514HX5
		M-6	542514HY3
		M-7	542514HZ0
		M-8	542514JA3
		M-9	542514JB1
		M-10	542514JC9
		M-11	542514JD7
M-12	542514JE5		

B	542514JF2
R	LB04041R1
C	LB04041C1
R-CX	LB0404RCX
P	LB04041P1
R-PX	LB0404RPX

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-5	A-1	542514GW8
		A-5	542514HB3
		A-6	542514HC1
		M-1	542514HD9
		M-2	542514HE7
		M-3	542514HF4
		M-4	542514HG2
		M-5	542514HH0
		M-6	542514HJ6
		R	LB0405003
		C	LB0405001
		P	LB0405002

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-6	I-A2	542514JH8
		A-3	542514JL9
		M-1	542514JM7
		M-2	542514JN5
		M-3	542514JP0
		M-4	542514JQ8
		M-5	542514JR6
		M-6	542514JS4
		M-7	542514JU9
		B	542514JT2
		R	LB0406203
		C	LB0406201
		R-CX	LB0406204
		P	LB0406202
		R-PX	LB0406205
Sub-Notes	LB04N2101		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-4	N-7	54239HAB8
		SUB	LB04N4101

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-6	N-2	54239GAA2
		N-3	54239GAB0
		SUB	LB04N6101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-1	M-1	542514JZ8
		M-2	542514KA1

M-3	542514KB9
M-4	542514KC7
M-5	542514KD5
M-6	542514KE3
M-7	542514KF0
M-8	542514KG8
M-9	542514KH6
B-1	542514KJ2
B-2	542514KK9
R	LB0501203
C	LB0501201

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-2	M-2	542514KS2
		M-3	542514KT0
		M-4	542514KU7
		M-5	542514KV5
		M-6	542514KW3
		M-7	542514KX1
		M-8	542514KY9
		M-9	542514KZ6
		B-1	542514LA0
		B-2	542514LB8
		R	LB0502403
		C	LB0502401
		R-CX	LB0502404
		P	LB0502402
R-PX	LB0502405		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-3	I-A	542514NT7
		II-A2	542514NV2
		II-A3	542514NW0
		M-1	542514NX8
		M-2	542514NY6
		M-3	542514NZ3
		M-4	542514PA6
		M-5	542514PB4
		M-6	542514PC2
		M-7	542514PD0
		M-8	542514PE8
		M-9	542514PF5
		M-10	542514PG3
		M-11	542514PH1
		R	LB0503303
		C	LB0503301
		R-CX	LB0503304
P	LB0503302		
R-PX	LB0503305		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-2	N-2	542396AB2
		N-3	542396AC0
		N-4	542396AD8
		SUB	LB05N2001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-WL1	N1	542395AA6
		N2	542395AB4
		N3	54239WAA7
		N4	54239WAB5
		N5	54239WAC3
		SUB-NOTE	LB05N3101
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL2	NOTE	54239QAV4
		OWNER	54239QAW2
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-3	N-2	542394AB7
		N-3	542394AC5
		SUB	LB05N5001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL3	NOTE	54239QAX0
		OWNER	LB05N6101
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL1	I-II-M2	542514LJ1
		I-II-M3	542514LK8
		I-II-M4	542514LL6
		I-II-M5	542514LM4
		I-II-M6	542514LN2
		I-II-M7	542514LP7
		I-II-M8	542514LQ5
		I-II-M9	542514LR3
		I-II-M10	542514LW2
		I-II-B1	542514LS1
		I-II-B2	542514LT9
		I-II-B3	542514LU6
		I-II-B4	542514LV4
		I-II-C	542514LX0
		R	542514LZ5
		III-A2	542514MD3
		III-M1	542514MF8
		III-M2	542514MG6
		III-M3	542514MH4
		III-M4	542514MJ0
		III-M5	542514MK7
III-M6	542514ML5		
III-M7	542514MM3		

III-M8	542514MN1
III-M9	542514MS0
III-B1	542514MP6
III-B2	542514MQ4
III-B3	542514MR2
III-C	542514MT8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL2	M-1	542514NB6
		M-2	542514NC4
		M-3	542514ND2
		M-4	542514NE0
		M-5	542514NF7
		M-6	542514NG5
		M-7	542514NH3
		M-8	542514NJ9
		M-9	542514NK6
		M-10	542514NL4
		B-1	542514NQ3
		B-2	542514NR1
		B-3	542514NS9
		C	542514PJ7
		P	542514PK4
		R	542514PL2
		R-CX	542514PM0
		R-PX	542514PN8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL3	I-A3	542514QC1
		I-A4	542514QD9
		II-A3	542514PQ1
		M-1	542514PR9
		M-2	542514PS7
		M-3	542514PT5
		M-4	542514PU2
		M-5	542514PV0
		M-6	542514PW8
		M-7	542514PX6
		M-8	542514PY4
		M-9	542514PZ1
		B-1	542514QG2
		B-2	542514QH0
		C	542514QJ6
		R	542514QL1
		R-CX	542514QM9
		R-PX	542514QN7

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-1	I-A	542514RH9
		II-A3	542514RL0

II-A4	542514RM8
M-1	542514RN6
M-2	542514RP1
M-3	542514RQ9
M-4	542514RR7
M-5	542514RS5
M-6	542514RT3
M-7	542514RU0
M-8	542514RV8
M-9	542514RW6
M-10	542514RX4
M-11	542514RY2
R	LB0601303
C	LB0601301
R-CX	LB0601304
P	LB0601302
R-PX	LB0601305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-2	I-A	542514TQ7
		II-A3	542514TT1
		II-A4	542514TU8
		M-1	542514TV6
		M-2	542514TW4
		M-3	542514TX2
		M-4	542514TY0
		M-5	542514TZ7
		M-6	542514UA0
		M-7	542514UB8
		M-8	542514UC6
		M-9	542514UD4
		M-10	542514UE2
		B	542514UF9
		C	LB0602301
		P	LB0602302
R	LB0602303		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-3	I-A	542514UG7
		II-A3	542514UK8
		II-A4	542514UL6
		M-1	542514UM4
		M-2	542514UN2
		M-3	542514UP7
		M-4	542514UQ5
		M-5	542514UR3
		M-6	542514US1
M-7	542514UT9		
M-8	542514UU6		

M-9	542514UV4
M-10	542514UW2
B	542514UX0
R	LB0603303
C	LB0603301
P	LB0603302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-4	I-A	54251MAA2
		II-A3	54251MAD6
		II-A4	54251MAE4
		M-1	54251MAF1
		M-2	54251MAG9
		M-3	54251MAH7
		M-4	54251MAJ3
		M-5	54251MAK0
		M-6	54251MAL8
		M-7	54251MAM6
		M-8	54251MAN4
		M-9	54251MAP9
		M-10	54251MAQ7
		M-11	54251MAR5
		R	LB0604303
		C	LB0604301
		P	LB0604302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-5	I-A	54251PAA5
		II-A3	54251PAD9
		II-A4	54251PAE7
		M-1	54251PAF4
		M-2	54251PAG2
		M-3	54251PAH0
		M-4	54251PAJ6
		M-5	54251PAK3
		M-6	54251PAL1
		M-7	54251PAM9
		M-8	54251PAN7
		M-9	54251PAP2
		M-10	54251PAQ0
		B-2	54251PAS6
		R	LB0605303
		C	LB0605301
		P	LB0605302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-6	I-A	54251RAA1
		II-A2	54251RAC7
		II-A3	54251RAD5

II-A4	54251RAE3
M-1	54251RAF0
M-2	54251RAG8
M-3	54251RAH6
M-4	54251RAJ2
M-5	54251RAK9
M-6	54251RAL7
M-7	54251RAM5
M-8	54251RAN3
M-9	54251RAP8
M-10	54251RAQ6
M-11	54251RAR4
R	LB0606303
C	LB0606301
R-CX	LB0606304
P	LB0606302
R-PX	LB0606305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-7	I-A	54251TAA7
		II-A2	54251TAC3
		II-A3	54251TAD1
		II-A4	54251TAE9
		M-1	54251TAF6
		M-2	54251TAG4
		M-3	54251TAH2
		M-4	54251TAJ8
		M-5	54251TAK5
		M-6	54251TAL3
		M-7	54251TAM1
		M-8	54251TAN9
		M-9	54251TAP4
		M-10	54251TAQ2
		M-11	54251TAR0
		R	LB0607303
		C	LB0607301
P	LB0607302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-8	I-A	54251UAA4
		II-A2	54251UAC0
		II-A3	54251UAD8
		II-A4	54251UAE6
		M-1	54251UAF3
		M-2	54251UAG1
		M-3	54251UAH9
		M-4	54251UAJ5
		M-5	54251UAK2
		M-6	54251UAL0

M-7	54251UAM8
M-8	54251UAN6
M-9	54251UAP1
M-10	54251UAQ9
M-11	54251UAR7
R	LB0608303
C	LB0608301
R-CX	LB0608304
P	LB0608302
R-PX	LB0608305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-9	I-A	54251WAA0
		II-A2	54251WAC6
		II-A3	54251WAD4
		II-A4	54251WAE2
		M-1	54251WAF9
		M-2	54251WAG7
		M-3	54251WAH5
		M-4	54251WAJ1
		M-5	54251WAK8
		M-6	54251WAL6
		M-7	54251WAM4
		M-8	54251WAN2
		M-9	54251WAP7
		M-10	54251WAQ5
		B	54251WAR3
		R	LB0609303
C	LB0609301		
P	LB0609302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-A	A-1	542515AA9
		A-2	542515AB7
		A-3	542515AC5
		M-1	542515AD3
		M-2	542515AE1
		M-3	542515AF8
		M-4	542515AG6
		M-5	542515AH4
		M-6	542515AJ0
		M-7	542515AK7
		B-1	542515AL5
		B-2	542515AM3
		C	LB060A201
		P	LB060A202
		R	LB060A203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-10	I-A	54251YAA6

II-A1	54251YAB4
II-A2	54251YAC2
II-A3	54251YAD0
II-A4	54251YAE8
M-1	54251YAF5
M-2	54251YAG3
M-3	54251YAH1
M-4	54251YAJ7
M-5	54251YAK4
M-6	54251YAL2
M-7	54251YAM0
M-8	54251YAN8
M-9	54251YAP3
M-10	54251YAQ1
B	54251YAR9
R	LB0610303
C	LB0610301
R-CX	LB0610304
P	LB0610302
R-PX	LB0610305

DealName	Series	Class	CUSIP
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Long Beach Mortgage Loan Trust	2006-11	I-A	542512AA6
		II-A2	542512AC2
		II-A3	542512AD0
		II-A4	542512AE8
		M-1	542512AF5
		M-2	542512AG3
		M-3	542512AH1
		M-4	542512AJ7
		M-5	542512AK4
		M-6	542512AL2
		M-7	542512AM0
		M-8	542512AN8
		M-9	542512AP3
		B-1	542512AQ1
		B-2	542512AR9
		R	LB0611303
		C	LB0611301
R-CX	LB0611304		
P	LB0611302		
R-PX	LB0611305		

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	CI 2006-WL2	N-1	54240KAA0
		SUB	LB06N2001

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	2006-1	N-1	54240CAA8
		N-2	54240CAB6

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2006-2 NIM Notes	N1	542393AA1
		N2	542393AB9
		N3	542393AC7
		SUB	LB06N5001
		N-1	54240DAA6
		N-2	54240DAB4
		N-3	54240BAA0
		SUB	LB06N6001
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-4	N-1	92931FAA5
		N-2	92931FAB3
		N-3	92931GAA3
		SUB	LB06N7101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-5	N-1	92929AAA0
		N-2	92929AAB8
		N-3	92928YAA9
		SUB	LB06N8101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-6	N-1	92932GAA2
		N-2	92932GAB0
		N-3	92932EAA7
		SUB	LB06N9101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-7	N-1	92932LAA1
		N-2	92932LAB9
		N-3	92932LAC7
		SUB	LB06NA101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-8	N-1	92932YAA3
		N-2	92932YAB1
		SUB	LB06NB101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-9	N-1	929321AA5
		N-2	929321AB3
		N-3	929319AA9
		SUB	LB06NC101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-10	N-1	929306AA6
		SUB	LB06ND101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-11	N-1	92933KAA2
		N-2	92933KAB0
		SUB	LB06NE101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL1	I-A1	542514QP2
		I-A2	542514QQ0
		I-A3	542514QR8
		II-A3	542514QU1
		II-A4	542514QV9
		M-1	542514QW7
		M-2	542514QX5
		M-3	542514QY3
		M-4	542514QZ0
		M-5	542514RA4
		M-6	542514RB2
		M-7	542514RC0
		M-8	542514RD8
		M-9	542514RE6
		M-10	542514RF3
		M-11	542514RG1
	R	LB06W1303	
	C	LB06W1301	
	P	LB06W1302	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL2	I-A	542514RZ9
		II-A3	542514SC9
		II-A4	542514SD7
		M-1	542514SE5
		M-2	542514SF2
		M-3	542514SG0
		M-4	542514SH8
		M-5	542514SJ4
		M-6	542514SK1
		M-7	542514SL9
		M-8	542514SM7
		M-9	542514SN5
		B-1	542514SP0
		B-2	542514SQ8
		B-3	542514SR6
			C
	P	LB06W2302	
	R	LB06W2303	
	R-CX	LB06W2304	
	R-PX	LB06W2305	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL3	I-A	542514SS4
		II-A3	542514SV7
		II-A4	542514SW5
		M-1	542514SX3
		M-2	542514SY1

M-3	542514SZ8
M-4	542514TA2
M-5	542514TB0
M-6	542514TC8
M-7	542514TD6
M-8	542514TE4
M-9	542514TF1
B-1	542514TG9
B-2	542514TH7
B-3	542514TJ3
R	LB06W3303
R-CX	LB06W3304
C	LB06W3301
P	LB06W3302
R-PX	LB06W3305

DealName	Series	Class	CUSIP
Long Beach Asset Holdings Corp CI	2003-3 (2007)	Subnote	LB07P3101
		Subnote	LB07P4101
DealName	Series	Class	CUSIP
Morgan Stanley ABS Capital I Inc.	2000-1	B-1	61744CAF3
		C	MS0001CLC
		P	MS0001CLP
		R-2	MS0001CR2
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-7	A	93933TAS2
		B-3	93933TAZ6
		R	93933TAT0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-AR3	R-1	929227ER3
		I-A	929227EL6
		II-A	929227EM4
		B-1	929227EN2
		B-2	929227EP7
		B-3	929227EQ5
		B-4	929227FD3
		B-5	929227FE1
		B-6	929227FF8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR2	R-1	929227LJ3
		A-1	929227LE4
		B-1	929227LF1
		B-2	929227LG9
		B-3	929227LH7
		B-4	929227LK0
		B-5	929227LL8
		B-6	929227LM6

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR6	A	929227QB5
		B-1	929227QC3
		B-2	929227QD1
		B-3	929227QE9
		B-4	929227QG4
		B-5	929227QH2
		B-6	929227QJ8
		R	929227QF6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR9	I-A	9393357P4
		I-B-1	9393357Q2
		I-B-2	9393357R0
		I-B-3	9393357S8
		I-B-4	9393356M2
		I-B-5	9393356N0
		I-B-6	9393356P5
		II-A	9393357T6
		II-B-1	9393357U3
		II-B-2	9393357V1
		II-B-3	9393357W9
		II-B-4	9393356Q3
		II-B-5	9393356R1
		II-B-6	9393356S9
		R	9393357X7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR12	A	939336CR2
		B-1	939336CS0
		B-2	939336CT8
		B-3	939336CU5
		B-4	939336CW1
		B-5	939336CX9
		B-6	939336CY7
		R	939336CV3
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR13	A-1	929227UB0
		A-2	929227UC8
		M-1	929227UD6
		B-1	929227UE4
		B-2	929227UF1
		B-3	929227UG9
		B-4	929227UJ3
		B-5	929227UK0
		B-6	929227UL8
R	929227UH7		
DealName	Series	Class	CUSIP

Washington Mutual Mortgage Securities Corp.	2002-AR14	A-1	939336CZ4
		A-2	939336DH3
		B-1	939336DA8
		B-2	939336DB6
		B-3	939336DC4
		B-4	939336DD2
		B-5	939336DE0
		R	939336DG5
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR15	R-1	929227XZ4
		A-5-M	939336DN0
		X	929227XY7
		B-1	929227WM4
		B-2	929227WN2
		B-3	929227WP7
		B-4	939336FH1
		B-5	939336FJ7
		B-6	939336FK4
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR16	A	929227WQ5
		B-1	929227WR3
		B-2	929227WS1
		B-3	929227WT9
		B-4	929227WV4
		R	929227WU6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR17	II-A	929227XC5
		I-B-1	929227XD3
		I-B-2	929227XE1
		I-B-3	929227XF8
		I-B-4	929227XL5
		I-B-5	929227XM3
		I-B-6	929227XN1
		II-B-1	929227XG6
		II-B-2	929227XH4
		II-B-3	929227XJ0
		II-B-4	929227XP6
		II-B-5	929227XQ4
		II-B-6	929227XR2
		R	929227XK7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR18	A	929227ZC3
		B-1	929227ZE9
		B-2	929227ZF6
		B-3	929227ZG4
		B-4	929227ZJ8

B-5 929227ZK5
 B-6 929227ZL3
 R 929227ZH2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR19	R-1	929227A22
		A-6	929227ZS8
		A-7	929227ZT6
		A-8	929227ZU3
		B-1	929227ZX7
		B-2	929227ZY5
		B-3	929227ZZ2
		B-4	929227A63
		B-5	929227A71
B-6	929227A89		
DealName	Series	Class	CUSIP
Washington Mutual Bank FA	2002-PR2	A	93933RCJ4
		A	93933RCK1
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR1	R-1	939336RV7
		A-5	939336PB3
		A-6	939336PC1
		B-1	939336PD9
		B-2	939336PE7
		B-3	939336PF4
		B-4	939336PG2
		B-5	939336PH0
B-6	939336PJ6		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR2	B-1	929227F27
		B-2	929227F35
		B-3	929227F43
		B-4	929227F68
		B-5	929227F76
		B-6	929227F84
		R	929227F50
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR3	A-5	929227G67
		B-1	929227G83
		B-2	929227G91
		B-3	929227H25
		B-4	929227K88
		B-5	929227K96
		B-6	929227L20
		R	929227H33
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR4	A6	929227L87

A7	929227L95
B1	929227M45
B2	929227M52
B3	929227M60
B4	929227M86
B5	929227M94
B6	929227N28
R	929227M78

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR5	R-1	929227R73
		A-6	929227R57
		A-7	929227R65
		B-1	929227S23
		B-2	929227S31
		B-3	929227S49
		B-4	929227S56
		B-5	929227S64
Washington Mutual Mortgage Securities Corp.	2003-AR5	B-6	929227S72

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR6	A1	9292274D5
		B1	9292274H6
		B2	9292274J2
		B3	9292274K9
		B4	9292274M5
		B5	9292274N3
		B6	9292274P8
		R	9292274L7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR7	A6	9292276J0
		A7	9292276K7
		A8	9292276L5
		B1	9292276N1
		B2	9292276P6
		B3	9292276Q4
		B4	9292276A9
		B5	9292276B7
		B6	9292276C5
R	9292276R2		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR8	R-1	92922FAX6
		A-1	92922FAS7
		B-1	92922FAU2
		B-2	92922FAV0
		B-3	92922FAW8
		B-4	92922FAY4
		B-5	92922FAZ1

B-6 92922FBA5

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR9	R-1	92922FCE6
		I-A-2B	92922FBR8
		I-A-6	92922FBV9
		I-A-7	92922FBW7
		I-B-1	92922FBY3
		I-B-2	92922FBZ0
		I-B-3	92922FCA4
		I-B-4	92922FCF3
		I-B-5	92922FCG1
		I-B-6	92922FCH9
		II-A	92922FBX5
		II-B-1	92922FCB2
		II-B-2	92922FCC0
		II-B-3	92922FCD8
		II-B-4	92922FCJ5
		II-B-5	92922FCK2
II-B-6	92922FCL0		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR10	R-1	92922FEF1
		A-6	92922FEA2
		A-7	92922FEB0
		B-1	92922FEC8
		B-2	92922FED6
		B-3	92922FEE4
		B-4	92922FEG9
		B-5	92922FEH7
		B-6	92922FEJ3

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR11	A-6	92922FJF6
		B-1	92922FJJ8
		B-2	92922FJK5
		B-3	92922FJL3
		B-4	92922FJN9
		B-5	92922FJP4
		B-6	92922FJQ2
		R	92922FJM1

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR12	R-1	92922FKV9
		A-6	92922FKU1
		B-1	92922FKX5
		B-2	92922FKY3
		B-3	92922FKZ0
		B-4	92922FLA4
B-5	92922FLB2		

B-6 92922FLC0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR1	A-1	92922FLD8
		X	92922FLE6
		B-1	92922FLF3
		B-2	92922FLG1
		B-3	92922FLH9
		B-4	92922FLK2
		B-5	92922FLL0
		B-6	92922FLM8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR2	A	92922FNW4
		B-1	92922FNX2
		B-2	92922FNY0
		B-3	92922FNZ7
		B-4	92922FPB8
		B-5	92922FPC6
		B-6	92922FPD4
		R	92922FPA0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR3	A-1	92922FNH7
		A-2	92922FNJ3
		B-1	92922FNL8
		B-2	92922FNM6
		B-3	92922FNN4
		B-4	92922FNQ7
		B-5	92922FNR5
		B-6	92922FNS3
		X	92922FNK0
R	92922FNP9		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR4	A-3	92922FPQ5
		A-4	92922FPR3
		A-5	92922FPS1
		A-6	92922FPT9
		B-1	92922FPU6
		B-2	92922FPV4
		B-3	92922FPW2
		B-4	92922FPY8
		B-5	92922FPZ5
		B-6	92922FQA9
R	92922FPX0		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR5	A-2	92922FRY6
		A-4	92922FSA7
		A-5	92922FSB5

A-6	92922FSC3
B-1	92922FSD1
B-2	92922FSE9
B-3	92922FSF6
B-4	92922FSH2
B-5	92922FSJ8
B-6	92922FSK5
R	92922FSG4

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR6	A	92922FSL3
		X	92922FSM1
		B-1	92922FSN9
		B-2	92922FSP4
		B-3	92922FSQ2
		B-4	92922FST6
		B-5	92922FSU3
		B-6	92922FSV1
		R	92922FSS8
		Y	930108ZZ9

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR7	A-4	92922FSZ2
		A-5	92922FTA6
		A-6	92922FTB4
		B-1	92922FTF5
		B-2	92922FTG3
		B-3	92922FTH1
		B-4	92922FTT5
		B-5	92922FTU2
		B-6	92922FTV0
		R	92922FTD0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR8	A-1	92922FTJ7
		A-2	92922FUN6
		A-3	92922FUP1
		X	92922FTK4
		B-1	92922FTL2
		B-2	92922FTM0
		B-3	92922FTN8
		B-4	92922FTP3
		B-5	92922FTQ1
		B-6	92922FTR9
R	92922FTS7		
Y	930108ZZ8		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR10	A-1-A	92922FXJ2
		A-1-B	92922FWU8

A-1-C	92922FWV6
A-3	92922FWZ7
X	92922FXD5
B-1	92922FXA1
B-2	92922FXB9
B-3	92922FXC7
B-4	92922FXF0
B-5	92922FXG8
B-6	92922FXH6
R	92922FXE3
Y	930108ZZ7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR12	A-1	92922FZE1
		A-2A	92922FZF8
		A-2B	92922FZV3
		A-5	92922FZK7
		B-1	92922FZN1
		B-2	92922FZP6
		B-3	92922FZQ4
		X	92922FZL5
		B-4	92922FZS0
		B-5	92922FZT8
		B-6	92922FZU5
		Y	WA04AR120
		R	92922FZR2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR13	A-1A	92922FB49
		A-1B2	92922FB64
		A-2A	92922FB72
		A-2B	92922FB80
		X	92922FB98
		B-1	92922FC22
		B-3	92922FC48
		B-4	92922FC55
		B-5	92922FC63
		B-2	92922FC30
		B-6	92922FC71
		Y	WA04AR130
		R	92922FC89

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR1	A1A	939336X40
		A1B	939336X57
		A2A1	939336X65
		A2A3	939336X81
		A2B	939336X99
		A3	939336Z22
		X	939336Y56

B1	939336Y23
B2	939336Y31
B3	939336Y49
B4	939336Y72
B5	939336Y80
B6	939336Y98
Y	WA05A1101
R	939336Y64

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR2	1A1A	92922FC97
		1A1B	92922FE87
		2A1A	92922FD21
		2A1B	92922FD39
		2A2A1	92922FD47
		2A2A3	92922FD62
		2A2B	92922FD70
		2A3	92922FE95
		X	92922FD88
		B1	92922FD96
		B2	92922FE20
		B3	92922FE38
		B4	92922FE46
		B5	92922FE53
		B6	92922FE61
		B7	92922FF29
		B8	92922FF37
		B9	92922FF45
		B10	92922FF52
		B11	92922FF60
Y	WA05A2301		
R	92922FE79		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR4	A-3	92922FG44
		A-4A	92922FG51
		A-4B	92922FG69
		A-5	92922FG77
		X	92922FG85
		B-1	92922FG93
		B-2	92922FH27
		B-3	92922FH35
		B-4	92922FH50
		B-5	92922FH68
		B-6	92922FH76
		R	92922FH43

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR6	1-A-1A	92922FH84
		1-A-1B	92922FH92

2-A-1A	92922FJ25
2-A-1B2	92922FJ41
2-A-1B3	92922FL48
2-A-1C	92922FJ58
X	92922FJ66
B-1	92922FJ74
B-2	92922FJ82
B-3	92922FJ90
B-4	92922FK23
B-5	92922FK31
B-6	92922FK49
B-7	92922FK56
B-8	92922FK64
B-9	92922FK72
B-10	92922FK98
B-11	92922FL22
B-12	92922FL30
R	92922FK80

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR8	1-A-1A	92922FR67
		2-A-1A	92922FR75
		2-A-1B2	92922FR91
		2-A-1B3	92922FS25
		2-A-1C2	92922FS41
		2-A-1C3	92922FS58
		X	92922FS66
		B-1	92922FS74
		B-2	92922FS82
		B-3	92922FS90
		B-4	92922FT24
		B-5	92922FT32
		B-6	92922FT40
		B-7	92922FT57
B-8	92922FT65		
B-9	92922FT73		
B-10	92922FT99		
B-11	92922FU22		
B-12	92922FU30		
R	92922FT81		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR9	A-1A	92922FU48
		A-1B	92922FU55
		A-1C3	92922FU89
		A-2A	92922FU97
		B-1	92922FV39
		B-2	92922FV47
		B-3	92922FV54

X	92922FV21
B-4	92922FV70
B-5	92922FV88
B-6	92922FV96
R	92922FV62

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR11	A-1A	92922F2G2
		A-1B2	92922F2J6
		A-1B3	92922F2K3
		A-1C3	92922F2N7
		A-1C4	92922F2P2
		X	92922F2Q0
		B-1	92922F2R8
		B-2	92922F2S6
		B-3	92922F2T4
		B-4	92922F2U1
		B-5	92922F2V9
		B-6	92922F2W7
		B-7	92922F2X5
		B-8	92922F2Y3
		B-9	92922F2Z0
		B-10	92922F3B2
B-11	92922F3C0		
B-12	92922F3D8		
B-13	92922F3E6		
PPP	92922F3Z9		
R	92922F3A4		

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR13	A-1A1	92922F4M7
		A-1A2	92922F4N5
		A-1A3	92922F4P0
		A-1B2	92922F4R6
		A-1B3	92922F4S4
		A-1C3	92922F4V7
		A-1C4	92922F4W5
		X	92922F4X3
		B-1	92922F4Y1
		B-2	92922F4Z8
		B-3	92922F5A2
		B-4	92922F5B0
		B-5	92922F5C8
		B-6	92922F5D6
		B-7	92922F5E4
		B-8	92922F5F1
B-9	92922F5G9		
B-10	92922F5M6		
B-11	92922F5N4		

B-12	92922F5P9
B-13	92922F5Q7
B-14	92922F5R5
PPP	92922F5S3
R	92922F5H7

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR16	1-A1	92922F6W3
		1-A2	92922F6X1
		1-A3	92922F6Y9
		1-A4A	92922F6Z6
		1-A4B	92922F7A0
		1-A5	92922F7B8
		2-A1	92922F7C6
		2-A2	92922F7D4
		2-A3	92922F7E2
		2-A4	92922F7F9
		B-1	92922F7G7
		B-2	92922F7H5
		B-3	92922F7J1
		B-4	92922F7L6
		B-5	92922F7M4
		B-6	92922F7N2
		R	92922F7K8

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR18	1-A1	92922F8K7
		1-A2	92922F8L5
		1-A3A	92922F8M3
		1-A3B	92922F8N1
		1-A4	92922F8P6
		2-A1	92922F8Q4
		2-A2	92922F8R2
		2-A3	92922F8S0
		3-A1	92922F8T8
		3-A2	92922F8U5
		B-1	92922F8V3
		B-2	92922F8W1
		B-3	92922F8X9
		B-4	92925CAG7
		B-5	92925CAH5
		B-6	92925CAJ1
		R	92922F8Y7

DealName	Series	Class	CUSIP
Washington Mutual Home Equity Trust	2006-1	A	WA0601001
		R	WA0601002

DealName	Series	Class	CUSIP
WaMu	2006-OA1	A	WA0602001

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR1	1A-1A	92925CCC4
		1A-1B	92925CCD2
		2A-1A	92925CCE0
		2A-1B	92925CCF7
		2A-1C	92925CCG5
		X	92925CCH3
		B-1	92925CCJ9
		B-2	92925CCK6
		B-3	92925CCL4
		B-4	92925CCM2
		B-5	92925CCN0
		B-6	92925CCP5
		B-7	92925CCQ3
		B-8	92925CCR1
		B-9	92925CCS9
		B-10	92925CCU4
B-11	92925CCV2		
B-12	92925CCW0		
B-13	92925CCX8		
B-14	92925CCY6		
PPP	92925CCZ3		
R	92925CCT7		
DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR3	A-1A	92925CDA7
		A-1B	92925CDB5
		A-1C	92925CDC3
		X	92925CDE9
		B-1	92925CDF6
		B-2	92925CDG4
		B-3	92925CDH2
		B-4	92925CDJ8
		B-5	92925CDK5
		B-6	92925CDL3
		B-7	92925CDM1
		B-8	92925CDN9
		B-9	92925CDP4
		B-10	92925CEB4
		B-11	92925CEC2
		B-12	92925CED0
B-13	92925CEE8		
B-14	92925CEF5		
PPP	92925CEG3		
R	92925CDD1		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2006-AR4	1A-1A	93934FPN6

1A-1B	93934FPP1
1A-1C2	93934FPR7
1A-1C3	93934FPS5
2A-1A	93934FPT3
1X-1A	93934FPU0
1X-1B	93934FPV8
2X	93934FPW6
B-1	93934FPX4
B-2	93934FPY2
B-3	93934FPZ9
B-4	93934FQA3
B-5	93934FQB1
B-6	93934FQC9
B-7	93934FQD7
B-8	93934FQE5
B-9	93934FQF2
B-10	93934FPH9
B-11	93934FPJ5
B-12	93934FPK2
B-13	93934FPL0
B-14	93934FPM8
PPP	93934FQH8
R	93934FQG0

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR5	A1A	93362YAA0
		A1A2A	93362YAB8
		A1A2B	93362YAC6
		A1B2	93362YAE2
		A1B3	93362YAF9
		B1	93362YAH5
		B2	93362YAJ1
		B3	93362YAK8
		B4	93362YAL6
		B5	93362YAM4
		B6	93362YAN2
		B7	93362YAP7
		B8	93362YAQ5
		B9	93362YAR3
		X	93362YAG7
B10	93362YAU6		
B11	93362YAV4		
B12	93362YAW2		
B13	93362YAX0		
B14	93362YAY8		
R	93362YAS1		
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 2	R-1	WA06C2001

DealName	Series	Class	CUSIP
WaMu	2007-Flex1	A	WA0701301
		R	WA0701302
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 3	R-1	WA07C3001
DealName	Series	Class	CUSIP
WaMu	2007-HE1	I-A	933631AA1
		II-A2	933631AC7
		II-A3	933631AD5
		II-A4	933631AE3
		M-1	933631AF0
		M-2	933631AG8
		M-3	933631AH6
		M-4	933631AJ2
		M-5	933631AK9
		M-6	933631AL7
		M-7	933631AM5
		M-8	933631AN3
		M-9	933631AP8
		B-1	933631AQ6
		B-2	933631AR4
		R	WA07H1303
		C	WA07H1301
R-CX	WA07H1304		
P	WA07H1302		
R-PX	WA07H1305		
DealName	Series	Class	CUSIP
WaMu CI NIM Notes	2007-WM1	N-1	92933UAA0
		SUB	WA07N1101

EXHIBIT 20
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

October 16, 2014

THIS TRANSMITTAL CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.

TO CERTIFICATEHOLDERS: YOU SHOULD READ THIS NOTICE AND ACCOMPANYING EXHIBIT 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 AS THEIR SOLE SOURCE OF INFORMATION.

**Notice to WaMu Securities Holders Regarding Third Update on Litigation
Against the Federal Deposit Insurance Corporation as Receiver for
Washington Mutual Bank, JPMorgan Chase, N.A., and Washington Mutual
Mortgage Securities Corporation (the “Litigation”)**

**To the Holders of Certain Residential Mortgage Backed Securities Sponsored by
Washington Mutual Bank, Long Beach Mortgage Company, Washington Mutual
Mortgage Securities Corporation or Washington Mutual Asset Acceptance Corp.**

(Collectively, the “WaMu Securities”)

Classes and CUSIPs of the WaMu Securities are listed on Exhibit A attached hereto.¹

1. Background Information.

¹ *The CUSIP numbers appearing herein have been included solely for the convenience of the WaMu Securities holders. Deutsche Bank National Trust Company assumes no responsibility for the selection or use of such numbers and makes no representations as to the correctness of the CUSIP numbers appearing herein.*

Deutsche Bank National Trust Company (hereinafter, the “Trustee”) acts as trustee (including as trustee for certain related supplemental interest trusts) under the governing documents, which may include Pooling and Servicing Agreements, Servicing Agreements, Sale and Servicing Agreements, Trust Agreements or Indentures (collectively, the “Governing Documents”) for the residential mortgage backed securities trusts (collectively, the “WaMu Trusts”) relating to the WaMu Securities. Except as otherwise expressly provided, all terms used in this Notice that are defined in the Governing Documents shall have the meanings assigned to them in the applicable Governing Documents. For additional information, holders of WaMu Securities are referred to the Trustee’s Report Regarding Status of Litigation to Enforce Certain Trust Claims, dated October 17, 2012, and an update dated July 28, 2014 (collectively the “Litigation Status Reports”).

2. General Updates Concerning the Litigation.

As reported in the Litigation Status Reports, the Court denied the motions to dismiss the Amended Complaint, which had been filed by each of the Federal Deposit Insurance Corporation (“FDIC”) in its capacity as receiver for Washington Mutual Bank, JPMorgan Chase Bank, N.A. (“JPMC”), and Washington Mutual Mortgage Securities Corporation (“WMMSC”). The Court thereafter directed the parties to complete document and deposition discovery as to the meaning of the September 25, 2008 Purchase and Assumption Agreement (“PAA”) between the FDIC and JPMC (the “PAA Issue”). The Court also directed the parties to complete document discovery on the question of Defendants’ obligations to repurchase Mortgage Loans from the Trusts (the “Repurchase Issue”). As noted in the Litigation Status Reports, the Court earlier determined that general discovery would first take place on the PAA Issue, while only document discovery would take place on the Repurchase Issue, to be followed by broader discovery once the PAA Issue is determined.

In the July 28, 2014 Litigation Status Report, the Trustee reported that motions for summary judgment on the PAA Issue were filed by the FDIC and JPMC on June 20, 2014. Since the July 28, 2014 Litigation Status Report was issued, responses to the respective motions for summary judgment were submitted on July 31, 2014, replies were submitted on September 5, 2014, and a joint appendix of documents referenced in the briefing was submitted on September 26, 2014. Previously, the Trustee reported that much of the PAA discovery had been designated as confidential by one or more parties to the litigation, but in the joint appendix, the FDIC and JPMC removed that designation from some of those documents and made previously confidential documents publicly available. The FDIC and JPMC also filed on October 3, 2014 updated summary judgment briefs and related statements to reflect the fact that certain information is no longer designated as confidential. Securities holders interested in reviewing the summary judgment filings and supporting non-confidential, publicly available documents may access them through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV-1656-RMC). The District Court has not yet scheduled oral argument or ruled on the motions for summary judgment.

3. Additional Securities Holder Updates Concerning the Litigation.

As stated in previous notices and reiterated here, the Trustee will provide additional information to holders of the WaMu Securities regarding the Litigation if such WaMu Securities holders execute a common interest and non-disclosure agreement, which, along with submission

instructions and a proof of ownership form to accompany the submission of the common interest and non-disclosure agreement, can be obtained by emailing wamu.trustee@db.com. **WaMu Securities holders should be aware that the information provided will be subject to the attorney-client privilege and work product doctrines and may constitute material non-public information. WaMu Securities holders receiving such information must take steps to ensure that their activities following the Trustee's presentation of information do not violate any laws or regulations related to the WaMu Securities.**

The Trustee will continue to consult with counsel regarding the Litigation and other appropriate remedial actions, consistent with its rights and obligations under the Governing Documents and applicable law. The Trustee notes that under the Governing Documents, under certain circumstances and subject to the satisfaction of certain conditions (including the furnishing of indemnities for liabilities and expenses), holders of requisite amounts of WaMu Securities may instruct the Trustee as to the time, place and manner in which the Trustee takes remedial action. WaMu Securities holders considering the exercise of such rights should contact the Trustee in writing at the email address noted below.

The Trustee recommends that WaMu Securities holders stay abreast of relevant developments through various public information sources and not rely on the Trustee's notices as their sole source of information. The Trustee makes no representation about the timeliness, completeness or accuracy of any of these sources.

As stated in previous notices and reiterated here, the Trustee welcomes communications from all WaMu Securities holders regarding the WaMu Securities. If you have any question or comment with respect to this Notice, please contact us by e-mail at wamu.trustee@db.com. In addition, WaMu Securities holders may monitor certain court filings in the Litigation through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV-1656-RMC) and the U.S. Court of Appeals for the District of Columbia Circuit at <https://ecf.cadc.uscourts.gov/> (Case No. 12-5170).

The Trustee may conclude that a specific response to a particular inquiry from an individual WaMu Securities holder is not consistent with equal and full dissemination of information to all WaMu Securities holders. The Trustee makes no recommendations and gives no investment, legal or tax advice to WaMu Securities holders. **EACH WAMU SECURITIES HOLDER IS STRONGLY ADVISED TO CONSULT WITH ITS OWN FINANCIAL, TAX AND/OR LEGAL ADVISORS REGARDING THESE MATTERS.**

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee or Indenture Trustee

cc: Deal Parties, including Issuer, NIMS Insurer, Counterparties, Master Servicer, and Subservicers, as applicable
Rating Agencies

Attachment

Exhibit A

DealName	Series	Class	CUSIP
Coast Federal Savings	1992-01	A	190348AA0
		B-1	190348ZZ9
		B-2	190348ZZ8
		R	190348ZZ4
DealName	Series	Class	CUSIP
Ace Securities Corp.	1999-LB2	A	004421AD5
		M1	004421AE3
		M2	004421AF0
		R	DB9902101
DealName	Series	Class	CUSIP
GSAMP Trust	2005-S2	M-1	36242D3E1
		M-2	36242D3F8
		X	36242D3N1
		R	36242D3P6
DealName	Series	Class	CUSIP
GSAMP Trust	2006-S1	A-1	3623412J7
		A-2A	3623413A5
		A-2B	3623413B3
		M-1	3623412K4
		M-2	3623412L2
		M-3	3623412M0
		M-4	3623412N8
		M-5	3623412P3
		M-6	3623412Q1
		B-1	3623412R9
		B-2	3623412S7
		X	3623412T5
		X-1	3623412U2
		P	3623412V0
R	3623412W8		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-1	AF-3	542514AC8
		AF-4	542514AD6
		AV-1	542514AH7
		M-1	542514AE4
		M-2	542514AF1
		M-3	542514AG9
		C	LB0002104
		P	LB0002105
R-2	LB0002103		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-LB1	P-F	LB10000PF
		P-V	LB10000PV
		R-I	LB00000RI

R-II	LB0000RII
AF5	04541GAR3
AF6	04541GAS1
M1F	04541GAT9
M2F	04541GAU6
BF	04541GAV4
M2V	04541GAY8
BV	04541GAZ5
B-IOF	LB100BIOF
B-IOV	LB100BIOV
X-F	LB10000XF
X-V	LB10000XV
R-III	LB000RIII

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-1	A-1	542514AJ3
		M-1	542514AM6
		M-2	542514AN4
		M-3	542514AP9
		C	LB0101104
		P	LB0101105
		R-3	LB0101103

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-2	A-1V	DB00985T2
		M-1	542514AS3
		M-2	542514AT1
		M-3	542514AU8
		C	LB0102102
		P	LB0102103
		R-3	LB0102101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-3	A-1	542514BD5
		M-1	542514BA1
		M-2	542514BB9
		M-3	542514BC7
		C	LB0103101
		P	LB0103102

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-4	I-A	542514BF0
		II-A1	542514BQ6
		II-A3	542514BS2
		II-M1	542514BK9
		M2	542514BL7
		M3	542514BN3
		R-3	LB0104105

I-C	LB0104101
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II-C	LB0104102
I-P	LB0104103
II-P	LB0104104
R-X	LB0104106

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-1	I-A	542514CC6
		II-M1	542514BY9
		M2	542514BZ6
		M3	542514CA0
		R-3	LB0201205
		I-C	LB0201101
		II-C	LB0201102
		I-P	LB0201103
		II-P	LB0201104
		R-X	LB0201105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-2	I-A	542514CE2
		M2	542514CK8
		M3	542514CL6
		M4A	542514CM4
		M4B	542514CN2
		R	LB0202107
		I-C	LB0202103
		II-C	LB0202104
		I-P	LB0202105
		II-P	LB0202106
R-X	LB0202108		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-5	M-1	542514DB7
		M-2	542514DC5
		M-3	542514DD3
		M-4A	542514DE1
		M-4B	542514DF8
		R-4	LB0205403
		C	LB0205401
		R-CX	LB0205404
		P	LB0205402
		R-PX	LB0205405

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-1	A-1	542514DN1
		M-2	542514DK7
		M-3	542514DL5
		M-4	542514DM3
		R-M4X	LB0301103
		R	LB0301106
		C	LB0301101

P	LB0301102
R-CX	LB0301104
R-PX	LB0301105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-2	M-1	542514DU5
		M-2	542514DV3
		M-3	542514DW1
		M-4	542514DX9
		M-5	542514DY7
		C	LB0302301
		R-1	LB0302304
		R-3	LB0302305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-3	M-1	542514EA8
		M-2	542514EB6
		M-3	542514EC4
		M-4	542514ED2
		C	LB0303301
		R	LB0303303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-4	AV-1	542514EE0
		M-1	542514EH3
		M-2	542514EJ9
		M-3	542514EK6
		M-4A	542514EL4
		M-4F	542514EM2
		M-5A	542514EN0
		M-5F	542514EP5
		M-6	542514EQ3
		R-2	LB0304103
		C	LB0304101
		R-CX	LB0304104
		R-PX	LB0304105

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P2	P	LB03P2001

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P1	P	LB03PA001

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-1	A-1	542514FD1
		A-2	542514FE9
		M-1	542514EU4
		M-2	542514EV2
		M-3	542514EW0
		M-4	542514EX8
		M-5	542514EY6
M-6	542514EZ3		

M-7	542514FA7
M-8	542514FB5
M-9	542514FC3
B	542514FF6
C	LB0401201
P	LB0401202
R	LB0401203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-2	A-1	542514FT6
		M-1	542514FX7
		M-2	542514FY5
		M-3	542514FZ2
		M-4	542514GA6
		M-5	542514GB4
		M-6	542514GC2
		M-7	542514GD0
		C	LB0402201
		P	LB0402202
		R	LB0402203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-3	A-1	542514GF5
		M-1	542514GM0
		M-2	542514GN8
		M-3	542514GP3
		M-4	542514GQ1
		M-5	542514GR9
		M-6	542514GS7
		M-7	542514GT5
		M-8	542514GU2
		M-9	542514GV0
		C	LB0403301
		R	LB0403302
		RCX	LB0403303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-4	I-A1	542514HN7
		M-1	542514HT4
		M-2	542514HU1
		M-3	542514HV9
		M-4	542514HW7
		M-5	542514HX5
		M-6	542514HY3
		M-7	542514HZ0
		M-8	542514JA3
		M-9	542514JB1
		M-10	542514JC9
		M-11	542514JD7
M-12	542514JE5		

B	542514JF2
R	LB04041R1
C	LB04041C1
R-CX	LB0404RCX
P	LB04041P1
R-PX	LB0404RPX

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-5	A-1	542514GW8
		A-5	542514HB3
		A-6	542514HC1
		M-1	542514HD9
		M-2	542514HE7
		M-3	542514HF4
		M-4	542514HG2
		M-5	542514HH0
		M-6	542514HJ6
		R	LB0405003
		C	LB0405001
		P	LB0405002

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-6	I-A2	542514JH8
		A-3	542514JL9
		M-1	542514JM7
		M-2	542514JN5
		M-3	542514JP0
		M-4	542514JQ8
		M-5	542514JR6
		M-6	542514JS4
		M-7	542514JU9
		B	542514JT2
		R	LB0406203
		C	LB0406201
		R-CX	LB0406204
		P	LB0406202
		R-PX	LB0406205
	Sub-Notes	LB04N2101	

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-4	N-7	54239HAB8
		SUB	LB04N4101

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-6	N-2	54239GAA2
		N-3	54239GAB0
		SUB	LB04N6101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-1	M-1	542514JZ8
		M-2	542514KA1

M-3	542514KB9
M-4	542514KC7
M-5	542514KD5
M-6	542514KE3
M-7	542514KF0
M-8	542514KG8
M-9	542514KH6
B-1	542514KJ2
B-2	542514KK9
R	LB0501203
C	LB0501201

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-2	M-2	542514KS2
		M-3	542514KT0
		M-4	542514KU7
		M-5	542514KV5
		M-6	542514KW3
		M-7	542514KX1
		M-8	542514KY9
		M-9	542514KZ6
		B-1	542514LA0
		B-2	542514LB8
		R	LB0502403
		C	LB0502401
		R-CX	LB0502404
		P	LB0502402
R-PX	LB0502405		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-3	I-A	542514NT7
		II-A2	542514NV2
		II-A3	542514NW0
		M-1	542514NX8
		M-2	542514NY6
		M-3	542514NZ3
		M-4	542514PA6
		M-5	542514PB4
		M-6	542514PC2
		M-7	542514PDO
		M-8	542514PE8
		M-9	542514PF5
		M-10	542514PG3
		M-11	542514PH1
		R	LB0503303
		C	LB0503301
		R-CX	LB0503304
P	LB0503302		
R-PX	LB0503305		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-2	N-2	542396AB2
		N-3	542396AC0
		N-4	542396AD8
		SUB	LB05N2001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-WL1	N1	542395AA6
		N2	542395AB4
		N3	54239WAA7
		N4	54239WAB5
		N5	54239WAC3
		SUB-NOTE	LB05N3101
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL2	NOTE	54239QAV4
		OWNER	54239QAW2
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-3	N-2	542394AB7
		N-3	542394AC5
		SUB	LB05N5001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL3	NOTE	54239QAX0
		OWNER	LB05N6101
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL1	I-II-M2	542514LJ1
		I-II-M3	542514LK8
		I-II-M4	542514LL6
		I-II-M5	542514LM4
		I-II-M6	542514LN2
		I-II-M7	542514LP7
		I-II-M8	542514LQ5
		I-II-M9	542514LR3
		I-II-M10	542514LW2
		I-II-B1	542514LS1
		I-II-B2	542514LT9
		I-II-B3	542514LU6
		I-II-B4	542514LV4
		I-II-C	542514LX0
		R	542514LZ5
		III-A2	542514MD3
		III-M1	542514MF8
		III-M2	542514MG6
		III-M3	542514MH4
		III-M4	542514MJ0
		III-M5	542514MK7
		III-M6	542514ML5
		III-M7	542514MM3

III-M8	542514MN1
III-M9	542514MS0
III-B1	542514MP6
III-B2	542514MQ4
III-B3	542514MR2
III-C	542514MT8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL2	M-1	542514NB6
		M-2	542514NC4
		M-3	542514ND2
		M-4	542514NE0
		M-5	542514NF7
		M-6	542514NG5
		M-7	542514NH3
		M-8	542514NJ9
		M-9	542514NK6
		M-10	542514NL4
		B-1	542514NQ3
		B-2	542514NR1
		B-3	542514NS9
		C	542514PJ7
		P	542514PK4
		R	542514PL2
		R-CX	542514PM0
		R-PX	542514PN8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL3	I-A3	542514QC1
		I-A4	542514QD9
		II-A3	542514PQ1
		M-1	542514PR9
		M-2	542514PS7
		M-3	542514PT5
		M-4	542514PU2
		M-5	542514PV0
		M-6	542514PW8
		M-7	542514PX6
		M-8	542514PY4
		M-9	542514PZ1
		B-1	542514QG2
		B-2	542514QH0
		C	542514QJ6
		R	542514QL1
		R-CX	542514QM9
		R-PX	542514QN7

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-1	I-A	542514RH9
		II-A3	542514RL0

II-A4	542514RM8
M-1	542514RN6
M-2	542514RP1
M-3	542514RQ9
M-4	542514RR7
M-5	542514RS5
M-6	542514RT3
M-7	542514RU0
M-8	542514RV8
M-9	542514RW6
M-10	542514RX4
M-11	542514RY2
R	LB0601303
C	LB0601301
R-CX	LB0601304
P	LB0601302
R-PX	LB0601305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-2	I-A	542514TQ7
		II-A3	542514TT1
		II-A4	542514TU8
		M-1	542514TV6
		M-2	542514TW4
		M-3	542514TX2
		M-4	542514TY0
		M-5	542514TZ7
		M-6	542514UA0
		M-7	542514UB8
		M-8	542514UC6
		M-9	542514UD4
		M-10	542514UE2
		B	542514UF9
		C	LB0602301
		P	LB0602302
R	LB0602303		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-3	I-A	542514UG7
		II-A3	542514UK8
		II-A4	542514UL6
		M-1	542514UM4
		M-2	542514UN2
		M-3	542514UP7
		M-4	542514UQ5
		M-5	542514UR3
		M-6	542514US1
M-7	542514UT9		
M-8	542514UU6		

M-9	542514UV4
M-10	542514UW2
B	542514UX0
R	LB0603303
C	LB0603301
P	LB0603302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-4	I-A	54251MAA2
		II-A3	54251MAD6
		II-A4	54251MAE4
		M-1	54251MAF1
		M-2	54251MAG9
		M-3	54251MAH7
		M-4	54251MAJ3
		M-5	54251MAK0
		M-6	54251MAL8
		M-7	54251MAM6
		M-8	54251MAN4
		M-9	54251MAP9
		M-10	54251MAQ7
		M-11	54251MAR5
		R	LB0604303
C	LB0604301		
P	LB0604302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-5	I-A	54251PAA5
		II-A3	54251PAD9
		II-A4	54251PAE7
		M-1	54251PAF4
		M-2	54251PAG2
		M-3	54251PAH0
		M-4	54251PAJ6
		M-5	54251PAK3
		M-6	54251PAL1
		M-7	54251PAM9
		M-8	54251PAN7
		M-9	54251PAP2
		M-10	54251PAQ0
		B-1	54251PAR8
		B-2	54251PAS6
R	LB0605303		
C	LB0605301		
P	LB0605302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-6	I-A	54251RAA1
		II-A2	54251RAC7
		II-A3	54251RAD5

II-A4	54251RAE3
M-1	54251RAF0
M-2	54251RAG8
M-3	54251RAH6
M-4	54251RAJ2
M-5	54251RAK9
M-6	54251RAL7
M-7	54251RAM5
M-8	54251RAN3
M-9	54251RAP8
M-10	54251RAQ6
M-11	54251RAR4
R	LB0606303
C	LB0606301
R-CX	LB0606304
P	LB0606302
R-PX	LB0606305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-7	I-A	54251TAA7
		II-A2	54251TAC3
		II-A3	54251TAD1
		II-A4	54251TAE9
		M-1	54251TAF6
		M-2	54251TAG4
		M-3	54251TAH2
		M-4	54251TAJ8
		M-5	54251TAK5
		M-6	54251TAL3
		M-7	54251TAM1
		M-8	54251TAN9
		M-9	54251TAP4
		M-10	54251TAQ2
		M-11	54251TAR0
		R	LB0607303
		C	LB0607301
P	LB0607302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-8	I-A	54251UAA4
		II-A2	54251UAC0
		II-A3	54251UAD8
		II-A4	54251UAE6
		M-1	54251UAF3
		M-2	54251UAG1
		M-3	54251UAH9
		M-4	54251UAJ5
		M-5	54251UAK2
		M-6	54251UAL0

M-7	54251UAM8
M-8	54251UAN6
M-9	54251UAP1
M-10	54251UAQ9
M-11	54251UAR7
R	LB0608303
C	LB0608301
R-CX	LB0608304
P	LB0608302
R-PX	LB0608305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-9	I-A	54251WAA0
		II-A2	54251WAC6
		II-A3	54251WAD4
		II-A4	54251WAE2
		M-1	54251WAF9
		M-2	54251WAG7
		M-3	54251WAH5
		M-4	54251WAJ1
		M-5	54251WAK8
		M-6	54251WAL6
		M-7	54251WAM4
		M-8	54251WAN2
		M-9	54251WAP7
		M-10	54251WAQ5
		B	54251WAR3
		R	LB0609303
		C	LB0609301
P	LB0609302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-A	A-1	542515AA9
		A-2	542515AB7
		A-3	542515AC5
		M-1	542515AD3
		M-2	542515AE1
		M-3	542515AF8
		M-4	542515AG6
		M-5	542515AH4
		M-6	542515AJ0
		M-7	542515AK7
		B-1	542515AL5
		B-2	542515AM3
		C	LB060A201
		P	LB060A202
		R	LB060A203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-10	I-A	54251YAA6

II-A1	54251YAB4
II-A2	54251YAC2
II-A3	54251YAD0
II-A4	54251YAE8
M-1	54251YAF5
M-2	54251YAG3
M-3	54251YAH1
M-4	54251YAJ7
M-5	54251YAK4
M-6	54251YAL2
M-7	54251YAM0
M-8	54251YAN8
M-9	54251YAP3
M-10	54251YAQ1
B	54251YAR9
R	LB0610303
C	LB0610301
R-CX	LB0610304
P	LB0610302
R-PX	LB0610305

DealName	Series	Class	CUSIP
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Long Beach Mortgage Loan Trust	2006-11	I-A	542512AA6
		II-A2	542512AC2
		II-A3	542512AD0
		II-A4	542512AE8
		M-1	542512AF5
		M-2	542512AG3
		M-3	542512AH1
		M-4	542512AJ7
		M-5	542512AK4
		M-6	542512AL2
		M-7	542512AM0
		M-8	542512AN8
		M-9	542512AP3
		B-1	542512AQ1
		B-2	542512AR9
		R	LB0611303
		C	LB0611301
R-CX	LB0611304		
P	LB0611302		
R-PX	LB0611305		

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	CI 2006-WL2	N-1	54240KAA0
		SUB	LB06N2001

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	2006-1	N-1	54240CAA8
		N-2	54240CAB6

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2006-2 NIM Notes	N1	542393AA1
		N2	542393AB9
		N3	542393AC7
		SUB	LB06N5001
		N-1	54240DAA6
		N-2	54240DAB4
		N-3	54240BAA0
		SUB	LB06N6001
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-4	N-1	92931FAA5
		N-2	92931FAB3
		N-3	92931GAA3
		SUB	LB06N7101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-5	N-1	92929AAA0
		N-2	92929AAB8
		N-3	92928YAA9
		SUB	LB06N8101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-6	N-1	92932GAA2
		N-2	92932GAB0
		N-3	92932EAA7
		SUB	LB06N9101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-7	N-1	92932LAA1
		N-2	92932LAB9
		N-3	92932LAC7
		SUB	LB06NA101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-8	N-1	92932YAA3
		N-2	92932YAB1
		SUB	LB06NB101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-9	N-1	929321AA5
		N-2	929321AB3
		N-3	929319AA9
		SUB	LB06NC101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-10	N-1	929306AA6
		SUB	LB06ND101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-11	N-1	92933KAA2
		N-2	92933KAB0
		SUB	LB06NE101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL1	I-A1	542514QP2
		I-A2	542514QQ0
		I-A3	542514QR8
		II-A3	542514QU1
		II-A4	542514QV9
		M-1	542514QW7
		M-2	542514QX5
		M-3	542514QY3
		M-4	542514QZ0
		M-5	542514RA4
		M-6	542514RB2
		M-7	542514RC0
		M-8	542514RD8
		M-9	542514RE6
		M-10	542514RF3
		M-11	542514RG1
	R	LB06W1303	
	C	LB06W1301	
	P	LB06W1302	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL2	I-A	542514RZ9
		II-A3	542514SC9
		II-A4	542514SD7
		M-1	542514SE5
		M-2	542514SF2
		M-3	542514SG0
		M-4	542514SH8
		M-5	542514SJ4
		M-6	542514SK1
		M-7	542514SL9
		M-8	542514SM7
		M-9	542514SN5
		B-1	542514SP0
		B-2	542514SQ8
		B-3	542514SR6
			C
	P	LB06W2302	
	R	LB06W2303	
	R-CX	LB06W2304	
	R-PX	LB06W2305	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL3	I-A	542514SS4
		II-A3	542514SV7
		II-A4	542514SW5
		M-1	542514SX3
		M-2	542514SY1

M-3	542514SZ8
M-4	542514TA2
M-5	542514TB0
M-6	542514TC8
M-7	542514TD6
M-8	542514TE4
M-9	542514TF1
B-1	542514TG9
B-2	542514TH7
B-3	542514TJ3
R	LB06W3303
R-CX	LB06W3304
C	LB06W3301
P	LB06W3302
R-PX	LB06W3305

DealName	Series	Class	CUSIP
Long Beach Asset Holdings Corp CI	2003-3 (2007)	Subnote	LB07P3101
		Subnote	LB07P4101
DealName	Series	Class	CUSIP
Morgan Stanley ABS Capital I Inc.	2000-1	B-1	61744CAF3
		C	MS0001CLC
		P	MS0001CLP
		R-2	MS0001CR2
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-7	A	93933TAS2
		B-3	93933TAZ6
		R	93933TAT0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-AR3	R-1	929227ER3
		I-A	929227EL6
		II-A	929227EM4
		B-1	929227EN2
		B-2	929227EP7
		B-3	929227EQ5
		B-4	929227FD3
		B-5	929227FE1
		B-6	929227FF8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR2	R-1	929227LJ3
		A-1	929227LE4
		B-1	929227LF1
		B-2	929227LG9
		B-3	929227LH7
		B-4	929227LK0
		B-5	929227LL8
		B-6	929227LM6

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR6	A	929227QB5
		B-1	929227QC3
		B-2	929227QD1
		B-3	929227QE9
		B-4	929227QG4
		B-5	929227QH2
		B-6	929227QJ8
		R	929227QF6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR9	I-A	9393357P4
		I-B-1	9393357Q2
		I-B-2	9393357R0
		I-B-3	9393357S8
		I-B-4	9393356M2
		I-B-5	9393356N0
		I-B-6	9393356P5
		II-A	9393357T6
		II-B-1	9393357U3
		II-B-2	9393357V1
		II-B-3	9393357W9
		II-B-4	9393356Q3
		II-B-5	9393356R1
		II-B-6	9393356S9
		R	9393357X7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR12	A	939336CR2
		B-1	939336CS0
		B-2	939336CT8
		B-3	939336CU5
		B-4	939336CW1
		B-5	939336CX9
		B-6	939336CY7
		R	939336CV3
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR13	A-1	929227UB0
		A-2	929227UC8
		M-1	929227UD6
		B-1	929227UE4
		B-2	929227UF1
		B-3	929227UG9
		B-4	929227UJ3
		B-5	929227UK0
		B-6	929227UL8
R	929227UH7		
DealName	Series	Class	CUSIP

Washington Mutual Mortgage Securities Corp.	2002-AR14	A-1	939336CZ4
		A-2	939336DH3
		B-1	939336DA8
		B-2	939336DB6
		B-3	939336DC4
		B-4	939336DD2
		B-5	939336DE0
		R	939336DG5
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR15	R-1	929227XZ4
		A-5-M	939336DN0
		X	929227XY7
		B-1	929227WM4
		B-2	929227WN2
		B-3	929227WP7
		B-4	939336FH1
		B-5	939336FJ7
		B-6	939336FK4
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR16	A	929227WQ5
		B-1	929227WR3
		B-2	929227WS1
		B-3	929227WT9
		B-4	929227WV4
		R	929227WU6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR17	II-A	929227XC5
		I-B-1	929227XD3
		I-B-2	929227XE1
		I-B-3	929227XF8
		I-B-4	929227XL5
		I-B-5	929227XM3
		I-B-6	929227XN1
		II-B-1	929227XG6
		II-B-2	929227XH4
		II-B-3	929227XJ0
		II-B-4	929227XP6
		II-B-5	929227XQ4
		II-B-6	929227XR2
		R	929227XK7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR18	A	929227ZC3
		B-1	929227ZE9
		B-2	929227ZF6
		B-3	929227ZG4
		B-4	929227ZJ8

B-5 929227ZK5
 B-6 929227ZL3
 R 929227ZH2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR19	R-1	929227A22
		A-6	929227ZS8
		A-7	929227ZT6
		A-8	929227ZU3
		B-1	929227ZX7
		B-2	929227ZY5
		B-3	929227ZZ2
		B-4	929227A63
		B-5	929227A71
B-6	929227A89		
DealName	Series	Class	CUSIP
Washington Mutual Bank FA	2002-PR2	A	93933RCJ4
		A	93933RCK1
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR1	R-1	939336RV7
		A-5	939336PB3
		A-6	939336PC1
		B-1	939336PD9
		B-2	939336PE7
		B-3	939336PF4
		B-4	939336PG2
		B-5	939336PH0
B-6	939336PJ6		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR2	B-1	929227F27
		B-2	929227F35
		B-3	929227F43
		B-4	929227F68
		B-5	929227F76
		B-6	929227F84
		R	929227F50
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR3	A-5	929227G67
		B-1	929227G83
		B-2	929227G91
		B-3	929227H25
		B-4	929227K88
		B-5	929227K96
		B-6	929227L20
		R	929227H33
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR4	A6	929227L87

A7	929227L95
B1	929227M45
B2	929227M52
B3	929227M60
B4	929227M86
B5	929227M94
B6	929227N28
R	929227M78

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR5	R-1	929227R73
		A-6	929227R57
		A-7	929227R65
		B-1	929227S23
		B-2	929227S31
		B-3	929227S49
		B-4	929227S56
		B-5	929227S64
Washington Mutual Mortgage Securities Corp.	2003-AR5	B-6	929227S72

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR6	A1	9292274D5
		B1	9292274H6
		B2	9292274J2
		B3	9292274K9
		B4	9292274M5
		B5	9292274N3
		B6	9292274P8
		R	9292274L7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR7	A6	9292276J0
		A7	9292276K7
		A8	9292276L5
		B1	9292276N1
		B2	9292276P6
		B3	9292276Q4
		B4	9292276A9
		B5	9292276B7
		B6	9292276C5
R	9292276R2		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR8	R-1	92922FAX6
		A-1	92922FAS7
		B-1	92922FAU2
		B-2	92922FAV0
		B-3	92922FAW8
		B-4	92922FAY4
		B-5	92922FAZ1

B-6 92922FBA5

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR9	R-1	92922FCE6
		I-A-2B	92922FBR8
		I-A-6	92922FBV9
		I-A-7	92922FBW7
		I-B-1	92922FBY3
		I-B-2	92922FBZ0
		I-B-3	92922FCA4
		I-B-4	92922FCF3
		I-B-5	92922FCG1
		I-B-6	92922FCH9
		II-A	92922FBX5
		II-B-1	92922FCB2
		II-B-2	92922FCC0
		II-B-3	92922FCD8
		II-B-4	92922FCJ5
		II-B-5	92922FCK2
II-B-6	92922FCL0		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR10	R-1	92922FEF1
		A-6	92922FEA2
		A-7	92922FEB0
		B-1	92922FEC8
		B-2	92922FED6
		B-3	92922FEE4
		B-4	92922FEG9
		B-5	92922FEH7
B-6	92922FEJ3		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR11	A-6	92922FJF6
		B-1	92922FJJ8
		B-2	92922FJK5
		B-3	92922FJL3
		B-4	92922FJN9
		B-5	92922FJP4
		B-6	92922FJQ2
R	92922FJM1		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR12	R-1	92922FKV9
		A-6	92922FKU1
		B-1	92922FKX5
		B-2	92922FKY3
		B-3	92922FKZ0
		B-4	92922FLA4
B-5	92922FLB2		

B-6 92922FLC0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR1	A-1	92922FLD8
		X	92922FLE6
		B-1	92922FLF3
		B-2	92922FLG1
		B-3	92922FLH9
		B-4	92922FLK2
		B-5	92922FLL0
		B-6	92922FLM8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR2	A	92922FNW4
		B-1	92922FNX2
		B-2	92922FNY0
		B-3	92922FNZ7
		B-4	92922FPB8
		B-5	92922FPC6
		B-6	92922FPD4
		R	92922FPA0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR3	A-1	92922FNH7
		A-2	92922FNJ3
		B-1	92922FNL8
		B-2	92922FNM6
		B-3	92922FNN4
		B-4	92922FNQ7
		B-5	92922FNR5
		B-6	92922FNS3
		X	92922FNK0
		R	92922FNP9
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR4	A-3	92922FPQ5
		A-4	92922FPR3
		A-5	92922FPS1
		A-6	92922FPT9
		B-1	92922FPU6
		B-2	92922FPV4
		B-3	92922FPW2
		B-4	92922FPY8
		B-5	92922FPZ5
		B-6	92922FQA9
		R	92922FPX0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR5	A-2	92922FRY6
		A-4	92922FSA7
		A-5	92922FSB5

A-6	92922FSC3
B-1	92922FSD1
B-2	92922FSE9
B-3	92922FSF6
B-4	92922FSH2
B-5	92922FSJ8
B-6	92922FSK5
R	92922FSG4

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR6	A	92922FSL3
		X	92922FSM1
		B-1	92922FSN9
		B-2	92922FSP4
		B-3	92922FSQ2
		B-4	92922FST6
		B-5	92922FSU3
		B-6	92922FSV1
		R	92922FSS8
		Y	930108ZZ9

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR7	A-4	92922FSZ2
		A-5	92922FTA6
		A-6	92922FTB4
		B-1	92922FTF5
		B-2	92922FTG3
		B-3	92922FTH1
		B-4	92922FTT5
		B-5	92922FTU2
		B-6	92922FTV0
		R	92922FTD0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR8	A-1	92922FTJ7
		A-2	92922FUN6
		A-3	92922FUP1
		X	92922FTK4
		B-1	92922FTL2
		B-2	92922FTM0
		B-3	92922FTN8
		B-4	92922FTP3
		B-5	92922FTQ1
		B-6	92922FTR9
R	92922FTS7		
Y	930108ZZ8		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR10	A-1-A	92922FXJ2
		A-1-B	92922FWU8

A-1-C	92922FWV6
A-3	92922FWZ7
X	92922FXD5
B-1	92922FXA1
B-2	92922FXB9
B-3	92922FXC7
B-4	92922FXF0
B-5	92922FXG8
B-6	92922FXH6
R	92922FXE3
Y	930108ZZ7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR12	A-1	92922FZE1
		A-2A	92922FZF8
		A-2B	92922FZV3
		A-5	92922FZK7
		B-1	92922FZN1
		B-2	92922FZP6
		B-3	92922FZQ4
		X	92922FZL5
		B-4	92922FZS0
		B-5	92922FZT8
		B-6	92922FZU5
		Y	WA04AR120
		R	92922FZR2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR13	A-1A	92922FB49
		A-1B2	92922FB64
		A-2A	92922FB72
		A-2B	92922FB80
		X	92922FB98
		B-1	92922FC22
		B-3	92922FC48
		B-4	92922FC55
		B-5	92922FC63
		B-2	92922FC30
		B-6	92922FC71
		Y	WA04AR130
		R	92922FC89

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR1	A1A	939336X40
		A1B	939336X57
		A2A1	939336X65
		A2A3	939336X81
		A2B	939336X99
		A3	939336Z22
		X	939336Y56

B1	939336Y23
B2	939336Y31
B3	939336Y49
B4	939336Y72
B5	939336Y80
B6	939336Y98
Y	WA05A1101
R	939336Y64

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR2	1A1A	92922FC97
		1A1B	92922FE87
		2A1A	92922FD21
		2A1B	92922FD39
		2A2A1	92922FD47
		2A2A3	92922FD62
		2A2B	92922FD70
		2A3	92922FE95
		X	92922FD88
		B1	92922FD96
		B2	92922FE20
		B3	92922FE38
		B4	92922FE46
		B5	92922FE53
		B6	92922FE61
		B7	92922FF29
		B8	92922FF37
		B9	92922FF45
		B10	92922FF52
		B11	92922FF60
Y	WA05A2301		
R	92922FE79		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR4	A-3	92922FG44
		A-4A	92922FG51
		A-4B	92922FG69
		A-5	92922FG77
		X	92922FG85
		B-1	92922FG93
		B-2	92922FH27
		B-3	92922FH35
		B-4	92922FH50
		B-5	92922FH68
		B-6	92922FH76
		R	92922FH43

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR6	1-A-1A	92922FH84
		1-A-1B	92922FH92

2-A-1A	92922FJ25
2-A-1B2	92922FJ41
2-A-1B3	92922FL48
2-A-1C	92922FJ58
X	92922FJ66
B-1	92922FJ74
B-2	92922FJ82
B-3	92922FJ90
B-4	92922FK23
B-5	92922FK31
B-6	92922FK49
B-7	92922FK56
B-8	92922FK64
B-9	92922FK72
B-10	92922FK98
B-11	92922FL22
B-12	92922FL30
R	92922FK80

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR8	1-A-1A	92922FR67
		2-A-1A	92922FR75
		2-A-1B2	92922FR91
		2-A-1B3	92922FS25
		2-A-1C2	92922FS41
		2-A-1C3	92922FS58
		X	92922FS66
		B-1	92922FS74
		B-2	92922FS82
		B-3	92922FS90
		B-4	92922FT24
		B-5	92922FT32
		B-6	92922FT40
		B-7	92922FT57
B-8	92922FT65		
B-9	92922FT73		
B-10	92922FT99		
B-11	92922FU22		
B-12	92922FU30		
R	92922FT81		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR9	A-1A	92922FU48
		A-1B	92922FU55
		A-1C3	92922FU89
		A-2A	92922FU97
		B-1	92922FV39
		B-2	92922FV47
		B-3	92922FV54

X	92922FV21
B-4	92922FV70
B-5	92922FV88
B-6	92922FV96
R	92922FV62

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR11	A-1A	92922F2G2
		A-1B2	92922F2J6
		A-1B3	92922F2K3
		A-1C3	92922F2N7
		A-1C4	92922F2P2
		X	92922F2Q0
		B-1	92922F2R8
		B-2	92922F2S6
		B-3	92922F2T4
		B-4	92922F2U1
		B-5	92922F2V9
		B-6	92922F2W7
		B-7	92922F2X5
		B-8	92922F2Y3
		B-9	92922F2Z0
		B-10	92922F3B2
B-11	92922F3C0		
B-12	92922F3D8		
B-13	92922F3E6		
PPP	92922F3Z9		
R	92922F3A4		

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR13	A-1A1	92922F4M7
		A-1A2	92922F4N5
		A-1A3	92922F4P0
		A-1B2	92922F4R6
		A-1B3	92922F4S4
		A-1C3	92922F4V7
		A-1C4	92922F4W5
		X	92922F4X3
		B-1	92922F4Y1
		B-2	92922F4Z8
		B-3	92922F5A2
		B-4	92922F5B0
		B-5	92922F5C8
		B-6	92922F5D6
		B-7	92922F5E4
		B-8	92922F5F1
B-9	92922F5G9		
B-10	92922F5M6		
B-11	92922F5N4		

B-12	92922F5P9
B-13	92922F5Q7
B-14	92922F5R5
PPP	92922F5S3
R	92922F5H7

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR16	1-A1	92922F6W3
		1-A2	92922F6X1
		1-A3	92922F6Y9
		1-A4A	92922F6Z6
		1-A4B	92922F7A0
		1-A5	92922F7B8
		2-A1	92922F7C6
		2-A2	92922F7D4
		2-A3	92922F7E2
		2-A4	92922F7F9
		B-1	92922F7G7
		B-2	92922F7H5
		B-3	92922F7J1
		B-4	92922F7L6
		B-5	92922F7M4
		B-6	92922F7N2
		R	92922F7K8

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR18	1-A1	92922F8K7
		1-A2	92922F8L5
		1-A3A	92922F8M3
		1-A3B	92922F8N1
		1-A4	92922F8P6
		2-A1	92922F8Q4
		2-A2	92922F8R2
		2-A3	92922F8S0
		3-A1	92922F8T8
		3-A2	92922F8U5
		B-1	92922F8V3
		B-2	92922F8W1
		B-3	92922F8X9
		B-4	92925CAG7
		B-5	92925CAH5
		B-6	92925CAJ1
		R	92922F8Y7

DealName	Series	Class	CUSIP
Washington Mutual Home Equity Trust	2006-1	A	WA0601001
		R	WA0601002

DealName	Series	Class	CUSIP
WaMu	2006-OA1	A	WA0602001

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR1	1A-1A	92925CCC4
		1A-1B	92925CCD2
		2A-1A	92925CCE0
		2A-1B	92925CCF7
		2A-1C	92925CCG5
		X	92925CCH3
		B-1	92925CCJ9
		B-2	92925CCK6
		B-3	92925CCL4
		B-4	92925CCM2
		B-5	92925CCN0
		B-6	92925CCP5
		B-7	92925CCQ3
		B-8	92925CCR1
		B-9	92925CCS9
		B-10	92925CCU4
B-11	92925CCV2		
B-12	92925CCW0		
B-13	92925CCX8		
B-14	92925CCY6		
PPP	92925CCZ3		
R	92925CCT7		
DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR3	A-1A	92925CDA7
		A-1B	92925CDB5
		A-1C	92925CDC3
		X	92925CDE9
		B-1	92925CDF6
		B-2	92925CDG4
		B-3	92925CDH2
		B-4	92925CDJ8
		B-5	92925CDK5
		B-6	92925CDL3
		B-7	92925CDM1
		B-8	92925CDN9
		B-9	92925CDP4
		B-10	92925CEB4
		B-11	92925CEC2
		B-12	92925CED0
B-13	92925CEE8		
B-14	92925CEF5		
PPP	92925CEG3		
R	92925CDD1		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2006-AR4	1A-1A	93934FPN6

1A-1B	93934FPP1
1A-1C2	93934FPR7
1A-1C3	93934FPS5
2A-1A	93934FPT3
1X-1A	93934FPU0
1X-1B	93934FPV8
2X	93934FPW6
B-1	93934FPX4
B-2	93934FPY2
B-3	93934FPZ9
B-4	93934FQA3
B-5	93934FQB1
B-6	93934FQC9
B-7	93934FQD7
B-8	93934FQE5
B-9	93934FQF2
B-10	93934FPH9
B-11	93934FPJ5
B-12	93934FPK2
B-13	93934FPL0
B-14	93934FPM8
PPP	93934FQH8
R	93934FQG0

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR5	A1A	93362YAA0
		A1A2A	93362YAB8
		A1A2B	93362YAC6
		A1B2	93362YAE2
		A1B3	93362YAF9
		B1	93362YAH5
		B2	93362YAJ1
		B3	93362YAK8
		B4	93362YAL6
		B5	93362YAM4
		B6	93362YAN2
		B7	93362YAP7
		B8	93362YAQ5
		B9	93362YAR3
		X	93362YAG7
		B10	93362YAU6
		B11	93362YAV4
		B12	93362YAW2
B13	93362YAX0		
B14	93362YAY8		
R	93362YAS1		
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 2	R-1	WA06C2001

DealName	Series	Class	CUSIP
WaMu	2007-Flex1	A	WA0701301
		R	WA0701302
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 3	R-1	WA07C3001
DealName	Series	Class	CUSIP
WaMu	2007-HE1	I-A	933631AA1
		II-A2	933631AC7
		II-A3	933631AD5
		II-A4	933631AE3
		M-1	933631AF0
		M-2	933631AG8
		M-3	933631AH6
		M-4	933631AJ2
		M-5	933631AK9
		M-6	933631AL7
		M-7	933631AM5
		M-8	933631AN3
		M-9	933631AP8
		B-1	933631AQ6
		B-2	933631AR4
		R	WA07H1303
		C	WA07H1301
R-CX	WA07H1304		
P	WA07H1302		
R-PX	WA07H1305		
DealName	Series	Class	CUSIP
WaMu CI NIM Notes	2007-WM1	N-1	92933UAA0
		SUB	WA07N1101

EXHIBIT 21
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

June 12, 2015

THIS TRANSMITTAL CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORY, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.

TO CERTIFICATEHOLDERS: YOU SHOULD READ THIS NOTICE AND ACCOMPANYING EXHIBIT 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 AS THEIR SOLE SOURCE OF INFORMATION.

**Notice to WaMu Securities Holders Regarding Fourth Update on Litigation
Against the Federal Deposit Insurance Corporation as Receiver for
Washington Mutual Bank, JPMorgan Chase, N.A., and Washington Mutual
Mortgage Securities Corporation (the “Litigation”)**

**To the Holders of Certain Residential Mortgage Backed Securities Sponsored by
Washington Mutual Bank, Long Beach Mortgage Company, Washington Mutual
Mortgage Securities Corporation or Washington Mutual Asset Acceptance Corp.**

(Collectively, the “WaMu Securities”)

Classes and CUSIPs of the WaMu Securities are listed on Exhibit A attached hereto.¹

1. Background Information.

Deutsche Bank National Trust Company (hereinafter, the “Trustee”) acts as trustee (including as trustee for certain related supplemental interest trusts) under the governing documents, which may include Pooling and Servicing Agreements, Servicing Agreements, Sale and Servicing Agreements, Trust Agreements or Indentures (collectively, the “Governing

¹ The CUSIP numbers appearing herein have been included solely for the convenience of the WaMu Securities holders. Deutsche Bank National Trust Company assumes no responsibility for the selection or use of such numbers and makes no representations as to the correctness of the CUSIP numbers appearing herein.

Documents”) for the residential mortgage backed securities trusts (collectively, the “WaMu Trusts”) relating to the WaMu Securities. Except as otherwise expressly provided, all terms used in this Notice that are defined in the Governing Documents shall have the meanings assigned to them in the applicable Governing Documents. For additional information, holders of WaMu Securities are referred to the Trustee’s Report Regarding Status of Litigation to Enforce Certain Trust Claims dated October 17, 2012 and updates dated July 28, 2014 and October 16, 2014 (collectively the “Litigation Status Reports”).

2. General Updates Concerning the Litigation.

In the October 16, 2014 Litigation Status Report, the Trustee reported that briefing had been completed on cross motions for summary judgment filed by the Federal Deposit Insurance Corporation (“FDIC”), in its capacity as receiver for Washington Mutual Bank, and by JPMorgan Chase Bank, National Association (“JPMC”) and Washington Mutual Mortgage Securities Corporation (“WMMSC”) on the issue of responsibility for repurchase liabilities under the Purchase and Assumption Agreement (“PAA”) between the parties (“the “PAA Issue”).

On June 3, 2015, the United States District Court for the District of Columbia, Judge Rosemary M. Collyer presiding, issued an Order on the cross motions for summary judgment filed concerning the PAA Issue. The Court’s Order states:

For the reasons set forth in an Opinion filed simultaneously with this Order, it is hereby:

ORDERED that Defendant JPMorgan Chase, National Association’s (JPMC) Motion for Summary Judgment [Dkts. 142, 143, 170] is **GRANTED in part and DENIED in part**; and it is

FURTHER ORDERED that JPMC is entitled to **JUDGMENT** that it assumed liability for the disputed mortgage repurchase liabilities only to the extent that Washington Mutual Bank (“WaMu”) reflected such liabilities at a stated Book Value on WaMu’s financial accounting records as of September 25, 2008; and it is

FURTHER ORDERED that Defendant Federal Deposit Insurance Corporation’s Motion for Summary Judgment [Dkt. 144, 173] is **GRANTED in part and DENIED in part**; and it is

FURTHER ORDERED that FDIC is entitled to **JUDGMENT** that JPMC assumed all mortgage repurchase liabilities of Washington Mutual Mortgage Securities Corporation, acquired by JPMC in its entirety; and it is

FURTHER ORDERED that, no later than June 17, 2015, the parties shall file a joint proposed unsealed version of the Opinion issued with this Order.

The Court’s Order quoted above is publicly available through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV-1656-RMC). The Opinion accompanying that Order, however, was filed under seal and is not publicly available.

3. Additional Securities Holder Updates Concerning the Litigation.

As stated in previous notices and reiterated here, the Trustee will provide additional information to holders of the WaMu Securities regarding the Litigation if such WaMu Securities holders execute a common interest and non-disclosure agreement, which, along with submission instructions and a proof of ownership form to accompany the submission of the common interest and non-disclosure agreement, can be obtained by emailing wamu.trustee@db.com. **WaMu Securities holders should be aware that the information provided will be subject to the attorney-client privilege and work product doctrines and may constitute material non-public information. WaMu Securities holders receiving such information must take steps to ensure that their activities following the Trustee's presentation of information do not violate any laws or regulations related to the WaMu Securities.**

The Trustee will continue to consult with counsel regarding the Litigation and other appropriate remedial actions, consistent with its rights and obligations under the Governing Documents and applicable law. The Trustee notes that under the Governing Documents, under certain circumstances and subject to the satisfaction of certain conditions (including the furnishing of indemnities for liabilities and expenses), holders of requisite amounts of WaMu Securities may instruct the Trustee as to the time, place and manner in which the Trustee takes remedial action. WaMu Securities holders considering the exercise of such rights should contact the Trustee in writing at the email address noted below.

The Trustee recommends that WaMu Securities holders stay abreast of relevant developments through various public information sources and not rely on the Trustee's notices as their sole source of information. The Trustee makes no representation about the timeliness, completeness or accuracy of any of these sources.

As stated in previous notices and reiterated here, the Trustee welcomes communications from all WaMu Securities holders regarding the WaMu Securities. If you have any question or comment with respect to this Notice, please contact us by e-mail at wamu.trustee@db.com. In addition, WaMu Securities holders may monitor certain court filings in the Litigation through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV- 1656-RMC) and the U.S. Court of Appeals for the District of Columbia Circuit at <https://ecf.cadc.uscourts.gov/> (Case No. 12-5170).

The Trustee may conclude that a specific response to a particular inquiry from an individual WaMu Securities holder is not consistent with equal and full dissemination of information to all WaMu Securities holders. The Trustee makes no recommendations and gives no investment, legal or tax advice to WaMu Securities holders. **EACH WAMU SECURITIES HOLDER IS STRONGLY ADVISED TO CONSULT WITH ITS OWN FINANCIAL, TAX AND/OR LEGAL ADVISORS REGARDING THESE MATTERS.**

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee or Indenture Trustee

cc: Deal Parties, including Issuer, NIMS Insurer, Counterparties, Master Servicer, and
Subservicers, as applicable
Ratings Agencies

Attachment

Exhibit A

DealName	Series	Class	CUSIP
Coast Federal Savings	1992-01	A	190348AA0
		B-1	190348ZZ9
		B-2	190348ZZ8
		R	190348ZZ4
DealName	Series	Class	CUSIP
Ace Securities Corp.	1999-LB2	A	004421AD5
		M1	004421AE3
		M2	004421AF0
		R	DB9902101
DealName	Series	Class	CUSIP
GSAMP Trust	2005-S2	M-1	36242D3E1
		M-2	36242D3F8
		X	36242D3N1
		R	36242D3P6
DealName	Series	Class	CUSIP
GSAMP Trust	2006-S1	A-1	3623412J7
		A-2A	3623413A5
		A-2B	3623413B3
		M-1	3623412K4
		M-2	3623412L2
		M-3	3623412M0
		M-4	3623412N8
		M-5	3623412P3
		M-6	3623412Q1
		B-1	3623412R9
		B-2	3623412S7
		X	3623412T5
		X-1	3623412U2
		P	3623412V0
R	3623412W8		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-1	AF-3	542514AC8
		AF-4	542514AD6
		AV-1	542514AH7
		M-1	542514AE4
		M-2	542514AF1
		M-3	542514AG9
		C	LB0002104
		P	LB0002105
R-2	LB0002103		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-LB1	P-F	LB10000PF
		P-V	LB10000PV
		R-I	LB00000RI

R-II	LB0000RII
AF5	04541GAR3
AF6	04541GAS1
M1F	04541GAT9
M2F	04541GAU6
BF	04541GAV4
M2V	04541GAY8
BV	04541GAZ5
B-IOF	LB100BIOF
B-IOV	LB100BIOV
X-F	LB10000XF
X-V	LB10000XV
R-III	LB000RIII

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-1	A-1	542514AJ3
		M-1	542514AM6
		M-2	542514AN4
		M-3	542514AP9
		C	LB0101104
		P	LB0101105
		R-3	LB0101103

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-2	A-1V	DB00985T2
		M-1	542514AS3
		M-2	542514AT1
		M-3	542514AU8
		C	LB0102102
		P	LB0102103
		R-3	LB0102101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-3	A-1	542514BD5
		M-1	542514BA1
		M-2	542514BB9
		M-3	542514BC7
		C	LB0103101
		P	LB0103102
		R-3	LB0103103

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-4	I-A	542514BF0
		II-A1	542514BQ6
		II-A3	542514BS2
		II-M1	542514BK9
		M2	542514BL7
		M3	542514BN3
		R-3	LB0104105
		I-C	LB0104101

		II-C	LB0104102
		I-P	LB0104103
		II-P	LB0104104
		R-X	LB0104106
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-1	I-A	542514CC6
		II-M1	542514BY9
		M2	542514BZ6
		M3	542514CA0
		R-3	LB0201205
		I-C	LB0201101
		II-C	LB0201102
		I-P	LB0201103
		II-P	LB0201104
		R-X	LB0201105
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-2	I-A	542514CE2
		M2	542514CK8
		M3	542514CL6
		M4A	542514CM4
		M4B	542514CN2
		R	LB0202107
		I-C	LB0202103
		II-C	LB0202104
		I-P	LB0202105
		II-P	LB0202106
R-X	LB0202108		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-5	M-1	542514DB7
		M-2	542514DC5
		M-3	542514DD3
		M-4A	542514DE1
		M-4B	542514DF8
		R-4	LB0205403
		C	LB0205401
		R-CX	LB0205404
		P	LB0205402
		R-PX	LB0205405
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-1	A-1	542514DN1
		M-2	542514DK7
		M-3	542514DL5
		M-4	542514DM3
		R-M4X	LB0301103
		R	LB0301106
		C	LB0301101

		P	LB0301102
		R-CX	LB0301104
		R-PX	LB0301105
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-2	M-1	542514DU5
		M-2	542514DV3
		M-3	542514DW1
		M-4	542514DX9
		M-5	542514DY7
		C	LB0302301
		R-1	LB0302304
		R-3	LB0302305
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-3	M-1	542514EA8
		M-2	542514EB6
		M-3	542514EC4
		M-4	542514ED2
		C	LB0303301
		R	LB0303303
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-4	AV-1	542514EE0
		M-1	542514EH3
		M-2	542514EJ9
		M-3	542514EK6
		M-4A	542514EL4
		M-4F	542514EM2
		M-5A	542514EN0
		M-5F	542514EP5
		M-6	542514EQ3
		R-2	LB0304103
		C	LB0304101
		R-CX	LB0304104
R-PX	LB0304105		
DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P2	P	LB03P2001
DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P1	P	LB03PA001
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-1	A-1	542514FD1
		A-2	542514FE9
		M-1	542514EU4
		M-2	542514EV2
		M-3	542514EW0
		M-4	542514EX8
		M-5	542514EY6
M-6	542514EZ3		

M-7	542514FA7
M-8	542514FB5
M-9	542514FC3
B	542514FF6
C	LB0401201
P	LB0401202
R	LB0401203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-2	A-1	542514FT6
		M-1	542514FX7
		M-2	542514FY5
		M-3	542514FZ2
		M-4	542514GA6
		M-5	542514GB4
		M-6	542514GC2
		M-7	542514GD0
		C	LB0402201
		P	LB0402202
		R	LB0402203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-3	A-1	542514GF5
		M-1	542514GM0
		M-2	542514GN8
		M-3	542514GP3
		M-4	542514GQ1
		M-5	542514GR9
		M-6	542514GS7
		M-7	542514GT5
		M-8	542514GU2
		M-9	542514GV0
		C	LB0403301
		R	LB0403302
		RCX	LB0403303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-4	I-A1	542514HN7
		M-1	542514HT4
		M-2	542514HU1
		M-3	542514HV9
		M-4	542514HW7
		M-5	542514HX5
		M-6	542514HY3
		M-7	542514HZ0
		M-8	542514JA3
		M-9	542514JB1
		M-10	542514JC9
		M-11	542514JD7
M-12	542514JE5		

B	542514JF2
R	LB04041R1
C	LB04041C1
R-CX	LB0404RCX
P	LB04041P1
R-PX	LB0404RPX

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-5	A-1	542514GW8
		A-5	542514HB3
		A-6	542514HC1
		M-1	542514HD9
		M-2	542514HE7
		M-3	542514HF4
		M-4	542514HG2
		M-5	542514HH0
		M-6	542514HJ6
		R	LB0405003
		C	LB0405001
		P	LB0405002

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-6	I-A2	542514JH8
		A-3	542514JL9
		M-1	542514JM7
		M-2	542514JN5
		M-3	542514JP0
		M-4	542514JQ8
		M-5	542514JR6
		M-6	542514JS4
		M-7	542514JU9
		B	542514JT2
		R	LB0406203
		C	LB0406201
		R-CX	LB0406204
		P	LB0406202
R-PX	LB0406205		
Sub-Notes	LB04N2101		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-4	N-7	54239HAB8
		SUB	LB04N4101

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-6	N-2	54239GAA2
		N-3	54239GAB0
		SUB	LB04N6101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-1	M-1	542514JZ8
		M-2	542514KA1

M-3	542514KB9
M-4	542514KC7
M-5	542514KD5
M-6	542514KE3
M-7	542514KF0
M-8	542514KG8
M-9	542514KH6
B-1	542514KJ2
B-2	542514KK9
R	LB0501203
C	LB0501201

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-2	M-2	542514KS2
		M-3	542514KT0
		M-4	542514KU7
		M-5	542514KV5
		M-6	542514KW3
		M-7	542514KX1
		M-8	542514KY9
		M-9	542514KZ6
		B-1	542514LA0
		B-2	542514LB8
		R	LB0502403
		C	LB0502401
		R-CX	LB0502404
		P	LB0502402
		R-PX	LB0502405

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-3	I-A	542514NT7
		II-A2	542514NV2
		II-A3	542514NW0
		M-1	542514NX8
		M-2	542514NY6
		M-3	542514NZ3
		M-4	542514PA6
		M-5	542514PB4
		M-6	542514PC2
		M-7	542514PD0
		M-8	542514PE8
		M-9	542514PF5
		M-10	542514PG3
		M-11	542514PH1
		R	LB0503303
		C	LB0503301
		R-CX	LB0503304
P	LB0503302		
R-PX	LB0503305		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-2	N-2	542396AB2
		N-3	542396AC0
		N-4	542396AD8
		SUB	LB05N2001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-WL1	N1	542395AA6
		N2	542395AB4
		N3	54239WAA7
		N4	54239WAB5
		N5	54239WAC3
		SUB-NOTE	LB05N3101
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL2	NOTE	54239QAV4
		OWNER	54239QAW2
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-3	N-2	542394AB7
		N-3	542394AC5
		SUB	LB05N5001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL3	NOTE	54239QAX0
		OWNER	LB05N6101
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL1	I-II-M2	542514LJ1
		I-II-M3	542514LK8
		I-II-M4	542514LL6
		I-II-M5	542514LM4
		I-II-M6	542514LN2
		I-II-M7	542514LP7
		I-II-M8	542514LQ5
		I-II-M9	542514LR3
		I-II-M10	542514LW2
		I-II-B1	542514LS1
		I-II-B2	542514LT9
		I-II-B3	542514LU6
		I-II-B4	542514LV4
		I-II-C	542514LX0
		R	542514LZ5
		III-A2	542514MD3
		III-M1	542514MF8
		III-M2	542514MG6
		III-M3	542514MH4
		III-M4	542514MJ0
		III-M5	542514MK7
		III-M6	542514ML5
		III-M7	542514MM3

III-M8	542514MN1
III-M9	542514MS0
III-B1	542514MP6
III-B2	542514MQ4
III-B3	542514MR2
III-C	542514MT8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL2	M-1	542514NB6
		M-2	542514NC4
		M-3	542514ND2
		M-4	542514NE0
		M-5	542514NF7
		M-6	542514NG5
		M-7	542514NH3
		M-8	542514NJ9
		M-9	542514NK6
		M-10	542514NL4
		B-1	542514NQ3
		B-2	542514NR1
		B-3	542514NS9
		C	542514PJ7
		P	542514PK4
		R	542514PL2
		R-CX	542514PM0
		R-PX	542514PN8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL3	I-A3	542514QC1
		I-A4	542514QD9
		II-A3	542514PQ1
		M-1	542514PR9
		M-2	542514PS7
		M-3	542514PT5
		M-4	542514PU2
		M-5	542514PV0
		M-6	542514PW8
		M-7	542514PX6
		M-8	542514PY4
		M-9	542514PZ1
		B-1	542514QG2
		B-2	542514QH0
		C	542514QJ6
		R	542514QL1
		R-CX	542514QM9
		R-PX	542514QN7

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-1	I-A	542514RH9
		II-A3	542514RL0

II-A4	542514RM8
M-1	542514RN6
M-2	542514RP1
M-3	542514RQ9
M-4	542514RR7
M-5	542514RS5
M-6	542514RT3
M-7	542514RU0
M-8	542514RV8
M-9	542514RW6
M-10	542514RX4
M-11	542514RY2
R	LB0601303
C	LB0601301
R-CX	LB0601304
P	LB0601302
R-PX	LB0601305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-2	I-A	542514TQ7
		II-A3	542514TT1
		II-A4	542514TU8
		M-1	542514TV6
		M-2	542514TW4
		M-3	542514TX2
		M-4	542514TY0
		M-5	542514TZ7
		M-6	542514UA0
		M-7	542514UB8
		M-8	542514UC6
		M-9	542514UD4
		M-10	542514UE2
		B	542514UF9
		C	LB0602301
		P	LB0602302
		R	LB0602303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-3	I-A	542514UG7
		II-A3	542514UK8
		II-A4	542514UL6
		M-1	542514UM4
		M-2	542514UN2
		M-3	542514UP7
		M-4	542514UQ5
		M-5	542514UR3
		M-6	542514US1
M-7	542514UT9		
M-8	542514UU6		

M-9	542514UV4
M-10	542514UW2
B	542514UX0
R	LB0603303
C	LB0603301
P	LB0603302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-4	I-A	54251MAA2
		II-A3	54251MAD6
		II-A4	54251MAE4
		M-1	54251MAF1
		M-2	54251MAG9
		M-3	54251MAH7
		M-4	54251MAJ3
		M-5	54251MAK0
		M-6	54251MAL8
		M-7	54251MAM6
		M-8	54251MAN4
		M-9	54251MAP9
		M-10	54251MAQ7
		M-11	54251MAR5
		R	LB0604303
C	LB0604301		
P	LB0604302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-5	I-A	54251PAA5
		II-A3	54251PAD9
		II-A4	54251PAE7
		M-1	54251PAF4
		M-2	54251PAG2
		M-3	54251PAH0
		M-4	54251PAJ6
		M-5	54251PAK3
		M-6	54251PAL1
		M-7	54251PAM9
		M-8	54251PAN7
		M-9	54251PAP2
		M-10	54251PAQ0
		B-1	54251PAR8
		B-2	54251PAS6
R	LB0605303		
C	LB0605301		
P	LB0605302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-6	I-A	54251RAA1
		II-A2	54251RAC7
		II-A3	54251RAD5

II-A4	54251RAE3
M-1	54251RAF0
M-2	54251RAG8
M-3	54251RAH6
M-4	54251RAJ2
M-5	54251RAK9
M-6	54251RAL7
M-7	54251RAM5
M-8	54251RAN3
M-9	54251RAP8
M-10	54251RAQ6
M-11	54251RAR4
R	LB0606303
C	LB0606301
R-CX	LB0606304
P	LB0606302
R-PX	LB0606305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-7	I-A	54251TAA7
		II-A2	54251TAC3
		II-A3	54251TAD1
		II-A4	54251TAE9
		M-1	54251TAF6
		M-2	54251TAG4
		M-3	54251TAH2
		M-4	54251TAJ8
		M-5	54251TAK5
		M-6	54251TAL3
		M-7	54251TAM1
		M-8	54251TAN9
		M-9	54251TAP4
		M-10	54251TAQ2
		M-11	54251TAR0
		R	LB0607303
		C	LB0607301
P	LB0607302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-8	I-A	54251UAA4
		II-A2	54251UAC0
		II-A3	54251UAD8
		II-A4	54251UAE6
		M-1	54251UAF3
		M-2	54251UAG1
		M-3	54251UAH9
		M-4	54251UAJ5
		M-5	54251UAK2
		M-6	54251UAL0

M-7	54251UAM8
M-8	54251UAN6
M-9	54251UAP1
M-10	54251UAQ9
M-11	54251UAR7
R	LB0608303
C	LB0608301
R-CX	LB0608304
P	LB0608302
R-PX	LB0608305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-9	I-A	54251WAA0
		II-A2	54251WAC6
		II-A3	54251WAD4
		II-A4	54251WAE2
		M-1	54251WAF9
		M-2	54251WAG7
		M-3	54251WAH5
		M-4	54251WAJ1
		M-5	54251WAK8
		M-6	54251WAL6
		M-7	54251WAM4
		M-8	54251WAN2
		M-9	54251WAP7
		M-10	54251WAQ5
		B	54251WAR3
		R	LB0609303
		C	LB0609301
P	LB0609302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-A	A-1	542515AA9
		A-2	542515AB7
		A-3	542515AC5
		M-1	542515AD3
		M-2	542515AE1
		M-3	542515AF8
		M-4	542515AG6
		M-5	542515AH4
		M-6	542515AJ0
		M-7	542515AK7
		B-1	542515AL5
		B-2	542515AM3
		C	LB060A201
		P	LB060A202
		R	LB060A203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-10	I-A	54251YAA6

II-A1	54251YAB4
II-A2	54251YAC2
II-A3	54251YAD0
II-A4	54251YAE8
M-1	54251YAF5
M-2	54251YAG3
M-3	54251YAH1
M-4	54251YAJ7
M-5	54251YAK4
M-6	54251YAL2
M-7	54251YAM0
M-8	54251YAN8
M-9	54251YAP3
M-10	54251YAQ1
B	54251YAR9
R	LB0610303
C	LB0610301
R-CX	LB0610304
P	LB0610302
R-PX	LB0610305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-11	I-A	542512AA6
		II-A2	542512AC2
		II-A3	542512AD0
		II-A4	542512AE8
		M-1	542512AF5
		M-2	542512AG3
		M-3	542512AH1
		M-4	542512AJ7
		M-5	542512AK4
		M-6	542512AL2
		M-7	542512AM0
		M-8	542512AN8
		M-9	542512AP3
		B-1	542512AQ1
		B-2	542512AR9
		R	LB0611303
		C	LB0611301
		R-CX	LB0611304
		P	LB0611302
		R-PX	LB0611305
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2006-WL2	N-1	54240KAA0
		SUB	LB06N2001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2006-1	N-1	54240CAA8
		N-2	54240CAB6

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2006-2 NIM Notes	N1	542393AA1
		N2	542393AB9
		N3	542393AC7
		SUB	LB06N5001
		N-1	54240DAA6
		N-2	54240DAB4
		N-3	54240BAA0
		SUB	LB06N6001
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-4	N-1	92931FAA5
		N-2	92931FAB3
		N-3	92931GAA3
		SUB	LB06N7101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-5	N-1	92929AAA0
		N-2	92929AAB8
		N-3	92928YAA9
		SUB	LB06N8101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-6	N-1	92932GAA2
		N-2	92932GAB0
		N-3	92932EAA7
		SUB	LB06N9101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-7	N-1	92932LAA1
		N-2	92932LAB9
		N-3	92932LAC7
		SUB	LB06NA101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-8	N-1	92932YAA3
		N-2	92932YAB1
		SUB	LB06NB101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-9	N-1	929321AA5
		N-2	929321AB3
		N-3	929319AA9
		SUB	LB06NC101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-10	N-1	929306AA6
		SUB	LB06ND101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-11	N-1	92933KAA2
		N-2	92933KAB0
		SUB	LB06NE101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL1	I-A1	542514QP2
		I-A2	542514QQ0
		I-A3	542514QR8
		II-A3	542514QU1
		II-A4	542514QV9
		M-1	542514QW7
		M-2	542514QX5
		M-3	542514QY3
		M-4	542514QZ0
		M-5	542514RA4
		M-6	542514RB2
		M-7	542514RC0
		M-8	542514RD8
		M-9	542514RE6
		M-10	542514RF3
M-11	542514RG1		
	R	LB06W1303	
	C	LB06W1301	
	P	LB06W1302	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL2	I-A	542514RZ9
		II-A3	542514SC9
		II-A4	542514SD7
		M-1	542514SE5
		M-2	542514SF2
		M-3	542514SG0
		M-4	542514SH8
		M-5	542514SJ4
		M-6	542514SK1
		M-7	542514SL9
		M-8	542514SM7
		M-9	542514SN5
		B-1	542514SP0
		B-2	542514SQ8
		B-3	542514SR6
		C	LB06W2301
		P	LB06W2302
R	LB06W2303		
R-CX	LB06W2304		
R-PX	LB06W2305		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL3	I-A	542514SS4
		II-A3	542514SV7
		II-A4	542514SW5
		M-1	542514SX3
		M-2	542514SY1

M-3	542514SZ8
M-4	542514TA2
M-5	542514TB0
M-6	542514TC8
M-7	542514TD6
M-8	542514TE4
M-9	542514TF1
B-1	542514TG9
B-2	542514TH7
B-3	542514TJ3
R	LB06W3303
R-CX	LB06W3304
C	LB06W3301
P	LB06W3302
R-PX	LB06W3305

DealName	Series	Class	CUSIP
Long Beach Asset Holdings Corp CI	2003-3 (2007)	Subnote	LB07P3101
		Subnote	LB07P4101

DealName	Series	Class	CUSIP
Morgan Stanley ABS Capital I Inc.	2000-1	B-1	61744CAF3
		C	MS0001CLC
		P	MS0001CLP
		R-2	MS0001CR2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-7	A	93933TAS2
		B-3	93933TAZ6
		R	93933TAT0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-AR3	R-1	929227ER3
		I-A	929227EL6
		II-A	929227EM4
		B-1	929227EN2
		B-2	929227EP7
		B-3	929227EQ5
		B-4	929227FD3
		B-5	929227FE1
B-6	929227FF8		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR2	R-1	929227LJ3
		A-1	929227LE4
		B-1	929227LF1
		B-2	929227LG9
		B-3	929227LH7
		B-4	929227LK0
		B-5	929227LL8
B-6	929227LM6		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR6	A	929227QB5
		B-1	929227QC3
		B-2	929227QD1
		B-3	929227QE9
		B-4	929227QG4
		B-5	929227QH2
		B-6	929227QJ8
		R	929227QF6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR9	I-A	9393357P4
		I-B-1	9393357Q2
		I-B-2	9393357R0
		I-B-3	9393357S8
		I-B-4	9393356M2
		I-B-5	9393356N0
		I-B-6	9393356P5
		II-A	9393357T6
		II-B-1	9393357U3
		II-B-2	9393357V1
		II-B-3	9393357W9
		II-B-4	9393356Q3
		II-B-5	9393356R1
		II-B-6	9393356S9
		R	9393357X7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR12	A	939336CR2
		B-1	939336CS0
		B-2	939336CT8
		B-3	939336CU5
		B-4	939336CW1
		B-5	939336CX9
		B-6	939336CY7
		R	939336CV3
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR13	A-1	929227UB0
		A-2	929227UC8
		M-1	929227UD6
		B-1	929227UE4
		B-2	929227UF1
		B-3	929227UG9
		B-4	929227UJ3
		B-5	929227UK0
		B-6	929227UL8
R	929227UH7		
DealName	Series	Class	CUSIP

Washington Mutual Mortgage Securities Corp.	2002-AR14	A-1	939336CZ4
		A-2	939336DH3
		B-1	939336DA8
		B-2	939336DB6
		B-3	939336DC4
		B-4	939336DD2
		B-5	939336DE0
		R	939336DG5
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR15	R-1	929227XZ4
		A-5-M	939336DN0
		X	929227XY7
		B-1	929227WM4
		B-2	929227WN2
		B-3	929227WP7
		B-4	939336FH1
		B-5	939336FJ7
		B-6	939336FK4
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR16	A	929227WQ5
		B-1	929227WR3
		B-2	929227WS1
		B-3	929227WT9
		B-4	929227WV4
		R	929227WU6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR17	II-A	929227XC5
		I-B-1	929227XD3
		I-B-2	929227XE1
		I-B-3	929227XF8
		I-B-4	929227XL5
		I-B-5	929227XM3
		I-B-6	929227XN1
		II-B-1	929227XG6
		II-B-2	929227XH4
		II-B-3	929227XJ0
		II-B-4	929227XP6
		II-B-5	929227XQ4
		II-B-6	929227XR2
		R	929227XK7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR18	A	929227ZC3
		B-1	929227ZE9
		B-2	929227ZF6
		B-3	929227ZG4
		B-4	929227ZJ8

		B-5	929227ZK5
		B-6	929227ZL3
		R	929227ZH2
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR19	R-1	929227A22
		A-6	929227ZS8
		A-7	929227ZT6
		A-8	929227ZU3
		B-1	929227ZX7
		B-2	929227ZY5
		B-3	929227ZZ2
		B-4	929227A63
		B-5	929227A71
		B-6	929227A89
DealName	Series	Class	CUSIP
Washington Mutual Bank FA	2002-PR2	A	93933RCJ4
		A	93933RCK1
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR1	R-1	939336RV7
		A-5	939336PB3
		A-6	939336PC1
		B-1	939336PD9
		B-2	939336PE7
		B-3	939336PF4
		B-4	939336PG2
		B-5	939336PH0
B-6	939336PJ6		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR2	B-1	929227F27
		B-2	929227F35
		B-3	929227F43
		B-4	929227F68
		B-5	929227F76
		B-6	929227F84
		R	929227F50
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR3	A-5	929227G67
		B-1	929227G83
		B-2	929227G91
		B-3	929227H25
		B-4	929227K88
		B-5	929227K96
		B-6	929227L20
		R	929227H33
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR4	A6	929227L87

		A7	929227L95
		B1	929227M45
		B2	929227M52
		B3	929227M60
		B4	929227M86
		B5	929227M94
		B6	929227N28
		R	929227M78
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR5	R-1	929227R73
		A-6	929227R57
		A-7	929227R65
		B-1	929227S23
		B-2	929227S31
		B-3	929227S49
		B-4	929227S56
		B-5	929227S64
Washington Mutual Mortgage Securities Corp.	2003-AR5	B-6	929227S72
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR6	A1	9292274D5
		B1	9292274H6
		B2	9292274J2
		B3	9292274K9
		B4	9292274M5
		B5	9292274N3
		B6	9292274P8
		R	9292274L7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR7	A6	9292276J0
		A7	9292276K7
		A8	9292276L5
		B1	9292276N1
		B2	9292276P6
		B3	9292276Q4
		B4	9292276A9
		B5	9292276B7
		B6	9292276C5
		R	9292276R2
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR8	R-1	92922FAX6
		A-1	92922FAS7
		B-1	92922FAU2
		B-2	92922FAV0
		B-3	92922FAW8
		B-4	92922FAY4
		B-5	92922FAZ1

		B-6	92922FBA5
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR9	R-1	92922FCE6
		I-A-2B	92922FBR8
		I-A-6	92922FBV9
		I-A-7	92922FBW7
		I-B-1	92922FBY3
		I-B-2	92922FBZ0
		I-B-3	92922FCA4
		I-B-4	92922FCF3
		I-B-5	92922FCG1
		I-B-6	92922FCH9
		II-A	92922FBX5
		II-B-1	92922FCB2
		II-B-2	92922FCC0
		II-B-3	92922FCD8
		II-B-4	92922FCJ5
		II-B-5	92922FCK2
		II-B-6	92922FCL0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR10	R-1	92922FEF1
		A-6	92922FEA2
		A-7	92922FEB0
		B-1	92922FEC8
		B-2	92922FED6
		B-3	92922FEE4
		B-4	92922FEG9
		B-5	92922FEH7
B-6	92922FEJ3		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR11	A-6	92922FJF6
		B-1	92922FJJ8
		B-2	92922FJK5
		B-3	92922FJL3
		B-4	92922FJN9
		B-5	92922FJP4
		B-6	92922FJQ2
R	92922FJM1		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR12	R-1	92922FKV9
		A-6	92922FKU1
		B-1	92922FKX5
		B-2	92922FKY3
		B-3	92922FKZ0
		B-4	92922FLA4
B-5	92922FLB2		

		B-6	92922FLC0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR1	A-1	92922FLD8
		X	92922FLE6
		B-1	92922FLF3
		B-2	92922FLG1
		B-3	92922FLH9
		B-4	92922FLK2
		B-5	92922FLL0
		B-6	92922FLM8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR2	A	92922FNW4
		B-1	92922FNX2
		B-2	92922FNY0
		B-3	92922FNZ7
		B-4	92922FPB8
		B-5	92922FPC6
		B-6	92922FPD4
		R	92922FPA0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR3	A-1	92922FNH7
		A-2	92922FNJ3
		B-1	92922FNL8
		B-2	92922FNM6
		B-3	92922FNN4
		B-4	92922FNQ7
		B-5	92922FNR5
		B-6	92922FNS3
		X	92922FNK0
		R	92922FNP9
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR4	A-3	92922FPQ5
		A-4	92922FPR3
		A-5	92922FPS1
		A-6	92922FPT9
		B-1	92922FPU6
		B-2	92922FPV4
		B-3	92922FPW2
		B-4	92922FPY8
		B-5	92922FPZ5
		B-6	92922FQA9
		R	92922FPX0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR5	A-2	92922FRY6
		A-4	92922FSA7
		A-5	92922FSB5

		A-6	92922FSC3
		B-1	92922FSD1
		B-2	92922FSE9
		B-3	92922FSF6
		B-4	92922FSH2
		B-5	92922FSJ8
		B-6	92922FSK5
		R	92922FSG4
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR6	A	92922FSL3
		X	92922FSM1
		B-1	92922FSN9
		B-2	92922FSP4
		B-3	92922FSQ2
		B-4	92922FST6
		B-5	92922FSU3
		B-6	92922FSV1
		R	92922FSS8
		Y	930108ZZ9
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR7	A-4	92922FSZ2
		A-5	92922FTA6
		A-6	92922FTB4
		B-1	92922FTF5
		B-2	92922FTG3
		B-3	92922FTH1
		B-4	92922FTT5
		B-5	92922FTU2
		B-6	92922FTV0
		R	92922FTD0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR8	A-1	92922FTJ7
		A-2	92922FUN6
		A-3	92922FUP1
		X	92922FTK4
		B-1	92922FTL2
		B-2	92922FTM0
		B-3	92922FTN8
		B-4	92922FTP3
		B-5	92922FTQ1
		B-6	92922FTR9
		R	92922FTS7
		Y	930108ZZ8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR10	A-1-A	92922FXJ2
		A-1-B	92922FWU8

A-1-C	92922FWV6
A-3	92922FWZ7
X	92922FXD5
B-1	92922FXA1
B-2	92922FXB9
B-3	92922FXC7
B-4	92922FXF0
B-5	92922FXG8
B-6	92922FXH6
R	92922FXE3
Y	930108ZZ7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR12	A-1	92922FZE1
		A-2A	92922FZF8
		A-2B	92922FZV3
		A-5	92922FZK7
		B-1	92922FZN1
		B-2	92922FZP6
		B-3	92922FZQ4
		X	92922FZL5
		B-4	92922FZS0
		B-5	92922FZT8
		B-6	92922FZU5
		Y	WA04AR120
		R	92922FZR2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR13	A-1A	92922FB49
		A-1B2	92922FB64
		A-2A	92922FB72
		A-2B	92922FB80
		X	92922FB98
		B-1	92922FC22
		B-3	92922FC48
		B-4	92922FC55
		B-5	92922FC63
		B-2	92922FC30
		B-6	92922FC71
		Y	WA04AR130
		R	92922FC89

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR1	A1A	939336X40
		A1B	939336X57
		A2A1	939336X65
		A2A3	939336X81
		A2B	939336X99
		A3	939336Z22
		X	939336Y56

		B1	939336Y23
		B2	939336Y31
		B3	939336Y49
		B4	939336Y72
		B5	939336Y80
		B6	939336Y98
		Y	WA05A1101
		R	939336Y64
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR2	1A1A	92922FC97
		1A1B	92922FE87
		2A1A	92922FD21
		2A1B	92922FD39
		2A2A1	92922FD47
		2A2A3	92922FD62
		2A2B	92922FD70
		2A3	92922FE95
		X	92922FD88
		B1	92922FD96
		B2	92922FE20
		B3	92922FE38
		B4	92922FE46
		B5	92922FE53
		B6	92922FE61
		B7	92922FF29
		B8	92922FF37
		B9	92922FF45
		B10	92922FF52
		B11	92922FF60
		Y	WA05A2301
		R	92922FE79
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR4	A-3	92922FG44
		A-4A	92922FG51
		A-4B	92922FG69
		A-5	92922FG77
		X	92922FG85
		B-1	92922FG93
		B-2	92922FH27
		B-3	92922FH35
		B-4	92922FH50
		B-5	92922FH68
		B-6	92922FH76
		R	92922FH43
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR6	1-A-1A	92922FH84
		1-A-1B	92922FH92

2-A-1A	92922FJ25
2-A-1B2	92922FJ41
2-A-1B3	92922FL48
2-A-1C	92922FJ58
X	92922FJ66
B-1	92922FJ74
B-2	92922FJ82
B-3	92922FJ90
B-4	92922FK23
B-5	92922FK31
B-6	92922FK49
B-7	92922FK56
B-8	92922FK64
B-9	92922FK72
B-10	92922FK98
B-11	92922FL22
B-12	92922FL30
R	92922FK80

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR8	1-A-1A	92922FR67
		2-A-1A	92922FR75
		2-A-1B2	92922FR91
		2-A-1B3	92922FS25
		2-A-1C2	92922FS41
		2-A-1C3	92922FS58
		X	92922FS66
		B-1	92922FS74
		B-2	92922FS82
		B-3	92922FS90
		B-4	92922FT24
		B-5	92922FT32
		B-6	92922FT40
		B-7	92922FT57
B-8	92922FT65		
B-9	92922FT73		
B-10	92922FT99		
B-11	92922FU22		
B-12	92922FU30		
R	92922FT81		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR9	A-1A	92922FU48
		A-1B	92922FU55
		A-1C3	92922FU89
		A-2A	92922FU97
		B-1	92922FV39
		B-2	92922FV47
		B-3	92922FV54

		X	92922FV21
		B-4	92922FV70
		B-5	92922FV88
		B-6	92922FV96
		R	92922FV62

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR11	A-1A	92922F2G2
		A-1B2	92922F2J6
		A-1B3	92922F2K3
		A-1C3	92922F2N7
		A-1C4	92922F2P2
		X	92922F2Q0
		B-1	92922F2R8
		B-2	92922F2S6
		B-3	92922F2T4
		B-4	92922F2U1
		B-5	92922F2V9
		B-6	92922F2W7
		B-7	92922F2X5
		B-8	92922F2Y3
		B-9	92922F2Z0
		B-10	92922F3B2
		B-11	92922F3C0
B-12	92922F3D8		
B-13	92922F3E6		
PPP	92922F3Z9		
R	92922F3A4		

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR13	A-1A1	92922F4M7
		A-1A2	92922F4N5
		A-1A3	92922F4P0
		A-1B2	92922F4R6
		A-1B3	92922F4S4
		A-1C3	92922F4V7
		A-1C4	92922F4W5
		X	92922F4X3
		B-1	92922F4Y1
		B-2	92922F4Z8
		B-3	92922F5A2
		B-4	92922F5B0
		B-5	92922F5C8
		B-6	92922F5D6
		B-7	92922F5E4
		B-8	92922F5F1
		B-9	92922F5G9
B-10	92922F5M6		
B-11	92922F5N4		

		B-12	92922F5P9
		B-13	92922F5Q7
		B-14	92922F5R5
		PPP	92922F5S3
		R	92922F5H7
DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR16	1-A1	92922F6W3
		1-A2	92922F6X1
		1-A3	92922F6Y9
		1-A4A	92922F6Z6
		1-A4B	92922F7A0
		1-A5	92922F7B8
		2-A1	92922F7C6
		2-A2	92922F7D4
		2-A3	92922F7E2
		2-A4	92922F7F9
		B-1	92922F7G7
		B-2	92922F7H5
		B-3	92922F7J1
		B-4	92922F7L6
		B-5	92922F7M4
		B-6	92922F7N2
R	92922F7K8		
DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR18	1-A1	92922F8K7
		1-A2	92922F8L5
		1-A3A	92922F8M3
		1-A3B	92922F8N1
		1-A4	92922F8P6
		2-A1	92922F8Q4
		2-A2	92922F8R2
		2-A3	92922F8S0
		3-A1	92922F8T8
		3-A2	92922F8U5
		B-1	92922F8V3
		B-2	92922F8W1
		B-3	92922F8X9
		B-4	92925CAG7
		B-5	92925CAH5
		B-6	92925CAJ1
R	92922F8Y7		
DealName	Series	Class	CUSIP
Washington Mutual Home Equity Trust	2006-1	A	WA0601001
		R	WA0601002
DealName	Series	Class	CUSIP
WaMu	2006-OA1	A	WA0602001

			R	WA0602002
DealName	Series	Class	CUSIP	
WaMu Asset Acceptance Corp.	2006-AR1	1A-1A	92925CCC4	
		1A-1B	92925CCD2	
		2A-1A	92925CCE0	
		2A-1B	92925CCF7	
		2A-1C	92925CCG5	
		X	92925CCH3	
		B-1	92925CCJ9	
		B-2	92925CCK6	
		B-3	92925CCL4	
		B-4	92925CCM2	
		B-5	92925CCN0	
		B-6	92925CCP5	
		B-7	92925CCQ3	
		B-8	92925CCR1	
		B-9	92925CCS9	
		B-10	92925CCU4	
		B-11	92925CCV2	
B-12	92925CCW0			
B-13	92925CCX8			
B-14	92925CCY6			
PPP	92925CCZ3			
R	92925CCT7			
DealName	Series	Class	CUSIP	
WaMu Asset Acceptance Corp.	2006-AR3	A-1A	92925CDA7	
		A-1B	92925CDB5	
		A-1C	92925CDC3	
		X	92925CDE9	
		B-1	92925CDF6	
		B-2	92925CDG4	
		B-3	92925CDH2	
		B-4	92925CDJ8	
		B-5	92925CDK5	
		B-6	92925CDL3	
		B-7	92925CDM1	
		B-8	92925CDN9	
		B-9	92925CDP4	
		B-10	92925CEB4	
		B-11	92925CEC2	
		B-12	92925CED0	
		B-13	92925CEE8	
B-14	92925CEF5			
PPP	92925CEG3			
R	92925CDD1			
DealName	Series	Class	CUSIP	
Washington Mutual Mortgage Securities Corp.	2006-AR4	1A-1A	93934FPN6	

1A-1B	93934FPP1
1A-1C2	93934FPR7
1A-1C3	93934FPS5
2A-1A	93934FPT3
1X-1A	93934FPU0
1X-1B	93934FPV8
2X	93934FPW6
B-1	93934FPX4
B-2	93934FPY2
B-3	93934FPZ9
B-4	93934FQA3
B-5	93934FQB1
B-6	93934FQC9
B-7	93934FQD7
B-8	93934FQE5
B-9	93934FQF2
B-10	93934FPH9
B-11	93934FPJ5
B-12	93934FPK2
B-13	93934FPL0
B-14	93934FPM8
PPP	93934FQH8
R	93934FQG0

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR5	A1A	93362YAA0
		A1A2A	93362YAB8
		A1A2B	93362YAC6
		A1B2	93362YAE2
		A1B3	93362YAF9
		B1	93362YAH5
		B2	93362YAJ1
		B3	93362YAK8
		B4	93362YAL6
		B5	93362YAM4
		B6	93362YAN2
		B7	93362YAP7
		B8	93362YAQ5
		B9	93362YAR3
		X	93362YAG7
		B10	93362YAU6
		B11	93362YAV4
B12	93362YAW2		
B13	93362YAX0		
B14	93362YAY8		
R	93362YAS1		
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 2	R-1	WA06C2001

DealName	Series	Class	CUSIP
WaMu	2007-Flex1	A	WA0701301
		R	WA0701302
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 3	R-1	WA07C3001
DealName	Series	Class	CUSIP
WaMu	2007-HE1	I-A	933631AA1
		II-A2	933631AC7
		II-A3	933631AD5
		II-A4	933631AE3
		M-1	933631AF0
		M-2	933631AG8
		M-3	933631AH6
		M-4	933631AJ2
		M-5	933631AK9
		M-6	933631AL7
		M-7	933631AM5
		M-8	933631AN3
		M-9	933631AP8
		B-1	933631AQ6
		B-2	933631AR4
		R	WA07H1303
		C	WA07H1301
R-CX	WA07H1304		
P	WA07H1302		
R-PX	WA07H1305		
DealName	Series	Class	CUSIP
WaMu CI NIM Notes	2007-WM1	N-1	92933UAA0
		SUB	WA07N1101

EXHIBIT 22
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

June 29, 2015

THIS TRANSMITTAL CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.

TO CERTIFICATEHOLDERS: YOU SHOULD READ THIS NOTICE AND ACCOMPANYING EXHIBIT 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 AS THEIR SOLE SOURCE OF INFORMATION.

**Notice to WaMu Securities Holders Regarding Fifth Update on Litigation
Against the Federal Deposit Insurance Corporation as Receiver for
Washington Mutual Bank, JPMorgan Chase, N.A., and Washington Mutual
Mortgage Securities Corporation (the “Litigation”)**

**To the Holders of Certain Residential Mortgage Backed Securities Sponsored by
Washington Mutual Bank, Long Beach Mortgage Company, Washington Mutual
Mortgage Securities Corporation or Washington Mutual Asset Acceptance Corp.**

(Collectively, the “WaMu Securities”)

Classes and CUSIPs of the WaMu Securities are listed on Exhibit A attached hereto.¹

1. Background Information.

Deutsche Bank National Trust Company (hereinafter, the “Trustee”) acts as trustee (including as trustee for certain related supplemental interest trusts) under the governing documents, which may include Pooling and Servicing Agreements, Servicing Agreements, Sale

¹ The CUSIP numbers appearing herein have been included solely for the convenience of the WaMu Securities holders. Deutsche Bank National Trust Company assumes no responsibility for the selection or use of such numbers and makes no representations as to the correctness of the CUSIP numbers appearing herein.

and Servicing Agreements, Trust Agreements or Indentures (collectively, the “Governing Documents”) for the residential mortgage backed securities trusts (collectively, the “WaMu Trusts”) relating to the WaMu Securities. Except as otherwise expressly provided, all terms used in this Notice that are defined in the Governing Documents shall have the meanings assigned to them in the applicable Governing Documents. For additional information, holders of WaMu Securities are referred to the Trustee’s Report Regarding Status of Litigation to Enforce Certain Trust Claims dated October 17, 2012 and updates dated July 28, 2014, October 16, 2014, and June 12, 2015 (collectively the “Litigation Status Reports”).

2. General Updates Concerning the Litigation.

In the June 12, 2015 Litigation Status Report, the Trustee reported that the Court on June 3, 2015 had entered an order on cross motions for summary judgment filed by the Federal Deposit Insurance Corporation (“FDIC”), in its capacity as receiver for Washington Mutual Bank, and by JPMorgan Chase Bank, National Association (“JPMC”) and Washington Mutual Mortgage Securities Corporation (“WMMSC”) on the issue of responsibility for repurchase liabilities under the Purchase and Assumption Agreement (“PAA”) between the parties (“the “PAA Issue”).

On June 17, 2015, the United States District Court for the District of Columbia, Judge Rosemary M. Collyer presiding, held a Status Conference (the “Status Conference”) to, among other things, set a schedule for the case going forward. As reflected in statements by counsel for the FDIC in the transcript of the Status Conference attached as Exhibit B (the “Transcript”), the parties requested certain corrections to the Opinion and Order, including “corrections ... on page 6 and on some subsequent pages ... to clarify that JPMorgan Chase itself did not inherit the liabilities of Washington Mutual Mortgage Securities Corporation otherwise referred to as WMMSC.” As explained by counsel for the FDIC in the Transcript, “[t]he parties do not dispute that WMMSC ... kept its own liabilities, but the parties did not argue that JPMorgan Chase inherited those liabilities.”

That same day, the Court issued the Amended Order attached as Exhibit C, which modifies its June 3, 2015 Order, and which states:

For the reasons set forth in the Amended Opinion filed simultaneously with this Amended Order, it is hereby

ORDERED that Defendant JPMorgan Chase, National Association’s (JPMC) Motion for Summary Judgment [Dkts. 142, 143, 170] is **GRANTED in part and DENIED in part**; and it is

FURTHER ORDERED that JPMC is entitled to **JUDGMENT** that it assumed liability for the disputed mortgage repurchase liabilities only to the extent that Washington Mutual Bank (“WaMu”) reflected such liabilities at a stated Book Value on WaMu’s financial accounting records as of September 25, 2008; and it is

FURTHER ORDERED that Defendant Federal Deposit Insurance Corporation’s Motion for Summary Judgment [Dkt. 144, 173] is **GRANTED in part and DENIED in**

part; and it is

FURTHER ORDERED that FDIC is entitled to **JUDGMENT** that all mortgage repurchase liabilities of Washington Mutual Mortgage Securities Corporation (WMMSC) remained with WMMSC (the stock of which was acquired by JPMC in its entirety), not with FDIC.

The Amended Opinion referenced in the Amended Order is attached as Exhibit D. An additional modification to the Amended Opinion regarding a footnote's reference to "open bank assistance" was also discussed at the Status Conference.

As reflected in the Transcript, the parties also proposed a schedule for the remainder of the case and a proposed Federal Rules of Civil Procedure Rule 54(b) certification schedule that according to the FDIC's counsel, "would allow the FDIC the time to decide whether to seek 54(b) certification and then to submit a brief explaining the reasons why." In reviewing the proposed schedules, the Court asked whether the parties wanted to "begin discovery before the Rule 54(b) certification briefing has been decided." The FDIC's counsel responded that "it would probably be wise for the parties to discuss that and I have no doubt that we'll be able to come to a resolution as we have on most issues." After the Status Conference, the Court entered a Minute Order, which reads as follows:

Defendant Federal Deposit Insurance Corporation (FDIC) shall file its Motion seeking entry of a final judgment under Rule 54(b) no later than July 24, 2015; any opposition to Defendant FDIC's Motion shall be due no later than August 21, 2015; and any Reply shall be due no later than September 11, 2015. The motion and opposition shall not exceed 15 pages, and the reply shall not exceed 10 pages. Signed by Judge Rosemary M. Collyer on June 17, 2015.

All orders and opinions referenced above are publicly available through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV-1656-RMC), but are attached or quoted for the convenience of WaMu Securities holders. Future filings, opinions and orders (including updates to the opinions and orders referenced above) may not be the subject of future notices, so interested WaMu Securities holders should monitor court filings pursuant to the instructions below.

3. Additional Securities Holder Updates Concerning the Litigation.

As stated in previous notices and reiterated here, the Trustee will provide additional information to holders of the WaMu Securities regarding the Litigation if such WaMu Securities holders execute a common interest and non-disclosure agreement, which, along with submission instructions and a proof of ownership form to accompany the submission of the common interest and non-disclosure agreement, can be obtained by emailing wamu.trustee@db.com. **WaMu Securities holders should be aware that the information provided will be subject to the attorney-client privilege and work product doctrines and may constitute material non-public information. WaMu Securities holders receiving such information must take steps to ensure that their activities following the Trustee's presentation of information do not**

violate any laws or regulations related to the WaMu Securities.

The Trustee will continue to consult with counsel regarding the Litigation and other appropriate remedial actions, consistent with its rights and obligations under the Governing Documents and applicable law. The Trustee notes that under the Governing Documents, under certain circumstances and subject to the satisfaction of certain conditions (including the furnishing of indemnities for liabilities and expenses), holders of requisite amounts of WaMu Securities may instruct the Trustee as to the time, place and manner in which the Trustee takes remedial action. WaMu Securities holders considering the exercise of such rights should contact the Trustee in writing at the email address noted below.

The Trustee recommends that WaMu Securities holders stay abreast of relevant developments through various public information sources and not rely on the Trustee's notices as their sole source of information. The Trustee makes no representation about the timeliness, completeness or accuracy of any of these sources.

As stated in previous notices and reiterated here, the Trustee welcomes communications from all WaMu Securities holders regarding the WaMu Securities. If you have any question or comment with respect to this Notice, please contact us by e-mail at wamu.trustee@db.com. In addition, WaMu Securities holders may monitor certain court filings in the Litigation through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV- 1656-RMC) and the U.S. Court of Appeals for the District of Columbia Circuit at <https://ecf.cadc.uscourts.gov/> (Case No. 12-5170).

The Trustee may conclude that a specific response to a particular inquiry from an individual WaMu Securities holder is not consistent with equal and full dissemination of information to all WaMu Securities holders. The Trustee makes no recommendations and gives no investment, legal or tax advice to WaMu Securities holders. **EACH WAMU SECURITIES HOLDER IS STRONGLY ADVISED TO CONSULT WITH ITS OWN FINANCIAL, TAX AND/OR LEGAL ADVISORS REGARDING THESE MATTERS.**

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee or Indenture Trustee

cc: Deal Parties, including Issuer, NIMS Insurer, Counterparties, Master Servicer, and
Subservicers, as applicable
Ratings Agencies

Attachments

Exhibit A

Exhibit A

DealName	Series	Class	CUSIP
Coast Federal Savings	1992-01	A	190348AA0
		B-1	190348ZZ9
		B-2	190348ZZ8
		R	190348ZZ4
DealName	Series	Class	CUSIP
Ace Securities Corp.	1999-LB2	A	004421AD5
		M1	004421AE3
		M2	004421AF0
		R	DB9902101
DealName	Series	Class	CUSIP
GSAMP Trust	2005-S2	M-1	36242D3E1
		M-2	36242D3F8
		X	36242D3N1
		R	36242D3P6
DealName	Series	Class	CUSIP
GSAMP Trust	2006-S1	A-1	3623412J7
		A-2A	3623413A5
		A-2B	3623413B3
		M-1	3623412K4
		M-2	3623412L2
		M-3	3623412M0
		M-4	3623412N8
		M-5	3623412P3
		M-6	3623412Q1
		B-1	3623412R9
		B-2	3623412S7
		X	3623412T5
		X-1	3623412U2
		P	3623412V0
R	3623412W8		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-1	AF-3	542514AC8
		AF-4	542514AD6
		AV-1	542514AH7
		M-1	542514AE4
		M-2	542514AF1
		M-3	542514AG9
		C	LB0002104
		P	LB0002105
R-2	LB0002103		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-LB1	P-F	LB10000PF
		P-V	LB10000PV
		R-I	LB00000RI

R-II	LB0000RII
AF5	04541GAR3
AF6	04541GAS1
M1F	04541GAT9
M2F	04541GAU6
BF	04541GAV4
M2V	04541GAY8
BV	04541GAZ5
B-IOF	LB100BIOF
B-IOV	LB100BIOV
X-F	LB10000XF
X-V	LB10000XV
R-III	LB000RIII

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-1	A-1	542514AJ3
		M-1	542514AM6
		M-2	542514AN4
		M-3	542514AP9
		C	LB0101104
		P	LB0101105
		R-3	LB0101103

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-2	A-1V	DB00985T2
		M-1	542514AS3
		M-2	542514AT1
		M-3	542514AU8
		C	LB0102102
		P	LB0102103
		R-3	LB0102101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-3	A-1	542514BD5
		M-1	542514BA1
		M-2	542514BB9
		M-3	542514BC7
		C	LB0103101
		P	LB0103102
R-3	LB0103103		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-4	I-A	542514BF0
		II-A1	542514BQ6
		II-A3	542514BS2
		II-M1	542514BK9
		M2	542514BL7
		M3	542514BN3
		R-3	LB0104105
I-C	LB0104101		

II-C	LB0104102
I-P	LB0104103
II-P	LB0104104
R-X	LB0104106

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-1	I-A	542514CC6
		II-M1	542514BY9
		M2	542514BZ6
		M3	542514CA0
		R-3	LB0201205
		I-C	LB0201101
		II-C	LB0201102
		I-P	LB0201103
		II-P	LB0201104
		R-X	LB0201105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-2	I-A	542514CE2
		M2	542514CK8
		M3	542514CL6
		M4A	542514CM4
		M4B	542514CN2
		R	LB0202107
		I-C	LB0202103
		II-C	LB0202104
		I-P	LB0202105
		II-P	LB0202106
R-X	LB0202108		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-5	M-1	542514DB7
		M-2	542514DC5
		M-3	542514DD3
		M-4A	542514DE1
		M-4B	542514DF8
		R-4	LB0205403
		C	LB0205401
		R-CX	LB0205404
		P	LB0205402
		R-PX	LB0205405

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-1	A-1	542514DN1
		M-2	542514DK7
		M-3	542514DL5
		M-4	542514DM3
		R-M4X	LB0301103
		R	LB0301106
		C	LB0301101

P	LB0301102
R-CX	LB0301104
R-PX	LB0301105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-2	M-1	542514DU5
		M-2	542514DV3
		M-3	542514DW1
		M-4	542514DX9
		M-5	542514DY7
		C	LB0302301
		R-1	LB0302304
		R-3	LB0302305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-3	M-1	542514EA8
		M-2	542514EB6
		M-3	542514EC4
		M-4	542514ED2
		C	LB0303301
		R	LB0303303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-4	AV-1	542514EE0
		M-1	542514EH3
		M-2	542514EJ9
		M-3	542514EK6
		M-4A	542514EL4
		M-4F	542514EM2
		M-5A	542514EN0
		M-5F	542514EP5
		M-6	542514EQ3
		R-2	LB0304103
		C	LB0304101
		R-CX	LB0304104
		R-PX	LB0304105

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P2	P	LB03P2001

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P1	P	LB03PA001

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-1	A-1	542514FD1
		A-2	542514FE9
		M-1	542514EU4
		M-2	542514EV2
		M-3	542514EW0
		M-4	542514EX8
		M-5	542514EY6
M-6	542514EZ3		

M-7	542514FA7
M-8	542514FB5
M-9	542514FC3
B	542514FF6
C	LB0401201
P	LB0401202
R	LB0401203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-2	A-1	542514FT6
		M-1	542514FX7
		M-2	542514FY5
		M-3	542514FZ2
		M-4	542514GA6
		M-5	542514GB4
		M-6	542514GC2
		M-7	542514GD0
		C	LB0402201
		P	LB0402202
		R	LB0402203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-3	A-1	542514GF5
		M-1	542514GM0
		M-2	542514GN8
		M-3	542514GP3
		M-4	542514GQ1
		M-5	542514GR9
		M-6	542514GS7
		M-7	542514GT5
		M-8	542514GU2
		M-9	542514GV0
		C	LB0403301
		R	LB0403302
		RCX	LB0403303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-4	I-A1	542514HN7
		M-1	542514HT4
		M-2	542514HU1
		M-3	542514HV9
		M-4	542514HW7
		M-5	542514HX5
		M-6	542514HY3
		M-7	542514HZ0
		M-8	542514JA3
		M-9	542514JB1
		M-10	542514JC9
		M-11	542514JD7
M-12	542514JE5		

B	542514JF2
R	LB04041R1
C	LB04041C1
R-CX	LB0404RCX
P	LB04041P1
R-PX	LB0404RPX

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-5	A-1	542514GW8
		A-5	542514HB3
		A-6	542514HC1
		M-1	542514HD9
		M-2	542514HE7
		M-3	542514HF4
		M-4	542514HG2
		M-5	542514HH0
		M-6	542514HJ6
		R	LB0405003
		C	LB0405001
		P	LB0405002

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-6	I-A2	542514JH8
		A-3	542514JL9
		M-1	542514JM7
		M-2	542514JN5
		M-3	542514JP0
		M-4	542514JQ8
		M-5	542514JR6
		M-6	542514JS4
		M-7	542514JU9
		B	542514JT2
		R	LB0406203
		C	LB0406201
		R-CX	LB0406204
		P	LB0406202
		R-PX	LB0406205
Sub-Notes	LB04N2101		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-4	N-7	54239HAB8
		SUB	LB04N4101

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-6	N-2	54239GAA2
		N-3	54239GAB0
		SUB	LB04N6101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-1	M-1	542514JZ8
		M-2	542514KA1

M-3	542514KB9
M-4	542514KC7
M-5	542514KD5
M-6	542514KE3
M-7	542514KF0
M-8	542514KG8
M-9	542514KH6
B-1	542514KJ2
B-2	542514KK9
R	LB0501203
C	LB0501201

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-2	M-2	542514KS2
		M-3	542514KT0
		M-4	542514KU7
		M-5	542514KV5
		M-6	542514KW3
		M-7	542514KX1
		M-8	542514KY9
		M-9	542514KZ6
		B-1	542514LA0
		B-2	542514LB8
		R	LB0502403
		C	LB0502401
		R-CX	LB0502404
		P	LB0502402
R-PX	LB0502405		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-3	I-A	542514NT7
		II-A2	542514NV2
		II-A3	542514NW0
		M-1	542514NX8
		M-2	542514NY6
		M-3	542514NZ3
		M-4	542514PA6
		M-5	542514PB4
		M-6	542514PC2
		M-7	542514PD0
		M-8	542514PE8
		M-9	542514PF5
		M-10	542514PG3
		M-11	542514PH1
		R	LB0503303
		C	LB0503301
		R-CX	LB0503304
P	LB0503302		
R-PX	LB0503305		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-2	N-2	542396AB2
		N-3	542396AC0
		N-4	542396AD8
		SUB	LB05N2001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-WL1	N1	542395AA6
		N2	542395AB4
		N3	54239WAA7
		N4	54239WAB5
		N5	54239WAC3
		SUB-NOTE	LB05N3101
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL2	NOTE	54239QAV4
		OWNER	54239QAW2
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-3	N-2	542394AB7
		N-3	542394AC5
		SUB	LB05N5001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL3	NOTE	54239QAX0
		OWNER	LB05N6101
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL1	I-II-M2	542514LJ1
		I-II-M3	542514LK8
		I-II-M4	542514LL6
		I-II-M5	542514LM4
		I-II-M6	542514LN2
		I-II-M7	542514LP7
		I-II-M8	542514LQ5
		I-II-M9	542514LR3
		I-II-M10	542514LW2
		I-II-B1	542514LS1
		I-II-B2	542514LT9
		I-II-B3	542514LU6
		I-II-B4	542514LV4
		I-II-C	542514LX0
		R	542514LZ5
		III-A2	542514MD3
		III-M1	542514MF8
		III-M2	542514MG6
		III-M3	542514MH4
		III-M4	542514MJ0
		III-M5	542514MK7
III-M6	542514ML5		
III-M7	542514MM3		

III-M8	542514MN1
III-M9	542514MS0
III-B1	542514MP6
III-B2	542514MQ4
III-B3	542514MR2
III-C	542514MT8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL2	M-1	542514NB6
		M-2	542514NC4
		M-3	542514ND2
		M-4	542514NE0
		M-5	542514NF7
		M-6	542514NG5
		M-7	542514NH3
		M-8	542514NJ9
		M-9	542514NK6
		M-10	542514NL4
		B-1	542514NQ3
		B-2	542514NR1
		B-3	542514NS9
		C	542514PJ7
		P	542514PK4
		R	542514PL2
		R-CX	542514PM0
		R-PX	542514PN8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL3	I-A3	542514QC1
		I-A4	542514QD9
		II-A3	542514PQ1
		M-1	542514PR9
		M-2	542514PS7
		M-3	542514PT5
		M-4	542514PU2
		M-5	542514PV0
		M-6	542514PW8
		M-7	542514PX6
		M-8	542514PY4
		M-9	542514PZ1
		B-1	542514QG2
		B-2	542514QH0
		C	542514QJ6
		R	542514QL1
		R-CX	542514QM9
		R-PX	542514QN7

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-1	I-A	542514RH9
		II-A3	542514RL0

II-A4	542514RM8
M-1	542514RN6
M-2	542514RP1
M-3	542514RQ9
M-4	542514RR7
M-5	542514RS5
M-6	542514RT3
M-7	542514RU0
M-8	542514RV8
M-9	542514RW6
M-10	542514RX4
M-11	542514RY2
R	LB0601303
C	LB0601301
R-CX	LB0601304
P	LB0601302
R-PX	LB0601305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-2	I-A	542514TQ7
		II-A3	542514TT1
		II-A4	542514TU8
		M-1	542514TV6
		M-2	542514TW4
		M-3	542514TX2
		M-4	542514TY0
		M-5	542514TZ7
		M-6	542514UA0
		M-7	542514UB8
		M-8	542514UC6
		M-9	542514UD4
		M-10	542514UE2
		B	542514UF9
		C	LB0602301
		P	LB0602302
		R	LB0602303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-3	I-A	542514UG7
		II-A3	542514UK8
		II-A4	542514UL6
		M-1	542514UM4
		M-2	542514UN2
		M-3	542514UP7
		M-4	542514UQ5
		M-5	542514UR3
		M-6	542514US1
M-7	542514UT9		
M-8	542514UU6		

M-9	542514UV4
M-10	542514UW2
B	542514UX0
R	LB0603303
C	LB0603301
P	LB0603302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-4	I-A	54251MAA2
		II-A3	54251MAD6
		II-A4	54251MAE4
		M-1	54251MAF1
		M-2	54251MAG9
		M-3	54251MAH7
		M-4	54251MAJ3
		M-5	54251MAK0
		M-6	54251MAL8
		M-7	54251MAM6
		M-8	54251MAN4
		M-9	54251MAP9
		M-10	54251MAQ7
		M-11	54251MAR5
		R	LB0604303
		C	LB0604301
		P	LB0604302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-5	I-A	54251PAA5
		II-A3	54251PAD9
		II-A4	54251PAE7
		M-1	54251PAF4
		M-2	54251PAG2
		M-3	54251PAH0
		M-4	54251PAJ6
		M-5	54251PAK3
		M-6	54251PAL1
		M-7	54251PAM9
		M-8	54251PAN7
		M-9	54251PAP2
		M-10	54251PAQ0
		B-2	54251PAS6
		R	LB0605303
		C	LB0605301
		P	LB0605302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-6	I-A	54251RAA1
		II-A2	54251RAC7
		II-A3	54251RAD5

II-A4	54251RAE3
M-1	54251RAF0
M-2	54251RAG8
M-3	54251RAH6
M-4	54251RAJ2
M-5	54251RAK9
M-6	54251RAL7
M-7	54251RAM5
M-8	54251RAN3
M-9	54251RAP8
M-10	54251RAQ6
M-11	54251RAR4
R	LB0606303
C	LB0606301
R-CX	LB0606304
P	LB0606302
R-PX	LB0606305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-7	I-A	54251TAA7
		II-A2	54251TAC3
		II-A3	54251TAD1
		II-A4	54251TAE9
		M-1	54251TAF6
		M-2	54251TAG4
		M-3	54251TAH2
		M-4	54251TAJ8
		M-5	54251TAK5
		M-6	54251TAL3
		M-7	54251TAM1
		M-8	54251TAN9
		M-9	54251TAP4
		M-10	54251TAQ2
		M-11	54251TAR0
		R	LB0607303
		C	LB0607301
P	LB0607302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-8	I-A	54251UAA4
		II-A2	54251UAC0
		II-A3	54251UAD8
		II-A4	54251UAE6
		M-1	54251UAF3
		M-2	54251UAG1
		M-3	54251UAH9
		M-4	54251UAJ5
		M-5	54251UAK2
		M-6	54251UAL0

M-7	54251UAM8
M-8	54251UAN6
M-9	54251UAP1
M-10	54251UAQ9
M-11	54251UAR7
R	LB0608303
C	LB0608301
R-CX	LB0608304
P	LB0608302
R-PX	LB0608305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-9	I-A	54251WAA0
		II-A2	54251WAC6
		II-A3	54251WAD4
		II-A4	54251WAE2
		M-1	54251WAF9
		M-2	54251WAG7
		M-3	54251WAH5
		M-4	54251WAJ1
		M-5	54251WAK8
		M-6	54251WAL6
		M-7	54251WAM4
		M-8	54251WAN2
		M-9	54251WAP7
		M-10	54251WAQ5
		B	54251WAR3
		R	LB0609303
		C	LB0609301
P	LB0609302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-A	A-1	542515AA9
		A-2	542515AB7
		A-3	542515AC5
		M-1	542515AD3
		M-2	542515AE1
		M-3	542515AF8
		M-4	542515AG6
		M-5	542515AH4
		M-6	542515AJ0
		M-7	542515AK7
		B-1	542515AL5
		B-2	542515AM3
		C	LB060A201
		P	LB060A202
		R	LB060A203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-10	I-A	54251YAA6

II-A1	54251YAB4
II-A2	54251YAC2
II-A3	54251YAD0
II-A4	54251YAE8
M-1	54251YAF5
M-2	54251YAG3
M-3	54251YAH1
M-4	54251YAJ7
M-5	54251YAK4
M-6	54251YAL2
M-7	54251YAM0
M-8	54251YAN8
M-9	54251YAP3
M-10	54251YAQ1
B	54251YAR9
R	LB0610303
C	LB0610301
R-CX	LB0610304
P	LB0610302
R-PX	LB0610305

DealName	Series	Class	CUSIP
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Long Beach Mortgage Loan Trust	2006-11	I-A	542512AA6
		II-A2	542512AC2
		II-A3	542512AD0
		II-A4	542512AE8
		M-1	542512AF5
		M-2	542512AG3
		M-3	542512AH1
		M-4	542512AJ7
		M-5	542512AK4
		M-6	542512AL2
		M-7	542512AM0
		M-8	542512AN8
		M-9	542512AP3
		B-1	542512AQ1
		B-2	542512AR9
		R	LB0611303
		C	LB0611301
R-CX	LB0611304		
P	LB0611302		
R-PX	LB0611305		

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	CI 2006-WL2	N-1	54240KAA0
		SUB	LB06N2001

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	2006-1	N-1	54240CAA8
		N-2	54240CAB6

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2006-2 NIM Notes	N1	542393AA1
		N2	542393AB9
		N3	542393AC7
		SUB	LB06N5001
		N-1	54240DAA6
		N-2	54240DAB4
		N-3	54240BAA0
		SUB	LB06N6001
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-4	N-1	92931FAA5
		N-2	92931FAB3
		N-3	92931GAA3
		SUB	LB06N7101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-5	N-1	92929AAA0
		N-2	92929AAB8
		N-3	92928YAA9
		SUB	LB06N8101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-6	N-1	92932GAA2
		N-2	92932GAB0
		N-3	92932EAA7
		SUB	LB06N9101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-7	N-1	92932LAA1
		N-2	92932LAB9
		N-3	92932LAC7
		SUB	LB06NA101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-8	N-1	92932YAA3
		N-2	92932YAB1
		SUB	LB06NB101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-9	N-1	929321AA5
		N-2	929321AB3
		N-3	929319AA9
		SUB	LB06NC101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-10	N-1	929306AA6
		SUB	LB06ND101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-11	N-1	92933KAA2
		N-2	92933KAB0
		SUB	LB06NE101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL1	I-A1	542514QP2
		I-A2	542514QQ0
		I-A3	542514QR8
		II-A3	542514QU1
		II-A4	542514QV9
		M-1	542514QW7
		M-2	542514QX5
		M-3	542514QY3
		M-4	542514QZ0
		M-5	542514RA4
		M-6	542514RB2
		M-7	542514RC0
		M-8	542514RD8
		M-9	542514RE6
		M-10	542514RF3
		M-11	542514RG1
	R	LB06W1303	
	C	LB06W1301	
	P	LB06W1302	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL2	I-A	542514RZ9
		II-A3	542514SC9
		II-A4	542514SD7
		M-1	542514SE5
		M-2	542514SF2
		M-3	542514SG0
		M-4	542514SH8
		M-5	542514SJ4
		M-6	542514SK1
		M-7	542514SL9
		M-8	542514SM7
		M-9	542514SN5
		B-1	542514SP0
		B-2	542514SQ8
		B-3	542514SR6
			C
	P	LB06W2302	
	R	LB06W2303	
	R-CX	LB06W2304	
	R-PX	LB06W2305	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL3	I-A	542514SS4
		II-A3	542514SV7
		II-A4	542514SW5
		M-1	542514SX3
		M-2	542514SY1

M-3	542514SZ8
M-4	542514TA2
M-5	542514TB0
M-6	542514TC8
M-7	542514TD6
M-8	542514TE4
M-9	542514TF1
B-1	542514TG9
B-2	542514TH7
B-3	542514TJ3
R	LB06W3303
R-CX	LB06W3304
C	LB06W3301
P	LB06W3302
R-PX	LB06W3305

DealName	Series	Class	CUSIP
Long Beach Asset Holdings Corp CI	2003-3 (2007)	Subnote	LB07P3101
		Subnote	LB07P4101
DealName	Series	Class	CUSIP
Morgan Stanley ABS Capital I Inc.	2000-1	B-1	61744CAF3
		C	MS0001CLC
		P	MS0001CLP
		R-2	MS0001CR2
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-7	A	93933TAS2
		B-3	93933TAZ6
		R	93933TAT0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-AR3	R-1	929227ER3
		I-A	929227EL6
		II-A	929227EM4
		B-1	929227EN2
		B-2	929227EP7
		B-3	929227EQ5
		B-4	929227FD3
		B-5	929227FE1
		B-6	929227FF8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR2	R-1	929227LJ3
		A-1	929227LE4
		B-1	929227LF1
		B-2	929227LG9
		B-3	929227LH7
		B-4	929227LK0
		B-5	929227LL8
		B-6	929227LM6

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR6	A	929227QB5
		B-1	929227QC3
		B-2	929227QD1
		B-3	929227QE9
		B-4	929227QG4
		B-5	929227QH2
		B-6	929227QJ8
		R	929227QF6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR9	I-A	9393357P4
		I-B-1	9393357Q2
		I-B-2	9393357R0
		I-B-3	9393357S8
		I-B-4	9393356M2
		I-B-5	9393356N0
		I-B-6	9393356P5
		II-A	9393357T6
		II-B-1	9393357U3
		II-B-2	9393357V1
		II-B-3	9393357W9
		II-B-4	9393356Q3
		II-B-5	9393356R1
		II-B-6	9393356S9
		R	9393357X7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR12	A	939336CR2
		B-1	939336CS0
		B-2	939336CT8
		B-3	939336CU5
		B-4	939336CW1
		B-5	939336CX9
		B-6	939336CY7
		R	939336CV3
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR13	A-1	929227UB0
		A-2	929227UC8
		M-1	929227UD6
		B-1	929227UE4
		B-2	929227UF1
		B-3	929227UG9
		B-4	929227UJ3
		B-5	929227UK0
		B-6	929227UL8
R	929227UH7		
DealName	Series	Class	CUSIP

Washington Mutual Mortgage Securities Corp.	2002-AR14	A-1	939336CZ4
		A-2	939336DH3
		B-1	939336DA8
		B-2	939336DB6
		B-3	939336DC4
		B-4	939336DD2
		B-5	939336DE0
		R	939336DG5
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR15	R-1	929227XZ4
		A-5-M	939336DN0
		X	929227XY7
		B-1	929227WM4
		B-2	929227WN2
		B-3	929227WP7
		B-4	939336FH1
		B-5	939336FJ7
		B-6	939336FK4
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR16	A	929227WQ5
		B-1	929227WR3
		B-2	929227WS1
		B-3	929227WT9
		B-4	929227WV4
		R	929227WU6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR17	II-A	929227XC5
		I-B-1	929227XD3
		I-B-2	929227XE1
		I-B-3	929227XF8
		I-B-4	929227XL5
		I-B-5	929227XM3
		I-B-6	929227XN1
		II-B-1	929227XG6
		II-B-2	929227XH4
		II-B-3	929227XJ0
		II-B-4	929227XP6
		II-B-5	929227XQ4
		II-B-6	929227XR2
		R	929227XK7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR18	A	929227ZC3
		B-1	929227ZE9
		B-2	929227ZF6
		B-3	929227ZG4
		B-4	929227ZJ8

B-5 929227ZK5
 B-6 929227ZL3
 R 929227ZH2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR19	R-1	929227A22
		A-6	929227ZS8
		A-7	929227ZT6
		A-8	929227ZU3
		B-1	929227ZX7
		B-2	929227ZY5
		B-3	929227ZZ2
		B-4	929227A63
		B-5	929227A71
		B-6	929227A89
DealName	Series	Class	CUSIP
Washington Mutual Bank FA	2002-PR2	A	93933RCJ4
		A	93933RCK1
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR1	R-1	939336RV7
		A-5	939336PB3
		A-6	939336PC1
		B-1	939336PD9
		B-2	939336PE7
		B-3	939336PF4
		B-4	939336PG2
		B-5	939336PH0
		B-6	939336PJ6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR2	B-1	929227F27
		B-2	929227F35
		B-3	929227F43
		B-4	929227F68
		B-5	929227F76
		B-6	929227F84
		R	929227F50
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR3	A-5	929227G67
		B-1	929227G83
		B-2	929227G91
		B-3	929227H25
		B-4	929227K88
		B-5	929227K96
		B-6	929227L20
		R	929227H33
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR4	A6	929227L87

A7	929227L95
B1	929227M45
B2	929227M52
B3	929227M60
B4	929227M86
B5	929227M94
B6	929227N28
R	929227M78

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR5	R-1	929227R73
		A-6	929227R57
		A-7	929227R65
		B-1	929227S23
		B-2	929227S31
		B-3	929227S49
		B-4	929227S56
		B-5	929227S64
Washington Mutual Mortgage Securities Corp.	2003-AR5	B-6	929227S72

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR6	A1	9292274D5
		B1	9292274H6
		B2	9292274J2
		B3	9292274K9
		B4	9292274M5
		B5	9292274N3
		B6	9292274P8
		R	9292274L7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR7	A6	9292276J0
		A7	9292276K7
		A8	9292276L5
		B1	9292276N1
		B2	9292276P6
		B3	9292276Q4
		B4	9292276A9
		B5	9292276B7
		B6	9292276C5
R	9292276R2		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR8	R-1	92922FAX6
		A-1	92922FAS7
		B-1	92922FAU2
		B-2	92922FAV0
		B-3	92922FAW8
		B-4	92922FAY4
		B-5	92922FAZ1

B-6 92922FBA5

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR9	R-1	92922FCE6
		I-A-2B	92922FBR8
		I-A-6	92922FBV9
		I-A-7	92922FBW7
		I-B-1	92922FBY3
		I-B-2	92922FBZ0
		I-B-3	92922FCA4
		I-B-4	92922FCF3
		I-B-5	92922FCG1
		I-B-6	92922FCH9
		II-A	92922FBX5
		II-B-1	92922FCB2
		II-B-2	92922FCC0
		II-B-3	92922FCD8
		II-B-4	92922FCJ5
		II-B-5	92922FCK2
II-B-6	92922FCL0		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR10	R-1	92922FEF1
		A-6	92922FEA2
		A-7	92922FEB0
		B-1	92922FEC8
		B-2	92922FED6
		B-3	92922FEE4
		B-4	92922FEG9
		B-5	92922FEH7
		B-6	92922FEJ3

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR11	A-6	92922FJF6
		B-1	92922FJJ8
		B-2	92922FJK5
		B-3	92922FJL3
		B-4	92922FJN9
		B-5	92922FJP4
		B-6	92922FJQ2
		R	92922FJM1

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR12	R-1	92922FKV9
		A-6	92922FKU1
		B-1	92922FKX5
		B-2	92922FKY3
		B-3	92922FKZ0
		B-4	92922FLA4
		B-5	92922FLB2

B-6 92922FLC0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR1	A-1	92922FLD8
		X	92922FLE6
		B-1	92922FLF3
		B-2	92922FLG1
		B-3	92922FLH9
		B-4	92922FLK2
		B-5	92922FLL0
		B-6	92922FLM8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR2	A	92922FNW4
		B-1	92922FNX2
		B-2	92922FNY0
		B-3	92922FNZ7
		B-4	92922FPB8
		B-5	92922FPC6
		B-6	92922FPD4
		R	92922FPA0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR3	A-1	92922FNH7
		A-2	92922FNJ3
		B-1	92922FNL8
		B-2	92922FNM6
		B-3	92922FNN4
		B-4	92922FNQ7
		B-5	92922FNR5
		B-6	92922FNS3
		X	92922FNK0
		R	92922FNP9
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR4	A-3	92922FPQ5
		A-4	92922FPR3
		A-5	92922FPS1
		A-6	92922FPT9
		B-1	92922FPU6
		B-2	92922FPV4
		B-3	92922FPW2
		B-4	92922FPY8
		B-5	92922FPZ5
		B-6	92922FQA9
		R	92922FPX0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR5	A-2	92922FRY6
		A-4	92922FSA7
		A-5	92922FSB5

A-6	92922FSC3
B-1	92922FSD1
B-2	92922FSE9
B-3	92922FSF6
B-4	92922FSH2
B-5	92922FSJ8
B-6	92922FSK5
R	92922FSG4

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR6	A	92922FSL3
		X	92922FSM1
		B-1	92922FSN9
		B-2	92922FSP4
		B-3	92922FSQ2
		B-4	92922FST6
		B-5	92922FSU3
		B-6	92922FSV1
		R	92922FSS8
		Y	930108ZZ9

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR7	A-4	92922FSZ2
		A-5	92922FTA6
		A-6	92922FTB4
		B-1	92922FTF5
		B-2	92922FTG3
		B-3	92922FTH1
		B-4	92922FTT5
		B-5	92922FTU2
		B-6	92922FTV0
		R	92922FTD0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR8	A-1	92922FTJ7
		A-2	92922FUN6
		A-3	92922FUP1
		X	92922FTK4
		B-1	92922FTL2
		B-2	92922FTM0
		B-3	92922FTN8
		B-4	92922FTP3
		B-5	92922FTQ1
		B-6	92922FTR9
R	92922FTS7		
Y	930108ZZ8		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR10	A-1-A	92922FXJ2
		A-1-B	92922FWU8

A-1-C	92922FWV6
A-3	92922FWZ7
X	92922FXD5
B-1	92922FXA1
B-2	92922FXB9
B-3	92922FXC7
B-4	92922FXF0
B-5	92922FXG8
B-6	92922FXH6
R	92922FXE3
Y	930108ZZ7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR12	A-1	92922FZE1
		A-2A	92922FZF8
		A-2B	92922FZV3
		A-5	92922FZK7
		B-1	92922FZN1
		B-2	92922FZP6
		B-3	92922FZQ4
		X	92922FZL5
		B-4	92922FZS0
		B-5	92922FZT8
		B-6	92922FZU5
		Y	WA04AR120
		R	92922FZR2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR13	A-1A	92922FB49
		A-1B2	92922FB64
		A-2A	92922FB72
		A-2B	92922FB80
		X	92922FB98
		B-1	92922FC22
		B-3	92922FC48
		B-4	92922FC55
		B-5	92922FC63
		B-2	92922FC30
		B-6	92922FC71
		Y	WA04AR130
		R	92922FC89

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR1	A1A	939336X40
		A1B	939336X57
		A2A1	939336X65
		A2A3	939336X81
		A2B	939336X99
		A3	939336Z22
		X	939336Y56

B1	939336Y23
B2	939336Y31
B3	939336Y49
B4	939336Y72
B5	939336Y80
B6	939336Y98
Y	WA05A1101
R	939336Y64

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR2	1A1A	92922FC97
		1A1B	92922FE87
		2A1A	92922FD21
		2A1B	92922FD39
		2A2A1	92922FD47
		2A2A3	92922FD62
		2A2B	92922FD70
		2A3	92922FE95
		X	92922FD88
		B1	92922FD96
		B2	92922FE20
		B3	92922FE38
		B4	92922FE46
		B5	92922FE53
		B6	92922FE61
		B7	92922FF29
		B8	92922FF37
		B9	92922FF45
		B10	92922FF52
		B11	92922FF60
Y	WA05A2301		
R	92922FE79		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR4	A-3	92922FG44
		A-4A	92922FG51
		A-4B	92922FG69
		A-5	92922FG77
		X	92922FG85
		B-1	92922FG93
		B-2	92922FH27
		B-3	92922FH35
		B-4	92922FH50
		B-5	92922FH68
		B-6	92922FH76
		R	92922FH43

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR6	1-A-1A	92922FH84
		1-A-1B	92922FH92

2-A-1A	92922FJ25
2-A-1B2	92922FJ41
2-A-1B3	92922FL48
2-A-1C	92922FJ58
X	92922FJ66
B-1	92922FJ74
B-2	92922FJ82
B-3	92922FJ90
B-4	92922FK23
B-5	92922FK31
B-6	92922FK49
B-7	92922FK56
B-8	92922FK64
B-9	92922FK72
B-10	92922FK98
B-11	92922FL22
B-12	92922FL30
R	92922FK80

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR8	1-A-1A	92922FR67
		2-A-1A	92922FR75
		2-A-1B2	92922FR91
		2-A-1B3	92922FS25
		2-A-1C2	92922FS41
		2-A-1C3	92922FS58
		X	92922FS66
		B-1	92922FS74
		B-2	92922FS82
		B-3	92922FS90
		B-4	92922FT24
		B-5	92922FT32
		B-6	92922FT40
		B-7	92922FT57
B-8	92922FT65		
B-9	92922FT73		
B-10	92922FT99		
B-11	92922FU22		
B-12	92922FU30		
R	92922FT81		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR9	A-1A	92922FU48
		A-1B	92922FU55
		A-1C3	92922FU89
		A-2A	92922FU97
		B-1	92922FV39
		B-2	92922FV47
		B-3	92922FV54

X	92922FV21
B-4	92922FV70
B-5	92922FV88
B-6	92922FV96
R	92922FV62

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR11	A-1A	92922F2G2
		A-1B2	92922F2J6
		A-1B3	92922F2K3
		A-1C3	92922F2N7
		A-1C4	92922F2P2
		X	92922F2Q0
		B-1	92922F2R8
		B-2	92922F2S6
		B-3	92922F2T4
		B-4	92922F2U1
		B-5	92922F2V9
		B-6	92922F2W7
		B-7	92922F2X5
		B-8	92922F2Y3
		B-9	92922F2Z0
		B-10	92922F3B2
B-11	92922F3C0		
B-12	92922F3D8		
B-13	92922F3E6		
PPP	92922F3Z9		
R	92922F3A4		

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR13	A-1A1	92922F4M7
		A-1A2	92922F4N5
		A-1A3	92922F4P0
		A-1B2	92922F4R6
		A-1B3	92922F4S4
		A-1C3	92922F4V7
		A-1C4	92922F4W5
		X	92922F4X3
		B-1	92922F4Y1
		B-2	92922F4Z8
		B-3	92922F5A2
		B-4	92922F5B0
		B-5	92922F5C8
		B-6	92922F5D6
		B-7	92922F5E4
		B-8	92922F5F1
B-9	92922F5G9		
B-10	92922F5M6		
B-11	92922F5N4		

B-12	92922F5P9
B-13	92922F5Q7
B-14	92922F5R5
PPP	92922F5S3
R	92922F5H7

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR16	1-A1	92922F6W3
		1-A2	92922F6X1
		1-A3	92922F6Y9
		1-A4A	92922F6Z6
		1-A4B	92922F7A0
		1-A5	92922F7B8
		2-A1	92922F7C6
		2-A2	92922F7D4
		2-A3	92922F7E2
		2-A4	92922F7F9
		B-1	92922F7G7
		B-2	92922F7H5
		B-3	92922F7J1
		B-4	92922F7L6
		B-5	92922F7M4
		B-6	92922F7N2
		R	92922F7K8

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR18	1-A1	92922F8K7
		1-A2	92922F8L5
		1-A3A	92922F8M3
		1-A3B	92922F8N1
		1-A4	92922F8P6
		2-A1	92922F8Q4
		2-A2	92922F8R2
		2-A3	92922F8S0
		3-A1	92922F8T8
		3-A2	92922F8U5
		B-1	92922F8V3
		B-2	92922F8W1
		B-3	92922F8X9
		B-4	92925CAG7
		B-5	92925CAH5
		B-6	92925CAJ1
		R	92922F8Y7

DealName	Series	Class	CUSIP
Washington Mutual Home Equity Trust	2006-1	A	WA0601001
		R	WA0601002

DealName	Series	Class	CUSIP
WaMu	2006-OA1	A	WA0602001

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR1	1A-1A	92925CCC4
		1A-1B	92925CCD2
		2A-1A	92925CCE0
		2A-1B	92925CCF7
		2A-1C	92925CCG5
		X	92925CCH3
		B-1	92925CCJ9
		B-2	92925CCK6
		B-3	92925CCL4
		B-4	92925CCM2
		B-5	92925CCN0
		B-6	92925CCP5
		B-7	92925CCQ3
		B-8	92925CCR1
		B-9	92925CCS9
		B-10	92925CCU4
B-11	92925CCV2		
B-12	92925CCW0		
B-13	92925CCX8		
B-14	92925CCY6		
PPP	92925CCZ3		
R	92925CCT7		
DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR3	A-1A	92925CDA7
		A-1B	92925CDB5
		A-1C	92925CDC3
		X	92925CDE9
		B-1	92925CDF6
		B-2	92925CDG4
		B-3	92925CDH2
		B-4	92925CDJ8
		B-5	92925CDK5
		B-6	92925CDL3
		B-7	92925CDM1
		B-8	92925CDN9
		B-9	92925CDP4
		B-10	92925CEB4
		B-11	92925CEC2
		B-12	92925CED0
B-13	92925CEE8		
B-14	92925CEF5		
PPP	92925CEG3		
R	92925CDD1		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2006-AR4	1A-1A	93934FPN6

1A-1B	93934FPP1
1A-1C2	93934FPR7
1A-1C3	93934FPS5
2A-1A	93934FPT3
1X-1A	93934FPU0
1X-1B	93934FPV8
2X	93934FPW6
B-1	93934FPX4
B-2	93934FPY2
B-3	93934FPZ9
B-4	93934FQA3
B-5	93934FQB1
B-6	93934FQC9
B-7	93934FQD7
B-8	93934FQE5
B-9	93934FQF2
B-10	93934FPH9
B-11	93934FPJ5
B-12	93934FPK2
B-13	93934FPL0
B-14	93934FPM8
PPP	93934FQH8
R	93934FQG0

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR5	A1A	93362YAA0
		A1A2A	93362YAB8
		A1A2B	93362YAC6
		A1B2	93362YAE2
		A1B3	93362YAF9
		B1	93362YAH5
		B2	93362YAJ1
		B3	93362YAK8
		B4	93362YAL6
		B5	93362YAM4
		B6	93362YAN2
		B7	93362YAP7
		B8	93362YAQ5
		B9	93362YAR3
		X	93362YAG7
B10	93362YAU6		
B11	93362YAV4		
B12	93362YAW2		
B13	93362YAX0		
B14	93362YAY8		
R	93362YAS1		
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 2	R-1	WA06C2001

DealName	Series	Class	CUSIP
WaMu	2007-Flex1	A	WA0701301
		R	WA0701302
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 3	R-1	WA07C3001
DealName	Series	Class	CUSIP
WaMu	2007-HE1	I-A	933631AA1
		II-A2	933631AC7
		II-A3	933631AD5
		II-A4	933631AE3
		M-1	933631AF0
		M-2	933631AG8
		M-3	933631AH6
		M-4	933631AJ2
		M-5	933631AK9
		M-6	933631AL7
		M-7	933631AM5
		M-8	933631AN3
		M-9	933631AP8
		B-1	933631AQ6
		B-2	933631AR4
		R	WA07H1303
		C	WA07H1301
		R-CX	WA07H1304
P	WA07H1302		
R-PX	WA07H1305		
DealName	Series	Class	CUSIP
WaMu CI NIM Notes	2007-WM1	N-1	92933UAA0
		SUB	WA07N1101

Exhibit B

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

DEUTSCHE BANK NATIONAL :
TRUST COMPANY :
 :
Plaintiff, : Docket No. CA 09-1656
 :
 : Washington, D.C.
vs. : Wednesday, June 17, 2015
 : 3:07 p.m.
 :
FEDERAL DEPOSIT INSURANCE :
CORPORATION ET AL, :
 :
Defendants. :
-----x

TRANSCRIPT OF STATUS CONFERENCE
BEFORE THE HONORABLE ROSEMARY M. COLLYER
UNITED STATES DISTRICT JUDGE

APPEARANCES:

For the Plaintiff: ROBIN A. HENRY, Esquire
MOTTY SHULMAN, Esquire
Boies, Schiller & Flexner LLP
333 Main Street
Armonk, NY 10504

TALCOTT J. FRANKLIN, Esquire
Talcott Franklin PC
1521 N. Cooper St.
Suite 340
Arlington, Texas 76011

For the Defendants: SCOTT H. CHRISTENSEN, Esquire
JASON S. COHEN, Esquire
Hughes Hubbard & Reed LLP
1775 I Street, NW
Washington, DC 20006-2401

Appearances continued:

For Defendants:

BRENT J. MCINTOSH, Esquire
MIA WHANG SPIKER, Esquire
Sullivan & Cromwell LLP
1700 New York Ave., NW
Suite 700
Washington, DC 20006-5215

ROBERT A. SACKS, Esquire
Sullivan & Cromwell LLP
1888 Century Park East
Los Angeles, CA 90067-1725

LAURA R. PALIANI, Esquire
Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004-2498

ANNE M. DEVENS, Esquire
Federal Deposit Insurance
Corporation
3501 Fairfax Drive,
Room VS-D-7062
Arlington, VA 22226-3500

Court Reporter:

CRYSTAL M. PILGRIM, RPR, FCRR
Official Court Reporter
United States District Court
District of Columbia
333 Constitution Avenue, NW
Washington, DC 20001

Proceedings recorded by machine shorthand, transcript produced
by computer-aided transcription.

1 P-R-O-C-E-E-D-I-N-G-S

2 THE DEPUTY CLERK: Civil action 09-1656. Deutsche
3 Bank National Trust Company versus Federal Deposit Insurance,
4 excuse me, Insurance Corporation et al. For the plaintiffs,
5 Motty Shulman, Robin Henry and Talcott Franklin. For the
6 defense, Scott Christensen, Anne Devens, Jason Cohen, Brent
7 McIntosh, Mia Spiker, Robert Sacks and Laura Paliani.

8 THE COURT: There were two different parties that
9 were --

10 THE DEPUTY CLERK: Yes.

11 THE COURT: Well since --

12 THE DEPUTY CLERK: I just called them all together.

13 THE COURT: Okay, nice to see everybody. I was
14 having trouble following the list.

15 All right, we're gathered together to see what you all
16 would like to do next. What would you all like to do next?
17 Yes, sir.

18 MR. CHRISTENSEN: Good afternoon, Your Honor.

19 THE COURT: Good afternoon, nice to see you.

20 MR. CHRISTENSEN: Good to see you. Scott Christensen
21 on behalf of the FDIC as Receiver for Washington Mutual Bank.
22 I'd like to address three things speaking on behalf of all of
23 the parties about what we would like to see happen next.

24 THE COURT: Okay.

25 MR. CHRISTENSEN: Wanted to talk briefly about the

1 redaction issue that the Court raised.

2 THE COURT: Yes.

3 MR. CHRISTENSEN: The schedule.

4 THE COURT: Yes.

5 MR. CHRISTENSEN: And a briefing schedule on 54(b)
6 question.

7 First on the question of redactions. The parties
8 believe there is nothing in the order that needs to be
9 redacted.

10 THE COURT: I thought that was probably true, but I
11 didn't dare decide it for you. You see I was, tried to avoid
12 anything that you or the parties might consider necessary to
13 redact, but I wanted you all to have a chance to say oh,
14 goodness, don't put that out.

15 MR. CHRISTENSEN: There are --

16 THE COURT: Well there's always a caveat, isn't
17 there? Oh, I just congratulated us all, now I'm wrong, sorry.

18 MR. CHRISTENSEN: No, the congratulations still
19 stands. There are two very minor sets of corrections that the
20 parties have agreed on.

21 THE COURT: Okay.

22 MR. CHRISTENSEN: And I'd like to hand up to the
23 Court if I may.

24 THE COURT: Yes.

25 MR. CHRISTENSEN: I can explain each of them briefly

1 and I've handed up, Your Honor, the only pages on which
2 corrections are being requested. The first set of corrections
3 which is reflected here on page 6 and on some subsequent pages
4 is simply to clarify that JPMorgan Chase itself did not inherit
5 the liabilities of Washington Mutual Mortgage Securities
6 Corporation otherwise referred to as WMMSC.

7 THE COURT: Right.

8 MR. CHRISTENSEN: The parties do not dispute that
9 WMMSC --

10 THE COURT: Kept its own liabilities.

11 MR. CHRISTENSEN: -- kept its own liabilities, but
12 the parties did not argue that JPMorgan Chase inherited those
13 liabilities.

14 THE COURT: That's a very important and useful
15 correction, thank you. I misunderstood the record.

16 MR. CHRISTENSEN: No, no, not saying that.

17 THE COURT: Well I can say that, that's okay.

18 MR. CHRISTENSEN: Just bring one clarification. And
19 that covers almost all of the corrections except for the second
20 one that's reflected here on page 9.

21 On page 9, we request that the first sentence be crossed
22 out.

23 THE COURT: Yes.

24 MR. CHRISTENSEN: The quotation and the citation are
25 to the resolutions handbook that was in effect in 2008 and it

1 discusses, the quotation and the citation discuss what's
2 referred to as open bank assistance which is different from an
3 open bank transaction. An open bank transaction is what is
4 discussed in the remainder of the footnote and what is
5 discussed in the text.

6 An open bank transaction, which is what's being
7 discussed in the text of the rest of the footnote, is the sale
8 of the bank's stock on the open market without assistance from
9 the FDIC.

10 Open bank assistance, which is what's discussed in the
11 handbook, is a resolution method that was used in past years
12 during the S&L crisis and it involved all sorts of financial
13 assistance from the FDIC. But that resolution method was
14 severely restricted in use after 1992 and then abolished by
15 Congress and the Dodd-Frank Act in July of 2010. So just to
16 make it perfectly clear.

17 THE COURT: Perfectly clear and thank you very much
18 again.

19 MR. CHRISTENSEN: Sure.

20 THE COURT: You can tell that I am not actually a
21 banker. We tried, but okay. Well, what we will do is make
22 these proposed changes so that the corrections are reflected
23 and issue a modified, or some other word like that, opinion
24 which we can post openly, but leave the order outstanding as
25 originally issued which was public anyway and which governs

1 timing and everything and then we don't confuse the world. Is
2 that all right with you?

3 MR. CHRISTENSEN: We have included in the collection
4 of edits, that you have in front of you the last page, our
5 proposed corrections to the order itself.

6 THE COURT: Oh, well then I'll change the order
7 itself. Okay, got it. Thank you for your attention to those
8 details which we hoped we had gotten right and thought we had,
9 but I guess did not.

10 MR. CHRISTENSEN: Your Honor, the other two issues
11 that the parties are in agreement on are a proposed schedule
12 for the remainder of the case.

13 THE COURT: Okay.

14 MR. CHRISTENSEN: Which we provided to the Court
15 earlier today. I have copies of if that will be useful.

16 THE COURT: I have copies of, thank you.

17 MR. CHRISTENSEN: And likewise, the parties have
18 agreed on a proposed 54(b) certification schedule which would
19 allow the FDIC the time to decide whether to seek 54(b)
20 certification and then to submit a brief explaining the reasons
21 why.

22 THE COURT: Okay, let me ask you a question which
23 perhaps should be obvious and maybe none of this has actually
24 been decided and so that's why it wasn't so obvious.

25 I understand the 54(b) certification schedule and rather

1 anticipated one or the other in the end would want
2 certification. And so I'm assuming that JPMorgan Chase might
3 oppose certification, although it may say we just assume get
4 this done or Deutsche Bank, I don't know. Do you have any
5 idea?

6 MR. CHRISTENSEN: I don't yet, Your Honor.

7 THE COURT: You don't because you haven't filed it.

8 MR. CHRISTENSEN: That's right.

9 THE COURT: Okay, it's a deal, I got it.

10 MR. MCINTOSH: If you're looking for an answer, Your
11 Honor, I think that JPMorgan would oppose.

12 THE COURT: Would oppose?

13 MR. MCINTOSH: Would oppose.

14 MS. HENRY: I think Deutsche Bank would take under
15 consideration what position to take depending upon how the
16 briefing played out during this period of time.

17 THE COURT: Okay. There, now you have just about the
18 same cloud we had when we walked in. Okay, that's fine.

19 All right, I do have the schedules that you had
20 proposed. And the briefing schedule on Rule 54(b) would give
21 the FDIC-R until July 24 to file its motion. And you think
22 that's sufficient time for you and your client to consult and
23 decide?

24 MR. CHRISTENSEN: Yes, Your Honor.

25 THE COURT: Okay, that's fine. And then the

1 discovery schedule has completion dates, but not beginning
2 dates. I don't know if you want to begin discovery before the
3 Rule 54(b) certification briefing has been decided.

4 MR. CHRISTENSEN: I can't represent a joint view of
5 the parties. I think it would be --

6 THE COURT: Okay.

7 MS. HENRY: I think, Your Honor, the parties will
8 continue to meet and confer over the process going forward.
9 I'm confident we'll reach agreement on how to resolve things
10 internal for the deadlines.

11 THE COURT: Well okay, but you want me to say
12 document discovery completed by April 29th of 2016. And my
13 question really is, do you want to do that if on a hypothesis
14 FDIC-R files a motion for certification? There's some
15 litigation about it. I grant the motion. It goes up and the
16 circuit says yes, we'll listen. It's worth it to resolve it.
17 Are you going to proceed with discovery before it's resolved or
18 not, that's the question?

19 I mean this lawsuit, as Deutsche Bank knows only too well,
20 has been sitting around for some time. We haven't been doing
21 nothing, but it's taken some time to get this far. So that's
22 my question. Perhaps you haven't thought that through yet or
23 do you have an idea?

24 MR. CHRISTENSEN: I think following on Ms. Henry's
25 comments it would probably be wise for the parties to discuss

1 that and I have no doubt that we'll be able to come to a
2 resolution as we have on most issues.

3 THE COURT: That's perfectly fine by me. Under those
4 circumstances, I will wait until you tell me that you have made
5 a decision that you want to begin discovery regardless of X or
6 Y or Z, then we'll have another order that says tell us the
7 timing of what you want to do. There's no point in giving you
8 a deadline if I haven't given you a beginning. The beginning
9 might not be until January in which case you'll say oh, we
10 can't possibly do that, okay.

11 MR. CHRISTENSEN: Great.

12 THE COURT: I am, I can assure you all, as interested
13 in getting this case concluded as you are. I am confident, but
14 I also have to tell you that I have very much enjoyed the
15 lawyering side. It's nice to have you.

16 Okay, what else can I do for you, anything?

17 MR. CHRISTENSEN: I think that's it.

18 MS. HENRY: I think that's it, Your Honor.

19 MR. MCINTOSH: May I?

20 THE COURT: Yes.

21 MR. MCINTOSH: Your Honor, Brent McIntosh Sullivan
22 and Cromwell for the JPMorgan Chase defendants. The only thing
23 I would add is that, although it's not this case, there are
24 related cases and the FDIC and we have been discussing what to
25 do about making those proceed, including the North Carolina

1 case which is stayed.

2 THE COURT: Yes, we thought about just immediately
3 saying okay, what are we going to do with these. Then thought
4 let's give everybody a little time.

5 MR. MCINTOSH: We will meet and confer on that
6 question and get back to Your Honor as soon as we have a
7 proposed resolution.

8 THE COURT: A plan of attack, okay. Because we've
9 got a small number of tagalong cases that we might be able to
10 address now.

11 MR. MCINTOSH: Yes, we agree with that.

12 THE COURT: Okay, thank you everybody. Nice to see
13 you.

14 MR. MCINTOSH: Thank you, Your Honor.

15 MS. HENRY: Thank you, Your Honor.

16 THE COURT: Stay warm. I know it's very hard to do
17 in this weather.

18 (Proceedings concluded at 3:22 p.m.)

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CERTIFICATE

I certify that the foregoing is a true and correct transcript, to the best of my ability, of the above pages, of the stenographic notes provided to me by the United States District Court, of the proceedings taken on the date and time previously stated in the above matter.

I further certify that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken, and further that I am not financially nor otherwise interested in the outcome of the action.

/s/Crystal M. Pilgrim, RPR, FCRR

Date: June 19, 2015

Exhibit C

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

<hr/>)	
DEUTSCHE BANK NATIONAL)	
TRUST COMPANY,)	
)	
Plaintiff,)	Civil Action No. 09-1656 (RMC)
)	
v.)	
)	
FEDERAL DEPOSIT INSURANCE)	
CORPORATION, <i>et al.</i>,)	
)	
Defendants.)	
<hr/>)	

AMENDED ORDER

For the reasons set forth in the Amended Opinion filed simultaneously with this Amended Order, it is hereby

ORDERED that Defendant JPMorgan Chase, National Association’s (JPMC) Motion for Summary Judgment [Dkts. 142, 143, 170] is **GRANTED in part and DENIED in part**; and it is

FURTHER ORDERED that JPMC is entitled to **JUDGMENT** that it assumed liability for the disputed mortgage repurchase liabilities only to the extent that Washington Mutual Bank (“WaMu”) reflected such liabilities at a stated Book Value on WaMu’s financial accounting records as of September 25, 2008; and it is

FURTHER ORDERED that Defendant Federal Deposit Insurance Corporation’s Motion for Summary Judgment [Dkt. 144, 173] is **GRANTED in part and DENIED in part**; and it is

Exhibit D

repurchase liabilities. Specifically, the present litigation concerns interpretation of the P&A Agreement and the question of whether FDIC transferred liabilities beyond their “Book Value” as reflected on WaMu’s “Books and Records” (i.e., unbooked liabilities) to JPMC or whether those liabilities remained with FDIC.¹ The answer to this question will likely affect other pending cases.² Ultimately, the Court finds that JPMC did not assume WaMu’s unbooked mortgage repurchase liabilities and will grant summary judgment in part to JPMC, finding that JPMC assumed liability for the disputed mortgage repurchase liabilities only to the extent that such liabilities were reflected at a stated Book Value on WaMu’s financial accounting records as of September 25, 2008. The Court will also grant summary judgment in part to FDIC, because it is not liable for mortgage repurchase obligations of Washington Mutual Mortgage Securities Corporation (WMMSC), which JPMC acquired in its entirety.

I. FACTS

A. Residential Mortgage-Backed Securities

WaMu, its subsidiaries, and Deutsche Bank all participated in securitizing and servicing residential mortgage loans. In mortgage loan securitization transactions, securities backed by thousands of residential mortgage loans are created and sold to investors; these are known as Residential Mortgage-Backed Securities or RMBS. Ex. 778 (Expert Rebuttal Report

¹ JPMC does not dispute that it assumed a certain amount of WaMu’s mortgage repurchase liabilities, but argues that it only assumed such obligations up to their “Book Value” as reflected on WaMu’s accounting records at the time of closing. JPMC Mem. in Support of Mot. for Summ. J. (JPMC Mem.) [Dkt. 142] at 25-28.

² See *North Carolina Dept. of Revenue v. FDIC*, Civil Case No. 10-505 (RMC); *JPMorgan Chase Bank, N.A. v. FDIC*, Civil Case No. 12-450 (RMC); *JPMorgan Chase Bank, N.A. v. FDIC*, Civil Case No. 13-1997 (RMC).

of George S. Oldfield (Oldfield Report)) [Dkt. 166-9], ¶¶ 14-16.³ In the securitization process, the seller—the entity sponsoring the transaction (typically a bank or bank subsidiary)—originates or acquires a pool of residential mortgage loans and sells them to the depositor—an intermediate entity—which then places the loans into an investment trust as collateral for the securities. *Id.* ¶¶ 14, 20; Ex. 775 (Expert Report of Michelle Minier (Minier Report)) [Dkt. 166-8], ¶¶ 14-16. The process also includes an underwriter, which buys the mortgage-backed securities issued by the trust and sells them to investors as RMBS. Oldfield Report, ¶ 14; Minier Report, ¶¶ 17, 21. The trust is run by a trustee, which directs payments to investors in accord with the terms of trust agreements and reports to investors about the performance of the trust’s assets. Oldfield Report, ¶ 14, 24; Minier Report, ¶¶ 17, 20. The originator, seller, underwriter, and depositor may be the same entity or subsidiaries of the same institution. Minier Report, ¶ 10; Oldfield Report, ¶ 21. The seller may also play the role of servicer, which has various responsibilities, including collecting principal and interest payments from residential mortgagors and sending the funds to the trust. Minier Report, ¶¶ 10, 18-19; Oldfield Report, ¶¶ 14, 21. In contractual agreements between the trustee and the seller, the seller makes certain representations and warranties about the quality of the residential mortgage loans sold to the investment trust. Oldfield Report, ¶ 26; Minier Report ¶ 14. The trustee usually has the ability to return defective residential mortgage loans to the seller, and the seller warrants that it will repurchase non-compliant loans. Oldfield Report, ¶ 26; Minier Report ¶ 14. The securitization process creates vast profit potential for the depositor, seller, servicer, and underwriter, providing

³ The exhibits referred to herein are part of a joint appendix of exhibits and deposition transcripts cited in the parties’ cross-motions for summary judgment. *See* Dkts. 158-169, 176.

a source of capital to the banks that approve residential mortgage loans for home buyers and subsequently sell the mortgages. Oldfield Report, ¶ 15.

B. Relevant Parties and Procedural Background

WaMu was a federally chartered savings and loan institution that engaged in residential mortgage lending and participated in the mortgage-backed securitization market. In the spring of 2008, it was the largest savings and loan association in the United States. Am. Compl. [Dkt. 32], ¶ 10. Its business operations consisted of Washington Mutual, Inc. (WMI), a parent holding company, WaMu, a wholly-owned subsidiary, and various subsidiaries of WaMu. In early 2008, WaMu had over 42,000 employees, 2,200 branch offices in 15 states, and \$188.3 billion in deposits. Ex. 327 [Dkt. 163-26] at 8;⁴ Ex. 819 [Dkt. 162] at 1.

WaMu's collapse on September 25, 2008 was the largest thrift failure in the nation's history as measured by dollar value. A significant part of WaMu's business focused on the sale and servicing of securitized residential mortgage loans through large-scale financial transactions. Ex. 801 [Dkt. 161-16] at 132-33. WaMu sold two types of loans. The first type involved loans that met the standards of federal mortgage agencies, such as the Federal National Mortgage Association (FNMA, commonly known as Fannie Mae) and the Federal Home Loan Mortgage Corporation (FHLMC, commonly known as Freddie Mac). Oldfield Report, ¶ 17. Both Fannie Mae and Freddie Mac are government sponsored enterprises (GSEs) that are not agencies of the federal government. Residential mortgage loans that complied with Fannie Mae or Freddie Mac standards were sold into securitization trusts sponsored by those entities. *Id.* The second kind of residential mortgage loans that were sold and securitized by WaMu were

⁴ Page citations within this exhibit are to the ECF page number.

sold to “private label” trusts sponsored by private sector institutions, like WaMu, and were administered by private sector trustees such as Deutsche Bank. *Id.* ¶ 18.

Deutsche Bank serves as Trustee for 99 “Primary Trusts” and 28 “Secondary Trusts” (collectively the Trusts) at issue in this case. Am. Compl. ¶¶ 2, 3. The Primary Trusts were created, sponsored, and/or serviced by WaMu and its subsidiaries, their predecessors-in-interest, and their affiliates; the Primary Trusts issued RMBS and other securities, holding as collateral mortgage loans originated or acquired by WaMu and sold into the Primary Trusts. *Id.* ¶ 2. WaMu also issued securities through 28 Secondary Trusts, which are express or implied third-party beneficiaries of the Primary Trusts, and whose performance is allegedly dependent, in whole or in part, on the performance of the Primary Trusts or other RMBS issued by WaMu. *Id.* ¶ 3. Defendant WMMSC, now a subsidiary of JPMC, serves as the seller and depositor for 44 of the 99 Primary Trusts. *Id.* WaMu served as the seller and depositor (or assumed similar roles) for the remaining Trusts. *See id.*

Each Trust is governed by a series of agreements memorializing the rights and obligations of the contracting parties (the Governing Agreements). *See, e.g.*, Ex. 802 (WaMu Series 2007-HE1 Trust) [Dkts. 161-17—161-21]. Specifically, the Governing Agreements imposed various obligations upon WaMu in its capacity as seller, including the obligation to cure, repurchase, or substitute new mortgage loans for any that were materially defective or in material breach of their representations or warranties. *See id.*⁵ WaMu accounted for the

⁵ This opinion interprets the P&A Agreement in order to determine which defendant—JPMC or FDIC—is responsible for obligations arising under the Governing Agreements in the underlying case brought by Deutsche Bank. However, the Court’s finding as to the transfer of WaMu’s liabilities under the P&A Agreement has no bearing on those Trusts for which WMMSC served as a seller and depositor, or had other obligations. As JPMC acknowledges, “WMMSC is an ‘entit[y] acquired by [JPMC] as part of . . . the Washington Mutual . . . transaction[.]’” JPMC Opp. to FDIC Mot. for Summ. J. (JPMC Opp.) [Dkt. 150] at 41 (alterations in original); *see also*

possibility that it would have to repurchase loans by recording on its balance sheet a reserve for the liabilities associated with repurchasing loans. *See* Ex. 753 (Expert Report of S.P. Kothari) [Dkt. 167-1], ¶¶ 17-18; Ex. 769 (Expert Report of Thomas Blake) [Dkt. 167-3] at 9. That reserve balance “at any given point in time reflects a dollar estimate of future resources that could be needed to satisfy this contingent liability.” Ex. 753, ¶ 21; Ex. 769 at 9 (“WMB’s repurchase reserve was based on an estimate because in many cases the liability had not yet been identified, meaning that a claim had not been made, or a determination had not been made by WMB that a representation or warranty had been breached and that the breach caused a material adverse effect on the value of a particular loan.”).

The Office of Thrift Supervision (OTS) was an agency within the U.S. Department of the Treasury, established by the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), Pub. L. No. 101-73, 103 Stat. 183 (1989), on August 9, 1989. *See* Ex. 767 (FDIC Resolution Handbook) [Dkt. 161-12] at 96.⁶ It was the primary regulator of all federal and many state chartered thrift institutions. *Id.* As WaMu’s primary regulator, Ex. 912

Ex. 1 (P&A Agreement) [Dkt. 158-1], § 3.1 (JPMC assumes “all right, title, and interest” in all subsidiaries of WaMu). Because JPMC assumed all of the stock of WMMSC, it cannot now disclaim WMMSC liabilities, whatever they turn out to be. *See* Ex. 498 (Internal JPMC December 2008 presentation) [Dkt. 164-12] at 7 (“JPMC[] cannot avoid repurchase liability under the terms of the FDIC agreement for transactions in which Washington Mutual Mortgage Securities Corp. (WMMSC) maintains the liability. This is because JPMC[] bought the stock of WMMSC.”); *see also* FDIC Opp. to JPMC’s Mot. for Summ. J. (FDIC Opp.) [Dkt. 148] at 44-45. WMMSC does not dispute that it is responsible for its own liabilities, and thus summary judgment will be entered in favor of FDIC with respect to all trusts for which WMMSC was the seller or depositor.

⁶ Under Title III of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 1376 (2010), OTS’s oversight responsibilities related to federal savings and loan associations were subsumed into the Office of the Comptroller of the Currency, a bureau within the Treasury Department that charters, regulates, and supervises national banks. *See* Ex. 767 at 95-96; 12 U.S.C. §§ 5412(b)(2)(B), 5414(a)(2)(B). On July 21, 2011, OTS became a part of OCC.

[Dkt. 162-16] at 1, OTS determined that the bank had “insufficient liquidity to meet its obligations” and thus was in an “unsafe and unsound condition to conduct business.” Ex. 819 at 1. On September 25, 2008, OTS closed WaMu and placed it into an FDIC receivership. *See* Ex. 911 [Dkt. 162-15].

FDIC is an independent federal agency established by the Banking Act of 1933, Pub. L. 73-86, 48 Stat. 162 (establishing temporary FDIC), and the Banking Act of 1935, Pub. L. 74-305, 49 Stat. 684 (making FDIC permanent), to provide insurance for depositors in U.S. banks. *See* Ex. 767 at 1. FDIC maintains a Deposit Insurance Fund by assessing insurance premiums against banks and savings and loan associations. *See* Federal Deposit Insurance Reform Act of 2005, Pub. L. 109-71, 110 Stat. 9 (merging the Bank Insurance Fund and the Savings Association Insurance Fund into the Deposit Insurance Fund). FDIC’s “primary mission is to maintain stability and public confidence in the United States financial system by insuring deposits up to the legal limit and promoting sound banking practices.” Ex. 767 at 1 (footnote omitted). “Whenever a federally insured depository institution fails, the FDIC pays off insured deposits or, more frequently, it arranges for the transfer of accounts from the failed institution to a healthy one.” *Id.* In this process, FDIC operates as two distinct legal entities: (1) FDIC-Receiver (FDIC-R), which assumes control of the failed bank, closes it, liquidates any assets, and distributes the proceeds of the liquidation to, among others, FDIC-Corporate, certain customers of the failed bank, and general creditors, all with the goal of avoiding costs to the Deposit Insurance Fund, and (2) FDIC-Corporate (FDIC-C), which values the failed institution, markets it to potential acquirers, solicits and accepts bids, decides which bid is least costly to the Deposit Insurance Fund, and works with the acquirer(s) through the closing process. *Id.* at 2. “In its role as receiver for a failed depository institution, the [FDIC-R] has a statutory obligation generally to

maximize the return on the sale or disposition of the receivership estate's assets. The receiver distributes any funds realized from its liquidation efforts to the failed institution's creditors and shareholders in accordance with the FDIC's priority scheme." *Id.* (footnote omitted).

FDIC-R received WaMu from OTS and closed WaMu momentarily after its seizure. FDIC-C and FDIC-R jointly sold all of WaMu's assets and most of its liabilities to JPMC on September 25, 2008, the same date on which OTS seized WaMu. Ex. 911.

On December 30, 2008, Deutsche Bank filed a proof of claim with FDIC-R based on WaMu's alleged breach of various obligations under the Governing Agreements relating to the mortgage-backed securities held by the various Trusts for which Deutsche Bank is the Trustee. Am. Compl. ¶ 14. FDIC failed to respond and Deutsche Bank subsequently sued FDIC-R on August 26, 2009, alleging, *inter alia*, that WaMu had breached its contractual obligations by selling "defective" mortgage loans and failing to repurchase those loans. *See* Compl. [Dkt. 1]. When FDIC answered that the claims asserted by Deutsche Bank had been assumed by JPMC, Deutsche Bank added JPMC as a defendant and now seeks a money judgment from WaMu and its "successors or successors-in-interest, whoever they are adjudicated to be." Am. Compl. ¶ 13. FDIC and JPMC engaged in discovery on the question of liability under the P&A Agreement and have filed cross-motions for summary judgment on the scope of the Agreement.

C. Context for JPMC's Purchase of Washington Mutual Bank

In 2008, the United States was undergoing one of the most severe financial crises in the nation's history. The deteriorating housing market caused an increased delinquency rate among residential borrowers who defaulted on their mortgages, which in turn increased demands that WaMu repurchase at-risk securitized loans. In early March 2008, OTS and FDIC pressured

WaMu to raise more capital or find a buyer. *See* Ex. 327 at 3. JPMC, other banks, and various private equity groups were invited to participate in the potential transaction. *Id.* JPMC engaged in “an exhaustive due diligence process,” *id.*, of which “the most critical component . . . was the assessment of losses in WaMu’s consumer loan portfolios, particularly home lending” *id.* at 4. On March 31, 2008, JPMC offered to purchase WaMu at \$5/share plus a contingent \$3/share dependent “on the magnitude of losses realized on certain WaMu loan portfolios.” *Id.* at 5. It was contemplated that any acquisition would be via an open bank transaction.⁷ *See* Ex. 486 [Dkt. 164-10]. However, WaMu obtained a capital infusion from a private equity firm and remained independent. Ex. 327 at 5.

In early September of 2008, as WaMu’s financial status continued to weaken, OTS and FDIC again demanded that WaMu raise additional capital or engineer a sale. *Id.* Advised by FDIC that FDIC was closely monitoring WaMu and anticipated a seizure of its assets and a quick sale, JPMC (and others) began a new round of due diligence, “including updating the loan portfolio loss estimates.” *Id.* In mid-September, Sheila Bair, then-Chairman of the FDIC, contacted Jamie Dimon, Chairman and CEO of JPMC, to “pitch[] an open bank transaction.” Ex. 135 [Dkt. 159-15]. However, FDIC officials changed course soon thereafter and asked various potential acquiring banks to prepare bids in the event WaMu were seized by federal regulators. *See* Ex. 327 at 5. On September 22, 2008, FDIC representatives Jim Wigand, Herb

⁷ Open bank transactions are “normally stock sales,” so the acquiring bank “assumes or acquires the business,” including all assets and liabilities. *See* Deposition of James Wigand (Wigand Dep.) [Dkt. 169-5] at 135; Ex. 767 at 47.

Held, and David Gearin⁸ met with various prospective bidders, including JPMC, to discuss a potential WaMu transaction. *See* Ex. 54 [Dkt. 158-9]; Ex. 142 [Dkt. 159-16].

D. FDIC’s Internal Drafting of the Purchase and Assumption Agreement

FDIC began drafting a purchase and assumption agreement for WaMu in mid-September 2008. *See* Deposition of David Gearin (Gearin Dep.) [Dkt. 169-24] at 18-21. FDIC attorneys David Gearin and Lee Van Fleet, Counsel, Division of Resolutions and Receiverships, “principally drafted” what would ultimately become the September 25, 2008 P&A Agreement at issue here, “based on instructions from Jim Wigand, Herb Held, and Richard Aboussie.”⁹ Ex. 901 (FDIC Interrogatory Responses) [Dkt. 162-5] at 6. Mr. Van Fleet testified that the “P&A was a completely one-off deal. It had several unique provisions that were never seen in a prior P&A and some of them have never been seen since.” Deposition of Lee Van Fleet (Van Fleet Dep.) [Dkt. 169-9] at 37; *see also id.* at 46 (“Article 2 was totally different than any other one we’ve done before or since.”); Wigand Dep. at 37 (WaMu transaction “was unique in that it was different from the standard transactions in which only identified liabilities and identified assets pass to the acquirer.”). Nonetheless, Messrs. Van Fleet and Gearin started with FDIC’s pre-existing template for a whole-bank purchase and assumption agreement, originally crafted in the 1990s by an FDIC attorney, and modified the template in various ways for the WaMu receivership transaction. Ex. 901 at 6-7. The template contained pre-existing definitions for “Record” and “Accounting Records.” *Id.* at 7; *see also* Ex. 242 [Dkt. 163-20] at 6, 12.

⁸ James Wigand was then-Deputy Director of Franchise and Asset Marketing Branch, Division of Resolutions and Receiverships; Herb Held was Assistant Director Institution Sales Unit, Franchise and Asset Marketing Branch, Division of Resolutions and Receiverships; and David Gearin was Senior Counsel, Special Issues Unit, Legal Division.

⁹ Richard Aboussie was Associate General Counsel, Large Bank Resolutions. He is now deceased.

On September 22, 2008, Mr. Van Fleet sent an internal-FDIC email to Mr. Gearin, Sheri Foster,¹⁰ and other FDIC officials, attaching drafts of two different options for whole-bank purchase and assumption agreements. Ex. 248 [Dkt. 159-25]. The first “all deposit version” would “convey all assets and all liabilities, including all deposits, except those liabilities specifically excluded on the attached Schedule 2.1.” *Id.* The second was described as “a ‘standard’ whole bank P&A” that would pass to the acquirer “all assets and only the insured and other certain liabilities listed in section 2.1.” *Id.*

On the morning of September 23, 2008,¹¹ in response to Mr. Van Fleet’s email, Mr. Gearin asked if Mr. Van Fleet could send the “current draft of the all deposit version.” Ex. 253 [Dkt. 160] at 1. Later that day, Mr. Van Fleet forwarded a draft agreement. *Id.* The relevant sections of that draft stated:

§ 2.1: Subject to Section 2.5, the Assuming Bank expressly assumes at Book Value (subject to adjustment pursuant to Article VII) and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”).

Schedule 2.1 attached hereto and incorporated herein sets forth certain categories of Liabilities Assumed and the aggregate Book Value of the Liabilities Assumed in such categories. Such schedule is based upon the best information available to the Receiver and may be adjusted as provided in Article VIII.

¹⁰ Ms. Foster was an FDIC Marketing Specialist, Franchise and Asset Marketing Branch, Division of Resolutions and Receiverships; she testified that she “facilitated” the WaMu transaction. Deposition of Sheri Foster (Foster Dep.) [Dkt 169-22] at 31, 57.

¹¹ The Court does not reference the specific times indicated in the cited exhibits because the emails originated in varying time zones. *See* JPMC Opp. at 10 n.7.

Id. at 12. At the beginning of this draft, the second introductory clause stated: “WHEREAS, the Assuming Bank desires to purchase certain assets and assume certain deposit and other liabilities of the Failed Bank on the terms and conditions set forth in this Agreement” *Id.* at 4.

In the afternoon of September 23, 2008, Ms. Foster sent an email to Messrs. Wigand and Held, forwarding a question from Mr. Van Fleet: “Lee Van Fleet called with the following questions: Can we limit liabilities assumed to just the ‘liabilities on the books and records’ and then give the options to take out the different categories of liabilities? Initial Payment = Bid Amount? These are coming from David Gearin.” Ex. 903 [Dkt. 162-7]. A positive answer presumably came very soon thereafter, because Mr. Van Fleet immediately sent an email to Mr. Gearin and other FDIC representatives, attaching a revised draft P&A Agreement. *See* Ex. 255 [Dkt. 160-1]. In that draft, Section 2.1 was amended as follows:

Subject to Section 2.5, the Assuming Bank expressly assumes at Book Value (subject to adjustment pursuant to Article VIII) and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”).

~~Schedule 2.1 attached hereto and incorporated herein sets forth certain categories of Liabilities Assumed and the aggregate Book Value of the Liabilities Assumed in such categories. Such schedule is based upon the best information available to the Receiver and may be adjusted as provided in Article VIII.~~

Ex. 256 (changes tracked to compare updated version of agreement) [Dkt. 160-2]. The second introductory clause in this draft was changed to “WHEREAS, the Assuming Bank desires to purchase *substantially all* of the assets and assume *all* deposit and *substantially all* other

liabilities of the Failed Bank on the terms and conditions set forth in this Agreement” Ex. 255 at 6 (emphasis added).¹²

E. External Bidding Process

As it internally drafted and redrafted a purchase and assumption agreement, FDIC was also putting together a “Transaction Recap” for potential bidders. Ex. 151 [Dkt. 159-18]; *see also* Ex. 56 [Dkt. 158-11]. The Transaction Recap outlined five alternative possible transaction structures from which bidders could choose:

- (1) All liabilities are assumed except the preferred stock;
- (2) All liabilities are assumed, except the preferred stock and the subordinated debt;
- (3) All liabilities are assumed, except the preferred stock, the subordinated debt, and the senior debt;
- (4) All deposits and secured liabilities are assumed by the acquirer;
and
- (5) All insured deposits and secured liabilities are assumed.

Ex. 56 at 2.¹³ According to FDIC, different proposed structures were offered in order to provide options for prospective acquirers that did not want to assume all liabilities. Wigand Dep. at 116 (The bidding “structure was set up intentionally to allow bidders to make the election of which liabilities they felt had to be assumed in order to . . . make the transaction move forward.”). The Transaction Recap emphasized that “[t]he legal documents will be the governing documents for this transaction.” Ex. 56 at 2.

¹² Page citations within this exhibit are to the ECF page number.

¹³ Page citations within this exhibit are to the ECF page number.

In connection with the Transaction Recap, the FDIC also prepared a set of bid instructions for potential bidders. Ex. 57 [Dkt. 158-12]. The instructions described Transaction Option 3 (on which JPMC ultimately bid) as a “Whole Bank, All Deposits” transaction and stated that:

Under this transaction, the Purchase and Assumption (Whole Bank), the Potential Acquirer whose Bid is accepted by the Corporation assumes the Assumed Deposits of the Bank and all other liabilities but specifically excluding the preferred stock, non-asset related defensive litigation, subordinated debt and senior debt, and purchases all the assets of the Bank, excluding those assets identified as excluded assets in the Legal Documents. . . .

Id. at 3.¹⁴ Transaction Options 1 and 2 also provided that the assuming bank would take “the Assumed Deposits of the Bank and all other liabilities.” *Id.* Under Transaction Options 4 and 5, the assuming bank would take “the Assumed Deposits of the Bank and only certain other liabilities,” subject to certain excluded categories of liabilities. *Id.* at 3-4. The Transaction Recap and bid instructions were subsequently provided to potential bidders, including JPMC, later in the day on September 23, 2008. Exs. 56 and 57.¹⁵

Also on September 23, 2008, FDIC officially invited JPMC to bid on WaMu. *See* Ex. 55 [Dkt. 158-10]. The invitation came via Ms. Foster, who sent an email to Dan Cooney and Mike Cavanaugh¹⁶ of JPMC advising: “The FDIC is offering select financial institutions, such as

¹⁴ Page citations within this exhibit are to the ECF page number.

¹⁵ While there were five alternate transaction structures, Ex. 56, FDIC had only three different draft purchase and assumption agreements. There was a draft purchase and assumption agreement for transactions 1, 2, and 3, in which the only difference was that Schedule 2.1 listed different categories of liabilities that were categorically excluded. *See, e.g.*, Ex. 255. For transactions 4 and 5, Section 2.1 of the draft purchase and assumption agreements specifically listed the liabilities assumed. *See, e.g.*, Ex. 276 [Dkt. 160-8].

¹⁶ Dan Cooney was JPMC’s General Counsel and Senior Vice President of Retail Financial Services. Mike Cavanaugh was JPMC’s Chief Financial Officer and Executive Vice President.

yours, an opportunity to bid on a depository institution. . . . If you have any questions about this process, please contact me at any time.” *Id.* The invitation included a link to a web site known as IntraLinks, which contained additional information about WaMu and the potential acquisition. *Id.*

FDIC first provided drafts of the various proposed agreements to potential bidders, including JPMC, during the evening of September 23, 2008. *See* FDIC Opp. to JPMC Statement of Facts [Dkt. 148-1], Undisputed JPMC Fact ¶ 40, at 11 (citing Ex. 257 [Dkt. 160-3]; Ex. 276 [Dkt. 160-8]; Ex. 908 [Dkt. 162-12]). In the proposed P&A Agreement for Transaction Options 1-3, Section 2.1 provided that

Subject to Section 2.5, the Assuming Bank expressly assumes at Book Value (subject to adjustment pursuant to Article VIII) and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”).

Ex. 276 at 60.¹⁷

Section 12.1 provided for various situations in which FDIC would indemnify the assuming bank. *See id.* at 77. Specifically, Section 12.1 stated that:

. . . the Receiver agrees to indemnify and hold harmless the Indemnitees against any and all costs, losses, liabilities, expenses (including attorneys’ fees) incurred prior to the assumption of defense by the Receiver pursuant to paragraph (d) of Section 12.2, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with claims against any Indemnatee based on liabilities of the Failed Bank that are not assumed by the Assuming Bank pursuant to this Agreement. . . .

¹⁷ Page citations within this exhibit are to the ECF page number.

Id.

According to the testimony of Mitchell Eitel,¹⁸ after JPMC received the draft P&A Agreement, email discussion ensued between JPMC and FDIC regarding Mr. Eitel's concern that there was a disconnect between Sections 2.1 and 12.1 of the draft agreement. Deposition of Mitchell Eitel (Eitel Dep.) [Dkt. 169-17] at 140-41.¹⁹ Mr. Eitel testified that JPMC wanted to make sure that the indemnity provision did not "undermine the limitation" that JPMC was only taking "booked liabilities," that is, only liabilities entered on WaMu's accounting books and underlying records. *Id.* at 143. Mr. Gearin similarly recalled that JPMC and FDIC had discussions about the indemnification provisions in the P&A Agreement and stated his belief that Mr. Eitel was trying to discern what liabilities were covered by Section 12.1. Gearin Dep. at 175-177.

During the evening of September 23, 2008, Mr. Gearin wrote to Mr. Cooney of JPMC, under the subject line "Indemnity Question," stating that "the liabilities assumed are described as booked liabilities which should address the concern raised by Mitch [Eitel]." Ex. 66 [Dkt. 158-16] at 2. Mr. Cooney again addressed the scope of the indemnity provision in his response:

¹⁸ Mitchell Eitel is a partner at Sullivan & Cromwell LLP, outside counsel for JPMC.

¹⁹ FDIC contends that testimony from Mr. Eitel and Mr. Cooney is inadmissible, arguing that JPMC "cannot offer the professed understanding of its attorneys as evidence of [its] supposed interpretation of the P&A Agreement at the time that it bid, because it has shielded all internal documents reflecting the contemporaneous impressions of those attorneys from disclosure." FDIC Opp. at 9. JPMC responds that it only withheld documents protected by the attorney-client privilege (which this Court found were properly withheld, *see* Order [Dkt. 129]), and that the cited testimony involves non-privileged documents. JPMC Reply [Dkt. 152] at 4-5. The Court overrules FDIC's objection because representatives of JPMC may provide testimony on discussions with FDIC and because the Court does not rely on the testimony of Messrs. Eitel or Cooney as "evidence" that might shed light on the meaning or interpretation of the P&A Agreement. Rather, the Court relies on their testimony to provide context for the exchange of non-privileged emails between JPMC and FDIC on the subject of Sections 2.1 and 12.1.

I don't think your suggestion solves the problem. Let's say there is a contract between the thrift and the Parent and that is included in the Books and Records (not something like "accrued for on the books of the Failed Bank," which probably would fix the problem) of the thrift at the time of closing. Any liability under that contract is then arguably a liability reflected in the Books and Records. Therefore one would most likely conclude that liabilities under that contract are assumed under 2.1.

So the way that 12.1 reads is we are indemnified for a claim by Wamu (shareholder of Failed Bank) with respect to that contract only to the extent the liability was not assumed -- indeed they are free to sue us for a breach by the Failed Bank that occurred before the closing.

In a normal P&A between commercial parties this is not something a buyer would ever assume and it really doesn't make sense (nor frankly is it fair) here.

Id. at 1. Mr. Gearin wrote back: "Ok I will look at [sic] again." *Id.*

On the morning of September 24, 2008, JPMC met with rating agencies to present an overview of the proposed transaction. *See* Ex. 62 [Dkt. 163-2]; Ex. 678 [Dkt 164-29].²⁰ A presentation slide with the heading "Key terms of transaction" stated that JPMC would acquire "[a]ll the deposits and substantially all liabilities excluding senior and subordinated debt." Ex. 62 at 20. Also on that morning, JPMC senior executives met with the JPMC Board of Directors to present the details of the proposed transaction. Ex. 63 [Dkt. 163-3]; Ex. 64 [163-4]. Similarly, the "Key terms of transaction" slide stated that JPMC would acquire "[a]ll the deposits and substantially all liabilities excluding senior and subordinated debt." Ex. 63 at 20.

Throughout the bid process, FDIC had been working on a document to be posted on Intralinks that addressed various bidder questions about the proposed transaction. *See* Ex.

²⁰ Specifically, JPMC met with Moody's Investors Service and Standard & Poor's. *See id.*

153 [Dkt 159-19]. Among the “Frequently Asked Questions” (FAQs)²¹ was the following question and answer:

[Question:] Are the off-balance sheet credit card portfolio and mortgage securitizations included in the transaction? Do you expect the acquirer to assume the servicing obligations? If there are pricing issues associated with the contracts (e.g., the pricing is disadvantageous to the assuming institution), can we take advantage of the FDIC’s repudiation powers to effect a repricing?

Answer: The bank’s interests and *obligations associated with the off-balance sheet credit card portfolio and mortgage securitizations pass to the acquirer*. Only contracts and obligations remaining in the receivership are subject to repudiation powers.

Id. at 4 (emphasis added).²² The FAQs were posted on Intralinks and distributed among various JPMC officials in the afternoon of September 24, 2008. Ex. 71 [Dkt. 158-21]; Ex. 129 [Dkt. 159-12]. The FAQs further stated that “the Purchase & Assumption agreement language is not negotiable.” Ex. 71 at 3.

Later in the afternoon of September 24, 2008, Mr. Eitel for JPMC proposed a revision to Section 2.5 (“Borrower Claims”) to David Gearin of FDIC. Ex. 78 [Dkt. 159-2]. Mr. Eitel’s proposal sought to exclude from “Liabilities Assumed” all claims by any “direct or indirect purchaser of securities of any mortgage loan securitization vehicle that was owned or sponsored by the Failed Bank or any of its Subsidiaries or Affiliates prior to the Bank Closing. . . .” *Id.* Mr. Gearin forwarded the email to Richard Aboussie of FDIC, reporting that “[t]he [JPMC] lawyers say that the provision doesn’t cover liability for assets in securitizations and suggest this markup—I made no representations that we would be making any changes.” Ex. 79 [Dkt. 159-3]. Mr. Aboussie responded to Mr. Gearin that “Jim Wigand [also of FDIC]

²¹ FDIC refers to this document as the “Q&As.”

²² This question came from an email sent by Citibank employee Andrew Felner to FDIC’s Herbert Held. Ex. 83 [Dkt. 159-7] at 4.

has stated that he understood and intended that all liabilities associated with loan sales (i.e., rep and warrant/repurchase claims) are to be passed to the assuming bank.” *Id.* Mr. Gearin then answered Mr. Eitel’s email, stating “I don’t believe that you will see a revised agreement—to the extent we make adjustments to the transaction that will be covered in updated Q&As.” Ex. 80 [Dkt 159-4]. Mr. Eitel wrote back: “[A] revised contract was just posted. We discussed this morning that the indemnity provision does not work and we understood you were re-drafting it. There are no changes to the indemnity section (which is also not dealt with in the FAQs.) What should we be assuming from that?” *Id.*²³ If there was a reply to that email, it is not reflected in the record.

On the evening of September 24 and morning of September 25, 2008, Mr. Eitel provided FDIC with additional suggested changes to Section 12.1 (Indemnification of Indemnitees). *See* Ex. 902 [Dkt. 162-6]. FDIC accepted the proposed changes. *See* Ex. 1 (P&A Agr.) § 12.1.²⁴ None of these revisions changed the language in Section 12.1 providing that the FDIC would indemnify the acquiring bank only for liabilities the acquiring bank did not assume under the P&A Agreement. *See* Ex. 902 at 5 (stating that FDIC would indemnify only for “liabilities of the Failed Bank that are not assumed by the Assuming Bank . . .”).

On the evening of September 24, 2008, JPMC submitted a bid of \$1.888 billion for the Transaction Option 3. *See* Ex. 58 [Dkt. 158-13] at 5;²⁵ Ex. 59 [Dkt. 158-14]. In its cover letter, JPMC stated that “[w]e understand that you may be considering revisions to the

²³ Questioned about this email exchange in deposition, Mr. Eitel could not recall conversations surrounding the email or declined to answer on the grounds of attorney-client privilege. Eitel Dep. at 232-233.

²⁴ Section 12.1 provided for various scenarios in which FDIC agreed to indemnify JPMC.

²⁵ Page citations within this exhibit are to the ECF page number.

indemnification provisions in Section 12.1. We understand that these do not relate to Section 2.5 and 12.1(b)(xv)²⁶ which we accept as drafted by the FDIC.” *Id.* Almost immediately thereafter, FDIC accepted JPMC’s bid. Ex. 910 [Dkt. 162-14]. On September 25, 2008, OTS closed WaMu and placed it into an FDIC receivership. Ex. 911.

The speed of this transaction must be appreciated: OTS and FDIC decided to close WaMu in mid- or late-September of 2008; FDIC met with potential bidders on September 22 in New York City; FDIC posted the Transaction Recap in the late afternoon or early evening on September 23; FDIC circulated the P&A Agreement in draft form during the evening of September 23; FDIC posted answers to frequently asked questions late in the day on September 24; bids were received during the evening on September 24. On September 25, the FDIC Board approved the JPMC transaction, Ex. 163 [Dkt. 159-21], and that same day FDIC and JPMC executed the P&A Agreement, Ex. 274 [Dkt. 160-7]. FDIC and JPMC revised the P&A Agreement between September 26 and 28, 2008, *see, e.g.*, Ex. 277 [Dkt. 160-9], but none of the changes pertained to Section 2.1 or is at issue here. On September 29, 2008, the parties executed the final agreement, marked “Execution Copy,” which was “effective . . . as of 6pm [sic] Pacific Time, September 25, 2008.” *Id.*; *see also* Ex. 279 [Dkt. 160-10].

F. The P&A Agreement

1. Relevant Provisions

- Section 2.1 of the P&A Agreement, titled “Liabilities Assumed by Assuming Bank,” provides:

Subject to Sections 2.5 and 4.8, the *Assuming Bank expressly assumes at Book Value* (subject to adjustment pursuant to Article VIII) *and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of*

²⁶ Section 12.1(b)(xv) is not in the final P&A Agreement.

the Failed Bank as of Bank Closing, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”). Notwithstanding Section 4.8, the Assuming Bank specifically assumes all mortgage servicing rights and obligations of the Failed Bank.

Ex. 1 [Dkt. 158-1], Art. II, § 2.1 (emphasis added).

- Section 2.5 of the P&A Agreement, entitled “Borrower Claims,” specifies that JPMC did not assume borrower claim-related liabilities. *Id.*, Art. II, § 2.5.
- Article VIII of the P&A Agreement provides that JPMC, “in accordance with the best information then available, shall provide to the Receiver a Pro Forma Statement of Condition indicating all assets and liabilities of the Failed Bank as shown on the Failed Bank’s books and records as of Bank Closing and reflecting which assets and liabilities are passing to the Assuming Bank and which assets and liabilities are to be retained by the Receiver.” *Id.*, Art. VIII.
- Schedule 2.1 of the P&A Agreement carves out “Certain Liabilities Not Assumed,” without any reference to liabilities arising under the Governing Agreements. *Id.* at 34.
- Section 3.1 of the P&A Agreement states that JPMC purchased all assets of WaMu, “whether or not reflected on the books of the Failed Bank as of Bank Closing.” *Id.*, Art. III, § 3.1.

2. Relevant Definitions

- “Record” is defined to mean “any document, microfiche, microfilm and computer records (including but not limited to magnetic tape, disc storage, card forms and printed copy) of the Failed Bank generated or maintained by the Failed Bank that is owned by or in the possession of the Receiver at Bank Closing.” *Id.*, Art. I.

- “Book Value” is defined to mean (in relevant part): “with respect to any Asset and any Liability Assumed, the dollar amount thereof stated on the Accounting Records of the Failed Bank. The Book Value of any item shall be determined as of Bank Closing after adjustments made by the Assuming Bank for normal operations and timing differences in accounts, suspense items, unposted debits and credits, and other similar adjustments or corrections and for setoffs, whether voluntary or involuntary.” *Id.*
- “Accounting Records” is defined to mean “the general ledger and subsidiary ledgers and supporting schedules which support the general ledger balances.” *Id.*
- The phrase “Books and Records” is not defined in Article I or elsewhere in the P&A Agreement, nor is it capitalized in any other section of the Agreement.

G. Post-Transaction Questions on WaMu’s Liabilities

After the transaction closed, questions arose regarding WaMu’s federal income tax audit and whether WaMu’s tax liabilities were transferred to JPMC. *See, e.g.*, Ex. 87 [Dkt. 159-8]. On October 8, 2008, Richard Peyster, an FDIC tax attorney, sent an email to JPMC employees Allen Friedman and Ben Lopata. Mr. Peyster wrote:

With regard to what was and was not transferred to Morgan under the agreement, I do not think we have any dispute here. All assets whether or not on the books were transferred. In my view, that clearly includes pending tax refunds, and future refunds based on losses generated up to the date of failure. With regard to any tax liability arising out of an ongoing or future audit, where no assessment had been made prior to the date of closing, such liability would not pass to Morgan. *Only liabilities on the books as of the date of the agreement pass.*

Ex. 29 [Dkt. 159-10] at 1 (emphasis added).

Also on October 8, 2008, Andrew Gray, FDIC’s director of public affairs, received an email from an attorney for a third party asking whether the “tax claims of

Washington Mutual Bank reside with the receivership or were transferred to [JPMC]?” Ex. 108 [Dkt. 159-11] at 3. After forwarding through Messrs. Wigand, Gearin, and Aboussie, the question was referred to Mr. Peyster. *Id.* A series of privileged emails ensued, on which Messrs. Wigand, Gearin and Aboussie were all copied, ending with Mr. Peyster’s final response to Mr. Gray:

For public consumption I think the following should be adequate:

Tax claims, whether assets or liabilities are treated as any other assets and liabilities under the Purchase and Assumption Agreement. Section 3.1 transfers all assets, whether or not reflected on the books and records of Washington Mutual. Therefore, any tax assets would have transferred to JPMorgan Chase.

Section 2.1 transfers all liabilities reflected on the books and records of Washington Mutual to JPMorgan Chase. Therefore, any tax liabilities on the books of Washington Mutual were transferred, and *any unknown liabilities, not reflected on the books were not transferred.*

Id. at 1 (emphasis added).

Following JPMC’s acquisition of WaMu, JPMC also began to receive tax assessments from state and local taxing authorities and processed WaMu’s tax returns for tax periods prior to the thrift’s closure. *See, e.g.*, Ex. 407 [Dkt. 160-16], Ex. 408 [Dkt. 160-17], Ex. 410 [Dkt. 160-18]. On October 20, 2008, JPMC employee James Fergus recounted a conversation he had had with FDIC tax accountant James Thormahlen and another FDIC employee, James Vordtriede. Ex. 409 [Dkt. 164-6]. Mr. Fergus summarized various items discussed on the call including that “[f]or the items . . . which have yet to appear on a return, the information will be provided to the FDIC and it will be their liability.” *Id.* at 2. Mr. Fergus further noted that based on “specific comments from the FDIC, it would seem that JPMC’s

liability would be limited to the reserves booked at 9/25/08 and once those were exceeded it would be the FDIC's liability." *Id.*

Also on October 20, 2008, Mr. Thormahlen of FDIC provided JPMC with a form letter for WaMu branch offices to send to "State Tax Agenc[ies]," informing "State Tax Agenc[ies]" that WaMu was closed by OTS on September 25, 2008, that FDIC was appointed as Receiver, and advising that because "[t]he tax period on the attached return occurred prior to the bank[']s closure and was not assumed by [JPMC]," the "liability reflected on the attached return is a claim against the receivership." Ex. 30 [Dkt. 158-5] at 1. Mr. Thormahlen continued to send out such letters instructing that unassessed tax liabilities were a claim against the FDIC-Receiver, not JPMC, throughout 2008 and into 2009. *See* Ex. 404 [Dkt. 160-15], Ex. 416 [Dkt. 160-19].

On October 28, 2008, David Gearin wrote to Mr. Aboussie and Richard Osterman of FDIC, stating that he "just got off the phone with Dan Cooney, the JPMC in-house attorney who no[w] understands that we are of the view that the repurchase obligations did pass to JPMC and cannot be put back to the receiver for repudiation. Unfortunately what I said was inconsistent from what they had heard over time from three different FDIC representatives in Seattle." Ex. 82 [Dkt. 159-6] at 1. The record further includes an October 29, 2008 email in which Mr. Gearin described a conversation he had had with Dan Cooney of JPMC on the previous evening in which Mr. Gearin advised Mr. Cooney that "under the terms of 2.1 and 3.1 JPMC acquired the seller repurchase obligations related to the mortgage servicing assets they acquired." Ex. 356 [Dkt. 160-14] at 2-3.²⁷

²⁷ FDIC notes that it does *not* take the position (as it did before this lawsuit) that mortgage servicing rights, which JPMC clearly acquired under Section 2.1, necessarily include liabilities for repurchase of defective mortgages. *See* FDIC Opp. at 43 ("The FDIC-Receiver has never argued *in this case* that the repurchase liabilities under the Governing Agreements are servicer obligations. Nor has the FDIC-Receiver argued *in this case* that the seller and servicer

Deutsche Bank filed this lawsuit on August 26, 2009, seeking recovery for WaMu's alleged breach of its contractual obligations regarding the "defective" mortgage loans. That dispute remains pending while JPMC and FDIC contest which of them is liable.

II. LEGAL STANDARDS

A. Federal Rule of Civil Procedure 56

Under Federal Rule of Civil Procedure 56, summary judgment is appropriate "if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a); *accord Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247 (1986). Moreover, summary judgment is properly granted against a party who "after adequate time for discovery and upon motion . . . fails to make a

obligations under the pre-closure securitization agreements of a failed financial institution cannot be severed. To the contrary, the FDIC-Receiver has simply maintained that it can effect a transaction that transfers all of the failed bank's obligations (including both seller and servicer obligations) under the governing agreements for mortgage loan securitizations, as it did in the WaMu transaction.") (emphasis added). As its accurate but careful language conveys, FDIC previously argued that the mortgage repurchase liabilities at issue here transferred automatically to JPMC because they were an obligation related to the mortgage servicing rights assumed by JPMC. *See* FDIC Mem. in Support of Mot. to Dismiss Am. Compl. [Dkt. 54-1] at 25-28.

Indeed, this was the position taken by the GSEs Fannie Mae and Freddie Mac following JPMC's acquisition of WaMu; specifically, the GSEs maintained that the mortgage servicing rights associated with loans held in GSE-sponsored trusts were not severable from their mortgage repurchase liabilities. *See* Ex. 387 [Dkt. 164-2] at 3-4; Ex. 388 [Dkt. 164-3] at 3-4. In order to retain the servicing rights associated with the GSE mortgage loans, JPMC entered into settlement agreements with the GSEs wherein JPMC assumed various GSE repurchase liabilities. *See* Ex. 822 [Dkt. 165-17]; Ex. 823 [Dkt. 165-18]; *see also* JPMC Mem. at 16; JPMC Opp. to FDIC Statement of Facts [Dkt. 150], Undisputed FDIC Fact ¶ 126, at 81 ("Because [JPMC] did not want to lose mortgage servicing rights that it valued at \$5 billion, it entered into negotiations to settle the repurchase liability arising from WaMu's agreements with the GSEs."). FDIC also argues that JPMC assumed WaMu's repurchase liabilities to the GSEs by virtue of the P&A Agreement. FDIC Opp. at 40. However, FDIC now concedes on summary judgment that seller repurchase obligations are not inherently tied to mortgage servicing obligations. The Court makes no finding here as to GSE seller and servicing obligations because that dispute is long-since resolved.

showing sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial." *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986). In ruling on a motion for summary judgment, the court must draw all justifiable inferences in the nonmoving party's favor and accept the nonmoving party's evidence as true. *Anderson*, 477 U.S. at 255.

When evaluating cross-motions for summary judgment, each motion is reviewed "separately on its own merits to determine whether [any] of the parties deserves judgment as a matter of law." *Family Trust of Mass., Inc. v. United States*, 892 F. Supp. 2d 149, 154 (D.D.C. 2012) (internal quotation marks and citation omitted). Neither party is deemed to "concede the factual assertions of the opposing motion." *Competitive Enter. Inst. Wash. Bureau, Inc. v. Dep't of Justice*, 469 F.3d 126, 129 (D.C. Cir. 2006) (citation omitted). "[T]he court shall grant summary judgment only if one of the moving parties is entitled to judgment as a matter of law upon material facts that are not genuinely disputed." *Am. Ins. Ass'n v. United States HUD*, 2014 WL 5802283, at *5 (D.D.C. Nov. 7, 2014) (internal quotation marks and citation omitted). A genuine issue exists only where "the evidence is such that a reasonable jury could return a verdict for the nonmoving party." *Anderson*, 477 U.S. at 248.

B. Federal Common Law of Contracts

The parties agree that federal common law applies to the construction of the P&A Agreement. FDIC Mem. in Support of Mot. for Summ. J. (FDIC Mem.) [Dkt. 145] at 11; JPMC Mem. at 23. The federal common law of contracts largely "dovetails" with "general principles of contract law." *NRM Corp. v. Hercules, Inc.*, 758 F.2d 676, 681 (D.C. Cir. 1985). Additionally, courts should look to the Restatement (Second) of Contracts when analyzing questions of federal common law. *See Curtin v. United Airlines, Inc.*, 275 F.3d 88, 94 (D.C. Cir.

2001); *Bowden v. United States*, 106 F.3d 433, 439 (D.C. Cir. 1997) (explaining that the Restatement principles are those “from which we would be inclined to fashion a federal common-law rule since those principles represent the ‘prevailing view’ among the states”).

“Under general contract law, the plain and unambiguous meaning of an instrument is controlling.” *WMATA v. Mergentime Corp.*, 626 F.2d 959, 960-61 (D.C. Cir. 1980). “Where the language of a contract is clear and unambiguous on its face, a court will assume that the meaning ordinarily ascribed to those words reflects the intentions of the parties.” *NRM Corp.*, 758 F.2d at 681; accord *Mesa Air Grp., Inc. v. Dep’t of Transp.*, 87 F.3d 498, 503 (D.C. Cir. 1996). If the court determines as a matter of law that a contract is ambiguous, it may look to extrinsic evidence of intent to guide the interpretive process. *NRM Corp.*, 758 F.2d at 682. “[I]n divining the meaning of contract terms, the court is not limited to the four corners of the agreement: the party moving for summary judgment may submit affidavits and other extrinsic evidence that gives color to the words of the agreement or otherwise reveals the intent of the contracting parties at the time of the agreement.” *United Mine Workers 1974 Pension v. Pittston Co.*, 984 F.2d 469, 473 (D.C. Cir. 1993).

In determining the ambiguity of a contract, “reliance upon certain aids to construction is proper.” *United States v. I.T.T. Continental Baking Co.*, 420 U.S. 223, 238 (1975); see *United Mine Workers 1974 Pension*, 984 F.2d at 473. “Such aids include the circumstances surrounding the formation of the [contract], any technical meaning words used may have had to the parties, and any other documents expressly incorporated in the [contract].” *I.T.T. Continental Baking Co.*, 420 U.S. at 238. Courts may also consider such extrinsic evidence as “statements, course of conduct, and contemporaneous correspondence, aimed at

discerning the intent of the parties” when the meaning of a contract provision is facially uncertain. *Farmland Industries, Inc. v. Grain Bd. of Iraq*, 904 F.2d 732, 736 (D.C. Cir. 1990).

The Restatement provides the following in regard to a document’s ambiguity:

- (1) Words and other conduct are interpreted in the light of all the circumstances, and if the principal purpose of the parties is ascertainable it is given great weight.
- (2) A writing is interpreted as a whole, and all writings that are part of the same transaction are interpreted together.
- (3) Unless a different intention is manifested,
 - a) where language has a generally prevailing meaning, it is interpreted in accordance with that meaning;
 - b) technical terms and words of art are given their technical meaning when used in a transaction within their technical field.
- (4) Where an agreement involves repeated occasions for performance by either party with knowledge of the nature of the performance and opportunity for objection to it by the other, any course of performance accepted or acquiesced in without objection is given great weight in the interpretation of the agreement.
- (5) Wherever reasonable, the manifestations of intention of the parties to a promise or agreement are interpreted as consistent with each other and with any relevant course of performance, course of dealing, or usage of trade.

Restatement (Second) of Contracts, § 202 (1981). It is a cardinal principal of contract construction that “a document should be read to give effect to all of its provisions and render them consistent with each other.” *Mastrobuono v. Shearson Lehman Hutton, Inc.*, 514 U.S. 52, 63 (1995).

A contract is not rendered ambiguous merely because the parties later disagree over its proper interpretation; it is ambiguous only when it can reasonably be construed to have

two or more different meanings. *See Segar v. Mukasey*, 508 F.3d 16, 22 (D.C. Cir. 2007); *Bennett Enterprises, Inc. v. Domino's Pizza, Inc.*, 45 F.3d 493, 497 (D.C. Cir. 1995).

C. Contract Interpretation on a Rule 56 Motion

Whether an agreement is clear or ambiguous is a question of law for the court. *See NRM Corp.*, 758 F.2d at 682. “[S]ummary judgment is appropriate where a contract is unambiguous since, absent such ambiguity, a written contract duly signed and executed speaks for itself and binds the parties without the necessity of extrinsic evidence.” *Angulo v. Gochnauer*, 772 A.2d 830, 834 (D.C. 2001). “The mere presence of ambiguity, however, does not preclude summary judgment.” *Holland v. Freeman United Coal Mining Co.*, 574 F. Supp. 2d 116, 130 (D.D.C. 2008). The question for the district court is whether “there exists more than one reasonable interpretation of the contract.” *Farmland Indus.*, 904 F.2d at 736; *see also United Mine Workers 1974 Pension*, 984 F.2d at 473 (To “avoid summary judgment, the evidence submitted by the non-moving party must show that more than one reasonable interpretation exists.”). To be sure, summary judgment is improper if extrinsic evidence supports more than one reasonable interpretation. *See Farmland Indus.*, 904 F.2d at 736. But if extrinsic evidence “demonstrates that only one view is reasonable—notwithstanding the facial ambiguity—the court must decide the contract interpretation question as a matter of law.” *Id.*; *America First Inv. Corp. v. Goland*, 925 F.2d 1518, 1522 (D.C. Cir. 1991) (Even if a contract is ambiguous, summary judgment may be appropriate “so long as there is no evidence that would support a conflicting interpretation of the agreement.”).

III. ANALYSIS

A. Plain Language: Section 2.1 of the P&A Agreement is Unambiguous

The disputed provision of the P&A Agreement, Section 2.1, provides that JPMC expressly assumes at Book Value (subject to adjustment pursuant to Article VIII) and agrees to pay, perform, and discharge, *all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing*, including the Assumed Deposits and all liabilities associated with any and all employee benefit plans, except as listed on the attached Schedule 2.1, and as otherwise provided in this Agreement (such liabilities referred to as “Liabilities Assumed”).

Ex. 1, § 2.1 (emphasis added). Though JPMC and FDIC dispute the meaning of the phrase “reflected on the Books and Records,” the plain language of Section 2.1 is not reasonably subject to multiple interpretations. Therefore, the Court finds that Section 2.1 is unambiguous in that it only transfers to JPMC the liabilities of WaMu to the extent they were reflected at a stated Book Value on WaMu’s accounting records. Given the straight-forward language, summary judgment will be granted in favor of JPMC.

The choice of language and construction of the phrase “reflected on the Books and Records” make clear that the liabilities assumed by JPMC do not extend beyond the amounts listed WaMu’s financial accounting records. To start with the simplest point, “reflected” is not a legal word mired in common law precedents. We can turn to a modern dictionary, Merriam Webster, which defines “reflect” (as relevant here) as “to show (something),” “to make (something) known,” or “to make manifest or apparent: show.” *See Merriam-Webster Online Dictionary*, <http://www.merriam-webster.com/dictionary/reflect> (last visited on May 28, 2015). Thus, in assuming liabilities *reflected on* WaMu’s “Books and Records,” JPMC assumed an identifiable quantity of liability: the amounts shown on WaMu’s accounting records. FDIC argues that because the Trusts’ Governing Agreements were part of WaMu’s business records

and imposed potential mortgage repurchase obligations on WaMu without regard to ultimate cost, JPMC assumed all such liabilities without regard to ultimate cost under the P&A Agreement. However, Section 2.1 does not state that JPMC assumed all liabilities *arising out of* any records at WaMu. Rather, it specifies that liabilities passing to JPMC were those *reflected on* WaMu's books and records at the time of WaMu's closing. FDIC's interpretation does not square with the word "reflect," which, at its core, connotes visibility; under FDIC's proposed construction and argument, the P&A Agreement would transfer potential WaMu liabilities to JPMC of an unknowable monetary value and of any imaginable variety. *See* Ex. 901 (FDIC Interrogatory Responses) at 8 (asserting that "Books and Records" conveyed all liabilities except those that JPMC "could not have possibly imagined").

FDIC's primary argument in construing "Books and Records" is that the Court should apply the P&A Agreement's definition of "Records" in Article I, that is, "any document, microfiche, microfilm and computer records (including but not limited to magnetic tape, disc storage, card forms and printed copy) of the Failed Bank generated or maintained by the Failed Bank that is owned by or in the possession of the Receiver at Bank Closing." Ex. 1, Art. I. Relying on this extensive definition, FDIC contends that the "Records" referenced in Section 2.1 of the P&A Agreement necessarily encompassed all of WaMu's internal records of its potential repurchase liabilities, including the Governing Agreements, whether or not recorded on the "Books." *See* FDIC Mem. at 15 (arguing that Records "included any document, paper or electronic, that [WaMu] generated or that was maintained by [WaMu] at the time of closure"); *see also* Ex. 901 at 8 ("FDIC-Receiver used 'Books and Records' in Section 2.1 to convey to JPMC, as the assuming bank, all liabilities of [WaMu] that could be discovered by performing due diligence, and *the language excluded only those liabilities that the acquiring institution*

could not have possibly imagined.” (emphasis added)). FDIC further notes the P&A Agreement’s provision that capitalized terms “have the meanings set forth in [] Article I, or elsewhere in this Agreement.” Ex. 1, Art. I.

Viewed in isolation, the definition of “Records” in Article I of the P&A Agreement might support FDIC’s argument. However, a closer examination of the Agreement in its entirety reveals that “Records,” as used in Section 2.1, cannot have the broad meaning advanced by the FDIC because such an interpretation would make the use of the word “Records” inconsistent with its use in the rest of the Agreement. Furthermore, FDIC’s argument reads “Books” out of Section 2.1 altogether because “Records” would encompass all “imagin[able]” documents, including WaMu’s “Books.” Finally, the fact that “Books,” despite its capitalization, is not defined in the P&A Agreement undercuts FDIC’s assertion that the “Records” discussed in Section 2.1 must refer to the broad definition of “Records” in Article I. Indeed, the phrase “Books and Records” is not capitalized anywhere else in the P&A Agreement besides Section 2.1.

The meaning and usage of the capitalized term “Records” in the P&A Agreement is illuminated by the use of the word in Article VI of the P&A Agreement (titled “Records”). Ex. 1, Art. VI. In Article VI, liability for the “Records” in question refers only to records of WaMu’s liabilities to its depositors. *See id.*, §§ 6.1(i), (ii) (“[T]he Receiver assigns, transfers, conveys and delivers to the Assuming Bank the following Records pertaining to the Deposit liabilities of the Failed Bank . . . (i) signature cards, orders, contracts between the Failed Bank and its depositors and Records of similar character; [and] (ii) passbooks of depositors held by the Failed Bank, deposit slips, cancelled checks and withdrawal orders representing charges to accounts of depositors.”). The word is further used to define JPMC’s obligations to maintain and

preserve WaMu's business records for FDIC's use in managing the receivership. *See id.*, § 6.3 ("Preservation of Records"); *id.*, § 6.4 ("Access to Records"). FDIC ignores the one section of its own P&A Agreement, adopted from its predecessor agreements, which *does* give meaning to the term "Records" with a capital "R" and which clarifies the term's application to depositor records that represent potential liabilities to the Deposit Insurance Fund. Notably, FDIC does not address Article VI in its briefing.²⁸

The fact that the P&A Agreement defines "Records" and does not define "Books" or "Books and Records" does not necessarily mean that the disputed phrase is susceptible of different constructions. *See Holland*, 574 F. Supp. 2d at 129 (citing *Carey Canada, Inc., v. Columbia Casualty Co.*, 940 F.2d 1548, 1556 (D.C. Cir. 1991)). Rather, when considered in the context of Section 2.1 and read in a manner consistent with the rest of the P&A Agreement, it is clear that Section 2.1's reference to liabilities on the "Books and Records" did not transfer to JPMC liabilities that were not shown on, or exceeded the book value of amounts on, WaMu's accounting records at the time of closing. WaMu was a sprawling institution with hundreds of branches in 15 states that employed over 40,000 persons; each of WaMu's offices and each employee could have had some "Record" in a desk drawer. In that context, FDIC's argument that the defined term "Records"—apparently used to help FDIC protect depositor accounts—should be stretched beyond its purpose to impose liability on JPMC for *any* potential liability written down on *any* medium in *any* WaMu office fails from its own sheer hyperbole. Of course, at issue here is the scope of WaMu's potential repurchase liabilities as of September 25, 2008,

²⁸ Extrinsic evidence suggesting FDIC had no intent to capitalize "Records," *see infra* Part III.B.1, further confirms the Court's conclusion that "Records" in § 2.1 was not meant to have the broad meaning now attributed to it by FDIC. The only time "Books and Records" is capitalized is in Section 2.1.

not liability arising from any record in any WaMu office; however, FDIC's argument on the expanse of "Records" makes no distinction between obvious and unknown potential liabilities. It proves too much to be accepted.

Indeed, other defined terms in Section 2.1 shed light on the meaning of "Books and Records," as used in that section. Section 2.1 provides that liabilities transfer to JPMC at their "Book Value," defined as the dollar amounts stated on WaMu's Accounting Records at the time of its closing (subject to standard adjustments to be made by JPMC). The "Accounting Records" are defined as WaMu's "general ledger and subsidiary ledgers and supporting schedules which support the general ledger balances." Ex. 1, Art. I. Thus, the P&A Agreement provided that JPMC would assume liabilities at an identifiable and certain dollar value. FDIC's proposed interpretation, which would have JPMC assume liabilities that were unquantifiable at the time of WaMu's closing and excluded only those that a bidder "could not have possibly imagined," Ex. 901 at 8, would render meaningless the inclusion of the limitation "at Book Value."

FDIC responds that Section 2.1's use of the phrase "at Book Value" was in the off-the-shelf template for a whole-bank purchase and assumption transaction in use when FDIC drafted the P&A Agreement and predated insertion of the phrase "reflected on the Books and Records" in the Agreement. FDIC Opp. at 22. Thus, according to FDIC, if "at Book Value" were generally considered a limit on the scope of liabilities assumed by an acquiring institution "to the line item book value on the bank's accounting records," there would have been no need for FDIC to have added the disputed language. FDIC Opp. at 22-23. In support of this argument, FDIC cites other transactions where the phrase did not ostensibly limit liabilities assumed. *See id.* at 23. But the instant dispute focuses on the language of the P&A Agreement,

not the meaning of the same phrase in agreements between FDIC and other parties, who may or may not have been able to negotiate terms or had a carve-out for liabilities assumed. How the phrase “at Book Value” may be used elsewhere *by FDIC* is irrelevant. The question is whether the P&A Agreement at issue here, which clearly states that a bidder would assume liabilities at their Book Value as of WaMu’s closing, limited JPMC’s exposure.

Equally unpersuasive is FDIC’s argument that the language “at Book Value” in Section 2.1 merely sets a pricing scheme for WaMu’s assets and liabilities, helping to calculate the amount FDIC must pay JPMC if FDIC seeks to reacquire certain assets and their related liabilities under Section 3.6. *Id.* at 23-24. But even if the “at Book Value” language somehow serves as a pricing mechanism related to another section of the Agreement, it operates in Section 2.1 as a means of quantifying the liabilities acquired by JPMC. Specifically, it clarifies that liabilities will not transfer to JPMC in excess of their Book Value.²⁹

FDIC also argues that the directive in Section 2.1 that JPMC “pay, perform, and discharge” all liabilities on WaMu’s “Books and Records,” Ex. 1, § 2.1, means that JPMC assumed liabilities beyond those on the balance sheet because one cannot “perform” or “discharge” line items on accounting records, *see* FDIC Opp. at 27. To the contrary, JPMC is

²⁹ FDIC’s argument about the meaning of “Book Value” is severely undercut by the testimony of FDIC representatives, who uniformly failed to give the term any intentional meaning. Mr. Van Fleet testified that “Book Value “should have been stricken” and was “purely vestigial.” Van Fleet Dep. at 49, 154. Mr. Gearin, the other principal drafter, testified that the phrase “probably serves no purpose” and “could actually be surplusage.” Gearin Dep. at 134, 136. Mr. Held believed that the phrase “really doesn’t have . . . any meaning” in Section 2.1. Deposition of Herbert Held (Held Dep.) [Dkt. 169-7] at 80. There is no corresponding testimony that bidders were advised that “Book Value” in Section 2.1 was unintended, irrelevant, or meaningless. Whether FDIC purposefully included the phrase is contradicted by FDIC itself. Nonetheless, the term is in the FDIC-drafted P&A Agreement for all bidders to see and rely upon in quantifying potential liability and, thus, the proposed bid price. The Court is not persuaded it can be ignored.

required to “pay, perform, and discharge” WaMu’s liabilities, but only up to their Book Value as reflected on WaMu’s accounting records.

Finally, the facts that the phrase “books and records” is used elsewhere in the P&A Agreement in varying circumstances, is only capitalized in Section 2.1, and is not consistently used to refer to a broad set of documents further undercut FDIC’s reliance on a capacious definition of “Records.”³⁰ When analyzing each different use of the phrase in the Agreement, the Court relies on its context. In many instances, “books and records” in the P&A Agreement connotes a limited set of documents. Article I defines “Deposit” to include “all uncollected items included in the depositors’ balances and credited on the books and records of the Failed Bank.” Ex. 1, Art. I. This language describes the accounting documents recording WaMu’s depositor assets and liabilities; it is not a reference to just *any* document in WaMu’s files. Similarly, “Commitment” in the same Article is defined as “the unfunded portion of a line of credit or other commitment reflected on the books and records of the Failed Bank to make an extension of credit . . . that was legally binding on the Failed Bank as of Bank Closing . . .” *Id.*

Nor does Article VIII use “books and records” as shorthand for all of WaMu’s internal records. Article VIII states that JPMC shall provide to FDIC a “Proforma Statement of Condition indicating all assets and liabilities of [WaMu] as shown on [WaMu’s] books and records as of Bank Closing and reflecting which assets and liabilities are passing to [JPMC] and which assets and liabilities are to be retained by [FDIC].” *Id.*, Art. VIII. This language clearly

³⁰ The Court recognizes its obligation to construe the P&A Agreement “to give effect to all of its provisions and render them consistent with each other.” *Mastrobuono*, 514 U.S. at 63. But it is undeniable that “Records” and “books and records” reference different kinds of financial records in different parts of the Agreement. Variation in use for specific purposes does not support FDIC’s expansive proposed definition, however, because even if there were ambiguity in Section 2.1, contrary to the Court’s finding, the Court’s interpretation of the Agreement is still fully satisfied by confirming extrinsic evidence. *See infra* Part III.B.

contemplates some discrete set of records discernible to the acquiring bank by looking at WaMu's financial records. However, still other sections of the Agreement use "books and records" in a broad "catch-all" manner. *See e.g., id.*, Art. III, § 3.4(c) (describing situation in which JMPC might elect to have FDIC purchase certain assets and requiring JPMC to furnish a notice including a list of assets and related liabilities and to provide FDIC "full access to all other relevant books and records"); *id.*, Art. IX, § 9.6(b)(ii) (requiring JPMC to provide FDIC with access to WaMu's "books and records, the books and records of such Subsidiaries and all Credit Files, and copies thereof").

B. Extrinsic Evidence Supports JPMC's Interpretation of the P&A Agreement

Extrinsic evidence confirms that the disputed language can be reasonably understood only as transferring to JPMC WaMu's liabilities to the extent they were booked on the accounting records. Therefore, summary judgment in favor of JPMC is appropriate.

1. Unintentional Capitalization of "Records"

Despite FDIC's argument about the broad scope of the term "Records," uncontroverted deposition testimony from FDIC drafters reveals that "Records," as used in the phrase "Books and Records" in Section 2.1, had no intended definition and was not meant to refer to the defined term in Article I. Mr. Gearin attributed the decision to capitalize "Books and Records" to Mr. Van Fleet, Gearin Dep. at 94, and did not know whether a conscious decision was made to capitalize "Records." *Id.* at 95. Mr. Van Fleet was the immediate drafter who inserted the phrase into Section 2.1 of the P&A Agreement but he could not recall inserting it or intending any special meaning. Van Fleet Dep. at 131-32. FDIC does not dispute these

statements. *See* FDIC Opp. to JPMC Statement of Facts [Dkt. 148-1], ¶¶ 22-27, at 7-9.³¹ Nor does FDIC dispute that Mr. Wigand could not recall intending the word “Records” to be capitalized or to refer to the defined term “Record.” *See* FDIC Opp. Facts, ¶¶ 28-29. In addition, Mr. Held had no such intention and had no explanation for the phrase. *Id.* ¶¶ 31-32.³² Contrary to after-the-fact arguments made by FDIC lawyers, testimony from FDIC individuals contemporaneously involved makes it clear that the capitalization of “Books and Records” in Section 2.1 was inadvertent and unintentional. Furthermore, as discussed above, “books and records” must be construed in context.

2. The Disputed Phrase Had a Purpose FDIC Does Not Acknowledge

The drafting of the P&A Agreement did not begin until mid- or late-September, *see* Gearin Dep. at 18-21, after FDIC Chairman Sheila Barr unsuccessfully called Jamie Dimon of JPMC on September 16, 2008, to “pitch” a whole-bank transaction, Ex. 135. On September 22, 2008—three days before WaMu was closed by OTS—FDIC officials James Wigand, Herbert Held and David Gearin first met with possible bidders to present a potential FDIC receivership transaction. Exs. 54, 142. As of the next morning, September 23, Section 2.1 of the draft stated that “the Assuming Bank expressly assumes at Book Value . . . and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank as of Bank Closing” Ex. 253. Later that same day, Sheri Foster asked Messrs. Wigand and Held: “Lee Van Fleet called with the

³¹ FDIC “disputes” JPMC Fact No. 26 but only to the extent that it corrects JPMC’s statement that “Mr. Van Fleet inserted the phrase ‘Books and Records’ into the draft agreement” to clarify that “Mr. Van Fleet added the phrase ‘Books and Records’ to Section 2.1 of the draft agreement, but not elsewhere.” *Id.* at 8.

³² Messrs. Gearin and Van Fleet, drafters of the P&A Agreement, also testified that “Books” was erroneously capitalized. Gearin Dep. at 94 (“Q. Do you believe it’s an error? A. Yes.”); Van Fleet Dep. at 137 (“[C]apitalizing it would have been a scrivener’s error.”).

following question[]: Can we limit liabilities assumed to just the ‘liabilities on the books and records’ . . . ?” Ex. 903. The response must have been positive: Section 2.1 of the draft agreement that circulated within FDIC late in the day on September 23 stated “the Assuming Bank expressly assumes at Book Value . . . and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing” Ex. 255 at 13.

Mr. Gearin, on whose behalf Ms. Foster sent the question to Messrs. Wigand and Held, testified that the change in language was intended to give *comfort* to bidders that a bidder would assume only those liabilities it “would be able to discern by a very thorough due diligence.” Gearin Dep. at 85; *see also id.* at 92 (“[A]dding the phrase . . . could give [bidders] some comfort that there wouldn’t be exposure to liabilities that they couldn’t possibly have discerned from a *review of the books and records* of the failed bank.” (emphasis added)). As discussed above, it is undisputed that neither Mr. Gearin nor Mr. Van Fleet recalled any intention to capitalize the phrase “Books and Records” or either “Books” or “Records” in Section 2.1. Gearin Dep. at 94-95; Van Fleet Dep. at 131-132. Indeed, Ms. Foster’s email (relaying the question from Mr. Van Fleet) did not capitalize the phrase “books and records.” Ex. 903. Accordingly, the Court finds it undisputed that the phrase was adopted to provide “comfort” to bidders that they could discern liabilities to be assumed from what was shown on WaMu’s accounting records and the phrase was not intended to expand liabilities to cover anything an acquiring institution could “possibly have imagined.” Ex. 901 at 8.³³

³³ FDIC argues that the addition of the “Books and Records” language to Section 2.1 does not signify that it intended to adopt the limited meaning suggested by JPMC. It points to its simultaneous change to the preamble, from “the Assuming Bank desires to purchase certain assets and assume certain deposit and other liabilities of the Failed Bank” Ex. 253 at 4, to “the Assuming Bank desires to purchase substantially all of the assets and assume all deposit and

This testimony is consistent with normative judicial holdings that acquiring banks in purchase-and-assumption transactions do not assume unliquidated or contingent liabilities. *See, e.g., Santopadre v. Pelican Homestead & Sav. Ass'n*, 937 F.2d 268, 272 (5th Cir. 1991) (even where “agreement purports to transfer all of the closed bank’s liabilities,” unliquidated litigation liabilities were not “on the books and records” of the failed bank and thus not transferred). The reasoning for these decisions is informative: banks do not assume unliquidated liabilities precisely because the parties need to be “able to rely on the books and records of the [failed bank] in determining its net worth,” thereby allowing a sale to “take place in [a] timely fashion.” *Id.*; *see also In re Collins Sec. Corp.*, 998 F.2d 551, 554-55 (8th Cir. 1993) (treating “books and records” and “account records” as synonymous). “Undoubtedly very few, if any, banks would enter into purchase and assumption agreements with a federal receiver if the successor banks had to assume [] latent claims of unknown magnitude.” *Vernon v. RTC*, 907 F.2d 1101, 1109 (11th Cir. 1990); *see also Village of Oakwood v. State Bank & Trust Co.*, 519 F. Supp. 2d 730, 738 (N.D. Ohio 2007) (“[A]n assuming bank would rarely be inclined to enter a P&A agreement with the FDIC knowing that it could be taking on unidentified liabilities of

substantially all other liabilities of the Failed Bank on the terms and conditions set forth in this Agreement” Ex. 255 at 6 (emphasis added). FDIC maintains that the new language demonstrated its intention to transfer the disputed liabilities to the Acquiring Bank. The argument falls short. First, no bidder would have been aware that there was any change, since it was done before the P&A Agreement was sent to bidders on the evening of September 23. Second, the preamble clearly states that the Assuming Bank would acquire liabilities subject to the Agreement itself (which transferred liabilities that were on the books and records). Third, the language of the preamble is not an operative part of the Agreement. *Grynberg v. FERC*, 71 F.3d 413, 416 (D.C. Cir. 1995) (“[A] Whereas clause, while sometimes useful as an aid to interpretation, cannot create any right beyond those arising from the operative terms of the document.”) (internal quotations omitted). Fourth, JPMC insists that it *did* assume substantially all liabilities. *See infra* at III.B.4.

undefined dimensions that could arise at some uncertain date in the future.”), *aff'd*, 539 F.3d 373 (6th Cir. 2008).

FDIC asserts that the repurchase liabilities were not “unknown” or “unidentified” because JPMC “knew when it bid that it would be assuming WaMu’s off-balance sheet mortgage securitization liabilities, including its repurchase liabilities, under the terms of this transaction” and JPMC also knew the nature and scope of such liabilities. FDIC Opp. at 32. FDIC’s argument misses the mark. JPMC was aware that WaMu had large exposure from its repurchase liabilities, but no party knew the ultimate cost of these obligations after seizure by OTS. Moreover, JPMC’s knowledge of WaMu’s potential exposure is irrelevant unless the P&A Agreement transferred that exposure to JPMC. In one sense, the extent of the unknown potential liabilities lends credence to JPMC’s contention that it only would have agreed to assume quantifiable liabilities at their Book Value.

3. Assuming FDIC Intended to Transfer Unbooked Liabilities to JPMC, that Intention Was Not Communicated

FDIC argues at length that the extrinsic evidence irrefutably demonstrates its intent to pass *all* of WaMu’s unbooked liabilities to JPMC. But whether FDIC intended the liabilities to transfer and whether it communicated that intent to JPMC, who agreed, are separate questions, and only the latter is relevant for construing the Agreement. *See NTA Nat., Inc. v. DNC Services Corp.*, 511 F. Supp. 210, 223 (D.D.C. 1981) (“[I]t is a well-established principle that ‘the subjective unexpressed, uncommunicated thoughts of a party are irrelevant to the material issue of the parties’ intent.’” (quoting *Union Bank v. Winnebago Industries, Inc.*, 528 F.2d 95, 99 (9th Cir. 1975))).

When the draft P&A Agreement was delivered to JPMC on the evening of September 23, 2008, Section 2.1 unequivocally conveyed only those liabilities that were

reflected on WaMu's "Books and Records." Ex. 257, 276. FDIC argues that *JPMC should have known* it intended a broader use for the phrase because (1) FDIC outlined the terms of the proposed transaction to JPMC at a meeting on September 22, 2008 and (2) the Transaction Recap and Bid Instructions, released mere hours before, made clear that Option 3—which was the "all-deposit version" on which JPMC ultimately bid—required the acquiring bank to assume "all liabilities" except for those specifically excluded. *See* FDIC Mem. at 20-22. As a result, FDIC maintains, JPMC was aware that it was bidding on an "everything-but" transaction and knew that it was assuming all liabilities whether or not listed on WaMu's Accounting Records. *Id.* at 22.

FDIC's argument falls short. Both of its cited events occurred *before* FDIC delivered the P&A Agreement to JPMC. Therefore, even if FDIC internally intended the liabilities at issue to be acquired as of September 22, 2008, and even if JPMC knew FDIC so intended on that date, subsequent events served to alter the parties' understanding of the P&A Agreement. Indeed, the parties could not have thought that the terms were settled as of September 22 as no contract had been provided, no bid had been made, and the Transaction Recap itself emphasized that "[t]he legal documents will be the governing documents for this transaction." Ex. 56 at 2. Moreover, the Transaction Recap was inconsistent with the Bid Instructions that accompanied it: while the Transaction Recap stated that, under Option 3, the Assuming Bank would assume all liabilities "except the preferred stock, the subordinated debt and the senior debt," *id.*, the Bid Instructions stated that Assuming Bank would assume all liabilities except for "the preferred stock, non-asset related defensive litigation, subordinated debt and senior debt," Ex. 57 at 3. As of the posting of the Transaction Recap and Bid Instructions, FDIC had not clarified what liabilities it intended to transfer under the Agreement.

The scope of the liabilities to be assumed by JPMC was crystalized after the Agreement was sent to potential bidders, late on September 23, 2008, when JPMC and FDIC began to discuss the indemnity provisions of the contract. At that point, Mr. Gearin answered JPMC questions on indemnification, explicitly stating in an email: “The liabilities assumed are described as booked liabilities”, Ex. 66, conveying that liabilities that were not “booked” were not assumed and were covered by the indemnity clause in Section 12.1. This statement informs the parties’ joint interpretation that the liabilities being assumed were limited to their Book Value on WaMu’s accounting records. FDIC seeks to avoid responsibility for Mr. Gearin’s reference to “booked liabilities,” but its explanations are not convincing. According to FDIC, this email meant that “if [Mr. Eitel] wants to know which liabilities are assumed by [JPMC] . . . [he should] look at 2.1, which describes the liabilities as being those that are reflected on the books and records.” Gearin Dep. at 178:5-9. FDIC argues that Mr. Gearin’s use of the term “booked liabilities” was “paraphras[ing] [] the reference in 2.1 to liabilities that were reflected on the books and records.” *Id.* at 178:13-15. The explanation is circular and fails to satisfy.

The record forecloses giving these arguments the weight to which FDIC would assign them. In analyzing the emails between the parties in their entirety, it is apparent that JPMC was seeking to make sure that it was assuming a limited set of liabilities. As of this email chain on September 23, *see* Ex. 66, the parties had a shared understanding: both Messrs. Cooney and Gearin understood that JPMC would assume only “booked liabilities,” that is, those liabilities that were recorded at Book Value on WaMu’s financial books.³⁴

³⁴ Despite the mutual understanding that the liabilities assumed were those that were “booked,” Mr. Cooney continued to be concerned that the disputed clause could be interpreted in a broader fashion than was intended and that JPMC could be found liable for a pre-acquisition breach by

In further arguing its intention to transfer unbooked liabilities, FDIC relies heavily on the “Frequently Asked Questions” document that was posted for bidders at some point in the morning or early afternoon on September 24, 2008. *See* Exs. 71, 129.³⁵ In the FAQs, FDIC provided the following question and answer:

Are the off-balance sheet credit card portfolio and mortgage securitizations included in the transaction? Do you expect the acquirer to assume the servicing obligations? If there are pricing issues associated with the contracts (e.g., the pricing is disadvantageous to the assuming institution), can we take advantage of the FDIC’s repudiation powers to effect a repricing?

Answer: The bank’s interests and obligations associated with the off-balance sheet credit card portfolio and mortgage securitizations pass to the acquirer. Only contracts and obligations remaining in the receivership are subject to repudiation powers.

Ex. 71 at 2. FDIC contends that the statement “The bank’s interests and obligations associated with the off-balance credit card portfolio and mortgage securitizations pass to the acquirer” expressly conveyed to JPMC that “off-balance sheet” interests and obligations, such as the repurchase obligations at issue here, would transfer to the Assuming Bank. FDIC Mem. at 24. JPMC answers that other FAQs explicitly stated that they applied to a certain transaction structure but this FAQ had no such limit; thus, it must have applied to all transaction options—Transaction Options 1-3, which included “Books and Records” in Section 2.1, and Transactions

WaMu of a contract that *was* reflected on the books and records, particularly one between WaMu and its parent, WMI. *See* Ex. 66. He told Mr. Gearin, “In a normal P&A between commercial parties this is not something a buyer would ever assume and it really doesn’t make sense (nor frankly is it fair) here.” *Id.* Mr. Gearin promised to “look at [it] again,” *id.*, but there is no further evidence on the point and Section 12.1 was not changed. Notably, if Mr. Gearin did not agree with Mr. Cooney’s interpretation, he did not clarify that FDIC had some other uncommunicated intent.

³⁵ It is not clear when FDIC posted the FAQs, but they were circulated among JPMC officials during the afternoon of September 24.

Options 4-5, which did not include the phrase. Therefore, JPMC argues, FDIC's answer about acquired liabilities should be construed as addressing draft language appearing in all five transactions, that is, language involving mortgage *servicing* obligations (as raised in the question posed to FDIC), and not *seller* repurchase obligations, which were not part of Transaction Options 4 or 5.³⁶ FDIC responds that "[a]ny prospective bidder comparing the draft structures would understand that Transaction Options 1 through 3 transferred a broad scope of liabilities, while Transaction Options 4 and 5 enumerated the specific liabilities being transferred." FDIC Reply [Dkt. 175] at 7 (citing Ex. 276).

Whatever was intended or understood by the parties, the critical fact is that the FAQs came *after* FDIC's assurances to JPMC that only "booked liabilities" would be assumed, Ex. 66, and FDIC never proposed or made any change to the language of the P&A Agreement that might have changed or expanded a bidder's liabilities. Despite the FAQs, the Agreement continued to transfer only those liabilities reflected on WaMu's books and records. Moreover, the Bid Instructions warned bidders that the "legal documents" controlled the transaction. Ex. 57. Whether the FAQs were clear or not, FDIC failed to change the transaction documents to contain the language it now cites.

FDIC also maintains that a statement "made" by Jim Wigand during the afternoon of September 24, 2008 demonstrates FDIC's intention to transfer all mortgage repurchase liabilities to the acquiring bank. This "statement" of Mr. Wigand, *see* Ex. 79, was conveyed by Mr. Aboussie to Mr. Gearin when discussing JPMC's proposal to modify Section 2.5 to limit its assumption of a wide range of mortgage loan securitization claims, *see* Ex. 78. In discussing

³⁶ JPMC emphasizes that the rights and any associated obligations of a mortgage servicer are distinguishable from mortgage repurchase obligations of a seller. As noted above, *see supra* n.27, FDIC no longer disputes this point.

JPMC's proposal internally, Mr. Aboussie told Mr. Gearin that "Jim Wigand has stated that he understood and intended that all liabilities associated with loan sales (i.e., rep and warrant/repurchase claims) are to be passed to the assuming bank." Ex. 79. This statement, FDIC argues, confirms its position. But the argument is unpersuasive because the statement is irrelevant: to the extent it reflects an intention to pass mortgage repurchase liabilities beyond those booked on WaMu's accounting records, that intention was not communicated outside FDIC.³⁷ FDIC cites additional testimony of Mr. Wigand and Mr. Held concerning FDIC's intentions, *see* FDIC Mem. at 19, but these witnesses can only testify to Mr. Wigand's internal directions to FDIC lawyers *after* the draft P&A Agreement was offered to bidders, with Section 2.1's language on Assumed Liabilities left unchanged. Again, these internal communications reveal only Mr. Wigand's intentions without evidence that they were shared with any bidder or that the P&A Agreement was changed accordingly. Uncommunicated intentions do not carry any weight in interpreting the intention of contracting parties.

FDIC further argues that its rejection of JPMC's proposal to modify Section 2.5 (to restrict JPMC's assumption of various claims) signaled to JPMC that FDIC intended all securitization liabilities to transfer to and be assumed by the acquiring bank. FDIC Mem. at 26. After JPMC proposed new language, Mr. Gearin stated that he did not believe there would be a revised agreement, Ex. 80, and JPMC then submitted its bid, noting in its cover letter that it accepted as drafted the language of Section 2.5. Ex. 59 at 2. JPMC responds that its proposed

³⁷ JPMC also argues that there was nothing in this email exchange suggesting that Mr. Wigand was construing the first sentence of Section 2.1 in the draft agreement for Transaction Options 1-3, as opposed to all transaction options. JPMC Opp. at 10. Thus, it contends, Mr. Wigand's statement was addressing the conveyance of mortgage *servicing* obligations, possibly based on some misunderstanding that seller repurchase obligations automatically accompany mortgage servicing obligations. *Id.* (quoting Wigand Dep. at 276 for his statement that "if you take the servicing, you have to take the repurchase obligations").

change to Section 2.5 was merely an effort to expand its avoidance of various obligations including: RMBS securities-law claims; the “Book Value” of mortgage repurchase claims, as reflected on the Accounting Records; servicing-related claims; GSE repurchase claims; and claims based on RMBS owned or sponsored by WaMu’s subsidiaries. JPMC Opp. at 23. Thus, JPMC contends, FDIC’s refusal to accept its proposal meant that JPMC would acquire those liabilities, but did not mean that all of WaMu’s repurchase obligations, booked or unbooked, would pass to JPMC.³⁸

In any event, what ultimately controls is the language in the Agreement as it was executed. Section 2.1 of the Agreement transfers only those liabilities with a Book Value. Moreover, Section 2.5, as drafted by FDIC, indemnified the Acquiring Bank for all liabilities not assumed under Section 2.1; thus, Section 2.5 is circular and merely returns the reader to the scope of Liabilities Assumed in Section 2.1—all those on the books and records. Accordingly, FDIC’s failure to adopt JPMC’s proposed change to Section 2.5 did not necessarily communicate any intention to pass unbooked mortgage repurchase liabilities, particularly in light of the facts that FDIC had already advised that the liabilities being transferred were those that were “booked” and that the language of the Agreement remained unchanged.

FDIC also cites internal and public communications by JPMC, which FDIC argues prove that JPMC knew it had acquired WaMu’s repurchase liabilities. FDIC Mem. at 22. Specifically, FDIC quotes from presentation slides prepared for September 24, 2008 meetings with rating agencies stating that JPMC would assume “[a]ll the deposits and substantially all [WaMu] liabilities, excluding senior and subordinated debt,” Ex. 62 at 20 and Ex. 63 at 20, and a

³⁸ JPMC also notes that it is not even clear that its proposed language “would cover this very action, which is not brought by any ‘direct or indirect purchaser’ of RMBS.” JPMC Opp. at 22.

statement made on September 25, 2008 by Charlie Scharf of JPMC to investors in which he described assumed liabilities as everything but “the unsecured debt, the subordinated debt and the preferred,” Ex. 483 [Dkt. 160-24] at 3.³⁹

FDIC relies on such presentations and comments to support its position that JPMC knew it would acquire WaMu’s RMBS liabilities. However, these were high-level summaries of the transaction that did not include all details of the potential acquisition. Furthermore, as JPMC argues, it was “fair to summarize the P&A Agreement as transferring ‘substantially all’ of WMB’s liabilities,” JPMC Opp. at 17, because the liabilities at issue are estimated by Deutsche Bank to be valued between U.S. \$6 and \$10 billion and JPMC assumed liabilities under the P&A Agreement of roughly \$300 billion. Am. Compl. ¶ 85; JPMC Opp. at 18-19 (citing Ex. 682 (9/25/08 unconsolidated balance sheet)). FDIC does not dispute these amounts, which support the statements that JPMC acquired “substantially all” of WaMu’s liabilities, per the P&A Agreement.

4. Post-Transaction Conduct

In the immediate days after JPMC acquired WaMu, FDIC appeared to construe the P&A Agreement as JPMC does now: to mean that only liabilities already entered on WaMu’s accounting records were acquired by JPMC. These early conversations related to unassessed tax liabilities that were not reflected on WaMu’s books. On October 8, 2008, Richard Peyster, an FDIC tax attorney, specifically stated that “[w]ith regard to any tax liability arising out of an ongoing or future audit, where no assessment had been made prior to the date of closing, such liability would not pass to Morgan. Only liabilities on the books as of the date of the agreement pass.” Ex. 29. In a separate email related to WaMu’s tax claims, on which Messrs. Wigand,

³⁹ Page citations within this exhibit are to the ECF page number.

Gearin and Aboussie were all copied, Mr. Peyster further stated that “Section 2.1 transfers all liabilities reflected on the books and records of Washington Mutual to JPMorgan Chase. Therefore, any tax liabilities on the books of Washington Mutual were transferred, and any unknown liabilities, not reflected on the books were not transferred.” Ex. 108.

FDIC argues first that “this case is not about pending tax audits” and that Mr. Peyster’s statements are immaterial, as he played no substantive role in developing the terms of the transaction or drafting the P&A Agreement. FDIC Opp. at 41-42. Further, FDIC emphasizes Mr. Peyster’s testimony that the statements made in his email were “overly simplistic and broad” and that in stating that only liabilities on the books would pass to JPMC, he was merely paraphrasing “books and records.” *See* Peyster Dep. at 83-84.

The emails speak for themselves. Mr. Peyster may not have played a role in drafting the P&A Agreement, but when he stated that “any unknown liabilities[] not reflected on the books were not transferred,” none of the men who was intimately familiar with the Agreement’s terms—Messrs. Gearin, Wigand, and Aboussie—contradicted his understanding. Ex. 108. Nor does FDIC’s argument that WaMu’s mortgage repurchase liabilities could not have been considered “unknown” carry weight. As discussed above, while the entire banking world knew about the existence of such liabilities, no one knew the quantifiable value of the future obligation to repurchase defective mortgage loans; to the contrary, the Agreement states that a liability not reflected “on the books” did not pass to JPMC.

FDIC tax accountant Jim Thormahlen’s statements that unassessed tax liabilities were a claim against the FDIC-Receiver, not JPMC, also confirm this understanding. *See, e.g.*, Ex. 30 [Dkt. 158-5]; Ex. 404; Ex. 416. In response, FDIC contends that Mr. Thormahlen, who was not involved in drafting the P&A Agreement, relied on JPMC’s representation when

preparing a standard form letter to send to tax agencies and, thus, his statements only reflected JPMC's interpretation of the P&A Agreement. FDIC Opp. at 42. But Mr. Thormahlen's testimony does not fully support the argument. While he testified that "JPMorgan people" told him that JPMC did not assume tax liabilities and that he drafted his letter at the request of JPMC, Thormahlen Dep. at 160, Mr. Thormahlen then stated his understanding that JPMC assumed all of WaMu tax liabilities "that were on the books and records" and did not assume tax liabilities that "weren't on the books and records [because] that's what the P&A says." *Id.* at 158. Mr. Thormahlen further averred that he got his understanding of the meaning of "Books and Records" in the P&A Agreement from "the e-mails that Peyster said was his interpretation," i.e., from within the FDIC itself. *Id.* at 162. Moreover, even if Mr. Thormahlen were adopting JPMC's construction of the Agreement, his actions only confirmed to JPMC that its interpretation was shared by FDIC.

Finally, David Gearin's statements on October 28, 2008 demonstrate that JPMC and at least some FDIC employees believed the liabilities at issue did not pass to JPMC. *See Ex. 82 [Dkt. 159-6]*. In an internal FDIC email, Mr. Gearin stated that he "just got off the phone with Dan Cooney, the JPMC in-house attorney who no[w] understands that we are of the view that the repurchase obligations did pass to JPMC and cannot be put back to the receiver for repudiation. Unfortunately what I said was inconsistent from what they had heard over time from three different FDIC representatives in Seattle." *Id.* JPMC argues that this email represents the first time the FDIC actually informed JPMC of its position that WaMu's mortgage repurchase liabilities passed to JPMC; JPMC also argues that the email acknowledges that FDIC had previously taken the opposite view and had so advised JPMC. FDIC's only response to this evidence is to cite the FAQs, maintaining that it had previously informed all potential bidders

that the acquiring bank would assume all of WaMu's mortgage securitization liabilities, including the repurchase obligations. *See* Ex. 71. What Mr. Gearin's email makes clear is that before and immediately after the execution of the P&A Agreement, certain FDIC representatives advised JPMC that it was not acquiring repurchase obligations (to say nothing of Mr. Gearin's own assurance on September 23 that only "booked liabilities" would be transferred, *see* Ex. 66). FDIC cannot overcome the evidence that both parties contemporaneously shared the same understanding concerning WaMu's unbooked obligations due to the plain language of the Agreement.

5. FDIC Drafted The Contract

JPMC argues that according to *contra proferentum*, a doctrine of contractual interpretation, "any ambiguity in a contract must be construed against the drafter." JPMC Mem. at 24 (quotation omitted). FDIC responds that the doctrine is one of last resort. FDIC Opp. at 35-37. "Contra proferentum is a basic principle of contract law which provides that 'in choosing among the reasonable meanings of a promise or agreement or a term thereof, that meaning is generally preferred which operates against the party who supplies the words or from whom a writing otherwise proceeds.'" *Mesa Air Group v. DOT*, 87 F.3d 498, 506 (D.C. Cir. 1996) (quoting Restatement (Second) of Contracts, § 206). The doctrine is based on the belief that the drafter is "more likely than the other party to have reason to know of uncertainties of meaning. Indeed, he may leave meaning deliberately obscure, intending to decide at a later date what meaning to assert." Restatement (Second) of Contracts, § 206 cmt. A.

FDIC is correct that the doctrine of *contra proferentum* is limited to "cases of doubt . . . so long as other factors are not decisive." *Id.*; *see also United States ex rel. DOL v. Insurance Co. of N. Am.*, 131 F.3d 1037, 1043 (D.C. Cir. 1997). As discussed at length above,

the Agreement is clear and there is sufficient evidence to resolve this case without needing to construe the P&A Agreement against the drafter. However, if there were to remain some extant question as to the Agreement's ambiguity, this "rule of last resort" mandates the same result in favor of JPMC. *See Mesa Air*, 87 F.3d at 506.

FDIC also argues that the P&A Agreement's terms should not be construed against it because the doctrine of *contra proferentum* does not apply between sophisticated parties who have similar bargaining power. The Restatement provides otherwise, as does D.C. Circuit precedent. *See* Restatement (Second) of Contracts, § 206 cmt. A ("The rule is often invoked in cases of standardized contracts and in cases where the drafting party has the stronger bargaining position, but it is not limited to such cases."); *Mesa Air*, 87 F.3d at 506 (analyzing doctrine of *contra proferentum* and finding it weighed against Department of Transportation, as the drafter). Furthermore, while JPMC is a sophisticated party, the P&A Agreement was not a product of bilateral negotiation between FDIC and JPMC. JPMC played no role in drafting the Agreement and suggested only minimal alterations during the revision process. And, in responding to questions about the draft Agreement, FDIC clearly stated "the Purchase & Assumption agreement language is not negotiable." Ex. 71.

FDIC, as drafter of the Agreement, is bound by its terms. While not necessary to resolving the question of whether WaMu's unbooked liabilities passed to JPMC, the principle of *contra proferentum* serves to reinforce the Court's ultimate conclusion.

IV. CONCLUSION

This Court now has years of experience with the P&A Agreement and multiple parties' myriad litigating positions concerning its interpretation. The record suggests that certain FDIC officials intended to require the acquiring bank to assume WaMu's mortgage repurchase

obligations and that initial bid documents sought to transfer those liabilities. FDIC can also show that JPMC was familiar with WaMu's repurchase obligations; that after FDIC drafted and offered bidders the draft P&A Agreement, FDIC executive Jim Wigand internally affirmed that FDIC intended the acquiring bank to take all of WaMu's repurchase obligations, most of which were not booked; that FDIC warned bidders of its intention in the posted FAQs memorandum before the bids, but specifically stated that the legal documents controlled; and that, for disputed reasons, JPMC tried to alter the language of the Agreement.

What FDIC does not show is that, in light of its stated intention, it changed the P&A Agreement to cover these unbooked obligations explicitly. FDIC appears to think that statements made in the FAQs and bid documents, without similar and specific contract language, are sufficient to show that it passed such liabilities to JPMC. That might have been correct, had the actual language of the P&A Agreement not been clear and limited to, as Mr. Gearin told JPMC, "booked liabilities." Indeed, multiple FDIC lawyers and representatives read the P&A Agreement in the identical way (i.e., limited to "booked liabilities"). That FDIC executives intended something else does not rescue their reliance on the non-contractual FAQs, which were specifically subject to the language of the legal documents; indeed, the FAQs were posted *after* the disputed language was offered to bidders and *no change* was made by FDIC to reflect the intention stated in the FAQs. Contrary to internal FDIC communications, there is no similar evidence that JPMC *intended to assume* WaMu's mortgage repurchase liabilities. Moreover, there is no FDIC witness that can support its deep-ocean definition of "Records" and, for purposes of this suit, FDIC fails to overcome testimony from its own representatives that the capitalization of "Books and Records" was entirely inadvertent. The presentations by JPMC to its Board of Directors and outside investors, to the effect that JPMC was acquiring all of

EXHIBIT 23
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

April 18, 2016

THIS TRANSMITTAL CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.

TO CERTIFICATEHOLDERS: YOU SHOULD READ THIS NOTICE AND ACCOMPANYING EXHIBIT 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 AS THEIR SOLE SOURCE OF INFORMATION.

**Notice to WaMu Securities Holders Regarding Sixth Update on Litigation
Against the Federal Deposit Insurance Corporation as Receiver for
Washington Mutual Bank, JPMorgan Chase, N.A., and Washington Mutual
Mortgage Securities Corporation (the “Litigation”)**

**To the Holders of Certain Residential Mortgage Backed Securities Sponsored by
Washington Mutual Bank, Long Beach Mortgage Company, Washington Mutual
Mortgage Securities Corporation or Washington Mutual Asset Acceptance Corp.**

(Collectively, the “WaMu Securities”)

Classes and CUSIPs of the WaMu Securities are listed on Exhibit A attached hereto.¹

1. Background Information.

Deutsche Bank National Trust Company (hereinafter, the “Trustee”) acts as trustee (including as trustee for certain related supplemental interest trusts) under the governing documents, which may include Pooling and Servicing Agreements, Servicing Agreements, Sale and Servicing Agreements, Trust Agreements or Indentures (collectively, the “Governing Documents”) for the residential mortgage backed securities trusts (collectively, the “WaMu

¹ The CUSIP numbers appearing herein have been included solely for the convenience of the WaMu Securities holders. Deutsche Bank National Trust Company assumes no responsibility for the selection or use of such numbers and makes no representations as to the correctness of the CUSIP numbers appearing herein.

Trusts”) relating to the WaMu Securities. Except as otherwise expressly provided, all terms used in this Notice that are defined in the Governing Documents shall have the meanings assigned to them in the applicable Governing Documents. For additional information, holders of WaMu Securities are referred to the Trustee’s Report Regarding Status of Litigation to Enforce Certain Trust Claims dated October 17, 2012 and updates dated July 28, 2014, October 16, 2014, June 12, 2015, and June 29, 2015 (collectively the “Litigation Status Reports”).

2. General Updates Concerning the Litigation.

In the June 29, 2015 Litigation Status Report, the Trustee reported that the Court on June 17, 2015 held a Status Conference and entered an Amended Memorandum Opinion and Amended Order, which, respectively, amended the Court’s memorandum opinion and order on cross motions for summary judgment filed by the Federal Deposit Insurance Corporation (“FDIC”), in its capacity as receiver for Washington Mutual Bank, and by JPMorgan Chase Bank, National Association (“JPMC”) and Washington Mutual Mortgage Securities Corporation (“WMMSC”) on the issue of responsibility for repurchase liabilities under the Purchase and Assumption Agreement (“PAA”) between the parties (“the “PAA Issue”). The Trustee also reported that, after the Status Conference, the Court entered a Minute Order regarding the timing of the FDIC’s filing of “its Motion seeking entry of a final judgment under Rule 54(b).”

On September 22, 2015 the Court certified the Amended Memorandum Opinion and Amended Order as a final judgment on Count II of the Amended Complaint and “ready for appeal” under Rule 54(b) of the Federal Rules of Civil Procedure and further determined that there was no just reason for delay of the appeal. On September 30, 2015, the Court entered a Minute Order that “the case is stayed while [the FDIC] appeals the Court’s Amended Order.” On November 16 and 20, 2015, respectively, the FDIC and the Trustee filed notices of appeal on the Amended Memorandum Opinion and Amended Order in the U.S. Court of Appeals for the District of Columbia Circuit.

On February 24, 2016, the Court of Appeals entered an order establishing the following briefing schedule: (1) Appellants FDIC’s and DBNTC’s briefs due on April 28, 2016; (2) Appellees JPMC and WMMSC’s response brief due on June 27, 2016; and (3) Appellants FDIC’s and DBNTC’s reply briefs due on August 5, 2016. The parties’ final briefs with full citations are due to the Court on August 16, 2016. On April 15, 2016, the Parties filed a Joint Motion to Hold Case in Abeyance, which would require a status report to be filed within 90 days. A copy of this filing is attached to this Notice as Exhibit B.

All documents and District Court and Court of Appeals orders and opinions referenced above are publicly available through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV-1656-RMC), the U.S. Court of Appeals for the District of Columbia Circuit at <https://ecf.cadc.uscourts.gov> (Case Nos. 15-5322 and 15-5326), or through other public sources, but are summarized for the convenience of WaMu Securities holders, without any guaranty of the accuracy or completeness of such summary. Future filings, opinions and orders (including updates to the opinions and orders referenced above) may not be the subject of future notices, so interested WaMu Securities holders should monitor court filings pursuant to the instructions below.

3. Additional Securities Holder Updates Concerning the Litigation.

As stated in previous notices and reiterated here, the Trustee will provide additional information to holders of the WaMu Securities regarding the Litigation if such WaMu Securities holders execute a common interest and non-disclosure agreement, which, along with submission instructions and a proof of ownership form to accompany the submission of the common interest and non-disclosure agreement, can be obtained by emailing wamu.trustee@db.com. **WaMu Securities holders should be aware that the information provided will be subject to the attorney-client privilege and work product doctrines and may constitute material non-public information. WaMu Securities holders receiving such information must take steps to ensure that their activities following the Trustee's presentation of information do not violate any laws or regulations related to the WaMu Securities.**

The Trustee will continue to consult with counsel regarding the Litigation and other appropriate remedial actions, consistent with its rights and obligations under the Governing Documents and applicable law. The Trustee notes that under the Governing Documents, under certain circumstances and subject to the satisfaction of certain conditions (including the furnishing of indemnities for liabilities and expenses), holders of requisite amounts of WaMu Securities may instruct the Trustee as to the time, place and manner in which the Trustee takes remedial action. WaMu Securities holders considering the exercise of such rights should contact the Trustee in writing at the email address noted below.

The Trustee recommends that WaMu Securities holders stay abreast of relevant developments through various public information sources and not rely on the Trustee's notices as their sole source of information. The Trustee makes no representation about the timeliness, completeness or accuracy of any of these sources.

As stated in previous notices and reiterated here, the Trustee welcomes communications from all WaMu Securities holders regarding the WaMu Securities. If you have any question or comment with respect to this Notice, please contact us by e-mail at wamu.trustee@db.com. In addition, WaMu Securities holders may monitor certain court filings in the Litigation through the PACER website maintained by the U.S. District Court for the District of Columbia at <https://ecf.dcd.uscourts.gov/> (Case No: 09-CV- 1656-RMC) and the U.S. Court of Appeals for the District of Columbia Circuit at <https://ecf.cadc.uscourts.gov/> (Case Nos. 15-5322 and 15-5326).

The Trustee may conclude that a specific response to a particular inquiry from an individual WaMu Securities holder is not consistent with equal and full dissemination of information to all WaMu Securities holders. The Trustee makes no recommendations and gives no investment, legal or tax advice to WaMu Securities holders. EACH WAMU SECURITIES HOLDER IS STRONGLY ADVISED TO CONSULT WITH ITS OWN FINANCIAL, TAX AND/OR LEGAL ADVISORS REGARDING THESE MATTERS.

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee or Indenture Trustee

cc: Deal Parties, including Issuer, NIMS Insurer, Counterparties, Master Servicer, and
Subservicers, as applicable
Ratings Agencies

Attachments

Exhibit A

Exhibit A

DealName	Series	Class	CUSIP
Coast Federal Savings	1992-01	A	190348AA0
		B-1	190348ZZ9
		B-2	190348ZZ8
		R	190348ZZ4
DealName	Series	Class	CUSIP
Ace Securities Corp.	1999-LB2	A	004421AD5
		M1	004421AE3
		M2	004421AF0
		R	DB9902101
DealName	Series	Class	CUSIP
GSAMP Trust	2005-S2	M-1	36242D3E1
		M-2	36242D3F8
		X	36242D3N1
		R	36242D3P6
DealName	Series	Class	CUSIP
GSAMP Trust	2006-S1	A-1	3623412J7
		A-2A	3623413A5
		A-2B	3623413B3
		M-1	3623412K4
		M-2	3623412L2
		M-3	3623412M0
		M-4	3623412N8
		M-5	3623412P3
		M-6	3623412Q1
		B-1	3623412R9
		B-2	3623412S7
		X	3623412T5
		X-1	3623412U2
		P	3623412V0
R	3623412W8		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-1	AF-3	542514AC8
		AF-4	542514AD6
		AV-1	542514AH7
		M-1	542514AE4
		M-2	542514AF1
		M-3	542514AG9
		C	LB0002104
		P	LB0002105
R-2	LB0002103		
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2000-LB1	P-F	LB10000PF
		P-V	LB10000PV
		R-I	LB00000RI

R-II	LB0000RII
AF5	04541GAR3
AF6	04541GAS1
M1F	04541GAT9
M2F	04541GAU6
BF	04541GAV4
M2V	04541GAY8
BV	04541GAZ5
B-IOF	LB100BIOF
B-IOV	LB100BIOV
X-F	LB10000XF
X-V	LB10000XV
R-III	LB000RIII

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-1	A-1	542514AJ3
		M-1	542514AM6
		M-2	542514AN4
		M-3	542514AP9
		C	LB0101104
		P	LB0101105
		R-3	LB0101103

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-2	A-1V	DB00985T2
		M-1	542514AS3
		M-2	542514AT1
		M-3	542514AU8
		C	LB0102102
		P	LB0102103
		R-3	LB0102101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-3	A-1	542514BD5
		M-1	542514BA1
		M-2	542514BB9
		M-3	542514BC7
		C	LB0103101
		P	LB0103102
		R-3	LB0103103

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2001-4	I-A	542514BF0
		II-A1	542514BQ6
		II-A3	542514BS2
		II-M1	542514BK9
		M2	542514BL7
		M3	542514BN3
		R-3	LB0104105
		I-C	LB0104101

II-C	LB0104102
I-P	LB0104103
II-P	LB0104104
R-X	LB0104106

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-1	I-A	542514CC6
		II-M1	542514BY9
		M2	542514BZ6
		M3	542514CA0
		R-3	LB0201205
		I-C	LB0201101
		II-C	LB0201102
		I-P	LB0201103
		II-P	LB0201104
		R-X	LB0201105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-2	I-A	542514CE2
		M2	542514CK8
		M3	542514CL6
		M4A	542514CM4
		M4B	542514CN2
		R	LB0202107
		I-C	LB0202103
		II-C	LB0202104
		I-P	LB0202105
		II-P	LB0202106
R-X	LB0202108		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2002-5	M-1	542514DB7
		M-2	542514DC5
		M-3	542514DD3
		M-4A	542514DE1
		M-4B	542514DF8
		R-4	LB0205403
		C	LB0205401
		R-CX	LB0205404
		P	LB0205402
		R-PX	LB0205405

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-1	A-1	542514DN1
		M-2	542514DK7
		M-3	542514DL5
		M-4	542514DM3
		R-M4X	LB0301103
		R	LB0301106
		C	LB0301101

P	LB0301102
R-CX	LB0301104
R-PX	LB0301105

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-2	M-1	542514DU5
		M-2	542514DV3
		M-3	542514DW1
		M-4	542514DX9
		M-5	542514DY7
		C	LB0302301
		R-1	LB0302304
		R-3	LB0302305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-3	M-1	542514EA8
		M-2	542514EB6
		M-3	542514EC4
		M-4	542514ED2
		C	LB0303301
		R	LB0303303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2003-4	AV-1	542514EE0
		M-1	542514EH3
		M-2	542514EJ9
		M-3	542514EK6
		M-4A	542514EL4
		M-4F	542514EM2
		M-5A	542514EN0
		M-5F	542514EP5
		M-6	542514EQ3
		R-2	LB0304103
		C	LB0304101
		R-CX	LB0304104
		R-PX	LB0304105

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P2	P	LB03P2001

DealName	Series	Class	CUSIP
Long Beach Securities Corp.	2003-P1	P	LB03PA001

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-1	A-1	542514FD1
		A-2	542514FE9
		M-1	542514EU4
		M-2	542514EV2
		M-3	542514EW0
		M-4	542514EX8
		M-5	542514EY6
		M-6	542514EZ3

M-7	542514FA7
M-8	542514FB5
M-9	542514FC3
B	542514FF6
C	LB0401201
P	LB0401202
R	LB0401203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-2	A-1	542514FT6
		M-1	542514FX7
		M-2	542514FY5
		M-3	542514FZ2
		M-4	542514GA6
		M-5	542514GB4
		M-6	542514GC2
		M-7	542514GD0
		C	LB0402201
		P	LB0402202
		R	LB0402203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-3	A-1	542514GF5
		M-1	542514GM0
		M-2	542514GN8
		M-3	542514GP3
		M-4	542514GQ1
		M-5	542514GR9
		M-6	542514GS7
		M-7	542514GT5
		M-8	542514GU2
		M-9	542514GV0
		C	LB0403301
		R	LB0403302
		RCX	LB0403303

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-4	I-A1	542514HN7
		M-1	542514HT4
		M-2	542514HU1
		M-3	542514HV9
		M-4	542514HW7
		M-5	542514HX5
		M-6	542514HY3
		M-7	542514HZ0
		M-8	542514JA3
		M-9	542514JB1
		M-10	542514JC9
		M-11	542514JD7
M-12	542514JE5		

B	542514JF2
R	LB04041R1
C	LB04041C1
R-CX	LB0404RCX
P	LB04041P1
R-PX	LB0404RPX

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-5	A-1	542514GW8
		A-5	542514HB3
		A-6	542514HC1
		M-1	542514HD9
		M-2	542514HE7
		M-3	542514HF4
		M-4	542514HG2
		M-5	542514HH0
		M-6	542514HJ6
		R	LB0405003
		C	LB0405001
		P	LB0405002

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2004-6	I-A2	542514JH8
		A-3	542514JL9
		M-1	542514JM7
		M-2	542514JN5
		M-3	542514JP0
		M-4	542514JQ8
		M-5	542514JR6
		M-6	542514JS4
		M-7	542514JU9
		B	542514JT2
		R	LB0406203
		C	LB0406201
		R-CX	LB0406204
		P	LB0406202
		R-PX	LB0406205
Sub-Notes	LB04N2101		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-4	N-7	54239HAB8
		SUB	LB04N4101

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2004-6	N-2	54239GAA2
		N-3	54239GAB0
		SUB	LB04N6101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-1	M-1	542514JZ8
		M-2	542514KA1

M-3	542514KB9
M-4	542514KC7
M-5	542514KD5
M-6	542514KE3
M-7	542514KF0
M-8	542514KG8
M-9	542514KH6
B-1	542514KJ2
B-2	542514KK9
R	LB0501203
C	LB0501201

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-2	M-2	542514KS2
		M-3	542514KT0
		M-4	542514KU7
		M-5	542514KV5
		M-6	542514KW3
		M-7	542514KX1
		M-8	542514KY9
		M-9	542514KZ6
		B-1	542514LA0
		B-2	542514LB8
		R	LB0502403
		C	LB0502401
		R-CX	LB0502404
		P	LB0502402
R-PX	LB0502405		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-3	I-A	542514NT7
		II-A2	542514NV2
		II-A3	542514NW0
		M-1	542514NX8
		M-2	542514NY6
		M-3	542514NZ3
		M-4	542514PA6
		M-5	542514PB4
		M-6	542514PC2
		M-7	542514PD0
		M-8	542514PE8
		M-9	542514PF5
		M-10	542514PG3
		M-11	542514PH1
		R	LB0503303
		C	LB0503301
		R-CX	LB0503304
P	LB0503302		
R-PX	LB0503305		

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-2	N-2	542396AB2
		N-3	542396AC0
		N-4	542396AD8
		SUB	LB05N2001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-WL1	N1	542395AA6
		N2	542395AB4
		N3	54239WAA7
		N4	54239WAB5
		N5	54239WAC3
		SUB-NOTE	LB05N3101
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL2	NOTE	54239QAV4
		OWNER	54239QAW2
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2005-3	N-2	542394AB7
		N-3	542394AC5
		SUB	LB05N5001
DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	2005-WL3	NOTE	54239QAX0
		OWNER	LB05N6101
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL1	I-II-M2	542514LJ1
		I-II-M3	542514LK8
		I-II-M4	542514LL6
		I-II-M5	542514LM4
		I-II-M6	542514LN2
		I-II-M7	542514LP7
		I-II-M8	542514LQ5
		I-II-M9	542514LR3
		I-II-M10	542514LW2
		I-II-B1	542514LS1
		I-II-B2	542514LT9
		I-II-B3	542514LU6
		I-II-B4	542514LV4
		I-II-C	542514LX0
		R	542514LZ5
		III-A2	542514MD3
		III-M1	542514MF8
		III-M2	542514MG6
		III-M3	542514MH4
		III-M4	542514MJ0
		III-M5	542514MK7
		III-M6	542514ML5
		III-M7	542514MM3

III-M8	542514MN1
III-M9	542514MS0
III-B1	542514MP6
III-B2	542514MQ4
III-B3	542514MR2
III-C	542514MT8

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL2	M-1	542514NB6
		M-2	542514NC4
		M-3	542514ND2
		M-4	542514NE0
		M-5	542514NF7
		M-6	542514NG5
		M-7	542514NH3
		M-8	542514NJ9
		M-9	542514NK6
		M-10	542514NL4
		B-1	542514NQ3
		B-2	542514NR1
		B-3	542514NS9
		C	542514PJ7
		P	542514PK4
		R	542514PL2
		R-CX	542514PM0
R-PX	542514PN8		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2005-WL3	I-A3	542514QC1
		I-A4	542514QD9
		II-A3	542514PQ1
		M-1	542514PR9
		M-2	542514PS7
		M-3	542514PT5
		M-4	542514PU2
		M-5	542514PV0
		M-6	542514PW8
		M-7	542514PX6
		M-8	542514PY4
		M-9	542514PZ1
		B-1	542514QG2
		B-2	542514QH0
		C	542514QJ6
		R	542514QL1
		R-CX	542514QM9
R-PX	542514QN7		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-1	I-A	542514RH9
		II-A3	542514RL0

II-A4	542514RM8
M-1	542514RN6
M-2	542514RP1
M-3	542514RQ9
M-4	542514RR7
M-5	542514RS5
M-6	542514RT3
M-7	542514RU0
M-8	542514RV8
M-9	542514RW6
M-10	542514RX4
M-11	542514RY2
R	LB0601303
C	LB0601301
R-CX	LB0601304
P	LB0601302
R-PX	LB0601305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-2	I-A	542514TQ7
		II-A3	542514TT1
		II-A4	542514TU8
		M-1	542514TV6
		M-2	542514TW4
		M-3	542514TX2
		M-4	542514TY0
		M-5	542514TZ7
		M-6	542514UA0
		M-7	542514UB8
		M-8	542514UC6
		M-9	542514UD4
		M-10	542514UE2
		B	542514UF9
		C	LB0602301
		P	LB0602302
R	LB0602303		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-3	I-A	542514UG7
		II-A3	542514UK8
		II-A4	542514UL6
		M-1	542514UM4
		M-2	542514UN2
		M-3	542514UP7
		M-4	542514UQ5
		M-5	542514UR3
		M-6	542514US1
M-7	542514UT9		
M-8	542514UU6		

M-9	542514UV4
M-10	542514UW2
B	542514UX0
R	LB0603303
C	LB0603301
P	LB0603302

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-4	I-A	54251MAA2
		II-A3	54251MAD6
		II-A4	54251MAE4
		M-1	54251MAF1
		M-2	54251MAG9
		M-3	54251MAH7
		M-4	54251MAJ3
		M-5	54251MAK0
		M-6	54251MAL8
		M-7	54251MAM6
		M-8	54251MAN4
		M-9	54251MAP9
		M-10	54251MAQ7
		M-11	54251MAR5
		R	LB0604303
C	LB0604301		
P	LB0604302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-5	I-A	54251PAA5
		II-A3	54251PAD9
		II-A4	54251PAE7
		M-1	54251PAF4
		M-2	54251PAG2
		M-3	54251PAH0
		M-4	54251PAJ6
		M-5	54251PAK3
		M-6	54251PAL1
		M-7	54251PAM9
		M-8	54251PAN7
		M-9	54251PAP2
		M-10	54251PAQ0
		B-1	54251PAR8
		B-2	54251PAS6
R	LB0605303		
C	LB0605301		
P	LB0605302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-6	I-A	54251RAA1
		II-A2	54251RAC7
		II-A3	54251RAD5

II-A4	54251RAE3
M-1	54251RAF0
M-2	54251RAG8
M-3	54251RAH6
M-4	54251RAJ2
M-5	54251RAK9
M-6	54251RAL7
M-7	54251RAM5
M-8	54251RAN3
M-9	54251RAP8
M-10	54251RAQ6
M-11	54251RAR4
R	LB0606303
C	LB0606301
R-CX	LB0606304
P	LB0606302
R-PX	LB0606305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-7	I-A	54251TAA7
		II-A2	54251TAC3
		II-A3	54251TAD1
		II-A4	54251TAE9
		M-1	54251TAF6
		M-2	54251TAG4
		M-3	54251TAH2
		M-4	54251TAJ8
		M-5	54251TAK5
		M-6	54251TAL3
		M-7	54251TAM1
		M-8	54251TAN9
		M-9	54251TAP4
		M-10	54251TAQ2
		M-11	54251TAR0
		R	LB0607303
		C	LB0607301
P	LB0607302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-8	I-A	54251UAA4
		II-A2	54251UAC0
		II-A3	54251UAD8
		II-A4	54251UAE6
		M-1	54251UAF3
		M-2	54251UAG1
		M-3	54251UAH9
		M-4	54251UAJ5
		M-5	54251UAK2
		M-6	54251UAL0

M-7	54251UAM8
M-8	54251UAN6
M-9	54251UAP1
M-10	54251UAQ9
M-11	54251UAR7
R	LB0608303
C	LB0608301
R-CX	LB0608304
P	LB0608302
R-PX	LB0608305

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-9	I-A	54251WAA0
		II-A2	54251WAC6
		II-A3	54251WAD4
		II-A4	54251WAE2
		M-1	54251WAF9
		M-2	54251WAG7
		M-3	54251WAH5
		M-4	54251WAJ1
		M-5	54251WAK8
		M-6	54251WAL6
		M-7	54251WAM4
		M-8	54251WAN2
		M-9	54251WAP7
		M-10	54251WAQ5
		B	54251WAR3
		R	LB0609303
C	LB0609301		
P	LB0609302		

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-A	A-1	542515AA9
		A-2	542515AB7
		A-3	542515AC5
		M-1	542515AD3
		M-2	542515AE1
		M-3	542515AF8
		M-4	542515AG6
		M-5	542515AH4
		M-6	542515AJ0
		M-7	542515AK7
		B-1	542515AL5
		B-2	542515AM3
		C	LB060A201
		P	LB060A202
		R	LB060A203

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-10	I-A	54251YAA6

II-A1	54251YAB4
II-A2	54251YAC2
II-A3	54251YAD0
II-A4	54251YAE8
M-1	54251YAF5
M-2	54251YAG3
M-3	54251YAH1
M-4	54251YAJ7
M-5	54251YAK4
M-6	54251YAL2
M-7	54251YAM0
M-8	54251YAN8
M-9	54251YAP3
M-10	54251YAQ1
B	54251YAR9
R	LB0610303
C	LB0610301
R-CX	LB0610304
P	LB0610302
R-PX	LB0610305

DealName	Series	Class	CUSIP
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Long Beach Mortgage Loan Trust	2006-11	I-A	542512AA6
		II-A2	542512AC2
		II-A3	542512AD0
		II-A4	542512AE8
		M-1	542512AF5
		M-2	542512AG3
		M-3	542512AH1
		M-4	542512AJ7
		M-5	542512AK4
		M-6	542512AL2
		M-7	542512AM0
		M-8	542512AN8
		M-9	542512AP3
		B-1	542512AQ1
		B-2	542512AR9
		R	LB0611303
		C	LB0611301
R-CX	LB0611304		
P	LB0611302		
R-PX	LB0611305		

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	CI 2006-WL2	N-1	54240KAA0
		SUB	LB06N2001

DealName	Series	Class	CUSIP
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Long Beach Asset Holding Corp.	2006-1	N-1	54240CAA8
		N-2	54240CAB6

DealName	Series	Class	CUSIP
Long Beach Asset Holding Corp.	CI 2006-2 NIM Notes	N1	542393AA1
		N2	542393AB9
		N3	542393AC7
		SUB	LB06N5001
		N-1	54240DAA6
		N-2	54240DAB4
		N-3	54240BAA0
		SUB	LB06N6001
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-4	N-1	92931FAA5
		N-2	92931FAB3
		N-3	92931GAA3
		SUB	LB06N7101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-5	N-1	92929AAA0
		N-2	92929AAB8
		N-3	92928YAA9
		SUB	LB06N8101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-6	N-1	92932GAA2
		N-2	92932GAB0
		N-3	92932EAA7
		SUB	LB06N9101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-7	N-1	92932LAA1
		N-2	92932LAB9
		N-3	92932LAC7
		SUB	LB06NA101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-8	N-1	92932YAA3
		N-2	92932YAB1
		SUB	LB06NB101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-9	N-1	929321AA5
		N-2	929321AB3
		N-3	929319AA9
		SUB	LB06NC101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-10	N-1	929306AA6
		SUB	LB06ND101
DealName	Series	Class	CUSIP
Long Beach CI NIM Notes	2006-11	N-1	92933KAA2
		N-2	92933KAB0
		SUB	LB06NE101

DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL1	I-A1	542514QP2
		I-A2	542514QQ0
		I-A3	542514QR8
		II-A3	542514QU1
		II-A4	542514QV9
		M-1	542514QW7
		M-2	542514QX5
		M-3	542514QY3
		M-4	542514QZ0
		M-5	542514RA4
		M-6	542514RB2
		M-7	542514RC0
		M-8	542514RD8
		M-9	542514RE6
		M-10	542514RF3
		M-11	542514RG1
	R	LB06W1303	
	C	LB06W1301	
	P	LB06W1302	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL2	I-A	542514RZ9
		II-A3	542514SC9
		II-A4	542514SD7
		M-1	542514SE5
		M-2	542514SF2
		M-3	542514SG0
		M-4	542514SH8
		M-5	542514SJ4
		M-6	542514SK1
		M-7	542514SL9
		M-8	542514SM7
		M-9	542514SN5
		B-1	542514SP0
		B-2	542514SQ8
		B-3	542514SR6
			C
	P	LB06W2302	
	R	LB06W2303	
	R-CX	LB06W2304	
	R-PX	LB06W2305	
DealName	Series	Class	CUSIP
Long Beach Mortgage Loan Trust	2006-WL3	I-A	542514SS4
		II-A3	542514SV7
		II-A4	542514SW5
		M-1	542514SX3
		M-2	542514SY1

M-3	542514SZ8
M-4	542514TA2
M-5	542514TB0
M-6	542514TC8
M-7	542514TD6
M-8	542514TE4
M-9	542514TF1
B-1	542514TG9
B-2	542514TH7
B-3	542514TJ3
R	LB06W3303
R-CX	LB06W3304
C	LB06W3301
P	LB06W3302
R-PX	LB06W3305

DealName	Series	Class	CUSIP
Long Beach Asset Holdings Corp CI	2003-3 (2007)	Subnote	LB07P3101
		Subnote	LB07P4101
DealName	Series	Class	CUSIP
Morgan Stanley ABS Capital I Inc.	2000-1	B-1	61744CAF3
		C	MS0001CLC
		P	MS0001CLP
		R-2	MS0001CR2
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-7	A	93933TAS2
		B-3	93933TAZ6
		R	93933TAT0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2001-AR3	R-1	929227ER3
		I-A	929227EL6
		II-A	929227EM4
		B-1	929227EN2
		B-2	929227EP7
		B-3	929227EQ5
		B-4	929227FD3
		B-5	929227FE1
		B-6	929227FF8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR2	R-1	929227LJ3
		A-1	929227LE4
		B-1	929227LF1
		B-2	929227LG9
		B-3	929227LH7
		B-4	929227LK0
		B-5	929227LL8
		B-6	929227LM6

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR6	A	929227QB5
		B-1	929227QC3
		B-2	929227QD1
		B-3	929227QE9
		B-4	929227QG4
		B-5	929227QH2
		B-6	929227QJ8
		R	929227QF6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR9	I-A	9393357P4
		I-B-1	9393357Q2
		I-B-2	9393357R0
		I-B-3	9393357S8
		I-B-4	9393356M2
		I-B-5	9393356N0
		I-B-6	9393356P5
		II-A	9393357T6
		II-B-1	9393357U3
		II-B-2	9393357V1
		II-B-3	9393357W9
		II-B-4	9393356Q3
		II-B-5	9393356R1
		II-B-6	9393356S9
		R	9393357X7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR12	A	939336CR2
		B-1	939336CS0
		B-2	939336CT8
		B-3	939336CU5
		B-4	939336CW1
		B-5	939336CX9
		B-6	939336CY7
		R	939336CV3
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR13	A-1	929227UB0
		A-2	929227UC8
		M-1	929227UD6
		B-1	929227UE4
		B-2	929227UF1
		B-3	929227UG9
		B-4	929227UJ3
		B-5	929227UK0
		B-6	929227UL8
R	929227UH7		
DealName	Series	Class	CUSIP

Washington Mutual Mortgage Securities Corp.	2002-AR14	A-1	939336CZ4
		A-2	939336DH3
		B-1	939336DA8
		B-2	939336DB6
		B-3	939336DC4
		B-4	939336DD2
		B-5	939336DE0
		R	939336DG5
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR15	R-1	929227XZ4
		A-5-M	939336DN0
		X	929227XY7
		B-1	929227WM4
		B-2	929227WN2
		B-3	929227WP7
		B-4	939336FH1
		B-5	939336FJ7
		B-6	939336FK4
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR16	A	929227WQ5
		B-1	929227WR3
		B-2	929227WS1
		B-3	929227WT9
		B-4	929227WV4
		R	929227WU6
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR17	II-A	929227XC5
		I-B-1	929227XD3
		I-B-2	929227XE1
		I-B-3	929227XF8
		I-B-4	929227XL5
		I-B-5	929227XM3
		I-B-6	929227XN1
		II-B-1	929227XG6
		II-B-2	929227XH4
		II-B-3	929227XJ0
		II-B-4	929227XP6
		II-B-5	929227XQ4
		II-B-6	929227XR2
		R	929227XK7
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR18	A	929227ZC3
		B-1	929227ZE9
		B-2	929227ZF6
		B-3	929227ZG4
		B-4	929227ZJ8

B-5 929227ZK5
 B-6 929227ZL3
 R 929227ZH2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2002-AR19	R-1	929227A22
		A-6	929227ZS8
		A-7	929227ZT6
		A-8	929227ZU3
		B-1	929227ZX7
		B-2	929227ZY5
		B-3	929227ZZ2
		B-4	929227A63
		B-5	929227A71
B-6	929227A89		
DealName	Series	Class	CUSIP
Washington Mutual Bank FA	2002-PR2	A	93933RCJ4
		A	93933RCK1
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR1	R-1	939336RV7
		A-5	939336PB3
		A-6	939336PC1
		B-1	939336PD9
		B-2	939336PE7
		B-3	939336PF4
		B-4	939336PG2
		B-5	939336PH0
B-6	939336PJ6		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR2	B-1	929227F27
		B-2	929227F35
		B-3	929227F43
		B-4	929227F68
		B-5	929227F76
		B-6	929227F84
		R	929227F50
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR3	A-5	929227G67
		B-1	929227G83
		B-2	929227G91
		B-3	929227H25
		B-4	929227K88
		B-5	929227K96
		B-6	929227L20
R	929227H33		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR4	A6	929227L87

A7	929227L95
B1	929227M45
B2	929227M52
B3	929227M60
B4	929227M86
B5	929227M94
B6	929227N28
R	929227M78

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2003-AR5	R-1	929227R73
		A-6	929227R57
		A-7	929227R65
		B-1	929227S23
		B-2	929227S31
		B-3	929227S49
		B-4	929227S56
		B-5	929227S64
Washington Mutual Mortgage Securities Corp.	2003-AR5	B-6	929227S72

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2003-AR6	A1	9292274D5
		B1	9292274H6
		B2	9292274J2
		B3	9292274K9
		B4	9292274M5
		B5	9292274N3
		B6	9292274P8
		R	9292274L7

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2003-AR7	A6	9292276J0
		A7	9292276K7
		A8	9292276L5
		B1	9292276N1
		B2	9292276P6
		B3	9292276Q4
		B4	9292276A9
		B5	9292276B7
		B6	9292276C5
R	9292276R2		

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2003-AR8	R-1	92922FAX6
		A-1	92922FAS7
		B-1	92922FAU2
		B-2	92922FAV0
		B-3	92922FAW8
		B-4	92922FAY4
B-5	92922FAZ1		

B-6 92922FBA5

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR9	R-1	92922FCE6
		I-A-2B	92922FBR8
		I-A-6	92922FBV9
		I-A-7	92922FBW7
		I-B-1	92922FBY3
		I-B-2	92922FBZ0
		I-B-3	92922FCA4
		I-B-4	92922FCF3
		I-B-5	92922FCG1
		I-B-6	92922FCH9
		II-A	92922FBX5
		II-B-1	92922FCB2
		II-B-2	92922FCC0
		II-B-3	92922FCD8
		II-B-4	92922FCJ5
		II-B-5	92922FCK2
II-B-6	92922FCL0		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR10	R-1	92922FEF1
		A-6	92922FEA2
		A-7	92922FEB0
		B-1	92922FEC8
		B-2	92922FED6
		B-3	92922FEE4
		B-4	92922FEG9
		B-5	92922FEH7
		B-6	92922FEJ3

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR11	A-6	92922FJF6
		B-1	92922FJJ8
		B-2	92922FJK5
		B-3	92922FJL3
		B-4	92922FJN9
		B-5	92922FJP4
		B-6	92922FJQ2
		R	92922FJM1

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2003-AR12	R-1	92922FKV9
		A-6	92922FKU1
		B-1	92922FKX5
		B-2	92922FKY3
		B-3	92922FKZ0
		B-4	92922FLA4
B-5	92922FLB2		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR1	B-6	92922FLC0
Washington Mutual Mortgage Securities Corp.	2004-AR1	A-1	92922FLD8
		X	92922FLE6
		B-1	92922FLF3
		B-2	92922FLG1
		B-3	92922FLH9
		B-4	92922FLK2
		B-5	92922FLL0
		B-6	92922FLM8
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR2	A	92922FNW4
		B-1	92922FNX2
		B-2	92922FNY0
		B-3	92922FNZ7
		B-4	92922FPB8
		B-5	92922FPC6
		B-6	92922FPD4
		R	92922FPA0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR3	A-1	92922FNH7
		A-2	92922FNJ3
		B-1	92922FNL8
		B-2	92922FNM6
		B-3	92922FNN4
		B-4	92922FNQ7
		B-5	92922FNR5
		B-6	92922FNS3
		X	92922FNK0
		R	92922FNP9
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR4	A-3	92922FPQ5
		A-4	92922FPR3
		A-5	92922FPS1
		A-6	92922FPT9
		B-1	92922FPU6
		B-2	92922FPV4
		B-3	92922FPW2
		B-4	92922FPY8
		B-5	92922FPZ5
		B-6	92922FQA9
		R	92922FPX0
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR5	A-2	92922FRY6
		A-4	92922FSA7
		A-5	92922FSB5

A-6	92922FSC3
B-1	92922FSD1
B-2	92922FSE9
B-3	92922FSF6
B-4	92922FSH2
B-5	92922FSJ8
B-6	92922FSK5
R	92922FSG4

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR6	A	92922FSL3
		X	92922FSM1
		B-1	92922FSN9
		B-2	92922FSP4
		B-3	92922FSQ2
		B-4	92922FST6
		B-5	92922FSU3
		B-6	92922FSV1
		R	92922FSS8
		Y	930108ZZ9

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR7	A-4	92922FSZ2
		A-5	92922FTA6
		A-6	92922FTB4
		B-1	92922FTF5
		B-2	92922FTG3
		B-3	92922FTH1
		B-4	92922FTT5
		B-5	92922FTU2
		B-6	92922FTV0
		R	92922FTD0

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR8	A-1	92922FTJ7
		A-2	92922FUN6
		A-3	92922FUP1
		X	92922FTK4
		B-1	92922FTL2
		B-2	92922FTM0
		B-3	92922FTN8
		B-4	92922FTP3
		B-5	92922FTQ1
		B-6	92922FTR9
R	92922FTS7		
Y	930108ZZ8		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR10	A-1-A	92922FXJ2
		A-1-B	92922FWU8

A-1-C	92922FWV6
A-3	92922FWZ7
X	92922FXD5
B-1	92922FXA1
B-2	92922FXB9
B-3	92922FXC7
B-4	92922FXF0
B-5	92922FXG8
B-6	92922FXH6
R	92922FXE3
Y	930108ZZ7

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR12	A-1	92922FZE1
		A-2A	92922FZF8
		A-2B	92922FZV3
		A-5	92922FZK7
		B-1	92922FZN1
		B-2	92922FZP6
		B-3	92922FZQ4
		X	92922FZL5
		B-4	92922FZS0
		B-5	92922FZT8
		B-6	92922FZU5
		Y	WA04AR120
		R	92922FZR2

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2004-AR13	A-1A	92922FB49
		A-1B2	92922FB64
		A-2A	92922FB72
		A-2B	92922FB80
		X	92922FB98
		B-1	92922FC22
		B-3	92922FC48
		B-4	92922FC55
		B-5	92922FC63
		B-2	92922FC30
		B-6	92922FC71
		Y	WA04AR130
		R	92922FC89

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR1	A1A	939336X40
		A1B	939336X57
		A2A1	939336X65
		A2A3	939336X81
		A2B	939336X99
		A3	939336Z22
		X	939336Y56

B1	939336Y23
B2	939336Y31
B3	939336Y49
B4	939336Y72
B5	939336Y80
B6	939336Y98
Y	WA05A1101
R	939336Y64

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR2	1A1A	92922FC97
		1A1B	92922FE87
		2A1A	92922FD21
		2A1B	92922FD39
		2A2A1	92922FD47
		2A2A3	92922FD62
		2A2B	92922FD70
		2A3	92922FE95
		X	92922FD88
		B1	92922FD96
		B2	92922FE20
		B3	92922FE38
		B4	92922FE46
		B5	92922FE53
		B6	92922FE61
		B7	92922FF29
		B8	92922FF37
		B9	92922FF45
		B10	92922FF52
		B11	92922FF60
Y	WA05A2301		
R	92922FE79		

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR4	A-3	92922FG44
		A-4A	92922FG51
		A-4B	92922FG69
		A-5	92922FG77
		X	92922FG85
		B-1	92922FG93
		B-2	92922FH27
		B-3	92922FH35
		B-4	92922FH50
		B-5	92922FH68
		B-6	92922FH76
		R	92922FH43

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR6	1-A-1A	92922FH84
		1-A-1B	92922FH92

2-A-1A	92922FJ25
2-A-1B2	92922FJ41
2-A-1B3	92922FL48
2-A-1C	92922FJ58
X	92922FJ66
B-1	92922FJ74
B-2	92922FJ82
B-3	92922FJ90
B-4	92922FK23
B-5	92922FK31
B-6	92922FK49
B-7	92922FK56
B-8	92922FK64
B-9	92922FK72
B-10	92922FK98
B-11	92922FL22
B-12	92922FL30
R	92922FK80

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2005-AR8	1-A-1A	92922FR67
		2-A-1A	92922FR75
		2-A-1B2	92922FR91
		2-A-1B3	92922FS25
		2-A-1C2	92922FS41
		2-A-1C3	92922FS58
		X	92922FS66
		B-1	92922FS74
		B-2	92922FS82
		B-3	92922FS90
		B-4	92922FT24
		B-5	92922FT32
		B-6	92922FT40
		B-7	92922FT57
B-8	92922FT65		
B-9	92922FT73		
B-10	92922FT99		
B-11	92922FU22		
B-12	92922FU30		
R	92922FT81		

DealName	Series	Class	CUSIP
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Washington Mutual Mortgage Securities Corp.	2005-AR9	A-1A	92922FU48
		A-1B	92922FU55
		A-1C3	92922FU89
		A-2A	92922FU97
		B-1	92922FV39
		B-2	92922FV47
		B-3	92922FV54

X	92922FV21
B-4	92922FV70
B-5	92922FV88
B-6	92922FV96
R	92922FV62

DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2005-AR11	A-1A	92922F2G2
		A-1B2	92922F2J6
		A-1B3	92922F2K3
		A-1C3	92922F2N7
		A-1C4	92922F2P2
		X	92922F2Q0
		B-1	92922F2R8
		B-2	92922F2S6
		B-3	92922F2T4
		B-4	92922F2U1
		B-5	92922F2V9
		B-6	92922F2W7
		B-7	92922F2X5
		B-8	92922F2Y3
		B-9	92922F2Z0
		B-10	92922F3B2
B-11	92922F3C0		
B-12	92922F3D8		
B-13	92922F3E6		
PPP	92922F3Z9		
R	92922F3A4		

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR13	A-1A1	92922F4M7
		A-1A2	92922F4N5
		A-1A3	92922F4P0
		A-1B2	92922F4R6
		A-1B3	92922F4S4
		A-1C3	92922F4V7
		A-1C4	92922F4W5
		X	92922F4X3
		B-1	92922F4Y1
		B-2	92922F4Z8
		B-3	92922F5A2
		B-4	92922F5B0
		B-5	92922F5C8
		B-6	92922F5D6
		B-7	92922F5E4
		B-8	92922F5F1
B-9	92922F5G9		
B-10	92922F5M6		
B-11	92922F5N4		

B-12	92922F5P9
B-13	92922F5Q7
B-14	92922F5R5
PPP	92922F5S3
R	92922F5H7

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR16	1-A1	92922F6W3
		1-A2	92922F6X1
		1-A3	92922F6Y9
		1-A4A	92922F6Z6
		1-A4B	92922F7A0
		1-A5	92922F7B8
		2-A1	92922F7C6
		2-A2	92922F7D4
		2-A3	92922F7E2
		2-A4	92922F7F9
		B-1	92922F7G7
		B-2	92922F7H5
		B-3	92922F7J1
		B-4	92922F7L6
		B-5	92922F7M4
		B-6	92922F7N2
		R	92922F7K8

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2005-AR18	1-A1	92922F8K7
		1-A2	92922F8L5
		1-A3A	92922F8M3
		1-A3B	92922F8N1
		1-A4	92922F8P6
		2-A1	92922F8Q4
		2-A2	92922F8R2
		2-A3	92922F8S0
		3-A1	92922F8T8
		3-A2	92922F8U5
		B-1	92922F8V3
		B-2	92922F8W1
		B-3	92922F8X9
		B-4	92925CAG7
		B-5	92925CAH5
		B-6	92925CAJ1
		R	92922F8Y7

DealName	Series	Class	CUSIP
Washington Mutual Home Equity Trust	2006-1	A	WA0601001
		R	WA0601002

DealName	Series	Class	CUSIP
WaMu	2006-OA1	A	WA0602001

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR1	1A-1A	92925CCC4
		1A-1B	92925CCD2
		2A-1A	92925CCE0
		2A-1B	92925CCF7
		2A-1C	92925CCG5
		X	92925CCH3
		B-1	92925CCJ9
		B-2	92925CCK6
		B-3	92925CCL4
		B-4	92925CCM2
		B-5	92925CCN0
		B-6	92925CCP5
		B-7	92925CCQ3
		B-8	92925CCR1
		B-9	92925CCS9
		B-10	92925CCU4
		B-11	92925CCV2
B-12	92925CCW0		
B-13	92925CCX8		
B-14	92925CCY6		
PPP	92925CCZ3		
R	92925CCT7		
DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR3	A-1A	92925CDA7
		A-1B	92925CDB5
		A-1C	92925CDC3
		X	92925CDE9
		B-1	92925CDF6
		B-2	92925CDG4
		B-3	92925CDH2
		B-4	92925CDJ8
		B-5	92925CDK5
		B-6	92925CDL3
		B-7	92925CDM1
		B-8	92925CDN9
		B-9	92925CDP4
		B-10	92925CEB4
		B-11	92925CEC2
		B-12	92925CED0
		B-13	92925CEE8
B-14	92925CEF5		
PPP	92925CEG3		
R	92925CDD1		
DealName	Series	Class	CUSIP
Washington Mutual Mortgage Securities Corp.	2006-AR4	1A-1A	93934FPN6

1A-1B	93934FPP1
1A-1C2	93934FPR7
1A-1C3	93934FPS5
2A-1A	93934FPT3
1X-1A	93934FPU0
1X-1B	93934FPV8
2X	93934FPW6
B-1	93934FPX4
B-2	93934FPY2
B-3	93934FPZ9
B-4	93934FQA3
B-5	93934FQB1
B-6	93934FQC9
B-7	93934FQD7
B-8	93934FQE5
B-9	93934FQF2
B-10	93934FPH9
B-11	93934FPJ5
B-12	93934FPK2
B-13	93934FPL0
B-14	93934FPM8
PPP	93934FQH8
R	93934FQG0

DealName	Series	Class	CUSIP
WaMu Asset Acceptance Corp.	2006-AR5	A1A	93362YAA0
		A1A2A	93362YAB8
		A1A2B	93362YAC6
		A1B2	93362YAE2
		A1B3	93362YAF9
		B1	93362YAH5
		B2	93362YAJ1
		B3	93362YAK8
		B4	93362YAL6
		B5	93362YAM4
		B6	93362YAN2
		B7	93362YAP7
		B8	93362YAQ5
		B9	93362YAR3
		X	93362YAG7
		B10	93362YAU6
B11	93362YAV4		
B12	93362YAW2		
B13	93362YAX0		
B14	93362YAY8		
R	93362YAS1		
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 2	R-1	WA06C2001

DealName	Series	Class	CUSIP
WaMu	2007-Flex1	A	WA0701301
		R	WA0701302
DealName	Series	Class	CUSIP
WM Covered Bond Program	Series 3	R-1	WA07C3001
DealName	Series	Class	CUSIP
WaMu	2007-HE1	I-A	933631AA1
		II-A2	933631AC7
		II-A3	933631AD5
		II-A4	933631AE3
		M-1	933631AF0
		M-2	933631AG8
		M-3	933631AH6
		M-4	933631AJ2
		M-5	933631AK9
		M-6	933631AL7
		M-7	933631AM5
		M-8	933631AN3
		M-9	933631AP8
		B-1	933631AQ6
		B-2	933631AR4
		R	WA07H1303
		C	WA07H1301
R-CX	WA07H1304		
P	WA07H1302		
R-PX	WA07H1305		
DealName	Series	Class	CUSIP
WaMu CI NIM Notes	2007-WM1	N-1	92933UAA0
		SUB	WA07N1101

Exhibit B

United States Court of Appeals
For the District of Columbia Circuit

Deutsche Bank National Trust Company,
as Trustee for the Trusts,

Appellant,

v.

Federal Deposit Insurance Corporation,
in its capacity as Receiver of Washington
Mutual Bank,

Appellant,

JPMorgan Chase Bank, National
Association and Washington Mutual
Mortgage Securities Corporation,

Appellees.

No. 15-5322
Consolidated with
No. 15-5326

JOINT MOTION TO HOLD CASE IN ABEYANCE

Pursuant to Federal Rule of Appellate Procedure 27, the Federal Deposit Insurance Corporation, as Receiver of Washington Mutual Bank (FDIC), Deutsche Bank National Trust Company, JPMorgan Chase Bank, National Association, and Washington Mutual Mortgage Securities Corporation respectfully move this Court to hold this appeal in abeyance so as to provide the parties additional time to explore a possible negotiated

resolution of this dispute. All parties consent and jointly move for the relief herein requested. In support of this motion, the parties state as follows:

1. All parties are interested in exploring the possibility of a negotiated resolution of this dispute.

2. Any such resolution that the parties might negotiate would be subject to the parties' respective decision processes, which could take additional time.

3. If a negotiated resolution is achieved, the need for briefing and oral argument on this appeal would be obviated.

4. As such, the proposed abeyance has the potential to conserve the Court's and the parties' resources and could result in an expeditious resolution of this dispute; and the parties submit that any delay that may result would be justified in light of the possibility of a negotiated resolution.

5. The parties propose to provide the Court a status report regarding the possibility of a negotiated resolution in 90 days.

Accordingly, the parties jointly move the court to place this case in abeyance.

Respectfully submitted,

/s/ Kathryn R. Norcross

Kathryn R. Norcross

Senior Counsel

Minodora D. Vancea, Counsel

FEDERAL DEPOSIT INSURANCE
CORPORATION

3501 Fairfax Drive, Room VS-D-7062

Arlington, Virginia 22226

Telephone: (703) 562-2010

Facsimile: (703) 562-2496

Email: knorcross@fdic.gov

Email: jemadden@fdic.gov

Email: mvancea@fdic.gov

*Attorneys for FDIC as Receiver for
Washington Mutual Bank*

Brent J. McIntosh

Sullivan & Cromwell LLP

1700 New York Avenue, NW, Suite 700

Washington, DC 20006-5215

Email: mcintoshb@sullcrom.com

*Attorney for JPMorgan Chase Bank, N.A.
and Washington Mutual Mortgage
Securities Corporation*

Talcott J. Franklin

Talcott Franklin PC

1521 N. Cooper Street, Suite 340

Arlington, TX 76011

Email: tal@talcottfranklin.com

*Attorney for Deutsche Bank National Trust
Company*

CERTIFICATE OF SERVICE

I hereby certify that on April 15, 2016, I electronically filed the foregoing motion with the United States Court of Appeals for the District of Columbia Circuit by using the CM/ECF system, which will electronically notify participants in the case who are registered CM/ECF users including counsel hereinafter named:

Brent J. McIntosh
Sullivan & Cromwell LLP
1700 New York Avenue, NW, Suite 700
Washington, DC 20006-5215
Email: mcintoshb@sullcrom.com
*Attorney for JPMorgan Chase Bank, N.A. and Washington Mutual
Mortgage Securities Corporation*

Talcott J. Franklin
Talcott Franklin PC
1521 N. Cooper Street, Suite 340
Arlington, TX 76011
Email: tal@talcottfranklin.com
Attorney for Deutsche Bank National Trust Company

/s/ Kathryn R. Norcross
Kathryn R. Norcross

EXHIBIT 24
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

SULLIVAN & CROMWELL LLP

TELEPHONE: 1-310-712-6600
FACSIMILE: 1-310-712-8800
WWW.SULLCROM.COM

*1888 Century Park East
Los Angeles, California 90067-1725*

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May 31, 2016

Confidential Mediation Communication

Via E-mail

Robin A. Henry, Esq.,
Boies, Schiller & Flexner LLP,
333 Main Street,
Armonk, NY 10504.

Re: Mediation Privilege—Confidential Side Agreement

Dear Robin:

This letter agreement amends and restates our letter agreement of February 5, 2016. We previously delivered the attached term sheet to the Federal Deposit Insurance Corporation from your client, Deutsche Bank National Trust Company in its capacity as trustee (“Trustee”) of the trusts at issue in the action entitled *Deutsche Bank National Trust Co. v. FDIC, et al.*, No. 09-cv-1656 (the “action”), and my clients, JPMorgan Chase Bank, N.A. (“JPMC”) and Washington Mutual Mortgage Securities Corporation (“WMMSC” and collectively with JPMC, “JPMorgan”), I am writing to confirm our confidential agreement as to the economic terms not referenced in that term sheet. This confidential letter agreement and the terms set forth in this letter agreement may not be disclosed to any other person, including the mediator, without the consent of both the Trustee and JPMorgan.

The Trustee and JPMorgan have agreed as follows:

1. The \$1.5 billion to be paid by the WMB receivership shall be split as follows: (i) to the Trustee, \$800 million, and (ii) to JPMC, \$700 million. In consideration of JPMC’s agreement to negotiate a resolution of claims against the FDIC-Receiver jointly with the Trustee on the terms set forth in this letter and in the term sheet with the FDIC, the Trustee agrees that the amounts to be paid to it hereunder (whether from the WMB receivership or from JPMorgan as outlined below) include sufficient monetary consideration for the Trustee to release both its claims against the WMB receivership and its repurchase claims against WMMSC. Prior to the filing of the Approval Proceeding (as

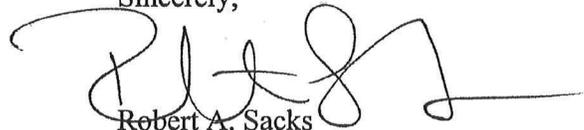
defined in the Term Sheet), or at such earlier time as the Trustee and JPMC may agree upon, the Trustee shall notify JPMorgan (and if necessary the FDIC) of the amount of such consideration that it has allocated to the WMMSC release.

2. To the extent necessary to secure agreement of the FDIC, the Trustee and JPMorgan have agreed to negotiate the \$1.5 billion to be paid by the WMB receivership to \$1.34 billion, but no less. In negotiations with the FDIC, the strategy of how and when to agree to reductions from the initial \$1.5 billion offer, if any shall be needed, shall be mutually agreed upon by the Trustee and JPMorgan.
3. All reductions from \$1.5 billion to \$1.35 billion shall be borne at the rate of \$2 by the Trustee for every \$1 by JPMorgan; all reductions from \$1.35 billion to \$1.34 billion shall be borne at the rate of \$1 by the Trustee for every \$1 by JPMorgan. In other words, if it becomes necessary to negotiate the full \$160 million reduction from the initial \$1.5 billion, the resulting amount to be paid (i) to the Trustee shall be \$695 million, and (ii) to JPMC shall be \$645 million. In the event that the resolution with the FDIC results in an agreement pursuant to which JPMC or the Trustee are entitled to receive funds or allowed claims that are projected (on the basis of information received from the FDIC as of the date of this letter agreement, as described in section 4, below) to result in distributions from the WMB receivership that differ from the amounts described herein, the party projected on the basis of such information to receive distributions in excess of the amounts described herein shall owe a compensating payment to the other party such that the amounts projected to be received by each party conform to the amounts agreed to herein. Such compensating payment shall be made by the payor party within 30 business days of first receipt by it of payments from the WMB receivership sufficient to effect such payment. If the FDIC demands to know any of the financial terms as between the Trustee and JPMorgan prior to acceptance of the term sheet, the Trustee and JPMorgan will confer with one another in good faith, and consult with the mediator as appropriate, to determine whether to disclose such terms to the FDIC and, if so, whether to impose any restrictions on the FDIC's ability to disclose such terms to any WMB Bondholder or any RMBS Holder (as those terms are defined in the mediation letter agreement dated November 24, 2015).
4. As of the date of this letter agreement, the information concerning the receivership assets and claims received from the FDIC is the following: ~~(i) gross estate assets--\$2,756,378,000; (ii) administrative expenses--\$7,206,000; (iii) allowed claims by bonds--\$6,077,557,000; (iv) other general creditor allowed claims--\$19,250,000.~~

5. In the event that proceeds of claims brought by the FDIC-Receiver cause the aggregate amounts paid by the WMB receivership estate to JPMorgan and the Trustee to exceed \$1.34 billion, any such excess aggregate payments attributable to such claims proceeds shall be allocated between JPMorgan and the Trustee, and paid when and if received from the FDIC-Receiver, in the inverse order of the reductions agreed to in paragraph 3 hereof. In other words, the first \$10 million of such increases shall be allocated at the rate of \$1 to the Trustee for every \$1 to JPMorgan, any amount in excess of \$10 million up to \$160 million shall be allocated at the rate of \$2 to the Trustee for every \$1 to JPMorgan, and all amounts in excess of \$160 million shall be allocated at the rate of \$1 to the Trustee for every \$1 to JPMorgan.
6. Any dispute regarding the implementation of the agreement set forth in this letter agreement shall be resolved by mediator Robert Meyer.

If the foregoing accurately reflects the agreement between the Trustee and JPMorgan, please reflect that agreement by countersigning below.

Sincerely,

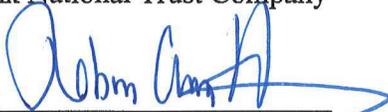


Robert A. Sacks

(Attachment)

Agreed to on behalf of Deutsche
Bank National Trust Company

By:



Robin A. Henry of
Boies Schiller & Flexner LLP

EXHIBIT 25
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Settlement Agreement") is entered into as of August 19, 2016 (the "Agreement Date"), by and among (i) Deutsche Bank National Trust Company, solely in its capacity as trustee (the "Trustee") of the residential mortgage-backed securities trusts identified on Exhibit A hereto (the "Trusts"); (ii) JPMorgan Chase Bank, N.A. ("JPMC") and Washington Mutual Mortgage Securities Corporation ("WMMSC," and, together with JPMC, "JPMorgan"); and (iii) the Federal Deposit Insurance Corporation in both its capacity as receiver for Washington Mutual Bank (the "FDIC-Receiver") and in its corporate capacity ("FDIC-Corporate" and, together with the FDIC-Receiver, the "FDIC"). Each of the Trustee, JPMorgan, and the FDIC may be referred to herein as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Washington Mutual Bank ("WMB") or certain of WMB's affiliates were the Seller, Sponsor, Depositor, or Servicer for those certain residential mortgage-backed securitizations identified on the attached Exhibit A;

WHEREAS, on September 25, 2008, the Office of Thrift Supervision closed WMB and appointed the FDIC as receiver and the FDIC accepted the appointment; on the same day the FDIC-Receiver sold certain of WMB's assets and liabilities to JPMC pursuant to that certain Purchase & Assumption Agreement among the FDIC-Receiver, FDIC-Corporate, and JPMC, dated September 25, 2008 (the "P&A Agreement");

WHEREAS, certain WMB Entities are parties to certain Governing Agreements, and certain WMB Entities or JPMorgan Entities have, at times, acted as Servicer, Bond Administrator, or Master Servicer for certain of the Trusts pursuant to certain of the Governing Agreements;

WHEREAS, pursuant to the Governing Agreements, WMB and certain other WMB Entities have contributed or sold loans originated by various entities to the Trusts (the "Mortgage Loans");

WHEREAS, the Trustee has alleged that certain Mortgage Loans held by the Trusts were contributed or sold to the Trusts in breach of representations and warranties contained in the Governing Agreements (the "Rep and Warranty Claims") and that certain Mortgage Loans held by the Trusts were not serviced in accordance with the Governing Agreements (the "Servicing Claims");

WHEREAS, the Trustee filed a proof of claim with the FDIC-Receiver asserting the Rep and Warranty Claims and the Servicing Claims and subsequently commenced the action titled *Deutsche Bank National Trust Company v. FDIC, et al.*, No. 09-cv-1656 (RMC) (D.D.C.) (the "WMB Action") to litigate the Trusts' Rep and Warranty Claims and Servicing Claims;

WHEREAS, the FDIC and JPMorgan dispute all of the allegations made by the Trustee, including all claims and allegations of any breach of any provision of any Governing Agreement, whether specifically asserted in the WMB Action or not, and each waives no rights and preserves all of their respective defenses;

WHEREAS, the FDIC and JPMorgan contend that any Rep and Warranty Claims and Servicing Claims, to the extent they exist, relate to conduct that occurred prior to September 25, 2008 and are in many instances time-barred;

WHEREAS, the Parties have disputed in the WMB Action the allocation of responsibility, if any, between JPMorgan and the FDIC-Receiver for the Trusts' Rep and Warranty Claims and Servicing Claims;

WHEREAS, various disputes exist between the FDIC and JPMC concerning their respective rights and obligations under the P&A Agreement, including but not limited to claims for indemnification under Article XII thereof and all claims asserted in the Related Actions (defined below);

WHEREAS, the Parties, through counsel, have engaged in extensive arm's-length and good faith settlement negotiations, including through a mediation facilitated over the course of multiple months by Robert Meyer of JAMS;

WHEREAS, the unaudited receivership balance sheet summary for WMB published by the FDIC-Receiver for the period ending December 31, 2015 stated that, as of that date, the current assets of the WMB Receivership Estate were approximately \$2,756,378,000; the WMB Receivership had approximately \$7,206,000 in administrative liabilities; holders of WMB senior debt held allowed claims in the WMB Receivership in the amount of \$6,077,557,000; and the Receivership had other allowed general unsecured claims in the approximate amount of \$19,250,000;

WHEREAS, the Parties have agreed to settle and resolve, fully and finally, pursuant to this Settlement Agreement (i) all claims alleged in the WMB Action by the Trusts against the FDIC and any other claims that the Trusts have against the FDIC under the Governing Agreements or otherwise, and (ii) as between the FDIC and JPMorgan, all disputes relating to WMB, including all claims asserted in the WMB Action and the Related Actions (defined below) and all disputes concerning indemnification under Article XII of the P&A Agreement, except as expressly preserved in this Settlement Agreement; and

WHEREAS, pursuant to a separate agreement that was negotiated confidentially by the Trustee and JPMorgan, to which the FDIC is not a party and which imposes no obligations on the FDIC, the Trustee and JPMorgan have agreed to enter into this Settlement Agreement and to other terms in order to settle all disputes between them, including all claims alleged in the WMB Action by the Trusts against JPMorgan and any other claims that the Trusts have against JPMorgan under the Governing Agreements (the "Trustee-JPMorgan Agreement").

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following terms:

ARTICLE I. DEFINITIONS

As used in this Settlement Agreement, in addition to the terms otherwise defined herein, the following terms have the meanings set forth below (the definitions to be applicable to both the singular and the plural forms of each term defined if both forms of such term are used in this Settlement Agreement).

1.01. “Bond Administrator” means with respect to any Trust, the JPMorgan Entity or Entities, if any, responsible for bond administration or enforcing any rights or obligations that arise in connection with bond administration for any Trust.

1.02. “Effective Date” means the date of Final Court Approval in accordance with Section 2.01 below.

1.03. “Final Allocation Approval” means a final and non-appealable judgment (including the expiration of any time to apply for discretionary review) entered by the Approval Court (as defined herein) approving the Trustee’s proposed allocation among the Trusts (and if sought by the Trustee, of the Trustee’s or any other calculation agent’s proposed allocation among classes of securities related to any Trust) of amounts to be received by the Trustee pursuant to this Settlement, or such other allocation as the Approval Court may determine to be appropriate.

1.04. “Final Court Approval” means a final and non-appealable judgment (including the expiration of any time to apply for discretionary review) entered by the Approval Court (as defined herein) (i) determining that the Trustee acted reasonably and in good faith within the bounds of its discretion in entering into the Settlement, (ii) finding that Investors received legally sufficient notice of the Approval Proceeding (as defined below) and an opportunity to object, (iii) barring any Investors from asserting claims against the Trustee based upon its prosecution of the Action and entry into the Settlement, and (iv) declaring that the Settlement Agreement and the Trustee-JPMorgan Agreement is binding on the Trusts; provided, however, that the Trustee may in its discretion waive or agree to variances in sub-parts (i) and (iii).

1.05. “Governing Agreement” means any Pooling and Servicing Agreement, Assignment and Assumption Agreement, Indenture, Mortgage Loan Purchase Agreement or other agreement governing or related to any Trust.

1.06. “Investors” means all holders of any Securities, and their successors in interest, assigns, pledgees, and transferees.

1.07. “JPMorgan Entity” means JPMC, WMMSC or any entity presently or formerly affiliated with JPMC or WMMSC.

1.08. “Master Servicer” means, with respect to any Trust, the JPMorgan Entity or Entities, if any, responsible for master servicing or enforcing any rights or obligations that arise in connection with master servicing such Trust.

1.09. “P&A Decision” means the Amended Order and Amended Memorandum Opinion entered June 17, 2015 in the WMB Action.

1.10. “P&A Indemnitees” means the “Indemnitees,” as such term is defined in the P&A Agreement.

1.11. “Person” means any (i) individual, corporation, company, partnership (including any limited partnership or limited liability partnership), limited liability company, joint venture, association, trust (including a common law trust, business trust, statutory trust or any other form of trust), or other entity or unincorporated organization, or (ii) any government or any governmental authority or agency.

1.12. “Related Actions” means those three certain pending actions by and between the FDIC and JPMorgan that are docketed as related to the WMB Action (D.D.C. Nos. 10-cv-505, 12-cv-450, and 13-cv-1997).

1.13. “Release” means release, waiver, and discharge, and the term “Released” has a correlative meaning.

1.14. “Securities” means securities, notes, bonds, certificates or other instruments issued by the Trusts.

1.15. “Servicer” means, with respect to any Trust, the JPMorgan Entity or Entities, if any, responsible for servicing or enforcing any rights or obligations that arise in connection with servicing any Mortgage Loans therein.

1.16. “Settlement” means the negotiated settlement set forth in this Settlement Agreement.

1.17. “Trustee” means Deutsche Bank National Trust Company and any separate or successor trustees for the Trusts appointed pursuant to the respective Governing Agreements, court orders confirming their appointment, or otherwise.

1.18. “WMB Entity” means WMB or any entity formerly affiliated with WMB.

1.19. “WMB Receivership Estate” means the receivership administered by the FDIC-Receiver of what was, prior to September 25, 2008, WMB.

ARTICLE II. TRUSTEE APPROVAL PROCESS

2.01. Effective Date. Article III of this Settlement Agreement (other than Section 3.10) will be effective upon and only upon Final Court Approval having been secured prior to termination of this Settlement Agreement as provided for in Section 2.03. The rest of this Settlement Agreement (including Section 3.10) will be binding and effective upon each Party as of the Agreement Date, subject to termination as provided for in Section 2.03.

2.02. Trustee Judicial Approval Proceeding.

(a) The Trustee undertakes to use its reasonable best efforts to seek Final Court Approval promptly through a judicial instruction proceeding (“Judicial Approval Proceeding”) in California Superior Court, Orange County (the “Approval Court”).

JPMorgan and the FDIC will reasonably cooperate with the Trustee and use their reasonable best efforts to assist the Trustee in obtaining Final Court Approval of this Settlement Agreement, but neither JPMorgan nor the FDIC will have financial responsibility for the Judicial Approval Proceeding.

(b) In connection with the Judicial Approval Proceeding, the Trustee may, in its discretion, also seek Final Allocation Approval, provided however, that the Trustee will seek any Final Allocation Approval in the form of a separate order from the Approval Court and Final Allocation Approval will not be an element of Final Court Approval, it being the express intention of the Parties that any objections by Investors to the Trustee's proposed allocation or other allocation as may be ordered by the Approval Court, or any delay in obtaining Final Allocation Approval, will not affect Final Court Approval. Unless the Trustee elects to forego seeking Final Allocation Approval, in the event Final Court Approval is obtained prior to Final Allocation Approval, the Trustee will not distribute amounts received by the Trustee pursuant to this Settlement to the Trusts prior to Final Allocation Approval.

2.03. Termination. Unless otherwise extended by written agreement of the Parties, this Settlement Agreement will automatically terminate (i) in the event Final Court Approval has not been obtained on or before June 30, 2019, or (ii) prior to June 30, 2019, on the first business day following which securing Final Court Approval becomes legally impossible. For purposes of this Settlement Agreement, Final Court Approval will become legally impossible if and when the Approval Court has entered a final and non-appealable (including the expiration of any time to apply for discretionary review) judgment denying Final Court Approval.

ARTICLE III. SETTLEMENT TERMS

3.01. Trustee Allowed Claim. Upon the Effective Date, the Trustee will be deemed to have an allowed general unsecured creditor claim in the WMB Receivership Estate in the amount of \$3,006,929,660 (the "Trustee Allowed Claim"). The claim will be evidenced by a notice of allowance of claim from the FDIC-Receiver's claims agent in charge addressed to the Trustee as provided in Section 4.09. The FDIC-Receiver will treat the Trustee Allowed Claim proportionally with all other allowed general unsecured claims and will not subordinate or otherwise diminish the Trustee Allowed Claim. Any and all distributions on account of the Trustee Allowed Claim will be made by the FDIC-Receiver to the Trustee as and when the FDIC-Receiver makes distributions to other general unsecured creditors holding allowed claims in the WMB Receivership Estate. All distributions made by the FDIC-Receiver on account of the Trustee Allowed Claim will be made to an account designated by the Trustee. The maintenance, allocation, or distribution of all payments made by the FDIC-Receiver to the Trustee on account of the Trustee Allowed Claim will be the sole responsibility of the Trustee after receipt. The Trustee will, in the exercise of its reasonable discretion, and subject to approval or modification by the Approval Court, allocate among the Trusts any amounts available for distribution to the Trusts.

3.02. Payment to JPMC. The FDIC-Receiver agrees to pay JPMC \$645,000,000 from the WMB Receivership Estate (the "JPMC Payment"). The FDIC-Receiver agrees to make the

JPMC Payment to JPMC within 10 business days of the Effective Date by wire transfer to an account to be designated by JPMorgan in writing.

3.03. Release of FDIC by Trustee and Trusts. Upon the Effective Date, the Trusts, the Trustee, any successor to the Trustee for any Trust, and any Person claiming by, through or on behalf of any Trust (including any Investor, or group of Investors, claiming to act derivatively for any Trust) (collectively, the “Trusts Releasers”), each irrevocably and unconditionally grants a full, final, and complete Release to each of FDIC-Corporate, the FDIC-Receiver, the WMB Receivership Estate, and (in their capacities as such) each of the past and present directors, officers, employees or agents of FDIC-Corporate or the FDIC-Receiver (all of the foregoing specified or described in this clause, collectively, the “FDIC Releasees”), of and from:

(x) all claims asserted in the WMB Action;

(y) all Rep and Warranty Claims and all Servicing Claims; and

(z) all claims, demands, liabilities, losses, debts, costs, expenses, obligations, defaults or events of default, damages, rights, 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 or derivative, arising under law or equity, that any Trusts Releaser may have ever had prior to the Agreement Date, may have at the Agreement Date, or after the Agreement Date, in each case against any FDIC Releasee that arose or arise under or out of, or were or are based upon or relate to, any Governing Agreement or the contribution, sale or delivery of any Mortgage Loan to any Trust, including without limitation that arose or arise under, or were or are based upon or relate to, (aa) any representation or warranty made, or alleged to have been made, by any WMB Entity (including any breach or inaccuracy, or alleged breach or inaccuracy, of any thereof), (bb) any obligation, or alleged obligation, to give notice of any breach or inaccuracy, or alleged breach or inaccuracy, of any representation or warranty, (cc) any obligation, or alleged obligation, of any WMB Entity or any FDIC entity to repurchase any Mortgage Loan, (dd) the origination or performance of any Mortgage Loan, (ee) any obligation, or alleged obligation, of any WMB Entity or any FDIC entity to enforce any claim for any breach of any representation or warranty against any originator of any Mortgage Loan (including but not limited to any demands already made by the Trustee or any Investors), (ff) the documentation of any Mortgage Loan including with respect to allegedly defective, incomplete, or non-existent documentation, or issues arising out of or relating to recordation, title, assignment, or any other matter relating to legal enforceability of a mortgage or mortgage note, or any alleged failure to provide notice of such defective, incomplete or non-existent documentation, or (gg) the servicing, master servicing, or bond administration of any Mortgage Loan (including but not limited to any claim relating to the timing of collection efforts or foreclosure efforts, any foreclosure delays on Mortgage Loans that as of the Effective Date are already in the process of foreclosure, loss mitigation, transfers to subservicers, advances, servicing advances, or claims that servicing includes an obligation to take any action or provide any notice towards, or with respect to, the possible repurchase of Mortgage Loans by the applicable Servicer, Master Servicer, Seller, or any other Person).

3.04. FDIC/JPMorgan Mutual Release.

(a) Subject to sub-part (b) below, upon the Effective Date and receipt of the JPMC Payment pursuant to Section 3.02:

(i) each of the FDIC-Receiver and FDIC-Corporate irrevocably and unconditionally grants a full, final, and complete Release to each of JPMorgan and (determined solely as of the Agreement Date) all of its past and present parents, subsidiaries and affiliates, and (in their capacities as such) their officers, directors, employees and agents (all of the foregoing specified or described in this clause, collectively, the “JPMorgan Releasees”) of and from:

(x) all claims asserted in the WMB Action or the Related Actions;
and

(y) all claims, demands, liabilities, losses, debts, costs, expenses, obligations, defaults or events of default, damages, rights, 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 or derivative, arising under law or equity, that have been or could have been brought that relate to WMB or the WMB Receivership Estate, including those that arise under or are based upon Article XII of the P&A Agreement; and

(ii) each of JPMC (on its own behalf and on behalf of each P&A Indemnitee (JPMC and the P&A Indemnitees, collectively, the “JPMC Releasers”)) and WMMSC irrevocably and unconditionally grants a full, final, and complete Release to each of the FDIC Releasees of and from:

(x) all claims asserted in the WMB Action or the Related Actions;
and

(y) all claims, demands, liabilities, losses, debts, costs, expenses, obligations, defaults or events of default, damages, rights, 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 or derivative, arising under law or equity, that have been or could have been brought that relate to WMB or the WMB Receivership Estate, including those that arise under or are based upon Article XII of the P&A Agreement.

(b) Notwithstanding the foregoing, (A) the Releases granted by the FDIC-Receiver and FDIC-Corporate pursuant to Section 3.04(a)(i) will not:

(i) apply to any claim asserted by the FDIC-Receiver against any JPMorgan Releasee in the action titled *Federal Deposit Insurance Corporation as*

Receiver for Amcore Bank, N.A., et al. v. Bank of America Corporation, et al., No. 1:14-cv-01757 (S.D.N.Y.), or in any other action brought by the FDIC-Receiver in a foreign jurisdiction against a non-JPMorgan Releasee entity based on alleged manipulation of the U.S. Dollar London Interbank Offered Rate, even if any JPMorgan Releasee is subsequently added as a party to such action by a non-JPMorgan defendant;

(ii) apply to any claim by or on behalf of the FDIC-Receiver in its capacity as a non-opt-out class member in the consolidated or centralized actions currently known as the following, including any successor actions: (aa) *In re Treasury Securities Auction Antitrust Litigation*, MDL No. 2673 (S.D.N.Y.); (bb) *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, No. 1:13-cv-07789 (S.D.N.Y.); and (cc) *In re Credit Default Swaps Antitrust Litigation*, MDL No. 2476 (S.D.N.Y.);

(iii) apply to any claim asserted by or on behalf of the FDIC-Receiver as a class member in the consolidated or centralized actions currently known as *Alaska Electrical Pension Fund, et al. v. Bank of America Corp., et al.*, No. 1:14-cv-07126 (S.D.N.Y.), and *Public School Teachers' Pension and Retirement Fund of Chicago v. Bank of America Corp., et al.*, No. 1:15-cv-09319 (S.D.N.Y.), including any successor actions, or in the event the FDIC-Receiver elects to opt out of any class in any of those actions, to any opt-out claim brought by the FDIC-Receiver on the same subject;

(iv) limit, waive, or compromise any right, claim, or ownership interest of the FDIC-Receiver retained against persons other than JPMorgan Releasees under Section 3.5 and Schedule 3.5 of the P&A Agreement, including without limitation claims arising under Section 3.5 and Schedule 3.5 of the P&A Agreement relating to restitution orders against third parties, and the FDIC-Receiver retains the right to recover from JPMorgan any payment from a third party incorrectly made to JPMorgan;

(v) limit, waive, or compromise the jurisdiction and authority of the FDIC in the exercise of its supervisory or regulatory authority; or

(vi) apply to any claim of the Federal Deposit Insurance Corporation in its capacity as receiver for any institution other than WMB.

(B) the Releases granted by the JPMC Releasers and WMMSC pursuant to Section 3.04(a)(ii) will not limit, waive, or compromise any right or defense that any JPMorgan Releaser or WMMSC may have in connection with any of the matters set forth in Section 3.04(b)(A), including but not limited to any argument that such claims have been released as part of the Bankruptcy Settlement (as defined below) or Bankruptcy Court order incorporating the Bankruptcy Settlement, or any right to recover fees and costs incurred in connection with the defense of such claims; and

(C) the Releases granted pursuant to Section 3.04(a) will not:

(i) apply to the settlement relating to the BKK Facility (as described in Section 3.09 below), or to any claim thereunder; or

(ii) apply to Sections 6.3 and 6.4 of the P&A Agreement; provided, however, that the FDIC and JPMC commit to confer in good faith and agree upon a reasonable procedure to identify records for which retention continues to be required and to provide for the orderly destruction of other WMB records in the ordinary course of business; or

(iii) apply to the obligations in Sections 2.4(a)(i)-(iv), 2.4(b)-(m), and 2.11(b); the releases in Sections 3.2 and 3.3; and the covenants in Sections 5.1(b) and (d) and Sections 5.2(b) and (d) of the Second Amended and Restated Settlement Agreement dated February 7, 2011, as amended, among JPMC, the FDIC, Washington Mutual, Inc., and other parties (the "Bankruptcy Settlement").

3.05. Release of the Trustee by FDIC. Upon the Effective Date, each of the FDIC-Receiver and FDIC-Corporate irrevocably and unconditionally Releases the Trustee from all claims or liabilities of any kind whatsoever, whether known or unknown, arising out of or relating to the Trustee's proof of claim filed with the FDIC-Receiver and the WMB Action.

3.06. Release of Unknown Claims. Each Party acknowledges that it has been advised by its attorneys concerning, and is familiar with, California Civil Code Section 1542 and expressly waives any and all 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 the provisions of the California Civil Code Section 1542, including that provision itself, which reads as follows:

"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 Parties acknowledge that inclusion of the provisions providing for the release of unknown claims in Sections 3.03, 3.04 and 3.05 was a material and separately bargained for element of this Settlement Agreement.

3.07. Claims Under Settlement Agreement Preserved. The foregoing Releases are not intended to, and do not, Release any Party's representations, warranties, covenants or obligations under this Settlement Agreement (or any claim with respect thereto).

3.08. The P&A Decision.

(a) Without conceding the merits of any arguments that may have been made by the Parties, the Parties agree to accept the P&A Decision as final and binding. Upon Final Court Approval, if that occurs, the FDIC-Receiver and the Trustee agree to withdraw and dismiss (without fees or costs) their appeals of the P&A Decision that are currently pending in the U.S. Court of Appeals for the D.C. Circuit (the "Appeal").

(b) As to obligations or liabilities for repurchase of, or make-whole payments on account of, loans securitized or sold by WMB or any of its affiliates, the FDIC-Receiver and JPMorgan agree that JPMC has already expended more than the amount of the Book Value of the corresponding reserve reflected on WMB's accounting records (which is how the Court in the WMB Action construed "Books and Records" in Section 2.1 of the P&A Agreement) as of September 25, 2008, and further agree that JPMC bears no further obligation or liability for such obligations or liabilities under Section 2.1 of the P&A Agreement.

(c) The FDIC-Receiver further agrees that, where requested by JPMorgan in writing and to the extent consistent with this Agreement, the FDIC-Receiver will in writing inform third parties that may be asserting or threatening to assert claims against JPMC that the P&A Decision is the final and binding interpretation of the P&A Agreement and, when applicable, that such third party's claim is barred thereby.

3.09. BKK Agreement. JPMC and the FDIC-Receiver both agree to comply with the "2016 FDIC/JPMC Settlement Agreement" signed by the FDIC-Receiver on June 9, 2016 and JPMC on June 13, 2016 relating to the BKK Facility, as defined therein, including to cooperate with one another and to timely execute all further documents that may reasonably be required to finalize such settlement agreement. The \$3 million payment by the FDIC-Receiver to JPMC required under the terms of the "2016 FDIC/JPMC Settlement Agreement" will be made by wire transfer to an account to be designated by JPMorgan.

3.10. Stay of All Litigation Pending Judicial Approval Proceeding; Dismissal of Actions After Effective Date. The Parties agree to jointly seek to have the Appeal stayed, and to have the current stay of the WMB Action continued, and JPMC and the FDIC will jointly seek to have the Related Actions stayed, with each such stay to remain in effect pending Final Court Approval or termination in accordance with Section 2.03, above. Upon Final Court Approval, if that occurs, the Parties will dismiss (with prejudice but without fees or costs) the WMB Action and the Related Actions.

ARTICLE IV. MISCELLANEOUS PROVISIONS

4.01. Voluntary Agreement. Each Party acknowledges that it has read all of the terms of this Settlement Agreement, has had an opportunity to consult with counsel of its own choosing or voluntarily waived such right, and enters into this Settlement Agreement voluntarily and without duress. This Settlement Agreement is a settlement of disputed matters.

4.02. No Admission of Breach or Wrongdoing. The FDIC and JPMorgan have denied and continue to deny any breach, fault, liability, or wrongdoing. This denial is with respect to, without limitation, allegations of breaches of representations and warranties, allegations of violations of state or federal securities laws, and other claims sounding in contract or tort in connection with any securitizations, including those for which WMB or WMMSA was the Seller, Sponsor, Servicer, Master Servicer or Depositor. Neither this Settlement Agreement, nor any proceedings relating to this Settlement Agreement, nor any of the terms of the Settlement Agreement, will be construed or asserted as, or deemed or asserted to be evidence of, or otherwise used or asserted as, an admission or concession on the part of the FDIC-Receiver,

FDIC-Corporate, JPMC or WMMSC with respect to any claim or any breach, liability, fault, wrongdoing, or damage whatsoever, or with respect to any infirmity in any defense that any Party has or could have asserted, provided, for the avoidance of doubt, that nothing in this sentence qualifies the express obligations of the Parties under Section 3.08 and the last sentence of Section 3.10. No statement made by any Party to this Settlement Agreement in support of the Settlement, or any request for judicial instruction in connection with the Settlement, may be admissible (or may be submitted) in any other proceeding for any purpose.

4.03. Counterparts. This Settlement Agreement may be executed in any number of counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same Settlement Agreement. Delivery of a signature page to this Settlement Agreement by facsimile or other electronic means will be effective as delivery of the original signature page to this Settlement Agreement.

4.04. Joint Drafting. This Settlement Agreement will be deemed to have been jointly drafted by the Parties, and in construing and interpreting this Settlement Agreement, no provision may be construed and interpreted for or against any of the Parties because such provision or any other provision of the Settlement Agreement as a whole was purportedly prepared or requested by such Party.

4.05. Entire Agreement. This Settlement Agreement contains the entire agreement among the FDIC, on the one hand, and the Trustee and JPMorgan, on the other, concerning the subject matter of the Settlement, and may be modified, altered, amended, or supplemented only in a writing signed by all of the Parties.

4.06. Authority. Each Party represents and warrants that each Person who executes this Settlement Agreement on its behalf is duly authorized to execute this Settlement Agreement on behalf of the respective Party, and that such Party has full knowledge of and has consented to this Settlement Agreement. Each Party represents and warrants to the others that this is a binding obligation, enforceable against such Party in accordance with its terms. JPMC represents and warrants that it has the authority to grant the Release set forth in Section 3.04(a)(ii) on behalf of the P&A Indemnitees.

4.07. No Third Party Beneficiaries. There are no third party beneficiaries of this Settlement Agreement. Nothing in this Agreement is intended or may be construed to create any third party beneficiary rights in any creditors of the WMB Receivership or holders of certificates issued by any Trusts.

4.08. Headings. The headings of all sections of this Settlement Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

4.09. Notices. All notices or demands given or made by one Party to any other Party relating to this Settlement Agreement must be in writing and either personally served or sent by registered or certified mail, postage paid, return receipt requested, overnight delivery service, or by electronic mail transmission, and will be deemed to be given for purposes of this Settlement Agreement on the earlier of the date of actual receipt or three days after the deposit thereof in the

EXECUTION COPY

mail or the electronic transmission of the message. Unless a different or additional address for subsequent notices is specified in a notice sent or delivered in accordance with this Section, such notices or demands must be sent as follows:

Trustee:

To:

David Co
Deutsche Bank National Trust Company
1761 E. Saint Andrews Place
Santa Ana, CA 92705
David.co@db.com

-and-

Matthew Kalinowski
Deutsche Bank Legal Department
60 Wall Street, 36th Floor
New York, NY 10005
Matthew.kalinowski@db.com

With copies to:

John Rosenthal
Morgan Lewis & Bockius LLP
One Market Street
San Francisco, CA 94105
jrosenthal@morganlewis.com

-and-

Robin Henry
Boies, Schiller & Flexner LLP
333 Main Street
Armonk, NY 10504
rhenry@bsflp.com

JPMorgan:

To:

JPMorgan Chase & Co.
270 Park Avenue
New York, NY 10017
Attn: Stacey Friedman, General Counsel
Stacey.friedman@chase.com

With copies to:

Robert Sacks
Sullivan & Cromwell LLP
1888 Century Park East, Suite 2100
Los Angeles, CA 90067
sacksr@sullcrom.com

-and-

Annette Rizzi
JPMorgan Chase & Co.
4 New York Plaza, 19th Floor
New York, NY 10004
Annette.c.rizzi@jpmchase.com

-and-

John Costango
JPMorgan Chase & Co.
270 Park Avenue, 10th Floor/NY1-K272
New York, NY 10017

FDIC:

To:

Keith E. Carson
Federal Deposit Insurance Corporation
WMB Receiver In Charge
1601 Bryan Street
Dallas, TX 75201
keicarson@fdic.gov

-and-

Daniel Kurtenbach
Federal Deposit Insurance Corporation
FDIC in its Corporate Capacity
3501 Fairfax Drive
Arlington, VA 22226
dkurtenbach@fdic.gov

With copies to:

Kathryn R. Norcross
Federal Deposit Insurance Corporation
3501 Fairfax Drive
Arlington, VA 22226
knorcross@fdic.gov

-and-

Scott H. Christensen
Hughes Hubbard & Reed LLP
1775 I Street, N.W., Suite 600
Washington, DC 20006
scott.christensen@hugheshubbard.com

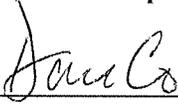
4.10. Governing Law. This Settlement Agreement, and any disputes arising under or in connection with this Settlement Agreement, are to be governed by and construed in accordance with the federal law of the United States of America, and in the absence of controlling federal law, in accordance with the laws of the State of New York, without giving effect to the choice of laws principles thereof.

4.11 Expenses. Each Party will pay its own expenses, including the fees and expenses of its accountants, advisors, and counsel, in connection with negotiating, preparing, closing and carrying out this Settlement Agreement and the transactions contemplated thereby.

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SIGNATURE PAGES FOLLOW***

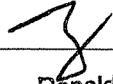
IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the Agreement Date first written above.

Deutsche Bank National Trust Company, as Trustee

Signature: _____ 

Name: _____ **David Co**

Title: _____ **Director**

Signature: _____ 

Name: _____ **Ronaldo Reyes**

Title: _____ **Vice President**

Federal Deposit Insurance Corporation, as Receiver for Washington Mutual Bank

Signature: _____

Name: _____

Title: _____

Federal Deposit Insurance Corporation in its corporate capacity

Signature: _____

Name: _____

Title: _____

JPMorgan Chase Bank, N.A.

Signature: _____

Name: _____

Title: _____

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

Deutsche Bank National Trust Company, as Trustee

Signature: _____
Name: _____
Title: _____

Signature: _____
Name: _____
Title: _____

Federal Deposit Insurance Corporation, as Receiver for Washington Mutual Bank

Signature: 
Name: KEITH E. CARSON
Title: RECEIVER

Federal Deposit Insurance Corporation in its corporate capacity

Signature: 
Name: KATHRYN R. NORCROSS
Title: SENIOR COUNSEL

JPMorgan Chase Bank, N.A.

Signature: _____
Name: _____
Title: _____

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

Deutsche Bank National Trust Company, as Trustee

Signature: _____
Name: _____
Title: _____

Signature: _____
Name: _____
Title: _____

Federal Deposit Insurance Corporation, as Receiver for Washington Mutual Bank

Signature: _____
Name: _____
Title: _____

Federal Deposit Insurance Corporation in its corporate capacity

Signature: _____
Name: _____
Title: _____

JPMorgan Chase Bank, N.A.

Signature: 
Name: Stacy Feldman
Title: General Counsel

EXHIBIT A
TRUSTS

Long Beach Home Equity Loan Trust 2000-LB1
Long Beach Mortgage Loan Trust 2000-1
Long Beach Mortgage Loan Trust 2001-1
Long Beach Mortgage Loan Trust 2001-2
Long Beach Mortgage Loan Trust 2001-3
Long Beach Mortgage Loan Trust 2001-4
Long Beach Mortgage Loan Trust 2002-1
Long Beach Mortgage Loan Trust 2002-2
Long Beach Mortgage Loan Trust 2002-5
Long Beach Mortgage Loan Trust 2003-1
Long Beach Mortgage Loan Trust 2003-2
Long Beach Mortgage Loan Trust 2003-3
Long Beach Mortgage Loan Trust 2003-4
Long Beach Mortgage Loan Trust 2004-1
Long Beach Mortgage Loan Trust 2004-2
Long Beach Mortgage Loan Trust 2004-3
Long Beach Mortgage Loan Trust 2004-4
Long Beach Mortgage Loan Trust 2004-5
Long Beach Mortgage Loan Trust 2004-6
Long Beach Mortgage Loan Trust 2005-1
Long Beach Mortgage Loan Trust 2005-2
GSAMP Trust 2005-S2
Long Beach Mortgage Loan Trust 2005-WL1
Long Beach Mortgage Loan Trust 2005-3
Long Beach Mortgage Loan Trust 2005-WL2
Long Beach Mortgage Loan Trust 2005-WL3
GSAMP Trust 2006-S1
Long Beach Mortgage Loan Trust 2006-WL1
Long Beach Mortgage Loan Trust 2006-WL2
Long Beach Mortgage Loan Trust 2006-WL3
Long Beach Mortgage Loan Trust 2006-1
Long Beach Mortgage Loan Trust 2006-2
Long Beach Mortgage Loan Trust 2006-3
Long Beach Mortgage Loan Trust 2006-4
Long Beach Mortgage Loan Trust 2006-A
Long Beach Mortgage Loan Trust 2006-5
Long Beach Mortgage Loan Trust 2006-6
Long Beach Mortgage Loan Trust 2006-7
Long Beach Mortgage Loan Trust 2006-8
Long Beach Mortgage Loan Trust 2006-9
Long Beach Mortgage Loan Trust 2006-10
Long Beach Mortgage Loan Trust 2006-11
WaMu Asset Acceptance Corp. 2007-HE1
Washington Mutual Mortgage Securities Corp. 2000-1

Washington Mutual Mortgage Securities Corp. 2001-7
Washington Mutual Mortgage Securities Corp. 2001-AR3
Washington Mutual Mortgage Securities Corp. 2002-AR2
Washington Mutual Mortgage Securities Corp. 2002-AR6
Washington Mutual Mortgage Securities Corp. 2002-AR9
Washington Mutual Mortgage Securities Corp. 2002-AR12
Washington Mutual Mortgage Securities Corp. 2002-AR13
Washington Mutual Mortgage Securities Corp. 2002-AR14
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EXHIBIT 26
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

DEUTSCHE BANK NATIONAL TRUST
COMPANY, as Trustee for the Trusts listed
in Exhibits 1-A and 1-B,

Plaintiff,

v.

FEDERAL DEPOSIT INSURANCE
CORPORATION, as receiver for
Washington Mutual Bank; JPMORGAN
CHASE BANK, National Association; and
WASHINGTON MUTUAL MORTGAGE
SECURITIES CORPORATION,

Defendants.

Case No. 1:09-cv-1656 (RMC)

**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT
OF JPMORGAN CHASE BANK, N.A. AND WASHINGTON MUTUAL
MORTGAGE SECURITIES CORPORATION'S MOTION TO DISMISS
AND MOTION FOR PARTIAL SUMMARY JUDGMENT**

Robert A. Sacks (admitted *pro hac vice*)
Stacey R. Friedman (admitted *pro hac vice*)
SULLIVAN & CROMWELL LLP
125 Broad Street
New York, New York 10004
Telephone: (212) 558-4000
Facsimile: (212) 558-3588

Brent J. McIntosh (D.C. Bar No. 991470)
Henry C. Quillen (D.C. Bar No. 986686)
SULLIVAN & CROMWELL LLP
1701 Pennsylvania Avenue, N.W.
Washington, D.C. 20006
Telephone: (202) 956-7500
Facsimile: (202) 293-6330

*Counsel for Defendants
JPMorgan Chase Bank, N.A. and
Washington Mutual Mortgage
Securities Corporation*

November 22, 2010

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Defendants JPMorgan Chase Bank, N.A. (“JPMC”) and Washington Mutual Mortgage Securities Corporation (“WMMSC”) respectfully submit this memorandum of points and authorities in support of their motion to dismiss the Amended Complaint of Deutsche Bank National Trust Company (“Deutsche Bank”) and motion for partial summary judgment.

PRELIMINARY STATEMENT

Deutsche Bank purports to be trustee for trusts that own or have owned over half a million individual mortgage loans, each with its own history of origination and performance. The loans were sold into the trusts without recourse, meaning that the loan sales were final and not to be unwound except in specified circumstances. One circumstance the parties expressly contemplated in the sale agreements was that some of the loans did not fulfill representations and warranties the sellers made regarding each loan. The agreements governing the loan sales expressly provide that if a loan breaches a representation or warranty *and* the breach had a material and adverse effect on the value of the loan *and* the breach cannot be cured, there is a “sole and exclusive” specific performance remedy—the loan itself must be bought out of the trust, or “repurchased,” by the entity that deposited or sold it into the trust. Absent these showings, there is no repurchase and the sale stands.

Rather than follow this contractually agreed-upon process or limit itself to the sole remedy provided under the Agreements, Deutsche Bank seeks a monetary award equal to repurchase of countless unspecified loans without regard for these contractual limitations. Deutsche Bank’s Amended Complaint purportedly pleads breach of contract

by alluding to 1,031 loan-specific representations and warranties and 394 obligations (for a total of 1,425 provisions) that are contained in 179 different agreements that govern 99 “primary trusts” and 28 “secondary trusts”¹ that own or have owned over half a million loans originated over the past 15 years that may (or may not) have been “materially and adversely” affected by breaches that may (or may not) have occurred, and therefore concludes that Defendants—the Federal Deposit Insurance Corporation (“FDIC”), JPMC, WMMSC or some combination thereof—are liable to the trusts for damages of \$6 to \$10 billion.

While Deutsche Bank uses very large numbers, the most important number here is actually *zero*. Zero is the number of contractual provisions that Deutsche Bank actually identifies as having been breached with regard to a specific loan. Zero is the number of breaches Deutsche Bank even tries to show had a material and adverse effect on a specified loan so as to give rise to the contractual right to bring the notice and repurchase claims it seeks to pursue. And zero is the amount of damages Deutsche Bank can in any event seek to recover on the back of such purported claims, given that the “sole and exclusive” remedy contained in each of the 179 different contracts at issue is loan-by-loan repurchase.

These omissions are not mere pleading defects—though they are certainly that. These omissions are contractual impediments to Deutsche Bank’s claims: The Deutsche Bank agreements all feature provisions strictly limiting the remedy available

¹ As explained at footnote 6, the trusts that Deutsche Bank refers to as the “primary trusts” are the trusts at issue here. The number of agreements that govern the trusts is not known for certain, but Deutsche Bank filed with the Court 179 agreements that purport to govern the trusts.

for breaches of representations and warranties about mortgage loans in three critical ways. First, breaches of representations and warranties are not actionable in the aggregate, but only as to individual loans. Second, as to repurchase of individual loans, breaches are not actionable absent a demonstrable material and adverse effect on the value of the particular loan in question. And third, even in the event of a breach that has a material and adverse effect on the value of a particular loan, the breach is not actionable in a damages action. Deutsche Bank's exclusive remedy is repurchase of any offending loan, a contractual limitation that courts in New York and Delaware routinely enforce.

Deutsche Bank's impermissible attempt to end-run these and other contractual and legal limitations should lead to dismissal of the Amended Complaint for four reasons: (1) Deutsche Bank, by its own admission, has not identified even one mortgage loan as to which any Defendant has breached any provision, let alone a breach that had a material and adverse effect on the value of that loan; (2) the remedy being sought, money damages, is contractually impermissible; (3) the separate claim arising from the assertion that Deutsche Bank was denied access to 61 loan files does not give rise to any liability or provide any legal basis for a breach of contract claim on the more than half a million loans at issue in this litigation; and (4) Deutsche Bank has pleaded no facts to suggest its claims comply with the applicable statutes of limitations that bar claims by trusts, some of which were established as early as 1992.

Moreover, not only are these claims improperly pleaded, but any liability for failure to repurchase loans remains with the FDIC. In the Purchase and Assumption Agreement between the JPMC and the FDIC (the "P&A Agreement"), by which JPMC ensured uninterrupted banking service for the millions of customers of Washington

Mutual Bank (“WMB”), JPMC assumed only those liabilities that had a “Book Value” on WMB’s “Books and Records” when WMB was closed. In doing so, JPMC took on billions of dollars in potential liabilities, with no government assistance. Through this action, Deutsche Bank and the FDIC seek to dramatically increase the scope of the liabilities JPMC assumed, in direct contravention of the explicit terms of the P&A Agreement. But under well-established law, an unliquidated claim for damages, such as Deutsche Bank’s, had no Book Value and was not reflected on WMB’s Books and Records. Thus, JPMC never assumed any liability for Deutsche Bank’s claims from the FDIC under the P&A Agreement. And if for some reason JPMC were deemed to have assumed such liability by some means other than express assumption under the P&A Agreement, then under different provisions of the same agreement the FDIC must indemnify JPMC in full. For these reasons, which are evident from the plain language of the P&A Agreement, partial summary judgment should be granted on Deutsche Bank’s declaratory judgment claim, finding that the FDIC bears all liability to Deutsche Bank—either directly or through an obligation to indemnify JPMC.

BACKGROUND

This case involves a business in which WMB and its subsidiaries and Deutsche Bank all participated: securitizing and servicing mortgage loans. Although every mortgage-backed securitization substantively differs from every other, most share the same general structure. The following example shows how WMB, its subsidiaries, and Deutsche Bank worked together to create the mortgage-backed securities at issue here.

The first step in the securitization process is the origination of a mortgage loan. In this example, WMB issues a mortgage to a borrower. WMB now owns the mortgage loan and thus is entitled to the borrower's future payments of principal and interest. WMB then agrees to sell the loan, and others like it, to its affiliate, WMMSC. In some transactions, this agreement is known as a Mortgage Loan Purchase Agreement ("MLPA"). Under an MLPA, the company selling the loans is the "Seller," and the company purchasing the loans is the "Purchaser." And the Seller (here WMB) makes representations and warranties to the buyer (here WMMSC) regarding various aspects of the loans being sold.

Next, WMMSC and Deutsche Bank enter into a Pooling and Servicing Agreement ("PSA"). (*See, e.g.*, WA05A1,² PSA (Docket Item 43-14).) Under the PSA, WMMSC sells the mortgage loans to a trust for which Deutsche Bank is the Trustee. (*Id.* § 2.04.) In this capacity, WMMSC is known as the Depositor. As Depositor, WMMSC similarly makes a variety of representations and warranties specific to each loan it is selling. For example, "[a]s of the Closing Date, there is no late assessment for delinquent taxes outstanding against any Mortgaged Property." (*Id.* § 2.08(v).)³ To protect a variety of accounting and tax benefits in connection with the sale, the loans are sold "without recourse." (*Id.* § 2.04.) Because the sale is non-recourse, the Depositor cannot at its

² Abbreviations such as "WA05A1" refer to individual trusts as listed in Exhibit 1A to the Amended Complaint and in Deutsche Bank's filings of the relevant agreements with the Court. (Docket Items 34-44.)

³ In some transactions, including the "Long Beach" transactions listed in Exhibit 1A to the Amended Complaint, these representations and warranties are made in the MLPA by the Seller. For consistency, JPMC will refer to these representations and warranties as the Seller's, although who has the ultimate obligation varies among the agreements.

discretion remove the loans from the trust, even if it would be profitable to do so.

Reciprocally, investors cannot demand that loans be repurchased, except in specified circumstances.

The terms of the PSAs contemplate the possibility that some of the mortgage loans sold to the trust may be found to breach the Seller's representations and warranties, and that some of these breaches may materially and adversely affect the value of a particular mortgage loan or the interests of the trust in that loan. (*Id.* § 2.08.) In general, a party that discovers such a breach must notify the other parties. (*Id.*) Once such a material and adverse breach is discovered and any necessary notice is given, the PSA provides for a very specific—and very *loan-specific*—process for remedying the breach. (*Id.*) As to any particular mortgage loan that breaches a representation or warranty in a manner that has a material and adverse effect on the value of the loan, all of the PSAs provide for three—and only three—remedies: The Seller can (1) cure the breach, (2) substitute another mortgage loan into the trust in place of the breaching loan, or (3) repurchase the breaching loan from the trust. (*Id.*)

All of the PSAs are explicit that these are the sole and exclusive remedies for breaches of representations and warranties. At some point in time—usually two years after closing of the securitization—the option of substituting a different mortgage is no longer available, again to abide by certain accounting rules and benefit from certain tax treatment. (*Id.* § 2.07.) Thus, in instances in which the Seller is unable to cure the defect in the loan (often by providing missing documentation), it is correct to say that, after the substitution period has passed, repurchase is the lone remaining remedy for breaches of representations and warranties. (*Id.* § 2.08.)

While this structure is consistent from PSA to PSA, other terms of the PSAs differ. For example, in some PSAs, the obligation to repurchase a loan arises when any party notifies the Seller (or Depositor) of a breach that has a material and adverse effect on the value of the underlying loan. (*E.g., id.*) In other PSAs, only notice by the Trustee will trigger the repurchase obligation. (*E.g., LB0602, PSA § 2.03(a) (Docket Item 39-25).*)

In 2007 and 2008, a nationwide collapse in the housing market, especially for subprime mortgages (which were included in many of the securitizations at issue here), led to losses for the trusts as borrowers became unable to repay their mortgage loans. On September 25, 2008, WMB was closed by federal regulators and placed into receivership with the FDIC. On the same day, the FDIC sold virtually all of WMB's assets and certain of its liabilities to JPMC pursuant to the P&A Agreement. (Amended Complaint Ex. 2 (P&A Agreement) §§ 2.1, 3.1.) This transaction allowed WMB's branches to continue serving the public, including its millions of depositors, without any interruption from WMB's failure.

On December 30, 2008, Deutsche Bank filed a proof of claim with the FDIC as receiver for WMB, claiming that WMB and its affiliates breached PSAs by, among other things, failing to notify Deutsche Bank of breaches of the Seller's representations and warranties and to repurchase breaching mortgage loans. (Amended Complaint Ex. 3.) The FDIC implicitly denied Deutsche Bank's proof of claim by declining to act on it, and Deutsche Bank filed a Complaint against the FDIC, making arguments similar to those in its proof of claim. (Docket Item 1.) After the FDIC moved to dismiss the Complaint on the grounds that JPMC had assumed liability for these claims

under the P&A Agreement and that the Complaint failed to plead sufficiently breaches of contract, Deutsche Bank filed its Amended Complaint, naming JPMC and WMMSC as additional defendants. (Docket Item 32.)

ARGUMENT

I. DEUTSCHE BANK'S BREACH OF CONTRACT CLAIMS FAIL TO STATE A CLAIM UPON WHICH RELIEF CAN BE GRANTED.

Generally, Deutsche Bank's breach of contract claim may be dismissed because the Amended Complaint does not "contain sufficient factual matter, accepted as true, to state a claim for relief that is 'plausible on its face.'" *Badibanga v. Howard Univ. Hosp.*, 679 F. Supp. 2d 99, 101 (D.D.C. 2010) (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). Indeed, the Amended Complaint is insufficient "to understand whether a valid claim is alleged and if so what it is." *Shirk v. Garrow*, 505 F. Supp. 2d 169, 172 (D.D.C. 2007) (internal quotation marks and citation omitted).⁴

More specifically, to state a claim for breach of contract under New York law, a plaintiff must timely allege: (1) a contract; (2) performance of the contract by one party; (3) breach of the contract by the other party; and (4) resultant harm to the plaintiff. *Terwilliger v. Terwilliger*, 206 F.3d 240, 245-46 (2d Cir. 2000). Under Delaware law, a plaintiff must similarly allege, before the statute of limitations has expired: (1) the existence of the contract; (2) the breach of an obligation imposed by that contract; and (3) resultant harm to the plaintiff. *VLIW Tech., LLC v. Hewlett-Packard Co.*, 840 A.2d

⁴ Although for purposes of such a motion, the factual allegations in the Amended Complaint are assumed to be true, the facts alleged here are not sufficient to the extent they fail "to raise a right to relief above the speculative level." *Badibanga*, 679 F. Supp. 2d at 101 (quoting *Twombly*, 550 U.S. at 555). Likewise, the pleadings that "are no more than conclusions, [including legal conclusions,] are not entitled to the assumption of truth." *Ashcroft v. Iqbal*, 129 S. Ct. 1937, 1950 (2009).

606, 612 (Del. 2003).⁵ Here, Deutsche Bank basically asserts two breach of contract claims (a notice/repurchase claim and an access claim), both of which are legally untenable and, to a large extent, time barred.

First, Deutsche Bank assumes that Defendants must have breached some of the “Representations and Warranties” regarding the mortgage loans, “which breaches had a material and adverse effect on the value of the mortgage loans in the Trusts or the interests of the Trusts therein.” (Amended Complaint ¶ 81.) However, the Amended Complaint does not identify any loan that it alleges breached any representation and warranty in any PSA. Rather, Deutsche Bank simply lists 1,425 contractual provisions spread across the 179 different Agreements that *might* (or might not) have been violated as to any of the more than half a million loans contained in the trusts.⁶ Deutsche Bank does not identify a single loan as to which any representation or warranty has been breached; a single loan as to which such a breach had a material and adverse effect on the value of the loan; or a single loan as to which Defendants have failed to comply with an extant notice or repurchase or cure obligation. Deutsche Bank’s speculation that there

⁵ New York or Delaware law governs all but three of the Agreements. The Pooling and Servicing Agreements for the trusts listed as WA0107, WA01A3 and CO9201 in Exhibit 1A to the Amended Complaint are governed by California law.

⁶ Some of these Agreements govern what Deutsche Bank calls the “Secondary Trusts,” which were allegedly also “damaged because their performance is dependent, in whole or in part, on the performance of the Primary Trusts.” (Amended Complaint ¶ 85; *see also id.* ¶ 3.) But the Amended Complaint does not begin to explain this relationship or cite a single relevant provision governing the Secondary Trusts. Because there is no way to assess on the face of the Amended Complaint the role or rights or assertions of the Secondary Trusts and Defendants should not have to guess at their potential liability, all of Deutsche Bank’s claims relating to the Secondary Trusts should be dismissed. *King v. Pierce Assocs., Inc.*, 601 F. Supp. 2d 245, 248 (D.D.C. 2009) (observing that vague and general allegations do not raise a right to relief above the speculative level, which is insufficient to state a claim).

must have been a breach of contract—notwithstanding its failure to support its guess with factual allegations—is not entitled to the presumption of truth. *See Ashcroft v. Iqbal*, 129 S. Ct. 1937, 1950 (2009). Deutsche Bank is speculating, not pleading—a tactic that cannot survive a motion to dismiss. *See Twombly*, 550 U.S. at 555.

Second, with regard to the repurchase claim, Deutsche Bank seeks money damages of \$6 to \$10 billion. (Amended Complaint ¶ 85.) The Agreements, however, all contain a provision stating that repurchase of individual mortgage loans on a loan-by-loan basis is the sole and exclusive remedy for breaches of representations and warranties. Because Deutsche Bank seeks a remedy to which it is not entitled, it has failed to state a claim upon which relief can be granted.

Third, Deutsche Bank asserts a separate claim for breach of contract arising from the allegation that it was denied access to loan files for 61 loans. (Amended Complaint ¶¶ 81-85.) Notably, these 61 loans are contained in only three of the 99 trusts Deutsche Bank lists, and so this claim is not even raised as to the tens of thousands of other loans in those three trusts, or as to *any* loan in the 96 other trusts. And while Deutsche Bank posits that, because of this limited access claim, it should be excused from its failure to plead a valid repurchase claim with regard to any of the more than half a million other loans potentially implicated by its Complaint, there is no legal basis for this request. Indeed, the access claim cannot be the basis for separate recovery because the denial of access does not give rise to independent harm to the trusts.

Fourth, all claims based on mortgage loans in 74 of the 99 trusts should be dismissed as time barred. Most of the representations and warranties that Deutsche Bank claims to have been breached were made as of a date well outside the applicable statute

of limitations period—three years in Delaware, six years in New York. Some were made as long ago as 1992, and nothing in the pleadings provides a legal basis for disregarding these limitations periods.

A. Deutsche Bank’s Notice and Repurchase Claims Must Be Dismissed.

1. Notice and Repurchase Claims Require Loan-By-Loan Assessment, Materiality and Adversity.

The Agreements at issue were entered into by sophisticated parties, and so they must be enforced as written to effect the allocation of risks and benefits decided upon by the parties. Any assessment of Deutsche Bank’s contract claim should therefore start with the limitations of those Agreements. *See Oppenheimer & Co. v. Oppenheim, Appel, Dixon & Co.*, 660 N.E.2d 415, 421 (N.Y. 1995); *NACCO Indus., Inc. v. Applicia Inc.*, 997 A.2d 1, 35 (Del. Ch. 2009). With respect to Deutsche Bank’s notice and repurchase claims, the Agreements were written to expressly limit when such claims could be pursued. Three fundamental limitations appear in some form in each of the Agreements:

1. **Notice** is required only “[u]pon discovery . . . of the breach by the Seller of any representation, warranty or covenant under the Mortgage Loan Purchase Agreement in respect of any Mortgage Loan which *materially and adversely affects* the value of such Mortgage Loan or the interest therein of the Certificateholders”

2. **Repurchase** of a loan is required only if, 90 days after the Seller is on notice of a breach that “*materially and adversely affects* the value of such Mortgage Loan or the interest therein of the Certificateholders,” the breach has not been cured.⁷

⁷ For the breaches that Deutsche Bank alleges, substitution is no longer available, leaving cure or repurchase as Deutsche Bank’s sole remedies. The Agreements prohibit substitution of mortgage loans beginning two years after the closing of the securitization. (*See, e.g.*, LB0602, PSA §§ 2.03(d), 10.01(b); WA05A1, PSA § 2.07.)

3. “[T]he obligation of the Seller to cure or to repurchase . . . any Mortgage Loan as to which . . . such a breach has occurred and is continuing shall constitute the **sole remedy** respecting such . . . breach available to the Certificateholders, the Trustee on behalf of the Certificateholders and the NIMS Insurer.”

(*E.g.*, LB0602, PSA § 2.03(a) (emphasis added).)

By definition, the representations and warranties in the Agreements can be true or false only as to particular loans. (*E.g.*, LB0602, MLPA § 6 (“The Seller hereby represents and warrants to the Purchaser, that as of the Closing Date with respect to *each* Mortgage Loan . . .” (emphasis added)).) As a result, the notice and repurchase claims are thus loan-level claims, and the Agreements simply contain no provision for aggregated or generalized treatment of loans.

By express agreement, not every alleged breach of a representation or warranty gives rise to a notice or repurchase obligation. Rather, the obligation to give notice or cure or repurchase arises *only* when the breach “materially and adversely affects” the value of the underlying loan.⁸ (LB0602, PSA § 2.03(a); LB0602, MLPA § 7(a); WA05A1, PSA § 2.08.) Only then, after establishing that a breach that had a material and adverse effect on a specified loan has gone uncured, does the obligation to “repurchase such Mortgage Loan” even arise. (LB0602, PSA § 2.03(a).) And that exclusive repurchase remedy—a remedy enforced by the courts—is the Trustee’s “sole remedy.” (*Id.*) *See infra* Section I.B.

⁸ Merger and acquisition agreements often use the concept of a “material adverse effect” to allocate risk among the parties, much as the Pooling and Servicing Agreements do here. When a remedy depends on a material and adverse effect, a breach of a representation or warranty “accomplishes nothing by itself.” *Frontier Oil Corp. v. Holly Corp.*, No. Civ. A. 20502, 2005 WL 1039027, at *35 (Del. Ch. 2005). The breach *must* have a material and adverse effect to support a cause of action. *Id.*

Thus, Deutsche Bank's pleading and proof must demonstrate loan-specific breaches of representations and warranties, loan-specific materiality, and loan-specific adversity to merit the sole and exclusive remedy of repurchase of the allegedly offending loan. These essential elements for any notice or repurchase claim stand in stark contrast to Deutsche Bank's blanket pleadings, which fail to meet any of these loan-level contractual requirements.

2. Deutsche Bank Does Not Identify a Single Loan-Level Contractual Provision That Has Actually Been Breached.

Deutsche Bank has not pleaded a single actionable breach of the Agreements by merely listing more than one thousand provisions and suggesting that each of them may or may not have been breached. *See Marino v. Vunk*, 835 N.Y.S.2d 47, 49 (N.Y. App. Div. 2007) ("Vague and conclusory allegations are insufficient to sustain a breach of contract cause of action."); *Wal-Mart Stores, Inc. v. AIG Life Ins. Co.*, 901 A.2d 106, 116 (Del. 2006) (affirming the dismissal of a breach of contract claim where the operative pleading "[did] not identify any express contractual obligation that was breached"). Deutsche Bank's approach is unsustainable because it makes it impossible to identify the supposed breaches on which Plaintiff is purportedly relying. *M & T Bank Corp. v. Gemstone CDO VII, Ltd.*, 891 N.Y.S.2d 578, 581 (N.Y. App. Div. 2009) (dismissing breach of contract claims against Deutsche Bank Securities, Inc. due to plaintiff's failure to set forth "the provisions of the contract upon which the claim is based." (internal quotation marks omitted)).

Deutsche Bank's approach is particularly problematic here because it simply lists the representations, warranties and obligations *from one deal* and represents to the Court through a chart that more than one thousand provisions from 98 other deals

are identical. That is incorrect; Deutsche Bank's "allegations" regarding what provisions may have been breached are rife with vagueness and erroneous suppositions.⁹ For example:

- *Deutsche Bank at times completely misidentifies the obligations at issue.* In its list of obligations under the Agreements (Exhibit 7 to the Amended Complaint), Deutsche Bank identifies Section 2.04(b) of the Pooling and Servicing Agreement for nearly every Long Beach trust as the "Notice Obligation." But that provision has nothing to do with breaches of representations and warranties regarding loan files. Instead, it describes the Master Servicer's obligation to give notice if it does not have the legal capacity to fulfill its obligations. (*E.g.*, LB0602, PSA § 2.04(b).) The failure to properly identify the terms that are alleged to have been breached is grounds for dismissal. *See Atkinson v. Mobil Oil Corp.*, 614 N.Y.S. 2d 36, 37 (N.Y. App. Div. 1994) ("In order to plead a breach of contract cause of action, a complaint must allege the provisions of the contract upon which the claim is based."); *Wal-Mart Stores*, 901 A.2d at 116 (same).

- *Deutsche Bank at other times ignores meaningful limitations on particular representations and warranties.* For example, Deutsche Bank uses as an exemplary representation a provision stating that "The Loan-to-Value Ratio for each Mortgage Loan was no greater than 100% at the time of origination." (Amended Complaint ¶ 46(j).) But in certain of the Agreements, this same representation is limited

⁹ On a motion to dismiss, the Court can rely on documents incorporated into the pleadings, *see Lipton v. MCI WorldCom, Inc.*, 135 F. Supp. 2d 182, 186 (D.D.C. 2001), and thus can reject assertions Deutsche Bank makes that are inconsistent with the documents Deutsche Bank purports to characterize.

so that the Seller is contractually entitled to rely on the appraisal of the property: “Based upon an appraisal of the Mortgaged Property securing each Mortgage Loan . . . no [Mortgage Loan] had a current Loan-to-Value ratio greater than 95%.” (WA02A2, PSA § 2.08(xxv) (Docket Item 42-7).)¹⁰ Because there are no allegations in the Amended Complaint that come close to establishing a breach of this—or any other—representation that is limited to the Seller’s knowledge or understanding with regard to a particular loan at the time of origination, dismissal is appropriate. *See Atkinson*, 614 N.Y.S. 2d at 37; *Wal-Mart Stores*, 901 A.2d at 116.

- *Deutsche Bank does not tie any of its purported factual allegations temporally or substantively to the loans at issue.* While a significant portion of the Amended Complaint is dedicated to allegations of generalized misconduct at Washington Mutual in 2007 and 2008, no effort is made to explain why those allegations would be relevant to representations and warranties made before 2007 or why the Court should or could assume that such allegations necessarily connote a breach of any representations and warranties that were made for the particular loans at issue here. And even as to 2007 and 2008, Deutsche Bank’s allegations are insufficient. For example, Deutsche Bank asserts that alleged problems with underwriting may have resulted in loans being originated that did not comply with the underwriting guidelines and then speculates that such problems would have resulted in breaches to representations and warranties.

(Amended Complaint ¶ 70.) These vague allegations do not establish any loan-specific

¹⁰ *See Tsereteli v. Residential Asset Securitization Trust*, 692 F. Supp. 2d 387, 393 (S.D.N.Y. 2010) (“[N]either an appraisal nor a judgment that a property’s value supports a particular loan amount is a statement of fact. Each is instead a subjective opinion based on the particular methods and assumptions the appraiser uses.”).

breach, particularly where the parties expressly recognized that “[i]t is expected that a substantial number of the Mortgage Loans to be included in the Mortgage Pool will represent exceptions to the underwriting guidelines.” (LB05W02, Prospectus Supplement (Exhibit A to the accompanying declaration of Brent J. McIntosh (“McIntosh Declaration”), at S-65); *see also* LB0602, Prospectus Supplement (McIntosh Declaration Ex. B), at S-39.)¹¹ Without more specificity, Defendants cannot adequately defend the claims against them, and the Amended Complaint cannot stand. *Shirk v. Garrow*, 505 F. Supp. 2d 169, 172 (D.D.C. 2007) (finding that dismissal is appropriate if the defendant cannot “understand whether a valid claim is alleged and if so what it is”).

- *Deutsche Bank hides—and has defaulted on—its own obligation to give notice prior to repurchase obligations arising.* Under many of the Pooling and Servicing Agreements at issue here, the Seller’s repurchase obligation only arises 90 days after the *Trustee’s* delivery of notice of breaches and the Seller is given an opportunity to cure. (*E.g.*, LB0602, PSA § 2.03(a).)¹² There is a good reason for this requirement, with which Deutsche Bank failed to comply: The Trustee should have found an actual breach,

¹¹ These prospectuses were issued as part of the underlying securitizations, filed publicly with the Securities and Exchange Commission and clearly reflect the parties’ intent as to the underwriting exceptions permitted in the PSAs. The Court may consider these public documents, even on a motion to dismiss. *Ass’n of Am. Med. Colls. v. Princeton Review, Inc.*, 332 F. Supp. 2d 11, 15 (D.D.C. 2004) (“In evaluating a Rule 12(b)(6) motion to dismiss, the court is limited to considering [*inter alia*] . . . matters of public record . . .” (citations omitted)).

¹² This provision is common among the Pooling and Servicing Agreements governing the Long Beach trusts (numbered 1-21, 23-26, and 28-42 in Exhibit 1A to the Amended Complaint). In other Agreements, the repurchase obligation also arises when the Seller discovers a breach or is notified of the breach by the Servicer. (*E.g.*, WA05A1, PSA § 2.08.) For the reasons discussed above in Section I.A.1, Deutsche Bank has not made any allegations suggesting that any such breach existed, much less that the breach was known to the Seller or Servicer.

and the Seller should have an opportunity to address the alleged breach before anyone is hauled into court. Accordingly, when interpreting agreements similar to those at issue here, multiple courts have held that parties must follow the contractually agreed notice process to trigger a repurchase obligation. In *Morgan Guaranty Trust Co. of New York v. Bay View Franchise Mortgage Acceptance Co.*, No. 00-cv-8613, 2002 WL 818082 (S.D.N.Y. Apr. 30, 2002), for example, the court explained that notice is required because “[o]therwise, there would be ‘an incentive for [trustees] to litigate before knowing for certain that they have suffered any injury.’” *Id.* at *5 (citing *Vista Co. v. Columbia Pictures Indus., Inc.*, 725 F. Supp. 1286, 1295 (S.D.N.Y.1989)). Accordingly, the court held that the trustee’s failure to give prompt notice of a breach of representations and warranties meant that “it cannot now hold [the defendant] accountable for this breach.” *Id.* at *10. Likewise, the court in *Central Mortgage Co. v. Morgan Stanley Mortgage Capital Holdings LLC* dismissed claims that a seller breached an agreement similar to those at issue here because the plaintiff had not fulfilled its notice obligations by “simply list[ing] the contract sections that were, for some unspecified reason, supposedly violated.” No. 5140-VCS, 2010 WL 3258620, at *7 (Del. Ch. Aug. 19, 2010).

Although each of these examples underscores why Deutsche Bank’s failure to identify a single contractual representation or warranty as actually having been breached should result in dismissal of the Amended Complaint, these are not ad hoc pleading problems. These problems evidence that Deutsche Bank’s approach to its purported contract claim is untenable given the actual terms of the Agreements. The Agreements require loan-by-loan assessment of breaches and remedies. Sophisticated

parties, such as Deutsche Bank, know how to draft contracts that provide pool-wide remedies if those are the terms the parties agree to. In *U.S. Bank, N.A. v. Greenpoint Mortgage Funding, Inc.*, No. 600352/09, 2010 WL 841367 (N.Y. Sup. Ct. Mar. 3, 2010), for example, the agreement provided that in the event of a breach of certain representations and warranties, “*all of the Revolving Credit Loans* shall, at the Purchaser’s option, be repurchased by the Seller.” *Id.* at *7. Here, however, the parties did not contract for such a generalized remedy, and the absence of such a remedy must be given effect. Deutsche Bank’s generic allegations fall far short of meeting the contractual requirements of the Agreements in this case, requiring that its notice and repurchase claims be dismissed.

3. Deutsche Bank Does Not Identify a Single Breach of a Representation or Warranty That Had a Material and Adverse Effect on the Value of a Specified Loan.

Deutsche Bank admits that it does *not* “specifically identify particular mortgage loans with respect to which there have been . . . breaches of particular Representations and Warranties” that have “had a material and adverse effect on the value of the loans or the interests of the Trusts therein.” (Amended Complaint ¶¶ 66, 65.) No claim for breach of the notice and repurchase obligations can survive this admission. *See, e.g., Anderson v. Wachovia Mortgage Corp.*, 609 F. Supp. 2d 360, 366 (D. Del. 2009) (dismissing breach of contract claims under Delaware law where plaintiffs “fail[ed] to identify an express contract provision that was breached”), *aff’d* 621 F.3d 261, 280 (3d Cir. 2010); *Marino*, 835 N.Y.S.2d at 49 (“Vague and conclusory allegations are insufficient to sustain a breach of contract cause of action.”); *LaSalle Bank Nat’l Ass’n v. Citicorp Real Estate, Inc.*, No. 01-cv-4389, 2002 WL 31729632 (S.D.N.Y. Dec.

5, 2002) (holding that “to state a claim, LaSalle must allege both a breach of a representation or warranty set forth in PSA § 2.05(c) and a material and adverse effect caused by the breach”).

Nonetheless, Deutsche Bank tries to plead around this basic failure by first pointing to alleged problems with the mortgage industry and origination at Washington Mutual and then asserting “there is a reasonable basis to conclude that many of the mortgage loans included in the Trusts do not comply with the Representations and Warranties, and that WaMu breached the Representations and Warranties, which breaches had a material and adverse effect on the value of the loans or the interests of the Trusts therein.” (*Id.* ¶ 66.) Deutsche Bank’s “reasonable basis” is supposition and speculation, too tenuous to sustain a plausible claim against Defendants, and a somewhat cynical effort to generally plead around the contractual requirements outlined above.

To begin, this is another example of Deutsche Bank impermissibly attempting to taint over half a million individual mortgage loans—for which the Agreements require loan-specific assessments and remedies—by listing very broad, non-loan-specific allegations regarding origination practices, primarily at Long Beach Mortgage. (Amended Complaint ¶¶ 71-80.) Deutsche Bank offers no actual connection between these allegations and any particular mortgage loan or securitization deal, instead relying on bald speculation that there may be a connection. Absent the pleading of loan-specific breaches, materiality and adversity, Deutsche Bank has failed to plead that any Defendant had any notice or repurchase obligation, much less breached one. *See Anderson*, 609 F. Supp. 2d at 366; *Marino*, 835 N.Y.S.2d at 49.

Even if the Agreements did not have these loan-specific requirements that make Deutsche Bank's blanket allegations legally ineffective, the allegations of generalized "bad acts" would not be sustainable as a matter of law. Notably, these allegations are based entirely on statements of, and documents obtained by, the Senate Permanent Subcommittee on Investigations (the "Subcommittee")—but what Deutsche Bank fails to mention is that the Subcommittee did not subpoena loan files or documents concerning specific loans.¹³ Anyhow, to state a claim for a breach of contract, it is not enough to malign a defendant as a bad actor; a plaintiff must explain how the defendant's acts constituted a specific breach. *See DeBlasio v. Merrill Lynch & Co.*, No. 07-cv-318, 2009 WL 2242605, at *37-38 (S.D.N.Y. July 27, 2009) (holding that banks' alleged misuse of brokerage clients' funds to generate profits for the banks did not constitute a breach of a specific contract); *see H-M Wexford LLC v. Encorp, Inc.*, 832 A.2d 129, 140-42 (Del. Ch. 2003) (holding that misrepresentations in a private placement memorandum did not constitute a breach of a purchase agreement that did not incorporate the memorandum). Deutsche Bank has failed to make the necessary showing here.

In addition, Deutsche Bank must specify how the alleged breach caused the alleged harm. By requiring that a breach of representations and warranties "materially and adversely" affect the value of a mortgage loan, the parties required that Deutsche Bank prove causation on a loan-by-loan basis. But even without such a provision in the contract, causation would still be essential to Deutsche Bank's claim for breach of contract. *Nat'l Mkt. Share, Inc. v. Sterling Nat'l Bank*, 392 F.3d 520, 525 (2d

¹³ A copy of the Subcommittee's subpoena is attached to the McIntosh Declaration as Exhibit C.

Cir. 2004) (stating that under New York law, “[c]ausation is an essential element of damages in a breach of contract action; and, as in tort, a plaintiff must prove that a defendant’s breach *directly and proximately caused* his or her damages”); *VLIW Tech.*, 840 A.2d at 612 (holding that a complaint must demonstrate “the resultant damage to the plaintiff”). The requirement of proximate causation is well-established:

Although the principles of legal causation sometimes receive labels in contract analysis different from the “proximate causation” label most frequently employed in tort analysis, these principles nevertheless exist to restrict liability in contract as well. Indeed, the requirement of foreseeability may be more stringent in the context of contract liability than it is in the context of tort liability.

Exxon Co., U.S.A. v. Sofec, Inc., 517 U.S. 830, 839-40 (1996).

Here, Deutsche Bank fails to plead that its losses were caused by breaches of representations and warranties as opposed to other factors, such as the nationwide mortgage crisis. It alleges that “after September 25, 2008, the Trusts have experienced a substantial increase in delinquencies giving rise to foreclosures or other remedial activity by WaMu as Servicer, as well as an increase in realized losses to the Trusts” (Amended Complaint ¶ 80)—but this could be said of virtually any trust holding residential mortgages anywhere in the United States. Nothing in this allegation connects facts alleged in Deutsche Bank’s Amended Complaint to the performance of any particular loan in Deutsche Bank’s trusts. As the Court is aware, the collapse of the housing bubble was a market-wide phenomenon. That event, which based upon the generalized allegations of the Amended Complaint was as likely the cause of Deutsche Bank’s alleged harm as any other, does not establish the causation required to support the breach of contract claims Deutsche Bank seeks to plead.

B. The Trustee’s Sole Remedy for Breaches of Representations and Warranties Is Repurchase of the Mortgage Loans, So Deutsche Bank’s Claims, Which Seek Only Damages, Must Be Dismissed.

Under the Agreements, Deutsche Bank’s sole remedy for breaches of representations and warranties is the repurchase of affected mortgage loans. Instead of seeking this remedy, Deutsche Bank seeks a windfall of monetary damages, which— notwithstanding its failure to identify any breach of any representation and warranty by any loan that had a material and adverse effect on that loan’s value—Deutsche Bank generally ballpark at somewhere between “\$6 billion to \$10 billion.” (Amended Complaint ¶ 85 (emphasis added).)¹⁴ Such claims violate the “sole remedy” provisions of the Agreements and thus seek to overturn the distribution of risks for which the parties to those Agreements contracted.¹⁵ Because Deutsche Bank seeks monetary damages, to which it is not entitled, it has failed to state a claim upon which relief can be granted.

This scenario was squarely presented in *Sterling Federal Bank, F.S.B. v. Credit Suisse First Boston Corp.*, No. 07-C-2922, 2008 WL 4924926 (N.D. Ill. Nov. 14, 2008), in which an investor in a mortgage-backed security sought damages from DLJ Mortgage Capital, which had sold loans to the underlying trust. The Pooling and Servicing Agreement there, like those here, provided that repurchase of a breaching mortgage loan was the sole remedy for such a claim if the loan could not be substituted or

¹⁴ The Amended Complaint makes clear that Deutsche Bank also seeks consequential damages based on Defendants’ alleged breach of their repurchase obligation. (Amended Complaint ¶¶ 85, 95, 101.)

¹⁵ These risks were well understood by all parties. In some Prospectus Supplements, the first risk factor listed is that “Mortgage Loans Originated under the Sponsor’s Underwriting Guidelines Carry a Risk of High Delinquencies.” (E.g., LB0602, Prospectus Supplement (McIntosh Declaration Ex. B), at S-11.)

the breach cured. *See id.* at *12. DLJ argued that the result of this “sole remedy” provision was that no damages were available, only specific performance of the repurchase obligation. *Id.* The court agreed and dismissed the complaint: “The Court recognizes that Plaintiff has pled DLJ’s breach of duties; however, Plaintiff’s complaint alleges only its entitlement to remedial (money) damages and not specific performance. Accordingly, Plaintiff has not properly pled its entitlement to the relief requested on this claim. Therefore, the Court grants Defendants’ motion [to dismiss]” *Id.* As the court pointed out, “New York courts enforce contractual limitations on remedies.” *Id.* (citing *Mom’s Bagels of N.Y., Inc. v. Sig Greenbaum, Inc.*, 559 N.Y.S.2d 883, 885 (N.Y. App. Div. 1990)). The same is true under Delaware law. *See Abry Partners V, L.P. v. F & W Acquisition LLC*, 891 A.2d 1032, 1035 (Del. Ch. 2006). Because Deutsche Bank has no right to the remedy it seeks, its claims must be dismissed.

C. Deutsche Bank’s Allegations Regarding Its Access to Loan Documents, Even If True, Do Not Support Its Claims.

Deutsche Bank also alleges that Defendants have breached their obligations to provide Deutsche Bank with access to loan documents. Deutsche Bank has not alleged harm from these breaches separate from the harm caused by the alleged failure to repurchase faulty loans. Instead, Deutsche Bank is merely alleging that Defendants’ failure to provide access has prevented it from enforcing Defendants’ purported repurchase obligations. This claim also fails in its own right.

Deutsche Bank’s allegations that it has been denied access to mortgage loan documents, even if assumed to be true, do not excuse its failure to identify a single breach of the Agreements. Despite its reference to “numerous requests” for access to loan files (Amended Complaint ¶ 82), Deutsche Bank does not allege that it has sought

access to more than a tiny group of loans. The requests for access that Deutsche Bank cites (*id.*) refer to just 61 loans in only three trusts (*see* McIntosh Declaration Exs. D-F)—a minuscule fraction of the more than half a million loans owned by the underlying trusts.¹⁶

Moreover, the timing of the requests for access to loan files shows that Deutsche Bank has failed to make a good-faith effort to identify or specify any breaches of the Agreements. The requests that Deutsche Bank references were all made in June and August of 2010—nearly two years after the proof of claim in which Deutsche Bank first raised its supposed repurchase claims against the FDIC. Because the allegedly unanswered requests all postdate the assertion by Deutsche Bank of the claims being alleged in this action, a failure to respond to those requests could not plausibly be the cause of Deutsche Bank’s failure to plead loan-by-loan breaches as legally required.

In fact, the evolution of Deutsche Bank’s claims evidences no real attempt by Deutsche Bank to determine what repurchase obligations might actually exist. In its now-two-year-old proof of claim filed with the FDIC, Deutsche Bank alleged that “the Trusts have claims in respect to breaches of Representations and Warranties, in the estimated range of \$6.764 billion to \$10.146 billion.” (Amended Complaint Ex. 3, Attachment A ¶ 11.) When it filed its initial Complaint nearly eight months later, Deutsche Bank had had ample time to investigate and refine its claims. But Deutsche Bank does not allege that it made any requests for access to documents during this period

¹⁶ Because Deutsche Bank refers to its requests for access in its Amended Complaint and because those requests are central to its claims, the Court may consider those documents without converting this Motion to Dismiss into a Motion for Summary Judgment. *See Lipton*, 135 F. Supp. 2d at 186.

or investigated its claims any further. In fact, its claim for damages was essentially the same: “\$6 billion to \$10 billion or more.” (Complaint ¶ 34 (Docket Item 1).)

Now, more than a year later, Deutsche Bank’s claim for damages remains the same: “\$6 billion to \$10 billion, with such losses continuing to accrue.” (Amended Complaint ¶ 85.) This consistency renders it implausible for Deutsche Bank to allege that the absence of access to files of 61 loans—requested for the first time *after* the filing of its original complaint and *just before* the filing of its Amended Complaint—is the reason for its failure to comply with the contractually agreed-upon procedures for determining when loans are in fact subject to repurchase.

D. For Most of the Agreements on Which Deutsche Bank Relies, the Statute of Limitations Bars Its Claims.

On the face of Deutsche Bank’s Amended Complaint, the statute of limitations bars Deutsche Bank’s claims under most of the Agreements. In Delaware, the statute of limitations for a breach of contract action is three years. *See* DEL. CODE ANN. tit. 10, § 8106. In New York, the applicable statute of limitations is six years. *See* N.Y. CPLR § 213. All of Deutsche Bank’s claims are based on representations and warranties that were made at the time of securitization and would be barred if not brought within the applicable time period. (*See, e.g.*, LB0602, MLPA § 6 (“The Seller hereby represents and warrants to the Purchaser, that *as of the Closing Date* with respect to each Mortgage Loan . . .” (emphasis added)).)

Deutsche Bank has alleged not one breach or material and adverse effect that occurred after these securitizations closed. Applying these limitations periods to the pleadings, all claims based on mortgage loans in 74 of the 99 trusts should be dismissed as time barred.

- All but the very oldest Pooling and Servicing Agreements for the Washington Mutual trusts (those beginning with “WA” in Exhibit 1A to the Amended Complaint) are governed by Delaware law. Only one of the Agreements governing these trusts was signed within three years of September 8, 2010, when Deutsche Bank filed its Amended Complaint adding JPMC and WMMSC as parties: WAMU 2007-Flex1 (“WA0701”). (*See* Amended Complaint, Ex. 1A.) The claims based on the remaining 54 trusts must be dismissed.

- Most of the Pooling and Servicing Agreements governing the Long Beach trusts (those beginning with “LB” in the same exhibit) are governed by New York law with a few governed by Delaware law. Of the 40 Long Beach trusts, claims associated with 24 of them are outside the applicable statute of limitations.¹⁷

- The Agreements governing two other trusts, abbreviated as MS0001 and CO9201 in Exhibit 1A, were signed 10 and 18 years ago, respectively—far too long ago to state a claim upon which relief can be granted.

II. THE COURT SHOULD ENTER PARTIAL SUMMARY JUDGMENT IN JPMC’S FAVOR FINDING THAT THE FDIC RETAINED LIABILITY FOR DEUTSCHE BANK’S CLAIMS.

Deutsche Bank’s suit “against WMB and its successors or successors-in-interest, whoever they are adjudicated to be” seeks declaratory judgment regarding whether the FDIC or JPMC is the successor to the purported liabilities at issue in this proceeding. (Amended Complaint ¶¶ 13, 102-06.) To pursue a claim for declaratory

¹⁷ These trusts are numbered 1-18 and 37-42 in Exhibit 1A. It is unclear what law governs the PSA labeled LB0608, since it was not attached to the Amended Complaint. None of the three trusts governed by California law was signed within California’s four-year limitations period. *See* CAL. CIV. PROC. CODE § 337.

relief, Deutsche Bank must demonstrate an “actual controversy.” 28 U.S.C. § 2201(a). Here, to the extent that there is an actual controversy, it is ripe for immediate summary judgment because this claim involves the interpretation of one unambiguous provision of the P&A Agreement. *Bastin v. Fed. Nat’l Mortgage Ass’n*, 104 F.3d 1392, 1393-95 (D.C. Cir. 1997). Under the plain terms of that agreement, JPMC did *not* become WMB’s successor in interest. Since its closure, the FDIC as receiver has controlled WMB. While JPMC purchased all of the assets of WMB, it assumed only specified liabilities: those that had been reduced to a dollar amount on WMB’s “general ledger and subsidiary ledgers and supporting schedules which support the general ledger balances.” (Amended Complaint Ex. 2 (P&A Agreement) at 2.) The unliquidated liabilities that Deutsche Bank seeks to impose in this case are not alleged to be among those specified in the P&A Agreement, and JPMC has clearly stated in its filings with the Securities and Exchange Commission that this liability remains with the FDIC. (JPMorgan Chase & Co., Form 10-Q, filed November 9, 2010 (McIntosh Declaration Ex. G), at 58.) Under the P&A Agreement, the FDIC agreed to indemnify JPMC for any liabilities that it did not expressly assume. Based on the plain language of the P&A Agreement, the Court should award partial summary judgment declaring that any liabilities from this litigation that were not on WMB’s general ledger, subsidiary ledgers, and supporting schedules as of September 25, 2008 remained with the FDIC directly or as indemnitor for JPMC.¹⁸

¹⁸ To the extent that WMMSC has potential liability related to representations and warranties it made, it has claims against the FDIC as receiver for WMB under Mortgage Loan Purchase Agreements between WMB and WMMSC. *See supra* pages 5-6.

A. There Is No Bona Fide Dispute That the FDIC Retained All Mortgage Origination Liabilities Not Having a “Book Value” as of WMB’s Closing.

Deutsche Bank acknowledges that as between the FDIC and JPMC, any liability for its claims is governed by Section 2.1 of the P&A Agreement, which provides in pertinent part:

Liabilities Assumed by Assuming Bank. . . . [T]he Assuming Bank expressly assumes at Book Value . . . and agrees to pay, perform, and discharge, all of the liabilities of the Failed Bank which are reflected on the Books and Records of the Failed Bank as of Bank Closing [T]he Assuming Bank specifically assumes all mortgage servicing rights and obligations of the Failed Bank.

(Amended Complaint Ex. 2 (P&A Agreement) at 8.) There is no bona fide dispute that the FDIC retained *all* liabilities of the failed bank *except* those that had a “Book Value” as of September 25, 2008, when WMB was closed. Book Value is defined in the P&A Agreement as “the dollar amount [of an assumed liability] stated on the Accounting Records of the Failed Bank,” and “Accounting Records” are specifically defined as limited to “the general ledger and subsidiary ledgers and supporting schedules which support the general ledger balances.” (Amended Complaint Ex. 2 (P&A Agreement) at 2-3.) Thus, without further inquiry, the Court should enter partial summary judgment—based on these words of the P&A Agreement—that states the extent of the liabilities retained by the FDIC and adjudicates the limits of JPMC’s assumption of liability.

To the extent that the FDIC disputes what exactly was on the Books and Records of WMB, with a Book Value, on September 25, 2008, such a dispute does not prevent immediate entry of summary judgment, which “may be rendered on liability

alone, even if there is a genuine issue on the amount of damages.” FED. R. CIV. P.

56(d)(2). Judgment can be entered immediately stating that if WMB’s general ledger, subsidiary ledgers and supporting schedules did not, as of September 25, 2008, identify a liability with a stated dollar value, JPMC did not assume it.¹⁹ *See Viola v. Fleet Bank of Maine*, No. 95-141, 1996 WL 498390, at *2-3 (D. Me. Feb. 27, 1996) (holding that a functionally identical provision did not transfer liability beyond book value as stated on the failed bank’s accounting records).²⁰

¹⁹ Such a result would be in complete harmony with other cases finding that, in FDIC-assisted transactions, assuming banks do not acquire unliquidated and contingent liabilities. *See Santopadre v. Pelican Homestead & Sav. Ass’n*, 937 F.2d 268, 272 (5th Cir. 1991) (noting that claims that constituted unliquidated liabilities were not reflected “on the books and records” of the failed bank and thus were not transferred); *In re Collins Sec. Corp.*, 998 F.2d 551, 554-55 (8th Cir. 1993) (treating “books and records” and “account records” as synonymous). Such an obligation would be impossible, given that “[a] purchase and assumption must be made with great speed, usually overnight.” *E.I. du Pont de Nemours & Co. v. FDIC*, 32 F.3d 592, 595 (D.C. Cir. 1994) (citation and internal quotation marks omitted). It would also undermine the receivership process: “Undoubtedly very few, if any, banks would enter into purchase and assumption agreements with a federal receiver if the successor banks had to assume . . . latent claims of unknown magnitude . . .” *Vernon v. RTC*, 907 F.2d 1101, 1109 (11th Cir. 1990); *see also Raine v. Reed*, 14 F.3d 280, 283 (5th Cir. 1994) (“We will not undermine the speed and efficiency of bank takeovers by imposing a requirement upon the FDIC to locate and evaluate every possible avenue of disputed liability in implementing the takeover of a failed bank.”).

²⁰ Deutsche Bank alleges that the Agreements “constituted official books and records of WMB at the time of WMB’s closing on September 25, 2008.” (Amended Complaint ¶ 42(e).) A contract is interpreted according to the parties’ intent, and an unambiguous contract is enforced according to its plain terms. *Sassano v. CIBC World Mkts. Corp.*, 948 A.2d 453, 462 (Del. Ch. 2008); *Greenfield v. Philles Records, Inc.*, 780 N.E.2d 166, 170 (N.Y. 2002). Because Deutsche Bank is not a party to the P&A Agreement, its opinion on the scope of “books and records” under the P&A Agreement is irrelevant. *See Wichita Falls Office Assocs. v. Banc One Corp.*, No. 3:90-CV-1301, slip op. at 12 (N.D. Tex. Nov. 22, 1993) (holding that assertions of a non-party about the meaning of a P&A Agreement’s terms are irrelevant) (McIntosh Declaration Ex. H).

Deutsche Bank asserts that if mortgage servicing rights and obligations were expressly assumed by JPMC, then the mortgage origination liabilities at issue in this action were expressly assumed by JPMC. (Amended Complaint ¶ 87.) This is wrong in at least two fundamental respects. *First*, directly contrary to that assertion, the express assumption of only “mortgage *servicing* rights and obligations” evidences the lack of any express assumption of the mortgage *repurchase* obligations that are at issue here: As Deutsche Bank acknowledges, repurchase obligations belong to the Seller or Depositor, *not* the Servicer. (*Id.* ¶ 53.) *Second*, Deutsche Bank’s argument hinges on the incorrect assumption that mortgage servicing rights are qualified financial contracts or are not generally severable from the underlying securitizations. (*See id.* ¶¶ 32, 34.) Servicing contracts are not securitizations or any other variety of qualified financial contract. Moreover, courts have understood that a mortgage loan contract is divisible into one agreement concerning the “servicing of mortgage loans” and another agreement concerning the “sale and repurchase of mortgage loans.” *In re Am. Home Mortgage, Inc.*, 379 B.R. 503, 520-21 (Bankr. D. Del. 2008). “The terms, nature and purpose of a repurchase agreement are different from an agreement relating to servicing mortgage loans,” and the “consideration for servicing mortgage loans is readily apportioned from the other consideration flowing under the Contract.” *Id.* at 521. Therefore, the two portions of the contract are severable. *See id.*

B. Summary Judgment Prior to Discovery Is Entirely Appropriate Because If There Is Any Ambiguity About Which Party Assumed the Deutsche Bank Liabilities, Then FDIC Either Retained Those Liabilities or Is Obligated to Indemnify JPMC for Those Liabilities.

There can be no dispute that Deutsche Bank’s claims are based on actions of WMB and its subsidiaries before WMB closed, namely the origination and

securitization of the mortgage loans at issue here. There is also no dispute that under Section 12.1(a)(4) of the P&A Agreement, the FDIC agreed to indemnify JPMC for any “claims based on any action or inaction prior to Bank Closing of the Failed Bank, its directors, officers, employees or agents as such, or any Subsidiary or Affiliate of the Failed Bank, or the directors, officers, employees or agents as such of such Subsidiary or Affiliate.” (Amended Complaint Ex. 2 (P&A Agreement) at 25.) The only relevant exception to the FDIC’s indemnification is for claims with respect to liabilities that JPMC “expressly assumed” under the P&A Agreement. (*Id.* at 26 (Section 12(b)(2)).) Therefore, to the extent that there is any ambiguity regarding which party assumed the liabilities at issue here, JPMC could not have “expressly assume[.]” those liabilities, and summary judgment is still appropriate because any such ambiguity triggers the FDIC’s indemnity obligations to JPMC.²¹

Summary judgment is appropriate even in light of this Court’s recent decision involving the same P&A Agreement. The FDIC moved to dismiss claims by the North Carolina Department of Revenue, which sued the FDIC and JPMC for taxes that WMB allegedly incurred before it failed. *North Carolina Department of Revenue v. FDIC*, No. 10-cv-505 (RMC) (D.D.C.). Among the FDIC’s purported grounds for dismissal was that JPMC had “expressly assumed” liability for the tax assessments, which were covered by the FDIC’s broad interpretation of “records.” (Memorandum of Points and Authorities in Support of FDIC-Receiver’s Motion to Dismiss and in Opposition to JPMorgan Chase’s Motion to Dismiss (McIntosh Declaration Ex. I), at 13.)

²¹ The efforts of thoughtful lawyers to create the hint of ambiguity would not change the result in this case. Any ambiguity is construed against the FDIC as the drafter of the agreement. *See Cole v. Burns Int’l Sec. Servs.*, 105 F.3d 1465, 1486 (D.C. Cir. 1997).

This Court denied the FDIC's motion to dismiss in a minute order dated November 5, 2010, stating that "[b]ecause there are disputed questions of material fact that bear on liability, summary disposition of this case through a motion to dismiss cannot occur." Minute Order, *N.C. Dep't of Revenue* (Nov. 5, 2010).

JPMC respectfully submits that this Court's order in *North Carolina Department of Revenue* is entirely consistent with the conclusion that either (i) JPMC did not assume the disputed liabilities or (ii) if it were deemed to have assumed them, it did not do so "expressly." In either event, JPMC would not be liable for Deutsche Bank's claims, as the latter conclusion would necessarily obligate the FDIC to indemnify JPMC. Partial summary judgment can be entered immediately, stating that any liabilities from this litigation that were not on WMB's general ledger, subsidiary ledgers, and supporting schedules as of September 25, 2008 fall on the FDIC either directly or as indemnitor for JPMC.

CONCLUSION

For the foregoing reasons, JPMC and WMMSC respectfully request that this Court dismiss Deutsche Bank's Amended Complaint and grant partial summary judgment in favor of JPMC and WMMSC on the grounds described above.

Dated: November 22, 2010
Washington, D.C.

Respectfully submitted,

/s/ Brent J. McIntosh

Robert A. Sacks (admitted *pro hac vice*)
Stacey R. Friedman (admitted *pro hac vice*)
SULLIVAN & CROMWELL LLP
125 Broad Street
New York, New York 10004
Telephone: (212) 558-4000
Facsimile: (212) 558-3588

Brent J. McIntosh (D.C. Bar No. 991470)
Henry C. Quillen (D.C. Bar No. 986686)
SULLIVAN & CROMWELL LLP
1701 Pennsylvania Avenue, N.W.
Washington, D.C. 20006
Telephone: (202) 956-7500
Facsimile: (202) 293-6330

*Counsel for Defendants
JPMorgan Chase Bank, N.A. and
Washington Mutual Mortgage
Securities Corporation*

EXHIBIT 27
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

TRUSTEE-JPMORGAN AGREEMENT

This agreement (the "Trustee-JPMorgan Agreement") is entered into as of August 19, 2016, by and among (i) Deutsche Bank National Trust Company, in its capacity as trustee (the "Trustee") of certain residential mortgage-backed securities trusts identified in Exhibit A hereto (the "Trusts"), and (ii) JPMorgan Chase Bank, N.A. ("JPMC") and Washington Mutual Mortgage Securities Corporation ("WMMSC," and, together with JPMC, "JPMorgan"). Each of the Trustee and JPMorgan may be referred to herein as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the Parties, together with the Federal Deposit Insurance Corporation, both in its corporate capacity ("FDIC-Corporate") and as receiver for Washington Mutual Bank (the "FDIC-Receiver", and together with the FDIC-Corporate, the "FDIC") have entered into a Settlement Agreement dated as of August 19, 2016, to resolve all claims asserted in the WMB Action and the Related Actions, and various other matters as set forth therein (the "Settlement Agreement");

WHEREAS, to negotiate the terms of the Settlement Agreement with the FDIC in a way that allocated value and addressed, in a manner acceptable to each of the Trustee and JPMorgan, all of their disputes with respect to the WMB Action, the Parties reached an agreement with one another (as amended on May 31, 2016, the "Negotiating Agreement") regarding the allocation, within an agreed upon range, of any distributions and/or payments that either of them received as a result of those negotiations (the "Agreed Allocation");

WHEREAS, as part of the overall Settlement, the Parties have also negotiated and reached further agreements with respect to certain matters that do not involve the FDIC;

WHEREAS, in negotiating these agreements, the Parties participated in extensive mediation efforts facilitated by Robert Meyer of JAMS;

WHEREAS, under the term of the Settlement Agreement, JPMorgan will receive a payment from the FDIC-Receiver in the amount of \$645 million and the Trustee will receive a receivership certificate in an amount that is anticipated, based on information about the current assets and liabilities of the WMB Receivership Estate provided by the FDIC, to yield a distribution of approximately \$695 million; and

WHEREAS, the Parties are entering into this Trustee-JPMorgan Agreement to set forth their mutual understandings and agreements as to these additional matters, which are integral elements of the overall Settlement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following terms, effective upon the Effective Date:

**ARTICLE I.
DEFINITIONS**

1.01. In addition to the terms otherwise defined herein, capitalized terms shall have the meanings as set forth in the Settlement Agreement.

**ARTICLE II.
SERVICING**

2.01. Subservicing Protocol. JPMorgan shall implement the Subservicing Protocol attached as Exhibit B hereto within 10 days of Final Court Approval.

2.02. Sale or Transfer of Servicing Rights. Effective upon Final Court Approval, the Trustee agrees to consent to JPMorgan's selling or assigning, and agrees to waive any provision of the Governing Agreements that purportedly would prevent JPMorgan from selling or assigning, its servicing obligations for mortgage loans held by the Trusts ("Mortgage Loans") to (a) a Successor Servicer identified on Exhibit C hereto, which servicers are approved by the Trustee without further evidence of qualification, including waiver of any right the Trustee might have under any Governing Agreement to receive written confirmation from any rating agencies that the servicing transfer will not cause a downgrade in the rating of the securities issued by the related Trust, or (b) another transferee servicer meeting the qualifications of a servicer set forth in the applicable Governing Agreements subject only to the consent of the Trustee, such consent not to be unreasonably withheld; *provided, however*, that any sale, assignment, or transfer shall be contingent on the Successor Servicer's agreement to comply with all material aspects of the Subservicing Protocol in connection with the purchase of servicing rights related to the Mortgage Loans in the Trusts. The Trustee further agrees that JPMorgan may sell or assign its master servicing obligations for the Trusts to a transferee master servicer meeting the qualifications of a master servicer set forth in the applicable Governing Agreements. The Trustee and JPMorgan acknowledge that the sale or assignment of servicing or master servicing does not constitute a resignation by JPMorgan or its affiliates under the Governing Agreements. Upon request by JPMorgan, the Trustee shall execute such documents as may reasonably be necessary to reflect its consent as provided in this section.

**ARTICLE III.
FURTHER AGREEMENTS**

3.01. Trustee Judicial Approval Proceeding. In connection with the Judicial Approval Proceeding referenced in Section 2.02 of the Settlement Agreement, JPMorgan will reasonably cooperate with the Trustee and use its reasonable best efforts to assist the Trustee in obtaining Final Court Approval of this Trustee-JPMorgan Agreement, but JPMorgan will have no financial responsibility for the Judicial Approval Proceeding.

3.02. Release of JPMorgan by Trustee and Trusts. Upon the Effective Date, the Trusts, the Trustee, any successor to the Trustee for any Trust, and any Person claiming by, through or on behalf of any Trust (including any Investor, or group of Investors, claiming to act derivatively for any Trust) (collectively, the "Trusts Releasers"), each irrevocably and unconditionally grants a full, final, and complete Release to JPMorgan and all of its past and present parents,

subsidiaries and affiliates, and (in their capacities as such) their officers, directors, employees and agents (all of the foregoing specified or described in this clause, collectively, the “JPMorgan Releasees”) of and from:

(x) all claims asserted in the WMB Action;

(y) all Rep and Warranty Claims and all Servicing Claims; and

(z) all claims, demands, liabilities, losses, debts, costs, expenses, obligations, defaults or events of default, damages, rights, 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 or derivative, arising under law or equity, that any Trusts Releasor may have ever had prior to the Agreement Date, may have at the Agreement Date, or after the Agreement Date, in each case against any JPMorgan Releasee that arose or arise under or out of, or were or are based upon or relate to, any Governing Agreement or the contribution, sale or delivery of any Mortgage Loan to any Trust, including without limitation that arose or arise under, or were or are based upon or relate to, (aa) any representation or warranty made, or alleged to have been made, by any WMB Entity or JPMorgan Entity (including any breach or inaccuracy, or alleged breach or inaccuracy, of any thereof), (bb) any obligation, or alleged obligation, to give notice of any breach or inaccuracy, or alleged breach or inaccuracy, of any representation or warranty, (cc) any obligation, or alleged obligation, of any WMB Entity or any JPMorgan Entity to repurchase any Mortgage Loan, (dd) the origination or performance of any Mortgage Loan, (ee) any obligation, or alleged obligation, of any WMB Entity or any JPMorgan Entity to enforce any claim for any breach of any representation or warranty against any originator of any Mortgage Loan (including but not limited to any demands already made by the Trustee or any Investors), (ff) the documentation of any Mortgage Loan including with respect to allegedly defective, incomplete, or non-existent documentation, or issues arising out of or relating to recordation, title, assignment, or any other matter relating to legal enforceability of a mortgage or mortgage note, or any alleged failure to provide notice of such defective, incomplete or non-existent documentation, or (gg) the servicing, master servicing, or bond administration of any Mortgage Loan (including but not limited to any claim relating to the timing of collection efforts or foreclosure efforts, any foreclosure delays on Mortgage Loans that as of the Effective Date are already in the process of foreclosure, loss mitigation, transfers to subservicers, advances, servicing advances, or claims that servicing includes an obligation to take any action or provide any notice towards, or with respect to, the possible repurchase of Mortgage Loans by the applicable Servicer, Master Servicer, Seller, or any other Person).

3.03. Release of Litigation Claims. Upon the Effective Date, the Trustee and JPMorgan each irrevocably and unconditionally releases the other from all claims or liabilities of any kind whatsoever, whether known or unknown, arising out of or relating to the prosecution and defense of the WMB Action.

3.04. Release of Unknown Claims. Each of the Trustee and JPMorgan acknowledges that it has been advised by its attorneys concerning, and is familiar with, California Civil Code

Section 1542 and expressly waives any and all 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 the provisions of the California Civil Code Section 1542, including that provision itself, which reads as follows:

“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 Trustee and JPMorgan acknowledge that inclusion of the provisions providing for the release of unknown claims in the foregoing releases was a material and separately bargained for element of this Trustee-JPMorgan Agreement.

3.05. Claims Under this Trustee-JPMorgan Agreement and Settlement Agreement Preserved. The foregoing Releases are not intended to, and do not, Release any of the Trustee’s or JPMorgan’s representations, warranties, covenants or obligations under this Trustee-JPMorgan Agreement or the Settlement Agreement (or any claim with respect thereto).

3.06. Recoveries from the WMB Receivership Estate Compensate the Trusts. The Trustee and JPMorgan agree to comply with the Agreed Allocation as set forth in the Negotiating Agreement. To the extent the Trustee receives a distribution from the WMB Receivership Estate that is attributable to a recovery obtained by the WMB Receivership Estate from a payment in any of the matters identified in Section 3.04(b)(i)-(iii) of the Settlement Agreement (a “Carve-Out Distribution”), then the Trustee shall not pay such Carve-Out Distribution to JPMorgan pursuant to the following Section; provided, however, that (a) this restriction on the Carve-Out Distribution shall not apply to any payment from a third party in any of the matters identified in Section 3.04(b)(i)-(iii) of the Settlement Agreement for any claim for which JPMorgan is not also responsible or jointly liable, and (b) this provision shall in no way change the economics of the Agreed Allocation and the Trustee shall preserve the Agreed Allocation by re-allocating other payments to JPMorgan to the fullest extent possible to compensate for any Carve-Out Distribution. In consideration of and pursuant to the Agreed Allocation, the Trustee and JPMorgan agree that the amount of the Trustee Allowed Claim supports the release of all Rep and Warranty Claims and Servicing Claims against the FDIC, the WMB Receivership Estate, and JPMorgan, including WMMSC, and that no further allocation of payments from JPMorgan to the Trustee or from the Trustee to JPMorgan beyond the Agreed Allocation shall be required.

3.07. Distributions from the WMB Receivership Estate. The Trustee agrees to pay any amounts due to JPMorgan pursuant to the Agreed Allocation within 14 days of receipt by the Trustee. The Trustee further agrees to provide JPMorgan with a statement on a quarterly basis (March 31, June 30, September December 31) that sets forth the amount of all distributions it has received from the FDIC-Receiver on account of the Trustee Allowed Claim during that quarter. The Parties agree to reasonably cooperate with one another and share information to enable them both to track distributions and payments from the FDIC-Receiver. The Parties agree to suspend

the quarterly reporting requirement set forth in this paragraph when they mutually determine that no additional distributions are anticipated to be received from FDIC-Receiver in the foreseeable future, provided, however, that the suspension of such reporting requirement shall not be deemed to relieve the Trustee of its obligation to report and remit to JPMorgan any amounts actually received and payable to JPMorgan under the Agreed Allocation.

3.08. Allocation of Proceeds Among Trusts. The allocation of proceeds to be received by the Trustee pursuant to the Settlement Agreement and this Agreement among the Trusts shall be the sole responsibility of the Trustee, subject to approval of and/or modification by the Approval Court. Prior to the filing of the Judicial Approval Proceeding, or at such earlier time as the Trustee and JPMorgan may agree, the Trustee shall notify JPMorgan of its proposed plan of allocation among the Trusts. The Trustee agrees to seek approval from the Approval Court of its proposed allocation among Trusts in an order that is separate from the order in which it will seek Final Judicial Approval of the Settlement, it being the express intention of the Parties that such that any objections to the Trustee's allocation among Trusts should not prevent or delay Final Judicial Approval. The proceeds of the Settlement allocated by the Trustee to any Trust in accordance with the Final Allocation Approval shall be distributed to particular classes of securities of such Trust in accordance with the Governing Documents. JPMorgan agrees not to seek to recoup any servicing advance from any proceeds of the Settlement distributed to a Trust.

3.09. Administration and Servicing of the Mortgage Loans. The releases granted to the JPMorgan Releasees under this Trustee-JPMorgan Agreement do not include claims—including claims arising out of breaches of the obligations to service Mortgage Loans pursuant to the standards set forth in the Governing Agreements and this Trustee-JPMorgan Agreement—that arise after the Agreement Date and are based, in whole or in part on any actions, inactions, or practices of the any JPMorgan Releasee as to the servicing of the Mortgage Loans held by the related Trusts; provided, however, that as of the Agreement Date the Trustee covenants not to assert, and as of the Effective Date they release, any future claim for breach of the Governing Agreements based upon the implementation of the practices set forth in the Subservicing Protocol or resulting from any foreclosure delays on Mortgage Loans that as of the Effective Date are already in the process of foreclosure. In addition, the releases granted to the JPMorgan Releasees in this Trustee-JPMorgan Agreement do not include claims, if any, for any existing obligations any JPMorgan Releasee has in the ordinary course as servicer under the Governing Agreements to account or remit funds for individual Mortgage Loans to a particular Trust or to prepare and timely provide any report it is obligated to provide under the Governing Agreements, or to prepare tax-related information.

3.10. Financial-Guaranty Provider Rights and Obligations. Without in any way suggesting that any such rights exist, to the extent that any third party guarantor or financial-guaranty provider with respect to any Trust has rights or obligations independent of the rights or obligations of the Investors in such Trust, the Trustee, or the Trust, the releases and waivers granted to the JPMorgan Releasees in this Trustee-JPMorgan Agreement are not intended to and shall not release such rights, if any, provided, however, that JPMorgan reserves all rights with respect to the position it may take on whether the resolution of Rep and Warranty Claims and Servicing Claims pursuant to the Settlement Agreement or this Trustee-JPMorgan Agreement, or the impact of the P&A Decision, which the parties have agreed is final and binding, shall offset or otherwise bar any claims asserted by a third party guarantor or financial-guaranty provider.

3.11. Settlement Agreement Rights. The Parties do not release or waive any rights or claims against each other to enforce the terms of the Settlement Agreement or this Trustee-JPMorgan Agreement, including the Subservicing Protocol.

3.12. Disclosure Claims. Without in any way implying that any claims exist or would not be time barred, the releases and waivers granted to the JPMorgan Releasees in this Trustee-JPMorgan Agreement do not include any direct individual claims for securities fraud or other alleged disclosure violations (“Disclosure Claims”) that an Investor may seek to assert based upon such Investor’s purchase or sale of Securities; provided, however, that the question of the extent to which any payment made or benefit conferred pursuant to the Settlement Agreement or this Trustee-JPMorgan 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.

3.13. Certain Indemnification and Reimbursement Rights; Servicer’s Obligations to Make Prudent Advances. The releases and waivers granted to the JPMorgan Releasees in this Trustee-JPMorgan Agreement do not (a) release (i) any such person’s indemnification or reimbursement obligations that run to the personal benefit of the Trustee (and not to the benefit of the Trusts), if and to the extent applicable, under the terms of the applicable Governing Agreements, or (ii) contribution, set off, common-law indemnity or other claims that run to the personal benefit of the Trustee (and not to the benefit of the Trusts), if any, in the event of a third-party claim against the Trustees, provided, however, that this shall not be construed as a waiver of N.Y. Gen. Obl. Law § 15-108 (or any other similar, equivalent or analogous federal or state law or legal principle) and all JPMorgan Releasees shall retain any and all rights under N.Y. Gen. Obl. Law § 15-108 (and/or such other similar, equivalent or analogous law or other legal principle); or (b) relieve any JPMorgan Releasee acting as a servicer or master servicer for any Trust of its existing obligation to make prudent advances of principal and interest, under the terms of the Governing Agreements. Except as set forth in Section 3.08, above, JPMorgan’s right to recoup servicer advances under the Governing Agreements shall not be affected. Nothing in this Section shall be construed to suggest that JPMorgan agrees that the Trustee has any valid right as set forth in this Section.

3.14. Settlement Credit. In the event the Trustee is or becomes subject to a non-barred claim relating to its conduct with respect to any of the matters settled herein, the Trustee shall, subject to the remainder of this sentence, be barred from asserting any claim for contribution, setoff or non-contractual indemnification against any JPMorgan Releasee to the extent such a right would otherwise exist, but shall be entitled to an offset for the greater of a dollar credit for the amount of the share of the Settlement proceeds allocated to the relevant Trust on which the Trustee is subject to a non-barred claim or a proportionate offset based upon the JPMorgan Releasee’s fault.

3.15. Correction of Document Defects. The releases and waivers granted to the JPMorgan Releasees under this Trustee-JPMorgan Agreement do not release any party from an existing obligation under the Governing Agreements to provide and/or procure, as applicable, documents needed to cure document defects; provided, however, that any claims for monetary

damages against the JPMorgan Releasees based upon the failure to cure such defects shall be released.

ARTICLE IV. GENERAL PROVISIONS

4.01. No Amendments to Settlement Agreement or Governing Agreements. Except as explicitly provided for herein, the Parties agree that this Trustee-JPMorgan Agreement is not intended to, and shall not be argued or deemed to constitute, an amendment of any term of the Settlement Agreement or any Governing Agreement; *provided, however*, that compliance with this Trustee-JPMorgan Agreement's terms concerning loan servicing (including implementation of the Subservicing Protocol) shall be deemed compliance with the Governing Agreements and the Trustee shall not make any subsequent claim to the contrary.

4.02. Voluntary Agreement. Each Party acknowledges that it has read all of the terms of this Trustee-JPMorgan Agreement and the Settlement Agreement, has consulted with counsel of its own choosing concerning this Agreement and the Settlement Agreement, and enters into this Trustee-JPMorgan Agreement voluntarily and without duress.

4.03. No Admission of Breach or Wrongdoing. JPMorgan has denied and continues to deny any breach, fault, liability, or wrongdoing. This denial includes, but is not limited to, allegations of breaches of representations and warranties, violations of state or federal securities laws, and other claims sounding in contract or tort in connection with any securitizations, including those for which WMB or WMMSC was the Seller, Sponsor, Servicer, Master Servicer or Depositor. Neither this Trustee-JPMorgan Agreement, any proceedings relating to this Trustee-JPMorgan Agreement, nor any of the terms herein, shall be construed as, or deemed to be evidence of, an admission or concession on the part of any Party with respect to any claim or of any breach, liability, fault, wrongdoing, or damage whatsoever, or with respect to any infirmity in any defense that either Party has or could have asserted. No statements made by any Party to this Trustee-JPMorgan Agreement in support of the Settlement, or any request for judicial instruction or Judicial Approval, shall be admissible in any other proceeding for any purpose.

4.04. Counterparts. This Trustee-JPMorgan Agreement may be executed in counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of a signature page by facsimile or other electronic means shall be effective as delivery of the original signature page.

4.05. Joint Drafting. This Trustee-JPMorgan Agreement shall be deemed to have been jointly drafted by the Parties, and in construing and interpreting this Agreement, no provision shall be construed and interpreted for or against any of the Parties because such provision or any other provision of the agreement as a whole is purportedly prepared or requested by such Party.

4.06. Entire Agreement. This Agreement and the Settlement Agreement contain the entire agreement between the Parties, and may only be modified, altered, amended, or supplemented in writing signed, in the case of the Settlement Agreement, by the FDIC, the Trustee and JPMorgan, and in the case of this Agreement, by the Trustee and JPMorgan. All

prior agreements and understandings between the Parties concerning the subject matter hereof are superseded by the terms of this Agreement and the Settlement Agreement. The Trustee and JPMorgan each represent and warrant to the other that in entering into this Agreement, it has not relied on any promises, statement, representation, or commitments not set forth in this Agreement or in the Settlement Agreement.

4.07. Specific Performance. It is understood that money damages are not a sufficient remedy for any breach of this Trustee-JPMorgan Agreement, and the Parties shall have the right, in addition to any other rights and remedies contained herein, to seek specific performance, injunctive, or other equitable relief as a remedy for any such breach.

4.08. Authority. Each Party represents and warrants that each Person who executes this Trustee-JPMorgan Agreement on its behalf is duly authorized to execute this agreement on behalf of the respective Party, and that such Party has full knowledge of and has consented to this Trustee-JPMorgan Agreement. Each Party represents and warrants to the other that this Agreement is a binding agreement, enforceable against such Party in accordance with its terms.

4.09. No Third Party Beneficiaries. There are no third party beneficiaries of this Trustee-JPMorgan Agreement.

4.10. Headings. The headings of all sections of this Trustee-JPMorgan Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

4.11. Notices. All notices or demands given or made by one Party to the other relating to this Trustee-JPMorgan Agreement shall be in writing and delivered to the other at the address specified in, and in accordance with the notice provisions of, the Settlement Agreement.

4.12. Governing Law. This Trustee-JPMorgan Agreement, and any disputes arising under or in connection with it, are to be governed by and construed in accordance with the laws of the State of New York, without giving effect to the choice of laws principles thereof.

4.13. Press Statements. The Parties agree that any press statements concerning this Trustee-JPMorgan Agreement shall be factual and non-disparaging.

4.14. Termination. Unless otherwise extended by written agreement of the Parties, this Trustee-JPMorgan Agreement will automatically terminate in the event the Settlement Agreement terminates in accordance with Section 2.03 thereof.

Remainder of this page is intentionally left blank – signatures follow.

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

Deutsche Bank National Trust Company, solely in its capacity as Trustee of the Trusts

Signature: David Co

Name: David Co
Director

Title: _____

Signature: Ronaldo Reyes

Name: Ronaldo Reyes
Vice President

Title: _____

JPMorgan Chase Bank, N.A.

Signature: _____

Name: _____

Title: _____

Washington Mutual Mortgage Securities Corporation

Signature: _____

Name: _____

Title: _____

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

Deutsche Bank National Trust Company, solely in its capacity as Trustee of the Trusts

Signature: _____

Name: _____

Title: _____

Signature: _____

Name: _____

Title: _____

JPMorgan Chase Bank, N.A.

Signature: Stacey Friedman

Name: Stacey Friedman

Title: General Counsel

Washington Mutual Mortgage Securities Corporation

Signature: _____

Name: _____

Title: _____

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

Deutsche Bank National Trust Company, solely in its capacity as Trustee of the Trusts

Signature: _____

Name: _____

Title: _____

Signature: _____

Name: _____

Title: _____

JPMorgan Chase Bank, N.A.

Signature: _____

Name: _____

Title: _____

Washington Mutual Mortgage Securities Corporation

Signature: A Horan

Name: Anthony J. Horan

Title: Vice President & Assistant Secretary

EXHIBIT A
TRUSTS

Long Beach Home Equity Loan Trust 2000-LB1
Long Beach Mortgage Loan Trust 2000-1
Long Beach Mortgage Loan Trust 2001-1
Long Beach Mortgage Loan Trust 2001-2
Long Beach Mortgage Loan Trust 2001-3
Long Beach Mortgage Loan Trust 2001-4
Long Beach Mortgage Loan Trust 2002-1
Long Beach Mortgage Loan Trust 2002-2
Long Beach Mortgage Loan Trust 2002-5
Long Beach Mortgage Loan Trust 2003-1
Long Beach Mortgage Loan Trust 2003-2
Long Beach Mortgage Loan Trust 2003-3
Long Beach Mortgage Loan Trust 2003-4
Long Beach Mortgage Loan Trust 2004-1
Long Beach Mortgage Loan Trust 2004-2
Long Beach Mortgage Loan Trust 2004-3
Long Beach Mortgage Loan Trust 2004-4
Long Beach Mortgage Loan Trust 2004-5
Long Beach Mortgage Loan Trust 2004-6
Long Beach Mortgage Loan Trust 2005-1
Long Beach Mortgage Loan Trust 2005-2
GSAMP Trust 2005-S2
Long Beach Mortgage Loan Trust 2005-WL1
Long Beach Mortgage Loan Trust 2005-3
Long Beach Mortgage Loan Trust 2005-WL2
Long Beach Mortgage Loan Trust 2005-WL3
GSAMP Trust 2006-S1
Long Beach Mortgage Loan Trust 2006-WL1
Long Beach Mortgage Loan Trust 2006-WL2
Long Beach Mortgage Loan Trust 2006-WL3
Long Beach Mortgage Loan Trust 2006-1
Long Beach Mortgage Loan Trust 2006-2
Long Beach Mortgage Loan Trust 2006-3
Long Beach Mortgage Loan Trust 2006-4
Long Beach Mortgage Loan Trust 2006-A
Long Beach Mortgage Loan Trust 2006-5
Long Beach Mortgage Loan Trust 2006-6
Long Beach Mortgage Loan Trust 2006-7
Long Beach Mortgage Loan Trust 2006-8
Long Beach Mortgage Loan Trust 2006-9
Long Beach Mortgage Loan Trust 2006-10
Long Beach Mortgage Loan Trust 2006-11
WaMu Asset Acceptance Corp. 2007-HE1
Washington Mutual Mortgage Securities Corp. 2000-1

Washington Mutual Mortgage Securities Corp. 2001-7
Washington Mutual Mortgage Securities Corp. 2001-AR3
Washington Mutual Mortgage Securities Corp. 2002-AR2
Washington Mutual Mortgage Securities Corp. 2002-AR6
Washington Mutual Mortgage Securities Corp. 2002-AR9
Washington Mutual Mortgage Securities Corp. 2002-AR12
Washington Mutual Mortgage Securities Corp. 2002-AR13
Washington Mutual Mortgage Securities Corp. 2002-AR14
Washington Mutual Mortgage Securities Corp. 2002-AR15
Washington Mutual Mortgage Securities Corp. 2002-AR16
Washington Mutual Mortgage Securities Corp. 2002-AR17
Washington Mutual Mortgage Securities Corp. 2002-AR18
Washington Mutual Mortgage Securities Corp. 2002-AR19
Washington Mutual Mortgage Securities Corp. 2003-AR1
Washington Mutual Mortgage Securities Corp. 2003-AR2
Washington Mutual Mortgage Securities Corp. 2003-AR3
Washington Mutual Mortgage Securities Corp. 2003-AR4
Washington Mutual Mortgage Securities Corp. 2003-AR5
Washington Mutual Mortgage Securities Corp. 2003-AR6
Washington Mutual Mortgage Securities Corp. 2003-AR7
Washington Mutual Mortgage Securities Corp. 2003-AR8
Washington Mutual Mortgage Securities Corp. 2003-AR9
Washington Mutual Mortgage Securities Corp. 2003-AR10
Washington Mutual Mortgage Securities Corp. 2003-AR11
Washington Mutual Mortgage Securities Corp. 2003-AR12
Washington Mutual Mortgage Securities Corp. 2004-AR1
Washington Mutual Mortgage Securities Corp. 2004-AR2
Washington Mutual Mortgage Securities Corp. 2004-AR3
Washington Mutual Mortgage Securities Corp. 2004-AR4
Washington Mutual Mortgage Securities Corp. 2004-AR5
Washington Mutual Mortgage Securities Corp. 2004-AR6
Washington Mutual Mortgage Securities Corp. 2004-AR7
Washington Mutual Mortgage Securities Corp. 2004-AR8
Washington Mutual Mortgage Securities Corp. 2004-AR10
Washington Mutual Mortgage Securities Corp. 2004-AR12
Washington Mutual Mortgage Securities Corp. 2004-AR13
Washington Mutual Mortgage Securities Corp. 2005-AR1
Washington Mutual Mortgage Securities Corp. 2005-AR2
Washington Mutual Mortgage Securities Corp. 2005-AR4
Washington Mutual Mortgage Securities Corp. 2005-AR6
Washington Mutual Mortgage Securities Corp. 2005-AR8
Washington Mutual Mortgage Securities Corp. 2005-AR9
Washington Mutual Mortgage Securities Corp. 2005-AR11
WaMu Asset Acceptance Corp. 2005-AR13
WaMu Asset Acceptance Corp. 2005-AR16
WaMu Asset Acceptance Corp. 2005-AR18

Washington Mutual Home Equity Trust I (PSA Cut-Off Date January 31, 2006)
WaMu 2006-OA1
WaMu Asset Acceptance Corp. 2006-AR1
WaMu Asset Acceptance Corp. 2006-AR3
Washington Mutual Mortgage Securities Corp. 2006-AR4
WaMu Asset Acceptance Corp. 2006-AR5
WaMu 2007-Flex1
Morgan Stanley ABS Capital I Inc. 2000-1
Coast Federal 1992-1

EXHIBIT B
SUBSERVICING PROTOCOL

Pursuant to Article II of the Trustee-JPMorgan Agreement,¹ JPMorgan agrees to transfer all Eligible Loans held by the Trusts to an Approved Subservicer, each as defined herein, subject to the terms, conditions, limitations and exclusions set forth in this Subservicing Protocol. Unless otherwise indicated, costs associated with this Subservicing Protocol set forth herein shall be the responsibility of whichever party bears such costs in the respective Governing Agreement.

Nothing in this Subservicing Protocol is intended to amend any Governing Agreement.

Compliance with JPMorgan's servicing actions, inactions and practices as of the Acceptance Date, together with the terms herein, where applicable, shall be deemed to satisfy the Servicer's obligation to service the Mortgage Loans prudently in accordance with any applicable provisions of the Governing Agreements, subject only to changes after the Acceptance Date to prudent servicing standards, and no Party to the Settlement Agreement shall make any claim to the contrary.

1. Scope and Term of the Subservicing Protocol.

(a) Unless otherwise provided herein, and with respect to each Trust and the loans therein, this Subservicing Protocol shall be in effect beginning on the date that is 10 business days after Final Court Approval and shall continue to (i) the date when JPMorgan is no longer the Servicer of any loan in the Trust; *provided*, however, that JPMorgan shall not be permitted to sell mortgage servicing rights on a Trust unless the sale contract includes provisions that obligate the purchaser to comply fully with paragraphs 2-13 of this Subservicing Protocol and further requires the purchaser to assume, without amendment, any subservicing agreements for that Trust that are then in place; or (ii) the date on which notice is provided to the Trustee that there are fewer than 100 loans remaining in the Trust or the outstanding principal balance of the

¹ All capitalized terms herein shall have the meaning ascribed to them in that certain Settlement Agreement dated July [*], 2016 among the FDIC, the Trustee and JPMorgan (the "Settlement Agreement") and the Trustee-JPMorgan Agreement of the same date between the Trustee and JPMorgan, unless otherwise indicated. Nothing in this Subservicing Protocol is intended to amend or address the duties of the Master Servicer of any Governing Agreement, to the extent such duties do not include the actual servicing of the Mortgage Loans.

remaining Mortgage Loans in the Trust is less than 5% of the original principal balance of all the Mortgage Loans in the Trust. For the avoidance of doubt, this Subservicing Protocol shall apply only to Mortgage Loans in the Trusts for which JPMorgan is the primary servicer (the “Serviced Loans”). “Delinquent Loans” are Serviced Loans that are sixty (60) days or more past due (defined using the MBA method), as determined by JPMorgan each month pursuant to Paragraph 5. Eligible Loans are Delinquent Loans that meet the requirements of transfer in Paragraph 5(b).² Subject to the proviso in clause (ii) above, nothing in this Subservicing Protocol shall be construed to prevent JPMorgan from selling any servicing rights as set forth in Section 2.02 of the Trustee-JPMorgan Agreement.

(b) The Trustee may, at its discretion, engage qualified experts to aid it in assessing any of its obligations under the applicable Governing Agreements as they concern this Subservicing Protocol. Except for those certain costs and expenses discussed herein, JPMorgan shall have no obligation to pay for any additional costs of implementation of this Subservicing Protocol, including any experts retained by the Trustee, under the applicable Governing Agreements or otherwise.

(c) The Trustee shall appoint one or more employees experienced in RMBS trust administration and/or mortgage loan servicing as its dedicated liaison(s) for dealing with JPMorgan or any Approved Subservicer concerning this Subservicing Protocol.

2. Approval and Oversight of Subservicers.

(a) The “Authorized Subservicers” under this Subservicing Protocol are Select Portfolio Servicing, Inc. (“SPS”), Specialized Loan Servicing LLC, Bayview Loan Servicing, LLC, New Penn Financial, LLC D/B/A Shellpoint Mortgage Servicing, Selene Financial LP and Nationstar Mortgage LLC, including their successors. JPMorgan may from time to time propose a new subservicer to the Trustee for consent, not to be unreasonably withheld. If the Trustee consents to a new subservicer proposed by JPMorgan, such subservicer

² For purpose of this Subservicing Protocol, a “Subserviced Loan” shall be any Delinquent Loan that is transferred to an Approved Subservicer pursuant to this Subservicing Protocol; a “Delinquent Subserviced Loan” shall be any Subserviced Loan that has been sixty (60) days or more past due within the past 12 months (when such determination is made) and a “Current Subserviced Loan” shall be any Subserviced Loan that is not a Delinquent Subserviced Loan.

shall become an additional “Authorized Subservicer” hereunder. Only those Authorized Subservicers approved by JPMorgan, as set forth in this Subservicing Protocol, shall be considered to be “Approved Subservicers” hereunder.

(b) All Approved Subservicers must meet the requirements of JPMorgan’s Third Party Servicing Oversight Procedure as amended by JPMorgan from time to time (“TPSO Procedure”) to be eligible to subservice Eligible Loans under this Subservicing Protocol. JPMorgan shall use commercially reasonable efforts to evaluate the Authorized Subservicers for approval. Approval shall be consistent with the TPSO Procedure, any other commercially reasonable requirements in JPMorgan’s discretion, and any applicable legal or regulatory requirements (the “Approval Standards”). Approved Subservicers must agree to comply with all terms of this Subservicing Protocol, the Governing Agreements and any other consent order or judgment to which JPMorgan may be subject that, in JPMorgan’s judgment, would apply to the Approved Subservicer..

(c) Following approval by JPMorgan, Approved Subservicers must continue to satisfy JPMorgan’s TPSO Procedure. If, in JPMorgan’s commercially reasonable discretion, an Approved Subservicer falls below the Approval Standards at any point in time after approval is given, JPMorgan may suspend such subservicer from receiving Eligible Loans under this Subservicing Protocol, and may take all other actions commercially reasonable and consistent with the applicable Subservicing Agreement in light of such event, including termination of any subservicing agreement with respect to such Approved Subservicer for any or all of the Subserviced Loans. In the event that an Approved Subservicer shall no longer qualify to subservice any Subserviced Loans, JPMorgan shall transfer any such Subserviced Loans directly to other Approved Subservicers, subject to the provisions of this Subservicing Protocol, within a commercially reasonable period of time and JPMorgan shall terminate subservicing on any remaining Subserviced Loans that cannot be transferred, on commercially reasonable terms, to another Approved Subservicer.

3. Broker Price Opinion. For all Subserviced Loans, Approved Subservicers shall obtain an independent, third party broker price opinion (“BPO”) that estimates the value of the mortgaged property, which BPO shall be provided by a BPO vendor within thirty (30) days of onboarding a Subserviced Loan (or as soon as practicable thereafter) from a list of BPO providers approved by JPMorgan. In the event that use of a BPO for the purposes set forth in this

Subservicing Protocol is prohibited by applicable law or regulation, the Approved Subservicer shall use a commercially reasonable alternative valuation method approved by JPMorgan.

4. **Mandatory Subservicing Agreement.** Within sixty (60) days of JPMorgan's approval of an Authorized Subservicer (or within sixty (60) days of the Acceptance Date, if later), JPMorgan shall negotiate with each Approved Subservicer for the purpose of entering into a subservicing agreement that complies materially with the uniform terms mandated by this Subservicing Protocol (each, a "**Subservicing Agreement**"). The model for the Subservicing Agreement shall be that certain subservicing agreement, which consists of (i) the Standard Terms to Subservicing Agreement (Non-Agency Securitized Loans) entered on April 11, 2013 between JPMorgan as Servicer and SPS as Subservicer, and (ii) the Subservicing Agreement Supplements entered into in connection with each servicing transfer (the "**Current SPS Agreement**"), modified to comply with the incentives, compensation, servicing improvements and other provisions mandated by this Subservicing Protocol. Each Subservicing Agreement shall include the following provisions:

(a) **Base Servicing Fee.** Each contract shall provide for a base servicing fee of \$1,015.00 per year for each Delinquent Subserviced Loan (including Delinquent Subserviced Loans subserviced by SPS as of the Agreement Date), and \$250.00 for any Current Subserviced Loan (the "**Base Servicing Fee**"), including any Current Subserviced Loans subserviced by SPS as of the Agreement Date.

(b) **Incentive Fees.** Each Approved Subservicer shall be entitled to receive the following incentive fees for short sale resolutions of Delinquent Subserviced Loans:

Sale Price to BPO	Incentive	Floor \$	Cap \$
<80%	0.00%	0	0
80% – 85%	0.50%	500	4,500
85% – 90%	0.75%	500	4,500
>90%	1.25%	500	4,500

The short sale incentive shall be the gross sale price multiplied by the incentive percentage, subject to the Floor and Cap, as per the table above. The short sale incentives will be netted with any government-paid servicer incentives in which the Approved Subservicer participates (*e.g.*, U.S. Department of Treasury programs including, but not limited to, Home Affordable Foreclosure Alternatives ("**HAF**A") incentives, if applicable); *provided, however*, that if a loan is HAF A eligible, and the related Approved Subservicer participates in HAF A, such Approved Subservicer shall retain all HAF A

incentives so long as the HAFA incentive is greater than the contract incentive. If the contract incentive is greater than the HAFA incentive, the Approved Subservicer shall keep the HAFA incentive and JPMorgan shall pay the Approved Subservicer the difference between the full contract incentive and the HAFA incentive.

(c) Foreclosure Bid Requirements. The short sale incentives will not apply to foreclosure outbid sales. Approved Subservicers shall be required to bid, to the extent permitted by applicable law, in the following values at any foreclosure sale, subject to the then-unpaid principal balance of the loan:

Loan Size (UPB)	Bid
≤ \$150K	80% of BPO
>\$150 K to ≤\$450K	85% of BPO
>\$450K	90% of BPO

5. Subservicing Delinquent Loans.

(a) Only Approved Subservicers are eligible to subservice Eligible Loans pursuant to this Subservicing Protocol.

(b) Once per month, JPMorgan shall identify Delinquent Loans for subservicing consideration (the “Potentially Eligible Loans”). JPMorgan shall thereafter identify and, at its discretion, remove from consideration as Potentially Eligible Loans (i) that are governed by the Servicemembers Civil Relief Act, Military Lending Act, or to borrowers in active military service; (ii) that are subject to active contested litigation in a federal or state court, or regulatory complaint, or are subject to a litigation hold at the time of consideration; (iii) that are mortgage loans that were originated for eligible union members pursuant to the Amended and Restated Mortgage and Real Estate Program Agreement, dated December 15, 2007, between JPMorgan and Union Privilege, and are serviced by JPMorgan as of the Agreement Date; (iv) that are in a federally declared disaster area announced by the Federal Emergency Management Agency; (v) that are home equity lines of credit; (vi) where transfer would violate applicable law, regulation or the directions or instructions of any of JPMorgan’s regulators; or (vii) where JPMorgan determines in its commercially reasonable judgment that such loans are not amenable to the transfer of servicing. In addition, JPMorgan shall identify and, at its discretion, remove from consideration as Potentially Eligible Loans any second lien loans, until such time that there is an Approved Subservicer that can service second lien Delinquent Loans and has commercially acceptable processes to map fixed second liens from JPMorgan’s systems. Once any legal or

regulatory requirements have been satisfied with respect to any Potentially Eligible Loan, including the passage of any necessary time or notice period and all required rating agency approvals or other required third party approvals, such loan will be considered an “Eligible Loan” that may be subserviced by an Approved Subservicer.

(c) JPMorgan shall report to the Trustee, on a monthly basis, the number of excluded loans pursuant to Subsection (b)(vii) for such month and not previously reported in prior months (the “Monthly Excluded Loans”). In the event that the number of Monthly Excluded Loans exceeds 50 in any particular month, the Trustee may, within thirty (30) days of receiving the report indicating such information, request that JPMorgan meet and confer in good faith to resolve any objections raised by the Trustee as to the exclusion of such loans. Any remaining disputes after such good faith conference shall be submitted for binding resolution before the mediator, Robert Meyer. Once excluded loans pursuant to Subsection (b)(vi) have been reported to the Trustee pursuant to this paragraph, JPMorgan shall not be required to include such loans in any subsequent Monthly Excluded Loans.

(d) Once per month, JPMorgan shall transfer any Eligible Loans to an Approved Subservicer, to the extent permitted by this Subservicing Protocol and by applicable law or regulation. Nothing in this provision shall be construed to require JPMorgan to transfer Eligible Loans to more than one Approved Subservicer per month.

6. REO Policy. Each Subservicing Agreement shall replicate the current REO Improvement Policy as set forth in the Current SPS Agreement; *provided* that Approved Subservicers shall be prohibited from using affiliated vendors to provide REO improvements and any such REO improvements must be commercially reasonable.

7. Discontinuing Advances of Principal and Interest. JPMorgan shall retain its obligation, as Servicer, where applicable, to fund servicing advances pursuant to JPMorgan’s applicable servicing advance policy and the applicable Governing Agreement. Consistent with those policies, JPMorgan shall stop advancing principal and interest as follows:

(a) JPMorgan, shall, after any first-lien loan is at least ninety (90) days past due (as defined using the MBA method), stop advancing principal and interest payments when total advances of all kinds, including lien preservation advances, exceed the percentage of Property Value (which shall be determined by BPO if available to JPMorgan or the Subservicer, otherwise advances may continue for thirty (30) calendar

days (or as soon as practicable thereafter) until such BPO is made available to JPMorgan or the Subservicer) as indicated by the following table:

Property Value Band	Max Advances % of Property
<\$100,000	0%
>\$100,000 to \$150,000	10%
>\$150,000 to \$250,000	20%
>\$250,000 to \$350,000	35%
>\$350,000 to \$450,000	40%
>\$450,000	45%

(b) JPMorgan shall stop principal and interest advancing on all junior liens when they are more than thirty (30) days past due (as defined using the MBA method).

(c) For a Mortgage Loan for which advancing has been stopped pursuant to this Paragraph 7, JPMorgan shall not be required to restart advancing principal and interest payments.

(d) Nothing in this Subservicing Protocol shall be construed to affect any Approved Subservicer's duty or requirement to make lien preservation advances.

8. Principal Forgiveness.

(a) With respect to requests for mortgage assistance received on any Potentially Eligible Loans on or after the date referred to in Subparagraph (c) below, no Approved Subservicer shall forgive principal on any first-lien Subserviced Loan in an amount that would yield a target loan to value ratio, after the forgiveness, that is less than 115% of value as evidenced by an independent BPO provided by a BPO Provider; *provided that*, Approved Subservicers shall be permitted to reduce principal below 115% of value if necessary to forgive a minimum \$1,000 of principal and *provided further* that nothing herein shall permit or require the use of a BPO to establish value to the extent prohibited by applicable law or regulation.

(b) JPMorgan agrees to comply with this provision for any loans in Trusts not transferred to an Approved Subservicer; provided that JPMorgan shall not be required to alter its valuation policies and procedures for any such loans.

9. Compensatory Payments for Foreclosure Timelines. The Mandatory Term of any Subservicing Agreement shall include terms requiring each Approved Subservicer to make

compensatory payments, in the form of a reduction in the Base Servicing Fee (“Compensatory Payment”), for each Subserviced Loan as to which the Approved Subservicer fails to adhere to the GSE foreclosure timelines, as set forth in the Fannie Mae Servicing Guide, Part VIII, Section 106.08 (Allowable Time Frames for Completing Foreclosure), subject to any normal and customary changes to such guide, plus 120 days. The calculation of the Compensatory Payment shall exclude from the timeline calculation allowable delays that are beyond the Approved Subservicer’s control, including, but not limited to, court mandated and processing delays, Homeowner Borrower Relief regulations, other regulatory or compliance issues, including restarts, holds and delays, and the allowable delays set forth in the Fannie Mae Servicing Guide, Part I, Section 201.11.07 (subject to any amendments or changes to such guide). The Compensatory Payment shall be calculated and paid as follows:

(a) Benchmark Reporting. Each Approved Subservicer shall, once a month within five (5) business days of the last business day of the prior month, send to the Trustee and to JPMorgan statistics comparing its performance for each Subserviced Loan to the relevant timeline applicable to that Subserviced Loan (the “Monthly Statement”).

(b) Compensatory Payment. For any first lien Subserviced Loan in breach of the GSE foreclosure timelines and not subject to allowable delays, the Base Servicing Fee for that loan, for the following month, shall be reduced by 30% provided that:

- (1) If the loan becomes REO or cures, the subservicing fee will revert to the base subservicing fee;
- (2) Timelines will be based on the greater of Fannie Mae / Freddie Mac timelines in effect at the relevant time; and,
- (3) Time shall be measured from the greater of the Transfer Date plus 120 days or the Due Date of Last Paid Installment.

(c) In calculating the amount of Compensatory Payment that is due, each Approved Subservicer’s performance shall be measured loan by loan, with no netting of one loan against another. The total amount of the Compensatory Payment due for each Settlement Trust shall be aggregated by the Approved Subservicer on that Trust’s Monthly Statement, which shall be delivered to JPMorgan, the Trustee, and the Performance Reviewer (as defined below) as provided above.

(d) JPMorgan shall deduct the amount of any Compensatory Payment owed

by an Approved Subservicer from the Base Servicing Fee paid to the Approved Subservicer, for that Trust, in the ensuing month after the Approved Subservicer reports that Compensatory Payment is owed on the Monthly Statement.

10. Servicer Guidelines and Manuals. Approved Subservicers shall service the Mortgage Loans pursuant to this Subservicing Protocol, the Governing Agreements, their own servicing manuals and guidelines, and applicable law or regulation, unless otherwise set forth in this Subservicing Protocol or the Subservicing Agreement; *provided, however*, that if JPMorgan allows an Approved Subservicer to use its own servicing manuals and guidelines, JPMorgan shall be entitled to impose such guidelines as are required to permit JPMorgan to meet its own regulatory or legal requirements, including its TPSO Procedure and the requirements of any Consent Order or Judgment. Any amendment to the Subservicing Agreement that is required to conform it to subsequent changes in applicable law, regulation, or which are commercially necessary or reasonable shall not constitute a breach of this Subservicing Protocol.

11. Government Agencies. JPMorgan shall be permitted to seek approval of the terms of this Subservicing Protocol from the Consumer Finance Protection Bureau, the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System and the Office of Mortgage Settlement Oversight and the Monitoring Committee of the National Mortgage Settlement (each, a "Government Agency"). If such approval is denied, or a Government Agency affirmatively requires that JPMorgan take an action contrary to the requirements of this Subservicing Protocol (a "Government Agency Adverse Action"), JPMorgan shall ascertain the reasons for such Government Agency Adverse Action and shall confer in good faith with the Trustee to address and resolve, to JPMorgan's and the Trustee's reasonable satisfaction, the reasons that gave rise to the Government Agency Adverse Action. If such Government Agency Adverse Action cannot be resolved, JPMorgan and the Trustee shall negotiate alternative terms. Any disputes regarding such alternative shall be submitted to Robert Meyer, the settlement mediator, for mandatory mediation for a period of forty-five (45) days. If JPMorgan and the Trustee are unsuccessful in arriving at alternative terms, JPMorgan and the Trustee shall each have the right to terminate this Subservicing Protocol.

12. Implementation. JPMorgan shall use commercially reasonable efforts to implement this Subservicing Protocol. Any delay resulting from such efforts, if commercially reasonable, shall not be considered a material breach of this Subservicing Protocol or the

Settlement Agreement; *provided* that the payment of compensatory fees, the transfer of Eligible Loans, and any initiation of due diligence of Authorized Subservicers for the purpose of approving them, as set forth in this Subservicing Protocol, shall be implemented promptly after the Acceptance Date.

EXHIBIT C
SUCCESSOR SERVICERS

1. Carrington Mortgage Services LLC
2. Nationstar Mortgage LLC
3. Select Portfolio Servicing, Inc.
4. Specialized Loan Servicing LLC
5. PHH Mortgage Corporation

EXHIBIT 28
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

BEAR STEARNS MORTGAGE FUNDING :
TRUST 2007-AR2, :
 :
 Plaintiff, :
 :
 vs. : Civil Action
 : No. 6861-CS
 EMC MORTGAGE LLC, :
 :
 Defendant. :

- - -

Chancery Court Conference Room
New Castle County Courthouse
500 North King Street
Wilmington, Delaware
Thursday, November 8, 2012
2:00 p.m.

- - -

BEFORE: HON. LEO E. STRINE, JR., Chancellor.

- - -

STATUS CONFERENCE

CHANCERY COURT REPORTERS
34 The Circle
Georgetown, Delaware 19947
(302) 856-5645

1 APPEARANCES:

2 A. THOMPSON BAYLISS, ESQ.
Abrams & Bayliss LLP

3 -and-

4 HARVEY J. WOLKOFF, ESQ.
DANIEL V. WARD, ESQ.
of the Massachusetts Bar
5 Ropes & Gray LLP
for Plaintiff

6 DANIEL B. RATH, ESQ.
7 Landis, Rath & Cobb LLP
-and-

8 ROBERT A. SACKS, ESQ.
Sullivan & Cromwell LLP
9 of the California Bar
-and-

10 BRENT J. MCINTOSH, ESQ.
of the District of Columbia Bar
11 Sullivan & Cromwell LLP
for Defendant

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1 THE COURT: Good afternoon, everyone.

2 ALL COUNSEL: Good afternoon, Your
3 Honor.

4 THE COURT: I'm glad you are all
5 getting along so well. Just relax.

6 Here is -- I am not inclined to
7 embrace the notion that if someone can show that of 20
8 burglaries if they try three of them, somebody did two
9 that they should be -- there were 30 burglaries in the
10 neighborhood that they should be convicted of 20. I
11 think I am mused to whether the parties might agree on
12 something like that, but an agreement on that is very
13 different than binding someone to it. And it's really
14 nifty for a plaintiff to accuse someone of breaching
15 their obligations over a thousand loan contracts and
16 not wish to try all of them. It's not going to happen
17 here.

18 Now, there is some merit to the idea
19 from both sides of doing the following, which would be
20 picking out a representative group of cases, using
21 them as a possible basis for -- you know, look. The
22 plaintiffs are not in any equitable position here to
23 argue for shortcuts or something like that in terms
24 of, you know, that we have to do this tomorrow. It's

1 just not that kind of case.

2 I don't know enough about the
3 contractual issues at this point, and frankly, each
4 side is taking, you know -- understandably it takes a
5 self-interested view and is strained -- there are
6 strained arguments probably on both sides about other
7 courts' rulings. I am not going to prejudge those.

8 I could see how summary judgment
9 practice could be useful on both sides. Honestly for
10 the same reason the plaintiff says it wouldn't be
11 useful because we win. Well, prove it. Then it might
12 be useful to you because, if you in fact win, it may
13 influence the defendants. Maybe if you win, it won't.
14 Maybe you will each prove that not only are the
15 clients bricks and concrete that the lawyers are. But
16 it could be, given the quality of lawyering on both
17 sides, that there is actually some supple thinkers.

18 I am a little disappointed that you
19 all cut short your process, but I am not going to ask
20 you to do that. I don't really understand. It seems
21 like you were making some progress. But you know, the
22 Bear Stearns Mortgage Funding Trust 2007-AR2 has its
23 priorities. It has to move forward in a time frame of
24 its choosing. So we are going to move forward.

EXHIBIT 29
TO
VERIFIED PETITION OF DEUTSCHE BANK
NATIONAL TRUST COMPANY, SOLELY AS TRUSTEE
FOR THE TRUSTS LISTED ON EXHIBITS 1-A AND 1-B,
FOR INSTRUCTIONS REGARDING THE INTERNAL
AFFAIRS OF THE TRUST

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - x

In re:

LEHMAN BROTHERS HOLDINGS INC.,

et al.,

Case No. 08-13555 (SCC)

Debtors.

- - - - - x

In re:

LEHMAN BROTHERS INC.,

Case No. 08-01420 (SCC)

(SIPA)

Debtor.

- - - - - x

U.S. Bankruptcy Court

One Bowling Green

New York, New York

December 10, 2014

10:04 AM

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B E F O R E :

HON SHELLEY C. CHAPMAN

U.S. BANKRUPTCY JUDGE

Hearing re: Adv. 08-01420 - Doc #9013 Trustee's Two Hundred
Thirty-Seventh Omnibus Objection to General Creditor Claims
(Employee Claims)

Hearing re: Adv. 08-01420 - Doc #9478 Trustee's Two Hundred
Fifty-First Omnibus Objection to General Creditor Claims
(Employee Claims)

Hearing re: Adv. 08-01420 - Doc #10097 Trustee's Two
Hundred Sixty-Seventh Omnibus Objection to General Creditor
Claims (Employee Claims)

Hearing re: Adv. 08-01420 - Doc #10194 Trustee's Objection
to the General Creditor Proof of Claim of Robert J. Chambers
(Claim No. 6107)

Hearing re: Doc #19399 One Hundred Seventy-Third Omnibus
Objection to Claims (No Liability Employee Claims)

1 Hearing re: Doc #46078 The RMBS Trustee's Motion to (I)
2 Increase the Reserve to \$12.143 Billion and (II) Estimate
3 and Allow Their Claims for Covered Loans at \$12.143 Billion
4 Pursuant to Section 502(c) of the Bankruptcy Code

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6 Hearing re: Doc #47294 Lehman Brothers Holdings Inc.'s
7 Motion in Limine to Exclude Expert Reports and Testimony of
8 Dr. Charles Parekh

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24 Transcribed by: Dawn South, Sheila Orms, Sherri L. Breach,
25 Debra McCostlin, and Jamie Gallagher

1 -- I don't agree that simply because you undertook a process
2 in the face of let's assume Lehman's silence, but while
3 Judge Peck was sitting here and available to give his
4 guidance on whether or not that's the way he thought it
5 should proceed, is just something of interest to me.

6 MR. MUNNO: Well, I'd like to address that just --

7 THE COURT: Sure.

8 MR. MUNNO: -- very briefly, Your Honor, because
9 you know, we undertook the statistical sampling because we
10 had advice from the experts that the trustees had retained
11 them because of other experience that the trustees have had
12 that statistical sampling was the way to go, but we were
13 very concerned quite frankly that Lehman might bring on a
14 motion to disallow our claim. And so we thought we needed
15 to be prepared if that were to occur, so we under the
16 statistical sampling process.

17 THE COURT: But in lots of other --

18 MR. MUNNO: And we're not standing here saying --

19 THE COURT: In lots of other -- in lots of other
20 cases, in lots of the Monolying (ph) cases, I think in some
21 of the pending ResCap cases, the statistical sampling issue
22 gets raised very early. Very, very early. Folks go to the
23 judge and say, you know, one party says I want to use
24 statistical sampling and the other party responds, and as
25 far as I can tell, and it's not -- you can't tell everything

1 from the report decisions -- sometimes folks agree on some
2 aspects of the use of statistical sampling and sometimes
3 they don't.

4 MR. MUNNO: That's true.

5 THE COURT: But you really have to -- you really
6 have to drill down in the cases on how it came about in each
7 of the cases that statistical sampling is used and to what
8 extent for what purpose. Whether it's just simply breach
9 rate or something else, and you have to tie it back to the
10 legal theory underlying those cases. And none of that --
11 there was a missed opportunity here to have that
12 conversation with Judge Peck, and I think that's
13 unfortunate.

14 MR. MUNNO: Well, we may have missed an
15 opportunity, you know, in that regard, I know that we raised
16 statistical sampling with Lehman, it's on an agenda sheet
17 that we attached as part of the information for the Court to
18 consider, and even if you were to assume that, okay, you
19 guys went ahead and did this, you didn't talk about it,
20 let's draw a new statistical sample, fine. Because we're
21 saying that it would cost ten times as much if we start from
22 scratch.

23 THE COURT: To draw a new statistical sample?

24 MR. MUNNO: No, that it would cost 10 times as
25 much to do the protocol, because we're told it's going to

1 cost 110 million, and I think we could have a new
2 statistical sample starting from scratch all done for
3 \$10 million.

4 But let me tell you why we don't agree with the
5 protocol. Again, we think statistical sampling, as I just
6 said, would be less costly and less time consuming.

7 Also we don't agree with the protocol because it
8 proposed to expunge the RMBS claims unless each loan file,
9 as Lehman defines it -- it's not defined this way in the
10 governing agreements -- is presented with breaches that are
11 material within 60 days, and now they've expanded that to
12 180 days. But six months. We know, even Mr. Pino's
13 declaration says you can't do that in six months.

14 Now --

15 THE COURT: You might be able to do some of it.

16 MR. MUNNO: Of course you can. But they're saying
17 six months is the deadline, you're cut off.

18 THE COURT: Well have I agreed to that yet?

19 MR. MUNNO: No, of course not, I understand, but
20 I'm saying that's what the protocol says, that's one of the
21 reasons why because it would foreclose claims on a time
22 basis when we don't think it's feasible to get the loans
23 from the -- from the servicers, from the custodians, re-
24 underwrite those loans, and then present material breaches
25 back.

1 for the allowed amount of these claims, for the purposes of
2 distribution under the plan. That's what we're doing.

3 MR. PEDONE: Okay. And then I --

4 THE COURT: Isn't that what we're doing?

5 MR. PEDONE: That is. And that's why I'm
6 mystified by the testimony that was given during the
7 depositions --

8 THE COURT: Okay. Well --

9 MR. PEDONE: -- and the declarations concerning
10 the need for Lehman to go through a protocol on a loan-by-
11 loan basis, so that they could push the loans downstream or
12 exercise other rights under documents. They don't have the
13 rights under the documents. And so as long as there's no
14 testimony concerning rights under the documents, meaning we
15 have to go to protocol, I'm in complete agreement with you,
16 Your Honor.

17 THE COURT: Okay.

18 MR. PEDONE: Thank you.

19 THE COURT: Thank you.

20 MR. TOP: I just --

21 THE COURT: We're never going to finish if this is
22 going to happen at every round.

23 MR. TOP: Your Honor, I'm going to very brief.

24 This is Frank Top.

25 THE COURT: All right. So when we get to the

1 witnesses, let me be clear, I'm not hearing from three or
2 four of you.

3 MR. TOP: No, I understand that.

4 THE COURT: All right?

5 MR. TOP: The one thing I wanted to make clear is
6 that under the terms of these governing documents, as you
7 recognize, there has to be a material and adverse effect on
8 a loan. And I only raise this because they're going to
9 make, and I believe you're making distinctions between some
10 of the cases, particularly Mimeline (ph) cases that have
11 different documents.

12 But a (indiscernible) servicing agreement would
13 allow me in the ordinary course of business to take a
14 performing loan that has breaches in it, and return it to
15 the originator and say, look, this mortgage file has
16 problems with the loan, you're required to repurchase this
17 loan irrespective of whether there's defaults underneath the
18 terms of that loan.

19 And the reason that is the case, is because there
20 is an increased risk with respect to that loan that at some
21 point in the future --

22 THE COURT: And that's exactly what the Monoline
23 (ph) cases are about, and that's exactly, exactly what Judge
24 Rakoff held in Flagstar (ph), exactly. But an increased
25 risk --

1 MR. TOP: That's right.

2 THE COURT: -- is different from, is different
3 from how you calculate the amount of a repurchase
4 obligation. And increased risk is, I'll say it again,
5 because it's a really important point, an increased risk or
6 a similar type of analysis in the securities fraud area is
7 different from what you have in the Monolines. It's
8 entirely different. It's entirely different.

9 Now, whether or not, in fact, when you drill down
10 on the repurchase cases, and there are very few of them that
11 have actually gone to trial. If you drill down the
12 repurchase cases, that argument stands up in support of the
13 use of statistical sampling, that's a different issue, and
14 we are way far afield from what we should be talking about
15 right now.

16 MR. TOP: Okay. Well, in any event, that's -- the
17 only reason why I stand is just to make sure that we were
18 clear that we view at least the theory behind, you know, why
19 someone should pay a Monoline to be very less the same as
20 why we're able to -- you know, it's in the increase and the
21 risk in the loan file, and that's what I --

22 THE COURT: Okay. We'll get to that in due
23 course. Thank you.

24 MR. TOP: Thank you, Your Honor.

25 THE COURT: So in what sense are we doing 15

1 This is -- you know, these are concerns -- these
2 are not new concerns. The committee was very much involved
3 in the whole history here in terms of the original objection
4 to the trustees' claims in the reserve motion and reached
5 the same conclusions then that it's reaching now, which is
6 that the protocol that the debtors are proposing is the only
7 way to fully protect the rights of the unsecured creditors
8 here for at least two reasons. One of which is that to do
9 otherwise would be to acknowledge that the trustees claims
10 are somehow different than all other unsecured claims, that
11 they are somehow -- if we were to adopt their sampling
12 methodology here, we'd be allowing them to avoid the burden
13 of proof that thousands of other Lehman creditors have had
14 to satisfy throughout this case and continue to have to
15 satisfy on a, you know, weekly or biweekly --

16 THE COURT: But they -- and I don't know if you've
17 drilled down in a lot of detail in the RMBS cases that are
18 out there, but --

19 MR. O'DONNELL: Right.

20 THE COURT: -- the cases talk in terms of the
21 election by the plaintiffs, the election by the plaintiffs
22 to carry their burden of proof by using sampling.

23 MR. O'DONNELL: Right.

24 THE COURT: Okay? Without prejudice to the right
25 of the defendants to defend, right --

1 MR. O'DONNELL: Right.

2 THE COURT: -- under the rules of evidence, under
3 Daubert, under whatever they have to say that methodology,
4 that's not right. Putting aside the issue of whether or not
5 proof by sampling works in a pure repurchase case, which
6 this is. It's not a monoline case.

7 MR. O'DONNELL: Right.

8 THE COURT: It's not a fraud case, right?

9 MR. O'DONNELL: Right.

10 THE COURT: It's a pure repurchase case.

11 MR. O'DONNELL: Right.

12 THE COURT: Okay, putting aside that issue. So
13 that's kind of like the elephant in the room, I feel,
14 whether or not --

15 MR. O'DONNELL: Agreed.

16 THE COURT: -- ultimately there's an ability, or
17 there should be an ability to let them take their shot by
18 sampling and they may win or they may lose.

19 MR. O'DONNELL: Your Honor, and that's between
20 plaintiff and defendant. But from the perspective of the
21 creditors who are standing by or the potential beneficiaries
22 here, there seems to be --

23 THE COURT: But it's the same difference, though,
24 because the estate speaks for all of the --

25 MR. O'DONNELL: Agreed.

1 THE COURT: -- unsecured creditors.

2 MR. O'DONNELL: Agreed and --

3 THE COURT: Right? And the trustees, I think,
4 it's a new trough. I mean, it's something that we're aware
5 of, but I don't think that they should be in a worse
6 position because their counterparty is a fiduciary for the
7 creditors of this estate. I think that it doesn't have a
8 bearing on an ultimate determination of whether or not they
9 carry their burden of proof --

10 MR. O'DONNELL: Agreed.

11 THE COURT: -- whether they carry their burden of
12 proof.

13 MR. O'DONNELL: Right. But just in terms of
14 fundamental fairness, they would -- you would be
15 acknowledging that they are different and we wanted to make
16 that point.

17 Now the second issue was just in terms of assets
18 of the estate here. The estate's ability to pursue
19 downstream claims against the original -- the downstream
20 originators. This is a significant asset of the estate
21 which any other solution other than the protocol, which
22 would do it on a loan by loan basis, would result in the
23 estate potentially losing. And that's an issue of concern
24 to the creditors as well.

25 THE COURT: Okay.

1 MR. O'DONNELL: I think you've already
2 acknowledged that Lehman has a fiduciary obligation, a
3 fiduciary motive here and we're here to say the same thing,
4 that the interest of the creditors, not just the plaintiffs
5 and defendants here need to be taken into account.

6 THE COURT: Okay, thank you.

7 MR. O'DONNELL: Thank you, Your Honor.

8 MR. MUNNO: I, too, would like to thank the Court
9 on behalf of the RMBS trustees and their counsel for all the
10 time they've spent on this today with us. We do think that
11 this proposed protocol is unworkable, too costly, too time
12 consuming, and utterly untested.

13 THE COURT: Mr. Munno, it's not going to take 27
14 years.

15 MR. MUNNO: Let's say it doesn't --

16 THE COURT: It's not going to take 27 years.

17 MR. MUNNO: Let's say it takes five years, is --

18 THE COURT: Let's say it takes five years.

19 MR. MUNNO: Isn't five years too long?

20 THE COURT: Well, if you had started two years
21 ago, then it would only be taking three years. If when you
22 hired Dr. Parekh and you undertook the process of going by
23 the sampling route, you had come to this building and sought
24 Judge Peck's advice, he would have given it to you. He
25 would have given you a determination as to whether or not he

1 thought sampling was a good idea or not. He would have
2 given you his determination, for example, like Judge Cote
3 did in the FHFA case that the plaintiffs may elect to use
4 sampling, but the trustees are going to produce a million
5 loan files so that the other side has the ability, among
6 other things, to test the sample. That's what Judge Coat
7 did in that case, and I predict in my rearview mirror, that
8 that's what Judge Peck might have done in this case. But
9 you elected not to do that. You elected to go and engage in
10 this process to construct the sample, which is not on the
11 table today what I think of the sample.

12 I've given you some indications that I believe
13 taking the breach rate that's been identifying and
14 translating that 100 percent into claims, I have some
15 problems with that. I also have some problems with the way
16 the sample was constructed, but that's not before me today.

17 My point is simply that you want me to say to
18 Lehman, shame on you for not having produced the loan files.
19 And I said eight hours ago that I didn't want to get into,
20 you know, a trivial argument about who could've done what.
21 But it's clear to me that had the trustees, who now have
22 come to Court and said do sampling, that's what everybody
23 else does, you could've had the benefit of Judge Peck's
24 knowledge on that. Moreover, for the past two years and
25 however many months it is, you could've had the benefit of,

1 perhaps, some preliminary rulings from the Court on what
2 constitutes a breach that translates into a claim or not. I
3 can think of, off the top of my head, six different ways you
4 might do that.

5 All of these are different trusts. They were
6 issued by -- some were originated by Aurora. Some were
7 purchased. There's so many different ways to sort these,
8 and I know you're going to tell me that that's exactly what
9 the sample was designed to replicate. But you might be able
10 to lop off, so to speak, huge categories of claims based on
11 sorting them out. And you might've been able to do that on
12 a rolling basis.

13 And while I'm talking about this particular aspect
14 of it, the witnesses that spoke on behalf of the trustees
15 were all ready to talk about things that might slow down the
16 process, but it really didn't give a lot of voice to things
17 that might speed up the process, like the ability to come to
18 Court when you've identified something that you're at
19 (indiscernible) with the estate about, and I'll give you a
20 determination. It won't be an advisory opinion at that
21 point because somehow we could have issue joined with
22 respect to a certain subset.

23 But the answer -- even in the cases where sampling
24 is approved on a preliminary basis or at least not
25 discarded, the files have to move. They're entitled to

1 discovery. The files have to move. And what I said at the
2 very beginning today, and I stand by it, is that I think
3 there is something fundamentally not appropriate about the
4 four trustees coming into Court together and pointing to the
5 209,000 loans and saying, look, that's a really big number.
6 It's impractical. If there were 200 trustees, we wouldn't
7 be having this conversation. If this process had started
8 two or three years ago, we wouldn't be having this
9 conversation. We would be two years down the road.

10 So I'm not -- to say we're going to have 20
11 reviewers, or 40 reviewers, that's too small a number, nor
12 are we going to have 400 reviewers. We're not going to do
13 that. We're just not going to do that. But we're not going
14 to cut off and shortcut a claims process that, at least in
15 my view at this point, the governing documents require and
16 is not precluded by anything, with all due respect, to those
17 Courts that sit much higher level than I do in the pecking
18 order of the federal judiciary have said they're going to
19 use sampling. I've read the cases. I've read them more
20 times than I care to think about, and I'm not convinced.

21 MR. MUNNO: Well, I'd like to convince you that
22 this protocol is not workable. And I think you've heard
23 some of the reasons why it's not workable. It's untested
24 and it's cumbersome in that we have all of these --

25 THE COURT: What does it mean to say a protocol is

1 untested? If you look at each step --

2 MR. MUNNO: It means nobody has done it before
3 successfully.

4 THE COURT: But saying that no one has done it
5 before, this is not -- it's not a phase three drug trial.
6 It's a series of steps that trained people will take to get
7 to claim numbers. There will be underwriters. There will
8 be lawyers. Dr. Parekh, himself, testified that before he
9 began his work at Duff & Phelps, he hadn't done this before.
10 So that is an admission that you can train smart people to
11 do this.

12 MR. MUNNO: We don't deny that you can't train
13 smart people to do it. We don't deny that --

14 THE COURT: So let's find a bunch of smart people
15 to do this.

16 MR. MUNNO: That's easier said than done. But let
17 me just point out a few things about this protocol that give
18 us a lot more than heartburn. And first of all, the
19 protocol proposes that a claim has to be presented within a
20 period of time or be cut off. There should be no cutoff in
21 any kind of a protocol.

22 THE COURT: Okay, I've said that already today
23 that I'm not going to, I'll say arbitrarily, say that at a
24 certain point in time a claim gets automatically cut off.

25 MR. MUNNO: And another area that is a big concern

1 is that under the protocol, the way it's supposed to work,
2 we have to get files back but there's no indication as to
3 when we will hear back from Lehman as to whether they think
4 our breach is correct or not correct. There's no timeline
5 for them to respond. And I'm not sure why we need a
6 facilitator because I just think that will enlarge the
7 expense. And I get very concerned when I see \$110 million
8 price tag. That's \$50 million to the estate. That seems
9 pretty pricey to me.

10 THE COURT: Well, how would you think that it
11 would go?

12 MR. MUNNO: Well, you know, the way it normally
13 goes, as has been testified to is when -- you present the
14 claim, the other side reviews it. They say yes or they say
15 no. And then if they say no --

16 THE COURT: But you haven't done that.

17 MR. MUNNO: Well, but let's be clear, we do have,
18 and Lehman has in hand and has for two months all of the
19 details and all of the backup on 2,612 loans that were re-
20 underwritten, which we believe have a material breach. You
21 know, if you wanted to test -- not this protocol --

22 THE COURT: You're talking about in the -- from
23 the sample?

24 MR. MUNNO: Yes, they're from the sample, but
25 they're just loans. Forget about that they're from the

1 sample.

2 THE COURT: I understand. But we're in the
3 middle --

4 MR. MUNNO: But you could take those --

5 THE COURT: Okay, but we're in the middle of
6 litigating right now --

7 MR. MUNNO: Well, I understand that.

8 THE COURT: -- at least that we're trying to get
9 out of the starting gate. So --

10 MR. MUNNO: But the starting gate here, we say,
11 should be sampling in one form or another, whether it's some
12 other sample, a proper sample, they could agree on a sample.
13 If we could agree on a sample, do a sample. That will be
14 much more efficient, much more cost-effective --

15 THE COURT: I'm giving you a heads up.

16 MR. MUNNO: Okay.

17 THE COURT: I'm giving you a heads up that I have
18 serious concerns --

19 MR. MUNNO: Okay.

20 THE COURT: -- with the validity of the sampling
21 methodology that's been put before me. This is not a
22 monoline case. I think there's a difference. I think
23 there's a difference. If you read Judge Rakoff's decision,
24 what he has to say about causation makes it not on all fours
25 with this situation.

1 Now I know people have very broad brush said there
2 are other cases out there involving both monolines and
3 repurchase obligations. My reading of the cases, I'm
4 looking at securities' fraud. I'm looking at mostly
5 monolines. And I am not looking at anybody who has had the
6 exact language we have in the governing agreements here,
7 which I know this morning you told me they can't avail
8 themselves of. I told you this morning I didn't really
9 understand that argument. There are provisions in the loan
10 agreements that define a breach that has a material adverse
11 effect on the value of the mortgage loan, point one. Point
12 two is you then have a recalculation of the repurchase
13 amount. And I've heard nothing that addresses why it is
14 that you can go from the identification of a breach and roll
15 100 percent into a breach that has a material adverse effect
16 on the value of the mortgage loan. There's been nothing
17 about that, nothing.

18 MR. MUNNO: Well, that wasn't for today I didn't
19 think but we certainly could provide that. But we do have
20 fundamental issues with this proposed protocol. We don't
21 think you should adopt the proposed protocol, certainly not
22 in the fashion that is currently prepared. I know that you
23 are disinclined towards sampling based on what you said. I
24 think -- as the months go on, we'll see more and more
25 cases --

1 THE COURT: But isn't that a good point? As the
2 months go on, right, and certainly Dr. Parekh testified that
3 the biggest log jam is step five.

4 MR. MUNNO: That is the biggest.

5 THE COURT: Right?

6 MR. MUNNO: But not the only.

7 THE COURT: Okay, but at various points, and if
8 you factor in the ability to lop off large amounts of
9 claims --

10 MR. MUNNO: Because they're accepted.

11 THE COURT: Either way, Mr. Munno.

12 MR. MUNNO: Okay, good. All right.

13 THE COURT: Okay?

14 MR. MUNNO: Either way, I agree.

15 THE COURT: Either way.

16 MR. MUNNO: Right, either way.

17 THE COURT: Right? Then we're narrowing the
18 field. We're narrowing the field, and we might actually get
19 to a point where the parties might agree on a sampling
20 protocol. I have no idea. But we're not even out of the
21 starting gate yet. So for me to say don't produce the loan
22 files, let's just go with the sample, that would be error.

23 MR. MUNNO: Well, receiving loan files is one
24 thing. Adopting this protocol is quite another. And so
25 what we're saying is since you're not inclined towards