

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

----- X
MBIA INSURANCE CORPORATION,

Plaintiff,

- against -

CREDIT SUISSE SECURITIES (USA) LLC,
DLJ MORTGAGE CAPITAL, INC., and
SELECT PORTFOLIO SERVICING, INC.

Defendants.
----- X

**AFFIRMATION OF ERIK HAAS
IN SUPPORT OF PLAINTIFF'S
MOTION TO COMPEL**

Index No. 603751/09

Erik Haas, Esq., upon penalty of perjury, affirms:

1. I am an attorney admitted to practice before the courts of the State of New York and a member of the law firm Patterson Belknap Webb & Tyler LLP, located at 1133 Avenue of the Americas, New York, New York 10036, counsel to Plaintiff in this action. I submit this Affirmation in support of plaintiff's motion to compel.

2. Attached are true and complete copies of the following documents.

All Bates Numbered documents have been obtained through disclosure:

- Exhibit 1: MBIA_CS54369-93 (Credit Suisse Pitchbook)
- Exhibit 2: MBIA First Set of Document Requests, dated Jan. 14, 2011
- Exhibit 3: Letter from D. Teshima to D. Slarskey dated Apr. 21, 2010
- Exhibit 4: Jan. 31, 2010 Order
- Exhibit 5: Feb. 1, 2011 Order
- Exhibit 6: CS_M0005921311-14 (Email from J. Nordyk to J. Quarto, dated Dec. 11, 2007, and attached Repurchase Demand from Credit Suisse to Decision One, undated)
- Exhibit 7: CS_M0005844157-58 (Email from B. Hill to J. Quarto, dated

July 6, 2007, and attached Repurchase Demand from Credit Suisse to First Magnus Financial, undated)

- Exhibit 8: CS_M0005844198-204 (Email from B. Hill to J. Quarto, dated July 6, 2007, and attached Repurchase Demand from Credit Suisse to First Magnus, undated)
- Exhibit 9: CS_M0005468876-78 (Email from M. Dellafera to A. Loskove and B. Kaiserman, dated Aug. 20, 2007, and attached loan schedule)
- Exhibit 10: CS_M0005846576-79 (demanding repurchase of Loan 500891265 for borrower misrepresentation of income and employment history and failure to meet underwriting guidelines)
- Exhibit 11: CS_M0005775490 (Email from P. Sack to R. Sacco et al., dated Apr. 9, 2007)
- Exhibit 12: CS_M0005776348 (Email from P. Sack to D. Michael, dated June 18, 2007)
- Exhibit 13: CS_M0005533719 (Email from T. Cassan to B. Kaiserman, dated Aug. 21, 2006)
- Exhibit 14: CS_M0005578581-83 (Email from A. Horn to G. McMillan, dated Sept. 26, 2007, and attached email from J. Quarto to CSFB RMBS Middle Office, dated Sept. 26, 2007, and Repricing Memo to Decision One, settling Sept. 26, 2007)
- Exhibit 15: CS_M0005815707-CS_M0005815709 (Email from D. Hyman to CSFB RMBS Middle Office, dated Aug. 10, 2007, and attached Repricing Memo to Decision One, settling Aug. 10, 2007)
- Exhibit 16: CS_M0005643110 (Repricing Memo to Wall Street Mortgage Brokers settling Jan. 14, 2008)
- Exhibit 17: CS_M0005893275-82 (Letter Agreement between Credit Suisse and Ace Mortgage Company, dated Dec. 3, 2007)
- Exhibit 18: CS_M0005893322 (Repricing Memo with J&J Mortgage Corp. settling June 29, 2007)
- Exhibit 19: CS_M0004264749-50 (Email from R. Sacco to P. Sack et al., dated Jan. 17, 2007)
- Exhibit 20: DOMC00231-DOMC00234 (Settlement Agreement with

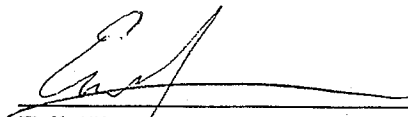
Decision One, dated Jan. 9, 2009)

- Exhibit 21: CS_M0005643582 (Email from M. Dellafera to B. Kaiserman, dated Dec. 19, 2008)
- Exhibit 22: CS_M0005660020-21 (Email from P. Sack to T. Steczkowski and T. Kuo, dated Mar. 26, 2008)
- Exhibit 23: CS_M0005775323-25 (Email from P. Sack to M. Daniel dated Jan. 5, 2007)
- Exhibit 24: Complaint
- Exhibit 25: CS_M000425914, et seq., (RMBS Conduit Process Control Manual, dated April 2007)
- Exhibit 26: February 22, 2010 Order
- Exhibit 27: Letter from D. Teshima to D. Slarskey dated Mar. 23, 2010
- Exhibit 28: Email from D. Teshima to D. Slarskey dated Oct. 27, 2010
- Exhibit 29: December 10, 2010 Order
- Exhibit 30: Email from D. Teshima to D. Slarskey dated Jan. 26, 2011
- Exhibit 31: Letter from D. Teshima to D. Slarskey dated Mar. 16, 2011
- Exhibit 32: June 24, 2010 Order
- Exhibit 33: CS_M0005721845, et. seq. (RPM/PBS System Overview)

3. Pursuant to § 202.7 of the Uniform Civil Rules for the Supreme Court,

I affirm that MBIA undertook a good faith effort to resolve with Defendants' counsel the issues raised in the present motion. The parties met and conferred on February 16, 2011 during a conference call with the Court, at which time the Court granted MBIA leave to file this motion.

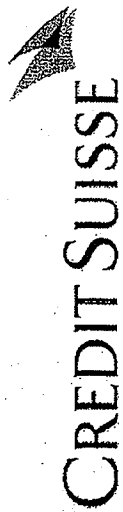
New York, New York
March 25, 2011



Erik Haas, Esq.

EXHIBIT 1


CREDIT SUISSE



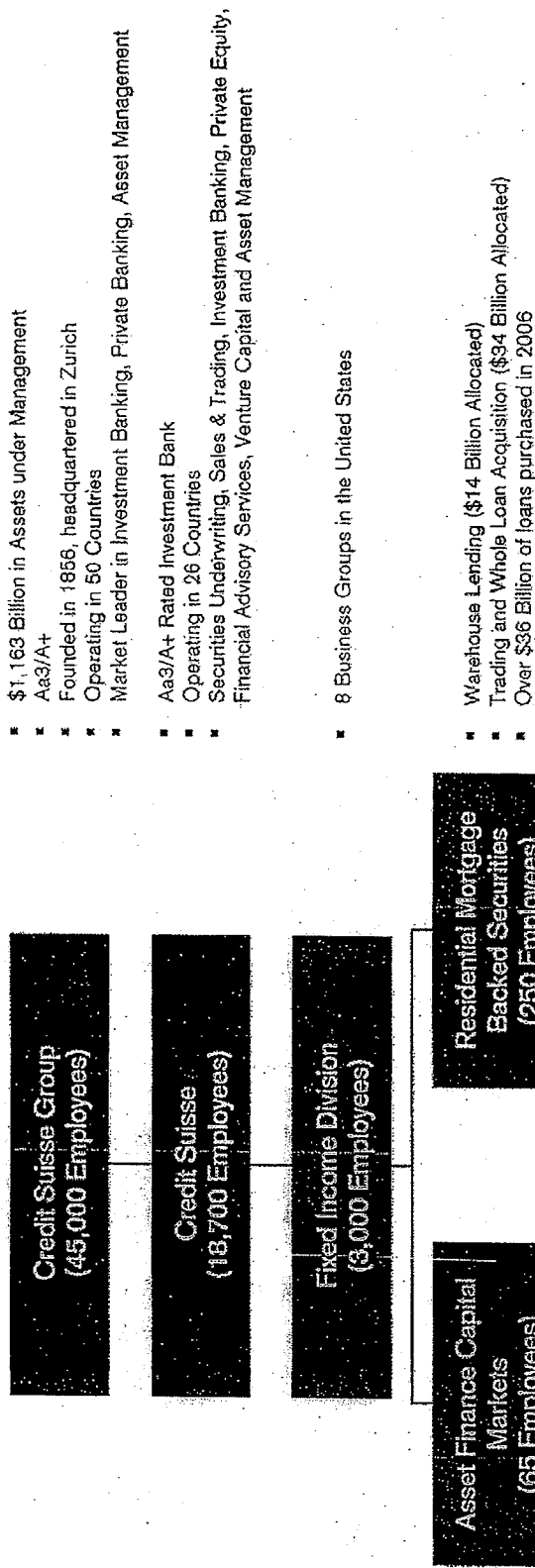
CONFIDENTIAL

Presentation About Credit Suisse's Mortgage Business Materials for Discussion

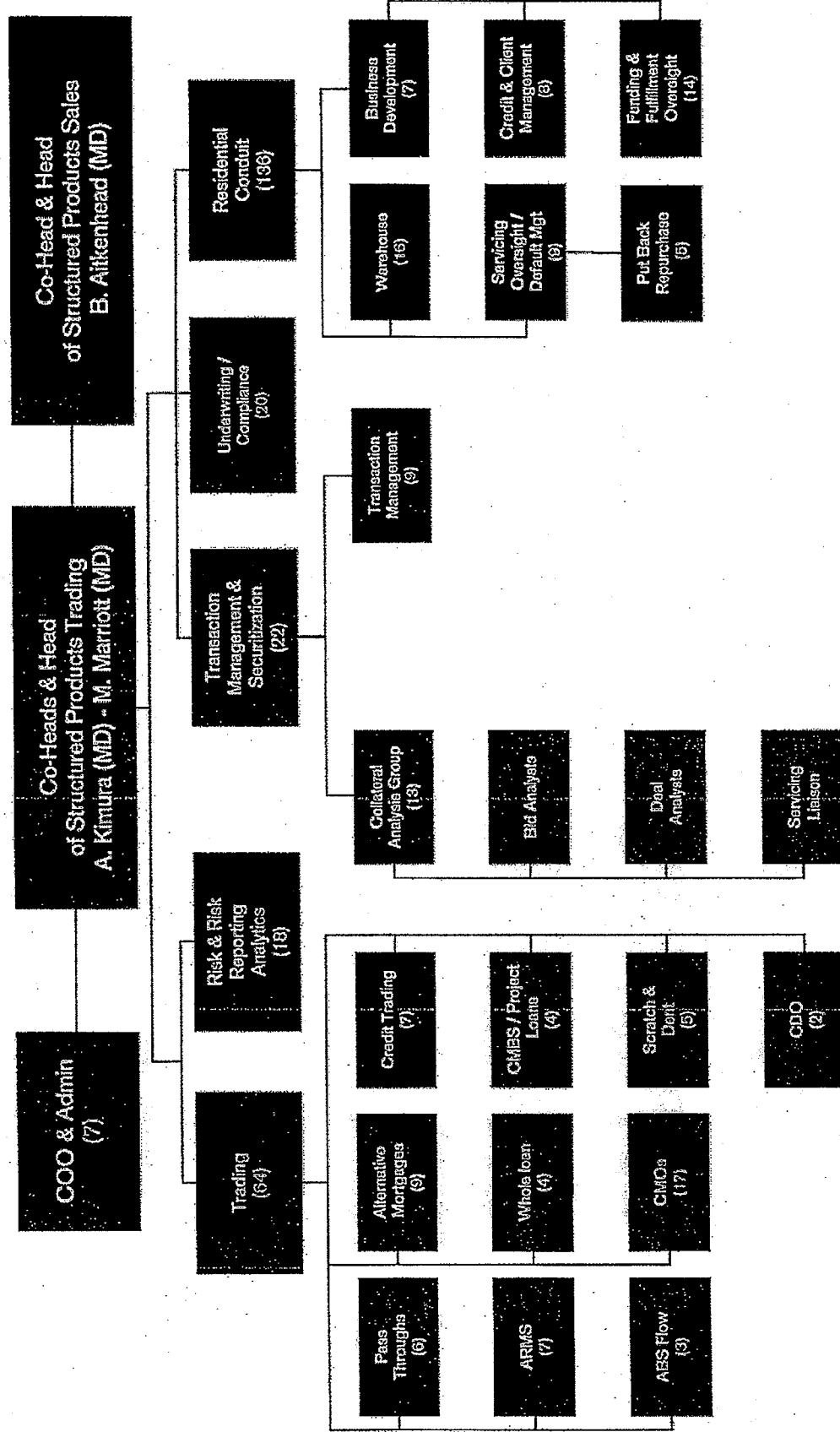
1st Quarter 2007

CREDIT SUISSE SECURITIES (USA) LLC

Credit Suisse Mortgage Business



Credit Suisse Mortgage Business



Credit Suisse Mortgage Business

Historical Home Equity Volume (Billions)

Year	ABSHE		HEAT		Other HEL		Seconds		Total	
	Volume	# Deals	Volume	# Deals	Volume	# Deals	Volume	# Deals	Volume	# Deals
2000	-	0	\$1.242	4	\$0	0	\$0.212	1	\$1.454	5
2001	\$2.495	3	\$3.190	8	\$0	0	\$1.833	7	\$7.518	18
2002	\$2.640	3	\$6.321	9	\$0	0	\$2.713	7	\$11.674	19
2003	\$5.220	7	\$5.775	8	\$0	0	\$2.411	10	\$13.406	25
2004	\$7.664	10	\$7.225	7	\$1.372	2	\$2.578	7	\$18.839	26
2005	\$7.745	8	\$9.358	9	\$5.518	4	\$3.219	6	\$25.840	27
2006	\$6.527	7	\$8.550	8	\$0	0	\$3.255	6	\$18.332	21
Total	\$32.291	38	\$41.661	53	\$6.890	6	\$16.221	44	\$97.063	141

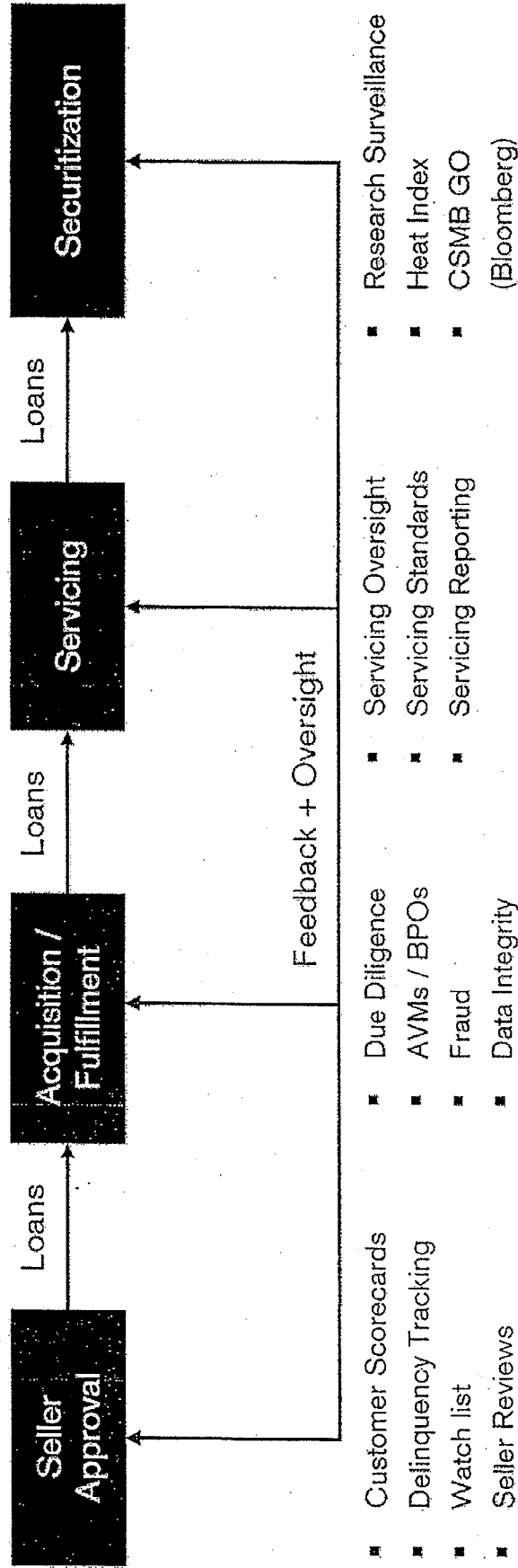
Credit Suisse Mortgage Business

Business Philosophy:

- Consistent Characteristics: Create and deliver a variety of MBS securities backed by product specific collateral to the Credit Suisse Investor base
- Consistent Issuance: Maintain a consistent and regular issuance schedule
- Meet Performance Expectation: Create and distribute securities that exhibit anticipated prepayment and default performance
- Influence Origination Practices / Standards: Influence originators to utilize appropriate standards for origination practices

Credit Suisse Mortgage Business

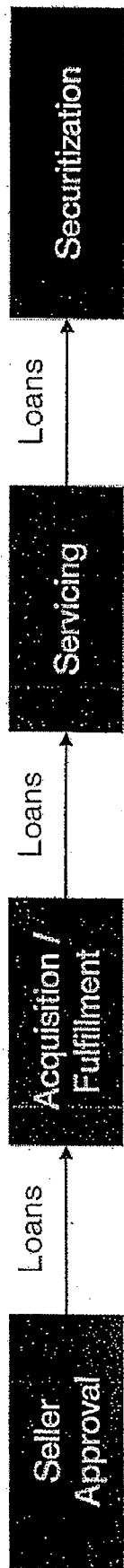
Loan Flow



Infrastructure

Credit Suisse Mortgage Business

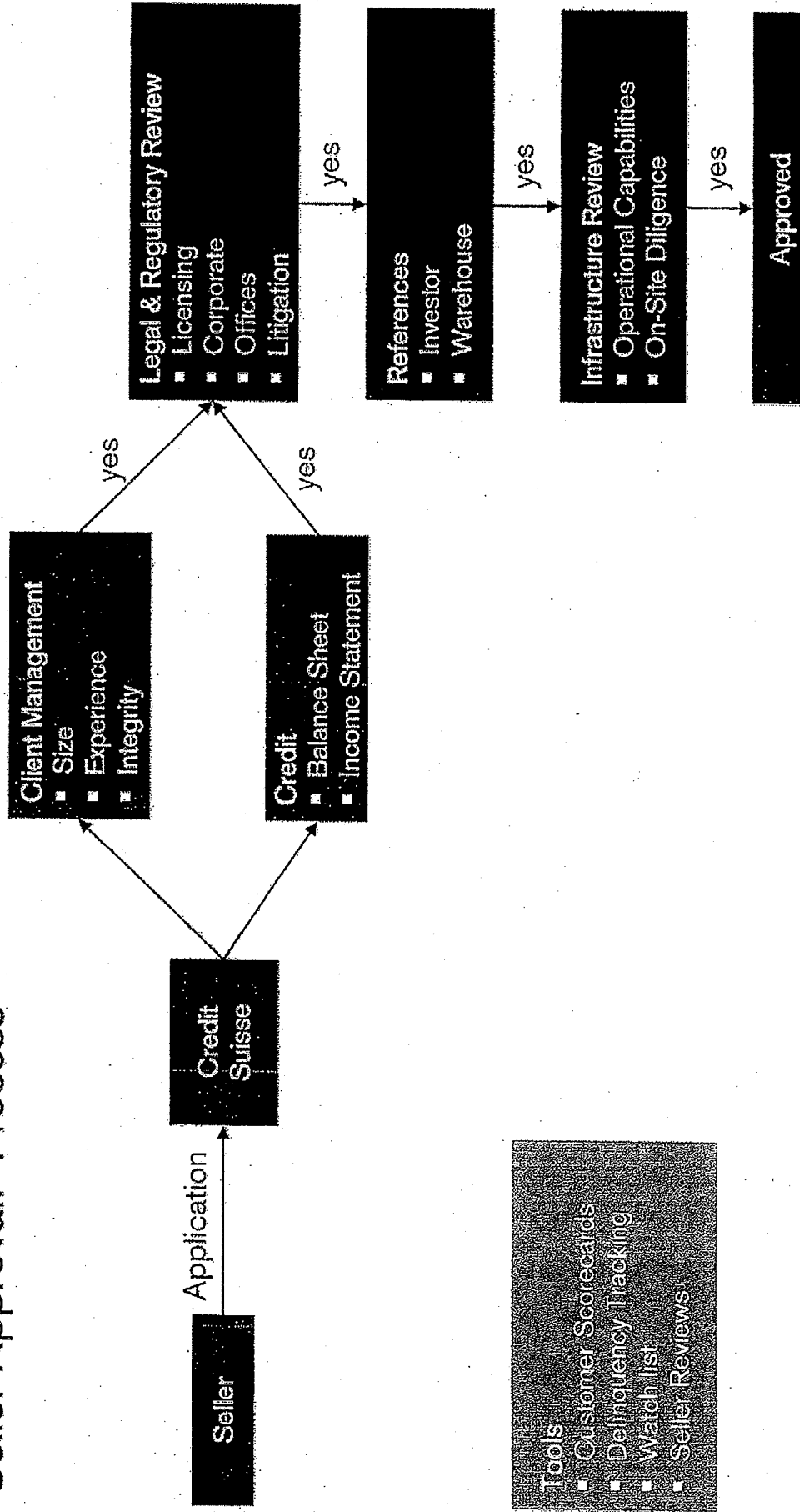
Loan Flow:



Infrastructure

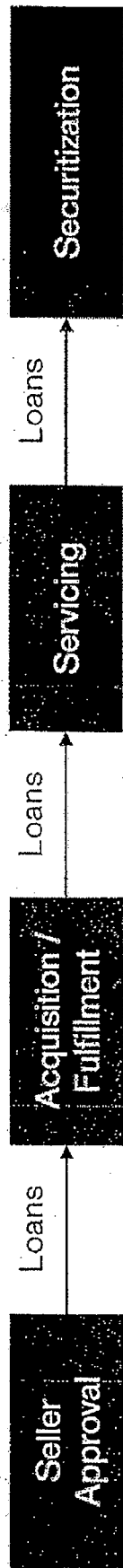
Credit Suisse Mortgage Business

Seller Approval: Process



Credit Suisse Mortgage Business

Loan Flow:



Infrastructure

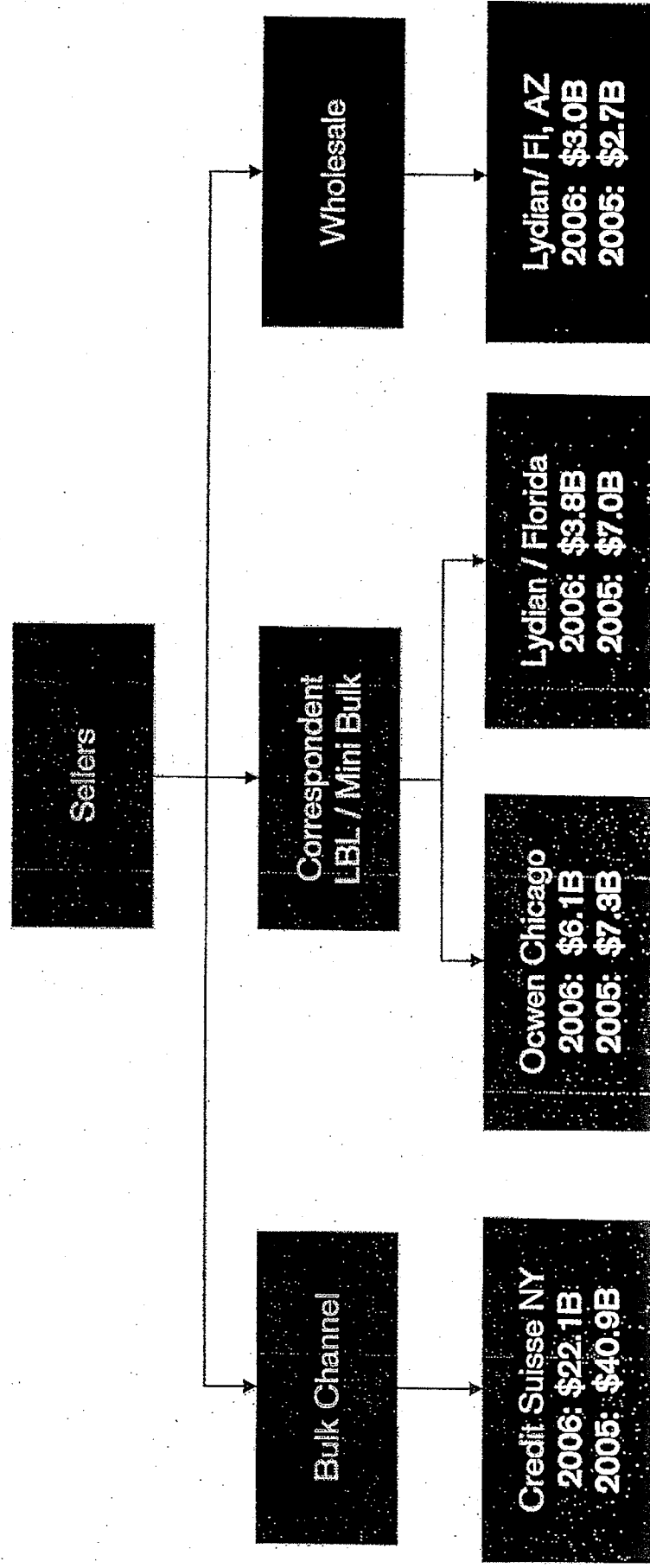
Credit Suisse Mortgage Business

Acquisition / Fulfillment: Definition of Sellers

- Bulk Sellers
 - Large Aggregators
 - High Net Worth with strong Reps / Warrants
 - Established Warehouse Funding
 - Established UW / Controls / Servicing Capabilities
- Correspondent Sellers (LBL / Mini-Bulk)
 - Loan Originators / Small Aggregators
 - Moderate Net Worth with moderate strength Reps / Warrants
 - Require rapid turnover due to limited Warehouse Funding
 - Moderate / Limited Servicing Capabilities
- Wholesale – Mortgage Brokers
 - Credit Suisse is originator
 - Minimal Net Worth / minimal strength to Reps / Warrants
 - Minimal (if any) Warehouse Funding
 - Brokers have connection to consumers and processing capabilities
 - Credit Suisse Infrastructure required for all origination processes

Credit Suisse Mortgage Business

Acquisition / Fulfillment (Includes Asset Finance Product):



Credit Suisse Mortgage Business

Channel Distribution

Channel ...	2000	2001	2002	2003	2004	2005	2006
Bulk	96%	76%	70%	69%	71%	66%	63%
Flow / MB	4%	24%	30%	31%	28%	29%	28%
Wholesale	0%	0%	0%	0%	1%	5%	9%

Credit Suisse Mortgage Business

2006 Seller Distribution

Number of Sellers	Product					Subprime
	Jumbo A FRM	Jumbo A ARM	Alt A FRM	Alt A ARM	Seconds	
1 - 10	64 %	92 %	56 %	62 %	48 %	80 %
11 - 50	33 %	8 %	27 %	26 %	36 %	19 %
51+	3 %	0 %	17%	12 %	16 %	1 %

Credit Suisse Mortgage Business

Credit and Compliance Organization

- Group formally established in mid-2004
- Directly staffed with 6 professionals having an average of 12+ years of mortgage banking/lending experience
- Group grew to oversee 2 key risk areas of the mortgage business – credit and compliance
- Current responsibilities include: underwriting, credit policy, quality control, whole loan sale, whole loan acquisition, repurchases and regulatory compliance (20 employees)

Residential Mortgage Backed Securities Group

General Credit Philosophy - Focus on Risk Management

- Disciplined origination and purchase strategy to drive consistent performance
- Philosophy is to purchase / originate loans that demonstrate a borrower's ability and willingness to repay debt
- Centralized underwriting provides tighter controls and consistency
- Grading approach is two-tiered, focusing on credit score and traditional methods
- Multi-layered appraisal process utilizing full appraisals, AVMs, BPOs and Field Reviews
- Focus on fraud "prevention"
- Dedicated compliance group
- Credit Suisse senior underwriters make final loan decisions, not contracted due diligence firms
- Post Close Quality Assurance sample 3-5% - monitor all areas of the origination and acquisition process
- Loans are reviewed by qualified, third-party due diligence firms such as Clayton Group, Bohan Group, Watterson Prime, and AMC
- Sale and Trading groups do not have credit/underwriting authority



CREDIT SUISSE

Residential Mortgage Backed Securities Group

Due Diligence Methodology

- Credit policy followed:
 - Bulk: Originator approved/amended guidelines
 - Mini-Bulk: Originator approved/amended guidelines or Credit Suisse guidelines
 - Loan by Loan: Originator approved/amended guidelines or Credit Suisse guidelines
 - Wholesale: Credit Suisse guidelines
- Diligence Sample:
 - Bulk Packages: Generally 100% for Subprime and generally 10-30% for other products
 - Mini Bulk: 100% for Subprime and generally 10-30% for other products
 - Loan by Loan: 100% for all except non-Subprime Pref. Clients; 10-30% for Preferred Clients
 - Wholesale: 100% review for all products
- Proprietary model developed focusing on:
 - Loan Profile (layered risk) / Historical Performance
 - Soft Markets
 - Markets with higher fraud risk
 - Markets with increased regulatory focus



CREDIT SUISSE

Residential Mortgage Backed Securities Group

Credit Review

- Risk evaluation approach is two-tiered focusing on credit score and traditional methods
- Loans are re-underwritten to determine both adequacy and legitimacy of information used for qualification
- 3rd party credit reports with credit scores, are required
- All information on the loan application is reviewed for completeness and reconciled to the borrower's credit report, as applicable
- Credit review includes analysis of borrower's use of credit, borrower's prior mortgage payment history, and borrower's debt to income ratios

Residential Mortgage Backed Securities Group

Appraisal Review

- Multi-layered process utilizing full appraisals, AVMs, BPOs, field reviews and other automated models
- History Pro/Automated Valuation Model (AVM) is run on each property to benchmark the appraisal and determine necessity of further review
- Broke Price Options (BPOs) are ordered on a targeted population of loans, any appraisal identified as suspect by the underwriter, and on any loan that exceed History Pro or AVM score thresholds
- All appraisal reports and comparables are reviewed for accuracy by third party contract underwriters or fulfillment center underwriters
- Credit Suisse purchase agreements require loans to have an appraisal completed which conforms to FNMA / FHLMC requirements

Residential Mortgage Backed Securities Group

■ Legal Document Review

- Verify completeness and accuracy of documents based on nature of transaction (purchase money mortgage, refinance, fixed rate mortgage, adjustable rate mortgage, etc.)

■ Data Integrity

- Essential data is verified
- Essential calculations are recalculated

■ Compliance Review

- Dedicated compliance group
- Verify loan complies with all applicable laws
- Loans covered by anti-predatory lending laws are not purchased or originated

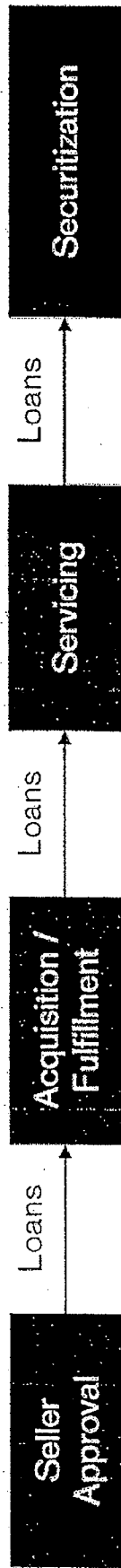
Residential Mortgage Backed Securities Group

Post Close Quality Control

- Objective - Increase the quality of loans originated / acquired by testing loans diligenced / not diligenced.
- Analysis - All loans selected for QC review receive a full credit and compliance underwrite. The underwrite includes re-verification of assets, income, credit worthiness, property value and compliance with state / federal regulatory laws.
- Sampling - 3% of all loans originated / acquired by all business channels are selected for analysis.
- Communication - Monthly meetings are held with each business channel to discuss findings and design preventative policies.

Credit Suisse Mortgage Business

Loan Flow:



Infrastructure

Credit Suisse Mortgage Business

- **Servicer On-Site Review / Audit**
 - Compliance Standards
 - Call Penetration
 - Collections and Delinquency Processes
 - Loan Resolution Procedures and Performance
 - Loss Severity Performance
 - Foreclosure / Bankruptcy Timelines
 - REO Procedures and Performance
 - Cash Remittances and Reconciliations
 - Cash flow velocity
 - Consistent review of other key operational and default metrics
 - Continued refinement and sharing of Best Practices
- **Loan Review**
 - Loan Boarding / Data Integrity at Transfer
 - Monitor MI Status
 - Investor Reporting Oversight (trustee reports / etc)
 - Performance Comparison vs. Different Servicers
 - Track Comparison to our Standard Benchmarks
 - Monitor performance trends to highlight opportunities for improvement

Credit Suisse Mortgage Business

Securitization

- Rep and Warrants: Credit Suisse provides the representations and warranties to the Trust; Credit Suisse will be responsible for repurchasing mortgage loans from the Trust in the event of a breach of any representation or warranty relating to a mortgage loan that materially and adversely affects the interests of the certificate holders in that mortgage loan

Credit Suisse Mortgage Business

Credit Suisse has built an industry leading, diversified mortgage platform which leverages the firm's capabilities in pricing, structuring and distribution and remains focused on the achievement of above 'industry standard' loan performance through a rigorous due diligence process and superior servicing.

EXHIBIT 2

MBIA INSURANCE CORPORATION,
Plaintiff,
- against -
CREDIT SUISSE SECURITIES (USA) LLC,
DLJ MORTGAGE CAPITAL, INC., and
SELECT PORTFOLIO SERVICING, INC.
Defendants.

Plaintiff MBIA Insurance Corporation by and through its undersigned counsel, hereby requests that Defendants Credit Suisse Securities (USA) LLC, DLJ Mortgage Capital, Inc., and Select Portfolio Servicing, Inc. produce the following documents at the offices of Patterson Belknap Webb & Tyler LLP, 1133 Avenue of the Americas, New York, New York 10037, within 20 days after the date of service and pursuant to Article 31 of the Civil Practice Law and Rules of the State of New York.

1. "MBIA" or "Plaintiff" means MBIA Insurance Corporation, in the broadest sense consistent with the Civil Practice Law and Rules ("CPLR"), including, but not limited to any of its officers, directors or employees.
2. "Credit Suisse," refers to Credit Suisse Securities (USA) LLC, in the broadest sense consistent with the CPLR, including, but not limited to, its officers, directors, employees, partners, corporate parent, subsidiaries, or affiliates.
3. "DLJ" means DLJ Mortgage Capital, Inc. in the broadest sense consistent with the CPLR, including, but not limited to, its officers, directors, employees, partners, corporate parent, subsidiaries, or affiliates.
4. "SPS" means Select Portfolio Servicing, Inc. in the broadest sense consistent with the CPLR, including, but not limited to, its officers, directors, employees, partners, corporate parent, subsidiaries, or affiliates.

5. "You" or "Your" refers to Credit Suisse, DLJ, and SPS, individually and collectively.
6. "A&A" means the Assignment and Assumption Agreement, dated April 30, 2007, entered into in connection with the Transaction.
7. "Insurance Agreement" means the Insurance Agreement, dated as of April 30, 2007, entered into in connection with the Transaction.
8. "HEMT Loan(s)" means the residential mortgage loans considered, proposed for, or included in the Transaction.
9. "Originator" means any mortgage lender that extends or extended a residential Mortgage Loan to a borrower, either directly or through an intermediary, including, but not limited to, a mortgage broker.
10. "PSA" means the Pooling and Servicing Agreement, dated as of April 1, 2007, entered into in connection with the Transaction.
11. "Prospectus" means, collectively, any preliminary or final base Prospectus, any Prospectus Supplement, any Free Writing Prospectus, and any registration statement of which any of the foregoing constitute a part, that was filed with the United States Securities and Exchange Commission in connection with the Transaction.
12. "Deal Documents" means the Prospectus, the PSA, the Insurance Agreement, and the A&A, collectively.
13. "RMBS" means residential mortgage-backed security or securities.
14. "RMBS Loan(s)" means any loan underlying any mortgage-backed security or securities.
15. "Transaction" means the residential mortgage-backed securities transaction concerning the Home Equity Mortgage Trust 2007-2 and the issuance of the Home Equity Mortgage Pass-Through Certificates, Series 2007-2.
16. "Transaction Parties" means all of the parties to the agreements that effected the Transaction, as well as MBIA and any purchaser of securities (whether publicly issued or privately placed) issued in connection with the Transaction.
17. "Document" is used in the broadest sense consistent with the CPLR and includes any electronically stored materials and recordings such as emails, instant messages, Bloomberg terminal transmissions and voice mails. Drafts or copies that are not identical duplicates of the original of each document shall be deemed separate and distinct documents.
18. "Communication" means the transmittal of information, including in the form of facts, ideas, inquiries, or otherwise.

19. "Concerning" means referring to, relating to, describing, evidencing, regarding, or constituting.

20. The terms "including," "include," or "includes" are used in their broadest sense and are not meant to be limiting. Any list following these terms contains illustrative examples of the types of documents responsive to the request, but the list is without limitation and does not constitute an exclusive, all-encompassing, or exhaustive listing of every type of document responsive to the request.

21. The words "and," "or," and "any" are intended to be construed as necessary to bring within the scope of these requests for production any documents or information that otherwise might be construed to be outside the scope of any of them. Use of a singular noun shall be construed to include the plural noun and use of a plural noun shall be construed to include the singular noun. The use of a verb in any tense shall be construed as the use of that verb in all other tenses whenever necessary to bring within the scope of the discovery request documents or information that might otherwise be construed to be outside its scope.

22. "Request" or "Requests" shall refer to the requests stated herein.

INSTRUCTIONS

1. Unless otherwise specified, each Request concerns the time period from December 1, 2006 to the present.

2. In answering these demands, You are under an obligation to make a diligent search of all files that You reasonably believe may contain responsive documents. You are required to produce all responsive and non-privileged documents in Your possession, custody or control, including but not limited to documents contained in records or files of Your employees, agents, representatives, attorneys or any other persons or entities acting on Your behalf or direction, and any other files that you are authorized to inspect and copy.

3. If You cannot comply in full with any specific Request, You shall comply to the extent possible and explain (a) what information You refuse to produce, and (b) why full compliance is not possible.

4. If You object to the production of any document on grounds of privilege, You must identify the document and the basis of the privilege, and provide sufficient information for Plaintiff to assess the applicability of the stated basis. In particular, You must provide: (a) the author of the document; (b) the name and title of each person who prepared, received, reviewed, or has or had custody, possession, or control of an original or copy of the document; (c) the date of the document; (d) the subject matter of the document; (e) the identity and length of any attachments to the document; and (f) the basis for the claim of privilege or other grounds for withholding the document.

5. If You believe that only a portion of a document is protected by an applicable privilege, the non-privileged portion shall be produced with the allegedly privileged portion redacted and indicated as such. You shall provide the information set forth in Instruction

No. 4 for each such redaction. Any attachment to an allegedly privileged document shall be produced unless You also contend that the attachment is privileged, in which case the information required in Instruction No. 4 shall be provided separately for each such attachment.

6. If You fail to produce a document or provide information requested on the grounds that such document or information is no longer in Your possession, custody or control, You shall state what disposition was made of that document or information, including, when applicable, the circumstances of any loss or destruction of such document or information.

7. The original of each document requested should be produced. Identical copies of a document need not be produced. Any copy of a document that varies from the original, whether by reason of handwritten or other notation or any omission, shall constitute a separate document and must be produced, whether or not the original of such a document is within Your possession, custody or control.

8. Each document requested should be produced in its entirety without deletion or redactions, except as subject to applicable privileges, regardless of whether You consider the entire document to be responsive to these Requests or relevant to the claims.

9. You should produce all documents as they are kept in the usual course of business or shall organize and label them to correspond to the categories of these Requests.

10. Documents not otherwise responsive to these Requests shall be produced if such documents mention, discuss, refer to, or explain the documents that are called for by the Requests, or if such documents are attached to documents called for by these Requests and constitute routing slips, transmittal memoranda, letter, emails, comments, evaluations or similar materials.

11. These Requests are continuing in nature. If, subsequent to Your production of documents, You obtain, locate, create, or otherwise become aware of a document that would have been included in the production had it been in Your possession at the time of the production, You shall promptly produce that document to Plaintiff by supplemental production.

DOCUMENT REQUESTS

Deal Documents

Request 1: All documents concerning the Transaction including, but not limited to all Deal Documents.

Request 2: The final version and all preliminary versions of the “tape” or “schedule” of the HEMT Loans.

Request 3: Documents sufficient to show the parties or persons involved in the Transaction, including, but not limited to, the individuals who negotiated, drafted, structured, or interpreted terms of the Transaction for You.

- Request 4:** All documents or communications concerning the negotiation, drafting, structuring or interpretation of the Deal Documents, including any and all drafts or non-final versions thereof.
- Request 5:** All documents, communications, reports or analyses concerning Your decision to participate in the Transaction.
- Request 6:** All documents or communications concerning the marketing of the securities (whether publicly issued or privately placed) issued in connection with the Transaction.
- Request 7:** All documents or communications concerning any disclosures required by law related to the Transaction, including, but not limited to, disclosures made in the Prospectus or to the Transaction Parties.
- Request 8:** All documents concerning communications with MBIA in connection with the Transaction, the Loans, or the types of mortgage loan products selected for inclusion in the Transaction.
- Request 9:** All communications concerning MBIA's participation in the Transaction, including but not limited to communications with third parties concerning MBIA's participation.
- Request 10:** All documents concerning Your marketing of RMBS business to MBIA, including but not limited to documents concerning your consideration of marketing RMBS business to MBIA.
- Request 11:** All documents concerning Your decision to seek credit enhancement from MBIA for your RMBS business or the Transaction.
- Request 12:** All documents concerning Your policies, practices, directives, rules, or understandings for the retention and destruction of documents concerning the Transaction, the HEMT Loans, or RMBS Loans.
- Request 13:** Documents sufficient to show Your policies, practices, directives, rules, or understandings for the retention and destruction of documents.

The RMBS Business

- Request 14:** Documents sufficient to show all policies or procedures that You used to evaluate, approve, or reject the RMBS Loans in connection with securitization efforts.
- Request 15:** Documents sufficient to show all policies or procedures that You used to review, monitor or control the conduct of Originators of RMBS Loans.
- Request 16:** Documents sufficient to show any underwriting guidelines, standards, or protocols used to evaluate, approve, or reject RMBS Loans.

- Request 17:** Documents sufficient to show Your review, modification, rejection, or approval of the underwriting guidelines, standards, or protocols applicable to the origination or underwriting of RMBS Loans.
- Request 18:** Documents sufficient to show any approved exceptions to or deviations from the underwriting guidelines, standards, or protocols applicable to the origination or underwriting of RMBS Loans.
- Request 19:** All documents or communications concerning Your consideration, approval or rejection of any exceptions to, deviations from, or any other failure to adhere to the applicable underwriting guidelines, standards, or protocols applicable to the origination or underwriting of RMBS Loans.
- Request 20:** All documents or communications concerning efforts to increase or that resulted in an increase to, the volume of RMBS Loans that You acquired or considered acquiring.
- Request 21:** Documents sufficient to show any due diligence or analysis You have undertaken in connection with RMBS Loans.
- Request 22:** Documents sufficient to show any vendors, technology, or other tools used to perform due diligence undertaken in connection with RMBS Loans.
- Request 23:** All documents or communications concerning the instructions You provided to internal due diligence personnel or third-party due diligence providers regarding the scope of, and limitations on, due diligence to be performed on RMBS Loans, including, but not limited to, any instructions regarding verification of information provided by borrowers and the reasonableness of income claimed by borrowers pursuant to stated income programs.
- Request 24:** All documents or communications concerning private or public claims, litigations, actions, investigations, or inquiries into mortgage-loan originations, acquisitions, sales or securitizations (or financial accounting or public disclosure matters relating thereto) directly or indirectly concerning your RMBS business, including but not limited to, all documents produced or disclosed in connection therewith, or otherwise concerning:
- (a) Claims concerning any actual or alleged breach by You of representations and warranties pertaining to RMBS Loans, including claims demanding the cure, repurchase, or substitution of RMBS Loans;
 - (b) Any claim, litigation, action, investigation or inquiry by any governmental or regulatory body or agency or law-enforcement personnel concerning any predatory practices, fraud, negligence, errors, omissions or other irregularities or flaws in the origination, servicing, underwriting, sale or securitization of RMBS Loans, or the accounting treatment of any of the foregoing; or

- (c) Legal actions or investigations resolved or pending against any Originator of more than 5% of the HEMT Loans, concerning the origination, servicing, underwriting, sale or securitization of RMBS Loans or the accounting treatment of any of the foregoing.

Request 25: All documents, communications, analyses, studies, or reports conducted by or on behalf of You and concerning in whole or in part:

- (a) The occurrence or incidence of early payment default ("EPD") or breaches of representations and warranties observed in RMBS Loans;
- (b) The occurrence or incidence of fraud or misrepresentation on the part of borrowers, brokers, appraisers, Originators or any other parties as related to mortgage loan origination or underwriting or otherwise pertaining to RMBS Loans;
- (c) The filing or failure to file fraudulent activity reports with regulators;
- (d) The appropriateness or advisability of requiring Originators from which You acquired RMBS Loans to use available and cost-effective tools to verify critical borrower information, such as income, assets, and occupancy;
- (e) The appropriateness or advisability of Your or Your third-party due diligence providers' use of available tools to verify borrower information such as income, assets, and occupancy;
- (f) The applicability, interpretation, or adherence to the income "reasonableness" requirements for stated income programs in Your and/or Originators' underwriting guidelines; or
- (g) The general deterioration of underwriting standards by Originators or the failure to adhere to published guidelines or prudent mortgage-lending standards.

Request 26: Documents sufficient to show any procedures used to measure or assess the expected performance of each of Your RMBS portfolios or securitizations.

Request 27: Documents sufficient to show any procedures used to measure or assess Your expected return in connection with each of Your RMBS portfolios or securitizations.

Request 28: All documents, communications, projections, reports, or any other analyses concerning Your expected return in connection with each of Your executed RMBS transactions, including, but not limited to, the valuation of Your retained or "residual" interests in any such transaction and Your accounting for loss reserves and loan repurchase obligations.

- Request 29:** Documents sufficient to show the performance of each of Your RMBS portfolios, including, but not limited to, the performance, delinquency, or default of RMBS Loans included therein.
- Request 30:** Documents sufficient to show any actual or considered demand or claim on any Originator for repurchase or repricing of any RMBS Loan.
- Request 31:** Documents sufficient to show Your servicing procedures and protocols and other loss mitigation efforts in connection with RMBS Loans.
- Request 32:** All documents concerning any recovery or consideration received from any Originator for alleged breaches of representations or warranties in an RMBS transaction.
- Request 33:** Documents sufficient to show the organizational structure of Your employees involved with or participating in Your RMBS business, including, but not limited to, the names and titles of officers, directors, managers, and supervisors, the entity and/or department they worked for, the years they worked, and to whom they reported.
- Request 34:** Documents sufficient to show Your staffing levels, compensation structure, and compensation incentives for individuals involved in Your RMBS business, risk management, quality control, due diligence, trading desks, and fraud prevention.
- Request 35:** Documents sufficient to show any policies, procedures, or compensation protocols related to volume of origination, underwriting, or RMBS loans securitized.
- Request 36:** All documents or communications concerning Your competitive position relative to other mortgage-finance entities, or Your corporate goals or objectives, or any strategy with respect to such competitive position goals or objectives, including, but not limited to, any strategy You used to increase the volume of RMBS Loans You acquired or securitized.

**Documents Concerning Origination, Underwriting,
Acquisition, Due Diligence, and Servicing of the HEMT Loans**

- Request 37:** All documents or communications concerning the criteria or procedures used to approve or reject any Originator that originated any of the HEMT Loans.
- Request 38:** All documents or communications concerning the review or evaluation of Originators of HEMT Loans, including, but not limited to, any performance, quality control, or risk assessment reports related to such Originators or any other efforts to maintain quality control over such Originators.
- Request 39:** All documents or communications concerning the origination, underwriting, acquisition, due diligence, quality control, fraud detection, or claims or repurchase demands by or against You, concerning any of the HEMT Loans, including, but

not limited to:

- (a) Loan-underwriting exception reports and policies and practices;
- (b) Third-party and internal due diligence reports and policies and practices;
- (c) Quality control reports and policies and practices;
- (d) Fraud-control and fraud-detection reports and policies and practices;
- (e) Risk-assessment reports and policies and practices;
- (f) Credit reports;
- (g) Origination criteria and approval lists;
- (h) Appraiser criteria and approval lists;
- (i) Third-party due diligence firms' criteria and approval lists;
- (j) Instructions and guidance provided to third-party due diligence firms and internal due diligence personnel;
- (k) Management directives and reports;
- (l) Originator performance measures and performance reports; and
- (m) The entry into Your books, records and financial and computer systems of the Transaction, the HEMT Loans, and all related payments and payment obligations.

Request 40: All documents comprising the loan origination file for each HEMT Loan including, but not limited to, the mortgage application, the note, mortgage or deed of trust, the property appraisal, the borrower credit report, and all supporting documentation.

Request 41: All documents or communications concerning the underwriting guidelines, standards, or protocols applicable to the origination and underwriting of the HEMT Loans or the criteria for Your acquisition of the HEMT Loans, including, but not limited to, documents concerning Your review, modification, rejection or approval of any such underwriting guidelines, standards, or protocols and Your granting of any exceptions thereto.

Request 42: All documents or communications concerning any exceptions to, deviations from, or any failure to adhere to the applicable underwriting guidelines, standards, or protocols applicable to the origination or underwriting of any HEMT Loan.

Request 43: All documents and communications concerning any communication with any Ratings Agency concerning the Transaction.

- Request 44:** All documents and communications concerning any fees paid to any ratings agency in connection with the Transaction.
- Request 45:** All documents and communications concerning any shadow ratings offered by any ratings agency in connection with the Transaction.
- Request 46:** All documents or communications concerning Your acquisition of the HEMT Loans, including, but not limited to, any purchase agreements, supplements and term sheets, among You, any of your affiliates, and any Originator of any HEMT Loan, and all documents delivered in connection therewith, including, but not limited to, disclosure schedules and loan "tapes."
- Request 47:** Documents sufficient to show the vendors, technology or other tools used to perform due diligence undertaken in connection with the HEMT Loans.
- Request 48:** All documents, communications, reports or analyses concerning how the HEMT Loans were selected for inclusion in the Transaction, including, but not limited to, any due diligence or targeted reviews undertaken in connection with the HEMT Loans prior to or after the Closing Date of the Transaction.
- Request 49:** All documents or communications concerning or explaining the representations and warranties, if any, made by any Originator with respect to any HEMT Loan or the types of mortgage loan products selected for inclusion in the Transaction.
- Request 50:** All documents, communications, reports or any other analyses concerning the servicing or any loss mitigation efforts in connection with the Transaction, including, but not limited, to servicing guidelines applicable to the HEMT Loans.
- Request 51:** Documents sufficient to show the criteria You applied to select a servicer for the Transaction.
- Request 52:** All documents concerning any actual or contemplated demand or claim on any Originator for repurchase or repricing of any HEMT Loan.
- Request 53:** Documents sufficient to show the pay history for every HEMT Loan.
- Request 54:** All servicing records concerning any HEMT Loan, including but not limited to records of customer service, collections efforts, loss mitigation, and post-charge-off recovery efforts.
- Request 55:** All documents concerning any determination as to whether or not to special service any loan after charge-off, including but not limited to analyses or projections concerning the value in the related property.
- Request 56:** All documents concerning any decision to release the loans to the Class x-2.
- Request 57:** Documents sufficient to show any policy concerning the discovery of information during servicing that suggests there may have been a breach of representations or

warranties at the time the deal closed.

- Request 58:** All documents concerning any consideration or decision as to whether to repurchase any HEMT Loan under the terms of the Transaction documents.
- Request 59:** All loan origination and servicing records for every HEMT Loan that SPS did not transfer to a successor servicer.
- Request 60:** All documents concerning the servicing and surveillance of any HEMT Loan, whether relating to periods prior to or after Your acquisition of the HEMT Loan, including, but not limited to: pay history, customer service notes or calls, collection comments, loss mitigation notes, equity analyses, updated valuations, and property inspections.
- Request 61:** All documents or communications concerning any review or analysis performed with respect to the HEMT Loans or the types of mortgage loan products included in the Transaction.
- Request 62:** All documents or communications concerning Your efforts to identify or prevent any fraud, error, omission, misrepresentation, gross negligence, or similar occurrence on the part of any party with respect to the origination, underwriting or servicing of any HEMT Loan.
- Request 63:** All documents or communications concerning Your knowledge or suspicion as to the existence of any fraud, error, omission, misrepresentation, gross negligence, or similar occurrence on the part of any party with respect to the origination, underwriting or servicing of any HEMT Loan.
- Request 64:** All documents or communications concerning any assertion by or on behalf of You that any third party had breached representations or warranties or otherwise failed to comply with any provisions of any agreement between such third party and You concerning any of the HEMT Loans.
- Request 65:** All documents or communications concerning any assertion by or on behalf of any third party that You breached representations or warranties or otherwise failed to comply with any provisions of any agreement between You and any such third party concerning the HEMT Loans.
- Request 66:** All documents or communications concerning any assertion by any party that any HEMT Loan failed to comply with any representations or warranties or otherwise failed to comply with any provisions of any agreement between You and any third party.

Expected Performance

- Request 67:** All documents, communications, projections, reports, or any other analyses concerning the expected performance or valuation of the Transaction, including, but not limited to, the performance of the individual HEMT Loans.

- Request 68:** All documents, communications, projections, reports, or any other analyses concerning the expected performance or valuation of the securities (whether publicly issued or privately placed) issued in connection with the Transaction.
- Request 69:** Documents sufficient to show any risk assessment and/or trend analysis You conducted related to the HEMT Loans or your RMBS business.
- Request 70:** Documents sufficient to show any risk assessment and/or trend analysis You conducted concerning the performance of loans originated by any originator of HEMT Loans.
- Request 71:** All documents, communications, projections, reports, or any other analyses concerning Your expectations of MBIA's performance obligations in connection with the Transaction, including, but not limited to, projections and analyses of any expected claims payments.
- Request 72:** All documents, communications, projections, reports, or any other analyses concerning Your expected economic return in connection with the Transaction, including, but not limited to, the valuation of Your retained or "residual" interest in the Transaction and Your accounting for loss reserves and loan repurchase obligations.

Post-Closing Performance

- Request 73:** All documents, communications, reports, statements, certifications, schedules, or other similar items delivered to or by You in connection with, or pursuant to the terms of the Transaction.
- Request 74:** All documents or communications concerning the performance, delinquency, or default of any HEMT Loan, including, but not limited to, documents or communications concerning the reasons for the delinquency or default and any quality control reports.
- Request 75:** All documents or communications concerning the performance of the Transaction, including, but not limited to, any losses incurred by You.
- Request 76:** All documents or communications concerning the performance of the securities (whether publicly issued or privately placed) issued in connection with the Transaction.
- Request 77:** All documents or communications concerning Your or any third party's direct or indirect role in:
- (a) The origination, underwriting, sale or securitization, or servicing of RMBS Loans; or
 - (b) Quality control, fraud control or detection, or risk assessment concerning RMBS Loans.

- Request 78:** All documents or communications, including communications with New Century Financial Corporation, its representatives or affiliated entities ("New Century"), concerning the corporate status and/or financial wherewithal of New Century, including its ability to continue as a going concern.
- Request 79:** All documents or communications concerning the enforcement of any rights or consideration of enforcement of any rights by any of the Transaction Parties in connection with the Transaction.
- Request 80:** All documents or communications concerning any determination by any of the Transaction Parties whether or not to repurchase or substitute any HEMT Loan in the Transaction after the closing date of the Transaction.
- Request 81:** All documents and communications concerning any audit of the Transaction, its performance or the HEMT Loans.
- Request 82:** All documents, communications, reports, or analyses concerning the notices issued by MBIA, with respect to the Transaction, of its discovery of HEMT Loans that breach one or more of the representations and warranties made by You, including, but not limited to, documents concerning:
- (a) Your response to such notices;
 - (b) Any determination as to whether or not You are obligated to cure, repurchase, or provide adequate substitutes for HEMT Loans identified by MBIA; and
 - (c) Any re-underwriting analysis or investigation into the HEMT Loans identified by MBIA.
- Request 83:** All documents, communications, reports, or analyses concerning loan modifications considered or approved by You in connection with the Transaction, including, but not limited to, loan-level analyses with respect to the basis for the modification and compliance with the terms of the Transaction documents relative to the making thereof, and any information obtained from the applicable borrower in connection therewith, either verbally or in writing.
- Request 84:** All documents or communications concerning Your relationship with the other Defendants in connection with the Transaction or HEMT Loans.
- Request 85:** All documents or communications concerning Your review, approval, consideration, or rejection of all policies or practices concerning:
- (a) The origination, underwriting, sale or securitization, or servicing of RMBS Loans; or
 - (b) Quality control, fraud control or detection, or risk assessment concerning RMBS Loans.

Other Documents

Request 86: To the extent not produced in response to the above requests, any and all documents that You intend to rely on in defense of Plaintiff's claims.

Dated: New York, New York
January 14, 2010

/s/ Erik Haas

Philip R. Forlenza

Erik Haas

Nico Commandeur

David Slarskey

PATTERSON BELKNAP WEBB & TYLER LLP

1133 Avenue of the Americas

New York, NY 10036-6710

Telephone: (212) 336-2000

Fax: (212) 336-2222

pforlenza@pbwt.com

ehaas@pbwt.com

ncommandeur@pbwt.com

dslarskey@pbwt.com

EXHIBIT 3



ORRICK, HERRINGTON & SUTCLIFFE LLP
THE ORRICK BUILDING
405 HOWARD STREET
SAN FRANCISCO, CALIFORNIA 94105-2669
tel +1-415-773-5700
fax +1-415-773-5759
WWW.ORRICK.COM

April 21, 2010

Darren S. Teshima
(415) 773-4286
dteshima@orrick.com

VIA E-MAIL

David Slarskey, Esq.
Patterson Belknap Webb & Tyler LLP
1133 Avenue of the Americas
New York, NY 10036
dslarskey@pbwt.com

Re: MBIA Insurance Corporation v. Credit Suisse Securities (USA) LLC, et al., Index No. 603751/09

Dear David:

As we discussed during our March 25, 2010 telephone call, Credit Suisse has "bucketed" the document requests propounded by MBIA into the following categories: (1) requests that require search terms for collection; (2) requests that do not require search terms; and (3) requests for which the party does not intend to produce documents. The purpose of categorizing the document requests is to facilitate discovery and narrow the issues in dispute in advance of formal discovery responses. By engaging in this informal procedure, Credit Suisse and MBIA do not waive any rights or objections relating to the document requests, including any objections based on the attorney-client privilege, attorney work product doctrine, or any other applicable privilege.

Category 1: Requests that Require Search Terms to Identify Responsive Documents

Request Nos. 3-11, 37-39, 41-52, 55-58, 61-81, 83, 84, and 86.

Credit Suisse objects to these requests to the extent they seek documents that are unrelated to the Transaction, HEMT 2007-2, and instead seek documents about Credit Suisse's RMBS business in general. See Request No. 69. This objection is discussed below with respect to the Category 3 requests.

The search terms listed on Defendants' March 23, 2010 Preliminary List of Proposed Search Terms, Custodians and Data Storage Systems should be sufficient to search for and locate documents responsive to the these requests.

Category 2: Requests that Do Not Require Search Terms to Identify Responsive Documents

Request Nos. 1, 2, 40, 53, 54, 59, 60, and 82.



VIA E-MAIL

David Slarskey, Esq.
April 21, 2010
Page 2

Category 3: Requests to Which Credit Suisse Objects

Request Nos. 12-36, 85: These requests seek documents related to Credit Suisse's RMBS business in general, including documents that are unrelated to the Transaction, HEMT 2007-2. Many of these requests mirror the narrower requests related to the Transaction and the "HEMT Loans." For example, Request No. 18 seeks "Documents sufficient to show any approved exceptions to or deviations from, or any other failure to adhere to the applicable underwriting guidelines, standards, or protocols applicable to the origination or underwriting of RMBS Loans," while Request No. 42 similarly requests "All documents or communications concerning any exceptions to, deviations from, or any failure to adhere to the applicable underwriting guidelines, standards or protocols applicable to the origination or underwriting of any HEMT Loan." As noted above, Credit Suisse intends to produce responsive, non-privileged documents in response to requests like Request No. 42, which are limited to the Transaction. Credit Suisse objects to requests that seek similar documents unrelated to the Transaction.

After you have had an opportunity to review these informal responses with your client, we should schedule a time to discuss them in advance of the May 6 hearing. In order to ensure that each party has the opportunity to review and discuss the other party's informal responses, I propose that we speak next Tuesday the 27th or Wednesday the 28th. Thank you.

Very truly yours,

Darren S. Teshima

cc: Erik Haas

EXHIBIT 4

1 of 3

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

MBIA Insurance

INDEX NO.

603751/09E

-against-

Plaintiff(s),

IAS PART

58

Credit Suisse

Defendant(s).

STATUS
COMPLIANCE CONFERENCE
ORDER

On 01/26, 2011, a conference was held in this case. The parties appeared as follows:

Plaintiff(s)

MBIA Ins. Corp

by

Erik Haas

David Slansky

Stephanie Teplin (not yet admitted)

Defendant(s)

Credit Suisse

by

Barry Levin

Stan Chelney

Darren Teshima

Richard Jacobsen

The Court has determined that the Court's Case Management Order of _____, 20____
has not been complied with in that _____

Accordingly, it is ORDERED that 1) the parties' computer experts shall meet & confer concerning the list of questions about the databases that are still outstanding by 1/28/11 & the parties' experts shall answer the list of questions by 2/11/11;

2) Credit Suisse & the other DS shall supply IT with the

Enter:

JUSTICE SUZANNE C. KARLREICH
J.S.C.

Dated: 1/27/11

PRELIMINARY CONFERENCE ORDER

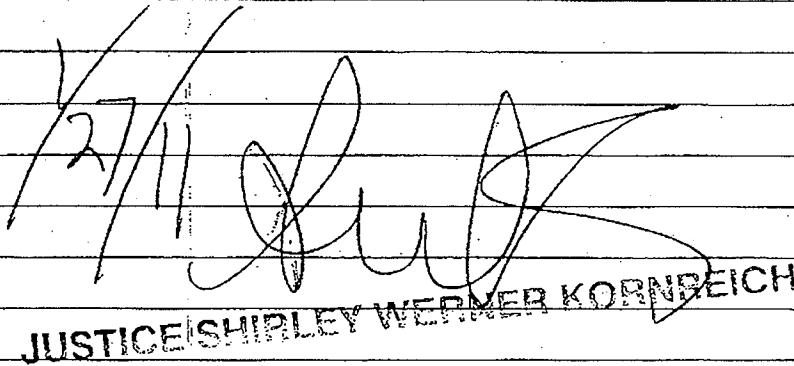
X. ADDITIONAL DIRECTIVES: global settlements with loan originators that include any loan included in HEMT-2007-2 (the Transaction). 3) DS shall produce the put-back loan database to the extent that it reflects put-backs of loans in the Transaction that are not reflected in the RPM database already produced; 4) DS shall produce documents concerning monies received from loan originators for buy-backs of loans included in the Transaction that remained in the Trust after the buyback or for which the Trust did not receive ^{all} ~~any~~ of the monies paid to DS for the buy-back of any loan included in the Transaction; ~~by a loan originator~~; 5) IT shall run the search terms & custodians for the period 2/1/07 to the present & add as search terms "NC Cap!" and "Brooks America" and "Servicing 125 SPS or Select Portfolio Servicing or SLS or Specialized Loan Services"; 6) DS shall produce all e-mail using the agreed upon search terms & custodians concerning the results of due diligence on any bucket of loans from which the loans in the Transaction were pulled ~~from the bucket~~; 7) DS shall make a motion regarding the scope of ~~the~~ diligence discovery for IT's due diligence (e.g. general knowledge of RBMS market & 2nd loans therein) that does not relate specifically to the Transaction & 8) the discovery of the back up ~~for~~ for the audit report concerning the performance of the loans in the Transaction that is referred to in the complaint. 8) parties shall confer regarding item 7 prior to the

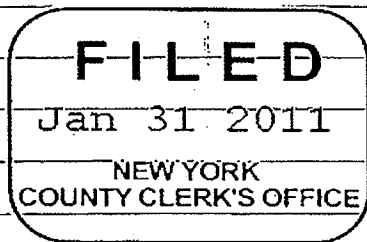
X. ADDITIONAL DIRECTIVES

* in the 5/9/10 list

X. ADDITIONAL DIRECTIVES: motion in an attempt to resolve or it or narrow the issues -

9) compliance conference 2/10/11 at 4 pm by telephone to resolve the dates for filing of the motion & responding, as well as deadlines for production.

1/27/11

JUSTICE SHIPLEY WERNER KORNEICH



X. ADDITIONAL DIRECTIVES

EXHIBIT 5

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

M B I A I n s .

INDEX NO. 603751/2009-E

-against- Plaintiff(s),

IAS PART

54

COMPLIANCE CONFERENCE
ORDER

CREDIT SUISSE

Defendant(s).

On 2/1/11 1/31, 2011, ^{telephone} a conference was held in this case. The parties appeared as follows:

Plaintiff(s) M B I A I n s .

by

Erik Haas

David Starkey

Defendant(s) DS

by

Barry Levin

Darren Teshima

The Court has determined that the Court's Case Management Order of _____, 20____
has not been complied with in that _____

Accordingly, it is ORDERED that item (4) of the compliance conference ordered dated 1/26/11 is hereby vacated. Plaintiff's attorney Erik Haas admitted during the 1/31/11 phone call that, other than global settlements for which the court ordered discovery in item (2) of the 1/26/11 order, plaintiff has no evidence that DS received money from loan originators for loans in the transaction that were not referred to HEMT-2007-2. Thus, the inquiry sought by item (4) would be a fishing expedition.

Enter:

Dated: 2/1/11

JUSTICE SHIRLEY WERNER SANREICH

EXHIBIT 6

From: Nordyk, Jason
Sent: Tuesday, December 11, 2007 2:41:11 PM
To: Quarto, Joe
Subject: Repurchase Requests - Decision One request 1 of 3 for D1)

Attachments: .doc; docs.pdf



.doc
(34 kB)



docs.pdf
(64 kB)

REDACTED

Jason Nordyk
Credit Suisse
609-627-5077 phone
212-743-5482 fax

Credit Suisse Securities (USA) LLC

DLJ Mortgage Capital, Inc. • Eleven Madison Avenue, 4th Floor, New York, New York 10010-3629 • (212) 325-2000

Credit Suisse performs a post purchase sample loan review on Decision One loans on a monthly basis. The loan review focuses on areas including but not limited to underwriting, compliance and the validation of critical information contained in the credit file. Validation may include verifying occupancy, employment, income, assets, re-run of credit and property valuation.

Repurchase request is for the following reasons:

loan_no	borr_last_name	cust_name	cust_loan_id
		Decision One Mortgage Company, LLC	

REDACTED

- IX. Credit Issues.** The loan was not documented according to the applicable underwriting guidelines. The underwriting guidelines state "VORs from family members or non-arms length transactions must provide the most recent 12 months cancelled checks or bank statements." The loan file lacks the required 12 month cancelled checks to support VOR payments. The lack of cancelled checks to support prior housing payment history is critical in evaluating the ability / willingness to repay at origination, especially given that our subject transaction is Stated Income, 100% CLTV, First Time Home Buyer.

Please contact Jason Nordyk at jason.nordyk@credit-suisse.com or 609-627-5077 if you have any questions regarding this matter.

Thank you.

REDACTED

Verification of Rent (VOR)

9/1/2008

Loan Number:

BORROWER Name: _____ Landlord Information (branch must contact) Name: _____ Title: <u>landlord</u> Phone Number: _____ Dates Borrower Has Occupied the Property: <u>301 Oct to Present</u> Is Landlord a True Third Party? (i.e.: not a relative, employer, fiancé, etc) Y / N** <u>N**</u> <i>**If no, provide cancelled checks</i> <u>- See exhibit C</u>	CO-BORROWER Name: _____ Landlord Information (branch must contact) Name: _____ Title: _____ Phone Number: _____ Dates borrower Has Occupied the Property: ____ / ____ to ____ / ____ Is Landlord a True Third Party? (i.e.: not a relative, employer, fiancé, etc) Y / N** ____ <i>**If no, provide cancelled checks</i>
--	--

Please answer 1-4 and follow procedures listed below

1. If private VOR, does the person who completed the VOR own the property? <u>YES</u> ____ NO **List the source used to verify (i.e. Sitex, Autotrack, Fast Data, etc.) <u>Sitex</u>	1. If private VOR, does the person who completed the VOR own the property? ____ YES ____ NO List the source used to verify (i.e. Sitex, Autotrack, Fast Data, etc.)
2. Does the phone number on VOR reverse to the Landlord/Apt complex? ____ YES <u>NO</u>	2. Does the phone number on VOR reverse to the Landlord? ____ YES ____ NO
3. Does the property address mirror borrower's address on the credit report or income documents? <u>YES</u> ____ NO	3. Does the property address mirror borrower's address on the credit report or income documents? ____ YES ____ NO
4. Was the pay history and amount of monthly rent confirmed? <u>YES</u> ____ NO	4. Was the pay history and amount of monthly rent confirmed? ____ YES ____ NO
** If 2 of 4 are no, verification must be signed off by an U/W ** If 3 of 4 are no, verification must be signed off by Lead U/W, Ops Manager or BP ** If 4 of 4 are no, need updated information, BP or SOUW review and 12 months canceled rent checks - NO EXCEPTIONS	** If 2 of 4 are no, verification must be signed off by an U/W ** If 3 of 4 are no, verification must be signed off by Lead U/W, Ops Manager or BP ** If 4 of 4 are no, need updated information, BP or SOUW review and 12 months canceled rent checks - NO EXCEPTIONS
Signature: <u>[Signature]</u> Title: <u>U/W</u> Date: <u>10/2/08</u>	Signature: _____ Title: _____ Date: _____
Branch Employee Performing Verbal (please print name) <u>Jami Pawini</u>	Branch Employee Performing Verbal (please print name)
Signature <u>[Signature]</u>	Signature
Title <u>U/W</u>	Title
Date Verbal Completed: <u>10/2/08</u>	Date Verbal Completed:

ANDRADE 1ST

REQUEST FOR VERIFICATION OF RENT OR MORTGAGE

We have received an application for a loan from the applicant listed below, to whom we understand you rent or have extended a loan.

INSTRUCTIONS: LENDER - Complete items 1 thru 8. Have applicant(s) complete item 9. Forward directly to lender named in item 1.

LANDLORD/CREDITOR - Please complete Part II as applicable. Sign and return directly to the lender named in item 2.

1. TO (Name and address of Landlord/Creditor)		2. FROM (Name and address of lender)	
ATTN: FAX: 925-405-9333		R CASTILLO Real Estate 4 Investments 3260 Blume Dr Ste 110 San Pablo, CA 94806	
3. SIGNATURE OF LENDER	4. TITLE	5. DATE	6. LENDER'S NUMBER
	SR LOAN PROCESSOR	10/02/2006	
7. INFORMATION TO BE VERIFIED			
<input type="checkbox"/> MORTGAGE <input type="checkbox"/> LAND CONTRACT <input checked="" type="checkbox"/> RENTAL	PROPERTY ADDRESS 85 CERCADO CT Napa, CA 94559	ACCOUNT IN THE NAME OF: GERMAN ANDRADE	ACCOUNT NO.
8. NAME AND ADDRESS OF APPLICANT(S)		9. SIGNATURE OF APPLICANT(S)	
GERMAN ANDRADE, SSN: 602-26-0233 85 CERCADO CT Napa, CA 94559		SEE ATTACHMENT	
10. INFORMATION TO BE COMPLETED BY LANDLORD/CREDITOR AND APPLICANT			
<input checked="" type="checkbox"/> RENTAL ACCOUNT		<input type="checkbox"/> MORTGAGE ACCOUNT <input type="checkbox"/> LAND CONTRACT	
Tenant has rented since <u>March 2003</u> to <u>Present</u> Amount of rent: \$ <u>1800</u> per <u>mo</u> Is rent in arrears? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Amount \$ <u>20</u> Period <u>2</u> Number of times 30 days past due <u>2</u> Is account satisfactory? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		Date mortgage originated _____ Interest rate _____ Original mortgage amount \$ _____ FIXED _____ ARM _____ Current mortgage balance \$ _____ FHA _____ VA _____ Monthly Payment P & I only \$ _____ FNMA _____ CONV _____ Payment with taxes & ins. \$ _____ Next pay date _____ Is mortgage current? Yes <input type="checkbox"/> No <input type="checkbox"/> No of late payments _____ Is mortgage assumable? Yes <input type="checkbox"/> No <input type="checkbox"/> Insurance agent: _____ Satisfactory account? Yes <input type="checkbox"/> No <input type="checkbox"/> * Number of times account has been 30 days overdue in last 12 months _____	
ADDITIONAL INFORMATION WHICH MAY BE OF ASSISTANCE IN DETERMINING APPLICANT(S) CREDIT WORTHINESS			
SIGNATURE OF CREDITOR		TITLE	DATE
		owner	10/2/06
		PHONE NO.	
The confidentiality of the information you have furnished will be preserved except where disclosure of this information is required by applicable law. This form is to be transmitted directly to the lender and is not to be transmitted through the applicant or any other party.			

Colyx Form V09.00m-000

REDACTED

EXHIBIT 7

From: Hill, Bertram <bhill1@credit-suisse.com>
Sent: Friday, July 6, 2007 12:50 PM
To: Quarto, Joe <joe.quarto@credit-suisse.com>
Cc: Nordyk, Jason <jason.nordyk@credit-suisse.com>
Subject: First Magnus Repurchase - - 1 of 2
Attach: doc; 2.PDF

REDACTED

Joe

Attached is the Qc repurchase docs - loan meets repurchase matrix

VI. Borrower Misrep

XIII. Occupancy

Bertram A. Hill II

CREDIT SUISSE

302 Carnegie Center

Suite 200

Princeton, NJ 08540

Tel 609 627 5103

Fax 212 743 5487

bertram.hill@credit-suisse.com

Credit Suisse Securities (USA) LLC

DLJ Mortgage Capital, Inc. • Eleven Madison Avenue, 4th Floor, New York, New York 10010-3629 • (212) 325-2000

Credit Suisse performs a post purchase sample loan review on First Magnus Financial loans on a monthly basis. The loan review focuses on areas including but not limited to underwriting, compliance and the validation of critical information contained in the credit file. Validation may include verifying occupancy, employment, income, assets, re-run of credit and property valuation.

Repurchase request is for the following reasons:

REDACTED

loan_no	borr_last_name	cust_name	cust_loan_id
		First Magnus Financial Corporation	

VI. Borrower Misrepresentation: Qc credit report identifies two H/E with Norway Savings Bank for \$75,016/\$373 per month and a 1st & 2nd with Suntrust Mortgage for \$135,500/\$1274 per month opened the same month as the subject's closing which were not disclosed by the borrower on the final 1003. The original credit report shows an inquiry with Norway Savings Bank on 6/5/06 and an inquiry with First American Cr Svcs on 7/21/06.

XII. Occupancy: The borrower purchased several properties at the same time and is using a PO Box as a mailing address per the Qc credit report. A search on Lexis Nexis does not show subject property in the Borrower's address history and it shows four individuals residing at the subject three family with active phone listings.

Please contact Bertram Hill at Bertram.hill@credit-suisse.com or 609-627-5103 if you have any questions regarding this matter.

Thank you.

EXHIBIT 8

From: Hill, Bertram <bhill1@credit-suisse.com>
Sent: Friday, July 6, 2007 1:03 PM
To: Quarto, Joe <joe.quarto@credit-suisse.com>
Cc: Nordyk, Jason <jason.nordyk@credit-suisse.com>
Subject: First Magnus Repurchase - - 2 of 2
Attach:doc;PDF;PDF

REDACTED

Joe

Below is Qc repurchase docs
Loans meets repurchase matrix

VI: Borrower Misrep

Bertram A. Hill II

CREDIT SUISSE

302 Carnegie Center

Suite 200

Princeton, NJ 08540

Tel 609 627 5103

Fax 212 743 5487

bertram.hill@credit-suisse.com

Credit Suisse Securities (USA) LLC

DLJ Mortgage Capital, Inc. • Eleven Madison Avenue, 4th Floor, New York, New York 10010-3629 • (212) 325-2000

Credit Suisse performs a post purchase sample loan review on First Magnus Financial loans on a monthly basis. The loan review focuses on areas including but not limited to underwriting, compliance and the validation of critical information contained in the credit file. Validation may include verifying occupancy, employment, income, assets, re-run of credit and property valuation.

Repurchase request is for the following reasons:

loan_no	borr_last_name	cust_name	cust_loan id
		First Magnus Financial Corporation	

REDACTED

VI. Borrower Misrepresentation: Qc Credit report shows a mortgage with Citimortgage Inc. for \$67,600/\$670 per month and three mortgages with Countrywide for \$683,400/\$5,085 per month opened the same month as the subject's closing which were not disclosed by the borrower on the final 1003. The borrower provided a letter of explanation stating that the recent inquiries were due to shopping around for the lowest interest rate and no new credit was granted. DTI including these additional liabilities is 52%.

Please contact Bertram Hill at Bertram.hill@credit-suisse.com or 609-627-5103 if you have any questions regarding this matter.

Thank you.

Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when ☐ the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or ☐ the income or assets of the Borrower's spouse or other person who has community property rights pursuant to state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person has community property rights pursuant to applicable law and Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower		Co-Borrower	
I. TYPE OF MORTGAGE AND TERMS OF LOAN			
Mortgage Applied for: <input type="checkbox"/> VA <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> Other (explain):		Agency Case Number	
<input type="checkbox"/> FHA <input type="checkbox"/> USDA/Rural Housing Service		Lender Case Number	
Amount \$ 67,800	Interest Rate 9.000 %	No of Months 360/360	Amortization Type: <input checked="" type="checkbox"/> Fixed Rate <input type="checkbox"/> Other (explain):
		<input type="checkbox"/> GPM <input type="checkbox"/> ARM (type):	
II. PROPERTY INFORMATION AND PURPOSE OF LOAN			
Subject Property Address (street, city, state, & ZIP)			No of Units 1
Legal Description of Subject Property (attach description if necessary) SEE TITLE			Year Built
Purpose of Loan: <input checked="" type="checkbox"/> Purchase <input type="checkbox"/> Construction <input type="checkbox"/> Other (explain):		Property will be: <input checked="" type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment	
<input type="checkbox"/> Refinance <input type="checkbox"/> Construction-Permanent			
Complete this line if construction or construction-permanent loan.			
Year Lot Acquired	Original Cost	Amount Existing Liens	(b) Present Value of Lot
\$	\$	\$	\$
		(c) Cost of Improvements	Total (a+b)
		\$	\$
Complete this line if this is a refinance loan.			
Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance
\$	\$	\$	Describe Improvements <input type="checkbox"/> made <input type="checkbox"/> to be made
		Cost \$	
Title will be held in what Name(s)		Manner in which Title will be held SOLEY	Estate will be held in: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (know expiration date)
Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain)			
III. BORROWER INFORMATION			
Borrower		Co-Borrower	
Borrower's Name (include Jr. or Sr. if applicable)		Co-Borrower's Name (include Jr. or Sr. if applicable)	
Social Security Number (omit area code)	DOB (mm/dd/yyyy)	Social Security Number	DOB (mm/dd/yyyy)
000 (mm/dd/yyyy)	12		
<input type="checkbox"/> Married <input checked="" type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Co-Borrower) no 0 ages 0	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (include single, divorced, widowed)	Dependents (not listed by Borrower) no ages
<input type="checkbox"/> Separated		<input type="checkbox"/> Separated	
Present Address (street, city, state, ZIP)	<input type="checkbox"/> Own <input checked="" type="checkbox"/> Rent 6 No. Yrs	Present Address (street, city, state, ZIP)	<input type="checkbox"/> Own <input type="checkbox"/> Rent No. Yrs
Mailing Address, if different from Present Address		Mailing Address, if different from Present Address	
If residing at present address for less than two years, complete the following:			
Former Address (street, city, state, ZIP)		Former Address (street, city, state, ZIP)	
<input type="checkbox"/> Own <input checked="" type="checkbox"/> Rent 2 No. Yrs		<input type="checkbox"/> Own <input type="checkbox"/> Rent No. Yrs	
Former Address (street, city, state, ZIP)		Former Address (street, city, state, ZIP)	
<input type="checkbox"/> Own <input type="checkbox"/> Rent No. Yrs		<input type="checkbox"/> Own <input type="checkbox"/> Rent No. Yrs	

REDACTED

Borrower		IV. EMPLOYMENT INFORMATION		Co-Borrower	
Name & Address of Employer JW PROPERTY SERVICES & REMODLING 20438 SPIREA LN CREST HILL, IL 60433	<input type="checkbox"/> Self Employed	Yrs. on this job 2 yrs(s) Yrs. employed in this line of work/profession 2	Name & Address of Employer	<input type="checkbox"/> Self Employed	Yrs. on this job Yrs. employed in this line of work/profession
Position/Title/Type of Business FOREMAN	Business Phone (incl. area code) 630-675-8825	Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)
If employed in current position for less than two years or if currently employed in more than one position, complete the following:					
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$			Monthly Income \$
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$			Monthly Income \$
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$			Monthly Income \$
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$			Monthly Income \$
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)	Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$			Monthly Income \$
Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)	Position/Title/Type of Business	Business Phone (incl. area code)

V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION						
Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income	\$ 17,060.00	\$	\$ 17,060.00	Rent	\$	
Overtime				First Mortgage (P&I)		\$ 1,776.34
Bonuses				Other Financing (P&I)		543.92
Commissions				Hazard Insurance		109.00
Dividends/interest				Real Estate Taxes		306.66
Net Rental Income	103.00		103.00	Mortgage Insurance		
Other (please complete for the notice "Describe other income" below)				HOPEA/Other Asset Fees		
				Other		
Total	\$ 17,163.00	\$	\$ 17,163.00	Total	\$	\$ 2,720.26

* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income

Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$

VI. ASSETS AND LIABILITIES

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly prepared on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a non-applicant spouse or other person, this Statement and supporting schedules must be completed by that spouse or other person separately.

Completed ☐ Jointly ☒ Not Jointly

ASSETS	Cash or Market Value	LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance	
Description		Liabilities and Pledged Assets. List the creditor's name, address and account number for all outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary. Indicate by (*) those liabilities which will be satisfied upon sale of real estate owned or upon refinancing of the subject property.			
Cash deposit toward purchase held by:	\$				
List checking and savings accounts below					
Name and address of Bank, S&L, or Credit Union		Name and address of Company CITY GROUP SALES FIN PO BOX 24810 OKLAHOMA CITY, OK 73124	\$ Payment/Months	\$	
		Acct. no. 8501213582	(1,381)	171,000	
Acct. no.	\$	Name and address of Company ACCREDITED HOME LEND 15030 AVENUE OF SCIENCE SAN DIEGO, CA 92128	\$ Payment/Months	\$	
Name and address of Bank, S&L, or Credit Union			(1,149)	151,856	
Acct. no.	\$	Name and address of Company ACCREDITED HOME LEND 15030 AVENUE OF SCIENCE SAN DIEGO, CA 92128	\$ Payment/Months	\$	
Name and address of Bank, S&L, or Credit Union			(837)	115,970	
Acct. no.	\$	Name and address of Company NISSAN MOTOR ACCEPTA PO BOX 660360 DALLAS, TX 75266	\$ Payment/Months	\$	
Stocks & Bonds (Company name/number description)	\$		527	20,512	
Life insurance net cash value	\$	Name and address of Company DISCOVER FIN SVCS LL PO BOX 15318 WILMINGTON, DE 19850	\$ Payment/Months	\$	
Face amount \$			74	1,254	
Subtotal Liquid Assets	\$	Acct. no. 681100789071			
Real estate owned (enter market value from schedule of real estate owned)	\$ 477,000	Name and address of Company BALLY TOTAL FITNESS 13440 E IMPERIAL SUITE 3 NORWALK, CA 90650	\$ Payment/Months	\$	
Varied interest in retirement fund	\$		30	247	
Net worth of business(es) owned (attach financial statement)	\$	Acct. no. 7901688834004			
Automobiles owned (make and year)	\$	Alimony/Child Support/Separate Maintenance Payments Owed to:	\$		
Other Assets (itemize)	\$	Job-Related Expense (child care, union dues, etc.)	\$		
		Total Monthly Payments	\$ 872		
Total Assets a.	\$ 477,000	Net Worth (b minus c)	\$ 15,693	Total Liabilities b.	\$ 461,307

Schedule of Real Estate Owned (if additional properties are owned, use continuation sheet)

Property Address (Enter S if sold, FS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Loans	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
	R SFR	\$ 120,000	\$ 115,000	\$ 1,500	\$ 837	\$ 250	\$ 38
	R SFR	172,000	152,000	2,100	1,149	400	38
	R 2 UNIT	185,000	171,000	2,400	1,381	605	38
	Totals	\$ 477,000	\$ 438,000	\$ 6,000	\$ 3,347	\$ 1,050	\$ 193

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Assume Name

Creditor Name

Account Number

REDACTED

Continuation Sheet/Residential Loan Application

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.

Borrower.

Agency Case Number

Co-Borrower

Lender Case Number

VI. ASSETS AND LIABILITIES				
ASSETS	Cash or Market Value	LIABILITIES	Monthly Payment & Months Left to Pay	Unpaid Balance
Name and address of Bank, S&L, or Credit Union		Name and address of Company COB INC 5300 S SIXTH STREET SPRINGFIELD, IL 62704	\$ Payt./Mos.	\$
Acct. no.	\$	Acct. No.		199
Name and address of Bank, S&L, or Credit Union		Name and address of Company HSBC/CARSH POB 15521 WILMINGTON, DE 19805	\$ Payt./Mos.	\$
Acct. no.	\$	Acct. No.		112
Name and address of Bank, S&L, or Credit Union		Name and address of Company HARRIS 600 W JACKSON SUITE 700 CHICAGO, IL 60661	\$ Payt./Mos.	\$
Acct. no.	\$	Acct. No.		53
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no.	\$	Acct. No.		
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no.	\$	Acct. No.		
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no.	\$	Acct. No.		
Name and address of Bank, S&L, or Credit Union		Name and address of Company	\$ Payt./Mos.	\$
Acct. no.	\$	Acct. No.		

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature:

Date

Co-Borrower's Signature:

Date

X

X

Fannie Mae Form 1003 07/05
CALYA Form 1003 Unapplied form 8/05

Page 5 of 5

Fannie Mae Form 85 07/05

REDACTED

VII. DETAILS OF TRANSACTION		VIII. DECLARATIONS				
a. Purchase price	\$ 338,000.00	<p>If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.</p> <p>b. Are there any outstanding judgments against you?</p> <p>c. Have you been declared bankrupt within the past 7 years?</p> <p>d. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?</p> <p>e. Are you a party to a lawsuit?</p> <p>f. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment?</p> <p>(This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "yes," provide details, including date, name and address of lender, FHA or VA case number, if any, and reasons for the action.)</p> <p>g. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee?</p> <p>h. Are you obligated to pay alimony, child support, or separate maintenance?</p> <p>i. Is any part of the down payment borrowed?</p> <p>j. Are you a co-maker or endorser on a note?</p> <p>k. Are you a U.S. citizen?</p> <p>l. Are you a permanent resident alien?</p> <p>m. Do you intend to occupy the property as your primary residence? If "yes," complete question n below.</p> <p>n. Have you had an ownership interest in a property in the last three years?</p> <p>(1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)?</p> <p>(2) How did you hold title to the home—solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?</p>	Borrower	Co-Borrower		
b. Alterations, improvements, repairs			Yes	No	Yes	No
c. Land (if acquired separately)			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Refinance (incl. costs to be paid of)			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Estimated prepaid items			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Estimated closing costs	600.00		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. PMI, MIP, Funding Fee			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Discount (if Borrower will pay)			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Total costs paid (items a through h)	338,600.00		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Subordinate financing			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Borrower's closing costs paid by Seller			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Other Credits (explain)			<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New First Mortgage	270,400.00					
New 1st Mtg Closing Costs	-5,652.00					
m. Loan amount (includes PMI, MIP, Funding Fee financed)	67,600.00					
n. PMI, MIP, Funding Fee financed						
o. Loan amount (add m & n)	67,600.00					
p. Cash from/to Borrower (subtract j, k, l & o from i)	6,152.00					

IX. ACKNOWLEDGEMENT AND AGREEMENT

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, whether in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors or assigns may communicate with the undersigned on the information contained in this application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that I may have relating to such delinquency, report my name and account information to one or more consumer reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property, and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and state laws (including state and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Acknowledgment: Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate purpose through any source, including a source named in this application or a consumer reporting agency.

Borrower's Signature X Date X Co-Borrower's Signature X Date X

X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

BORROWER		CO-BORROWER	
<input type="checkbox"/> I do not wish to furnish this information.		<input type="checkbox"/> I do not wish to furnish this information.	
Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input checked="" type="checkbox"/> Not Hispanic or Latino	Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race:	<input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input checked="" type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White	Race:	<input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex:	<input type="checkbox"/> Female <input checked="" type="checkbox"/> Male	Sex:	<input type="checkbox"/> Female <input type="checkbox"/> Male
To be Completed by Interviewer: This application was taken by: <input type="checkbox"/> Face-to-face interview <input type="checkbox"/> Mail <input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Internet	Interviewer's Name (print or type) JASON PINNELL Interviewer's Signature <i>Jason Pinnell</i> Interviewer's Phone Number (incl. area code) 847-517-8877	Name and Address of Interviewer's Employer Illinois Mortgage Funding Corp. 1701 E. Woodfield Rd. Suite B20 Schaumburg, IL 60173 (P) 847-517-8877 (F) 847-806-9900	

EXHIBIT 9

From: Dellafera, Margaret
Sent: Monday, August 20, 2007 2:59 PM
To: Loskove, Adam; Kaiserman, Bruce
Subject: FW: CSFB settlement 8-20-07.xls
Attachments: NY-070823 merged.xls

Can you add this to the PDF previously provided, along with the wording they requested, and resend to me?

From: Hahn, Rick
Sent: Monday, August 20, 2007 2:52 PM
To: Dellafera, Margaret; # PBS Team; Kaiserman, Bruce; Loskove, Adam
Subject: RE: CSFB settlement 8-20-07.xls

Here you go

Rick Hahn
212-538-1426

From: Dellafera, Margaret
Sent: Monday, August 20, 2007 2:32 PM
To: Hahn, Rick; # PBS Team; Kaiserman, Bruce; Loskove, Adam
Subject: RE: CSFB settlement 8-20-07.xls

Please provide a schedule in our format, all 42 loans, no pricing. Thanks.

From: Hahn, Rick
Sent: Monday, August 20, 2007 2:30 PM
To: Dellafera, Margaret; # PBS Team; Kaiserman, Bruce; Loskove, Adam
Subject: RE: CSFB settlement 8-20-07.xls

They are missing one loan #/ we have 42 loans they have 41.

Shirley added our loan number to their listing.

REDACTED

Rick Hahn
212-538-1426

From: Dellafera, Margaret
Sent: Monday, August 20, 2007 1:56 PM
To: # PBS Team; Kaiserman, Bruce; Loskove, Adam
Cc: Dellafera, Margaret
Subject: FW: CSFB settlement 8-20-07.xls

PBS Team, Please compare this list to our list of outstanding repurchases to confirm they are the same.

BK/AL, NYM has requested that we include and reference this schedule in the release. I pointed out that we are releasing them on all loans, however they still want to specifically reference the repurchases that are already outstanding. Upon receipt of confirmation of the list from PBS Team, please modify the doc to include this schedule.

Thanks, MDD

From: Bradley Howe [mailto:BHowe@NYMTRUST.COM]
Sent: Monday, August 20, 2007 1:51 PM
To: margaret.dellafera@credit-suisse.com
Subject: FW: CSFB settlement 8-20-07.xls

This is our list.

A. Bradley Howe
212-634-9401
NEW Email: BHowe@nymtrust.com

From: David Akre
Sent: Monday, August 20, 2007 1:26 PM
To: bhowe@nymtrust.com
Subject: CSFB settlement 8-20-07.xls

for CSFB.

DLJ Mortgage Capital, INC.
C/O Credit Suisse Securities (USA) LLC
Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629

Purchaser: **New York Mortgage Company, LLC**

Issue Date: N/A - Actual
Settlement Date: **August 23, 2007**

DLJMC Loan #	Servicer Loan #	Seller Loan #	Name	Settlement Date	Lien Position	Servicer	As of Date	Balance	Next Due Date	Note Rate	Daily Interest	Days Interest To Repurchase	Total Interest	Repurchase Price	Recapture of Premium	Total Due DLJMC	Loan Status	Reason For Repurchase	Date Requested
				04/13/06	2	FAIRBK	07/31/07	\$32,875.90	07/01/07	13.2500	\$12.10	82	\$992.21	100.6000	\$197.26	\$34,065.37			07/19/06
				04/13/06	2	FAIRBK	07/31/07	\$20,522.58	07/01/07	13.2500	\$7.55	82	\$619.38	100.6000	\$123.14	\$21,265.10	No Equity Loan	30+ days late on 7/13, Due for June. Says	07/19/06
				10/04/06	1	FAIRBK	07/31/07	\$712,000.00	11/01/06	7.2500	\$143.39	322	\$46,171.22	101.8700	\$13,314.40	\$771,485.62	Foreclosure	Mtgr claiming transferred title. 60 Days La	12/20/06
				10/04/06	1	FAIRBK	07/31/07	\$126,713.65	05/01/07	6.8750	\$24.20	142	\$3,436.23	101.8700	\$2,369.55	\$132,519.42		30 days late fro Sept & Oct	05/31/07
				10/04/06	1	WELLS	07/31/07	\$218,565.86	05/01/07	7.7500	\$47.05	142	\$6,681.44	101.8700	\$4,087.18	\$229,334.48		EPD - Oct, Nov & Dec payments all 30 da	04/17/07
				10/04/06	1	WELLS	07/31/07	\$344,000.00	01/01/07	7.3750	\$70.47	262	\$18,463.72	101.8700	\$6,432.80	\$368,896.52	Foreclosure	EPD - Oct payment 30 days delq; need pr	04/17/07
				10/04/06	1	FAIRBK	07/31/07	\$204,000.00	03/01/07	7.5000	\$42.50	202	\$8,585.00	101.8700	\$3,814.80	\$216,399.80	Foreclosure	30 Days Late for Oct & Nov	05/22/07
				10/04/06	1	WELLS	07/31/07	\$110,368.00	08/01/07	8.7500	\$26.83	52	\$1,395.18	101.8700	\$2,064.26	\$113,847.44		EPD - Oct payment 30 days delq; need pr	04/17/07
				10/23/06	2	FAIRBK	07/31/07	\$133,500.00	10/01/06	11.8750	\$44.04	352	\$15,500.83	100.7600	\$1,014.60	\$150,015.43	No Equity Loan	EPD - Oct, Nov & Dec. payments all delq	04/17/07
				10/23/06	2	FAIRBK	07/31/07	\$46,422.07	08/01/07	10.8750	\$14.02	52	\$729.21	100.7600	\$352.81	\$47,504.09		30 days late for Dec, NSF check	05/31/07
				10/23/06	2	FAIRBK	07/31/07	\$73,948.21	01/01/07	14.2500	\$29.27	262	\$7,669.05	100.7600	\$562.01	\$82,179.26	No Equity Loan	EPD - Jan payment 90 days delq & outsta	04/17/07
				10/23/06	2	FAIRBK	07/31/07	\$19,772.65	09/01/07	12.5000	\$6.87	22	\$151.04	100.7600	\$150.27	\$20,073.96		30 Days Late for Oct, Nov, Dec	04/20/07
				10/23/06	2	FAIRBK	07/31/07	\$22,976.06	08/01/07	12.6250	\$8.06	52	\$418.99	100.7600	\$174.62	\$23,569.67		30 days late for Oct, Nov and Dec	05/31/07
				10/23/06	2	FAIRBK	07/31/07	\$26,948.37	05/01/07	13.8750	\$10.39	142	\$1,474.86	100.7600	\$204.81	\$28,628.04		30 days late for January	02/28/07
				10/23/06	2	FAIRBK	07/31/07	\$118,308.54	02/01/07	12.7500	\$41.90	232	\$9,721.02	100.7600	\$899.14	\$128,928.70	No Equity Loan	30 Days Late for Oct, Nov, Dec	04/20/07
				10/23/06	2	FAIRBK	07/31/07	\$117,502.55	07/01/07	12.7500	\$41.62	82	\$3,412.47	100.7600	\$893.02	\$121,808.04		30 days late for Nov & Dec	05/31/07
				12/08/06	2	FAIRBK	07/31/07	\$97,309.47	08/01/07	12.8750	\$34.80	52	\$1,809.69	100.9250	\$900.11	\$100,019.27		30 days late for Jan	03/20/07
				12/08/06	2	FAIRBK	07/31/07	\$54,871.15	07/01/07	12.0000	\$18.29	82	\$1,499.81	100.9250	\$507.56	\$56,878.52		Late for January	02/28/07
				12/08/06	2	FAIRBK	07/31/07	\$67,901.86	06/01/07	13.6250	\$25.70	112	\$2,878.28	100.9250	\$628.09	\$71,408.24		30 days late for Feb	05/31/07
				12/08/06	2	FAIRBK	07/31/07	\$64,987.47	01/01/07	13.7500	\$24.82	262	\$6,503.26	100.9250	\$601.13	\$72,091.86	No Equity Loan	Late for January	02/28/07
				12/08/06	2	FAIRBK	07/31/07	\$68,920.15	06/01/07	13.8750	\$26.56	112	\$2,975.05	100.9250	\$637.51	\$72,532.71		30 days late for February, NSF check	05/01/07
				12/08/06	2	FAIRBK	07/31/07	\$53,928.73	07/01/07	14.0000	\$20.97	82	\$1,719.73	100.9250	\$498.84	\$56,147.30		30 days late for Jan	03/20/07
				12/08/06	2	FAIRBK	07/31/07	\$84,000.00	12/01/06	14.2500	\$33.25	292	\$9,709.00	100.9250	\$777.00	\$94,486.00	No Equity Loan	Late for December	02/28/07
				12/08/06	2	FAIRBK	07/31/07	\$32,076.11	07/01/07	12.5000	\$11.14	82	\$913.28	100.9250	\$296.70	\$33,286.09		Late for December	02/28/07
				12/08/06	2	FAIRBK	07/31/07	\$44,222.85	05/01/07	14.0000	\$17.20	142	\$2,442.08	100.9250	\$409.06	\$47,074.00		30 days late for Feb, possible fraud situati	07/23/07
				12/08/06	2	FAIRBK	07/31/07	\$131,250.00	11/01/06	14.1250	\$51.50	322	\$16,582.16	100.9250	\$1,214.06	\$149,046.22	No Equity Loan	Late for November	02/28/07
				12/08/06	2	FAIRBK	07/31/07	\$109,919.03	01/01/07	10.8750	\$33.20	262	\$8,699.63	100.9250	\$1,016.75	\$119,635.41	No Equity Loan	EPD - Jan payment 90 days delq & outsta	04/17/07
				12/08/06	2	FAIRBK	07/31/07	\$165,884.89	02/01/07	13.0000	\$59.90	232	\$13,897.47	100.9250	\$1,534.44	\$181,316.79	No Equity Loan	60 Days Late for Feb	04/20/07
				12/08/06	2	FAIRBK	07/31/07	\$12,000.00	12/01/06	14.1250	\$4.71	292	\$1,374.83	100.9250	\$111.00	\$13,485.83	No Equity Loan	Late for December	02/28/07
				12/08/06	2	FAIRBK	07/31/07	\$28,484.70	03/01/07	14.1250	\$11.18	202	\$2,257.61	100.9250	\$263.48	\$31,005.79		30 days late for Jan	03/20/07
				12/08/06	2	FAIRBK	07/31/07	\$25,927.68	07/01/07	10.6250	\$7.65	82	\$627.49	100.9250	\$239.83	\$26,795.00		30 days late for Jan	03/20/07
				02/23/07	1	FAIRBK	07/31/07	\$314,325.00	02/01/07	7.8750	\$68.76	232	\$15,951.99	101.6719	\$5,255.12	\$335,532.11	Foreclosure	60 Days Late for Feb	04/20/07
				02/23/07	1	FAIRBK	07/31/07	\$376,000.00	03/01/07	8.5000	\$88.78	202	\$17,933.11	101.6719	\$6,286.25	\$400,219.36	Foreclosure	60 Days Late for Mar & 30 Days Late for /	05/15/07
				02/23/07	1	CITIBK	06/30/07	\$283,148.98	06/01/07	7.5000	\$58.99	112	\$6,606.81	101.6719	\$4,733.90	\$294,489.69		30 days late for April and May	07/27/07
				02/23/07	1	FAIRBK	07/31/07	\$137,187.67	06/01/07	7.5000	\$28.58	112	\$3,201.05	101.6719	\$2,293.61	\$142,682.32		30 days late for March, NSF check	05/31/07
				01/04/07	2	FAIRBK	07/31/07	\$99,675.19	08/01/07	11.6250	\$32.19	52	\$1,673.71	103.2500	\$3,239.44	\$104,588.35		EPD - Jan & Feb payments, both 30 days	04/26/07
				12/15/06	1	FAIRBK	07/31/07	\$293,024.20	06/01/07	7.1250	\$57.99	112	\$6,495.37	100.1088	\$318.81	\$299,838.38		30 days late for March, NSF check	05/31/07
				12/28/06	2	FAIRBK	07/31/07	\$50,938.65	01/01/07	10.5000	\$14.86	262	\$3,892.56	102.5500	\$1,298.94	\$56,130.15	No Equity Loan	EPD - Jan payment 90 days delq & outsta	04/17/07
				12/29/06	1	FAIRBK	07/31/07	\$405,879.47	08/01/07	8.8750	\$100.06	52	\$5,203.15	103.0000	\$12,176.38	\$423,259.00		EPD - Jan & Feb payments 60 & 30 days	04/17/07
				01/11/07	2	FAIRBK	07/31/07	\$82,247.33	08/01/07	14.2500	\$32.56	52	\$1,692.92	100.9250	\$760.79	\$84,701.04		EPD - Jan & Feb payments, both 30 days	04/26/07
				04/19/07	2	FAIRBK	07/31/07	\$61,915.10	08/01/07	11.2500	\$19.35	52	\$1,006.12	97.8750	-\$1,315.70	\$61,605.52		30 days late for June	07/23/07
				04/05/07	2	FAIRBK	07/31/07	\$47,449.20	08/01/07	11.8750	\$15.65	52	\$813.89	92.7563	-\$3,437.08	\$44,826.01		30 days late for April	05/31/07

REDACTED

42								\$5,521,919.32			\$1,468.89		\$263,781.92		\$77,900.69				
----	--	--	--	--	--	--	--	----------------	--	--	------------	--	--------------	--	-------------	--	--	--	--

The Following are DLJ Mortgage Capital, Inc. wiring instructions:
Citibank NYC
ABA :
A/C #
A/C: DLJ Mortgage Capital, Inc.
Reference: New York Mortgage Company, LLC
Attn: Rick Hahn

TOTAL DUE DLJ MORTGAGE CAPITAL, INC.: **\$5,863,601.93**

Per Diem (for repurchase after settlement date): **\$1,468.89**
In addition to the foregoing, please note that you (The Purchaser) shall be responsible to reimburse the loan servicer for outstanding corporate and escrow advances related to the loans at the time of the servicing transfer.

EXHIBIT 10

From: Quarto, Joe <jquarto1@credit-suisse.com>
Sent: Wednesday, December 19, 2007 4:32 PM
To: 'clif.cassidy@texascapitalbank.com'
Cc: Fynaardt, Kelvin <kelvin.fynaardt@credit-suisse.com>; Dellafera, Margaret <margaret.dellafera@credit-suisse.com>; Hafner, Olivia <olivia.hafner@credit-suisse.com>; Yu, Mona <mona.yu@credit-suisse.com>; Nordyk, Jason <jason.nordyk@credit-suisse.com>; Jones, Keith <keith.jones@credit-suisse.com>
Subject: Repurchase Request For 'Texas Capital Bank N.A' / R&W QC JN KJ / CS Courier
Attach: 5E-080102.xls; 5E-080102.doc

REDACTED

Dear Cliff Cassidy:

This e-mail is notification that a letter has been sent requesting repurchase of the attached loans for breach of Representation & Warranty.

The following documents will be sent to your attention by overnight courier:

- DLJMC's repurchase request and repurchase schedule detailing breach and computation of amounts due,
- copies of borrower payment histories and servicer collector comments,
- DLJMC's QC report and supporting documentation cross referenced to the QC report or copy of the complaint filed by the borrower.

If you have questions regarding DLJMC's QC review or require additional information regarding the review, please contact Jason Nordyk at (609) 627- 5077 or e-mail at jason.nordyk@credit-suisse.com.

All other inquires should be directed to Ms. Olivia Hafner of our Client Management Group at 212-325-7624 or e-mail her at olivia.hafner@credit-suisse.com.

Thank you for your attention to this matter.

Joe Quarto
Vice President

Credit Suisse
Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629
Phone: (212) 538-1419
Facsimile: (212) 743-5180

DOCUMENT PRODUCED IN NATIVE FORMAT

DLJ Mortgage Capital, Inc.
C/O Credit Suisse Securities (USA) LLC
Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629

Purchaser: Texas Capital Bank N.A.

Issue Date: N/A - Actual
Settlement Date: January 2, 2008

DLJMC Loan #	Servicer Loan #	Seller Loan #	Name	Settlement Date	Lien Position	Servicer	As of Date	Balance	Next Due Date	Note Rate	Daily Interest	Days Interest To Repurchase	Total Interest	Repurchase Price	Recapture of Premium	Total Due DLJMC	Loan Status	Reason For Repurchase
REDACTED				06/22/06	1	FAIRBK	11/30/07	\$116,000.00	07/01/07	8.0000	\$25.78	211	\$5,439.11	100.3437	\$398.69	\$121,837.80	Foreclosure	Compliance - Misrepresentation: Borrower - Real Estate Owned and undisclosed liabilities (see attached QC review). Breach Section 3.02 (f) No fraud, error, omission, misrepresentation, (r) complies with underwriting standards, and 2.08 Quality Control procedures. QC / JN KJ (sepd)
				12/05/06	2	FAIRBK	11/30/07	\$44,073.24	09/01/07	11.1250	\$13.62	151	\$2,056.60	100.7500	\$330.55	\$46,450.39		Compliance - Misrepresentation: Borrower - income and employment history (see attached QC review). Breach Section 3.02 (f) No fraud, error, omission, misrepresentation, (r) complies with underwriting standards, and 2.08 Quality Control procedures. QC / JN KJ (sepd)
								\$160,073.24			\$39.40			\$7,495.71			\$729.24	

The Following are DLJ Mortgage Capital, Inc. wiring instructions:
Citibank NYC
ABA :
A/C #:
A/C: DLJ Mortgage Capital, Inc.
Reference: Texas Capital Bank N.A
Attn: Olivia Hafner

TOTAL DUE DLJ MORTGAGE CAPITAL, INC.: \$168,298.19

Per Diem (for repurchase after settlement date): \$39.40
In addition to the foregoing, please note that you (The Purchaser) shall be responsible to reimburse the loan servicer for outstanding corporate and escrow advances related to the loans at the time of the servicing transfer.

Credit Suisse Securities (USA) LLC

DLJ Mortgage Capital, Inc. • Eleven Madison Avenue, 4th Floor, New York, New York 10010-3629 • (212) 325-2000

By Overnight Courier

December 19, 2007

Mr. Cliff Cassidy
Texas Capital Bank N.A.
6060 N. Central Expressway
Dallas, TX, 75206 USA

RE: Representations and Warranties as to Individual Mortgage Loans

Dear Mr. Cassidy:

Pursuant to Subsection 3.03 of the Sellers Purchase, Warranties and Interim Servicing Agreement, dated as of October 01, 2005 (the "Agreement"), by and between DLJ Mortgage Capital, Inc. ("DLJMC") and Texas Capital Bank N.A. (the "Seller"), please accept this letter as DLJMC's request for repurchase of the Loans (as defined herein) in the amount of \$168,298.19, for a breach of Subsection 3.02 of the Agreement, detailed on the attached loan schedule.

Accordingly, please wire the above funds on January 02, 2008 to DLJMC as follows:

Citibank
New York, NY
ABA #: 021-000-089
Account: DLJ Mortgage Capital, Inc.
Account #: 30489038
Attn: Olivia Hafner
Ref: Texas Capital Bank N.A.

For a repurchase date after the above date, please increase the amount due DLJMC by \$39.40 per diem interest. In addition to the foregoing, the Seller shall reimburse the loan servicer for outstanding corporate and escrow advances related to the Loans at the time of the servicing transfer.

The attached schedule details the computation of the amount due. Also enclosed are the following documents to assist you with your review:

1. Borrower pay history and collector comments from DLJMC's loan servicers
2. Servicer liquidation statements (if applicable)

3. DLJMC's Quality Control review results with supporting documentation

Questions regarding DLJMC's Quality Control review should be directed to:

Mr. Jason Nordyk at:
Credit Suisse Securities (USA) LLC,
302 Carnegie Center,
Princeton, NJ 08540
or by telephone at (609) 627-5077
or via e-mail at jason.nordyk@credit-suisse.com.

If you have any questions or if you should require any additional information, please contact Ms. Olivia Hafner of our Client Management Group at 212-325-7624 or e-mail her at olivia.hafner@credit-suisse.com.

Please call me at (212) 538-1419 when the funds are wired to DLJMC and to discuss the return of the collateral files.

Sincerely,

DLJ Mortgage Capital, Inc.

By: Joe Quarto

cc: Jason Nordyk
cc: Olivia Hafner
cc: Kelvin Fynaardt

EXHIBIT 11

From: Sack, Peter <psack@credit-suisse.com>
Sent: Monday, April 9, 2007 8:44 AM
To: Sacco, Robert <robert.sacco@credit-suisse.com>; Pensari, Melissa <melissa.pensari@credit-suisse.com>; Hill, Bertram <bertram.hill@credit-suisse.com>; Spoto, Vincent <vincent.spoto@credit-suisse.com>; Kobin, Matthew <matthew.kobin@credit-suisse.com>; Martin, Jeffrey <jeffrey.martin@credit-suisse.com>; Thomas, Romelle <romelle.thomas@credit-suisse.com>; Dellafera, Margaret <margaret.dellafera@credit-suisse.com>; Quarto, Joe <joe.quarto@credit-suisse.com>; Hahn, Rick <rick.hahn@credit-suisse.com>
Cc: Daniel, Michael (NY) <michael.daniel@credit-suisse.com>; Vibert, John <john.vibert@credit-suisse.com>; Buccola, James <james.buccola@credit-suisse.com>; Schoen, Christopher <christopher.schoen@credit-suisse.com>; Roszko, Mark <mark.roszko@credit-suisse.com>; Gallagher, Bryan <bryan.gallagher@credit-suisse.com>
Subject: QC and "unsourceable" loans

We've discussed revising the QC process as follows:

1. Mark Roszko's group will distribute a monthly report showing 60+ delq loans in relatively recent securitizations and inventory (we are still working on the inventory part)
2. Desks (e.g., John and Jim for ARMs) will select loans for QC
3. Rob and Bert will coordinate QC for the loans selected by desks and Bert will email a monthly report to all of us detailing all loans in QC pipeline and QC results for those completed, by month and YTD, including desk, channel and other data we've discussed
4. PBG and Client Management will pursue sellers for rep/warrant repurchases based on this report, and repurchase loans from deals contemporaneously with repurchase by seller
5. TMs will repurchase loans from deals notwithstanding a repurchase by seller as appropriate

This process would replace the previous QC adverse sampling method, in which loans were selected for QC automatically based on their delinquency status as of a certain date after purchase, and negative results were sent to PBG. By selecting a more focused sample, then coordinating the reporting of the results and focusing on put-backs, we should avoid the previous approach by which a lot of loans were QC'd regardless of opportunity for put-back and a lot of negative results were emailed to PBG but not widely seen, creating a record of possible rep/warrant breaches in deals but, I think, resulting in few if any put-backs to sellers other than for EPD.

Purpose of this email is to confirm that we are all on the same page re above, but also to propose that other similar issues be coordinated by this process, e.g., MI defects that Jeff Martin discovers that warrant repurchases by seller (such as the recent Homebanc problems) and compliance defects discovered by Melissa Pensari. Previously these issues have been emailed by the related group (compliance etc.) to Bryan Gallagher to be marked unsourceable in RPM, and I believe they have been sent to PBG, but I am unclear how often they have resulted in repurchase by seller. By instead including these loans instead in the QC report, we can all make a judgment about whether they should be unsourceable, and track their put-back progress.

Finally, I'm thinking Romelle's PPP reimbursement process, which in the past I think has resulted in few recoveries from sellers as it is just now getting underway, could be incorporated in the above process, so that all of the circumstances in which sellers owe us \$ are pursued and reported as part of 1 process.

EXHIBIT 12

From: Sack, Peter <psack@credit-suisse.com>
Sent: Monday, June 18, 2007 2:54 PM
To: Daniel, Michael (NY) <michael.daniel@credit-suisse.com>
Subject: RE: QC

I agree that better reporting is absolutely required, but I'm not sure "QC" (reviewing the loan file) is necessary to accomplish some of the monitoring you are thinking about (e.g., who are the bad AEs, brokers etc.). This is what I'm thinking:

1. QC:

*Purpose is to monitor underwriting performance.

*Adverse sample in the month after origination/purchase, not loan performance-based sample - essentially a % of loans reviewed by each FC underwriter/DD vendor (details below).

Sample size is limited so that it generates meaningful feedback but avoids generating inordinate correspondence re potential loan defects that we may not repurchase from securitizations.

*QC vendor results reported monthly by Credit to desks and FCs/DD vendors.

2. Loss Mit:

*Purpose is to recover from sellers on poor-performing loans.

*Performance-based sample targeted at loans/sellers that constitute a recourse opportunity, e.g., delq60s w/in 6 months of purchase in inventory/securities sold to CS by active sellers ex wholesale and ex loans already out for EPD.

*QC vendor results reported monthly by Credit to desks and PBG/Client Management.

3. Performance Surveillance:

*Purpose is to monitor loan performance by channel, originator, AE, broker, FC etc.

*We've been talking about this for a while - maybe a monthly report showing 12 month history of 60+ delqs as a % of production by channel, originator, AE, broker, FC etc?

Put-backs:

Also, re 2 above and on the topic of put-backs generally, I'm thinking it makes more sense to have the "Put-back Group"/Client Management handle all recovery efforts from sellers, rather than PBG involved in EPDs, Credit involved in rep/warrant issues, Serv. Oversight/Romelle trying to collect PPPs from sellers, S.O./Jeff Martin trying to collect MI from sellers etc.

From: Daniel, Michael (NY)
Sent: Monday, June 18, 2007 9:46 AM
To: Sack, Peter; Schoen, Christopher
Subject: RE: QC

Wholesale --

For this channel, the QC needs to be specifically tailored. For wholesale we will have no ability to put back loans, but we can make the most impact in terms of improving our process/performance.

** Are there specific brokers with performance/underwriting/fraud issues

** Ditto for AEs

** Is there anything in our wholesale channel that needs to be changed in terms of guidelines or underwriting -- say extra restrictions -- to make performance acceptable.

From: Sack, Peter
Sent: Friday, June 15, 2007 8:57 AM
To: Daniel, Michael (NY); Schoen, Christopher
Subject: QC

I've been talking to Credit/QC to try to figure out how QC is sourced. (This hasn't always been clear, at least to me.) My objective is to distinguish 2 QC goals - QC for monitoring/process enhancement (are the FC underwriters catching errors, who are the bad brokers etc.) and QC for recovery (focused on underperforming loans for which we have recourse and putting them back). I want to maintain an appropriate amount of true QC but avoid spending too much money and generating too many negative reports related to loans for which we have no recourse, and instead re-focus some of the QC effort on recoveries/loss mit.

After discussing w/ Credit/QC, I wrote up the following summary of the current QC process - the part focused on monitoring/process enhancement (I plan to add the component focused on recoveries). This is just FYI, in case you have any thoughts/suggestions on the underwriting monitoring-related component.

CS QC is intended to monitor underwriting and compliance quality re loan sellers and FCs/DD vendors (as applicable). The QC group selects approx 500 loans/month for QC, representing approximately 3-5% of monthly purchases. The QC group orders QC on request, and monthly based on the following sampling methods:

FC:

*From all loans purchased in the preceding month that were processed through a fulfillment center, the QC model selects the greater of 5 loans and 6% of loans underwritten by each underwriter.

Non-FC:

*From all loans purchased in the preceding month that were not processed through a fulfillment center, the QC model selects 6% of the loans that were diligenced by a CS DD vendor pre-purchase and 4% of the loans that were not.

*QC group randomly selects additional loans to achieve minimum numbers of loans purchased from each represented seller and minimum numbers of loans diligenced by each CS DD vendor, as necessary.

QC model:

*The model selects an adverse sample based on the credit characteristics of the loan.

*Selection criteria vary depending on whether the loan is A/Alt A, subprime or 2nd lien, and whether the loan is settled through bulk, MB, LBL or wholesale, thus there are 12 sets of selection criteria.

*The QC model sampling criteria are the same as the criteria applied for selecting pre-purchase DD.

Meeting with Margaret this am to discuss adding a delq-based selection method to monitor broker performance.

EXHIBIT 13

From: Cassan, Todd
Sent: Monday, August 21, 2006 3:45 PM
To: Kaiserman, Bruce
Cc: Fallacara, Michael; Sacco, Robert; Neugebauer, David
Subject: FW: SPS - CS .pdf
Attachments: DSC05654.JPG; tax record.pdf

1. We need to prosecute this broker and the appraisor.
2. Do we check the tax record / recording prices when we do our underwriting?
3. In the event that we have a first pay default loan from the wholesale channel can we immediately suspend the broker until we resolve the issue?
4. This same broker sold us a first/second combo on 10/1/2005. 460k total debt. This is a first pay default. Next due
5. If is my experience that FPD loans are generally fraud and we should not wait 9 months before reviewing the situation.

REDACTED

From: Neugebauer, David
Sent: Monday, August 21, 2006 3:24 PM
To: Fallacara, Michael; Buccola, James; Cassan, Todd
Cc: Lam, Kelvin; Huang, Alex; Ou, Regang
Subject: RE: SPS - CS .pdf

Had an agent in the area look into that property for me. Attached is the recent sale history. Looks like it was sold at a foreclosure sale for \$437,500 on 12/9/05 then came our first and second on 12/27 for \$645,000..nice little 200k pickup while doing nothing except paying an appraiser to look at the wrong house. I say this because neighbors indicate the property was in the current condition for at least nine months..

DN

From: Lam, Kelvin
Sent: Monday, August 21, 2006 3:09 PM
To: Neugebauer, David
Subject: FW: SPS - CS .pdf

From: Fallacara, Michael
Sent: Wednesday, August 16, 2006 3:57 PM
To: Lam, Kelvin; Cassan, Todd; Buccola, James; Neugebauer, David
Cc: Huang, Alex; Ou, Regang
Subject: RE: SPS - CS .pdf

They go by a different name and Keith has them on a watchlist. They have loans in process that we are scrutinizing to kick if anything smells wrong. Account looks like they will be cut-off but Keith is checking out a few last things. We have a meeting on the worst offending brokers tomorrow at 10

This material has been prepared by individual sales and/or trading personnel and does not constitute investment research. Please follow the attached hyperlink to an important disclaimer:

www.credit-suisse.com/americas/legal/salestrading

-----Original Message-----

From: Lam, Kelvin

Sent: Wednesday, August 16, 2006 3:48 PM

To: Cassan, Todd; Fallacara, Michael; Buccola, James; Neugebauer, David

Cc: Huang, Alex; Ou, Regang

Subject: RE: SPS - CS .pdf

Best Mortgage has originated \$17 MM. I don't have the Wells / Wilshire data. Out of 7.9MM at SPS, 50% are delinquent.

S&D loans have a much better cash flow velocity than these 722 FICO pigs.

From: Cassan, Todd

Sent: Wednesday, August 16, 2006 2:42 PM

To: Fallacara, Michael; Lam, Kelvin; Buccola, James; Neugebauer, David

Subject: RE: SPS CS .pdf

Best Mortgage Solution Account number 2121

REDACTED

They have at least 10 assets which are non-perf

From: Fallacara, Michael

Sent: Wednesday, August 16, 2006 2:27 PM

To: Cassan, Todd; Lam, Kelvin; Buccola, James; Neugebauer, David

Subject: RE: SPS - CS .pdf

what broker delivered this loan

This material has been prepared by individual sales and/or trading personnel and does not constitute investment research. Please follow the attached hyperlink to an important disclaimer:

www.credit-suisse.com/americas/legal/salestrading

-----Original Message-----

From: Cassan, Todd

Sent: Wednesday, August 16, 2006 2:26 PM

To: Lam, Kelvin; Fallacara, Michael; Buccola, James; Neugebauer, David

Subject: RE: SPS - CS .pdf

and there is a 129k second behind this that is owned by al96....

From: Lam, Kelvin

Sent: Wednesday, August 16, 2006 2:24 PM

To: Fallacara, Michael; Buccola, James; Cassan, Todd; Neugebauer, David

Subject: RE: SP CS .pdf

CSFB originated.

Borrower may have gutted after he closed the loan. Dave is looking into it.

From: Fallacara, Michael
Sent: Wednesday, August 16, 2006 2:22 PM
To: Buccola, James; Cassan, Todd; Lam, Kelvin
Subject: RE: pdf

who is the seller

This material has been prepared by individual sales and/or trading personnel and does not constitute investment research. Please follow the attached hyperlink to an important disclaimer:

www.credit-suisse.com/americas/legal/salestrading

-----Original Message-----

From: Buccola, James
Sent: Wednesday, August 16, 2006 2:19 PM
To: Cassan, Todd; Lam, Kelvin
Cc: Fallacara, Michael
Subject: RE: pdf

is it wholesale or lbl?

From: Cassan, Todd
Sent: Wednesday, August 16, 2006 2:19 PM
To: Buccola, James; Lam, Kelvin
Cc: Fallacara, Michael
Subject: RE: pdf

put it back to whom...fallacara

From: Buccola, James
Sent: Wednesday, August 16, 2006 2:18 PM
To: Lam, Kelvin
Cc: Cassan, Todd
Subject: RE: pdf

shouldn't we be putting this loan back, this should have been construction to perm

From: Lam, Kelvin
Sent: Wednesday, August 16, 2006 2:16 PM
To: Buccola, James
Cc: Cassan, Todd
Subject: FW: pdf

Jim.. one of your crack houses in Brooklyn.

From: Jonathan Vicchilli [mailto:Jonathan.Vicchilli@spservicing.com]
Sent: Wednesday, August 16, 2006 11:39 AM
To: kelvin.lam@credit-suisse.com
Subject: pdf

<< pdf>>

REDACTED

This is one of the 48 loans from the CS ARM sale.

The home has since been boarded and secured, but this was the condition in late June. There is an insurance claim in progress. Most of this damage is the result of remodeling according to the homeowner. Borrowers have been renting a flat until they can get the home fixed. Exterior Servicing BPO from June '06 notes a value of \$575k average condition. Preservation bid from July '06 notes an eyeball estimate of \$76,305, entire home is gutted, no plumbing, walls, floors, windows, or electrical.

From: Hom, Andrew <ahom@credit-suisse.com>
Sent: Wednesday, September 26, 2007 5:22 PM
To: McMillan, Gerald <gerald.mcmillan@credit-suisse.com>
Cc: Baev, Victor <victor.baev@credit-suisse.com>
Subject: Decision One Putback as of 9-26-07
Attach: Decision One Mortgage Company, LLC 09_26_07 \$1,116,361.16 17 Loans EPD
Repurchase (Borrowers)

REDACTED

DE

Gerald,

The following is realized PnL from a Decision One Repurchase done today 9/26. Please reserve PnL from the following accounts till month-end.

W230: +916,404.00

W207: +61,738.88

Thanks,

Andrew Hom

CREDIT SUISSE

Residential Whole Loans

212-538-0190

This material has been prepared by individual sales and/or trading personnel and does not constitute investment research. Please follow the attached hyperlink to an important disclaimer:

<http://www.credit-suisse.com/americas/legal/salestrading>

From: Quarto, Joc <jquarto1@credit-suisse.com>
Sent: Wednesday, September 26, 2007 2:01 PM
To: # CSFB RMBS Middle Office <list.rmbs-mo@credit-suisse.com>
Cc: Bell, Russ <russ.bell@credit-suisse.com>; Bienstock, Paul <paul.bienstock@credit-suisse.com>; Borriello, Carl <carl.borriello@credit-suisse.com>; Brown, Michael (4) <michael.brown.4@credit-suisse.com>; Cabrera, Amy <amy.cabrera@credit-suisse.com>; Daniel, Michael (NY) <michael.daniel@credit-suisse.com>; data, remittance <remittance.data@credit-suisse.com>; Davino, Paul <paul.davino@credit-suisse.com>; DeFraia, Toni <toni.defraia@credit-suisse.com>; Depaulis, Richard <richard.depaulis@credit-suisse.com>; Enea, Rosa <rosa.enea@credit-suisse.com>; Fodera, John <john.fodera@credit-suisse.com>; Gallagher, Mary <mary.gallagher@credit-suisse.com>; Gandhi, Kirti <kirti.gandhi@credit-suisse.com>; Guno, Louis <louis.guno@credit-suisse.com>; Kobel, Anthony <anthony.kobel@credit-suisse.com>; Kong, Jennie <jennie.kong@credit-suisse.com>; LaLima, Jonathan <jonathan.lalima@credit-suisse.com>; Leon, Joanne <joanne.leon2@credit-suisse.com>; Lombardo, Joanne <joanne.lombardo@credit-suisse.com>; Luk, Ricky <ricky.luk@credit-suisse.com>; Mahenthiran, Narayani <narayani.mahenthiran@credit-suisse.com>; McCormack, Ryan <ryan.mccormack@credit-suisse.com>; Mckoba, Ken <ken.mckoba@credit-suisse.com>; Mortgage Pi, Residential <residential.mortgagepi@credit-suisse.com>; Papadas, John <john.papadas@credit-suisse.com>; Pascocello, Grace <grace.pascocello@credit-suisse.com>; Ricciardi, Anthony <anthony.ricciardi@credit-suisse.com>; Satterwhite, Angela <angela.satterwhite@credit-suisse.com>; Sheehan, Michael <michael.sheehan@credit-suisse.com>; Shipley, Adam <adam.shipley@credit-suisse.com>; Steczkowski, Thomas <thomas.steczowski@credit-suisse.com>
Subject: Decision One Mortgage Company, LLC 09/26/07 \$1,116,361.16 17 Loans EPD Repurchase (Borrowers:

Attach: DE-070926-1 Final(Operations).xls

Jaime,

Please pass trade tickets for the loans on the attached schedule which have been repurchased by the above referenced seller as of **09/26/07** settlement date and the simultaneous sale by the customer to the **SAME TRADING ACCOUNT** (NOT S&D).

DLJMC sells the loans to the customer - 17 Loans
DLJMC purchases from customer - 17 Loans

Above proceeds are the Net Pair-Off of the above two transactions and are detailed on the attached schedule.

Carl/Russ,

Once the trades are passed and matched for the loans on the attached file, please off-set verses the above amount and wire currently in the unapplied account:

Pmt Id	Cams	Type	AGE	DATE	Current Amount
MBNET20070925601266		1 REPURCHASE		10/25/2007	(1,116,361.13)

Tom,

N/A - your services are not needed for this transaction

Thank you,
Joe Quarto

EXHIBIT 14

DLJ Mortgage Capital, INC.
C/O Credit Suisse Securities (USA) LLC
Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629

Purchaser: Decision One Mortgage Company, LLC

Issue Date: N/A - Actual
Settlement Date: September 26,2007

DLJMC Loan #	Servicer Loan #	Seller Loan #	Customer A/C	Trading A/C	CUSIP	Name	Settlement Date	Servicer	As of Date	Adjusted Balance	Next Due Date	Note Rate	Daily Interest	Days Interest To Repurchase	Adjusted Interest	Repurchase Price	Adjusted Recapture of Premium	Amount Received	Loan Status	Date Requested
DLJMC Sells to Customer																				
			2KY690	w230	WLN6S7AXC		12/8/2006	FAIRBK	8/31/2007	84,799.88	8/1/2007	12.5900	29.66	85	2,520.79	96.6300	-2,857.76	84,462.92		7/31/2007
			2KY690	W272	WLN6SKH50		1/26/2007	FAIRBK	8/31/2007	92,930.06	5/1/2007	12.6400	32.63	175	5,710.04	101.2700	1,180.21	99,820.31		7/31/2007
			2KY690	w230	WLN6SONXG		2/15/2007	FAIRBK	8/31/2007	58,932.78	4/8/2007	12.0900	19.79	198	3,918.74	95.6550	-2,560.63	60,290.89		7/31/2007
			2KY690	w230	WLN6SONXP		2/15/2007	FAIRBK	8/31/2007	60,718.13	7/21/2007	12.1400	20.48	95	1,945.17	95.6550	-2,638.20	60,025.10		8/31/2007
			2KY690	w230	WLN6SOO4W		2/15/2007	FAIRBK	8/31/2007	101,814.03	7/1/2007	11.8400	33.49	115	3,850.83	95.6550	-4,423.82	101,241.04		7/31/2007
			2KY690	w230	WLN6SOO8M		2/15/2007	FAIRBK	8/31/2007	33,162.16	5/14/2007	12.0900	11.14	162	1,804.19	95.6550	-1,440.90	33,525.45	Forebearance	7/31/2007
			2KY690	w230	WLN6SOO8N		2/15/2007	FAIRBK	8/31/2007	87,899.01	6/1/2007	12.0900	29.52	145	4,280.32	95.6550	-3,819.21	88,360.11		8/31/2007
			2KY690	w230	WLN6SOO9X		2/15/2007	FAIRBK	8/31/2007	88,836.25	7/1/2007	10.9400	27.00	115	3,104.58	95.6550	-3,859.94	88,080.90	Forebearance	8/31/2007
			2KY690	w230	WLN6SXRFB		3/23/2007	FAIRBK	8/31/2007	63,573.82	9/1/2007	8.7100	15.38	55	845.97	92.1810	-4,970.84	59,448.96		7/31/2007
			2KY690	w230	WLN6SXRGC		3/23/2007	FAIRBK	8/31/2007	72,748.07	9/1/2007	8.8400	17.86	55	982.50	92.1810	-5,688.17	68,042.40		7/31/2007
			2KY690	w230	WLN6SXRKC		3/23/2007	FAIRBK	8/31/2007	121,214.77	5/1/2007	11.0900	37.34	175	6,534.65	92.1810	-9,477.78	118,271.64		7/31/2007
			2KY690	w230	WLN6SXRO3		3/23/2007	FAIRBK	8/31/2007	51,919.30	8/1/2007	10.9900	15.85	85	1,347.23	92.1810	-4,059.57	49,206.96		7/31/2007
			2KY690	w230	WLN6SXRO7		3/23/2007	FAIRBK	8/31/2007	70,885.34	8/1/2007	11.5400	22.72	85	1,931.43	92.1810	-5,542.52	67,274.24		7/31/2007
			2KY690	w230	WLN6SXROB		3/23/2007	FAIRBK	8/31/2007	76,721.30	6/1/2007	11.2400	23.95	145	3,473.34	92.1810	-5,998.84	74,195.81		7/31/2007
			2KY690	w230	WLN6SXRPF		3/23/2007	FAIRBK	8/31/2007	95,145.12	5/1/2007	11.9900	31.69	175	5,545.51	92.1810	-7,439.40	93,251.23		7/31/2007
			2KY690	w230	WLN6SXRQ9		3/23/2007	FAIRBK	8/31/2007	109,936.59	5/1/2007	11.9900	36.61	175	6,407.62	92.1810	-8,595.94	107,748.27		7/31/2007
			2KY690	W207	WLN3B8V49		1/11/2007	FAIRBK	8/31/2007	77,940.83	5/1/2007	12.6000	27.28	175	4,773.88	95.2125	-3,731.42	78,983.29		7/31/2007
17										1,349,177.44			432.39		58,976.80		-75,924.72			

TOTAL DUE DLJ MORTGAGE CAPITAL, INC.: 1,332,229.52

DLJMC Purchase from Customer

			2KY690	w230	WLN6S7AXC		12/8/2006	FAIRBK	8/31/2007	84,799.88	8/1/2007	12.5900	29.66	85	0.00	16.0000	-71,231.90	13,567.98		7/31/2007
			2KY690	W272	WLN6SKH50		1/26/2007	FAIRBK	8/31/2007	92,930.06	5/1/2007	12.6400	32.63	175	0.00	16.0000	-78,061.25	14,868.81		7/31/2007
			2KY690	w230	WLN6SONXG		2/15/2007	FAIRBK	8/31/2007	58,932.78	4/8/2007	12.0900	19.79	198	0.00	16.0000	-49,503.54	9,429.24		7/31/2007
			2KY690	w230	WLN6SONXP		2/15/2007	FAIRBK	8/31/2007	60,718.13	7/21/2007	12.1400	20.48	95	0.00	16.0000	-51,003.23	9,714.90		8/31/2007
			2KY690	w230	WLN6SOO4W		2/15/2007	FAIRBK	8/31/2007	101,814.03	7/1/2007	11.8400	33.49	115	0.00	16.0000	-85,523.79	16,290.24		7/31/2007
			2KY690	w230	WLN6SOO8M		2/15/2007	FAIRBK	8/31/2007	33,162.16	5/14/2007	12.0900	11.14	162	0.00	16.0000	-27,856.21	5,305.95	Forebearance	7/31/2007
			2KY690	w230	WLN6SOO8N		2/15/2007	FAIRBK	8/31/2007	87,899.01	6/1/2007	12.0900	29.52	145	0.00	16.0000	-73,835.17	14,063.84		8/31/2007
			2KY690	w230	WLN6SOO9X		2/15/2007	FAIRBK	8/31/2007	88,836.25	7/1/2007	10.9400	27.00	115	0.00	16.0000	-74,622.45	14,213.80	Forebearance	8/31/2007
			2KY690	w230	WLN6SXRFB		3/23/2007	FAIRBK	8/31/2007	63,573.82	9/1/2007	8.7100	15.38	55	0.00	16.0000	-53,402.01	10,171.81		7/31/2007
			2KY690	w230	WLN6SXRGC		3/23/2007	FAIRBK	8/31/2007	72,748.07	9/1/2007	8.8400	17.86	55	0.00	16.0000	-61,108.38	11,639.69		7/31/2007
			2KY690	w230	WLN6SXRKC		3/23/2007	FAIRBK	8/31/2007	121,214.77	5/1/2007	11.0900	37.34	175	0.00	16.0000	-101,820.41	19,394.36		7/31/2007
			2KY690	w230	WLN6SXRO3		3/23/2007	FAIRBK	8/31/2007	51,919.30	8/1/2007	10.9900	15.85	85	0.00	16.0000	-43,612.21	8,307.09		7/31/2007
			2KY690	w230	WLN6SXRO7		3/23/2007	FAIRBK	8/31/2007	70,885.34	8/1/2007	11.5400	22.72	85	0.00	16.0000	-59,543.69	11,341.65		7/31/2007
			2KY690	w230	WLN6SXROB		3/23/2007	FAIRBK	8/31/2007	76,721.30	6/1/2007	11.2400	23.95	145	0.00	16.0000	-64,445.89	12,275.41		7/31/2007
			2KY690	w230	WLN6SXRPF		3/23/2007	FAIRBK	8/31/2007	95,145.12	5/1/2007	11.9900	31.69	175	0.00	16.0000	-79,921.90	15,223.22		7/31/2007
			2KY690	w230	WLN6SXRQ9		3/23/2007	FAIRBK	8/31/2007	109,936.59	5/1/2007	11.9900	36.61	175	0.00	16.0000	-92,346.74	17,589.85		7/31/2007
			2KY690	W207	WLN3B8V49		1/11/2007	FAIRBK	8/31/2007	77,940.83	5/1/2007	12.6000	27.28	175	0.00	16.0000	-65,470.30	12,470.53		7/31/2007
17										1,349,177.44			432.39		0.00		-1,133,309.05			

TOTAL DUE DECISION ONE MORTGAGE COMPANY, LLC: 215,868.39

NET DUE DLJ MORTGAGE CAPITAL, INC.: 1,116,361.13

DLJ Mortgage Capital, INC.
C/O Credit Suisse Securities (USA) LLC
Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629

Purchaser: **Decision One Mortgage Company, LLC**

Issue Date: N/A - Actual

Settlement Date: **August 10,2007**

DLJMC Loan #	Servicer Loan #	Prior Servicer Loan #	Seller Loan #	Customer A/C	Trading A/C	CUSIP	Name	Settlement Date	Servicer
DLJMC Sells to Customer				2KY690	W379	WLN6S5291		11/28/2006	FAIRBK
REDACTED				2KY690	W230	WLN6S529R		11/28/2006	FAIRBK
				2KY690	W214	WLN6S529T		11/28/2006	FAIRBK
				2KY690	W379	WLN6S52B3		11/28/2006	FAIRBK
				2KY690	W230	WLN6S52CQ		11/28/2006	FAIRBK
				2KY690	W379	WLN6S52DV		11/28/2006	FAIRBK
				2KY690	W379	WLN6S52JQ		11/28/2006	FAIRBK
				2KY690	W379	WLN6S52S1		11/28/2006	FAIRBK
				2KY690	w230	WLN6S7AQQ		12/8/2006	FAIRBK
				2KY690	W379	WLN6S7AQW		12/8/2006	FAIRBK
				2KY690	W214	WLN6S7AU4		12/8/2006	FAIRBK
				2KY690	W214	WLN6S7AVO		12/8/2006	FAIRBK
				2KY690	W214	WLN6S7AW4		12/8/2006	FAIRBK
				2KY690	W379	WLN6S7B1J		12/8/2006	FAIRBK
				2KY690	w230	WLN6S7B1N		12/8/2006	FAIRBK
				2KY690	w230	WLN6S7B4Y		12/8/2006	FAIRBK
				2KY690	W272	WLN6SKGVN		1/26/2007	FAIRBK
				2KY690	w230	WLN6SONXT		2/15/2007	FAIRBK
				2KY690	w230	WLN6SONYT		2/15/2007	FAIRBK

EXHIBIT 15

From: Hyman, Denise <dhyman@credit-suisse.com>
Sent: Friday, August 10, 2007 4:15 PM
To: # CSFB RMBS Middle Office <list.rmbs-mo@credit-suisse.com>
Cc: Huang, Alex <alex.huang@credit-suisse.com>; *Wark, Steve <steve.wark@credit-suisse.com>; Bell, Russ <russ.bell@credit-suisse.com>; Bienstock, Paul <paul.bienstock@credit-suisse.com>; Borriello, Carl <carl.borriello@credit-suisse.com>; Brown, Michael (4) <michael.brown.4@credit-suisse.com>; Cabrera, Amy <amy.cabrera@credit-suisse.com>; Daniel, Michael (NY) <michael.daniel@credit-suisse.com>; data, remittance <remittance.data@credit-suisse.com>; Davino, Paul <paul.davino@credit-suisse.com>; DeFraia, Toni <toni.defraia@credit-suisse.com>; Depaulis, Richard <richard.depaulis@credit-suisse.com>; Enea, Rosa <rosa.enea@credit-suisse.com>; Gallagher, Mary <mary.gallagher@credit-suisse.com>; Gandhi, Kirti <kirti.gandhi@credit-suisse.com>; Gargano, Maryann <maryann.gargano@credit-suisse.com>; Guno, Louis <louis.guno@credit-suisse.com>; Hahn, Rick <rick.hahn@credit-suisse.com>; Kobel, Anthony <anthony.kobel@credit-suisse.com>; Kong, Jennie <jennie.kong@credit-suisse.com>; LaLima, Jonathan <jonathan.lalima@credit-suisse.com>; Leon, Joanne <joanne.leon2@credit-suisse.com>; Lombardo, Joanne <joanne.lombardo@credit-suisse.com>; Luk, Ricky <ricky.luk@credit-suisse.com>; Mahenthiran, Narayani <narayani.mahenthiran@credit-suisse.com>; McCormack, Ryan <ryan.mccormack@credit-suisse.com>; Mekoba, Ken <ken.mekoba@credit-suisse.com>; Mortgage PI, Residential <residential.mortgagepi@re.csfb.com>; Papadas, John <john.papadas@credit-suisse.com>; Pascocello, Grace <grace.pascocello@credit-suisse.com>; Ricciardi, Anthony <anthony.ricciardi@credit-suisse.com>; Satterwhite, Angela <angela.satterwhite@credit-suisse.com>; Sheehan, Michael <michael.sheehan@credit-suisse.com>; Shipley, Adam <adam.shipley@credit-suisse.com>; Steczkowski, Thomas <thomas.steczowski@credit-suisse.com>
Subject: Decision One Mortgage Company, LLC 08/10/07 \$3,047,060.81 54 Loans EPD Repurchase (Borrowers:

REDACTED

Attach: DE-070810-1 Final(Operations).xls

E-mail 1 of 4

Jaime,

Please pass trade tickets for the loans on the attached schedule which have been repurchased

by the above referenced seller as of **08/10/07** settlement date and the simultaneous sale by the customer to the **SAME TRADING ACCOUNT** (NOT S&D).

DLJMC sells the loans to the customer - 54 Loans
DLJMC purchases from customer - 54 Loans

Above proceeds are the Net Pair-Off of the above two transactions and are detailed on the attached schedule.

Carl/Russ,

Once the trades are passed and matched for the loans on the attached file, please off-set verses the above amount and wire. The funds are in the Citibank A/C.
Wire received 08/10/07 for \$3,118,507.29, please leave the difference in unapplied funds.

Thank you,
Denise Hyman

REDACTED

2KY690	w230	WLN6SONZD	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO12	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO2A	2/15/2007	FAIRBK
2KY690	W379	WLN6SOO3E	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO4V	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO57	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO5G	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO60	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO86	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO8W	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO9P	2/15/2007	FAIRBK
2KY690	w230	WLN6SOO9R	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOAT	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOBH	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOBT	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOBW	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOCT	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOD2	2/15/2007	FAIRBK
2KY690	w230	WLN6SOODC	2/15/2007	FAIRBK
2KY690	w230	WLN6SOODJ	2/15/2007	FAIRBK
2KY690	W214	WLN6SOODN	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOEA	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOFC	2/15/2007	FAIRBK
2KY690	W379	WLN6SOOFE	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOFF	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOFI	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOFU	2/15/2007	FAIRBK
2KY690	w230	WLN6SXRIR	3/23/2007	FAIRBK
2KY690	w230	WLN6SXRN6	3/23/2007	FAIRBK
2KY690	w230	WLN6SXR06	3/23/2007	FAIRBK
2KY690	WD02	WLN3B8OTW	10/26/2006	FAIRBK
2KY690	W207	WLN3B8UK6	1/4/2007	FAIRBK
2KY690	W207	WLN3B8UQT	1/4/2007	FAIRBK
2KY690	W207	WLN3B8XYF	2/8/2007	FAIRBK
2KY690	W207	WLN3B8YJU	2/15/2007	FAIRBK

DLJMC Purchase from Customer

REDACTED

2010060823483	2KY690	W379	WLN6S5291	11/28/2006	FAIRBK
2010060916480	2KY690	W230	WLN6S529R	11/28/2006	FAIRBK
2010060916780	2KY690	W214	WLN6S529T	11/28/2006	FAIRBK
2010060928909	2KY690	W379	WLN6S52B3	11/28/2006	FAIRBK
2020060823321	2KY690	W230	WLN6S52CQ	11/28/2006	FAIRBK
2030060712015	2KY690	W379	WLN6S52DV	11/28/2006	FAIRBK
2090061034173	2KY690	W379	WLN6S52JQ	11/28/2006	FAIRBK
2350060981360	2KY690	W379	WLN6S52S1	11/28/2006	FAIRBK
2010061018640	2KY690	w230	WLN6S7AQQ	12/8/2006	FAIRBK
2010061020630	2KY690	W379	WLN6S7AQW	12/8/2006	FAIRBK
2060060926547	2KY690	W214	WLN6S7AU4	12/8/2006	FAIRBK
2070061033067	2KY690	W214	WLN6S7AVO	12/8/2006	FAIRBK
2070061038398	2KY690	W214	WLN6S7AW4	12/8/2006	FAIRBK
2250060929938	2KY690	W379	WLN6S7B1J	12/8/2006	FAIRBK
2250061031412	2KY690	w230	WLN6S7B1N	12/8/2006	FAIRBK
2290060906400	2KY690	w230	WLN6S7B4Y	12/8/2006	FAIRBK
2230061147456	2KY690	W272	WLN6SKGVN	1/26/2007	FAIRBK
2010061145241	2KY690	w230	WLN6SONXT	2/15/2007	FAIRBK
2010061251261	2KY690	w230	WLN6SONYT	2/15/2007	FAIRBK
2010061254489	2KY690	w230	WLN6SONZD	2/15/2007	FAIRBK
2030061225550	2KY690	w230	WLN6SOO12	2/15/2007	FAIRBK
2060061251275	2KY690	w230	WLN6SOO2A	2/15/2007	FAIRBK
2070061254679	2KY690	W379	WLN6SOO3E	2/15/2007	FAIRBK
2200061105970	2KY690	w230	WLN6SOO4V	2/15/2007	FAIRBK
2200061209830	2KY690	w230	WLN6SOO57	2/15/2007	FAIRBK
2200061210970	2KY690	w230	WLN6SOO5G	2/15/2007	FAIRBK
2220061137940	2KY690	w230	WLN6SOO60	2/15/2007	FAIRBK
2230061255685	2KY690	w230	WLN6SOO86	2/15/2007	FAIRBK
2250061255707	2KY690	w230	WLN6SOO8W	2/15/2007	FAIRBK
2260061230170	2KY690	w230	WLN6SOO9P	2/15/2007	FAIRBK
2260061230540	2KY690	w230	WLN6SOO9R	2/15/2007	FAIRBK
2280061148540	2KY690	w230	WLN6SOOAT	2/15/2007	FAIRBK

REDACTED

2KY690	w230	WLN6SOOBH	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOBT	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOBW	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOCT	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOD2	2/15/2007	FAIRBK
2KY690	w230	WLN6SOODC	2/15/2007	FAIRBK
2KY690	w230	WLN6SOODJ	2/15/2007	FAIRBK
2KY690	W214	WLN6SOODN	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOEA	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOFC	2/15/2007	FAIRBK
2KY690	W379	WLN6SOOFE	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOFF	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOFI	2/15/2007	FAIRBK
2KY690	w230	WLN6SOOFU	2/15/2007	FAIRBK
2KY690	w230	WLN6SXRIR	3/23/2007	FAIRBK
2KY690	w230	WLN6SXRN6	3/23/2007	FAIRBK
2KY690	w230	WLN6SXRO6	3/23/2007	FAIRBK
2KY690	WD02	WLN3B8OTW	10/26/2006	FAIRBK
2KY690	W207	WLN3B8UK6	1/4/2007	FAIRBK
2KY690	W207	WLN3B8UQT	1/4/2007	FAIRBK
2KY690	W207	WLN3B8XYF	2/8/2007	FAIRBK
2KY690	W207	WLN3B8YJU	2/15/2007	FAIRBK

DLJ Mortgage Capital, Inc.
C/O Credit Suisse Securities (USA) LLC
Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629

Purchaser: Wall Street Mortgage Bankers

Issue Date: N/A - Actual
Settlement Date: January 14, 2008

DLJ M/C Loan #	Service Loan #	Seller Loan #	Name	Settlement Date	Lien Position	Service	As of Date	Balance	Next Due Date	Note Rate	Daily Interest	Days Interest To Repurchase	Total Interest	Repurchase Price	Recapture of Premium	Total Due DLJMC	Preliminary CTO	Discount (Hidden)	Net Due DLJ	Loan Status	Date Requested
				02/14/06	1	WELLS	Dec-31-2007	58,353.03	07/01/06	8.3750	\$13.58	583	\$7,914.33	101.7500	\$1,021.18	67,288.54	38.00%	22,174.15	45,114.39	REO	03/05/07
				09/26/06	2	FAIRBK	Dec-31-2007	93,200.29	11/01/06	0.0000	\$0.00	463	\$0.00	100.0560	\$52.19	93,252.48	0.00%	0.00	93,252.48	No Equity Loan	12/21/06
				09/26/06	2	FAIRBK	Dec-31-2007	128,784.06	03/01/07	11.3750	\$40.69	343	\$13,957.42	100.0560	\$72.12	142,813.60	0.00%	0.00	142,813.60	No Equity Loan	01/29/07
				12/18/06	2	FAIRBK	Dec-31-2007	142,922.21	12/01/06	12.2500	\$48.63	433	\$21,058.20	98.3486	-\$2,360.16	161,620.25	0.00%	0.00	161,620.25	No Equity Loan	02/28/07
				12/18/06	2	FAIRBK	Dec-31-2007	133,867.61	12/01/06	12.7500	\$47.41	433	\$20,529.16	98.3486	-\$2,210.64	152,186.13	0.00%	0.00	152,186.13	No Equity Loan	02/28/07
				12/18/06	2	FAIRBK	Dec-31-2007	133,865.73	12/01/06	12.5000	\$46.48	433	\$20,126.34	98.3486	-\$2,210.61	151,781.47	0.00%	0.00	151,781.47	No Equity Loan	02/28/07
				12/18/06	2	FAIRBK	Dec-31-2007	69,879.83	09/01/07	14.0000	\$27.18	163	\$4,429.60	98.3486	-\$1,153.97	73,155.47	0.00%	0.00	73,155.47		04/26/07
				12/18/06	2	FAIRBK	Dec-31-2007	75,884.18	02/01/07	0.0000	\$0.00	373	\$0.00	100.0000	\$0.00	75,884.18	0.00%	0.00	75,884.18	Paid in Full	03/30/07
				12/18/06	2	FAIRBK	Dec-31-2007	129,667.29	03/01/07	11.2500	\$40.52	343	\$13,898.71	98.3486	-\$2,141.27	141,424.73	0.00%	0.00	141,424.73	No Equity Loan	03/30/07
				02/12/07	2	FAIRBK	Dec-31-2007	61,911.29	03/01/07	11.6250	\$19.99	343	\$6,857.32	97.4914	-\$1,553.10	67,215.51	0.00%	0.00	67,215.51	No Equity Loan	05/16/07
				02/12/07	2	FAIRBK	Dec-31-2007	68,540.44	01/01/08	9.1250	\$17.37	43	\$747.04	97.4914	-\$1,719.40	67,568.08	0.00%	0.00	67,568.08		04/23/07
				02/12/07	2	FAIRBK	Dec-31-2007	58,047.45	01/01/08	10.7500	\$17.33	43	\$745.35	97.4914	-\$1,456.17	57,336.62	0.00%	0.00	57,336.62	No Equity Loan	04/23/07
				02/12/07	2	FAIRBK	Dec-31-2007	96,939.41	04/01/07	11.6250	\$31.30	313	\$9,797.95	97.4914	-\$2,431.82	104,305.54	0.00%	0.00	104,305.54		04/23/07
				03/28/07	2	FAIRBK	Dec-31-2007	135,250.83	01/01/08	11.5000	\$43.21	43	\$1,857.82	95.8162	-\$6,658.60	131,450.05	0.00%	0.00	131,450.05		07/23/07
				03/28/07	2	FAIRBK	Dec-31-2007	30,267.62	07/01/07	12.3750	\$10.40	223	\$2,320.20	95.8162	-\$1,266.33	31,321.49	0.00%	0.00	31,321.49		07/23/07
				12/18/06	2	FAIRBK	Dec-31-2007	51,387.64	04/01/07	13.7500	\$19.63	313	\$6,143.32	98.3486	-\$848.59	56,682.37	0.00%	0.00	56,682.37		04/23/07
				10/19/05	2	WILSHR	Dec-31-2007	66,230.98	06/01/07	9.5000	\$17.48	253	\$4,421.84	99.9375	-\$41.39	70,611.42	0.00%	0.00	70,611.42	Charged Off	04/20/06
				11/09/05	1	WELLS	Dec-31-2007	493,926.60	07/01/06	6.5000	\$89.18	583	\$51,992.63	98.7700	-\$6,075.30	539,843.94	50.00%	246,963.30	292,880.64	REO	05/25/07
				12/07/05	1	WELLS	Dec-31-2007	391,339.46	03/01/06	6.8750	\$74.73	703	\$52,538.68	102.2527	\$8,815.70	452,693.85	51.00%	199,583.12	253,110.72	REO	06/20/06
				03/31/06	1	WELLS	Dec-31-2007	346,409.66	10/01/07	6.8750	\$66.15	133	\$8,798.56	101.4328	\$4,963.36	360,171.58	50.00%	173,204.83	186,966.75		06/27/07
				08/30/06	1	FAIRBK	Dec-31-2007	387,000.00	02/01/07	7.3750	\$79.28	373	\$29,571.91	101.4487	\$5,666.47	422,178.38	55.00%	212,850.00	209,328.38	Foreclosure	01/29/07
				10/17/06	1	FAIRBK	Dec-31-2007	110,808.06	05/01/07	6.8750	\$21.16	283	\$5,988.64	101.2445	\$1,379.01	118,175.70	60.00%	66,484.84	51,690.87	Forebearance	01/29/07
				10/03/06	1	FAIRBK	Dec-31-2007	360,549.89	02/01/07	8.2200	\$82.33	373	\$30,707.43	102.0000	\$7,211.00	398,468.32	43.00%	155,036.45	243,431.87	Foreclosure	04/17/07
				10/12/06	1	FAIRBK	Dec-31-2007	572,000.00	11/01/06	6.8750	\$109.24	463	\$50,576.32	99.8209	-\$1,024.45	621,551.87	52.00%	297,440.00	324,111.87	Foreclosure	01/29/07
				10/05/06	1	FAIRBK	Dec-31-2007	535,600.00	11/01/06	8.0000	\$119.02	463	\$55,107.29	102.0108	\$10,769.84	601,477.13	52.00%	278,512.00	322,965.13	Foreclosure	01/29/07
				10/02/06	1	WELLS	Dec-31-2007	317,392.44	11/01/07	8.1250	\$71.63	103	\$7,378.27	102.2131	\$7,024.21	331,794.92	43.50%	138,065.71	193,729.21		04/17/07
				10/18/06	1	FAIRBK	Dec-31-2007	354,230.00	03/01/07	7.8750	\$77.49	343	\$26,578.32	101.5992	\$5,664.85	386,473.17	52.00%	184,199.60	202,273.57	Foreclosure	05/16/07
				10/12/06	1	FAIRBK	Dec-31-2007	535,600.00	11/01/06	8.7500	\$130.18	463	\$60,273.60	103.0000	\$16,068.00	611,941.60	52.00%	278,512.00	333,429.60	Foreclosure	01/29/07
				11/28/06	1	FAIRBK	Dec-31-2007	399,404.42	01/01/07	7.5000	\$83.21	403	\$33,533.33	102.1773	\$8,696.23	441,633.98	44.00%	175,737.94	265,896.04	REO	04/17/07
				11/01/06	1	FAIRBK	Dec-31-2007	453,928.73	03/01/07	7.2500	\$91.42	343	\$31,355.76	101.0650	\$4,834.34	490,118.83	52.00%	236,042.94	254,075.89	Foreclosure	04/30/07
				10/30/06	1	FAIRBK	Dec-31-2007	519,200.00	02/01/07	6.6250	\$95.55	373	\$35,639.11	100.1296	\$672.88	555,512.00	44.00%	228,448.00	327,064.00	Foreclosure	05/02/07
				11/06/06	1	FAIRBK	Dec-31-2007	599,162.46	03/01/07	6.5000	\$108.18	343	\$37,106.46	99.9328	-\$402.64	635,866.29	52.00%	311,564.48	324,301.81	Foreclosure	03/30/07
				11/21/06	1	FAIRBK	Dec-31-2007	346,830.00	03/01/07	7.5000	\$72.26	343	\$24,783.89	102.8174	\$9,771.59	381,385.48	42.00%	145,668.60	235,716.88	Foreclosure	05/23/07
				12/06/06	1	FAIRBK	Dec-31-2007	330,385.00	03/01/07	7.5000	\$68.83	343	\$23,608.76	101.9617	\$6,481.16	360,474.92	52.00%	171,800.20	188,674.72	Foreclosure	05/16/07
				12/28/06	1	FAIRBK	Dec-31-2007	231,235.59	01/01/08	7.5000	\$48.17	43	\$2,071.49	103.2500	\$7,515.16	240,822.23	51.25%	118,508.24	122,313.99		04/23/07
				12/27/06	1	FAIRBK	Dec-31-2007	387,477.58	04/01/07	8.0000	\$86.11	313	\$26,951.22	103.0644	\$11,873.86	426,302.66	43.00%	166,615.36	259,687.30	Foreclosure	06/28/07
				01/29/07	1	FAIRBK	Dec-31-2007	615,200.00	05/01/07	7.0000	\$119.62	283	\$33,853.09	100.8536	\$5,251.35	654,304.44	43.00%	264,536.00	389,768.44	Foreclosure	06/28/07
				02/09/07	1	FAIRBK	Dec-31-2007	279,701.57	06/01/07	7.7500	\$60.21	253	\$15,234.02	101.0676	\$2,986.09	297,921.69	40.00%	111,880.53	186,041.06	Foreclosure	06/29/07
				01/31/07	1	FAIRBK	Dec-31-2007	242,083.44	09/01/07	9.0000	\$60.52	163	\$9,864.90	101.8865	\$4,566.90	256,515.24	52.30%	126,609.64	129,905.61	Foreclosure	06/29/07
				02/05/07	1	FAIRBK	Dec-31-2007	403,880.02	04/01/07	7.8750	\$88.35	313	\$27,653.16	102.6390	\$10,658.39	442,191.57	43.00%	173,668.41	268,523.17	Foreclosure	06/28/07
40								10,748,344.81			2,344.03		815,971.45		109,401.45			4,484,106.44	7,189,611.27		

The Following are DLJ Mortgage Capital, Inc. wiring instructions:
Citiban
ABA :
A/C :
A/C: DLJ Mortgage Capital, Inc.
Reference: Wall Street Mortgage Bankers
Attn: Olivia Hafner

TOTAL DUE DLJ MORTGAGE CAPITAL, INC. 11,673,717.72
Preliminary CTO PRICE: 41.72%
NET DUE DLJ MORTGAGE CAPITAL, INC. 7,189,611.27

Per Diem (for repurchase after settlement date) 2,344.03
In addition to the foregoing, please note that you (The Purchaser) shall be responsible to reimburse the loan servicer for outstanding corporate and escrow advances related to the loans at the time of the servicing transfer.

EXHIBIT 16

DLJ Mortgage Capital, Inc.
C/O Credit Suisse Securities (USA) LLC
Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629

Purchaser: Wall Street Mortgage Bankers

Issue Date: N/A - Actual
Settlement Date: January 14, 2008

DLJMC Loan #	Servicer Loan #	Seller Loan #	Name	Settlement Date	Lien Position	Servicer	As of Date	Balance	Next Due Date	Note Rate	Daily Interest	Days Interest To Repurchase	Total Interest	Repurchase Price	Recapture of Premium	Total Due DLJMC	Preliminary CTO	Discount (Hidden)	Net Due DLJ	Loan Status	Date Requested
				02/14/06	1	WELLS	Dec-31-2007	58,353.03	07/01/06	8.3750	\$13.58	583	\$7,914.33	101.7500	\$1,021.18	67,288.54	38.00%	22,174.15	45,114.39	REO	03/05/07
				09/25/06	2	FAIRBK	Dec-31-2007	93,200.29	11/01/06	0.0000	\$0.00	463	\$0.00	100.0560	\$52.19	93,252.48	0.00%	0.00	93,252.48	No Equity Loan	12/21/06
				09/25/06	2	FAIRBK	Dec-31-2007	128,784.06	03/01/07	11.3750	\$40.69	343	\$13,957.42	100.0560	\$72.12	142,813.60	0.00%	0.00	142,813.60	No Equity Loan	01/29/07
				12/18/06	2	FAIRBK	Dec-31-2007	142,922.21	12/01/06	12.2500	\$48.63	433	\$21,058.20	98.3486	-\$2,360.16	161,620.25	0.00%	0.00	161,620.25	No Equity Loan	02/28/07
				12/18/06	2	FAIRBK	Dec-31-2007	133,867.61	12/01/06	12.7500	\$47.41	433	\$20,529.16	98.3486	-\$2,210.64	152,186.13	0.00%	0.00	152,186.13	No Equity Loan	02/28/07
				12/18/06	2	FAIRBK	Dec-31-2007	133,865.73	12/01/06	12.5000	\$46.48	433	\$20,126.34	98.3486	-\$2,210.61	151,781.47	0.00%	0.00	151,781.47	No Equity Loan	02/28/07
				12/18/06	2	FAIRBK	Dec-31-2007	69,879.83	09/01/07	14.0000	\$27.18	163	\$4,429.60	98.3486	-\$1,153.97	73,155.47	0.00%	0.00	73,155.47	Paid in Full	03/30/07
				12/18/06	2	FAIRBK	Dec-31-2007	75,884.18	02/01/07	0.0000	\$0.00	373	\$0.00	100.0000	\$0.00	75,884.18	0.00%	0.00	75,884.18	No Equity Loan	03/30/07
				12/18/06	2	FAIRBK	Dec-31-2007	129,667.29	03/01/07	11.2500	\$40.52	343	\$13,898.71	98.3486	-\$2,141.27	141,424.73	0.00%	0.00	141,424.73	No Equity Loan	05/16/07
				02/12/07	2	FAIRBK	Dec-31-2007	61,911.29	03/01/07	11.6250	\$19.99	343	\$6,857.32	97.4914	-\$1,553.10	67,215.51	0.00%	0.00	67,215.51	No Equity Loan	04/23/07
				02/12/07	2	FAIRBK	Dec-31-2007	68,540.44	01/01/08	9.1250	\$17.37	43	\$747.04	97.4914	-\$1,719.40	67,568.08	0.00%	0.00	67,568.08	No Equity Loan	04/23/07
				02/12/07	2	FAIRBK	Dec-31-2007	58,047.45	01/01/08	10.7500	\$17.33	43	\$745.35	97.4914	-\$1,456.17	57,336.62	0.00%	0.00	57,336.62	No Equity Loan	04/23/07
				02/12/07	2	FAIRBK	Dec-31-2007	96,939.41	04/01/07	11.6250	\$31.30	313	\$9,797.95	97.4914	-\$2,431.82	104,305.54	0.00%	0.00	104,305.54		07/23/07
				03/28/07	2	FAIRBK	Dec-31-2007	135,250.83	01/01/08	11.5000	\$43.21	43	\$1,857.82	95.8162	-\$5,658.60	131,321.49	0.00%	0.00	131,321.49		07/23/07
				03/28/07	2	FAIRBK	Dec-31-2007	30,267.62	07/01/07	12.3750	\$10.40	223	\$2,320.20	95.8162	-\$1,266.33	31,321.49	0.00%	0.00	31,321.49		07/23/07
				12/18/06	2	FAIRBK	Dec-31-2007	51,387.64	04/01/07	13.7500	\$19.63	313	\$6,143.32	98.3486	-\$848.59	56,682.37	0.00%	0.00	56,682.37		04/23/07
				10/19/05	2	WILSHR	Dec-31-2007	66,230.98	06/01/07	9.5000	\$17.48	253	\$4,421.84	99.9375	-\$41.39	70,611.42	0.00%	0.00	70,611.42	Charged Off	04/25/06
				11/09/05	1	WELLS	Dec-31-2007	493,926.60	07/01/06	6.5000	\$89.18	583	\$51,992.63	98.7700	-\$6,075.30	539,843.94	50.00%	246,963.30	292,880.64	REO	05/25/07
				12/07/05	1	WELLS	Dec-31-2007	391,339.46	03/01/06	6.8750	\$74.73	703	\$2,538.68	102.2527	\$8,815.70	452,693.85	51.00%	199,583.12	253,110.72	REO	06/20/06
				03/31/06	1	WELLS	Dec-31-2007	346,409.66	10/01/07	6.8750	\$66.15	133	\$8,738.56	101.4328	\$4,963.36	360,171.58	50.00%	173,204.83	186,966.75		06/27/07
				06/30/06	1	FAIRBK	Dec-31-2007	387,000.00	02/01/07	7.3750	\$79.28	373	\$29,571.91	101.4487	\$5,606.47	422,178.38	55.00%	212,850.00	209,328.38	Foreclosure	01/29/07
				10/17/06	1	FAIRBK	Dec-31-2007	110,808.06	05/01/07	6.8750	\$21.16	293	\$5,988.64	101.2445	\$1,379.01	118,175.70	60.00%	66,484.84	51,690.87	Forebearance	01/29/07
				10/03/06	1	FAIRBK	Dec-31-2007	360,549.89	02/01/07	8.2200	\$62.33	373	\$30,707.43	102.0000	\$7,211.00	398,468.32	43.00%	155,036.45	243,431.87	Foreclosure	04/17/07
				10/12/06	1	FAIRBK	Dec-31-2007	572,000.00	11/01/06	6.8750	\$109.24	463	\$50,576.32	99.8209	-\$1,024.45	621,551.87	52.00%	297,440.00	324,111.87	Foreclosure	01/29/07
				10/05/06	1	FAIRBK	Dec-31-2007	535,600.00	11/01/06	8.0000	\$119.02	463	\$55,107.29	102.0108	\$10,769.84	601,477.13	52.00%	278,612.00	322,965.13	Foreclosure	01/29/07
				10/02/06	1	WELLS	Dec-31-2007	317,392.44	11/01/07	8.1250	\$71.63	103	\$7,378.27	102.2131	\$7,024.21	331,794.92	43.50%	138,065.71	193,729.21		04/17/07
				10/18/06	1	FAIRBK	Dec-31-2007	354,230.00	03/01/07	7.8750	\$77.49	343	\$26,578.32	101.5992	\$5,664.85	386,473.17	52.00%	184,199.60	202,273.57	Foreclosure	05/16/07
				10/12/06	1	FAIRBK	Dec-31-2007	535,600.00	11/01/06	8.7500	\$130.18	463	\$60,273.60	103.0000	\$16,068.00	611,941.60	52.00%	278,612.00	333,429.60	Foreclosure	01/29/07
				11/28/06	1	FAIRBK	Dec-31-2007	399,404.42	01/01/07	7.5000	\$83.21	403	\$33,533.33	102.1773	\$8,696.23	441,633.98	44.00%	175,737.94	265,896.04	REO	04/17/07
				11/01/06	1	FAIRBK	Dec-31-2007	453,928.73	03/01/07	7.2500	\$91.42	343	\$31,355.76	101.0650	\$4,834.34	490,118.83	52.00%	236,042.94	254,075.89	Foreclosure	04/30/07
				10/30/06	1	FAIRBK	Dec-31-2007	519,200.00	02/01/07	6.6250	\$95.55	373	\$35,639.11	100.1296	\$672.88	555,512.00	44.00%	228,448.00	327,064.00	Foreclosure	05/02/07
				11/06/06	1	FAIRBK	Dec-31-2007	599,162.46	03/01/07	6.5000	\$108.18	343	\$37,106.46	99.9328	-\$402.64	635,866.29	52.00%	311,564.48	324,301.81	Foreclosure	03/30/07
				11/21/06	1	FAIRBK	Dec-31-2007	346,830.00	03/01/07	7.5000	\$72.26	343	\$24,763.89	102.8174	\$9,771.59	381,385.48	42.00%	145,668.60	235,716.88	Foreclosure	05/23/07
				12/06/06	1	FAIRBK	Dec-31-2007	330,385.00	03/01/07	7.5000	\$68.83	343	\$23,608.76	101.9617	\$6,481.16	360,474.92	52.00%	171,800.20	188,674.72	Foreclosure	05/16/07
				12/28/06	1	FAIRBK	Dec-31-2007	231,235.59	01/01/08	7.5000	\$48.17	43	\$2,071.49	103.2500	\$7,515.16	240,822.23	51.25%	118,508.24	122,313.99		04/23/07
				12/27/06	1	FAIRBK	Dec-31-2007	387,477.58	04/01/07	8.0000	\$86.11	313	\$26,951.22	103.0644	\$11,873.86	426,302.66	43.00%	166,615.36	259,687.30	Foreclosure	06/28/07
				01/29/07	1	FAIRBK	Dec-31-2007	615,200.00	05/01/07	7.0000	\$119.62	283	\$33,853.09	100.8536	\$5,251.35	654,304.44	43.00%	264,536.00	389,768.44	Foreclosure	06/28/07
				02/09/07	1	FAIRBK	Dec-31-2007	279,701.57	06/01/07	7.7500	\$60.21	253	\$15,234.02	101.0676	\$2,986.09	297,921.69	40.00%	111,880.63	186,041.06	Foreclosure	06/29/07
				01/31/07	1	FAIRBK	Dec-31-2007	242,083.44	09/01/07	9.0000	\$60.52	163	\$9,864.90	101.8865	\$4,566.90	256,515.24	52.30%	126,609.64	129,905.61	Foreclosure	06/29/07
				02/05/07	1	FAIRBK	Dec-31-2007	403,880.02	04/01/07	7.8750	\$88.35	313	\$27,653.16	102.6390	\$10,658.39	442,191.57	43.00%	173,668.41	268,523.17	Foreclosure	06/28/07

40	10,748,344.31	2,344.03	815,971.45	109,401.45	4,484,106.44	7,189,611.27
----	---------------	----------	------------	------------	--------------	--------------

The Following are DLJ Mortgage Capital, Inc. wiring instructions:
Citibank NYC

A/C: DLJ Mortgage Capital, Inc.
Reference: Wall Street Mortgage Bankers
Attn: Olivia Hafner

TOTAL DUE DLJ MORTGAGE CAPITAL, INC. 11,673,717.72

Preliminary CTO PRICE: 41.72%

NET DUE DLJ MORTGAGE CAPITAL, INC. 7,189,611.27

Per Diem (for repurchase after settlement date): 2,344.03

In addition to the foregoing, please note that you (The Purchaser) shall be responsible to reimburse the loan servicer for outstanding corporate and escrow advances related to the loans at the time of the servicing transfer.

EXHIBIT 17

December 3, 2007

Ace Mortgage Funding, LLC
7820 Innovation Blvd., Suite 300
Indianapolis, IN 46278
Attention: Ed L. DeWitt

Re: Mortgage Loan Purchase and Interim Servicing
Agreement between DLJ Mortgage Capital, Inc. and
Ace Mortgage Funding, LLC

Ladies and Gentlemen:

Reference is made to that certain Mortgage Loan Purchase and Interim Servicing Agreement, dated as of December 1, 2006 (as the same may have been amended or supplemented, the "MLPA"), by and between DLJ Mortgage Capital, Inc. ("DLJMC") and Ace Mortgage Funding, LLC (the "Seller"). All terms used in this letter agreement (this "Letter Agreement") and not otherwise defined shall have the meaning ascribed to them in the MLPA.

DLJMC has requested that the Seller repurchase the Mortgage Loans listed on Exhibit A attached hereto (such Mortgage Loans, the "Loans") pursuant to Section 8.04 of the MLPA ("MLPA Section 8.04"), which requires Seller to repurchase, at the Repurchase Price, each Mortgage Loan with an early payment default (as described in MLPA Section 8.04). Now, however, DLJMC and Seller have agreed to enter into this Letter Agreement to resolve such requests as follows:

1. So long as the terms of this Letter Agreement are complied with, Seller's obligations under the MLPA Section 8.04 with respect to the Loans shall be discharged upon the payment to DLJMC of the Reimbursement Amount (as defined below).
2. The parties agree that the "Reimbursement Amount" for the Loans is \$4,170,087.84.
3. In connection with the Loans, the Seller hereby agrees that it shall remit to DLJMC, by wire transfer in immediately available funds, (a) no later than December 7, 2007, \$100,000 and (b) on or before the related dates set forth below (or if any such date is not a Business Day, the immediately following Business Day), in accordance with the terms of this sentence, the following amounts, which amounts collectively total the Reimbursement Amount:

<u>Date</u>	<u>Payment</u>
January 1, 2008	\$100,000
February 1, 2008	\$100,000
March 1, 2008	\$125,000
April 1, 2008	\$125,000

May 1, 2008	\$125,000
June 1, 2008	\$125,000
July 1, 2008	\$150,000
August 1, 2008	\$150,000
September 1, 2008	\$150,000
October 1, 2008	\$150,000
November 1, 2008	\$150,000
December 1, 2008	\$150,000
January 1, 2009	\$175,000
February 1, 2009	\$175,000
March 1, 2009	\$175,000
April 1, 2009	\$175,000
May 1, 2009	\$175,000
June 1, 2009	\$175,000
July 1, 2009	\$200,000
August 1, 2009	\$200,000
September 1, 2009	\$200,000
October 1, 2009	\$200,000
November 1, 2009	\$620,087.84

4. In the event that any of the Loans are not paid in full on or before October 1, 2009 (the "**Termination Date**"), DLJMC shall provide an updated price to the Seller with respect to each such Loan (the "**Updated Price**"). The Updated Price shall be determined by DLJMC in its sole discretion using the same methodology used by it as of the date hereof to determine the original price which is reflected on Exhibit A attached hereto. The Seller shall pay to DLJMC by wire transfer in immediately available funds the Updated Price, if any, related to any Loans no later than ten (10) days after it receives such Updated Price or as the parties shall otherwise agree to in writing.
5. In the event that (i) a Loan has been paid in full by the related Mortgagor during the period commencing on the date hereof and concluding on the Termination Date (a "**Loan Termination Event**") and (ii) the proceeds from such payment in full have been received by DLJMC, the payment schedule set forth in Section 3 hereof shall be modified by reducing the amount of the last payment(s) noted thereon by the amount designated for such Loan under the heading "Net Due DLJMC" on Exhibit A attached hereto.

In the event that a Loan has been liquidated during the period commencing on the date hereof and concluding on the Termination Date (a "**Loan Liquidation Event**") and such liquidation results in an amount remitted to DLJMC (the "**Loan Liquidation Amount**") less than the amount designated for such Loan under the heading "Total Due DLJMC" on Exhibit A attached hereto (the "**Applicable Total Due Amount**"), the Seller shall remit to DLJMC within five (5) Business Days of such Loan Liquidation Event an amount equal to the excess, if any, of (a) the Applicable Total Due Amount over (b) (i) the amount for such Loan under the heading "Net Due DLJMC" on Exhibit A attached hereto, plus (ii) the Loan Liquidation Amount (such amount, the "**Loan Liquidation Remittance Amount**").

In the event that the aggregate Loan Liquidation Remittance Amounts for all the Loans in any calendar month set forth in Section 3 hereof exceeds \$100,000, the amount of such excess (the "**Excess Amount**") shall be remitted to DLJMC on the first day of each of the next succeeding six (6) calendar months in an amount on each such date equal to the product of (x) such Excess Amount and (y) a fraction, the numerator of which is one (1) and the denominator of which is six (6). In the event that a Loan Liquidation Event results in an amount remitted to DLJMC greater than the Applicable Total Due Amount, the payment schedule set forth in Section 3 hereof shall be modified by reducing the amount of the last payment(s) noted thereon by the excess of the Loan Liquidation Amount over the Applicable Total Due Amount.

6. Seller shall defend, indemnify and hold harmless DLJMC, and its officers, agents, employees, parent holding company, any affiliate, subsidiary, successor, or assign of it against any losses, damages, penalties, fines, forfeitures, attorney fees and related costs, judgments, and other costs and expenses arising out of or resulting from the Loans.

The Seller acknowledges and agrees that, to its knowledge and belief, (a) the MLPA constitutes a "securities contract" as defined in 11 U.S.C. § 741(7), (b) its obligations to repurchase from DLJMC the Loans and remit the Reimbursement Amount as provided in the MLPA constitutes a "repurchase agreement" as defined in 11 U.S.C. § 101(47) (c) the Reimbursement Amount made to DLJMC in accordance with this Letter Agreement constitutes a "settlement payment" as defined in 11 U.S.C. § 741(8) made in connection with a "repurchase agreement" as defined in 11 U.S.C. § 101(47) and (d) the Reimbursement Amount is not subject to avoidance pursuant to 11 U.S.C. §§ 546(e) or (f). Pursuant to 11 U.S.C. § 362(b)(6) and (7), DLJMC may setoff the outstanding Reimbursement Amount owed it against cash, securities, or other property held by, pledged to, under the control of, or due from DLJMC in order to settle obligations owed DLJMC.

The release of claims, forbearances and other consideration given pursuant to the terms of this Letter Agreement, including, but not limited to, not enforcing the Seller's repurchase obligations, and reducing the amount of the Reimbursement Amount, are (a) intended to be a contemporaneous exchange for new value given to the Seller by DLJMC, and (b) is, in fact, a substantially contemporaneous exchange for new value given to the Seller.

Except as otherwise set forth herein, the parties acknowledge and agree that DLJMC or its designee shall retain ownership of the Loans. If Seller is required to repurchase any Loan hereunder, DLJMC shall execute or cause to be executed any endorsements, assignments of mortgage and/or similar instruments necessary to convey, set over and transfer ownership of such Loan to Seller.

If Seller fails to comply in any respect with the terms outlined in Sections 3, 4, 5 and 6 of this Letter Agreement, and such failure is not cured by the Seller, to the satisfaction of DLJMC, within five (5) days following the receipt of written notice (which may be sent via e-mail) from DLJMC to Seller, the total outstanding unpaid Reimbursement Amount shall be immediately due and payable in full to DLJMC.

Seller acknowledges and agrees that DLJMC (or its designee) has serviced and shall service the Loans in accordance with the servicing practices designated by DLJMC (or such designee) in its sole and absolute discretion unless and until the servicing is transferred back to Seller. Seller acknowledges and agrees that such Loans may have been foreclosed upon on or before the date hereof, may be foreclosed upon on or after the date hereof and, in each case, may have been extinguished or may be extinguished in the future. Without limiting the generality of the foregoing, Seller acknowledges and agrees that the Mortgage and Mortgage Note related to each of the Loans may no longer exist and therefore, Seller may not receive a complete Mortgage File and Servicing File if each such Loan is delivered to Seller. DLJMC hereby agrees that to the extent reasonably practicable (as determined by DLJMC) it shall seek to consult with the Seller in connection with potential sale prices for foreclosures and REO Properties; provided however, that DLJMC shall have the sole ability to determine the acceptable price; provided further, the Seller and DLJMC acknowledge that the provisions of this sentence shall, in no way, limit the responsibilities of the Seller or the benefits of DLJMC contained herein.

Unless otherwise notified by DLJMC, Seller hereby agrees to remit all payments to DLJMC by wire transfer of immediately available funds to the following account:

Citibank, New York
ABA #: :
Account: DLJ Mortgage Capital, Inc.
Account #:
Attn: Olivia Hafner
Ref: Ace Mortgage Funding, LLC

REDACTED

The terms of this Letter Agreement shall terminate upon the earlier to occur of (a) 30 days' written notice to the Seller from DLJMC and (b) the payment to DLJMC by the Seller of the Reimbursement Amount.

Seller hereby acknowledges that the disputes described herein represent a valid claim on the part of DLJMC and shall not be subject to any defenses by Seller other than those outlined in this Letter Agreement. This Letter Agreement constitutes the entire agreement concerning the resolution of the dispute between DLJMC and Seller described herein and supersedes all prior understandings and agreements, if any, concerning the resolution of such dispute. Moreover, it is made solely for the consideration set forth above, without reliance on any other statements or representations, whether oral or written, by any person or entity, whether a party to this Letter Agreement or not. DLJMC and Seller agree that the terms and conditions of this Letter Agreement are contractual in nature and shall be governed by and construed in accordance with the substantive laws of the State of New York, without regard to its conflicts of law provisions.

In the event that the Seller fails to pay to DLJMC the Reimbursement Amount in accordance with the terms of this Letter Agreement, each party agrees to resolve such matter by litigation and hereby irrevocably submits to the exclusive jurisdiction of any New York State or Federal court sitting in New York County. No action relating in any way to this Letter Agreement may be commenced in any jurisdiction other than state or federal court in New York County. The parties expressly waive and forego any right to trial by jury and expressly waive the right to any award of punitive or other forms of exemplary damages. The prevailing party in any such action shall be awarded its reasonable attorneys' fees and costs. The matter shall be

resolved in accordance with the laws of the State of New York. Without limiting the generality of the foregoing, in the event that the Seller fails to perform its obligations hereunder in accordance with the terms set forth herein, DLJMC shall have the right to enter a judgment against the Seller for the Reimbursement Amount plus accrued interest at the maximum amount permitted under applicable law, less a credit for any payments previously made by the Seller to DLJMC hereunder.

This Letter Agreement is without prejudice to all rights and remedies DLJMC might otherwise have under the MLPA or any applicable law, regulation, rule or case law with regard to any Event of Default other than as described herein and should not be construed as a waiver of the same. DLJMC hereby expressly reserves all of the rights and remedies available to it under the MLPA, including, without limitation, its right to exercise its remedies under the MLPA, including any failure by the Seller to abide by the terms of this Letter Agreement. To the extent a conflict exists between the terms of the MLPA and the terms of this Letter Agreement, the terms of this Letter Agreement shall control.

Very truly yours,

DLJ MORTGAGE CAPITAL, INC.

By: *A. Adam Loskove*
Name: A. Adam Loskove
Title: Vice President

ACKNOWLEDGED AND AGREED:

ACE MORTGAGE FUNDING, LLC

By: *Richard M. Hall*
Name: Richard M. Hall
Title: President

[Signature Page to Ace Mortgage Funding, LLC Letter Agreement]

Exhibit A

Loans

DLJ Mortgage Capital, Inc.
C/O Credit Suisse Securities (USA) LLC
Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629

Purchaser: Acie Mortgage Funding, LLC

Issue Date: N/A - Actual
Settlement Date: November 29, 2007

DLJMC Loan #	Service	As of Date	Balance	Next Due Date	Rate	Days Interest	Total Interest	Repurchase Price	Rescure of Premium	Total Due DLJMC	Preliminary CTO Price	Loan Status	Date Requested
01/2507	FAIRBK	04-31-2007	285,988.88	03/01/07	9.5000	\$75.47	258 \$22,489.69	131,130.00	\$4,530.81	312,558.19	48.25%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	455,143.50	03/01/07	6.7500	\$93.84	258 \$22,666.14	131,130.00	\$7,680.55	528,880.20	48.25%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	123,654.21	03/01/07	9.3500	\$32.88	178 \$6,031.47	131,130.00	\$1,768.26	131,153.94	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	292,000.00	03/01/07	7.7500	\$42.86	358 \$22,504.28	131,130.00	\$4,175.60	318,679.88	48.25%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	24,704.00	03/01/07	11.2500	\$7.99	358 \$8,119.71	131,130.00	\$1,822.99	81,852.64	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	11,492.53	03/01/07	10.4500	\$8.09	258 \$2,109.23	131,130.00	\$597.22	30,344.21	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	112,492.53	03/01/07	0.0000	\$0.00	258 \$0.00	130,300.00	\$0.00	112,492.53	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	71,823.16	12/01/07	8.7500	\$7.41	88 \$1,531.94	131,130.00	\$1,724.21	74,793.31	54.50%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	53,859.82	03/01/07	0.0000	\$0.00	258 \$0.00	130,300.00	\$0.00	53,859.82	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	1,987.14	03/01/07	11.2500	\$7.99	358 \$8,119.71	131,130.00	\$1,822.99	81,852.64	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	308,044.45	11/01/07	7.1250	\$69.89	48 \$3,513.74	131,130.00	\$2,727.18	198,261.88	65.99%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	76,593.04	11/01/07	11.9500	\$15.51	58 \$4,475.56	131,130.00	\$1,095.28	79,178.89	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	178,588.64	13/01/07	9.3750	\$48.90	88 \$4,302.97	131,130.00	\$2,235.81	184,897.42	67.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	119,510.06	03/01/07	8.3750	\$38.48	148 \$4,360.46	131,130.00	\$1,666.00	126,436.52	54.50%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	15,586.96	03/01/07	12.5000	\$18.72	328 \$8,761.27	131,130.00	\$8,257.09	95,189.32	48.25%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	73,586.96	03/01/07	12.5000	\$18.72	258 \$7,253.33	131,130.00	\$1,438.94	118,502.90	57.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	109,113.63	03/01/07	0.0000	\$0.00	258 \$0.00	130,300.00	\$0.00	109,113.63	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	58,022.81	03/01/07	0.0000	\$0.00	258 \$0.00	130,300.00	\$0.00	58,022.81	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	233,088.19	03/01/07	7.0000	\$48.07	258 \$10,123.02	131,130.00	\$3,010.08	246,793.30	54.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	35,058.45	03/01/07	8.3250	\$39.75	120 \$4,680.03	131,130.00	\$2,123.02	172,660.29	54.50%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	22,598.45	03/01/07	8.3750	\$39.75	58 \$1,764.40	131,130.00	\$1,183.93	129,718.55	54.50%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	170,513.44	11/01/07	8.3750	\$39.67	58 \$2,309.75	131,130.00	\$2,343.32	175,048.51	54.50%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	36,000.00	03/01/07	7.3750	\$44.00	258 \$25,032.00	131,130.00	\$5,317.74	414,063.74	48.25%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	123,930.00	03/01/07	7.3750	\$37.11	258 \$5,638.36	131,130.00	\$1,133.79	131,182.15	63.50%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	89,525.69	11/01/07	8.3750	\$42.87	48 \$1,260.03	130,370.00	\$1,781.87	91,540.43	54.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	233,200.00	03/01/07	8.3750	\$48.83	258 \$14,545.85	130,370.00	\$1,541.84	238,691.69	48.25%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	135,979.76	03/01/07	8.3750	\$43.03	178 \$5,872.35	130,370.00	\$1,055.62	141,024.68	54.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	327,084.49	03/01/07	8.2500	\$73.81	148 \$10,592.35	130,370.00	\$2,011.96	335,789.81	64.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	152,080.00	13/01/07	6.0000	\$39.25	88 \$2,574.00	130,370.00	\$1,094.40	165,943.40	54.50%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	46,000.00	03/01/07	6.7500	\$37.00	228 \$17,260.00	131,263.00	\$6,252.20	424,472.20	54.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	13,685.98	03/01/07	10.1250	\$27.04	228 \$8,814.72	98,423.4	\$4,592.55	135,801.36	0.00%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	38,771.38	11/01/07	8.2500	\$37.40	58 \$5,071.38	131,110.00	\$4,337.87	301,083.33	63.50%	05/17/07	05/17/07
01/2507	FAIRBK	04-31-2007	429,811.13	03/01/07	6.5000	\$37.51	178 \$13,971.35	99,100.00	\$3,413.30	441,872.18	63.50%	05/17/07	05/17/07

The Following are DLJ Mortgage Capital, Inc. wiring instructions:
Citibank NYC
ABA: 021000099
Account: 1021000000
A/C: DLJ Mortgage Capital, Inc.
Reference: Acie Mortgage Funding, LLC
Attn: Rick Hahn

TOTAL DUE DLJ MORTGAGE CAPITAL, INC.: 730,707.38
PRELIMINARY CTO PRICE: 48.94%
NET DUE DLJ MORTGAGE CAPITAL, INC.: 417,087.84

Per Diem (for repurchase after settlement date): 1.65116
In addition to the foregoing, please note that you (The Purchaser) shall be responsible to reimburse the loan servicer for
servicing expenses and certain expenses related to the loans at the time of the servicer transfer.

EXHIBIT 18

EXHIBIT 19

From: Sacco, Robert
Sent: Friday, January 19, 2007 3:08 PM
To: Sack, Peter; Hill, Bertram; Nordyk, Jason
Cc: Daniel, Michael (NY); Vibert, John; Schoen, Christopher; Spoto, Vincent
Subject: RE: Monthly QC review

Pete - the normal monthly sample pulled is random and adverse. Loans are pulled based on probability of delinquency, soft market, fraud, compliance and non-diligenced at purchase. In addition we perform reviews on all loans that go 90 days delq in the first 9 months we own them.

1. We can include 60+ in the first 4 months. This would be in addition to the 90 day in first 9 month rule. I will let you know, but I think this will be a lot of loans and very costly.
2. We have this information today. We can send it out monthly.
3. This is currently being done. Loans with negative results that fit the putback grid are sent up to the PBG group.

Jason - for our next delinquency review, could you include all that went 60 in the first 4 months. This is in addition to the 90 day 9 month rule. Also, could you provide #2 for the most recent month reviewed.

Thanks

Rob Sacco
Director

CREDIT SUISSE

Eleven Madison Avenue - 4th Floor
New York, NY 10010-3629
☎: NY (212) 538-0374

302 Carnegie Center - 2nd Floor
Princeton, NJ 08540
☎: NJ (609) 627-5072

Ⓢ (212) 743-4509

✉: Robert.Sacco@Credit-Suisse.com

This material has been prepared by individual sales and/or trading personnel and does not constitute investment research. Please follow the attached hyperlink to an important disclaimer:
<http://www.csfb.com/legal_terms/disclaimer_americas_salestrading.shtml>

From: Sack, Peter
Sent: Wednesday, January 17, 2007 3:38 PM
To: Sacco, Robert; Hill, Bertram
Cc: Daniel, Michael (NY); Vibert, John; Schoen, Christopher; Spoto, Vincent
Subject: RE: Monthly QC review

Rob - Sorry to pester you about this. I just found out something else that I think we should consider ...

PBG's December year-to-date report describes 900 loans that were "repurchased from securities" in 2006. However, I researched the loans and found that about 350 were not actually repurchased from deals - we rec'd a check from the originator based on CTO but we did not repurchase the loan from the deal or pass the \$ to the trust. Although we don't have a legal obligation to repurchase the loan for EPD or pass the \$ to the deal, I think it would be best if we can demonstrate that we conducted a review to determine whether these loans breached securitization reps.

I haven't heard any disagreement so far with what I proposed below - please let me know if this is something you think we could implement, possibly as a replacement for, rather than an addition to, the current QC sourcing methodology. I think this approach would be very helpful for purposes of internal performance tracking, investor comfort and follow-up with originators.

From: Sack, Peter
Sent: Monday, January 08, 2007 4:22 PM
To: Sacco, Robert; Hill, Bertram
Cc: Daniel, Michael (NY); Vibert, John; Schoen, Christopher; Spoto, Vincent
Subject: Monthly QC review

Rob - Following up on my suggestions re QC:

Rather than a random sample, would it be better to do an adverse sample focused on areas w/ high concentrations of fraud?

Re the performance-based review, your earlier email said 90+ delqs in 1st 9 months is a review required by FNMA, but I am unclear whether this is required by Fannie as bond investor, loan investor or something else, or whether it is 9 months following origination, CS purchase, sale or securitization.

Could we instead perform QC programmatically on all loans 60+ delq as of 3rd security payment date? If we adopt this approach we could better answer an increasing # of calls from investors asking about "EPDs" in securitizations, keep the desks informed on a regular basis using a consistent, programmatic monthly approach reporting channels, originators etc., and coordinate the results w/ PBG to have a better chance of putting these loans back relatively close to origination/sale.

1. The QC would be sourced each month simply by selecting 60+ delqs as of 3rd security payment date for our various deals.
2. A monthly report would detail the loans that have been selected for QC, including desk/deal, channel, broker/originator, status, balance etc., and accumulate loan-level QC results as they become available.
3. For negative QC results that give rise to a basis for put-back, PBG could incorporate these loans into their process.

EXHIBIT 20



CREDIT SUISSE

January 9, 2009

Decision One Mortgage Company, LLC
26525 North Riverwoods Boulevard,
Mettawa, Illinois 60045

Re: Amended and Restated Mortgage Loan Purchase and
Interim Servicing Agreement between DLJ Mortgage
Capital, Inc. and Decision One Mortgage Company, LLC

Ladies and Gentlemen:

Reference is made to that certain Amended and Restated Mortgage Loan Purchase and Interim Servicing Agreement, dated as of February 1, 2006 (as the same may have been amended or supplemented, the "MLPA"), by and between DLJ Mortgage Capital, Inc. ("DLJMC") and Decision One Mortgage Company, LLC (the "Seller"). All terms used in this letter agreement (this "Letter Agreement") and not otherwise defined shall have the meaning ascribed to them in the MLPA.

DLJMC has requested that the Seller (i) repurchase certain Mortgage Loans sold by the Seller to DLJMC pursuant to Sections 8.03 and 8.04 of the MLPA and (ii) reimburse DLJMC for certain premiums paid on certain Mortgage Loans pursuant to Section 8.05 of the MLPA. Seller has disputed the validity of such claims. Now, however, DLJMC and Seller have agreed to enter into this Letter Agreement to resolve these requests and any and all claims that may currently exist and those claims that may exist in the future as follows:

1. So long as the terms of this Letter Agreement are complied with, Seller's obligations under the MLPA related to any Mortgage Loan previously purchased by DLJMC from the Seller pursuant to such MLPA shall be discharged and released upon the payment to DLJMC of the Reimbursement Amount (as defined herein); provided, that, the Seller agrees to indemnify DLJMC and hold it harmless against any and all claims, losses, damages, penalties, fines, forfeitures, legal fees and related costs, judgments, and any other costs, fees and expenses that DLJMC may sustain or incur in any way related to a successful claim or defense to foreclosure finally determined by a court of law, in each case, asserted by a mortgagor related to a mortgage loan purchased by DLJMC from the Seller, on the basis that renders any of the following representations or warranties untrue in any material respect:
 - (a) There has been no fraud, error, omission, misrepresentation, negligence or similar occurrence on the part of Seller or the mortgagor, or, on the part of any other party involved in the origination of the mortgage loan;
 - (b) Any and all requirements of any federal, state or local law including, without limitation, usury, truth-in-lending, real estate settlement procedures, consumer credit protection, equal credit opportunity or disclosure laws applicable to the mortgage loan have been complied with;
 - (c) The related Mortgage contains customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security provided thereby;

(d) With respect to a first lien Mortgage Loan, the Mortgage creates a first lien or a first priority ownership interest in an estate in fee simple in real property securing the related Mortgage Note. With respect to a second lien Mortgage Loan, the Mortgage creates a second lien or a second priority ownership interest in an estate in fee simple in real property securing the related Mortgage Note;

(e) Each Mortgage Loan is covered by an ALTA lender's title insurance policy or other generally acceptable form of policy or insurance insuring the Seller, its successors and assigns, as to the first or second, as applicable, priority lien of the Mortgage in the original principal amount of the Mortgage Loan; and

(f) There does not exist on the related Mortgage Property any hazardous substances, hazardous wastes or solid wastes, as such terms are defined in the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act of 1976, or other federal, state or local environmental legislation.

2. The parties agree that the "Reimbursement Amount" for the Loans is \$2,500,000.
3. In connection with the Loans, the Seller hereby agrees that it shall remit to DLJMC, by wire transfer in immediately available funds, no later than two (2) Business Days from the date hereof, the Reimbursement Amount.

The Seller acknowledges and agrees that, to its knowledge and belief, (a) the MLPA constitutes a "securities contract" as defined in 11 U.S.C. § 741(7), (b) its obligations to repurchase from DLJMC the Loans and remit the Reimbursement Amount as provided in the MLPA constitutes a "repurchase agreement" as defined in 11 U.S.C. § 101(47) (c) the Reimbursement Amount made to DLJMC in accordance with this Letter Agreement constitutes a "settlement payment" as defined in 11 U.S.C. § 741(8) made in connection with a "repurchase agreement" as defined in 11 U.S.C. § 101(47) and (d) the Reimbursement Amount is not subject to avoidance pursuant to 11 U.S.C. §§ 546(e) or (f).

The release of claims, forbearances and other consideration given pursuant to the terms of this Letter Agreement, including, but not limited to, not enforcing the Seller's repurchase obligations, and reducing the amount of the Reimbursement Amount, are (a) intended to be a contemporaneous exchange for new value given to the Seller by DLJMC, and (b) is, in fact, a substantially contemporaneous exchange for new value given to the Seller.

Except as otherwise set forth herein, the parties acknowledge and agree that DLJMC or its designee shall retain ownership of the Mortgage Loans.

Seller acknowledges and agrees that DLJMC (or its designee) has serviced and shall service the Mortgage Loans in accordance with the servicing practices designated by DLJMC (or such designee) in its sole and absolute discretion unless and until the servicing is transferred back to Seller. Seller acknowledges and agrees that such Mortgage Loans may have been foreclosed upon on or before the date hereof, may be foreclosed upon on or after the date hereof and, in each case, may have been extinguished or may be extinguished in the future. Without limiting the generality of the foregoing, Seller acknowledges and agrees that the Mortgage and Mortgage Note related to each of the Mortgage Loans may no longer exist.

Unless otherwise notified by DLJMC, Seller hereby agrees to remit all payments to DLJMC by wire transfer of immediately available funds to the following account:

Citibank, New York

ABA #:
Account: DLJ Mortgage Capital, Inc.
Account #:
Attn: Margaret Dellafera
Ref: Decision One Mortgage

REDACTED

This Letter Agreement constitutes the entire agreement concerning the full and final resolution of all disputes between DLJMC and Seller and supersedes all prior understandings and agreements, if any, concerning the resolution of such disputes. Moreover, it is made solely for the consideration set forth above, without reliance on any other statements or representations, whether oral or written, by any person or entity, whether a party to this Letter Agreement or not. DLJMC and Seller agree that the terms and conditions of this Letter Agreement are contractual in nature and shall be governed by and construed in accordance with the substantive laws of the State of New York, without regard to its conflicts of law provisions.

In the event that the Seller fails to pay to DLJMC the Reimbursement Amount in accordance with the terms of this Letter Agreement, each party agrees to resolve such matter by litigation and hereby irrevocably submits to the exclusive jurisdiction of any New York State or Federal court sitting in New York County. No action relating in any way to this Letter Agreement may be commenced in any jurisdiction other than state or federal court in New York County. The parties expressly waive and forego any right to trial by jury and expressly waive the right to any award of punitive or other forms of exemplary damages. The prevailing party in any such action shall be awarded its reasonable attorneys' fees and costs. The matter shall be resolved in accordance with the laws of the State of New York. Without limiting the generality of the foregoing, in the event that the Seller fails to perform its obligations hereunder in accordance with the terms set forth herein, DLJMC shall have the right to enter a judgment against the Seller for the Reimbursement Amount plus accrued interest at the maximum amount permitted under applicable law, less a credit for any payments previously made by the Seller to DLJMC hereunder.

Very truly yours,

DLJ MORTGAGE CAPITAL, INC.

By: [Signature]
Name: A. Adam Loskove
Title: Vice President

ACKNOWLEDGED AND AGREED:

DECISION ONE MORTGAGE COMPANY, LLC

By: [Signature]
Name: Susanne Miller
Title: Senior Vice President

EXHIBIT 21

From: Dellafera, Margaret <margaret.dellafera@credit-suisse.com>
Sent: Friday, December 19, 2008 9:38 AM
To: Kaiserman, Bruce <bruce.kaiserman@credit-suisse.com>
Cc: Dellafera, Margaret <margaret.dellafera@credit-suisse.com>
Subject: Decision One
Attach: DE-081216.xls

We have an offer from Decision One for payment of just under \$2MM in satisfaction of \$5.7MM (notional) in epd claims and \$335K in prepayment penalties. The proposal is based on a convoluted analysis of validity of each claim, expected losses, and expected future claims. They also include a very small premium for global release (\$138K). Assuming a 50% loss severity on 1st liens not yet liquidated, this offer represents approximately 49% of the realized and expected losses on repurchase plus prepay penalties. See attached schedule for details.

We can take one of two approaches in analyzing this offer as follows:

- 1) Review the loan level detail and premises of the offer and attempt to push for more on that basis.
- 2) Analyze the offer on a higher level, i.e. decide if we are willing to settle for the percentage recovery it represents.

In light of the fact that D1 is defunct, and because this offer is approved by senior management so requires no further approval on their side, I think approach #2 is appropriate. Without the global release I think 50cts looks like a very good recovery. With the global release, I'm not so sure, though the future value of reps is highly questionable anyway. Perhaps we can try to retain some restricted fraud rep.

Let me know your thoughts. My contact there is out the door after the holidays, so if we are going to agree to this it would probably be best to do so asap.

Margaret DellaFera

Director

FID - Mortgage Trading Finance

CREDIT SUISSE

☎: (212) 325-6471

fax: (212) 743-4810

✉: margaret.dellafera@credit-suisse.com

This material has been prepared by individual sales and/or trading personnel and does not constitute investment research. Please follow the attached hyperlink to an important disclaimer: <http://www.credit-suisse.com/americas/legal/salestrading>

EXHIBIT 22

From: Sack, Peter <psack@credit-suisse.com>
Sent: Wednesday, March 26, 2008 12:25 PM
To: Steczkowski, Thomas <thomas.steczkowski@credit-suisse.com>; Kuo, Tim <tim.kuo@credit-suisse.com>
Cc: Chin, Wallace <wallace.chin@credit-suisse.com>; Wiener, Sean <sean.wiener@credit-suisse.com>; Savage, Jason <jason.savage@credit-suisse.com>; Steele, Kevin <kevin.steele@credit-suisse.com>; Cheung, Helen <helen.cheung@credit-suisse.com>
Subject: RE: March 2008 Markdown File

Thanks. Looks like only 4 loans were repurchased from securitizations. We want to keep a close eye on loans repurchased from securitizations because in the past, we were concerned that PBG was repurchasing loans from securitizations based on PBG's expectation that they could put the loan back to the seller for EPD, and when they didn't, we got stuck with the loan in the markdown account.

Tim - Pls report back re the 3 securitized 2nds (2 look like called deals) and the subprime in NC1 - why did we repurchase these loans?

From: Steczkowski, Thomas
Sent: Monday, March 24, 2008 9:16 AM
To: Sack, Peter
Cc: Chin, Wallace; Wiener, Sean; Savage, Jason; Steele, Kevin; Cheung, Helen; Kuo, Tim
Subject: RE: March 2008 Markdown File

About 2.5mm of these repurchases are from Indymac Whole loan sales. I have attached the loan_no's. If you need more information you can look at the 3rd tab on the markdown file, or let me know what additional info. you are looking for.

responsibility	DEAL	Count	Servicer Balance
2ND		4	229,618.49
	2nds sale to Citi - March 07	1	56,933.48
	CSFB 2001-S18	1	43,801.46
	Hemt 2003-7	1	41,620.99
	HEMT 2007-2	1	87,262.56
ARM		2	424,952.42
	ARMs Citi Aug-06 WL Sale (CS48)	1	179,989.43
	ARMs Citi NO Condos 0307 (CS56)	1	244,962.99
FXD		7	2,501,648.58
	IndyMac August	1	230,105.37
	Indymac Sale	1	268,418.76
	Indymac Tail August #1	5	2,003,124.45
SUB		1	99,588.22
	CSMC 2007-NC1	1	99,588.22
Grand Total		14	3,255,807.71

From: Sack, Peter
Sent: Thursday, March 20, 2008 8:23 PM
To: Steczkowski, Thomas

Cc: Chin, Wallace; Wiener, Sean; Savage, Jason; Steele, Kevin; Cheung, Helen; Kuo, Tim
Subject: RE: March 2008 Markdown File

Tom - Can you send us a list of just the \$3.26MM of loans repurchased out of transactions? As a general rule, we don't repurchase any delq loans from deals unless we are simultaneously selling them back to originator, unless we make a considered decision and I sign the memo. Want to see what these loans are, what deals we bought them out of and why. Thanks.

From: Steczkowski, Thomas

Sent: Thursday, March 20, 2008 4:36 PM

To: Steczkowski, Thomas; Abraham, Aby; Bienstock, Paul; Buccola, James; Chan, Carrina; Chin, Wallace; Daniel, Michael (NY); Davino, Paul; Dodman, Patrick; Enea, Rosa; Ezra, Daniel; Gallagher, Patrick (NY); Kimura, Andrew; Kusold, Laurie; *Martin, Jeffrey; Newell, Patrick; Perry, James; *Quarto, Joe; Remmert, Patrick.A; Resnick, Vanessa; Roodin, Neal; Seedharie, Krishen; Wiener, Sean; Kaiserman, Bruce; Sack, Peter; Savage, Jason

Subject: March 2008 Markdown File

In the attached spreadsheet are loans that make up the June DELQ4 markdown file. James Perry will put a price on the loans. Once they are priced I will let everyone know the P&L impact. If you would like an estimated loss before then please let me know. The total unpaid principal balance of loans is approximately \$54.27mm.

Product type can be found in column "BC" and Seller can be found in column "CA".

The breakdown of loans in the file is as follows:

Fixed	\$6.17mm
Arms	\$27.29mm
Seconds	\$0.56mm
Subprime	\$20.01mm
Unwind	\$0.24mm

Keybank Loans account for approximately 0.11mm of the Subprime Population.

\$3.26mm of the loans above are the result of DELQ4 loans that were repurchased out of transactions (Subprime, Seconds, Arms and Fixed). To the extent that any additional buybacks occur between today and the day the markdown is processed, then these loans will also be included in the markdown file.

Any questions on this please let me know.

Thomas Steczkowski

Mortgage Trading Finance

CREDIT SUISSE

Eleven Madison Avenue

New York, NY 10010

Tel. 212-538-0078

Fax 212-743-4917

EXHIBIT 23

From: Sack, Peter <psack@credit-suisse.com>
Sent: Monday, February 26, 2007 12:20 PM
To: Daniel, Michael (NY) <michael.daniel@credit-suisse.com>
Cc: Vibert, John <john.vibert@credit-suisse.com>
Subject: RE: PBG/SO/Credit

Servicing Oversight will email reports on or before the 15th of every month beginning in March, detailing for the prior month and YTD:

*MI rescissions, reimbursements to securitizations and recoveries from insurers, servicers and originators/fulfillment centers, in the format we proposed to Jeff Martin and James Campbell.

*PPP collected and uncollected, reasons for uncollected PPPs and recoveries from servicers, originators and fulfillment centers, in a format I proposed to Romelle Thomas and James Campbell.

I think these reports will show us that our process to recover MI and PPPs falls short of what it should be, but getting this data every month will be a good first step. Once we have the data, we can start attacking the reasons for the shortfalls and the recovery process.

I would like to get similar monthly reports from Credit re QC results, but I need to discuss more w/ Sacco - John and I have been talking about this. I still think we need to tweak our QC sampling methodology to focus on loans from certain originators and sooner after purchase, to improve our recovery rate. A comprehensive monthly and YTD report on the QC results will be a good start.

From: Daniel, Michael (NY)
Sent: Sunday, February 25, 2007 7:48 PM
To: Sack, Peter
Subject: RE: PBG/SO/Credit

How is this going -- do we have reports for Feb?

-----Original Message-----

From: Sack, Peter
Sent: Thursday, January 18, 2007 4:38 PM
To: Daniel, Michael (NY)
Cc: Vibert, John; Schoen, Christopher
Subject: RE: PBG/SO/Credit

Re Ops: In my opinion, a lot of these issues (PPPs, QC, MI, put-backs to sellers, repurchases from investors etc.) are related in that they require: (1) reconciliation - we need to figure out where we're getting screwed and address it, (2) reporting - we need to know what's happening on past trades/relationships to inform our decisions prospectively, and (3) follow-up - we need to collect from originators, servicers etc.

I've separately asked S.O., Credit and PBG to generate monthly reports re MI rescissions, PPP collections, QC results and put-backs and I suggested changes to each of their processes - see attached emails for example. I expect these reports to start in Feb. I think this reporting will help us better understand and guide the reconciliation and evaluate business decisions prospectively (e.g., buying MI from Radian for Alt B).

Next we need to better coordinate the follow-up. This is woefully inadequate currently. For example, no real reporting existing for MI rescissions. Now that we dug it up, we see that the fixed desk alone paid over \$4MM for MI rescissions in 2006, almost all of which should have been be recoverable from originators and servicers, and we recovered basically none of it (3rd email below). Similarly, we have 3 somewhat overlapping PPP reconciliation

sources, yet we still don't recover many PPPs we are entitled to (1st email below). Possibly implementing some of the reporting and processes I've proposed will improve these operational functions.

<< Message: FW: PPP Ownership_ALTA, Jumbo A and Scratch&Dent deals >> << Message: RE: Monthly QC review >> << Message: FW: MI reimbursement detail for 2006 >>

Re Performance: Here are a few tidbits I pulled together. Piecemeal, but it appears the closer we get to loan origination, the worse the performance - both in terms of delq/default, and just the underwriting itself.

<< File: ARMT Channel Perf.xls >> << Message: RE: Delqs in deals/CSFB 05-10 >> << Message: RE: Sub Wholesale Status Check - January 2007 >>

From: Daniel, Michael (NY)
Sent: Monday, January 15, 2007 12:49 PM
To: Sack, Peter
Cc: Vibert, John; Schoen, Christopher
Subject: RE: PBG/SO/Credit

What do you think the next step should be?

If the conduit is going to ask better pricing out of us, then we are basically going to ask two things out of them this year: (a) better underwriting/performance and (b) better operational support of our business or approval of outsourcing.

I would propose the stock answer that we need to sit down with Fallacara and go over these things, i.e., things the conduit just isn't getting done operationally. Perhaps I'll bring this up at my meeting with Mike and Andy on Friday, but Mike already might be on his heels a bit by then.

And why don't you think we can do this ourselves? Seems we should be able to do it better than Clayton if we laid things out the right way.

-----Original Message-----

From: Sack, Peter
Sent: Friday, January 05, 2007 10:27 AM
To: Daniel, Michael (NY); Vibert, John
Subject: PBG/SO/Credit

These proposals relate to a number of responsibilities (put-back group, servicing oversight, credit), but they all involve us tracking performance and following up with originators and servicers:

EPDs: PBG's function seems to essentially be limited to EPD-related put-backs, not put-backs for other reasons such as breach of reps. I have some thoughts below on put-backs for breach of reps, but re put-backs for EPDs: PBG has been repurchasing loans from securities and GSEs when they anticipate that originator will repurchase from us. In order to avoid our getting stuck w/ delq loans, I proposed to PBG that when a seller agrees to repurchase a loan for EPD or pay the difference between our purchase price and Todd's price, and the loan is owned by a securitization trust or GSE rather than in our inventory, PBG should arrange for delivery of the coll'l file under bailee as necessary to complete the sale back, but not coordinate the repurchase from the trust/GSE until the seller remits payment to CS. I discussed w/ LaSalle (custodian) and they agreed, and I drafted a bailee letter to be used by PBG for delivery of the collateral file. Anecdotally it appears PBG is now following this process but I'm not sure Vincent has formalized it. (Clayton performs this EPD/PBG service for some of our competitors.)

QC: Credit has been reviewing loans post-close by selecting random samples and also

reviewing "90+ delqs in 1st 9 months" because they say this is required by FNMA. I proposed to credit that they replace the random sample with an adverse sample, e.g., focus on areas w/ high concentrations of fraud, and that they replace the FNMA review (I haven't heard an explanation re whether this Fannie requirement is based on their role as bond investor, loan investor or something else, or 9 months from when?) with a review of all loans 60+ delq as of 3rd security payment date. Furthermore, I don't believe there is any programmatic approach to reporting the results of these QC reviews, or following up with originators to put back defective loans. I would propose a monthly report showing the details incl. channel/originator and QC findings for all loans included in the monthly performance-based review, and a pipeline to PBG to sell back the delq and defective loans. (Clayton could also perform this Rep/Warrant/PBG service.)

MI rescission-related defects: Servicing Oversight receives and reviews notices of MI rescission and reimburses trusts out of trading accounts for lost MI claims. In Fixed Alt A for example, \$1.045MM of MI proceeds were lost in 2006 due to servicing errors and \$4.125MM due to origination defects. S.O. reversed \$188K of claims by disputing w/ insurers. None of the lost claims were reimbursed by servicers or originators. I'm told a process exists to chase down servicers, but it appears we didn't collect anything in 2006. I don't believe a process even exists to chase down originators. (Similar to above, Clayton could also perform this Rep/Warrant/PBG service.)

Prepayment Penalties: PPPs are not collected for a number of reasons which generally can be described as relating to originator (including fulfillment center) or servicer errors. I can't summarize in a few words, but bottom line is in virtually every case of a PIF during the term of a PPP that doesn't result in us receiving the PPP, we are entitled to reimbursement from either the originator (including fulfillment center) or servicer. We only actually collect in a few circumstances from servicers and in no circumstances from originators other than (theoretically) fulfillment centers, and even in those circumstances I am skeptical that any \$ makes its way back to the appropriate trading account. I listed all the scenarios in the attached email to S.O. and gave them my suggestions. (Clayton performs some of these functions for loans securitized in HEAT and HEMT, but the scope of their responsibilities could be expanded.)

Summary: Since it wouldn't work to outsource these services to Clayton unless we did it across the board, I think we either need to replace all of these in-house functions w/ a comprehensive outsourced approach or coordinate between credit, S.O. and PBG. I am skeptical that everyone would agree to outsourcing, but I am also skeptical that we will get the same level of service in-house (e.g., S.O. simply does not do the same level of PPP review that Clayton does). I think the best we can get is a somewhat more coordinated approach in terms of tracking/reporting and follow-up w/ servicers and originators. I believe S.O. and PBG report to Vincent and credit to Rob, and both report to Mike F. Let me know what you want me to do next.

<< Message: RE: Exemptions from state PPP limits >>

EXHIBIT 24

SON BELKNAP WEBB & TYLER LLP
p R. Forlenza (prforlenza@pbwt.com)
Erik Haas (ehaas@pbwt.com)
1133 Avenue of the Americas
New York, New York 10036
Telephone: (212) 336-2000
Fax: (212) 336-2222
Attorneys for MBIA Insurance Corporation

NEW YORK
COUNTY CLERK'S OFFICE

DEC 11 4 2009

NOT COMPARED
WITH COPY FILED

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

----- x
MBIA INSURANCE CORPORATION, :

Plaintiff, :

- against - :

CREDIT SUISSE SECURITIES (USA) LLC, :
DLJ MORTGAGE CAPITAL, INC., and :
SELECT PORTFOLIO SERVICING, INC. :

Defendants.
----- x

Index No. 603751/09

VERIFIED COMPLAINT

Plaintiff MBIA Insurance Corporation ("MBIA"), by and through its attorneys, Patterson Belknap Webb & Tyler LLP, for its complaint against defendants Credit Suisse Securities (USA) LLC ("CS Securities") and its affiliates DLJ Mortgage Capital, Inc. ("DLJ", and together with CS Securities, "Credit Suisse") and Select Portfolio Servicing, Inc. ("SPS"), hereby alleges upon personal knowledge as to itself and as to its own conduct, and upon information and belief as to all other matters, as follows:

NATURE OF THE ACTION

1. MBIA brings this action to seek redress for Credit Suisse's pervasive and material misrepresentations and breaches of the parties' agreements pertaining to a mortgage-backed securities transaction that DLJ sponsored, CS Securities marketed, SPS serviced, and

MBIA insured, which closed in April 2007 (the Home Equity Mortgage Trust Series 2007-2 Transaction (the "Transaction"))).

2. The Transaction consisted of DLJ, as the "sponsor," aggregating thousands of residential mortgage loans into a loan "pool," which subsequently was transferred to a trust formed to issue securities that were to be paid down based on the cash flow from the pooled mortgage loans. SPS was the "servicer" of the Transaction, and in that role was tasked with, among other things, collecting monthly mortgage payments, monitoring performance of borrowers so as to maximize monthly mortgage payment collections, and seeking recovery from delinquent borrowers for amounts due on the mortgage loans in the pool. CS Securities served as underwriter for the public offering, and thus marketed the securities to investors. To enhance the marketability of certain classes of the securities, CS Securities solicited, and DLJ and SPS contracted with MBIA to issue, a financial guaranty insurance policy guaranteeing payment on these securities. MBIA's financial guaranty insurance provided that MBIA would guarantee payments of interest and ultimate principal to purchasers of the securities in the event that the pool of loans in the trust did not generate sufficient income to cover such payments.

3. CS Securities, SPS and DLJ, as affiliates under common control, acted in concert (a) to induce MBIA to enter into an insurance agreement and issue an insurance policy by making fraudulent statements and untrue contractual representations and warranties and, thereafter, (b) to thwart the agreements' remedial protocol.

4. CS Securities fraudulently induced MBIA to participate in the Transaction by falsely representing (i) the attributes of the securitized loans, (ii) that Credit Suisse used certain strict underwriting guidelines to select the loans sold into the Transaction, when in fact it did not, and (iii) that Credit Suisse conducted extensive due diligence on the securitized loans to

ensure compliance with the strict guidelines, when in fact such diligence had not been undertaken.

5. Similarly, DLJ induced MBIA to participate in the Transaction by making numerous untrue representations and warranties in the parties' insurance agreement and other operative transaction documents. DLJ made express representations and warranties regarding the characteristics of the securitized loan pool in the aggregate and DLJ's mortgage loan conduit business (the "transaction-level warranties"), and relating to the attributes of each of the individual loans securitized in the Transaction (the "loan-level warranties"). The transaction-level and loan-level warranties both were critical to MBIA's assessment of the risk of insuring the Transaction.

6. The transaction-level warranties included, among other things, representations and warranties concerning the accuracy and adequacy of DLJ's disclosures about its (i) mortgage-loan pools, (ii) mortgage-lending operations, including the acquisition and securitization of its loans, (iii) financial statements, and (iv) compliance with laws governing the offer and sale of the securities. These broad representations formed an important part of the foundation of the parties' bargain because the accuracy, or conversely the breach, of the representations necessarily would have a material effect not only on the risk profile of the loans included in the Transaction, but also on (i) DLJ's entire loan portfolio acquired for securitization, (ii) its financial condition, (iii) its ability to carry out its contractual obligations, and (iv) its general suitability as a party to the contemplated securitization.

7. The loan-level warranties concerned the attributes of each of the individual loans in the securitized pool. DLJ represented and warranted, among other things, that (i) the critical attributes of each loan as supplied by DLJ to MBIA were true, correct and

complete, (ii) each loan complied with the applicable originators' underwriting standards, prudent and customary underwriting guidelines, and prudent and customary origination, underwriting, servicing and collection practices, and (iii) no borrower was in breach of his or her obligations under the loan agreements. If a loan failed to comply with the loan-level warranties, DLJ agreed to cure the breach, or repurchase or provide an adequate substitute for the non-conforming loan.

8. In making both the transaction-level and loan-level warranties, DLJ provided the assurance that systemic underwriting failures and origination abuses did not plague the loans it securitized, and assumed the risk in the event its representations were inaccurate. MBIA, in turn, assumed the market risk that loans *that were originated pursuant to the represented practices and controls and bearing the represented attributes* might not perform as expected. This fundamental allocation of risk was the heart of the parties' bargain.

9. Since the Transaction closed in April 2007, the securitized loans have defaulted at a remarkable rate. Through October 31, 2009, loans representing more than 51% of the original loan balance, or approximately \$464 million, have defaulted and been charged-off, requiring MBIA to make over \$296 million in claim payments.

10. Once the losses began to mount, MBIA sought access to the loan origination files maintained by SPS to ascertain the cause of the poor performance. For months, SPS stonewalled MBIA's repeated attempts to obtain from SPS copies of the documentation relating to the individual loan files, despite the fact that SPS was contractually required to provide such access. SPS's obfuscation was intended to prevent MBIA from uncovering that (i) the mortgage loans that were pooled for purposes of the Transaction did not comply with the promises that CS Securities and DLJ had made about them; (ii) SPS had not adequately serviced

the securitized loans; and (iii) SPS improperly had released without consideration a large number of "charged-off" loans from the trust to its affiliate CS Securities. Indeed, MBIA did not obtain access to any of the loan origination files until it terminated SPS as servicer.

11. Once in possession of the loan files, MBIA retained a third-party consultant to review loan origination files of 1,798 loans in the securitized loan pool (with an aggregate initial principal balance of over \$109 million), of which 477 were selected at random from the entire securitized pool. The results of that review were startling. Incredibly, approximately 85% of all the loans reviewed breached DLJ's representations and warranties. The review demonstrates a complete abandonment of applicable guidelines and prudent practices such that the loans were (i) made to numerous borrowers who were not eligible for the reduced documentation loan programs through which their loans were made, and (ii) originated in a manner that systematically ignored the borrowers' inability to repay the loans. The rampant and obvious nature of the breaches confirms that Credit Suisse made intentional misrepresentations concerning its mortgage loans and the due diligence that Credit Suisse purported to perform regarding the quality of those loans.

12. Based on the review, to date, MBIA has provided DLJ with formal notice that loans with an aggregate initial principal balance of approximately \$78.1 million breached DLJ's representations and warranties. In further breach of its contractual obligations, DLJ has not repurchased any of the identified loans.

13. For significant consideration, DLJ sold to the trust a pool replete with loans that did not comply with Credit Suisse's representations and warranties, and that were made to borrowers with little to no ability to repay their debt. CS Securities similarly profited from selling securities backed by these defective loans to investors whose payments were

guaranteed by the policy it obtained from MBIA. SPS reaped substantial servicing fees from its role as servicer, despite the fact that it refused to comply with the fundamental, contractually required obligations in that role—to service the loans in accordance with accepted and prudent industry practices. But when the non-conforming loans began to default, DLJ refused to comply with and instead frustrated its contractual repurchase obligations. As a direct result of Credit Suisse's wrongdoing, MBIA already has made claim payments on its policy in the amount of \$296 million through October 31, 2009 and expects to pay many millions of dollars more in the future. MBIA brings this action to recover for this harm.

THE PARTIES

14. MBIA is a New York corporation with its principal place of business at 113 King Street, Armonk, New York 10504.

15. DLJ is organized under the laws of the State of Delaware and maintains its principal place of business in New York, New York. DLJ is, or was at all relevant times herein, a wholly owned subsidiary of Credit Suisse Group.

16. CS Securities is organized under the laws of the State of Delaware and maintains its principal place of business in New York, New York. CS Securities is, or was at all relevant times herein, a wholly owned subsidiary of Credit Suisse Group.

17. SPS is organized under the laws of the State of Utah, and maintains its principal place of business in Salt Lake City, Utah. SPS is, or was at all relevant times herein, a wholly owned subsidiary of Credit Suisse Group.

JURISDICTION AND VENUE

18. This Court has personal jurisdiction over DLJ, CS Securities and SPS pursuant to N.Y. C.P.L.R. §§ 301 and 311. Further, in the Insurance Agreement, dated as of

April 30, 2007 (the "Insurance Agreement"), DLJ and SPS irrevocably submitted to the jurisdiction of any court in the State of New York located in the City and County of New York.¹

19. Venue is proper in New York County pursuant to N.Y. C.P.L.R. §§ 503(a) and 503(c) because each of DLJ and CS Securities has its principal office within New York County and therefore is deemed to reside therein. Further, in the Insurance Agreement, DLJ and SPS agreed to waive any defense of improper venue.²

FACTUAL ALLEGATIONS

A. CS Securities Fraudulently Induces MBIA's Participation in the Transaction

20. On or about March 2, 2007, Tim Kuo of CS Securities contacted MBIA to solicit a bid for MBIA to issue a policy insuring certain senior classes of securities issued as part of the Transaction. At the time, Mr. Kuo was a CS Securities Vice President, and the point person for Credit Suisse on the Transaction.

21. CS Securities' affiliate, DLJ, had amassed for securitization a pool comprised of over fifteen thousand closed-end, second lien loans with an aggregate outstanding principal balance of approximately \$900 million. The contemplated Transaction involved the sale of the loans to a trust formed to issue securities backed and to be paid down by the cash flow from the loans. CS Securities solicited MBIA to issue a financial guaranty insurance policy guaranteeing payment on certain senior classes of these securities. CS Securities wanted MBIA's insurance policy to make the Transaction more attractive to potential investors.

22. In his initial March 2, 2007 communication, Mr. Kuo indicated that the Transaction was to close later that month³ and that MBIA would need to decide quickly whether

¹ Insurance Agreement, § 6.05(a).

² Insurance Agreement, § 6.05(a).

³ In fact, the Transaction did not close until the end of the following month.

it wanted to participate. MBIA initially had reservations with respect to its participation in the Transaction. Its concern was driven primarily by two issues.

23. First, MBIA had never previously insured a mortgage-backed securities transaction for Credit Suisse, and more particularly, involving Credit Suisse's "Home Equity Mortgage Trust" or "HEMT" platform. MBIA's decision whether to bid, and the premium to demand for its insurance policy, depended on its assessment of the likelihood that the loans would generate sufficient cash flow to fund the amounts due to the security holders. Unlike traditional first-lien mortgage loans used to finance the purchase of a home, the loans in the proposed transaction were second-lien mortgage loans. Because the loans were not secured by a priority lien on the underlying property, the likelihood that the holder of the loans would recover the amounts due was highly dependent on the borrowers' ability to repay the loans in full (and less so on an expectation of recovery from foreclosure in the event of default). Given the large number of loans involved, and the limited amount of time to complete the transaction, it was impossible for MBIA to review the loan files in the pool to determine whether each borrower could repay.

24. Second, MBIA had concerns regarding one of the originators of the loans securitized in the Transaction. CS Securities' affiliate DLJ, which pooled the various loans for the Trust, had not itself originated the loans. Instead, it had acquired the loans through multiple channels from various "originators" that had dealt directly with the borrowers. MBIA had a negative view of one of the primary originators of the loans, a company called New Century. Indeed, MBIA had previously declined to insure at least one other mortgage-backed securities transaction specifically because it included loans originated by New Century. Given MBIA's limited ability to review information about the individual loans, combined with its concerns

about the practices of one of the primary originators, MBIA required strong assurances from Credit Suisse regarding its business and the loans proposed for the securitization as a condition to MBIA's participation in the Transaction.

25. CS Securities responded to both of MBIA's concerns by providing direct and explicit representations designed to induce MBIA's participation. With respect to MBIA's first concern about its lack of prior insurance of a Credit Suisse securitization, CS Securities assured MBIA that Credit Suisse was a pillar of the financial industry and that its mortgage-backed securities business—and the “shelf” from which the loans proposed for securitization were drawn—had a track record of success. With respect to MBIA's concern about certain of the loans in the pool being originated by New Century, CS Securities assured MBIA that Credit Suisse itself was backing those loans.

26. Specifically, to address the novelty of Credit Suisse's solicitation of financial guaranty insurance for a securitization involving its HEMT shelf, CS Securities pointed to its strong institutional pedigree. Credit Suisse Group was at the time the second largest commercial bank headquartered in Switzerland and was viewed as a pioneer in the development of the residential mortgage-backed securities market, with more than twenty years of experience in the sector. Given Credit Suisse Group's stature, MBIA was assured that it could trust the representations being made about the Transaction.

27. CS Securities also touted to MBIA the impressive performance of its prior securitizations, noting in a March 22, 2007 email that “the performance of our HEMT shelf [is] far superior to all other securitization shelves.” Moreover, CS Securities made a presentation to MBIA about the specific financial performance of Credit Suisse's prior HEMT deals, which were purportedly structured similarly to the Transaction. In that presentation, CS Securities

represented the high quality and performance of the HEMT shelf and the steps it had taken to ensure improved performance in the future. CS Securities affirmative representations render all the more glaring its knowing omission of the more pertinent and crucial fact: As CS Securities knew full well, the loans in those prior HEMT securitizations were originated through the same defective underwriting practices as those included in the Transaction, and the performance data disclosed was therefore materially and intentionally misleading. But these assurances had their intended effect, as MBIA relied upon Credit Suisse's successful history in the field in deciding to participate in the Transaction. An internal MBIA memorandum dated April 13, 2007 explained that the Transaction was appealing in significant part because of "the longstanding track record and demonstrated collateral consistency of the HEMT shelf."

28. In addition, CS Securities made representations to MBIA about the quality of the individual loans that would serve as collateral for the Transaction. CS Securities provided MBIA a loan schedule, or "tape," which set forth material information about each loan, including attributes about the borrower and his or her credit-worthiness, such as the borrower's debt-to-income ("DTI") ratio, as well as attributes about the property serving as collateral for the loan, such as the combined loan-to-value ratio ("CLTV"). Moreover, CS Securities assured MBIA that the loans involved in the transaction were underwritten to strict guidelines created or approved by Credit Suisse.

29. CS Securities also assured MBIA that it had conducted due diligence on the loans included in the Transaction to ensure compliance with the Credit Suisse-created or approved underwriting guidelines, and the borrowers' ability to repay the pooled loans. Along those lines, CS Securities touted the fact that it had rejected a large number of loans from the pool as proof that Credit Suisse was scrupulous in ferreting out loans that did not meet its

exact standards before they were added to the HEMT shelf. In addition, Mr. Kuo sent MBIA on April 13, 2007 spreadsheets illustrating the purportedly rigorous due diligence that CS Securities (through Mr. Kuo) represented had been performed on the loans. These spreadsheets depict an individualized review of thousands of the loans included in the pool. CS Securities' representations concerning the underwriting and due diligence purportedly conducted to confirm the disclosures concerning the pooled loans were critical to MBIA's decision to participate in the Transaction. Indeed, MBIA's reliance is confirmed in its April 16, 2007 internal memorandum prepared to obtain approval for the Transaction, which specifically reiterates CS Securities' representation that "Credit Suisse performs due diligence prior to loan purchase, [and] thus *only buys the loans approved.*"

30. CS Securities also made representations to address MBIA's concerns about the fact that many of the loans had been originated by New Century. In addition to providing the assurances outlined above regarding strict due diligence performed by Credit Suisse on the loans – including those originated by New Century—CS Securities assured MBIA that Credit Suisse itself would vouch for the New Century loans by providing express contractual representations and warranties about their quality. That all of the representations and warranties for the deal were to come from Credit Suisse—and MBIA did not bear the risk that New Century or any of the other originators had provided false information—was a crucially important inducement to MBIA's participation in the transaction. MBIA's reliance is confirmed in an April 13, 2007 internal memorandum regarding the proposed Transaction, where MBIA noted that "[Credit Suisse] is providing all of the reps in the deal (i.e., no exposure to buyback obligations of New Century or other originators)."

31. CS Securities made the foregoing representations in advance of MBIA's execution of, and as an inducement for MBIA to issue, a financial guaranty insurance policy. Credit Suisse intended MBIA to rely on this information in evaluating the risk of issuing its policy, and MBIA reasonably did so in deciding to issue its policy. CS Securities' motive for providing these representations is clear: CS Securities and its affiliates stood to profit handsomely from the Transaction and the sale of the mortgage-backed securities to investors.

32. As has recently come to light, CS Securities' representations were materially false and misleading. As discussed further below, MBIA retained an expert third-party consultant that reviewed the files created during the origination of the loans and determined, after great time and expense, that the disclosures on the loan tape concerning the key attributes of each loan were false and misleading. The review also confirmed that the due diligence CS Securities conveyed to MBIA was not designed or conducted to assess the loans' compliance with underwriting guidelines, including whether the borrowers' stated income was reasonable or adequate to repay the loan. The extent of the non-conforming loans identified by the review—which was the vast majority—demonstrates that CS Securities either knew that its representations were false, or acted recklessly in making them. What is clear in view of the level of due diligence purportedly undertaken is that the representations were not made honestly.

33. MBIA would not have agreed to participate in the Transaction had it known that CS Securities' representations were false and/or omitted critical information that was required to make them not misleading. The misrepresentations ran to the core of the contemplated Transaction, directly contravening the assurances MBIA required as a condition to participating in the Transaction and materially increasing the risk of MBIA's insurance policy. As CS Securities knew full well, these representations were material to MBIA's assessment of its

risk and decision to issue its policy. Had CS Securities made truthful disclosures, MBIA would have determined that the risk associated with the Transaction was too great for it to accept.

B. DLJ Makes Representations and Warranties to Induce MBIA to Issue its Policy

34. After CS Securities solicited MBIA's participation in the Transaction, its affiliate DLJ stepped in to provide the contractual representations and warranties that MBIA required as a condition to issuing its insurance policy. Evidencing the concerted conduct of the Credit Suisse affiliates, Mr. Kuo of *CS Securities* also acted on behalf of, and was the authorized signatory for, *DLJ* with respect to two agreements that contained the representations and warranties: (1) the Insurance Agreement between DLJ, SPS and MBIA (the "Insurance Agreement"), dated as of April 30, 2007; and (2) the Pooling and Servicing Agreement ("PSA"), among DLJ, SPS, their affiliate Credit Suisse First Boston Mortgage Securities Corp. ("CSFBMSC"), and U.S. Bank National Association, as Trustee (the "Trustee") dated as of April 1, 2007. The two contracts were among the series of agreements DLJ caused to be executed to effectuate the Transaction.

35. First, DLJ as Seller sold and assigned its entire interest in the loan pool it had amassed to CSFBMSC pursuant to an Assignment and Assumption Agreement, dated April 30, 2007. The securitized pool was comprised of 15,615 closed-end second-lien mortgage loans with an aggregate principal balance of almost \$900 million. DLJ had itself acquired these loans from various originators that made the loans to the borrowers and then bundled them for resale.

36. CSFBMSC, in turn, sold its interest in the mortgage loans to the Home Equity Mortgage Trust 2007-2 (the "Trust") pursuant to the PSA. The Trust then issued mortgage-backed securities in the form of certificates (the "Certificates") certain classes of which were registered with the U.S. Securities and Exchange Commission ("SEC") and marketed to investors by CS Securities by means of an April 20, 2007 Prospectus ("Prospectus")

and a April 27, 2007 Prospectus Supplement ("ProSupp"). The Prospectus and ProSupp contain additional representations about the characteristics of the loans in the Trust.

37. Finally, pursuant to the PSA, SPS was engaged to act as servicer with respect to the loans. In that role, SPS was responsible for various administrative duties, such as collecting mortgage payments (including loss mitigation by increased collection efforts on delinquent loans), initiating foreclosure proceedings and reporting key information about the loans to the Trustee for dissemination to the other transaction participants and the Certificateholders. SPS represented in Section 3.01 of the PSA that it would service the loans in accordance with "those mortgage servicing practices of prudent mortgage lending institutions which service mortgage loans of the same type as such Mortgage Loans in the jurisdiction where the related Mortgaged Property is located." Significantly, as explained in more detail below, SPS also was responsible for maintaining documentation files regarding the loans, and was obligated to make such documentation available to MBIA (among others) upon reasonable request.

38. With the underlying securitization agreements executed, DLJ, SPS and MBIA then entered into the Insurance Agreement, which as discussed below, contains express representations and warranties and incorporates by reference representations and warranties in the PSA.

39. Relying on CS Securities' representations made in connection with its solicitation of MBIA's participation in the Transaction and DLJ's and SPS's representations, warranties, covenants and indemnities contained in and encompassed by the Insurance Agreement and the PSA, MBIA issued Certificate Guaranty Insurance Policy Number 495190 (the "Policy"). Under the Policy, MBIA agreed to insure certain payments of interest and

principal due on the Class 1A-1, Class 2A-1A, Class 2A-1F, Class 2A-2, Class 2A-3 and Class 2A-4 Certificates (the "Insured Securities").

C. DLJ's Representations and Warranties Allocate Risk of Loss

40. The representations and warranties DLJ made to and for the benefit of MBIA allocated certain risk of loss in the Transaction. As the "Sponsor" of the Transaction, and the "Seller" of the loans to the Transaction, DLJ assumed the risks associated with the origination, selection and description of the loans included in the Transaction. That is, DLJ accepted the risk that its disclosures pertaining to the loans and its practices were true, accurate and complete (*i.e.*, not false or misleading), regardless of its own (or MBIA's) actual knowledge or diligence. MBIA, in turn, accepted the risk that the loans *conforming to DLJ's representations and warranties* would perform as expected.

41. This was a reasoned risk-allocation arrangement. Unlike MBIA, DLJ and its affiliates were in privity with the originators, and established the controls, protocols and criteria governing the selection of loans to acquire from the originators and securitize. DLJ also dictated the protocols and underwriting standards to which the lenders had to adhere for their loans to qualify for the DLJ securitizations. DLJ thus had the ability to manage, and did in fact actively manage, the risk associated with the origination, selection and description of the loans. In this regard, DLJ routinely obtained representations and warranties from the originators of the loans it purchased and had the ability to seek recourse for breaches of those provisions. DLJ also had the ability to reject – and Credit Suisse informed MBIA that it did in fact reject – loans that did not comply with appropriate underwriting standards.

42. Conversely, as a financial guaranty insurer, MBIA was several steps removed from the process of vetting the borrowers to whom these loans were made. Moreover, as offered, the timing of the Transaction did not contemplate or afford MBIA the opportunity to

undertake its own review of the thousands of individual loan files comprising the proposed loan pool. Thus, in order to participate, MBIA had to rely on the information Credit Suisse conveyed to MBIA about the loans and Credit Suisse's due diligence of the loans and the originators for the purpose of evaluating the risks of insuring the transaction. Accordingly, MBIA reasonably assumed only the market risk that the loans, *as represented by DLJ*, would perform.

43. DLJ made two types of representations and warranties to effectuate this risk-sharing arrangement. The representations and warranties concerned, among other things, the attributes of the Transaction loan pool in the aggregate and DLJ's mortgage-lending operations, practices and protocols and related disclosures (*i.e.*, transaction-level warranties), and each individual loan securitized in the Transaction (*i.e.*, loan-level warranties).

I. Transaction-Level Warranties

44. The transaction-level warranties were made in the Insurance Agreement⁴ and include the following:

(j) *Accuracy of Information.* Neither the Transaction Documents nor other material information relating to the Mortgage Loans, the operations of the Servicer, the Seller or the Depositor (including servicing or origination of loans) or the financial condition of the Servicer, the Seller or the Depositor or any other information (collectively, the "Documents"), as amended, supplemented or superseded, furnished to the Insurer by the Servicer, the Seller or the Depositor contains any statement of a material fact by the Servicer, the Seller or Depositor which was untrue or misleading in any material adverse respect when made. . . .

(k) *Compliance with Securities Laws.* The offer and sale of the Securities comply in all material respects with all requirements of law. . . . Without limitation of the foregoing, the Offering Document does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; provided, however, that no

⁴ Insurance Agmt. § 2.01.

representation is made with respect to the Insurer Information. Neither the offer nor the sale of the Securities has been or will be in violation of the Securities Act or any other federal or state securities laws.

45. As the foregoing provisions illustrate, the transaction-level warranties broadly attest that all the information provided by DLJ concerning its mortgage loans, the Credit Suisse mortgage lending operations (*e.g.*, its loan-acquisition practices, underwriting guidelines and due diligence), or used to market the Certificates (*e.g.*, the Prospectus or ProSupp), is true, accurate and complete. Any material misstatement or omission with respect to such disclosures therefore is a breach of these provisions, *irrespective* of whether or not DLJ knew of such misstatement or omission.

2. *Loan-Level Warranties*

46. The loan-level warranties were made in the Pooling and Servicing Agreement ("PSA") and explicitly incorporated by reference in the Insurance Agreement. Specifically, the Insurance Agreement⁵ provides as follows:

Transaction Documents. Each of the representations and warranties of the Servicer, the Seller [DLJ] and the Depositor contained in the Transaction Documents to which they are, respectively, a party is true and correct in all material respects, and the Servicer, the Seller and the Depositor hereby make each such representation and warranty to, and for the benefit of, the Insurer [MBIA] as if the same were set forth in full herein. . . .

The Insurance Agreement defines "Transaction Documents" to include the PSA.

47. . . In the PSA, DLJ makes numerous representations and warranties about the attributes of each loan in the Transaction, and thereby assumes the risk that those representations prove false, *irrespective* of DLJ's knowledge of their falsity. These representations and

⁵ Insurance Agmt. §2.01(I).

warranties are found in Schedule IV to the PSA, and are made, by the PSA's express terms, for MBIA's benefit:

The Seller [DLJ] hereby makes the representations and warranties set forth in Schedule IV as applicable hereto, and by this reference incorporated herein, to the Trustee and the Certificate Insurer⁶ [MBIA], as of the Closing Date, or if so specified therein, as of the Cut-off Date or such other date as may be specified.

48. DLJ's representations and warranties in Schedule IV of the PSA include, among others, the following with respect to each loan included in the Transaction:

(ii) Any and all requirements of any federal, state or local law ... applicable to the Mortgage Loan have been complied with in all material respects at the time it was originated and as of the Closing Date.

(iv) The Mortgage Loan complies with all the terms, conditions and requirements of the originator's underwriting standards in effect at the time of origination of such Mortgage Loan, which in all material respects are in accordance with customary and prudent underwriting guidelines used by originators of closed-end second lien mortgage loans.

(v) The information set forth in the Mortgage Loan Schedule, attached to the Agreement as Schedule I, is complete, true and correct in all material respects as of the Cut-off Date.

(ix) The Mortgage Note and Mortgage are not subject to any right of rescission, set-off, counterclaim or defense, including, without limitation, the defense of usury, nor will the operation of any of the terms of the Mortgage Note or the Mortgage, or the exercise of any right thereunder, render the Mortgage Note or 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.

(xlv) The origination, underwriting, servicing and collection practices with respect to each Mortgage Loan have been in all respects legal, proper, prudent and customary in the mortgage lending and servicing business, as conducted by prudent lending

⁶ PSA, Section 2.03(d). The PSA defines "Certificate Insurer" as "MBIA Insurance Corporation, or its successors and assigns."

institutions which service mortgage loans of the same type in the jurisdiction in which the Mortgaged Property is located.

(xiv) There is no material monetary default existing under any Mortgage or the related Mortgage Note and there is no material event that, with the passage of time or with notice and the expiration of any grace or cure period, would constitute a default, breach, violation or event of acceleration under the Mortgage or the related Mortgage Note....

49. Thus, the loan-level warranties are breached by, among other violations, loans made to borrowers (i) with unreasonable stated incomes or that otherwise have no reasonable ability to repay the loan, which would contravene any underwriting guideline, and/or (ii) who falsely stated their income, which would render the information on the Mortgage Loan Schedule untrue and would constitute a breach of the terms of the borrower's Mortgage. As discussed below, the securitized loan pool is replete with such breaches and many others.

2. *The Repurchase Protocol*

50. DLJ agreed in the PSA that it would cure any breach of the loan-level warranties, or repurchase the breaching loan from the pool (the "Repurchase Protocol").

Specifically, Section 2.03(e) of the PSA provides, in pertinent part, as follows:

Upon discovery by any of the parties hereto of a breach of a representation or warranty made pursuant to Section 2.03(d) that materially and adversely affects the interests of [MBIA (among others)] in any Mortgage Loan, the party discovering such breach shall give prompt notice thereof to the other parties and [MBIA]. [DLJ] hereby covenants that ... it shall cure such breach in all material respects, and if such breach is not so cured, shall, (i) if such 90-day period expires prior to the second anniversary of the Closing Date, remove such Mortgage Loan (a "Deleted Mortgage Loan") from the Trust Fund and substitute in its place a Qualified Substitute Mortgage Loan, in the manner and subject to the conditions set forth in this Section; or (ii) repurchase the affected Mortgage Loan from the Trustee at the Repurchase Price in the manner set forth below.... With respect to any representations and warranties described in this Section which are made to the best of a [DLJ's] knowledge if it is

discovered by [MBIA (among others)] that the substance of such representation and warranty is inaccurate and such inaccuracy materially and adversely affects the value of the related Mortgage Loan or the interests of the [MBIA (among others)] therein, notwithstanding the [DLJ's] lack of knowledge with respect to the substance of such representation or warranty, such inaccuracy shall be deemed a breach of the applicable representation or warranty.

51. As an express third-party beneficiary of the PSA,⁷ MBIA is entitled to enforce the Repurchase Protocol and seek redress for DLJ's failure to comply with its obligations to cure, repurchase or substitute breaching loans. But as noted below, the parties' agreement expressly provides that the Repurchase Protocol is not an exclusive remedy, and that MBIA may pursue all remedies available at law and in equity for DLJ's breaches of its obligations. *See* Insurance Agreement §5.02.

3. *Contractual Remedies*

52. As befitting the significance of the representations and warranties to the parties' bargain, the Insurance Agreement affords MBIA broad remedies to address breaches by DLJ of its loan-level and transaction-level warranties.

53. *All remedies at law and equity.* Section 5.02(a) of the Insurance Agreement provides that upon the occurrence of an Event of Default,⁸ MBIA "may take whatever action at law or in equity as may appear necessary or desirable in its judgment to collect the amounts then due under the Transaction Documents or to enforce performance and observance of any obligation, agreement or covenant of the . . . Seller [DLJ]... under the

⁷ *See* PSA § 10.11.

⁸ An "Event of Default" is defined under Section 5.01(a) of the Insurance Agreement as occurring when, among other things, "[a]ny representation or warranty made by the Servicer, the Trustee, the Seller or the Depositor hereunder or under the Transaction Documents, or in any certificate furnished hereunder or under the Transaction Documents, shall prove to be untrue or incomplete in any material respect."

Transaction Documents.” Moreover, Section 5.02(b) goes on to clarify that any and all remedies available may be asserted cumulatively and without exclusion, stating that “no remedy herein conferred upon or reserved is intended to be exclusive of any other available remedy, but each remedy shall be cumulative and shall be in addition to other remedies given under the Transaction Documents or existing at law or in equity.”

54. *Payment and indemnification.* Pursuant to Section 3.04(a) of the Insurance Agreement, DLJ also agreed to pay and indemnify MBIA for any and all losses, claims, demands, damages, costs, or expenses arising out of or relating to, among other things, any “misfeasance or malfeasance of, or gross negligence or theft committed by, any director, officer, employee or agent of [DLJ, among others] in connection with the Transaction.” DLJ similarly agreed to pay and indemnify MBIA for any “breach by [DLJ] of any representation, warranty or covenant on the part of ... [DLJ] contained in the Transaction Documents” or “any untrue statement or alleged untrue statement of a material fact contained in the Offering Document ... or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading....”

55. *Reimbursement.* In Section 3.03(b) of the Insurance Agreement DLJ agreed to reimburse MBIA for “payments made under the Policy arising as a result of the [DLJ’s] failure to repurchase any Mortgage Loan required to be repurchased by the Seller pursuant to the PSA. In Section 3.03(c) of the Insurance Agreement, DLJ further agreed to reimburse MBIA for “any and all reasonable charges, fees, costs and expenses that the Insurer [MBIA] may reasonably pay or incur, including reasonable attorneys’ and accountants’ fees and

expenses in connection with . . . the enforcement or defense or preservation by the Insurer of any rights in respect of any of the Transaction Documents. . . . “

56. *Interest.* In Section 3.03(d) of the Insurance Agreement, DLJ committed to pay MBIA interest on any reimbursement amounts due.

D. SPS Attempts to Conceal Credit Suisse’s Fraudulent Misrepresentations

57. To conceal Credit Suisse’s malfeasance and frustrate MBIA’s ability to avail itself of the Repurchase Protocol, SPS engaged in a scheme to prevent MBIA from accessing the loan origination files that were essential to MBIA’s evaluation of whether the loans in the Transaction complied with CS Securities’ pre-Transaction representations and DLJ’s contractual representations and warranties.

58. Following the inordinate number of defaults on the loans in the Transaction—which defaults ultimately triggered MBIA’s payment obligations under the Policy—MBIA sought to obtain access to loan origination files, which were in the custody of SPS, consistent with its role as servicer for the Transaction under the PSA. By letter dated August 22, 2008, MBIA wrote SPS requesting a servicing review and a review of origination files for all loans that were then 60 or more days delinquent. MBIA’s rights to conduct such reviews (the “Access Rights”) were express and specifically bargained for precisely so that MBIA could avail itself of the Repurchase Protocol, as well as evaluate SPS’s servicing of the loan pool. In this regard, Section 3.07 of the PSA provides as follows:

The Servicer shall afford the Depositor, the Certificate Insurer [MBIA] and the Trustee reasonable access to all records and documentation regarding the Mortgage Loans and all accounts, insurance information and other matters relating to this Agreement, such access being afforded without charge, but only upon reasonable request and during normal business hours at the office designated by the Servicer.

59. In response to MBIA's request, by a series of communications beginning with its letter dated September 18, 2008, SPS stonewalled and ultimately improperly denied MBIA the access to the loan origination files that it sought and was contractually entitled to. SPS first responded to MBIA's request by indicating that it did not have the origination files MBIA sought. When that lie was debunked, SPS objected to providing access to MBIA on various equally illegitimate grounds for the next several months, including feigned financial and operational burdensomeness and confidentiality concerns. While SPS stonewalled, the losses to MBIA mounted as its claim payments reached the hundreds of millions of dollars.

60. As it was stymied in its efforts to obtain access to the loan files, MBIA took additional steps to investigate why the loans were defaulting at such an alarming rate. In December 2008, MBIA retained a consultant to conduct an onsite review of SPS's servicing activities, as allowed by the Transaction documents. That review was also severely and improperly limited by SPS, but it nevertheless revealed that SPS had failed to adequately service the loans in the Transaction. Significantly, the consultant determined that, as the level of losses on the pool mounted, SPS *reduced* the staff dedicated to the servicing of those loans.

61. In short, SPS elected to abandon its contractual obligations to optimize the servicing fees it retained on the Transaction. Under a side agreement executed between SPS and DLJ, SPS split its servicing fees with its affiliate DLJ. Thus, while the servicing fee provided significant compensation to Credit Suisse entities, the portion of that fee that SPS actually received did not provide it with the resources to do its job.

62. Having failed to comply with its contractual servicing obligations and refused MBIA the loan file documentation it required to assess the extent of DLJ's breaches, MBIA was left with no choice but to terminate SPS as servicer in accordance with its contractual

right to do so under the PSA. It was only after such termination in March 2009 that MBIA finally gained access to many of the origination files it first sought to obtain from SPS. As explained below, MBIA quickly discovered why SPS had been so intent on concealing the loans files: they confirmed Credit Suisse's pervasive lies about the quality of the loans in the Transaction.

63. Making matters worse, MBIA also discovered after terminating SPS that SPS's malfeasance did not end with its inadequate servicing or obfuscation of its affiliates' wrongdoing by denying MBIA access to loan files. In connection with the servicing transfer, MBIA learned that SPS had wrongfully released and thus denied MBIA access to more than 2,000 charged-off mortgage loans from the Trust to the holders of the Class X-2 Certificates, subordinated Certificates held by CS Securities.

64. Under the PSA, SPS was permitted to release charged-off loans to the holders of the Class X-2 Certificates subject to satisfying certain conditions. These "charged-off" loans were mortgages that were more than 180 days in default. The purpose of the provision in the PSA that allowed these loans to be released was to permit the removal of only those loans from the trust with respect to which SPS had made a good faith effort for a reasonable period of time to collect all that could be collected from the borrower. The Class X-2 Certificate holders could then seek to obtain recoveries from these mortgages by pursuing the delinquent borrowers.

65. Before any loan could be released in this manner, certain procedures had to be followed by SPS pursuant to the terms of the PSA, and MBIA had to be provided notice of the satisfaction of those procedures. Specifically, SPS could only release those of the charged-off loans that SPS affirmatively determined it would service using "special servicing" for a prescribed period of time after charge-off. The PSA required that this determination be

evidenced by a special notice to MBIA. The special servicing under the PSA should have consisted of loss mitigation and/or recovery efforts by SPS to maximize proceeds to the Trust. SPS never engaged in any legitimate “special servicing” activity with respect to these loans post-charge-off, nor did it ever notify MBIA of its intention to do so as required by the PSA. Accordingly, SPS improperly released more than 2,000 charged off loans from the Trust to its affiliate CS Securities, all of which loans rightfully continue to constitute property of the Trust.

66. This has harmed MBIA in two ways. First, because SPS claimed that those Mortgage Loans were no longer the property of the Trust, SPS did not transfer the loan files associated with those loans to the successor servicer. As such, SPS continues to deprive MBIA of access to loan files relating to more than 2,000 defaulted loans. Without these files, it is impossible for MBIA to evaluate whether the loans were ever in compliance with Credit Suisse’s representations.

67. Second, any recoveries that may be obtained with respect to these loans rightfully belong to the Trust, and therefore would be used to reimburse MBIA for claim payments it has made or to offset any future payments MBIA is required to make under its Policy. By breaching its contractual obligations with respect to the charged-off loans, SPS has improperly diverted assets from the Trust to its affiliate CS Securities.

E. MBIA Discovers Pervasive Breaches

68. MBIA retained a third-party consultant to review the files created during the origination of the securitized loans for compliance with the guidelines (at least to review those files that it was eventually able to obtain after terminating SPS). From a sample of 1,386 defaulted loans in the Transaction, MBIA identified breaches of DLJ’s representations and warranties in a remarkable 1,213 loans—87%—with an aggregate principal balance of approximately \$78.1 million. MBIA also reviewed a sample of 477 randomly-selected loans

from the Transaction. Of those, MBIA identified breaches of DLJ's representations and warranties with respect to 377 loans—79%—with an aggregate principal balance of approximately \$20.6 million. The analysis demonstrates that breaches of representations and warranties are pervasive and exist in a comparable percentage of loans in the total securitized loan pool.

69. The breaching loans contained one or, in most cases, more than one defect that constituted a breach of one or more of DLJ's numerous representations and warranties.

These defects include:

- pervasive violations of the originators' actual underwriting standards, and prudent and customary origination and underwriting practices, including (i) qualifying borrowers under reduced documentation programs who were ineligible for those programs; (ii) systemic failure to conduct the required income-reasonableness analysis for stated income loans, resulting in the rampant origination of loans to borrowers who made unreasonable claims as to their income and (iii) lending to borrowers with debt-to-income and loan-to-value ratios above the allowed maximums;
- rampant fraud, primarily involving misrepresentation of the borrower's income, assets, employment, or intent to occupy the property as the borrower's residence (rather than as an investment), and subsequent failure to so occupy the property; and
- failure by the borrower to accurately disclose his or her liabilities, including multiple other mortgage loans taken out to purchase additional investment property.

70. The number and nature of the defects identified by MBIA's review indicate clearly that the loans included in the Transaction were systematically originated with virtually no regard for the borrowers' ability or willingness to repay their obligations – the fundamental precept of mortgage lending. Rather, the review clearly indicates that borrowers were permitted or encouraged to take out loans they obviously could not afford to repay.

71. DLJ's breaches materially and adversely affected MBIA's interests in the identified loans. Loans that were not appropriately originated and underwritten, or with key attributes otherwise misrepresented, are markedly more risky and therefore less valuable than loans not suffering from such shortcomings.

72. Further, contrary to DLJ's representation in Section 2.01(k) of the Insurance Agreement, the Prospectus and ProSupp that Credit Suisse prepared to market the Insured Securities (and the same documents that Credit Suisse filed with the SEC) did not adequately or accurately disclose the true attributes of the loans (*e.g.*, the weighted average combined loan-to-value ratio, occupancy status, or debt-to-income ratio), the level of fraud and underwriting failings permeating the loan pool, the grossly deficient origination and underwriting practices of the originators of these loans, or DLJ's due-diligence practices.

73. In addition to reviewing DLJ's representations about the attributes of the loans in the pool, MBIA also enlisted a third-party consultant to review SPS's conduct as servicer; and specifically whether SPS had complied with the requirements of Section 3.01 of the PSA that it act in accordance with prudent and accepted servicing practices. This review confirmed that SPS in fact failed to adequately service the loans it was entrusted with.

74. The review commissioned by MBIA revealed that SPS' loss mitigation efforts were grossly inadequate, as it did almost nothing to contact delinquent borrowers and try to bring them current or make alternative arrangements for repayment of their debts. Notwithstanding the industry's focus on loan modifications as a loss mitigation strategy, SPS modified the loans of only a small handful of borrowers. Additionally, SPS did not send anyone to the mortgaged property to try to contact the borrower and/or to inspect the property that served as collateral for the loan. Even on those relatively rare occasions when SPS representatives

managed to contact a delinquent borrower, the representatives lacked the basic skills and training necessary to obtain any meaningful assurances of future payments on the loan. SPS also determined that certain borrowers had “no equity” in their respective properties – a designation that effectively forestalled additional collection efforts – without any evidence to support the conclusion. Further, SPS did not have a specialized group for servicing second lien loans and it was grossly understaffed for the collection and loss mitigation efforts that needed to be brought to bear on this troubled loan pool. In short, SPS utterly failed to adhere to prudent and accepted servicing practices as required by the PSA.

75. The pervasive breaches in the securitized pool are borne out by the performance of the loans since closing. As of October 31, 2009, 7,216 loans with an aggregate outstanding principal balance of approximately \$464 million (or approximately 51.5% of the original pool balance) have defaulted and been charged-off, resulting in the payment by MBIA of more than \$296 million in claims.

F. DLJ Frustrates the Repurchase Protocol

76. In accordance with Section 2.03(e) of the PSA, by letters dated August 5, 2009, August 27, 2009, September 9, 2009, September 29, 2009, October 13, 2009, November 3, 2009, and November 11, 2009, the Trustee gave formal notice to DLJ of the breaches that MBIA had discovered with respect to 1,214 loans. The Trustee demanded that DLJ comply with its obligations under the Repurchase Protocol and cure or repurchase the affected loans within 90 days.

77. DLJ has formally responded with respect to the first three notices and did not cure or repurchase a single one of the 564 loans identified therein within the requisite timeframe allowed under the Repurchase Protocol. Moreover, DLJ's responses reveal a bad faith disregard of its obligations under, and frustration of, the repurchase protocol.

G. Credit Suisse Has Caused and Is Causing MBIA Great Harm

78. MBIA would not have participated in the Transaction and issued its Policy had it known of CS Securities' fraud *or* DLJ's pervasive and material breaches of its representations and warranties. Credit Suisse's pervasive misrepresentations and breaches pierce the very heart of the bargain struck by the parties. The portfolio of loans Credit Suisse sold into the Transaction did not bear any resemblance to what Credit Suisse represented and warranted would be transferred. Credit Suisse's deliberate frustration of the Repurchase Protocol further compounds the harm from its breaches.

79. MBIA has incurred, and is continuing to incur, significant harm as a consequence of Credit Suisse's malfeasance, including the payment of over \$296 million in claim payments through October 31, 2009, lost-opportunity costs on those amounts and the reserves MBIA must maintain relating to the future anticipated claims on the Transaction. With no alternative, MBIA was forced to commence this suit.

FIRST CAUSE OF ACTION

(Fraudulent Inducement)

80. MBIA realleges and incorporates by reference paragraphs 1 through 79 of this Complaint.

81. As set forth above, CS Securities made materially false statements and omitted material facts in email communications with MBIA with the intent to defraud MBIA.

82. MBIA reasonably relied on CS Securities' statements and omissions when it entered into the Insurance Agreement and issued the Policy.

83. As a result of CS Securities' statements and omissions, MBIA insured a pool of loans that had a risk profile far greater than CS Securities had led MBIA to believe.

84. As a result of CS Securities' false and misleading statements and omissions, MBIA has suffered, and will continue to suffer, damages including claims payments under the Policy.

85. Because CS Securities committed these acts and omissions maliciously, wantonly, oppressively, and with the knowledge that they would affect the general public—which they have—MBIA is entitled to punitive damages.

SECOND CAUSE OF ACTION

(Breach of Representations and Warranties)

86. MBIA realleges and incorporates by reference paragraphs 1 through 79 of this Complaint.

87. The Insurance Agreement is a valid and binding agreement between MBIA and DLJ.

88. The PSA is a valid and binding agreement with respect to which MBIA is an express third-party beneficiary.

89. MBIA has performed all of its obligations under the Insurance Agreement.

90. DLJ has materially breached its representations and warranties under Section 2.01 of the Insurance Agreement and Section 2.03 of the PSA.

91. MBIA has been damaged and will continue to be damaged in an amount to be determined at trial.

THIRD CAUSE OF ACTION

(Breach of Repurchase Obligation)

92. MBIA realleges and incorporates by reference paragraphs 1 through 79 of this Complaint.

93. DLJ has materially breached its obligations under Section 2.03(e) of the PSA by refusing to cure or repurchase the loans that breached DLJ's representations and warranties and with respect to which notice of breach has been provided by the Trustee to DLJ by letters dated August 5, 2009, August 27, 2009 and September 9, 2009.

94. MBIA has been damaged and will continue to be damaged in an amount to be determined at trial.

FOURTH CAUSE OF ACTION

(Breach of the Implied Duty of Good Faith and Fair Dealing)

95. MBIA realleges and incorporates by reference paragraphs 1 through 79 of this Complaint.

96. DLJ and SPS were obligated under the Insurance Agreement and PSA to act in good faith to allow MBIA to receive the benefit of its bargain under those agreements, including the right to assess and seek recovery for breaches of DLJ's representations and warranties.

97. DLJ and SPS breached their duty of good faith and fair dealing by failing to provide MBIA with access to the information necessary to effectuate the Repurchase Protocol, and thereby actively concealing the falsity of the representations and warranties made to induce MBIA to enter into the Insurance Agreement and issue its Policy.

98. MBIA has been damaged and will continue to be damaged in an amount to be determined at trial.

FIFTH CAUSE OF ACTION

(Material Breach of the Insurance Agreement)

99. MBIA realleges and incorporates by reference paragraphs 1 through 79 of this Complaint.

100. DLJ induced MBIA to enter into the Insurance Agreement and to issue the Policy by making extensive representations and warranties concerning the loans that DLJ caused to be sold to the Trust, and by agreeing to broad remedies for breaches of those representations and warranties.

101. DLJ's representations and warranties were material to MBIA's decision to insure the Transaction, and MBIA was induced thereby to enter into the Insurance Agreement and perform its obligations thereunder.

102. DLJ's pervasive and material breach of its representations and warranties, and its frustration of the loan-level repurchase remedy, constitutes a material breach of the Insurance Agreement as a whole that has deprived MBIA of the very purpose of the parties' bargain.

103. MBIA has been damaged and will continue to be damaged in an amount to be determined at trial.

SIXTH CAUSE OF ACTION

(Breach of Access Rights and Servicing Obligations)

104. MBIA realleges and incorporates by reference paragraphs 1 through 79 of this Complaint.

105. Pursuant to Section 3.07 of the PSA, SPS was required to provide MBIA reasonable access to all records and documentation regarding the Mortgage Loans.

106. In breach of its contractual obligations, SPS refused MBIA's reasonable request to review the loan documents and records.

107. SPS further breached its contractual obligations by failing to adhere to prudent and accepted servicing standards, as required by Section 3.01 of the PSA, and by releasing charged-off loans without complying with the provisions set forth in Section 3.11 of the PSA for releasing such loans.

108. As a result of SPS's breaches, MBIA's claim payments have been materially higher, MBIA was delayed in obtaining access to certain documentation relating to the Mortgage Loans, and it has been denied access altogether to documentation regarding other Mortgage Loans. SPS's improper tactics have made it impossible for MBIA to identify and seek to remedy promptly Credit Suisse's pervasive misconduct with respect to the Transaction. MBIA has been damaged and will continue to be damaged in an amount to be determined at trial.

SEVENTH CAUSE OF ACTION

(Indemnification)

109. MBIA realleges and incorporates by reference paragraphs 1 through 79 of this Complaint.

110. Pursuant to Section 3.04(a) of the Insurance Agreement, MBIA is entitled to be indemnified for any and all claims, losses, liabilities, demands, damages, costs, or expenses of any nature arising out of or relating to the transaction contemplated by the Transaction Documents by reason of, among other things, (i) any negligence, bad faith, willful misconduct, misfeasance, malfeasance or theft committed by any director, officer, employee or agent of DLJ and/or (ii) a breach by DLJ of any of the representations, warranties, or covenants contained in the Transaction Documents or any untrue statement or alleged untrue statement of a material fact

contained in any Offering Document or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading.

111. DLJ has breached numerous representations, warranties, and covenants and made material misstatements and/or omissions in the Offering Documents that have caused MBIA to pay claims and incur losses, costs, and expenses, and will continue to cause MBIA to pay claims and incur losses, costs, and expenses.

EIGHTH CAUSE OF ACTION

(Reimbursement for Claim Payments, Fees, Costs and Expenses)

112. MBIA realleges and incorporates by reference paragraphs 1 through 79 of this Complaint.

113. Pursuant to Section 3.03(b) of the Insurance Agreement DLJ agreed to reimburse MBIA for payments made under the Policy arising as a result of DLJ's failure to repurchase any Mortgage Loan required to be repurchased by DLJ pursuant to the PSA.

114. Pursuant to Section 3.03(c) of the Insurance Agreement, DLJ agreed to reimburse MBIA for any and all charges, fees, costs, and expenses paid or incurred in connection with, among other things, enforcing, defending, or preserving MBIA's rights under the Transaction Documents.

115. Pursuant to Section 3.03(d) of the Insurance Agreement, DLJ agreed to pay MBIA interest on the amounts to be reimbursed under Section 3.03(b) and 3.03(c).

116. MBIA has made payments made under the Policy arising as a result of DLJ's failure to repurchase any Mortgage Loan required to be repurchased by it pursuant to the

PSA and has incurred numerous expenses, including attorneys' fees and expert fees, in order to enforce, defend, and preserve its rights under the relevant agreements.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully prays for the following relief:

- A. For an award of all legal, equitable and punitive damages, to be proven at trial, for CS Securities' *fraudulent inducement* of MBIA's participation in the Transaction and issuance of its Policy;
- B. For an award of compensatory, consequential, and/or equitable damages, and any other damages to be proven at trial, for DLJ's pervasive and material breaches of its representations and warranties, and contractual repurchase obligation, constituting a material breach of the Insurance Agreement and frustration of the parties' bargain;
- C. For an award of compensatory and/or consequential damages, and any other damages proven at trial, for SPS's pervasive and material breaches of its obligations under the PSA;
- D. For an order compelling DLJ to comply with its obligations under PSA § 2.03(e), to cure, repurchase, or substitute the loans that breach its representations and warranties;
- E. For an order of indemnification for the claim payments and other losses and expenses MBIA has paid or will pay in the future pursuant to Insurance Agreement § 3.04(a);
- F. For an order awarding reimbursement of MBIA's claim payments and attorneys' fees, and other costs and expenses incurred in enforcing, defending, or preserving its rights under the Transaction Documents pursuant to Insurance Agreement § 3.03(b) and § 3.03(c), and interest thereon pursuant to § 3.03(d).
- G. For an order of prejudgment interest; and
- H. For an Order awarding MBIA such other and further relief as the Court deems just and proper.

JURY DEMAND

Plaintiff demands a trial by jury for all issues so triable as a matter of right.


VERIFICATION

The foregoing is true to the knowledge of the undersigned, except as to matters alleged on information and belief; as to those matters the undersigned believes the pleading to be true. Plaintiff is a corporation that is not in the county where its attorneys have their offices.

Dated: New York, New York
December 15, 2009

Respectfully submitted,

PATTERSON BELKNAP WEBB & TYLER LLP



Phillip R. Forlenza (prforlenza@pbwt.com)
Erik Haas (ehaas@pbwt.com)
1133 Avenue of the Americas
New York, NY 10036-6710
Telephone: (212) 336-2000
Fax: (212) 336-2222

Attorneys for MBIA Insurance Corporation

EXHIBIT 25

Table of Contents

1	Overview	1-1
1.1	Channels for Delivery	1-2
1.2	Method of Manual Production & Maintenance	1-3
2	Client Management – Wholesale	2-1
2.1	Account Pre-Qualification	2-2
2.2	Target Client Profile - Requirements	2-2
2.3	Application Procedures	2-3
2.4	Application Review Process	2-4
2.5	Client Approval Process Overview	2-5
2.6	Client Monitoring – Ongoing & Annual	2-8
2.7	Annual Recertification	2-10
2.8	Exhibits	2-11
3	Client Management – Correspondent	3-1
3.1	Account Pre-Qualification	3-2
3.2	Target Client Profile - Requirements	3-2
3.3	Application Procedures	3-2
3.4	Application Review Process	3-4
3.5	Client Approval Process Overview	3-5
3.6	Client Monitoring – Ongoing & Annual	3-8
3.7	Annual Recertification	3-10
3.8	Exposure Limits Monitoring & Relationship Management with CRM	3-10
3.9	Premium Recapture & Pair-Off Policy	3-11
3.10	Repurchase Follow-Up	3-11
3.11	Management Reporting	3-12
3.12	Exhibits	3-13

4	Consumer Credit Information – Wholesale	4-1
4.1	Objectives	4-2
4.2	Definitions	4-2
4.3	TORQUE & WHS System Descriptions	4-4
4.4	Permissible Purpose.....	4-5
4.5	Methods of Credit Access.....	4-6
4.6	Standard of Care: Overview	4-8
4.7	Standard of Care: Wholesales Client Files	4-8
4.8	Standard of Care: Consumer Credit Reports	4-9
4.9	Standard of Care: Electronic Files	4-10
4.10	Required Communications: Adverse Action	4-11
4.11	Required Communications: Consumer Inquires and Disputes	4-12
4.12	Exhibits	4-23
5	Commitment & Inventory Management - Wholesale.....	5-1
5.1	TORQUE and WHS System Descriptions.....	5-2
5.2	Daily Pricing.....	5-3
5.3	Schedule of Pricing Available	5-4
5.4	Registration & Lock Procedures.....	5-4
5.5	Lock Extensions.....	5-6
5.6	Expired Locks	5-7
5.7	Withdrawals	5-7
5.8	Duplicate Registration/Locks	5-8
5.9	Multiple Registration/Locks	5-8
5.10	Exceptions Tracking and Processing	5-9
5.11	Update to RPM & Trading System: Locks	5-9
5.12	Data Messages	5-10
5.13	Trade Processing.....	5-10
5.14	Inventory Management & Account Structure.....	5-11
5.15	Trading Account Designations.....	5-12
5.16	Exhibits	5-13
6	Closing & Funding - Wholesale.....	6-1
6.1	Scope.....	6-2
6.2	Objectives	6-2
6.3	Systems Referenced in this Chapter	6-2

6.4	Closing Preparation.....	6-4
6.5	Funding Request	6-5
6.6	Exception Processing.....	6-7
6.7	Closing.....	6-15
6.8	Post Closing	6-16
6.9	Collateral Tracking and Trust Receipt Issuance.....	6-17
6.10	Accounting Reconciliation	6-18
6.11	Daily Reporting.....	6-18
6.12	Exhibits	6-20
7	Post Funding & Servicing – Wholesale	7-1
7.1	Scope.....	7-2
7.2	Objectives	7-2
7.3	Systems Referenced in this Chapter	7-2
7.4	Customer Service Contacts.....	7-3
7.5	Escrow Account Setup – First Lien Loans	7-4
7.6	Collateral Delivery & Reconciliation	7-4
7.7	New Loan Setup.....	7-7
7.8	Credit File Delivery	7-7
7.9	Remittance Processing and Reconciliation.....	7-8
7.10	Exhibits	7-9
8	Fulfillment Center Operating Requirements - Wholesale.....	8-1
8.1	Credit Suisse Contacts	8-2
8.2	Client Set-up and Updates	8-2
8.3	Client Monitoring and Status.....	8-3
8.4	Private Label Needs.....	8-5
8.5	CSFC Loan Products.....	8-7
8.6	Commitment Management of CSFC Products	8-8
8.7	Loan Level Review: Underwriting Guidelines.....	8-8
8.8	Loan Level Review: Compliance.....	8-9
8.9	Loan Level Review: Credit Underwriting	8-13
8.10	Loan Level Review: Property Review.....	8-14
8.11	Loan Level Review: Insurance	8-18
8.12	Loan Level Review: Fraud Detection & Prevention	8-19
8.13	Loan Level Review: Prohibited Practices.....	8-20
8.14	TORQUE	8-21
8.15	Counteroffer and Adverse Action Notification	8-22
8.16	Data Collection	8-27

Table of Contents

8.17	Reconciliation	8-27
8.18	Closing and Post Closing Activities	8-28
8.19	Fulfillment Center Quality Control	8-29
8.20	CSFC Quality Control	8-30
8.21	Escalation Policy	8-31
8.22	Reporting	8-33
8.23	Reference Documents Summary	8-33
8.24	Exhibits	8-34
9	File Retention & Storage - Wholesale	9-1
9.1	Record Retention Schedules	9-2
9.2	File Imaging Policy	9-2
9.3	Record Retention	9-3
9.4	File Destruction	9-3
10	License Maintenance and Examination - Wholesale	10-1
10.1	Officers	10-2
10.2	Financing	10-2
10.3	HUD Approval	10-2
10.4	State License Renewals	10-4
10.5	State Examinations	10-6
10.6	Reporting and Record Retention	10-11
10.7	Exhibits	10-12
11	Credit Policy, Underwriting & Compliance - LBL, Mini Bulk & Wholesale	11-1
11.1	Wholesale Compliance	11-2
11.2	Credit & Product Change Procedures	11-2
11.3	Underwriting Guideline Updates	11-4
11.4	Appraisal Policy	11-4
11.5	Lending Authority	11-7
11.6	Exception Process Overview	11-8
11.7	Exhibits	11-9

12	Fulfillment Center Operations - Correspondent & Mini Bulk	12-1
12.1	Loan Due Diligence & Fulfillment.....	12-2
12.2	Flow Delivery Loan by Loan Funding	12-5
12.3	Reconciliation for Servicing Transfers	12-11
12.4	Trailing Document Requirements	12-12
12.5	Operational Performance Monitoring.....	12-13
12.6	Conduit Support Group	12-14
12.7	Exhibits	12-20
13	Acquisition Due Diligence - Bulk	13-1
13.1	Approving Seller's Guidelines.....	13-2
13.2	Loan File Review.....	13-2
13.3	Sampling	13-3
13.4	Scope of Review	13-4
13.5	Pre-Diligence Coordination	13-4
13.6	Due Diligence Review.....	13-5
13.7	Appraisal Diligence	13-6
13.8	Exhibits	13-9
14	Delivery Process - Bulk.....	14-1
14.1	Systems Referenced in this Chapter	14-2
14.2	Bulk Bid Process Steps	14-2
14.3	Hedging/Due Diligence Process Steps	14-4
14.4	Bulk Loan Settlement Process Steps	14-5
14.5	Exhibits	14-10
15	Whole Loan Sale & Securitization.....	15-1
15.1	Whole Loan Sales	15-2
15.2	Securitizations.....	15-6
15.3	Exhibits	15-12

Table of Contents

16	Quality Control	16-1
16.1	Purpose.....	16-2
16.2	Objectives	16-2
16.3	System Integrity	16-3
16.4	Sampling	16-3
16.5	Loan File Review Process.....	16-5
16.6	Areas of Investigation.....	16-6
16.7	Results.....	16-7
16.8	Record Keeping	16-8
17	Warehouse Lending	17-1
17.1	Customer Approval Process.....	17-2
17.2	Diligence and Credit Review.....	17-4
17.3	Customer Monitoring.....	17-6
17.4	Customer Renewal	17-11
17.5	Legal Documentation Requirements.....	17-12
17.6	Wet & Dry Funding	17-13
17.7	Warehouse Operations Overview	17-13
17.8	Funding: Customer Advance Request	17-17
17.9	Pay-offs	17-19
17.10	Account Reconciliation.....	17-22
17.11	Exhibits	17-23
18	Servicing Oversight	18-1
18.1	Philosophy	18-2
18.2	Objectives	18-2
18.3	Approach.....	18-3
18.4	Servicing Oversight Organization	18-5
18.5	Servicer Due Diligence.....	18-5
18.6	Servicing Operations.....	18-6
18.7	Remittance and Reconciliation	18-7
18.8	Mortgage Insurance	18-8
18.9	Default Management – Early Stage	18-17
18.10	Default Management – Loss Mitigation	18-17
18.11	Default Management – Loss Containment	18-18
18.12	Exhibits	18-20

19	Premium Recapture & Loan Repurchase	19-1
19.1	Overview of Systems Used	19-2
19.2	Premium Recapture Process	19-3
19.3	Prepayment Penalties	19-4
19.4	Loan Repurchase Process	19-5
19.5	Monthly Markdown Analysis	19-8
20	Risk Reporting & Analysis.....	20-1
20.1	Credit Risk Analysis	20-2
20.2	Credit Risk Modeling.....	20-3
20.3	Risk Reporting	20-4
20.4	Financial Engineering.....	20-5
20.5	Data Integrity & Strategy.....	20-6
20.6	Uploading Servicer Trial Balances.....	20-7
20.7	Uploading Trustee Distribution Reports.....	20-8

16 Quality Control

Introduction

The Quality Control Plan has been established as a management control system, which entails reviewing loans purchased and originated by DLJ Mortgage Capital, Inc. and Credit Suisse Financial Corporation (referred to collectively in this chapter as "Credit Suisse") through the Bulk, Mini Bulk, Loan by Loan ("LBL") and Wholesale channels. The plan is expected to maximize profitability by reducing the possibility of errors, irregularities, and fraud in loans being purchased and originated.

Page

Contents

16.1	Purpose.....	16-2
16.2	Objectives	16-2
16.3	System Integrity	16-3
16.4	Sampling	16-3
16.5	Loan File Review Process.....	16-5
16.6	Areas of Investigation.....	16-5
16.7	Results.....	16-7
16.8	Record Keeping	16-8

16.1 Purpose

The purpose of the Quality Control Plan is to:

1. Establish written policies by which loans purchased and originated by Credit Suisse will be evaluated to ensure proper origination, processing and closing.
2. Confirm that all purchased and originated loans selected for review, contain accurate data (data integrity), had due diligence accurately and appropriately performed, are originated and underwritten to the applicable underwriting guidelines, and are in compliance with all applicable laws.
3. Identify inadequacies, errors, or abuses relating to particular Sellers, brokers, Fulfillment Centers and diligence vendors, officers, processors, underwriters, appraisers, or other persons involved in the lending process so that Credit Suisse can take prompt corrective action.
4. Evaluate, document, and monitor the general quality of all purchased and originated loans selected for review. Expand the scope of quality control reviews when potentially fraudulent activity or patterns of deficiencies are identified.

16.2 Objectives

The objective of the Quality Control plan is to establish and maintain a findings database that will:

1. Increase the efficiency of the quality control process through detailed and timely reporting, and focus on analysis and trends instead of individual errors.
2. Utilize sampling methods to maximize the resources of the plan and provide an inference of the findings to the balance of the population.
3. Obtain specific recommendations from all the individuals involved in the process in order to improve the Fulfillment Centers processes and the work accomplished by the pre-funding due diligence vendors.

The benefits of accomplishing these objectives are to:

1. Provide Senior Management with information and knowledge needed to achieve solutions to quality concerns, as well as redirect the focus of quality toward prevention versus correction of errors.
2. Link quality to profitability through lower losses as a result of better, more consistent due diligence.
3. Provide unbiased evaluations of products delivered to and originated by Credit Suisse.
4. Have the ability to identify early warnings for problem areas in order to avoid costly mistakes.

16.3 System Integrity

The review, investigation, analysis, and reporting will be performed monthly by an outside Quality Control firm ("QC Firm"). The Credit Suisse Quality Control Group will manage the process internally. This process remains independent of loan production.

Credit policies (including selling and underwriting guidelines) and Credit Suisse procedures are available to all employees. In addition, the appropriate employees will be informed of changes in guarantor, investor, and government agency requirements on a timely basis to ensure compliance. Each Fulfillment Center will maintain copies of all current applicable regulations, manuals, circular letters, and program announcements for guarantors, insurers, investors and government agencies under which credit policy is governed and in which Credit Suisse participates.

An annual on-site visit by appropriate Credit Suisse personnel will be made to each Fulfillment Center. In addition, a Credit Suisse employee will accompany vendors on selected pre-funding diligence reviews to ensure that practices conform to government, investor, and guarantor requirements.

16.4 Sampling

Credit Suisse purchases loans from a variety of loan originators, and originates and funds loans sourced by mortgage brokers and bankers.

Since these relationships with the originators or Sellers present different levels of risk, the sampling criteria must have the flexibility to identify and validate risks that arise from various sources, products or programs. The loans selected by the Credit Suisse Quality Control Group will be representative of the overall book of business for each given month. In order to achieve this objective, sampling will be performed as outlined below.

On a monthly basis, a minimum of 3% of the total loan volume purchased through the Bulk, Mini Bulk, and LBL channels as well as those originated through the Wholesale channel will be reviewed. Targeted and discretionary sampling methods will be used to select loans for review. Random samples will be selected using the QC sampling program that includes the use of the due diligence scoring model. Active loans (e.g., securitized, to-be sourced) will be selected within 60 days from the purchase date and reviews will be conducted and completed by the QC firm within 60 days of selection. Samples will be pulled monthly for the following:

1. **Product**
 - a. Alt A Arms
 - b. Alt A Fixed
 - c. Jumbos
 - d. Subprime
 - e. 2nds/Helocs
2. **Channel**
 - a. Bulk
 - b. Mini Bulk
 - c. LBL
 - d. Wholesale
3. **Vendor/Fulfillment Center**
 - a. Reviewed
 - b. Not Reviewed
4. **Underwriter**
 - a. LBL, Mini Bulk and Wholesale channels
5. **Seller**
 - a. Sellers will be sampled by channel

6. Other Criteria

- a. When a Vendor/Fulfillment Center has not reviewed 100 loans, there will be a minimum of five (5) loans selected for testing.
- b. HELOC products that are not currently offered through the Wholesale channel.
- c. A minimum of 50 loans will be reviewed for each channel.
- d. Loans reporting 90+ days delinquent, that were acquired/originated in the preceding nine months, will be selected for QC review on a monthly basis

16.4.1 Random/Discretionary Samples

Random Discretionary Samples are reviewed to:

1. Evaluate the work of Vendors, Fulfillment Centers, brokers, employees, etc.
2. Evaluate the loans purchased by Seller
3. Focus on a new mortgage product
4. Evaluate mortgages with certain high risk characteristics
5. Investigate possible misrepresentation or suspected fraud
6. Expand on reviews when a pattern of deficiencies have been found in prior ones

16.5 Loan File Review Process

An employee of the QC firm will review the file to validate data, as well as ensure complete, consistent and accurate documentation that adheres to Credit Suisse standards. Also, the underwriting decision will be completely evaluated for all loans selected for review.

Each file from the sample will have a Quality Control review worksheet in which the findings from the review are recorded and coded by the QC Firm. The Credit Suisse Quality Control Group will enter and maintain data in a database.

16.6 Areas of Investigation

The re-verification of employment, income, assets, and appraisals are performed on 100% of the samples. Post-funding credit reports are ordered on the full sample to ensure that the borrowers' current financial ability is sound and that all declarations made are accurate. Additionally, occupancy will be validated on 5% of loans selected for review. The specific areas of investigation carried out by the QC Firm are discussed in detail below:

16.6.1 Origination Documents

Origination documents are reviewed for accuracy, completeness, signatures, dates and evidence that the documents were not modified by any interested party.

16.6.2 Compliance

Federal and state-specific disclosures and documents are reviewed for completeness, accuracy, errors or omissions, timely delivery, signatures and dates. Also, files are reviewed to ensure compliance with other local, state and federal laws.

16.6.3 Underwriting

Credit decisions are reviewed to insure conformity with the appropriate underwriting guidelines (as referenced in Chapter 11, Section 11.3).

Files will be reviewed to ensure that all requests adhere to guidelines and that appropriate compensating factors exist for all exceptions. Because each loan is unique, underwriters are expected and encouraged to use prudent judgment in making a lending decision.

16.6.4 Credit Review

Appropriate documents are reviewed to ensure that borrowers have demonstrated the financial ability and willingness to repay their debt.

16.6.5 Closing/Legal Documents

Appropriate documents are reviewed to ensure that the loan closed according to the lender's closing instructions and that all underwriting conditions have been met.

16.6.6 Hazard Insurance/Flood Policy

Appropriate documents are reviewed to ensure that the original policy is present and that the amount of coverage is greater than or equal to the loan amount. Further review is performed to verify the existence of a mortgagee clause and proof that the initial premium was paid.

16.6.7 Appraisals

A Desk Review of the original appraisal is performed (on all loans) which includes the review of value conclusion, appraisal data, validity of comparables, any changes made by the underwriter, and the general quality of the appraisal. 10% of the files reviewed will have a Broker Price Opinion ("BPO") ordered by an outside due diligence provider.

16.7 Results

The Credit Suisse Quality Control Group will review and analyze the QC firm results, then provide recommendations for any issues uncovered in the review process within 30 days from the date that the Quality Control Reports are received from the QC firm.

1. Executive Summary

The Executive Summary Report provides a summary of findings by Seller, Fulfillment Center, vendor, broker, channel, and product. The summary also provides the total number of loans subject to review, number of loans with minor exceptions, and the number of loans with significant exceptions.

2. Historical Review Summary

A historical review provides information on potential trends on various issues and is used to determine whether the frequency of the findings are increasing, decreasing or at a plateau.

3. Loan Level Summary

The loan level summary provides a loan-by-loan synopsis and highlights any issues relating to credit, appraisal, closing documents, compliance, etc.

Based on reports received from the QC firm as previously described, Credit Suisse's Quality Control Group will review and distribute results and then perform the following within 30 days of receiving these reports:

1. Create a high level summary of the QC firm's reports/findings based on the Credit Suisse quality control review and categorize the summary by credit findings, compliance findings and fraud findings, etc.
2. Conducts monthly meetings with applicable departments to discuss findings, trends, fraud relative to a particular channel, product, underwriter, broker, Correspondent, etc., and agree on specific action plans.
3. Document action plans in writing and ensure that they are implemented in a timely manner. Monitor these action plans.

16.8 Record Keeping

All quality control reports and associated documentation will be retained by the Credit Suisse Quality Control Group for a minimum of 36 months following the month in which the actual review was completed.

EXHIBIT 26

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

M.B.I.A. Ins. v. Credit Suisse
Ambac Assur. Co. v. DLS Mortgage

Plaintiff(s)

- against -

Defendant(s)

Present:

Shirley Werner Kornreich
Justice

IAS 54

Index No.

603 751 / 09 E
600070 / 10 E

DCM Track:

**PRELIMINARY CONFERENCE
ORDER
COMMERCIAL DIVISION**

FILED

Feb 25 2010

NEW YORK
COUNTY CLERK'S OFFICE

APPEARANCES:

Plaintiff(s): on separate sheet

Defendant(s):

It is hereby ORDERED that disclosure shall proceed as follows:

(1) BILL OF PARTICULARS (See CPLR 3130(1)):

(a) Demand for a bill of particulars shall be served by _____ on or before _____

(b) Bill of particulars shall be served by _____ on or before _____

(2) DOCUMENT PRODUCTION: all parties have already served.

(a) Demand for discovery and inspection shall be served by _____ on or before _____

(b) Response to demand shall be served by _____ on or before _____

as decided at next conference on
5/6/10

(3) INTERROGATORIES: to be decided at next conference

(a) Interrogatories shall be served by _____ on or before _____

(b) Answers to interrogatories shall be served by _____ on or before _____

(4) DEPOSITION ON ORAL QUESTIONS:

☐ Plaintiff(s)

☐ Defendant(s)

☐ All Parties

shall be held

to be decided at next conference

→ 603751/09 E
600070/10 E

(5) OTHER DISCLOSURE:

Credit Suisse & DLT Mortgage shall identify to other parties within 30 days the data storage systems & custodians of the records relating to relevant documents in its document records dated 4/14/10 (MBIA) & 2/5/10 (Ambac).

(6) If a motion relating to disclosure has raised additional disclosure issues, the parties shall: _____

(7) IMPLER: Shall be completed on or before ^{by} 10 days after EST. giving rise to impleader

(8) END DATE FOR ALL DISCLOSURE: April 1, 2011

(9) COMPLIANCE CONFERENCE: Shall be held on May 6, 2010 at 9:30 to set search terms for e-discovery; parties shall confer before

(10) MOTIONS: Any dispositive motion(s) shall be made on or before 60 days after filing N/T. head as to search terms, by people & privilege issues.

(11) NOTE OF ISSUE: TIS shall file a note of issue/certificate of readiness on or before May 31, 2011.

A copy of this order shall be served and filed with the note of issue.

THE DATES SET FORTH HEREIN MAY NOT BE ADJOURNED EXCEPT WITH APPROVAL OF THE COURT

SO ORDERED:

Dated: 2/25/10

JUSTICE SHIRLEY WERNER KORNREICH
_____, J.S.C.

ADDITIONAL DIRECTIVES

In addition to the directives set forth above, it is further ORDERED as follows:

Parties to begin responding on following basis to previously served document demands to the extent feasible.

SO ORDERED:

Dated: 2/25/10

JUSTICE SHIRLEY WERNER KORNREICH
_____, J.S.C.

→ 603751/09 MBIA Ins v Credit Suisse
PRELIMINARY CONFERENCE ORDER
600070/10 AMBAC Assur. Co. v DLS Mortgage

2/25/10
PC
Rt 54

X. ADDITIONAL DIRECTIVES:

BARRY LEVIN Orrick CREDIT SUISSE, DLS MORTGAGE, SEVER PORTFOLIO SERVICES
Stan Chelney Orrick
DARREN TESHIMA Orrick

Erik Haas 212.336.2117

Nico Commandeur 212.336.2483

Rosanne Fellicelo 212.336.2944

Patterson, Belknap, Webb & Tyler LLP

1133 AVENUE OF AMERICAS

New York, NY 10036

Counsel For Ambac Assurance Corp and

MBIA ASSURANCE ASSURANCE CORPORATION

FILED

Feb 25 2010

NEW YORK
COUNTY CLERK'S OFFICE

X. ADDITIONAL DIRECTIVES

EXHIBIT 27



ORRICK, HERRINGTON & SUTCLIFFE LLP
THE ORRICK BUILDING
405 HOWARD STREET
SAN FRANCISCO, CALIFORNIA 94105-2669
tel +1-415-773-5700
fax +1-415-773-5759
WWW.ORRICK.COM

March 23, 2010

Darren S. Teshima
(415) 773-4286
dteshima@orrick.com

VIA E-MAIL

David Slarskey, Esq.
Patterson Belknap Webb & Tyler LLP
1133 Avenue of the Americas
New York, NY 10036
dslarskey@pbwt.com

Re: MBIA Insurance Corporation v. Credit Suisse Securities (USA) LLC, et al., Index No. 603751/09

Dear David:

In advance of our conversation on March 25th to discuss e-discovery issues, enclosed please find a preliminary list of proposed search terms, custodians and data storage systems. While we have taken care to compile this list, we reserve the right to amend it upon the discovery of additional information.

I also write in response to your March 15, 2010 letter, to which I initially responded by e-mail on March 16th. In your letter, you first suggest that, in an effort to ease the time and expense of discovery, Credit Suisse (together with DLJ and SPS) should allow MBIA to download databases that store relevant information to media provided by MBIA and then provide MBIA information to access those databases. While we appreciate MBIA's desire to conduct discovery efficiently, Credit Suisse cannot agree to this proposal. The data storage systems identified in the enclosed list are proprietary systems, and contain voluminous amounts of data that are irrelevant to the present case. We can discuss, however, without waiving any objections to the production of this information, the manner and form (e.g., delimited text files) in which any responsive, non-privileged data stored on these systems can be produced to MBIA.

In your letter, you next request that Credit Suisse begin producing the certain categories of documents and provide certain information in advance of the parties' agreement on search criteria. As I mentioned in my March 16 e-mail, since receiving MBIA's first set of requests for the production of documents, Credit Suisse has been diligently working to identify and collect responsive documents. To the extent feasible, and consistent with the Court's preliminary conference order, we will begin producing the documents identified below upon the entry of a protective order and in advance of the May 6 hearing.

The below responses are offered as part of the meet and confer discovery process and based on our preliminary investigation to date. The responses are not intended to be complete or final responses



VIA E-MAIL

David Slarskey, Esq.
March 23, 2010
Page 2

to MBIA's document requests. Credit Suisse reserves all objections to the document requests and the right to amend its responses.

- HEMT 2007-2 Loan Files: As these documents are requested in Request No. 40, Credit Suisse is collecting them will begin producing them upon the entry of a protective order.
- Underwriting Guidelines: As these documents are requested in Request No. 39, Credit Suisse is collecting them and will begin producing them upon the entry of a protective order.
- Spreadsheet of Loan Data: MBIA has requested that Credit Suisse provide a "loan-by-loan key/spreadsheet that provides any and all loan numbers used by Credit Suisse to refer to each individual loan" and that identifies, among other things, the "originator, servicer, guideline and/or standard used to underwrite the loan, the original seller of the loan, the channel of origination, and the name of the subdeal (or group purchase) that the loan was part of." Credit Suisse objects to this request. Among other things, Credit Suisse does not maintain such a key/spreadsheet with all of the requested data in the ordinary course of business. To the extent such information is responsive to document requests, Credit Suisse will produce it, but Credit Suisse is not required to and will not create such a key/spreadsheet that compiles all of the data solely to respond to this request.
- Repurchase Demands to Originators: These documents are requested in Request No. 52. Based on our investigation to date, no responsive documents exist.
- Repurchase Demands to Credit Suisse: As these documents are requested in Request No. 79, Credit Suisse is collecting them and will begin producing them upon the entry of a protective order.
- Servicing Records: As these documents are requested in Request No. 54, Credit Suisse is collecting them and will begin producing them upon the entry of a protective order.
- Due Diligence Documents: These documents are requested in Request No. 39. While Credit Suisse maintains its objection that such documents will be irrelevant to the case in the event the Court grants the motion to dismiss the fraudulent inducement claim, it understands that discovery has not been stayed. Any such documents cannot be collected and produced, however, until the parties reach an agreement on search terms. In addition, as we previously have mentioned, any due diligence documents would have been maintained at a facility in Princeton, New Jersey, which was closed after the Transaction. In order to



VIA E-MAIL

David Slarskey, Esq.
March 23, 2010
Page 3

begin searching for these documents, out-of-date systems will have to be restored, at significant expense. The parties need to reach an agreement about cost-shifting for this discovery.

- List of Databases: MBIA has requested a "list of all databases used by Credit Suisse to track or monitor the Loans, including a description of the purpose for each database." Enclosed is the list of data storage systems pursuant to the Court's preliminary conference order and Commercial Division Rule 8(b). To the extent it calls for any additional information, Credit Suisse objects to the request. Among other things, the request does not fall within any of MBIA's document requests.
- Quality Control Documents: These documents are requested in Request No. 38. Like the due diligence documents, any responsive documents likely would have been maintained at a closed facility in Princeton, New Jersey. Credit Suisse is working to identify and collect responsive documents; however, given their probable location, it is unlikely that they will be produced in advance of the May 6 hearing.
- Seller-Monitoring Files: These documents are requested in Request No. 74. Credit Suisse is working to identify and produce responsive documents, although it is uncertain whether they will be produced in advance of the May 6 hearing.
- Documents Reflecting Reserves: MBIA has requested documents "reflecting reserves related to the transaction, including reports relating to exposure on residuals." Such documents are requested in Request No. 72. Credit Suisse is working to identify and produce responsive documents, although it is uncertain whether they will be produced in advance of the May 6 hearing.
- Final Mortgage Loan Schedule: This document is requested in Request No. 2, and is publicly available. Credit Suisse will, however, produce this document.

Again, the above responses are based on our preliminary investigation and made without waiver of any objections to MBIA's document requests.

Just as you have requested that Credit Suisse begin producing documents in advance of an agreement on search terms, we also request and expect MBIA to do the same. Please let me know the steps MBIA is taking to produce documents responsive to Credit Suisse's February 16, 2010 first set of requests for production of documents. Thank you.



VIA E-MAIL

David Slarskey, Esq.
March 23, 2010
Page 4

Very truly yours,

Darren S. Teshima

Enclosure

cc: Erik Haas

*MBIA Insurance Corporation v. Credit Suisse Securities (USA) LLC,
DLJ Mortgage Capital, Inc. & Select Portfolio Servicing, Inc.*
Index No. 603751/2009

Defendants' Preliminary List of Proposed Search Terms, Custodians and
Data Storage Systems¹

Proposed Search Terms for Defendants' Search of Documents

Home Equity Mortgage Trust 2007-2
HEMT 2007-2
2007-2
07-02
Closed-end second(s)
Seconds
2nds
MBIA
@mbia.com
New Century
Select Portfolio Servicing
SPS
Specialized Loan Servicing
SLS
HEMT 2007-2 loan numbers

Proposed Search Terms for MBIA's Search of Documents

Home Equity Mortgage Trust 2007-2
HEMT 2007-2
2007-2
07-02
Closed-end second(s)
Seconds
2nds
DLJ
DLJMC
Credit Suisse
CS
@credit-suisse.com
New Century
Select Portfolio Servicing
SPS
Specialized Loan Servicing
SLS

¹ Defendants reserve the right to amend this preliminary list.

*MBIA Insurance Corporation v. Credit Suisse Securities (USA) LLC,
DLJ Mortgage Capital, Inc. & Select Portfolio Servicing, Inc.
Index No. 603751/2009*

Credit Suisse/DLJ Custodians

Tim Kuo
Pete Sack
Bruce Kaiserman
Alex Huang
Regang Ou
Rob Sacco
Eddie Othman
Jason Nordyk
Reginald Jones
Victor Baev
Chris Shoen
Adam Loskove
Richard Peterson
Wallace Chin
Ellen Rankin
Victor Su

SPS Custodians

Lester Cheng
Jeffrey Cole
Jason Miller
Ann Woodbury
Valerie Bielik
Curtis Pulsipher
Rusty Hansen
Jennifer Coleman
Greg Ott
Susan Bassett

MBIA Custodians

Personnel Listed on MBIA's February 24, 2010 Proposed Custodian List

*MBIA Insurance Corporation v. Credit Suisse Securities (USA) LLC,
DLJ Mortgage Capital, Inc. & Select Portfolio Servicing, Inc.*
Index No. 603751/2009

Defendants' Data Storage Systems

RPM
WHS
CWS
Loan Approve
CANTAI
MSP
New Image
Select CE
RMBS Shared Drive
Princeton Shared Drive
SPS Shared Drive
NYC E-mail Server
Princeton E-mail Server
SPS E-mail Server
Princeton E-mail Backup Tapes
SPS E-mail Backup Tapes

EXHIBIT 28

Slarskey, David (x7615)

From: Teshima, Darren [dteshima@orrick.com]
Sent: Wednesday, October 27, 2010 1:31 PM
To: Slarskey, David (x7615)
Cc: Haas, Erik (x2117); Levin, Barry; Chelney, Stan; Jacobsen, Richard; Commandeur, Nico (x2483)
Subject: RE: MBIA v. Credit Suisse: Data Dictionaries

David,

As we have discussed, the quality control information is not maintained in the databases and has already been produced. In your October 20, 2010 letter, you asked for the bates ranges of the produced quality control information. I am preparing a formal response to all of the issues addressed in that letter, but here are the bates ranges:
CS_M0005428019 - CS_M0005720407.

Darren

From: Slarskey, David (x7615) [mailto:dnslarskey@pbwt.com]
Sent: Wednesday, October 27, 2010 9:35 AM
To: Teshima, Darren
Cc: Haas, Erik (x2117); Levin, Barry; Chelney, Stan; Jacobsen, Richard; Commandeur, Nico (x2483)
Subject: RE: MBIA v. Credit Suisse: Data Dictionaries

Thanks.

One other issue: Last week I asked you about the quality control information that you said is not available in the databases. Specifically, I'm referring to data maintained in connection with the representation made by Credit Suisse that it samples 3% of all loans originated on a monthly basis. (CS_M00054222042, Slide 20). Have you determined where Credit Suisse maintains the data related to the post closing quality control processes? Please be prepared to discuss that as well.

DS

David N. Slarskey, Esq.
Patterson Belknap Webb & Tyler LLP / 1133 Avenue of the Americas / New York, NY 10036 / Tel: 212.336.7615 / Fax: 212.336.1266 / E-mail: dslarskey@pbwt.com

From: Teshima, Darren [mailto:dteshima@orrick.com]
Sent: Wednesday, October 27, 2010 12:01 PM

To: Slarskey, David (x7615)
Cc: Haas, Erik (x2117); Levin, Barry; Chelney, Stan; Jacobsen, Richard
Subject: RE: MBIA v. Credit Suisse: Data Dictionaries

David;

We and Navigant can be available for a call at 2pm ET with you and your expert. We can use the following number:

U.S. Toll Free: 866-244-1129

Passcode: 7430960

Darren

From: Slarskey, David (x7615) [mailto:dnslarskey@pbwt.com]
Sent: Wednesday, October 27, 2010 6:33 AM
To: Teshima, Darren
Cc: Haas, Erik (x2117); Levin, Barry; Chelney, Stan; Jacobsen, Richard
Subject: RE: MBIA v. Credit Suisse: Data Dictionaries

Darren,

We don't understand if the other databases do not have data dictionaries, instructions, or manuals, how Navigant went about identifying the relevant fields for production. Even on this short notice, pursuant to the Court's order our consultant is available this afternoon to have a conversation with your consultant about this issue so we can provide a complete response to Ms. Porder about how we propose to proceed. How about 2:00 Eastern?

Best,

David

David N. Slarskey, Esq.
Patterson Belknap Webb & Tyler LLP / 1133 Avenue of the Americas / New York, NY 10036 / Tel: 212.336.7615 / Fax: 212.336.1266 / E-mail: dslarskey@pbwt.com

From: Teshima, Darren [mailto:dteshima@orrick.com]
Sent: Tuesday, October 26, 2010 5:10 PM
To: Slarskey, David (x7615)
Cc: Haas, Erik (x2117); Levin, Barry; Chelney, Stan; Jacobsen, Richard
Subject: MBIA v. Credit Suisse: Data Dictionaries

David,

We have identified the following tables that constitute the only "data dictionaries" for the produced databases:

RPM: loan_field_base; loan_field_code_base (these are the tables that were viewable during the RPM presentation)

CWS: DataDictionaryColumns; DataDictionaryValues

WHS: MasterLookup

Loan Approve: No data dictionary

SPS Data Warehouse: No data dictionary

The tables are attached to this email in Excel format for your convenience, but we will produce them shortly in a format that will allow you to integrate them with the data already produced. (Because the attached spreadsheet, like the produced data, includes information covered by our Protective Order, do not disclose it or file with the Court except as set forth in that Order.) As noted above, these are the only data dictionaries that exist for the above databases. To the extent MBIA requires additional information about the databases, MBIA may notice a deposition.

I am available this afternoon or tomorrow in advance of our Court call to discuss these issues with you. Thanks.

Darren

<<http://www.orrick.com/>>

Darren S. Teshima

Attorney

ORRICK, HERRINGTON & SUTCLIFFE LLP
THE ORRICK BUILDING
405 HOWARD STREET
SAN FRANCISCO, CA 94105

tel 415-773-4286
dteshima@orrick.com <<mailto:dteshima@orrick.com>>

www.orrick.com <<http://www.orrick.com/>>

EXHIBIT 29

JUSTICE SHIRLEY WERNER KORNREICH

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

-----x
MBIA INSURANCE CORPORATION,

Plaintiff,

-against-

CREDIT SUISSE SECURITIES (USA) LLC,
BLL MORTGAGE CAPITAL, INC., and
SELECT PORTFOLIO SERVICING, INC.

Defendants.
-----x

12/8/10
So ordered:
Hon. Shirley Werner Kornreich
Index No. 603751/09

Hon. Shirley Werner Kornreich

STIPULATION AND ORDER

WHEREAS on October 21 and 27, 2010 the Court conducted discovery conferences with the parties, plaintiff, MBIA Insurance Corporation ("MBIA"), and defendants, Credit Suisse Securities (USA) LLC, et al. ("Credit Suisse"), IT IS HEREBY STIPULATED AND ORDERED that:

- I. By November 10, 2010 Credit Suisse Shall produce to MBIA:
 - A. A map, schematic, manual, or other informational documents, to the extent they exist, sufficient to show the structure of all data fields and tables in the RPM, Loan Approve, WHS, and CWS databases (the "Databases"), whether such fields and tables have been produced or not by Credit Suisse, including any linkages between such fields, tables or databases. Credit Suisse, and not Navigant, shall undertake to determine whether such materials exist. The parties shall continue to meet and confer as to the necessity for producing similar materials for the SPS Data Warehouse and/or Simplicity interface, consistent with the objectives of this paragraph stated by the Court on October 27, 2010.
 - B. A list of all data fields and tables stored in the Databases, including, if available, the definition and name of each such field and table, whether the related data from the respective fields or tables has been produced or not.
 - C. An affidavit from the person most knowledgeable at Navigant explaining the methodology and criteria it employed to select the data to produce in response to the Court's June 22, 2010 Compliance Conference Order, including any instructions provided to it by Credit Suisse concerning the definition of any of the fields or tables.

D. The affidavit or any other communication(s) from Navigant personnel shall not be, and shall not be argued to be, a waiver of any applicable attorney client or expert privilege or protection.

2. The scope of discovery for non-parties to this action shall be limited to documents and communications concerning respondents' business processes (i.e., due diligence, origination, etc.) as they relate to the mortgage loans that (i) were offered to Credit Suisse as part of any bulk or mini-bulk portfolio from which any loans included in the Home Equity Mortgage Trust 2007-2 Transaction (the "Transaction") were selected; or (ii) were offered to Credit Suisse for acquisition between November 3, 2005 and April 30, 2007, through any wholesale, loan-by-loan, or "flow" arrangement out of which were selected any of the loans included in the Transaction; and

3. Credit Suisse agrees not to challenge the Court's issuance of a commission, and to MBIA's issuance of a subpoena to Clayton Holdings LLC, pursuant to the proposed order, commission, and subpoena attached hereto as Exhibit 1.

4. Upon entry of this Stipulation and Order, counsel for MBIA shall provide to (i) Headstrong, Inc., (ii) Ceyen Financial Solutions Private Limited, and (iii) Bohan Group LLC, (each a "Subpoena Recipient") the respective "Amended Schedule A" riders attached hereto as Exhibits 2 - 4 respectively. The Amended Schedule A(s) shall amend and replace the Schedule A(s) in the respective subpoenas previously issued to the Subpoena Recipients by MBIA in this action. The amendment of the Schedule A to each of the respective subpoenas shall not have any effect upon MBIA's prior service of the respective subpoenas.

5. Credit Suisse agrees not to challenge the definitions, instructions, and requests set forth on the Amended Schedule A riders attached hereto as Exhibits 2-4.

6. Upon entry of this Stipulation and Order, Counsel for MBIA shall promptly deliver to each of the Subpoena Recipients, with a copy to Credit Suisse, a copy of this

Stipulation and Order, with the respective Amended Schedule A for each of the respective Subpoena Recipients.

7. Each of the Subpoena Recipients shall have 20 days from the date of delivery of the Amended Schedule A and this Stipulation and Order to respond or object to the subpoena served upon it, as amended.

8. Upon entry of this Stipulation and Order, Counsel for MBIA shall: (i) promptly deliver to New Century Liquidating Trust and Decision One, with a copy to Credit Suisse, a copy of this Stipulation and Order, and (ii) inform New Century Liquidating Trust and Decision One that their time to object or otherwise respond to current Schedule A(s) is extended by ten (10) business days.

9. Counsel for MBIA and Credit Suisse agrees to meet and confer on the scope of the amended schedule (A)s to New Century Liquidating Trust and Decision One, and, if necessary, bring this matter before the Court, no later than November 4, 2010.

10. Electronic or facsimile signatures to this stipulation shall be deemed to have the force and effect of original signatures.

PATTERSON BELKNAP WEBB & TYLER,
LLP
Attorneys for Plaintiff

By:
Erik Haas
New York, New York
Tel: (212) 336-3000

Dated: November 2, 2010

ORRICK, HERRINGTON & SUTCLIFFE
LLP
Attorneys for Defendants

By:
Richard A. Jacobsen
New York, New York
Tel: (212) 306-3743

Dated: November 2, 2010

EXHIBIT 30

Slarskey, David (x7615)

From: Teshima, Darren [dteshima@orrick.com]
Sent: Wednesday, January 26, 2011 10:47 PM
To: Slarskey, David (x7615)
Cc: Teplin, Stephanie (x2054); Chelney, Stan; Jacobsen, Richard; Haas, Erik (x2117);
Commandeur, Nico (x2483)
Subject: RE: MBIA v. Credit Suisse - Discovery correspondence and Interrogatories

David,

We are amenable to running abbreviated names of the below originators in lieu of the originators' full names (e.g., "Quicken" in place of "Quicken Loans, Inc.").

Regarding the loan numbers as search terms, while we will agree to run the loan numbers of the approximately 15,000 HEMT 2007-2 loans across the new custodians -- as we did for the original custodians -- we will not agree to run the numbers of the more than 100,000 loan numbers for which Credit Suisse was ordered to produce data. It took approximately 10 hours to run the the 15,000 HEMT 2007-2 loan numbers as independent search terms; running 100,000 loan numbers as independent search terms is unduly burdensome, to say nothing of our objection to the relevance of documents that may be retrieved by such search terms.

We maintain our objection to including Mr. Sottile as an additional custodian.

We do not have additional information to provide about PBS and CMS. Based on the information we have, we do not believe these databases contain relevant information beyond the information that has already been provided in the five other databases already produced.

See you tomorrow.

Darren

<<http://www.orrick.com/>>
Darren S. Teshima
Attorney
ORRICK, HERRINGTON & SUTCLIFFE LLP
THE ORRICK BUILDING
405 HOWARD STREET
SAN FRANCISCO, CA 94105
tel 415-773-4286
dteshima@orrick.com
www.orrick.com <<http://www.orrick.com/>>

From: Slarskey, David (x7615) [mailto:dnslarskey@pbwt.com]
Sent: Wednesday, January 26, 2011 5:12 PM
To: Teshima, Darren
Cc: Teplin, Stephanie (x2054); Chelney, Stan; Jacobsen, Richard; Haas, Erik (x2117); Commandeur, Nico (x2483)
Subject: Re: MBIA v. Credit Suisse - Discovery correspondence and Interrogatories

Darren;

This looks okay, subject to - as we discussed - our reservation of rights with respect to specific sellers if we become particularly concerned about them. We would also like you to propose common abbreviations for these lenders to the extent Credit Suisse personnel are aware of them. For example, we would expect you "Quicken" or "Meridias" as standalone terms, rather than the entire entity name (which is unlikely to be used in conversational emails).

Did you give further consideration to running all of the loan numbers/servicer numbers/originator numbers?

EXHIBIT 31



ORRICK, HERRINGTON & SUTCLIFFE LLP
THE ORRICK BUILDING
405 HOWARD STREET
SAN FRANCISCO, CALIFORNIA 94105-2669

tel +1-415-773-5700
fax +1-415-773-5759

WWW.ORRICK.COM

March 16, 2011

Darren S. Teshima
(415) 773-4286
dteshima@orrick.com

VIA E-MAIL

David Slarskey, Esq.
Patterson Belknap Webb & Tyler LLP
1133 Avenue of the Americas
New York, NY 10036
dslarskey@pbwt.com

Re: MBIA Insurance Corporation v. Credit Suisse Securities (USA) LLC, et al., Index No. 603751/09

Dear David:

This letter responds to your February 28, 2011 letter regarding the data from the Put Back System database ("PBS") that Credit Suisse has been ordered to produce.

Item 3 of the Court's January 26, 2011 Status Conference Order provides that Credit Suisse "shall produce the put-back loan database [i.e., PBS] to the extent that it reflects put-backs of loans in the Transaction that are not reflected in the RPM database already produced." Item 4 of that Order provides that Credit Suisse "shall produce documents concerning monies received from loan originators for buy-backs of loans included in the Transaction that remained in the Trust after the buy-back or for which the Trust did not receive all of the monies paid to [Credit Suisse] for the buy-back of any loan included in the Transaction." By Compliance Conference Order dated February 1, 2011, the Court "vacated" Item 4 of the January 26, 2011 Order, holding that MBIA "has no evidence that [Credit Suisse] received money from loan originators for loans in the Transaction that were not refunded to HEMT 2007-2. Thus, the inquiry sought by Item 4 would be a fishing expedition."

Despite the unambiguous language of the Court's Orders, you have taken the position, most recently in your February 28th letter, that Credit Suisse is required to produce all data on PBS "for the loans identified by the Court in the June 24, 2010 Order." As you know, however, the June 24, 2010 Order refers to due diligence data related to the more than 100,000 loans that Credit Suisse reviewed along with the HEMT 2007-2 loans in connection with its acquisition of loans through its acquisition channels. Loans reviewed during this due diligence process but not securitized in HEMT 2007-2 have nothing to do with any Credit Suisse demands that originators repurchase HEMT 2007-2 loans. During the parties' call with the Court on February 14, 2011, you raised your flawed interpretation of the Court's January 26, 2011 Order, and Ms. Porder rejected it.



O R R I C K

VIA E-MAIL

David Slarskey, Esq.
March 16, 2011
Page 2

Based on the Court's rulings, it is clear that Credit Suisse is required to produce only the following data in response to Item 3 of the January 26, 2011 Order: Data on PBS not already produced in RPM related to HEMT 2007-2 loans that originators repurchased pursuant to "put back" demands by Credit Suisse. Credit Suisse repeatedly has stated that it will comply with this Order.

Although Credit Suisse is not required to produce it, without waiving any objections to the relevance of the information, Credit Suisse will produce all data on PBS related to any one of the HEMT 2007-2 loans. Thus, Credit Suisse will not limit its production from PBS to data related to loans that originators repurchased pursuant to "put back" demands by Credit Suisse.

Finally, during the course of our review of the data on PBS, and based on further investigation with our client in response to information provided in your February 28th letter, we have learned that the database does include quality control information. (Our prior statement that quality control information was not maintained on any database was based on our understanding and diligent investigation with our client at the time.) As part of our production of data on PBS, we will produce any quality control data on PBS related to the HEMT 2007-2 loans and the quality control pools (or "buckets," as referred to in Item 4 of the Court's June 24, 2010 Order) in which an HEMT 2007-2 loan was reviewed.

We trust Credit Suisse's agreement to produce the above data will obviate any need for MBIA to file a motion to compel by the March 25, 2011 deadline set forth in the Court's February 14, 2011 Status Conference Order.

Very truly yours,

Darren S. Teshima

cc: Erik Haas
Nico Commandeur

EXHIBIT 32

P. 1 of 3

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

MBIA INS

INDEX NO.

603751/09E

-against-

Plaintiff(s).

IAS PART

54

CREDIT SUISSE

COMPLIANCE CONFERENCE
ORDER

Defendant(s).

On 6/22, 2010, a conference was held in this case. The parties appeared as follows:

Plaintiff(s)

~~MBIA INS~~ MBIA INS

by

Erik HARRIS and David Slaskey
Patterson Belknap, Webb & Tyler
1133 6th Avenue
NY, NY 10036

Defendant(s)

CREDIT SUISSE, ET AL.

by

BARRY LEVIN
DARREN TESHIMA
OFFICE, HARRINGTON & SUTCLIFFE

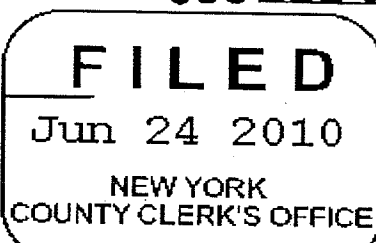
The Court has determined that the Court's Case Management Order of _____, 20____
has not been complied with in that _____

Accordingly, it is ORDERED that As shall produce the documents
of data in items 1 through 7 on page 2
of that IT's shall pay for the costs of production. Said
documents & data shall be produced on or before
8/24/10. If there is a dispute as to cost, which shall
be communicated to IT's within
2 weeks, the parties shall
arrange a conference call with the
Court.

Enter:

JUSTICE SHIRLEY WEINER KORNREICH

Dated: 6/22/10



6/22/10

Compliance

PRELIMINARY CONFERENCE ORDER

MBIA Ins. v

Credit Suisse

p. 2 of 3

X. ADDITIONAL DIRECTIVES:

- 1) with respect to bulk acquisition by AS of loans securitized, AS shall produce all data ~~documents~~ relating to the loans in the bulk pools from which the securitized loans were culled;
- 2) with respect to flow acquisition by AS of loans securitized, AS shall produce all ^{data} ~~documents~~ relating to the loans ~~of~~ considered by AS for inclusion in the securitized loans starting with the first flow loan purchased through the date that the last loan was purchased.
- 3) AS shall also produce all documents relating to the due diligence & underwriting standards used to cull the securitized loans from the bulk pools & flow loans ~~from originating banks starting with the date of the first loan purchased by AS.~~
- 4) AS shall produce all data relating to sampling of loans for performance on a monthly basis in buckets that included any of the securitized loans & all documents relating the manner in which the performance of the sampled loans were evaluated, for the period beginning with the first securitized loan purchased ^{by AS} through 4/30/2007.
- 5) AS shall produce all data relating to the loans securitized that became delinquent.
- 6) AS shall produce all data & documents relating to ~~securitized loans~~ sold back to the originating banks.
- 7) AS shall produce all servicing data with respect to the securitized loans.

X. ADDITIONAL DIRECTIVES

603751/09E

6/22/10

PRELIMINARY CONFERENCE ORDER

MEDIA VERBATIM

p. 3 of 3

X. ADDITIONAL DIRECTIVES:

8) As to begin producing live database documents on a more expedited basis for which search terms have been agreed upon, production to be rolling, the court will not set an outside date as there are 1.5 million documents, first production to be on 7/20/10.

9) Compliance conference 9/28/10 at 9:30 AM

FILED

Jun 24 2010

NEW YORK
COUNTY CLERK'S OFFICE

X. ADDITIONAL DIRECTIVES

EXHIBIT 33

RPM/PBS

System Overview

Version: 1.0

Last Modified Date: { DATE * MERGEFORMAT }

Summary of Information

Title of Document	RPM and PBS Systems Overview
Subject Area	Application/RPM/PBS
Category	System Overview
Author	ESP/Laura Hu
Reviewer	Balaji Venkiteswaran/Sriram Sethuraman
Document Type	Support Document
Purpose of Document	The document provides a brief overview of the RPM and PBS applications and what they provide to the business.
Application Name	RPM/PBS
Component Name	NA
Date Published	11/21/2007
Document Reference	
Version	1.0

Change Summary

DATE	VERSION	DESCRIPTION OF CHANGE	AUTHOR	REVIEWER
11/21/2007	1.0	First Production version	Laura Hu	Sriram Sethuraman
11/27/2007	1.1	Second Production Version	Divyanshu Swarup	

Related documents

RPM Business Overview
RPM Disaster Recovery
RPM Batch Processing Guide
RPM System Administration Guide
RPM-PBS Change Management

LFRPM Component Guide
Loan Approve Component Guide
PBS Prepay Component Guide
PBS QC Component Guide
PBS User Maintenance Component Guide
Trial Balance and Remittance Component Guide
REO Component Guide
Auto Redemption Component Guide
Due Diligence Score Component Guide
FP LBL Component Guide
FP MiniBulk Component Guide
Loanset and Maintenance Component Guide
RPM Bulk Processing Component Guide
RPM HUB Component Guide
RPM Reports Component Guide
RPM User Maintenance Guide
Settlement Instruction Audit Component Guide
Third Party Applications Component Guide
Transfer, Securitization and Wholeloan Sale Component Guide
WHS Processing Component Guide
PBS System Overview

Table of Contents

1	SCOPE	1
2	BUSINESS CONTEXT	2
2.1	RMBS LIFECYCLE	2
2.1.1	Loan Entry	2
2.1.2	Inventory management	4
2.1.3	Loan Exit	4
2.2	RMBS SYSTEM FUNCTIONALITY	4
2.3	BUSINESS FUNCTION TO SYSTEMS MAPPING	5
3	SYSTEM OVERVIEW	7
3.1	RPM OVERVIEW	7
3.2	RPM SYSTEM DIAGRAM	1
3.3	RPM PROCESS FLOWS	1
3.3.1	Bulk Processing	1
3.3.1.1	Loan Approve	3
3.3.2	Minibulk Processing	3
3.3.3	Service Transfer	5
3.3.4	WHS Processing	6
3.3.5	Auto Redemption	6
3.4	PBS PROCESS FLOW	8
3.4.1	Trial Balance and Remittance	8
3.4.2	Loans go to Delinquent	8
3.4.3	Payoff	9
3.4.3.1	Premium Recapture	9
3.4.3.2	Prepayment Component	9
3.4.4	QC (Quality Control)	10
	APPENDIX	13
	KEYWORDS	13
	GLOSSARY	13

1 Scope

This document seeks to describe a brief overview of the entire Residential Pipeline Management (RPM) and the Putback Loan (PBS) Systems. It outlines the necessary components and artifacts that are associated with operations and support of these applications at Credit Suisse.

2 Business Context

Credit Suisse was the fourth largest issuer of US mortgage-backed securities in 2006, underwriting 98 transactions with a total volume of over US\$ 74 billion. The Bank is active in RMBS businesses outside the US, including in Europe, Latin America, and Asia.

RPM is a Mortgage application, which supports the residential whole loans section of mortgage banking. RPM takes input mortgage data and stores it in a SQL server. The data updates MBS (Mortgage Blotter System,) and receives confirmation from MBS, as to the transactions.

PBS is primarily used to keep track of loans which have gone delinquent or have some other violation. PBS uses RPM's inventory to get the whole loans for the MBS business. These loans are analyzed and those identified as 'not good' and put back for reselling to sellers and brokers.

2.1 RMBS Lifecycle

A standard RMBS usually goes through the following life cycle:

2.1.1 Loan Entry

The forming of RMBS starts when Credit Suisse acquires loans from other banks, brokers or specialized companies, or originates loans to borrowers. The RMBS conduit is comprised of six distinct delivery channels, which fall into two types depending on the underwriters of loans.

1. Loan Acquisition: Credit Suisse acquires closed loans from banks or mortgage companies after borrower's credit assessment, collateral appraisal, and underwriting. For a closed loan submitted, Credit Suisse performs the following processes to complete acquisition:

- i. The Seller submits the loan to Credit Suisse website for pricing from based on loan attributes;
- ii. The Seller locks the loan at specific price for a specific period;
- iii. The seller delivers loan documents to FC for Due Diligence process;
- iv. Credit Suisse conducts funding and settlement to the loan after Due Diligence is passed.

The delivery channels of Loan Acquisition include:

- i. **Loan-By-Loan (LBL):** Credit Suisse acquires individual loans from sellers through this channel. **LBL Channel** is comprised of numerous Correspondents, who deliver mortgage loans to Credit Suisse via CWS (Consolidated Web Site).
 - ii. **Bulk:** **Bulk Channel** represents pools of closed loans (generally > \$5mm), which are closed prior to submission of a bid to Credit Suisse's Trading Desk, aggregated, and serviced by the respective Correspondent (or their designated sub-servicer). Bulk Correspondents are more sophisticated sellers of loans who have the capabilities to provide detailed to loan level data files and are adequately set-up to perform interim servicing.
 - iii. **Mini-Bulk:** **Mini-Bulk Channel** generally represents pools of closed loans (generally < 5mm). Bids are submitted to and pricing is obtained from the New York Trading Desk.
 - iv. **Hybrid:** **Hybrid Channel** is a hybrid of LBL and Wholesale. The loans are underwritten by Credit Suisse. However, they are closed under the name of seller instead of Credit Suisse. Then Credit Suisse buys the closed loan.
2. **Loan Origination:** Credit Suisse originates new loans to borrowers who are eligible to the criteria for the loan products offered. In originating mortgage loans, Credit Suisse underwrites, closes and funds the loans. Credit Suisse performs the following process to complete origination:
- i. Client (Brokers or Borrowers) submits loan attributes to create loan scenarios from Credit Suisse website;
 - ii. Client registers loan to Credit Suisse and registration confirmation will be posted to Credit Suisse website;
 - iii. Client submits loan files to FC for underwriting and locks the loan;
 - iv. Credit Suisse conducts the funding and settlement of the loan, after underwriting.

The delivery channels of loan Origination include:

- i. **Wholesale:** In **Wholesale (or Broker) Channel** Credit Suisse originates loans to registered mortgage brokers on behalf of borrowers.
- ii. **Retail:** In **Retail Channel**, borrowers submit loan application by themselves and Credit Suisse originates loans to borrowers.

2.1.2 Inventory management

After Credit Suisse acquires loans and owes funds, the loans are under inventory management. The following functionalities are performed in Inventory Management:

- Tracking performance of loans in inventory.
- Buying back loans under inquiries from clients, or putting back bad loans to sellers based on agreement.
- Grouping loans into loanset for maintenance and manipulations.
- Serving the loan by collecting payment, tracking performance, maintaining records of loan progress and assuring payments of taxes and insurance etc.

2.1.3 Loan Exit

For loans in inventory, there are two ways of loan exit in Credit Suisse:

- i. **Wholeloan Sale:** Credit Suisse can make a straight sale of whole loans to investors. The transactions may occur as a result of inquiry from potential investors or be initiated by CS. CS Trader, Collateral Analysts and Transaction Managers coordinate to identify and select loans from the loan inventory to be included in a Whole Loan Sale.
- ii. **Creating MBS Through Securitization:** Credit Suisse can securitize loans and create MBS for selling to investors in secondary market. Securitization is the process of pooling numerous mortgage loans together and issuing securities representing interests and payments in the pool.

2.2 RMBS System Functionality

Residential Pipeline Management System (RPM) is the Inventory Management system for RMBS, in support of the following phases of RMBS lifecycle:

- Bulk Processing
- Minibulk processing
- LBL processing
- Loanset and Maintenance
- Wholesale processing
- Loan Exit: securitization and Wholeloan sale
- Auto redemption
- Reports
- REO Maintenance
- Loan Approval
- Servicing

Organizationally, the lifecycle of RMBS at Credit Suisse today is reflected by the following processes and applications, shown in the table below:

Processes	Credit Suisse Application
Loan Acquisition	FP, RPM, CAS
Loan Origination	WHS, RPM
Inventory Management	RPM, PBS, LA
Securitization	RPM
Trading RMBS	MBS Blotter, NTPA

Table 1 – RMBS Lifecycle Functional Process Matrix

2.3 Business Function to Systems Mapping

The table below displays the primary applications and their components, along with their business use descriptions, for the RMBS division at Credit Suisse.

Applications	Component	RMBS Business
RPM	Bulk Processing	Bulk Acquisition
	Loanset and Maintenance	Inventory Management; query and Filter Function
		Servicing Transfer
	FP Minibulk	Minibulk Processing and Inventory Management
	FP LBL	LBL Processing and Inventory Management
	WHS Messaging	WHS processing
	RPM HUB	N/A
	Transfers, Securitization, Wholeloan Sales	Loan Exit: Securitization and Wholeloan sale
	Auto Redemption	Auto redemption
	Reports	Reports
PBS	Servicer Data	Repository of Servicer Files
	Servicer Data	Update RPB to Trigger Trades/Redemption - Trial Balance
	Remittance	Remittance
	Putbacks Putback Reports	Putback Loans
	Premium Recapture Premium Recapture Reports	Premium Re-capture
	Prepay	Calculate Pre-payment Penalty (PPP)
	QC	Quality Control
LA	N/A	Manage Diligence for Bulk Loans.

***Acronyms:**

- **RPM:** Residential Pipeline Management
- **PBS:** Put-Back System
- **FP:** Funding Platform, including FP LBL, FP MiniBulk
- **WHS:** Whole Sale System
- **LA:** Loan Approval
- **FC:** Fulfillment Center (vendor)

3 System Overview

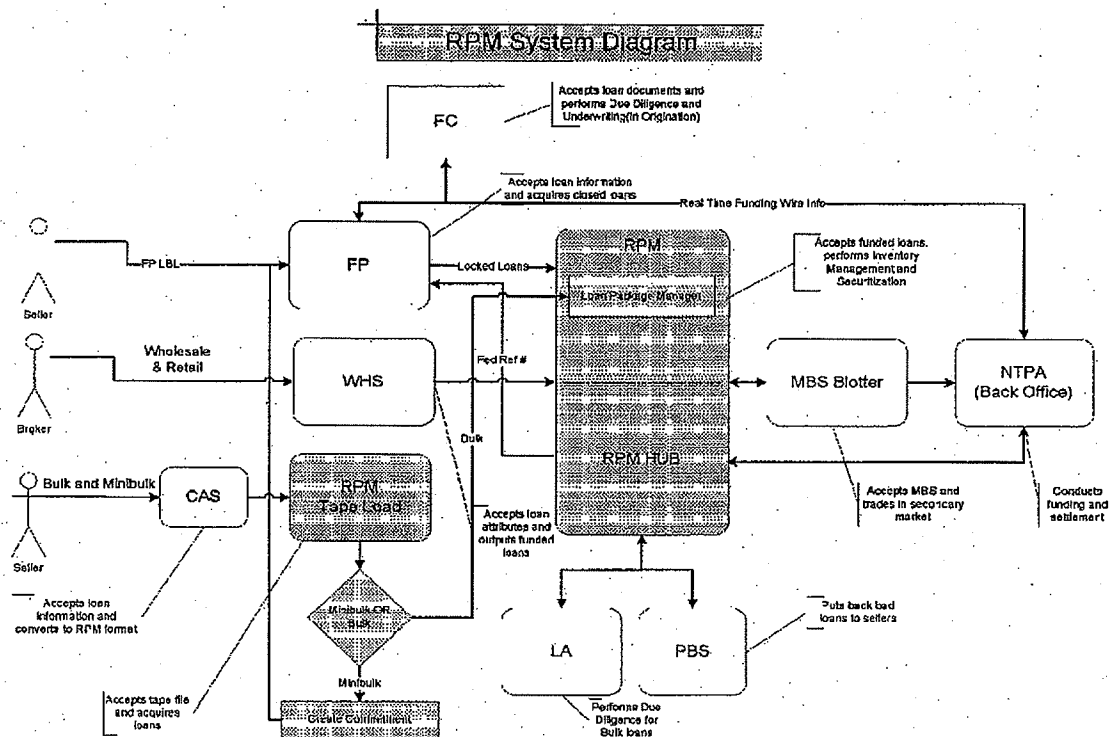
3.1 RPM Overview

RPM is the Inventory Management System for RMBS in Credit Suisse. This system supports the inventory management of mortgage loans after loan acquisition or loan origination in the RMBS lifecycle.

RPM consists of a number of applications, including:

- **Bulk Processing**
- **Loanset and Maintenance**
- **FP MiniBulk**
- **FP LBL**
- **WHS Messaging**
- **HUB**
- **Transfers, Securitization, and Wholeloan Sales**
- **Auto Redemption**
- **Reports**

3.2 RPM System Diagram



MBIA v. Credit Suisse, et al., Index No. 603751/09
 Produced Pursuant to May 26 Confidentiality Agreement
 CONFIDENTIAL

CS_M0005721856

3.3 RPM Process Flows

3.3.1 Bulk Processing

The **Bulk Channel** represents pools of closed loans (generally > \$5mm), which are closed prior to submission of a bid to Credit Suisse's Trading Desk, aggregated, and serviced by the respective Correspondent (or their designated sub-servicer). Bulk Correspondents are more sophisticated sellers of loans who have the capabilities to provide detailed to loan level data files and are adequately set-up to perform interim servicing. The related loan level due diligence is performed by external due diligence firms contracted by Credit Suisse. The process flow of Bulk Trade is shown in figure 1 and briefly explained in the subsequent points.

1. **Tape Load:** Tape Load within RPM is the entry point for both Bulk and MiniBulk loan acquisition channel. It enables users, who are mainly collateral analysts (CA), to upload bid tapes received from correspondents for the purpose of bidding or settlement. The uploaded tapes could be a new package, or an updated file for an existing package, or an updated file for funding a tail package, or a file which contains new loans to be added to an existing package. After receiving bid tape from bulk correspondent and converts it into RPM format in CAS, CA creates new package and loads tape file into RPM. RPM generates a Fixed Overview Report with loan information. And then Collateral analysts conduct bulk evaluation based on this report and prepare bid information for Traders to come up with bid price based on Pricing Models. Tape Load within RPM is the entry point for both Bulk and MiniBulk loan acquisition channel. It enables users, who are mainly collateral analysts (CA), to upload bid tapes received from correspondents for the purpose of bidding or settlement. The uploaded tapes could be a new package, or an updated file for an existing package, or an updated file for funding a tail package, or a file which contains new loans to be added to an existing package.
2. **Bid won:** CA inputs the pricing information (settlement date, Bid Price, Winning Bid, etc.) and loan details (CUSIP, settlement agent, price for each product, etc.) into RPM Loan Package Manager;
3. **CA extract from RPM and load to LA, where Due Diligence is executed:** After the bid is won, CA takes a sample set of loans from the package, extracts information from RPM and load to LA, where fulfillment is performed.
4. **Trade Creation and Processing:** The bulk transaction information is sent to NTPA, Credit Suisse's back office systems, via MBS blotter.
5. **Funding process and Settlement:** After DD is performed and the package is ready to fund, funding process begins. First, TM creates Funding Memo with loan information, pricing information and wire instruction. And then TA will post trades to MBS Blotter in RPM after receiving RPM-generated email notification. TA also sends funding memos to back office through email, and Back office enters the settlement instruction to NTPA. NTPA validates Funding Memo and wires the funds for funded loans to the seller.

6. **Servicing Transfer:** For the acquired loans, the service right could be retained by the seller, or, in most cases, be released to Credit Suisse. As for released service, it will go through a service transfer process. A service transfer notice will be sent to previous servicers, which could be the seller or a third party. The notice includes information of the new servicer and the starting date etc.
7. The Bulk processing in RPM also has some alternative flows such as:
 - i. Kill Package
 - ii. Forward Package
 - iii. Tail Creation/Tail Funding

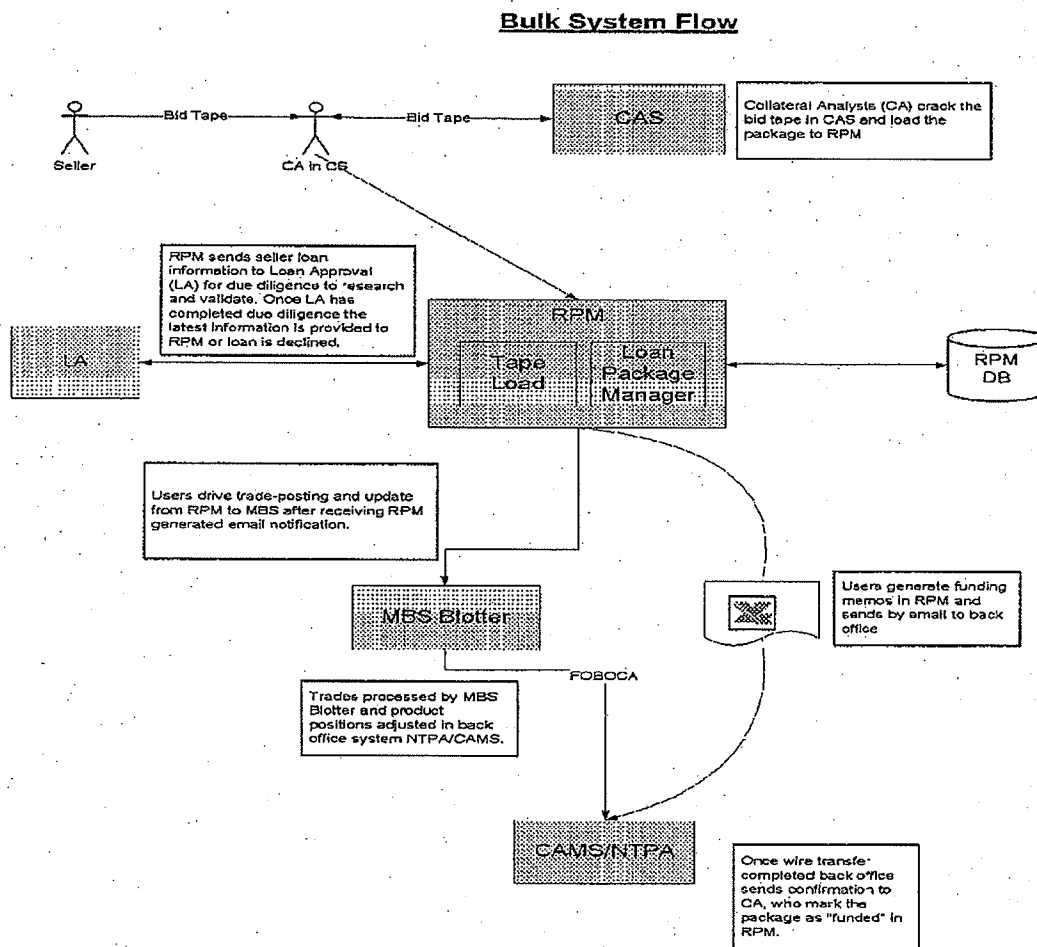


Figure 1 Bulk Processing in RPM

Note: For detailed information on the Bulk processing channel in RPM refer to the Bulk Component Guide by clicking [here](#).

3.3.1.1 Loan Approve

Loan Approve System facilitates the processes of Due Diligence, Quality Control and repurchase for the Bulk Acquisition channel in Residential Mortgage Backed Securities business. It allows users to customize views, set custom filters on a package of loans, review status of loans and send reviewed results. Provides ability to keep track and manage multiple packages of Loans. Loan Approve Application is used for Bulk Due Diligence which happens before loan acquisition closing to check inconsistencies, deviations from guidelines, documentation authentication & verification, etc. Due Diligence might take anywhere from some days to a few weeks. Due Diligence group coordinates with third parties, to review loan files. Loan Approve system is used internally to manage data sent to and received from Due Diligence providers. The process flow for the loan approve system is shown in figure 3.

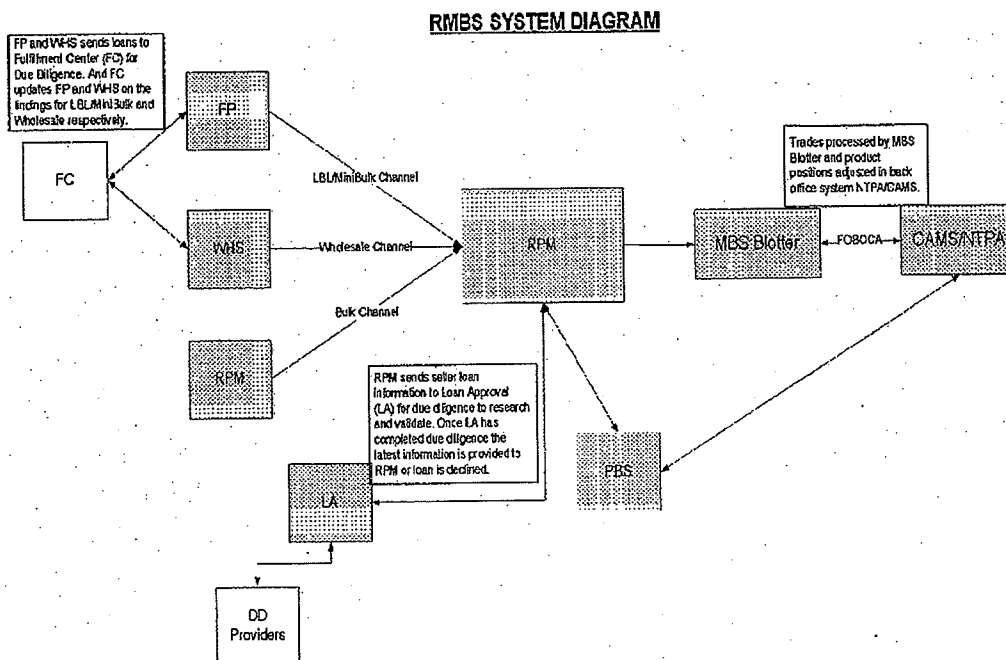


Figure 3 Loan Approve Work Flow

Note: For detailed explanation of the process flow refer to Loan Approve Component Guide by clicking [here](#).

3.3.2 Minibulk Processing

The Mini-Bulk is one kind of channels for residential mortgage loan acquisition. This channel generally represents pools of closed loans with volume less than \$5 million. Bids are submitted to and pricing is obtained from the New York Trading Desk. FP MiniBulk component of RPM facilitates loan acquisition through MiniBulk channel. It initiates and processes MiniBulk loan acquisition, as well as communicates with other system for due

diligence (DD), transaction processing, balance keeping and settlement. The process starts when a correspondent/seller sends the bid tape to collateral analysts in Credit Suisse, who evaluate the collateral for the loan package and give a price. They also crack and load the tape to RPM, which posts trade to back office to prepare for hedging the possible position in the future. Once the bid is won, RPM transmits the package information to FP, which interfaces with FC for due diligence and initiates funding. Meanwhile RPM updates MBS Blotter and NTPA, which is a back office platform processing the trade, keeping positions and balances and settling the payment. The process flow of Mini-Bulk Trade is shown in figure 2 and briefly explained in the subsequent points.

1. **Tape Load:** The Tape loading process is the same as described for the Bulk processing channel in section 3.3.1.
2. **Mark Bid Won Process:** Seller creates execution Notice after the bid is won. RPM moves the package to Live pipeline. TA specifies details in RPM, adds the package to a newly created or existing commitment¹ and changes the channel of package from "B"(bulk, default value) to "M"(minibulk). After receiving RPM-generated email notification, TA posts trades to MBS Blotter in RPM.
3. **Fulfillment Centre Process:** Then the information is routed to fulfillment center (FC) through Funding Platform (FP.) FC does Due Diligence (DD) & send status updated to FP. After getting the status FP updates RPM.
4. **Funding Process:** Funding is done from FP which updates RPM. FP sends the funding memo message to the HUB which generated the memo and sends it to users. HUB also takes cash transactions and posts them to CAMS. Finally the loan package is marked as funded.
5. **Exceptions Version Compare and Pricing Update Management in RPM:** The following steps are taken in RPM for price update management and exception version compare:
 1. RPM System receives Price Request message from FP, which includes loan updates.
 2. System validates the loan information received from FP.
 3. System updates the loan information and sends out an email notification indicating that a new price is required.
 4. TRADING ASSISTANT updates the price of the loan and saves the changes.
 5. RPM System sends updated trades to MBS Blotter
 6. System sends Price updated messages to FP
 7. System receives and acknowledgement that price was updated
6. The Minibulk processing in RPM also has some alternative flows such as:

¹ Users can put the package in a newly created commitment or an existing commitment. A commitment can have multiple packages, each of which can have different settlement date. A commitment usually groups together packages and other loans, which are purchased from the same client and fulfilled by the same FC.

- i. Delete Commitment
- ii. Forward Package
- iii. Tail Creation

MiniBulk System Flow

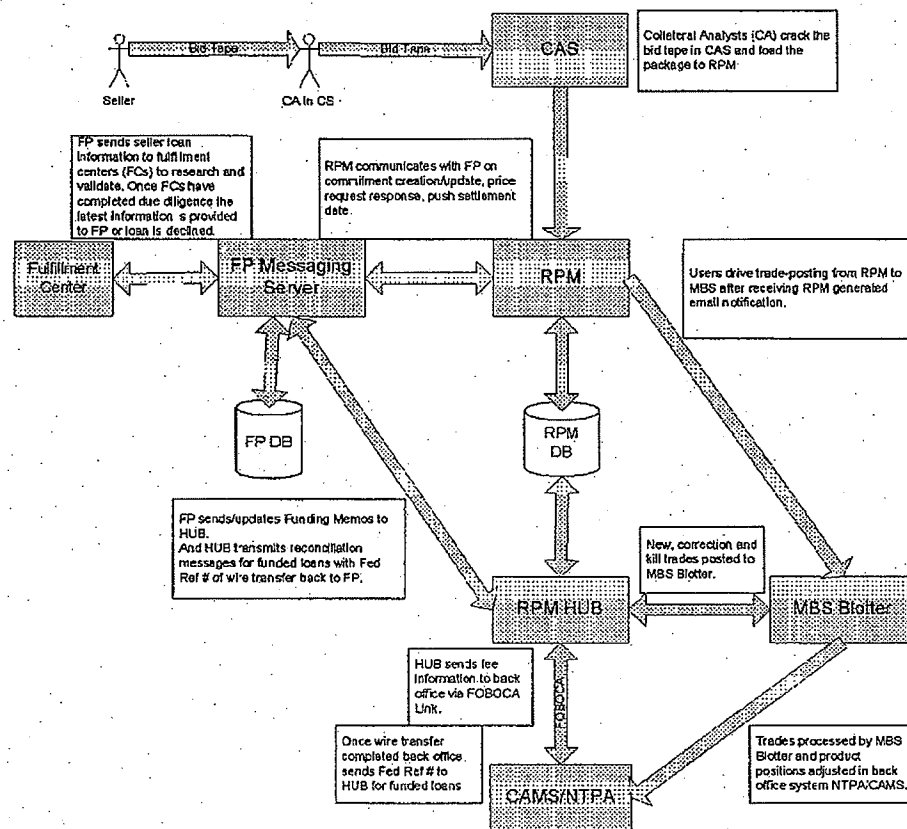


Figure 2 Minibulk Processing in RPM

Note: For detailed information on the Minibulk processing channel in RPM refer to the Minibulk Component Guide by clicking [here](#)

3.3.3 Service Transfer

When Credit Suisse acquires loans, the service right could be retained by the seller, or, in most cases, be released to Credit Suisse. As for released service, it will go through a service transfer process. A service transfer notice will be sent to previous servicers, which could be the seller or a third party. The notice includes information of the new servicer and the starting date etc.

3.3.4 WHS Processing

The Wholesale (or Broker) Channel is a way to originate mortgage loans through broker network in a wholesale manner. Credit Suisse utilizes an origination platform which allows third party Mortgage Brokers to submit loan information to the Credit Suisse website, www.csfbconnect.com. Once approved and fully processed in accordance with acceptable Credit Suisse loan characteristics, the loan will be funded. An infrastructure has been built to support these channels, whereby Credit Suisse has become a competitor and leader in the industry. The Wholesale Channel differentiates from bulk/minibulk/LBL channels in that Credit Suisse originates the loans, underwrites them and closes them. While for bulk/minibulk/LBL channels, the sellers are the underwriters. The pricing for wholesale/LBL channels is given at loan level and pricing is given at bulk level for bulk/minibulk channels. The process flow for this channel is shown in figure 4.

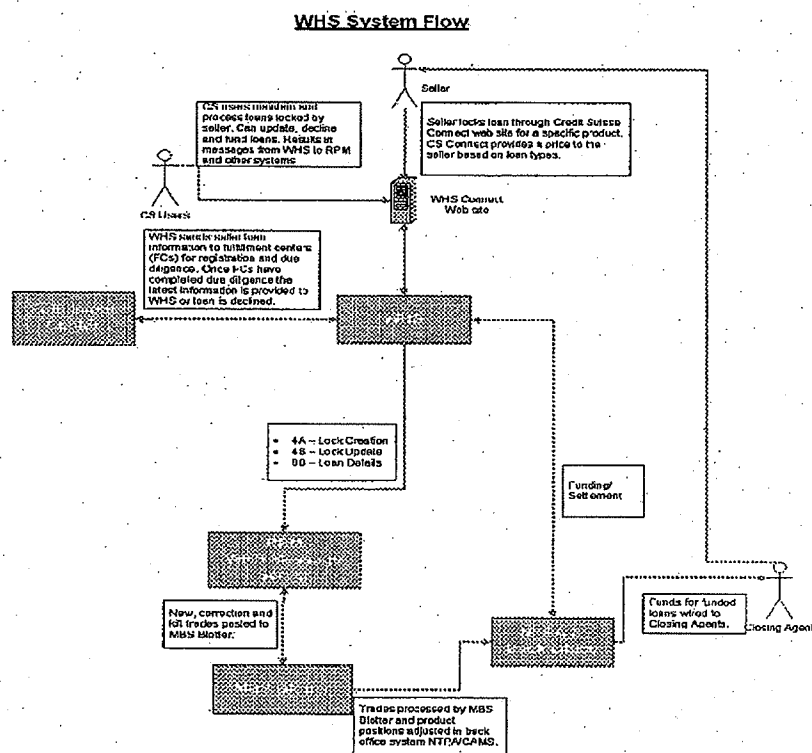


Figure 4 WHS Processing in RPM

Note: For detailed explanation of the process flow refer to WHS Processing Component Guide by clicking [here](#).

3.3.5 Auto Redemption

Redemption is repayment of the principal amount of a debt or security at or before maturity (as when a corporation repurchases its own stock). A similar term, "curtailment" is the excess beyond the amortization due. It is a payment that shortens or ends a

mortgage, thereby paying off the entire debt. Residential mortgagors in the United States have the option to pay more than the required monthly payment (curtailment) or pay off the loan in its entirety (prepayment). The option for redemption is usually defined in a mortgage agreement. Because curtailment and prepayment affect the remaining loan principal, the monthly cash flow of a MBS is not known in advance, and therefore presents an additional risk to MBS investors. It is very important for creditor (like Credit Suisse, the party that lends money to debtor) to be aware of redemption and curtailment amount and balance change for principal.

Redemption component of RPM fulfills the responsibility of computing the curtailment amount and new remaining principal balance, sends the redemption as a trade to MBS and back office and updates balance. After Credit Suisse acquires or originates mortgage loans, servicers collect monthly payment on behalf of Credit Suisse and passes the payments to us. They send us payment and balance every month, from which redemption can be monitored and detected. Loans with redemption are picked out and put in a redemption queue and processed. The following section discusses the process in details. The process flow for auto redemption is shown in figure 5

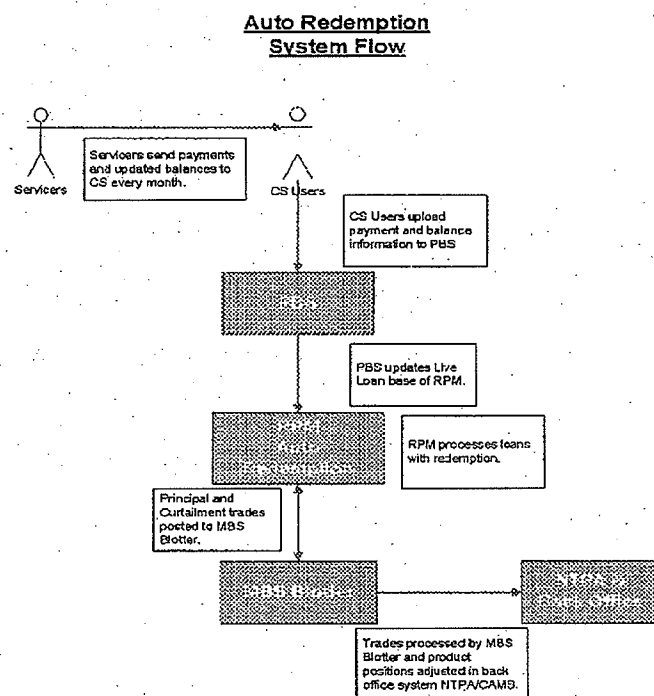


Figure 5 Auto Redemption System Flow

Note: For detailed explanation of the process flow refer to WHS Processing Component Guide by clicking [here](#).

3.4 PBS Process Flow

3.4.1 Trial Balance and Remittance

At the beginning of each month, around 5th, servicers inform Credit Suisse of the upcoming payment at the month end by sending **Trial Balance** Reports to Credit Suisse. Trial Balance here refers to a report showing all the scheduled activities for borrowers' accounts within a month. Upon receiving the servicer data for trial balance or remittance, the personnel in Credit Suisse upload the data to PBS, where they are converted to a uniform format and stored in PBS database. Afterwards PBS maps the reports to corresponding loans in RPB. A matching report is then generated and awaiting users to approve in PBS. Users approve it and make update to RPM. The process flow for the trial balance load in PBS is shown in figure 6.

At the month end, around 25th, servicers send **Remittance** Reports and cash remittance to Credit Suisse. The Remittance Reports reflect the real fund transfer from the borrowers to Credit Suisse via servicers. The Remittance Interface in PBS Application enables users to upload remittance files, view remittance history, compare remittance with trial balance, generate reports and view user activities.

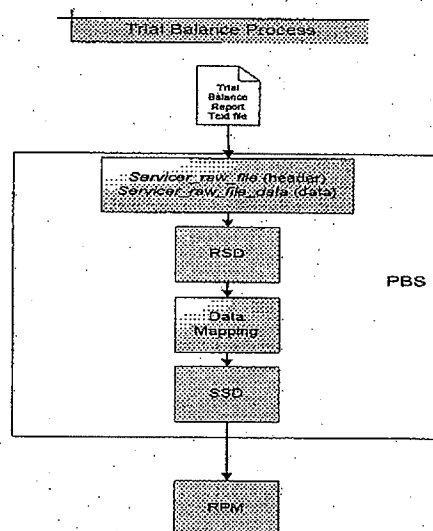


Figure 6 Trial Balance Process

Note: For detailed information on trial balance process in PBS refer to the Trial Balance and Remittance Component Guide by clicking [here](#).

3.4.2 Loans go to Delinquent

In PBS the EPD (Early Payment Default) terms in MLPA (Mortgage Loan Purchase Agreement) are reviewed to check for delinquencies. If a loan violates these guidelines it is selected and made as a Putback candidate. The process flow for delinquent loans in PBS is shown below:

- The seller is sent a request to putback the loan by attaching servicer's letter and other documents that provide the evidence
- If the seller agrees to buy back, then the loan will be taken off from the system and the cash transactions will be killed.
- Else, it could be that the seller only pays part of the money or the seller lets CS keep the loan and pays CS a portion of the money to make it a whole. This process is called 'Make Whole Process.'

3.4.3 Payoff

Payoff occurs when the balance on the loan goes to zero. In this case i.e. when the loan is paid in full, two scenarios may arise:

3.4.3.1 Premium Recapture

The price of a loan is generally higher than the loan balance. The difference is the "Premium". If prepay happens on the condition that there is guarantee of no pre-payment in MLPA, CS can ask seller to get the premium back. This is called "Premium Recapture".

3.4.3.2 Prepayment Component

Prepayments are principal repayments in excess of those required on amortizing loans, such as mortgages, MBS and ABS. When interest rate falls, or the borrower's credit rating has improved, mortgage debts are often paid off early in order to incur lower total interest payments through cheaper refinancing. If prepayments increase, MBS holders (like Credit Suisse) must reinvest these prepayments at the new lower rate. Thus, debt holders are exposed to prepayment risk. To compensate for bearing the prepayment risk, there is usually Prepayment Penalty (PPP) in contracts/agreements between Credit Suisse and Sellers, or Servicers, or Fulfillment Centers (FC) when Credit Suisse acquires or originates loans or transfers service. In the case when loans are prepaid, one or more of these parties are subject to Prepayment Penalty owed to Credit Suisse. Prepayment Component of PBS provides the functionality to analyze and calculate Prepayment Penalty (PPP) for prepaid loans, create transmissions to be sent to party/parties that are responsible for the penalty, and maintain records for penalty collection. The process flow for the prepayment in PBS is shown in figure 7.

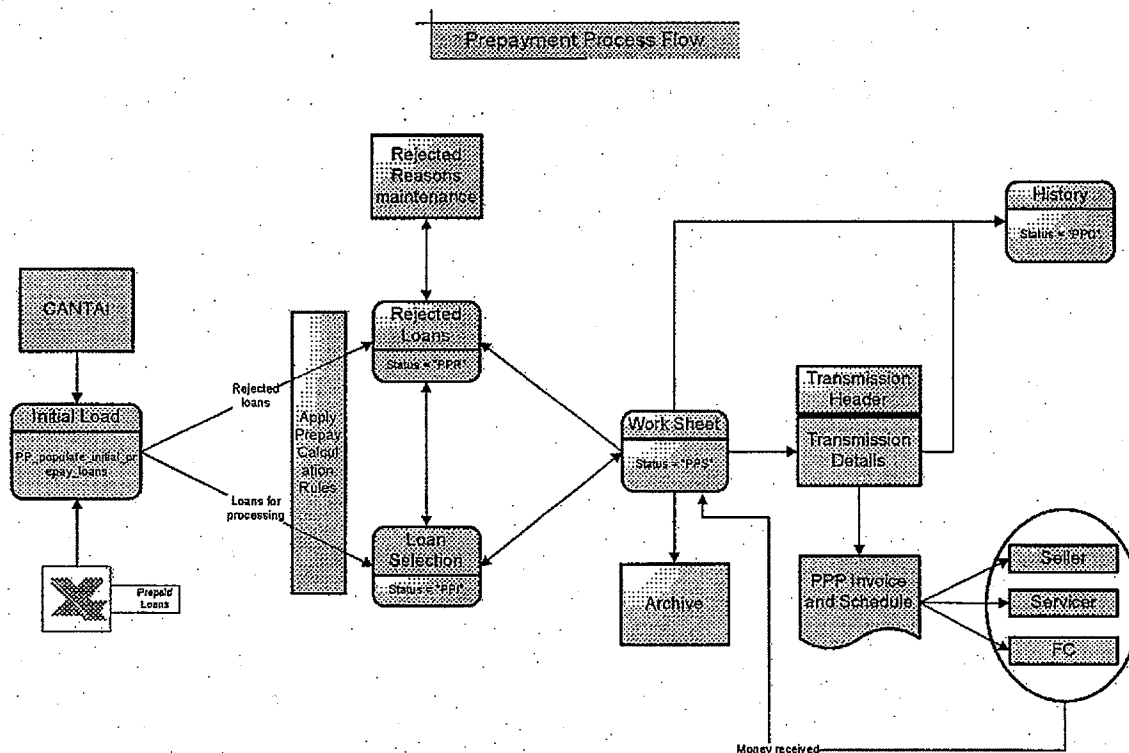


Figure 7 Prepayment Process in PBS

Note: For detailed information on the Prepayment process in PBS refer to the PBS Prepayment Component Guide by clicking [here](#).

3.4.4 QC (Quality Control)

Quality Control (QC) is a post-funding review of quality on a sample of all loans that have been acquired or originated by Credit Suisse through the Bulk, MiniBulk, Loan by Loan (LBL) and Wholesale channels. QC is critical in the sense that the quality of a loan determines future cash flows a mortgage generates. QC is expected to maximize profitability by reducing the possibility of errors, irregularities, and fraud in loans being acquired and originated. It is performed on a monthly basis in Credit Suisse. The loan review focuses on areas including, but not limited to underwriting, compliance and the validation of critical information contained in the credit file. Validation may include verifying occupancy, employment income, assets, a re-run of credit and a property valuation. The review, investigation, analysis, and reporting are performed monthly by an outside Quality Control firm ("QC Firm"). The Credit Suisse Quality Control Group manages the process internally. This process remains independent of loan production. QC Component of PBS is a system used by internal Quality Control Group of Credit Suisse to manage the QC process. It provides a platform for users to get loans from RPM, take sample from loans, upload QC results, make analysis, decide whether to putback loans or not, and generate advice letters. The functionalities are listed below:

- Loading QC data

- Processing QC Results
- Processing Advice Letters
- Create Transmissions and view transmission history
- Recording action history of QC loan data
- Sampling
- Repurchase
- Breach Maintenance
- Advice Letters Maintenance
- Reports

The process flow for the quality control process in PBS is shown in figure 8 and briefly described in the subsequent points below:

- i. For closed loans from a seller, PBS selects a random sample from the whole set and sends to 3rd party QC to monitor their performance during 30 days of funding period.
- ii. After the funding period, the QC result is sent back to PBS QC for review.
- iii. When a loan's information has breaches to a certain severity, it will be put in a queue to be reviewed.
- iv. CA reviews the loan to decide whether the breach is due to wrong data entry in our system or misrepresentation from the seller. Accordingly they either correct the data, or send Advice Letter to seller with a warning of 60 to 90 days watch.
- v. If the breach continues to exist during the watch period, Credit Suisse will request a putback with the seller.
- vi. On the scenario that a loan has breach, and being found by PBS that it has delinquent in 30 days, it will be send to Putback Queue directly.

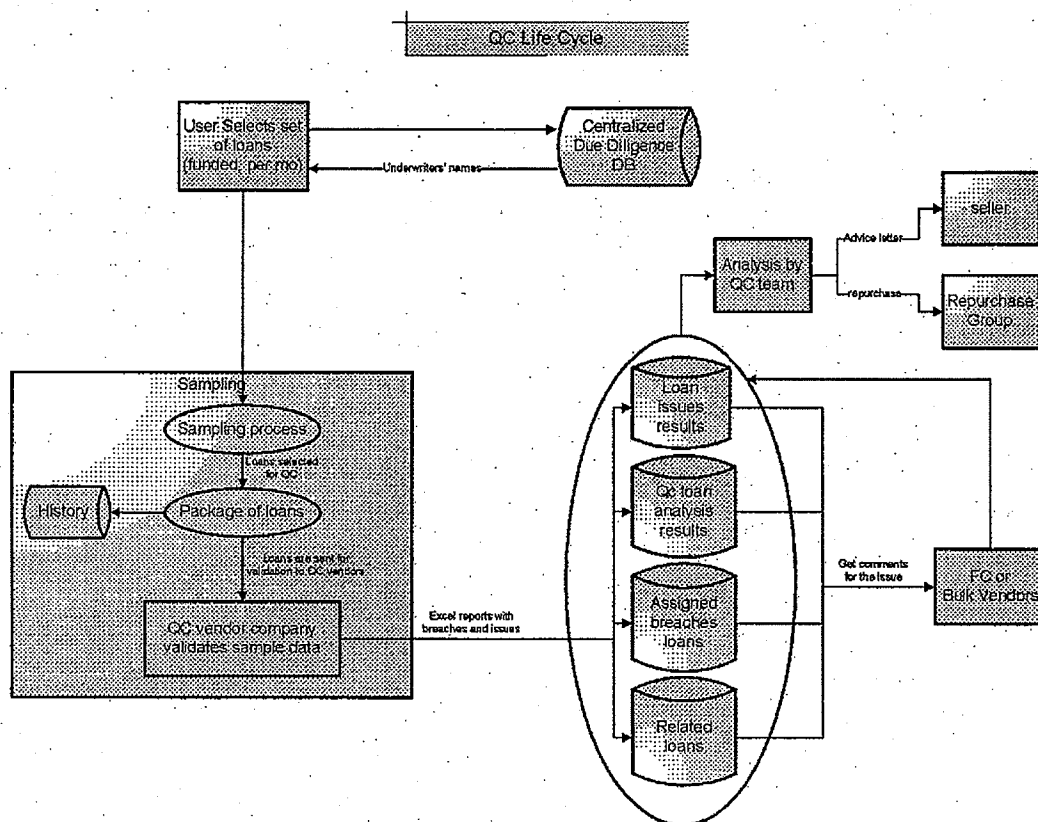


Figure 8 PBS Quality Control Process

Note: For detailed information on the QC process in PBS refer to the PBS QC Component Guide by clicking [here](#).

Appendix

Keywords

FID	Fixed Income	Loan	MBS	RMBS
inventory management	system overview	RPM	PBS	MBS Conduit
loan origination	loan acquisition	structured product	FC	Due Diligence
WHS	Wholesale	Bulk	minibulk	LBL
loan by loan	retail	bid	funding	settlement

Glossary

Term	Definition
ABA #	ABA# (American Bankers Association routing transit number) is the routing number of a bank in which a seller opens an account.
Aged Loans	If the loan file has been received by the Processing Center prior to lock expiration, but has not reached the Funding Desk with a "Pending Settlement Review" status by the original expiration date, the loan will be placed in an "Aged" Status. The loan may continue in the review process up to an additional 30 days. To avoid a final expiration (an "Aged Expired" status), the funding should occur within this 30 day time period.
Appraisal	An appraisal is a written analysis of the estimated value of real estate, usually conducted to determine the loan amount. Appraisals on behalf of lenders are prepared by licensed appraisers.
ARM	Adjustable Rate Loan/Mortgage (ARM) - A home loan where the interest rate can be adjusted periodically on the basis of changes in an index, as stated in the loan document.
Best Efforts Commitment	A commitment that allows a seller to enter into an agreement to sell the loan to Credit Suisse, but if the loan does not close, the seller will not be charged a fee for not delivering the loan.

Term	Definition
Bulk	Bulk is a kind of channel for delivery of acquired loans. The Bulk Channel represents pools of closed loans (generally > \$5mm), which are closed prior to submission of a bid to Credit Suisse's Trading Desk, aggregated, and serviced by the respective Correspondent (or their designated sub-servicer).
CA	A Collateral Analyst's (CA) role is to assist in the mortgage bulk bidding process through accurate and timely loan analysis and overall bulk bid management. They work closely with other Collateral Analyst, Due Diligence, Mortgage Trading, and Loan Execution teams to prepare loan stratifications and ad-hoc reporting/analytics. They are responsible for ensuring the integrity and quality of data is maintained throughout the bidding and settlement processes.
CAMS	Cash Management System (CAMS) Captures and maintains both trade and non trade related payables and receivables (IPR'S), provides cash entry facilities, enables manual entry of anticipated cash flows, and monitors cash projections to support funding decisions. It is an application within NTPA.
Closing	The "closing" is the period that marks that a loan transaction is final.
Collateral	Property used to secure repayment of a loan.
Correspondent	Usually it means flow. Sometimes it represents both bulk and flow
Default	Default on a loan is when a borrower fails to comply with any of the terms of an agreed-upon loan, including timely repayment.
Due Diligence	An investigation or audit of a potential investment. Due diligence serves to confirm all material facts in regards to a sale.
FICO Score	A credit score developed by Fair Isaac & Co. that determines the likelihood that credit users will pay their bills. Scoring is widely accepted by lenders as a reliable means of credit evaluation.
Fixed-rate Loan	Fixed-rate Loan - A fixed-rate loan is one in which the interest rate or scheduled payment amount does not change during the course of the loan.

Term	Definition
Foreclosure	The legal proceeding in which a bank or other secured creditor sells or repossesses a parcel of real property (immovable property) due to the owner's failure to comply with an agreement between the lender and borrower called a "mortgage" or "deed of trust".
FP	Future Platform (FP) is the strategic platform for Residential Mortgage Acquisition. It will be the single platform that all clients and brokers will use to sell Credit Suisse Loans. All internal processing groups in the RMBS Condit will also use this system to track new loans, provide customer assistance, oversee the fulfillment processing of the loans, and initiate funding of the loans.
LBL	The Loan-By-Loan (LBL) is a kind of channel for delivery of acquired loans. LBL Channel is comprised of numerous Correspondents, who deliver mortgage loans to Credit Suisse via CWS (Consolidated Web Site).
Lien	A legal claim upon a piece of property generally for the payment of a debt or obligation.
LOS	Loan Origination System
Mandatory Commitment	A commitment that if you are not able to fulfill the terms of your commitment with Fannie Mae, you will be charged a fee.
MBS	A mortgage-backed security (MBS) is a bond whose cash flows are backed by mortgage loans as security. Ownership is evidenced by an undivided interest in pool of mortgages or trust deeds. Income from the underlying mortgages is used to pay off the securities, and provides a return on investment.
MBS Blotter	Mortgage Backed Securities Blotter (MBS) is an application within NTPA. It provides a vehicle for processing the various types of mortgage-backed products that are traded at Credit Suisse. These products include agency pass-through securities, FHA project loans, strips, CMO tranches, asset-backed securities, Small Business Administration loans, and Whole Loans.
Mini-Bulk	Loans are purchased as a small pool, 10-100 for example, and with volume less than 5mm.

Term	Definition
Mortgage Broker	Mortgage Broker - An individual in the business of assisting in arranging funding or negotiating contracts for a client but who does not loan the money himself. Brokers usually charge a fee or receive a commission for their services.
NTPA	The New Trade Processing Architecture is the primary back-office processing platform for a wide range of securities and money market products traded throughout Credit Suisse's broker/dealer. It is an integrated collection of Reference, Trading, Settlement and Financial applications.
Prepayment Penalty	A lender may impose a prepayment penalty if a loan is paid off before it is due. This is usually because the lender incurs costs when making a loan and will build these costs into the borrower's payments over the life of the loan. When a borrower pays the loan off early, the lender tries to recoup some of its costs through a prepayment penalty.
Refinance	Obtaining a new loan on your property to pay off your existing loan(s). The new loan usually has some kind of benefit to the borrower, either lower interest rates or lower monthly payments.
RPM	Residential Pipeline Management (RPM) is a Whole Loan inventory management system for the MBS business.
Servicer	A servicer is a company that handles all payment-related transactions with borrowers. A servicer is often used to collect payments of loans that have been purchased by an investor in the secondary loan market.
TA	Trading Assistant provides operational support to Front Office and assists them in handling queries and escalates any discrepancies encountered. They also provide customer service to external and internal clients on confirmation and trade settlement issues, control issues with Documentation Operational Teams, Product Control, Front Office and Marketers.
TM	Transaction Manager is responsible for the timely execution of complex residential mortgage transactions. He/She coordinates and schedules deals and manages the relationship with all transaction related parties including investment banking firms, internal and external legal counsel service providers, mortgage companies and public accounting firms.

Term	Definition
Underwriting	Underwriting is the process lenders use to determine the risk involved in any given loan.