Docket #0007 Date Filed: 5/25/2012

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, et al.,	Chapter 11
Debtors.	Jointly Administered

RESIDENTIAL CAPITAL, LLC, et al.,	Case No. 12-ap-1671 (MG)
Plaintiffs,	Bankruptcy Case No. 12-12020 (MG)
v.	Jointly Administered
ALLSTATE INS. CO., THE OTHER PARTIES LISTED ON EXHIBIT A TO THE COMPLAINT, JOHN DOES 1-1000,	
Defendants.	

DECLARATION OF JAMES WHITLINGER

I, James Whitlinger, being duly sworn, depose and say:

1. I am the Chief Financial Officer of Debtor Residential Capital, LLC ("ResCap"), a limited liability company organized under the laws of the state of Delaware and the parent of the other debtors and debtors in possession in the above-captioned Chapter 11 cases (collectively, the "Debtors"). I have held this position since May 2011. I joined ResCap in 1992, and before becoming its Chief Financial Officer, I served in a number of positions, including Chief Accounting Officer for a significant subsidiary of ResCap, Senior Vice President of mergers and acquisitions and Executive Director of Finance. I am also Chief Financial

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Officer for the Mortgage Operations of Ally Financial, Inc. ("AFI," f/k/a GMAC Inc.),[1] which is not a debtor in these Chapter 11 cases. I am a director of ResCap. I am also a director of Debtor GMAC Mortgage, LLC ("GMAC Mortgage") and Debtor Residential Funding Company LLC ("RFC"), the two principal operating subsidiaries of ResCap.

2. In my role as Chief Financial Officer of ResCap, I am responsible for financial oversight, analysis, controls, accounting, reporting and business planning for the mortgage-related operations of the Debtors and their non-Debtor subsidiaries, but not for Ally Bank and any Canadian mortgage-related operations. As Chief Financial Officer, I am also familiar with the Debtors' day-to-day operations, financial condition, business affairs, and books and records.

3. I submit this Declaration in support of the Debtors' motion for the extension of the automatic stay or, in the alternative, injunctive relief enjoining prosecution of certain pending litigation against the Non-Debtor Affiliates. The information contained in this Declaration is based on my personal knowledge, the files of ResCap, and discussions with other employees of ResCap.[2]

4. The purpose of this Declaration is to provide an overview of the objectives of the Debtors' bankruptcy filing and the importance of the MBS Actions to the bankruptcy filing, and to explain that any continued involvement in the MBS Actions could frustrate and threaten the Debtors' efforts to restructure.

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[1] AFI is the parent company of the intermediate non-debtor company that owns 100% of ResCap's equity, GMAC Mortgage Group, LLC.

[2] Unless otherwise defined, capitalized terms used herein have the meanings ascribed to them in the Motion for Stay or, in the Alternative, Injunctive Relief Enjoining Prosecution of Certain Litigation Against Debtors' Directors and Officers and Non-Debtor Corporate Affiliates.

Objectives of the Chapter 11 Filing

5. The purpose of these Chapter 11 cases is to facilitate an orderly sale of the Debtors' most valuable assets, settle the Debtors' claims with their parent AFI, resolve the Debtors' legacy liabilities and complete an orderly wind-down of their remaining assets. After an extensive analysis by management and outside professionals, the Debtors determined that it is not feasible to maintain their assets for any extended period of time in Chapter 11.

6. Accordingly, the Debtors concluded that commencing an orderly asset sale and plan process is the best way to preserve the Debtors' origination and servicing businesses on a going concern basis and to maximize the value of the Debtors' assets for the benefit of the estate's creditors. Therefore, these Chapter 11 cases are intended to facilitate the Debtors' sale of substantially all of their assets through a restructuring plan to be confirmed by the end of the calendar year.

7. As part of the first step in this process, the Debtors have agreed to two assets sales. The Debtors have agreed to sell their mortgage origination and servicing businesses to Nationstar Mortgage LLC. Separately, the Debtors have agreed to sell their legacy portfolio, consisting mainly of mortgage loans and other residual financial assets, to AFI. Together, these asset sales are expected to generate approximately $4 billion in proceeds.

8. As part of the second phase of the plan process, the Debtors have obtained support for a restructuring plan premised upon the sales described above from three key constituencies. As part of the proposed sale to AFI, AFI has in turn agreed to support the Debtors' proposed restructuring plan. The Debtors have also received support from creditors holding 37% of ResCap's outstanding junior secured notes. The settlement with the junior

secured noteholders also has the benefit of reducing the estate's interest obligations by $350 million.

9. ResCap also obtained support from, and entered into a settlement agreement with, institutional investors in residential mortgage-backed securities issued by the Debtors. From 2004 to 2007 the Debtors issued residential mortgage-backed securities in 392 separate securitizations with an aggregate original principal balance of more than $226 billion. At present, the Debtors have reached a settlement with institutional investors holding more than 25% of at least one class in 293 separate securitizations with an aggregate original principal balance of approximately $164 billion. If approved by the Bankruptcy Court, the institutional investor settlement would result in ResCap making an irrevocable offer to settle with trusts, and trusts accepting the deal would be granted a maximum Allowed Claim of $8.7 billion, which they would share with representation and warranty claims brought by monoline insurers. In exchange for that Allowed Claim, this broad group of institutional investors has agreed to support the Debtors' proposed restructuring plan.

10. In light of the proposed asset sales and the plan support received from key constituents, the Debtors are on track to achieve the orderly restructuring that they sought by filing these Chapter 11 cases. And with the proposed emergence by the end of this year, the Debtors are in position to preserve the value of their estate and maximize the recovery to their creditors.

The Importance of the MBS Actions to the Filing

11. The Debtors filed these Chapter 11 cases for a number of reasons, many of which can be traced back to the continuing adverse economic climate, particularly in the residential mortgage industry.

12. One of the factors that led the Debtors to file these Chapter 11 cases is the substantial litigation against the Debtors concerning their mortgage business. As of the Petition Date the Debtors were named in 42 lawsuits arising from the Debtors' issuance or sale of mortgage-backed securities. Those lawsuits are described briefly below—but the magnitude of the Debtors' potential liability and the burden and expense of litigating those claims were one of the primary factors that led the Debtors to file these cases.

13. *Representation and Warranty Litigation Filed by Monoline Insurers.* Monoline insurance companies, which provided financial guaranty insurance for certain tranches of the mortgage-backed securities issued by the Debtors' PLS Trusts, have brought lawsuits against the Debtors. In their lawsuits, the monoline insurers have alleged that certain of the Debtors breached their contractual representations and warranties to the insurers relating to the characteristics of the mortgage loans included in the mortgage-backed securities that were insured by the plaintiffs. The insurers further allege that the defendant Debtors failed to follow certain remedy procedures set forth in the contracts and improperly serviced the mortgage loans. The insurers allege both breach of contract and fraud. The Debtors believe they have strong defenses to these claims and that they can win on the merits, but litigating these claims has already consumed substantial time and expense from the Debtors, and would continue to do so until resolution.

14. *Securities Litigation.* The Debtors are currently defendants in a number brought by individual investors in the Debtors' mortgage-backed securities. The plaintiffs in all cases have alleged that the various defendant Debtors made misstatements and omissions in the documents that accompanied those securities offerings, for example the registration statements, prospectuses, prospectus supplements, and other documents. The alleged misstatements and

omissions typically concern underwriting standards for the mortgage loans held by the securitization trusts. The plaintiffs claim that such misstatements and omissions constitute violations of state and/or federal securities law and common law including negligent misrepresentation and fraud. As with the representation and warranty claims described above, the Debtors believe they have strong defenses on the merits—but litigating these claims to resolution has taken and would continue to take significant resources from the Debtors.

15. *FHFA Litigation.* The Debtors are also a defendant in a lawsuit brought by the Federal Housing Finance Agency as conservator for Freddie Mac. The FHFA has brought a case similar to the securities litigation described in paragraph 14 above.

16. The Debtors have been litigating these lawsuits since 2008. The Debtors have incurred hundreds of thousands of dollars in defense costs over that time, and they have already paid approximately $2.8 billion to resolve some representation and warranty claims. The Debtors nonetheless still faced 42 of these lawsuits as of the Petition Date, many of which were filed in the last 18 months and had not even reached the costly discovery phase. In addition to the hefty defense costs, the Debtors had estimated that, as of the Petition Date, their potential losses over time related to these litigation matters could reasonably reach $4 billion in excess of existing accruals.

17. The costs of litigation and the Debtors' estimated potential exposure were among the factors that ultimately led the Debtors to file these Chapter 11 cases. The Debtors understood that the litigation against the Debtors would stop once they filed these Chapter 11 cases, and that the Debtors would be able to resolve these claims in the context of their bankruptcy restructuring.

Continued Litigation in the MBS Actions Would Frustrate the Debtors' Efforts To Restructure

18. The ability to stop the ongoing costs associated with litigating those cases, including discovery, and the distractions that such litigations would cause for the Debtors' management and key personnel, is one of the benefits that the Debtors considered in filing these Chapter 11 cases.

19. If the mortgage-backed securities lawsuits are allowed to continue against the Debtors' non-debtor affiliates, I understand that the Debtors would still face the very same costly, burdensome discovery that the Debtors sought to avoid through these Chapter 11 cases. I know that discovery in those cases is expensive and time-consuming, and having to participate in those discovery efforts during the bankruptcy proceeding would have a significant negative impact on the Debtors at this critical juncture in the restructuring efforts.

20. The Debtors' chief goal at this point is to operate their business in a manner that preserves the value of the estate while also working to sell key assets. Those efforts take all of the Debtors' resources and manpower. Just running the business and facilitating the asset sales is putting a tremendous strain on the Debtors, their management, and their key personnel. The Debtors' management and personnel who are integral to the Debtors ongoing business are also the same people that are integral to the asset sales and transition process.

21. The Debtors' management and personnel do not have the time or resources to assist in tasks that do not ultimately benefit their primary goal of preserving the estate's value and working to sell estate assets. In short, the Debtors lack the time, the resources, and the manpower to provide discovery, assist in factual development, or serve as witnesses in the mortgage-backed securities litigation against the Non-Debtor Affiliates. Burdening the Debtors, their management, and their employees with litigation obligations would jeopardize the

Debtors' ability to properly run its business and effectuate the asset sale, and it would completely undermine one of the reasons that the Debtors sought Chapter 11 protection in the first place. The Debtors instead should remain focused on their critical tasks of continuing to operate their business and selling key assets.

The Debtors' Indemnification Obligations and Insurance Coverage

22. The Debtors have two separate documents that contain provisions providing for indemnifications to their current and former directors and officers and their non-debtor affiliated entities for certain claims.

23. Attached as Exhibit A to this Declaration is a true and accurate copy of The Amended and Restated Limited Liability Company Agreement of ResCap which provide for indemnification to the current and former directors and officers.

24. Attached as Exhibit B to this Declaration is a true and accurate copy of the Amended and Restated Operating Agreement between ResCap and AFI, which provide for indemnification to non-debtor affiliate entities in certain circumstances.

25. The Non-Debtor Affiliate Ally Financial has certain Errors & Omissions insurance policies that provide certain insurance coverage for the mortgage-backed securities litigation. The Debtors effectively contribute to the cost of that insurance coverage, and the Debtors believe that those policies and their proceeds are assets of the estate. Attached as Exhibit C to this Declaration is a true and accurate copy of the E&O insurance policy covering the period 2007 to 2008.

I declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the foregoing is true to the best of my knowledge, information, and belief. Executed on May 25, 2012, at Fort Washington, Pennsylvania.



James Whitlinger

Exhibit A

FIRST AMENDMENT TO THE AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF RESIDENTIAL CAPITAL, LLC

This First Amendment (the "Amendment") to the Amended and Restated Limited Liability Company Agreement of Residential Capital, LLC, a Delaware limited liability company (the "Company"), dated as of March 31, 2008 (the "Agreement"), by GMAC Mortgage Group LLC (the "GMAC Member") and GMAC LLC ("GMAC" or the "Preferred Member", and together with the GMAC Member, the "Members") is made as of March 31, 2009. Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

WHEREAS, the GMAC Member desires to amend the Agreement to provide for additional provisions regarding the certification of the Interests;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the GMAC Member hereby agrees as follows:

Section 1. **Insertion of Section 11(d).** The following language is to be inserted as Section 11(d):

"(d) Membership Interests. The Company hereby irrevocably elects that all Interests (as defined below) in the Company shall constitute equity "securities" governed by (i) Article 8 of the Uniform Commercial Code in effect in the State of Delaware and (ii) the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to Article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995, and any subscription paid for such Interests becomes the property of the Company and is available for its general purposes. Notwithstanding any provision of this Agreement to the contrary, to the extent that any provision of this Agreement is inconsistent with any non-waivable provision of Article 8 of the Uniform Commercial Code, such provision of Article 8 of the Uniform Commercial Code shall be controlling. Each certificate evidencing membership interests in the Company shall bear the following legend: "This certificate evidences an equity interest in Residential Capital, LLC and shall be a security for purposes of Article 8 of the Uniform Commercial Code." This provision shall not be amended, and any purported amendment to this provision, shall not take effect until all outstanding certificates have been surrendered for cancellation."

Section 2. **Insertion of Section 11(e).** The following language is to be inserted as Section 11(e):

"(e) Certificates.

(i) Right to Issue Certificates. The ownership of an interest, either common or preferred, in the Company (an "Interest") by a Member shall be evidenced by a certificate (a "Certificate") issued by the Company.

(ii) Form of Certificates. Certificates attesting to the ownership of Interests in the Company shall be in substantially the form set forth in Exhibit A hereto and shall state that the Company is a limited liability company formed under the laws of the State of Delaware, the name of the Member to whom such Certificate is issued and that the Certificate represents a limited liability company interest within the meaning of Section 18-702(c) of the Act. Each Certificate shall bear the following legend:

> "This Certificate evidences an equity Interest in Residential Capital, LLC (the "Company") and shall be a security for purposes of Article 8 of the Uniform Commercial Code. The Interest represented by this Certificate, and any sale, pledge, hypothecation or transfer thereof, are subject to the provisions of the Amended and Restated Limited Liability Company Agreement of the Company dated as of March 31, 2008, as amended, which places certain restrictions on the transfer of such Interest. Any Person accepting the Interest represented by this Certificate shall agree to the provisions of such Agreement. A copy of such Agreement will be furnished to the record holder of this Certificate without charge upon written request to the Company at its principal place of business."

(iii) Execution. Each Certificate shall be signed by two Officers of the Company by either manual or facsimile signature.

(iv) Registrar. The Company shall maintain an office where Certificates may be presented for registration of transfer or for exchange. Unless otherwise designated, the Secretary of the Company shall act as registrar and shall keep a register of the Certificates and of their transfer and exchange.

(v) Issuance. The Certificates of the Company shall be numbered and registered in the interest register or transfer books of the Company as they are issued.

(vi) Interest Holder Lists. The Company shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all holders of Interests.

(vii) Transfer and Exchange. When Certificates are presented to the Company with a request to register a transfer, the Company shall register the transfer or make the exchange

on the register or transfer books of the Company if the requirements set forth in Section 19 of this Agreement for such transactions are met; provided, that any Certificates presented or surrendered for registration of transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Company duly executed by the holder thereof or his attorney duly authorized in writing. The transferor shall bear the expenses related to a transfer.

The Company shall not be required to register the transfer, or exchange, any Certificate if as a result the transfer of the Interest at issue would cause the Company to violate the Securities Act, the Exchange Act, the Investment Company Act, or the laws, rules, regulations, orders and other directives of any Governmental Authority or otherwise violation the terms of this Agreement.

(viii) Record Holder. Except to the extent that the Company shall have received written notice of an assignment of Interests and such assignment complies with the requirements of Section 19 of this Agreement, the Company shall be entitled to treat the individual or entity in whose name any Certificates issued by the Company stand on the books of the Company as the absolute owner thereof, and shall not be bound to recognize any equitable or other claim to, or interest in, such Interests on the part of any other individual or entity.

(ix) Replacement Certificates. If any mutilated Certificate is surrendered to the Company, or the Company receives evidence to its satisfaction of the destruction, loss or theft of any Certificate, the Company shall issue a replacement Certificate if the requirements of Section 8-405 of the Uniform Commercial Code are met. If required by the Company, an indemnity and/or the deposit of a bond in such form and in such sum, and with such surety or sureties as the Company may direct, must be supplied by the holder of such lost, destroyed or stolen Certificate that is sufficient in the judgment of the Company to protect the Company from any loss that it may suffer if a Certificate is replaced. The Company may charge for its expenses incurred in connection with replacing a Certificate."

Section 3. **Insertion of Exhibit A**. Exhibit A is to be inserted in the form attached hereto as Annex 1.

Section 4. **Binding Effect**. Except as specifically amended or modified herein, the Agreement shall continue in full force and effect in accordance with the terms thereof.

Section 5. **Governing Law**. This Amendment is to be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflicts of laws rules.

Section 6. **Captions**. The various captions in this Amendment are included for convenience only and shall not affect the meaning or interpretation of any provision of this Amendment.

Section 7. **Counterparts**. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

Section 8. **Severability**. If any provision of this Amendment, or the application thereof to any party or any circumstance, is held to be unenforceable, invalid or illegal (in whole or in part) for any reason (in any jurisdiction), the remaining terms of this Amendment, modified by the deletion of the unenforceable invalid or illegal portion (in any relevant jurisdiction), will continue in full force and effect, and such unenforceability, invalidity or illegality will not otherwise affect the enforceability, validity or legality of the remaining terms of this Amendment so long as this Amendment, as so modified, continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the deletion of such portion of this Amendment will not substantially impair the respective expectations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties.

[The rest of this page is intentionally left blank.]

IN WITNESS WHEREOF, the undersigned, as the GMAC Member of the Company, has duly executed this amendment as of the date first written above.

GMAC MORTGAGE GROUP LLC

By: Cathy Quenneville

Name: Cathy L. Quenneville
Title: Secretary

ANNEX 1

EXHIBIT A

FORM OF CERTIFICATE

Number ___ Interest _____

Residential Capital, LLC,

a limited liability company formed under the laws of the State of Delaware
Limited Liability Company Interest
(within the meaning of 6 Del. Co. §18-702(c))

THIS CERTIFICATE EVIDENCES AN EQUITY INTEREST IN RESIDENTIAL CAPITAL, LLC (THE "COMPANY") AND SHALL BE A SECURITY FOR PURPOSES OF ARTICLE 8 OF THE UNIFORM COMMERCIAL CODE. THE INTEREST REPRESENTED BY THIS CERTIFICATE, AND ANY SALE, PLEDGE, HYPOTHECATION OR TRANSFER THEREOF, ARE SUBJECT TO THE PROVISIONS OF THE AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF THE COMPANY DATED AS OF MARCH 31, 2008, AS AMENDED, WHICH PLACES CERTAIN RESTRICTIONS ON THE TRANSFER OF SUCH INTEREST. ANY PERSON ACCEPTING THE INTEREST REPRESENTED BY THIS CERTIFICATE SHALL AGREE TO THE PROVISIONS OF SUCH AGREEMENT. A COPY OF SUCH AGREEMENT WILL BE FURNISHED TO THE RECORD HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS.

This Certifies that _____ is, and has been since _____, a member and the owner of _____ fully paid and non-assessable _____ Units of the above-named Company and is entitled to the full benefits and privileges of such interest, subject to the duties and obligations, as more fully set forth in the Amended and Restated Limited Liability Company Agreement. This Certificate is transferable on the books of the Company by the holder hereof in person or by duly authorized Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Limited Liability Company has caused this Certificate, and the interest it represents, to be signed by its duly authorized officers this ___ day of _____, 2009.

_____ _____
Chief Financial Officer **Secretary\Assistant Secretary**

Execution Copy

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF RESIDENTIAL CAPITAL, LLC

This Amended and Restated Limited Liability Company Agreement (this "Agreement") of Residential Capital, LLC (the "Company"), dated and effective as of March 31, 2008, is entered into by GMAC Mortgage Group LLC (the "GMAC Member") and GMAC LLC ("GMAC" or the "Preferred Member", and together with the GMAC Member, the "Members").

WHEREAS, Residential Capital Corporation (the "Corporation") was incorporated as a Delaware corporation on August 20, 2004;

WHEREAS, on October 24, 2006, the Corporation was converted (the "LLC Conversion") into a Delaware limited liability company pursuant to Section 18-214 of the Delaware Limited Liability Company Act (6 Del. C. § 18-101 et seq.), as amended from time to time (the "Act") and Section 266 of the General Corporation Law of the State of Delaware (8 Del. C. § 101 et seq.), as amended from time to time (the "GCL"), by causing the filing with the Secretary of State of the State of Delaware (the "Delaware Secretary of State") of a Certificate of LLC Conversion to Limited Liability Company (the "Certificate of LLC Conversion") and a Certificate of Formation (the "Certificate");

WHEREAS, on October 24, 2006, the sole stockholder of the Corporation, the GMAC Member, was admitted as the sole member of the Company by entering into a Limited Liability Company Agreement, dated and effective as of such date (the "Prior Agreement");

WHEREAS, on November 27, 2006, General Motors Corporation, a Delaware corporation, GMAC and the Company entered into an Amended and Restated Operating Agreement (the "Operating Agreement"), pursuant to which the Company agreed to, among other things, certain restrictions on its ability to make distributions;

WHEREAS, pursuant to terms of the Operating Agreement, the Company must at all times have at least two "independent directors" within the meaning of the Operating Agreement (the "Independent Directors");

WHEREAS, GMAC desires to become a member of the Company and to purchase, and the Company desires to issue, Preferred Units (as defined below) of the Company to GMAC;

WHEREAS, in connection with the execution of this Agreement, GMAC, the Company and IB Finance Holding Company, LLC, a Delaware limited liability company ("IB Finance"), have entered into an Exchange Agreement, dated as of March 31, 2008 (the "Exchange Agreement"), pursuant to which the Preferred Member may, at any time after January 1, 2009, subject to the terms and conditions thereof, elect to exchange all (but not less than all) of the Preferred Units into an equivalent number of Class M preferred units of IB Finance on a one-for-one basis (the "Preferred Exchange"); and

WHEREAS, the Members desire to amend and restate the Prior Agreement in its entirety as set forth in this Agreement.

NOW, THEREFORE, the Members, by execution of this Agreement, hereby agree as follows:

1. **Name**. The name of the limited liability company is Residential Capital, LLC.

2. **Certificates**. The Certificate and the Certificate of LLC Conversion have been duly executed, delivered and filed with the Delaware Secretary of State. Each Officer (as defined in Section 16 below), acting alone, is hereby designated as an "authorized person" of the Company to execute, deliver and file any amendments and/or restatements of the Certificate and any other certificates (and any amendments and/or restatements thereof) permitted or required to be filed with the Delaware Secretary of State and shall continue as the designated "authorized person" within the meaning of the Act. An Officer shall execute, deliver and file, or cause the execution, delivery and filing of any certificates (and any amendments and/or restatements thereof) necessary for the Company (i) to qualify to do business in any other jurisdiction in which the Company may wish to conduct business and (ii) to obtain professional licensure necessary or desirable.

3. **Purposes**. The Company is formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Act, as such acts or activities may be determined by the Board (as herein defined) from time to time.

4. **Powers**. In furtherance of its purposes, but subject to all of the provisions of this Agreement, the Company shall have the power and is hereby authorized to:

(a) Acquire by purchase, lease, contribution of property or otherwise, own, hold, sell, convey, transfer or dispose of any real or personal property that may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(b) Act as a trustee, executor, nominee, bailee, director, officer, agent or in some other fiduciary capacity for any person or entity and to exercise all of the powers, duties, rights and responsibilities associated therewith;

(c) Take any and all actions necessary, convenient or appropriate as trustee, executor, nominee, bailee, director, officer, agent or other fiduciary, including the granting or approval of waivers, consents or amendments of rights or powers relating thereto and the execution of appropriate documents to evidence such waivers, consents or amendments;

(d) Operate, purchase, maintain, finance, improve, own, sell, convey, assign, mortgage, lease or demolish or otherwise dispose of any real or personal property that may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(e) Borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Company, and secure the same by mortgage, pledge or other lien on the assets of the Company;

(f) Invest any funds of the Company pending distribution or payment of the same pursuant to the provisions of this Agreement;

(g) Prepay, in whole or in part, refinance, recast, increase, modify or extend any indebtedness of the Company and, in connection therewith, execute any extensions, renewals or modifications of any mortgage or security agreement securing such indebtedness;

(h) Enter into, perform and carry out contracts of any kind, including, without limitation, contracts with any person or entity affiliated with any Member necessary to, in connection with, convenient to, or incidental to the accomplishment of the purposes of the Company;

(i) Employ or otherwise engage employees, managers, contractors, advisors, attorneys and consultants and pay reasonable compensation for such services;

(j) Enter into partnerships, limited liability companies, trusts, associations, corporations or other ventures with other persons or entities in furtherance of the purposes of the Company; and

(k) Do such other things and engage in such other activities related to the foregoing as may be necessary, convenient or incidental to the conduct of the business of the Company, and have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Act.

5. **Principal Business Office**. The principal business office of the Company shall be located at 1 Meridian Crossings, Minneapolis, MN 55423, or at such other location as the Board may designate from time to time in a writing to be filed with the records of the Company.

6. **Registered Office**. The address of the registered office of the Company in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808, or such other office as the Board may designate from time to time in accordance with the Act.

7. **Registered Agent**. The name and address of the registered agent of the Company for service of process on the Company in the State of Delaware are Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808, or such other agent as the Board may designate from time to time in accordance with the Act.

8. **Members**. The name and the mailing address of the Members are as set forth on Schedule A attached hereto. Each Member shall have the power to exercise any and all rights or powers granted to such Member pursuant to the express terms of this Agreement. No Member shall have the authority to act for or bind the Company by virtue of its status as a Member, except as expressly provided in this Agreement. Except as otherwise provided by the Act, there shall be no requirement to hold an annual meeting of the Members. The Preferred Member is deemed admitted as a Member of the Company upon its execution and delivery of this Agreement.

9. **Limited Liability**. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member of the Company.

10. **Capital Contributions**. Capital contributions were previously made by the GMAC Member in connection with the issuance of capital stock by the Corporation, and the Preferred Member has agreed to contribute certain capital to the Company as of the date hereof. As of the date hereof, the Preferred Member has contributed to the Company (or otherwise caused to be forgiven) certain existing indebtedness of the Company with a value of $607,192,000 (the "Preferred Contribution"). The Preferred Member may, in its sole discretion, contribute to the Company (or otherwise cause to be forgiven) additional existing indebtedness of the Company from time to time on or prior to May 31, 2008, provided that the aggregate value of such additional existing indebtedness contributed by the Preferred Member shall not exceed $265,779,000 (such additional capital contributions, together with the Preferred Contribution, the "Aggregate Preferred Contribution"). For purposes of determining the value of any such additional capital contribution by the Preferred Member, the existing indebtedness of the Company shall have the value set forth on Schedule B attached hereto.

No Member shall be required to make any additional capital contribution to the Company; provided, however, that any Member may at any time make additional capital contributions to the Company with the consent of the GMAC Member (except in the case of a capital contribution made by the Preferred Member pursuant to the paragraph above, for which no such consent shall be required).

11. **Capitalization**.

a. Common Units. The Company shall be deemed to have issued 2,000,000 units of common limited liability company interests (the "Common Units") to the GMAC Member, representing all of the limited liability company interests of the Company held by the GMAC Member as of the date of this Agreement.

b. Preferred Units.

(i) A class of non-participating, perpetual preferred interests is hereby established, which shall be divided into a number of units equal to the Aggregate Preferred Contribution divided by the Preferred Unit Liquidation Price (the "Preferred Units", and collectively with the Common Units, the "Units"). The Company shall be deemed to have issued all such Preferred Units to GMAC in consideration of the Preferred Contribution and any additional capital contributions by GMAC pursuant to Section 10 (it being understood that the number of Preferred Units so issued shall not exceed 872,971), and as soon as practicable after May 31, 2008 the Officers shall cause Schedule A attached hereto to be revised to reflect the number of Preferred Units outstanding.

(ii) The Preferred Units shall, with respect to distribution rights and rights upon liquidation, winding up or dissolution of the Company, rank senior to the Common Units.

(iii) The Company, upon approval by the Board (including a majority of the Independent Directors), may redeem the Preferred Units then outstanding, in whole or in part, on any Distribution Payment Date (as defined below) or on the date of the Preferred Exchange, by delivering at least 30 but not more than 60 days' prior notice to the holder of such Preferred Units (or, if such redemption is to occur on the date of the Preferred Exchange, such notice may be delivered at any time subsequent to the Company's receipt of the Exchange Notice (as defined in the Exchange Agreement) and prior to the date of the Preferred Exchange). Any such redemption shall be for cash at a redemption price equal to the $1,000 per Preferred Unit (the "Preferred Unit Redemption Price"), plus any authorized but unpaid Preferred Distributions on the Preferred Units to be redeemed.

c. Preferred Exchange. Upon the completion of the Preferred Exchange, the Preferred Units shall be cancelled, and any authorized but unpaid Preferred Distributions shall remain an obligation of the Company, and such obligation shall rank, with respect to distribution rights and rights upon liquidation, winding up or dissolution of the Company, senior to the Common Units.

12. **Allocation of Profits and Losses**. Items of income, gain, loss and deduction of the Company for any allocation period shall be allocated among the Members in a manner such that the capital account of each Member, immediately after making such allocation, and after taking into actual distributions made during such allocation period (and distributions with respect to such allocation period to be made after the end of such allocation period if the Board is able to determine in good faith the manner in which such distributions will be made pursuant to Section 13 and Section 22, as appropriate), is, as nearly as possible, equal (proportionately) to (i) the distributions that would be made to such Member pursuant to Section 13 and Section 22, as appropriate, if the Company were to dissolve, its affairs wound up and its assets sold for cash equal to their book value, all Company liabilities were satisfied (limited, with respect to each nonrecourse liability, to the book value of the assets securing the liability) and the net assets of the Company were distributed in accordance with Section 13 and Section 22, as appropriate, immediately after making such allocation, minus (ii) such Member's share of "minimum gain" and "partner nonrecourse debt minimum gain" determined pursuant to Regulations Section 1.704-2(g)(1) and 1.704-2(i)(5), computed immediately prior to the hypothetical sale of assets, if any.

13. **Distributions**.

a. The Preferred Member shall be entitled to receive, when and as authorized by the Board and so long as there would be no violation of the provisions of the Operating Agreement as a result of any such distribution, out of Distributable Cash (as defined below), cash distributions (the "Preferred Distributions") with respect to each Preferred Unit at the rate of 13% of the Preferred Unit Redemption Price per annum. Such distributions shall be payable quarterly on January 1, April 1, July 1 and October 1 of each year (each, a "Distribution Payment

Date", and each such quarter, a "Distribution Period"), beginning July 1, 2008. The Preferred Distributions shall be non-cumulative, and any amounts of such distributions that are not authorized by the Board to be paid during a Distribution Period shall not be carried over to subsequent Distribution Periods.

b. Distributions shall be made to the GMAC Member at the times and in the aggregate amounts determined by the board of directors of the Company (the "Board"); provided that no distributions shall be made to the GMAC Member at any time Preferred Units are outstanding and any Preferred Distributions for the then-current Distribution Period have not been authorized or any Preferred Distributions that have been authorized (whether or not for the then-current Distribution Period) remain unpaid (unless sufficient funds have been set aside for such payments).

c. Notwithstanding anything to the contrary, no distributions shall be authorized or paid if and when the Company is Insolvent or would be rendered Insolvent by the distribution or would violate the Act or other applicable law. For purposes of this Agreement, (1) "Insolvent" means such time as when the value of the Company's assets become less than the sum of its liabilities or the Company becomes unable to pay its debts as they become due in the usual course of business and (2) "Distributable Cash" means that portion of the cash and cash equivalent assets of the Company which, in light of the Company's then current and foreseeable sources of, and needs for, cash, exceeds the amount of cash needed by the Company, as determined by a majority of the Board, to (i) service its debts and obligations in a timely fashion, (ii) maintain adequate working capital and reserves, and (iii) conduct its business and carry out its purposes.

14. **Management**.

a. Managers. In accordance with Section 18-402 of the Act, management of the Company shall be vested exclusively in the Board, subject to any delegation to the Officers as provided hereunder or any other delegation contemplated hereby. Directors (as defined in Section 14(b) below) shall constitute "managers" within the meaning of the Act and may, but need not, be Members. Subject to the delegation to the Officers of the Company provided herein and any delegation otherwise herein contemplated, the business and affairs of the Company shall be managed by or under the direction of the Board. The Preferred Member shall have no voting rights or other rights to participate in the management or control of the Company's business or act for or bind the Company, except as required by law.

b. Election, Number and Term of Directors. The GMAC Member may, from time to time as it deems advisable, elect natural persons as directors of the Company (each a "Director"). The directors serving on behalf of the Corporation immediately prior to the LLC Conversion continued as the Directors of the Company upon the effectiveness of the LLC Conversion. The number of Directors may be fixed from time to time exclusively pursuant to a resolution adopted by a majority of the Board. Each Director shall hold office until resignation, removal or death, or until his or her successor shall have been duly elected and qualified. Any Director may be removed with or without cause by the GMAC Member. Unless otherwise provided by law or this Agreement, any newly created directorship or any vacancy occurring in the Board for any cause may be filled by a majority of the remaining members of the Board,

although such majority is less than a quorum, or by the GMAC Member in accordance with the first sentence of this Section 14(b), and each Director so elected shall hold office until the expiration of the term of office of the Director whom he or she has replaced or until his or her successor is elected and qualified.

c. Committees. The Board may, by resolution or resolutions passed by a majority of the Board, designate one or more committees, each committee to consist of one or more Directors. Any such committee, to the extent provided in the resolution of the Board, or in this Agreement, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company, and may authorize the seal of the Company to be affixed to all papers which may require it. Any committee of the Corporation consisting of Directors that existed immediately prior to the LLC Conversion shall be deemed to have continued as a committee of the Board after the LLC Conversion, with the same composition and authority previously delegated, including, without limitation, by the Corporation, except as may have been altered by the Board. Any committee established by the Board pursuant to this Section 14(c) may be revoked or altered at any time by the Board.

d. Compensation of Directors. Except as otherwise authorized by the Board, Directors shall not receive any stated salary for their services as Directors or as members of committees, but by resolution of the Board a fixed fee and expenses of attendance may be allowed for attendance at each meeting. Any compensation for any Director previously authorized by or on behalf of the Corporation prior to the LLC Conversion shall be deemed to have continued after the LLC Conversion, except as may have been altered by the Board. Nothing herein contained shall be construed to preclude any Director from serving the Company or its affiliates in any other capacity as an Officer, agent or otherwise, and receiving compensation therefor.

e. Independent Directors. Notwithstanding anything to the contrary in this Agreement, the provisions of the Operating Agreement shall govern the qualifications, duties, powers, appointment, removal and other corporate governance matters of the Independent Directors.

f. Certain Matters Relating to IB Finance Holding Company, LLC. Notwithstanding anything to the contrary in this Agreement or the Operating Agreement, the Company shall (and each Officer of the Company shall cause the Company to), if so directed by a majority of the Independent Directors, (i) cause IB Finance Holding Company, LLC, a Delaware limited liability company ("IB Finance"), to redeem any or all Class M Preferred Units issued by IB Finance, and (ii) make one or more capital contributions to IB Finance to fund such redemption, in each case as set forth in Section 2.1(b) and (d) of the Limited Liability Company Agreement of IB Finance, as such agreement may be amended from time to time. No provision of this Section 14(f) shall be deemed to limit or otherwise modify the rights or obligations of the Independent Directors as set forth in the Operating Agreement or elsewhere.

15. **Meeting of the Board of Directors; Voting**.

a. Meetings. Regular meetings of the Board may be held without notice at such places and times as shall be determined by resolution of the Board. Special meetings of the

Board may be called by the President or Chief Executive Officer, or by the Secretary on the written request of any Director, on at least one day's notice to each Director (except that notice to any Director may be waived in writing by such Director) and shall be held at such place or places as may be determined by the Board, or as shall be stated in the call of the meeting. Unless otherwise restricted by this Agreement, members of the Board may participate in any meeting of the Board by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

b. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is obtained, and no further notice thereof need be given other than by announcement at the meeting which shall be so adjourned. The vote of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board unless this Agreement shall require the vote of a greater number.

c. Director Voting. On each matter before the Board, each Director shall have one vote with respect to any matter to be considered by the Board.

d. Action Without Board of Directors Meeting. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if written consent thereto is signed by Directors having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Directors entitled to vote thereon were present and voted, and such written consent is filed with the minutes of proceedings of the Board.

e. Waiver of Notice. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except when the Director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

16. **Officers**. The Board may, from time to time as it deems advisable, elect natural persons who are employees or agents of the Company and designate them as officers of the Company (the "Officers") and assign titles (including, without limitation, President, Vice President, Secretary, and Treasurer) to any such person. Unless the Board decides otherwise, if the title is one commonly used for officers of a business corporation formed under the GCL, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. The officers serving on behalf of the Corporation immediately prior to the LLC Conversion shall be deemed to have continued as Officers of the Company after the LLC Conversion, holding the same positions (with the same authorities and duties previously delegated to them, including, without limitation, by the Corporation) as they held immediately prior to the LLC Conversion. Any delegation pursuant to this Section 16 may be revoked at any time by the Board. An Officer may be removed with or without cause by the Board.

17. **Exculpation**. Neither Member nor any Director, Officer or employee of the Company nor any subsidiary of the Company or the foregoing (each a "Covered Person") shall be liable to the Company or any other person or entity who is bound by this Agreement for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that the Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's willful misconduct or bad faith. Any repeal or modification of this Section 17 shall not adversely affect any right or protection of a Covered Person existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

18. **Indemnification**.

a. General. Subject to the limitations set forth herein, to the fullest extent permitted by applicable law:

i. Each Covered Person shall be indemnified by the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in conformance with the Applicable Standard (as defined in Section 18(g)(vi) below), including, without limitation, if the Covered Person is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that the Covered Person is or was or has agreed to serve at the request of the Company as a Director, Officer or employee of the Company or any subsidiary of the Company, or while serving as such or by reason of any action alleged to have been taken or omitted in such capacity; provided, however, that any indemnity under this Section 18 shall be provided out of and to the extent of Company assets only, and no Member shall have personal liability on account thereof.

ii. The indemnification provided by paragraphs (i) and (iii) of this Section 18(a) shall be from and against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Covered Person or on the Covered Person's behalf in connection with such action, suit or proceeding and any appeal therefrom.

iii. Notwithstanding Section 18(a)(i), in the case of any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that the Covered Person is or was a Director, Officer, or employee of the Company, no indemnification shall be made in respect of any claim, issue or matter as to which the Covered Person shall have been adjudged to be liable to the Company unless, and only to the extent that, the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the Covered Person is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court shall deem proper.

iv. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of

itself, create a presumption that the Covered Person did not act in conformance with the Applicable Standard.

b. Successful Defense; Partial Indemnification. To the extent that the Covered Person has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraphs (i) and (iii) of Section 18(a) above or in defense of any claim, issue or matter therein, the Covered Person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. For purposes of this Agreement and without limiting the foregoing, if any action, suit or proceeding is disposed of, on the merits or otherwise (including a disposition without prejudice), without (i) the disposition being adverse to the Covered Person, (ii) an adjudication that the Covered Person was liable to the Company, (iii) a plea of guilty or nolo contendere by the Covered Person, and (iv) an adjudication that the Covered Person did not act in conformance with the Applicable Standard, the Covered Person shall be considered for the purposes hereof to have been wholly successful with respect thereto.

If the Covered Person is entitled under any provision of this Section 18 to indemnification by the Company for some or a portion of the expenses (including attorneys' fees), judgments, fines or amounts paid in settlement actually and reasonably incurred by the Covered Person or on the Covered Person's behalf in connection with any action, suit, proceeding or investigation, or in defense of any claim, issue or matter therein, and any appeal therefrom but not, however, for the total amount thereof, the Company shall nevertheless indemnify the Covered Person for the portion of such expenses (including attorneys' fees), judgments, fines or amounts paid in settlement to which the Covered Person is entitled.

c. Determination That Indemnification Is Proper. Any indemnification hereunder (unless otherwise ordered by a court) shall be made by the Company unless a determination is made that indemnification of such person is not proper in the circumstances because he or she has not met the Applicable Standard. Any such determination shall be made (i) by a majority vote of the Directors who are not parties to the action, suit or proceeding in question ("Non-Party Directors"), even if less than a quorum, (ii) by a majority vote of a committee of Non-Party Directors designated by majority vote of Non-Party Directors, even if less than a quorum, or (iii) if there are no Non-Party Directors or if the Non-Party Directors so direct, by independent legal counsel for the Company, or (iv) by a court of competent jurisdiction.

d. Advance Payment of Expenses; Notification and Defense of Claim.

i. Expenses (including attorneys' fees) incurred by the Covered Person in defending a threatened or pending civil, criminal, administrative or investigative action, suit or proceeding, or in connection with an enforcement action pursuant to Section 18(e)(ii), shall be paid by the Company in advance of the final disposition of such action, suit or proceeding within thirty (30) days after receipt by the Company of (x) a statement or statements from the Covered Person requesting such advance or advances from time to time, with a copy of the bill for the related expenses, and (y) an undertaking by or on behalf of the Covered Person to repay all such amounts advanced, only if, and to the extent that, it should ultimately be determined that the Covered Person is not entitled to be indemnified by the

Company as authorized by this Agreement or otherwise. Such undertaking shall be accepted without reference to the financial ability of the Covered Person to make such repayment. Advances shall be unsecured and interest-free.

ii. If the Company shall be obligated to pay the expenses of the Covered Person with respect to an action, suit or proceeding, as provided in this Section 18, the Company, if appropriate, may assume the defense of such action, suit or proceeding, with counsel reasonably acceptable to the Covered Person. After approval of such counsel by the Covered Person and the retention of such counsel by the Company, the Company will not be liable to the Covered Person under this Section 18 for any fees of counsel subsequently incurred by the Covered Person with respect to the same action, suit or proceeding, provided that the Covered Person shall have the ability to employ the Covered Person's own counsel in such action, suit or proceeding (x) at the Covered Person's expense upon the prior written consent of the Company, or (y) if (1) counsel to the Company or the Covered Person shall have reasonably concluded that there may be a conflict of interest or position, or reasonably believes that a conflict is likely to arise, on any significant issue between the Company and the Covered Person in the conduct of any such defense or (2) the Company shall not, in fact, have employed counsel to assume the defense of such action, suit or proceeding, in which case the fees and expenses of the Covered Person's counsel shall be at the expense of the Company, except as otherwise expressly provided by this Section 18. The Company shall not be entitled, without the consent of the Covered Person, to assume the defense of any claim brought by or in the right of the Company or as to which counsel for the Company or the Covered Person shall have reasonably made the conclusion provided for in clause (1) above.

iii. Notwithstanding any other provision of this Agreement to the contrary, to the extent that the Covered Person is, by reason of the Covered Person's service as a Director, Officer or employee of the Company, a witness or otherwise participates in any action, suit or proceeding at a time when the Covered Person is not a party in the action, suit or proceeding, the Company shall pay or cause to be paid on behalf of the Covered Person against, or shall otherwise cause to be paid, all expenses (including attorneys' fees) actually and reasonably incurred by the Covered Person or on the Covered Person's behalf in connection therewith.

e. Procedure for Indemnification.

i. The Company shall, promptly upon receipt of a request for indemnification from a Covered Person, advise the Board in writing that the Covered Person has requested indemnification.

ii. The Company's determination whether to grant the Covered Person's indemnification request shall be made promptly, and in any event within 90 days following receipt of a request for indemnification pursuant to Section 18(e)(i). The right to indemnification as granted by this Section 18 shall be enforceable by the Covered Person in any state or Federal court of competent jurisdiction located in the State of Delaware if the Company denies such request, in whole or in part, or fails to respond within such 90-day period. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charges and expenses under Section 18(d) hereof where the required undertaking, if any,

has been received by the Company) that the Covered Person has not met the Applicable Standard set forth in this Section 18, but the burden of proving such defense by clear and convincing evidence shall be on the Company. Neither the failure of the Company (including its Board or one of its committees, and its independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the Covered Person is proper in the circumstances because the Covered Person has met the Applicable Standard set forth in this Section 18, nor the fact that there has been an actual determination by the Company (including its Board or one of its committees, and its independent legal counsel) that the Covered Person has not met such Applicable Standard of conduct, shall be a defense to the action or create a presumption that the Covered Person has or has not met the Applicable Standard. The Covered Person's expenses (including attorneys' fees) incurred in connection with successfully establishing the Covered Person's right to indemnification, in whole or in part, in any such proceeding or otherwise shall also be indemnified by the Company.

f. Insurance and Subrogation.

i. The Company may purchase and maintain (itself or through its affiliates) insurance on behalf of the Covered Person who has agreed to serve at the request of the Company as a Director, Officer or employee of the Company against any liability asserted against, and incurred by, the Covered Person or on the Covered Person's behalf, or arising out of the Covered Person's status as a Director, Officer or employee, whether or not the Company would have the power to indemnify the Covered Person against such liability under the provisions of this Section 18. If the Company has such insurance in effect at the time the Company receives from the Covered Person any notice of the commencement of a claim, the Company shall give prompt notice of the commencement of such claim to the insurers in accordance with the procedures set forth in the policy. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Covered Person, all amounts payable as a result of such proceeding in accordance with the terms of such policy.

ii. In the event of any payment by the Company under this Agreement, the Company shall, to the extent permissible, be subrogated to the extent of such payment to all of the rights of recovery of the Covered Person with respect to any insurance policy, which Covered Person shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights in accordance with the terms of such insurance policy. The Company shall pay or reimburse all expenses actually and reasonably incurred by the Covered Person in connection with such subrogation.

iii. The Company shall not be liable under this Section 18 to make any payment of amounts otherwise indemnifiable hereunder (including, but not limited to, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement) if and to the extent that the Covered Person has otherwise actually received such payment under this Section 18 or any insurance policy, contract, agreement or otherwise.

g. Certain Definitions. For purposes of this Section 18, the following definitions shall apply:

i. The term "action, suit or proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative.

ii. The term "by reason of the fact that the Covered Person is or was a Director, Officer or employee of the Company" shall be broadly construed and shall include, without limitation, any actual or alleged act or omission to act.

iii. The term "expenses" shall be broadly and reasonably construed and shall include, without limitation, all direct and indirect costs of any type or nature whatsoever (including, without limitation, all reasonable attorneys' fees and related disbursements, appeal bonds, other out-of-pocket costs and reasonable compensation for time spent by the Covered Person for which the Covered Person is not otherwise compensated by the Company or any third party, provided that the rate of compensation and estimated time involved is approved by the Board, which approval shall not be unreasonably withheld), actually and reasonably incurred by the Covered Person in connection with either the investigation, defense or appeal of a proceeding or establishing or enforcing a right to indemnification under this Agreement, the Act or otherwise.

iv. The term "judgments, fines and amounts paid in settlement" shall be broadly construed and shall include, without limitation, all direct and indirect payments of any type or nature whatsoever (including, without limitation, all penalties and amounts required to be forfeited or reimbursed to the Company), as well as any penalties or excise taxes assessed on a person with respect to an employee benefit plan.

v. The term "Company" shall include, without limitation and in addition to the resulting business entity, any constituent business entity (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its members, if any, directors, officers, and employees, so that any person who is or was a member, director, officer or employee of such constituent business entity, or is or was serving at the request of such constituent business entity as a director, officer or employee of another business entity, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving business entity as he or she would have with respect to such constituent business entity if its separate existence had continued.

vi. The term "Applicable Standard" shall mean, with respect to the act or omission of a Covered Person, the standard of conduct that such act or omission was performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that the Covered Person shall not be indemnified for any such loss, damage or claim incurred by reason of such Covered Person's willful misconduct or bad faith with respect to such acts or omissions.

h. Limitation on Indemnification. Notwithstanding any other provision herein to the contrary, the Company shall not be obligated pursuant to this Agreement:

i. Claims Initiated by the Covered Person. To indemnify or advance expenses to the Covered Person with respect to an action, suit or proceeding (or part thereof) initiated by the Covered Person, unless (i) the Covered Person brings such action, suit or proceeding to establish or enforce a right to indemnification under this Agreement (which shall be governed by the provisions of Section 18(h)(ii)), or (ii) such action, suit or proceeding (or part thereof) was authorized or consented to by the Board;

i. Action for Indemnification. To indemnify the Covered Person for any expenses incurred by the Covered Person with respect to any action, suit or proceeding instituted by the Covered Person to enforce or interpret Section 18 of this Agreement, unless the Covered Person is successful in establishing the Covered Person's right to indemnification in such action, suit or proceeding, in whole or in part, or unless and to the extent that the court in such action, suit or proceeding shall determine that, despite the Covered Person's failure to establish its right to indemnification, the Covered Person is entitled to indemnity for such expenses; provided, however, that nothing in this Section 18(h) is intended to limit the Company's obligation with respect to the advancement of expenses to the Covered Person in connection with any such action, suit or proceeding instituted by the Covered Person to enforce or interpret this Agreement, as provided in Section 18(d) hereof; and

ii. Non-compete and Non-disclosure. To indemnify the Covered Person in connection with proceedings or claims involving the enforcement of non-compete and/or non-disclosure agreements or the non-compete and/or non-disclosure provisions of employment, consulting or similar agreements the Covered Person may be a party to with the Company, or any subsidiary of the Company or any other applicable foreign or domestic corporation, limited liability company, partnership, joint venture, trust or other enterprise, if any.

iii. Certain Settlement Provisions. The Company shall have no obligation to indemnify the Covered Person under this Agreement for amounts paid in settlement of any action, suit or proceeding without the Company's prior written consent, which shall not be unreasonably withheld. The Company shall not settle any action, suit or proceeding in any manner that would impose any fine or other obligation on the Covered Person without the Covered Person's prior written consent, which shall not be unreasonably withheld.

j. Savings Clause. If any provision or provisions of this Section 18 shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify the Covered Person as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Company, to the full extent permitted by any applicable portion of this Section 18 that shall not have been invalidated and to the full extent permitted by applicable law.

k. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for herein is held by a court of competent jurisdiction to be unavailable to the Covered Person in whole or in part, it is agreed that, in such

event, the Company shall, to the fullest extent permitted by law, contribute to the payment of the Covered Person's costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, in an amount that is just and equitable in the circumstances, taking into account, among other things, the relative fault of the Covered Person; provided, that, without limiting the generality of the foregoing, such contribution by the Company shall not be required where such holding by the court is due to (i) the failure of the Covered Person to meet the Applicable Standard, or (ii) any limitation on indemnification set forth in Section 18(f)(iii), 18(h) or 18(i) hereof.

l. Nonexclusivity. The provisions for indemnification and advancement of expenses set forth in this Section 18 shall not be deemed exclusive of any other rights which a Covered Person may have under any provision of law, the Certificate, in any court in which a proceeding is brought, the vote of the GMAC Member or disinterested Directors, other agreements or otherwise, and a Covered Person's rights hereunder shall continue after such Covered Person has ceased acting as an agent of the Company and shall inure to the benefit of the heirs, executors and administrators of such Covered Person. In addition, no amendment or alteration of the Certificate or any other agreement shall adversely affect the rights provided to a Covered Person under this Agreement with respect to any act or omission occurring prior to such amendment or alteration.

m. Enforcement. The Company shall be precluded from asserting in any judicial proceeding that the procedures and presumptions of this Section 18 are not valid, binding and enforceable. The Company agrees that its execution of this Agreement shall constitute a stipulation by which it shall be irrevocably bound in any court of competent jurisdiction in which a proceeding by a Covered Person for enforcement of his rights under this Section 18 shall have been commenced, continued or appealed, that its obligations set forth in this Section 18 are unique and special, and that failure of the Company to comply with the provisions of this Section 18 will cause irreparable and irremediable injury to a Covered Person, for which a remedy at law will be inadequate. As a result, in addition to any other right or remedy a Covered Person may have at law or in equity with respect to any breach of this Section 18, it is the intent of the Members that a Covered Person shall be entitled to injunctive or mandatory relief directing specific performance by the Company of its obligations under this Section 18.

19. **Assignments**. Each Member may at any time assign in whole (or, in the case of the GMAC Member only, in part) its limited liability company interest in the Company; provided, however, GMAC may assign the Preferred Units only with the prior approval of the Board (including a majority of the Independent Directors) or to a wholly-owned direct or indirect affiliate of GMAC. If any Member transfers all of its interest in the Company as permitted by this Section 19, the transferee shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately prior to the transfer, and, immediately following such admission, the transferor Member shall cease to be a member of the Company.

20. **Resignation**. Each Member may at any time resign from the Company; provided, however, that the GMAC Member shall not resign unless an additional member shall be admitted to the Company, subject to Section 21 hereof, upon its execution of an instrument signifying its

agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately prior to the resignation of the GMAC Member, and, immediately following such admission, the resigning GMAC Member shall cease to be a member of the Company.

21. **Admission of Additional Members**. One or more additional members of the Company may be admitted to the Company with the written consent of the GMAC Member.

22. **Dissolution**.

(a) The Company shall dissolve and its affairs shall be wound up upon the first to occur of the following: (i) the written consent of the Members, (ii) at any time there are no members of the Company unless the Company is continued in accordance with the Act, or (iii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

(b) The bankruptcy (within the meaning of Sections 18-101(1) and 18-304 of the Act) of any Member shall not cause such Member to cease to be a member of the Company and upon the occurrence of such an event, the business of the Company shall continue without dissolution.

(c) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the following order of priority:

i. to the expenses of liquidation;

ii. to the payment of all debts and liabilities of the Company, including debts owed to the Members and taxes;

iii. to the establishment of such reserves as the GMAC Member deems necessary or advisable to provide for any contingent or unforeseen liabilities or obligations of the Company, except, that after the expiration of such period of time as the GMAC Member deems appropriate, the balance of such reserves remaining after payment of such contingencies will be distributed in the manner hereinafter set forth;

iv. to the Preferred Member, up to an amount equal to the Preferred Unit Redemption Price multiplied by the number of Preferred Units held by the Preferred Member, plus any authorized but unpaid Preferred Distributions; and

v. any remaining proceeds will be distributed to the GMAC Member.

(d) Upon the cancellation of the Certificate in accordance with the Act, the Company and this Agreement shall terminate.

23. **Separability of Provisions**. Each provision of this Agreement shall be considered separable, and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity,

unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement that are valid, enforceable and legal.

24. **Entire Agreement**. This Agreement constitutes the entire agreement of the Member with respect to the subject matter hereof.

25. **Governing Law**. This Agreement shall be governed by, and construed under, the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws.

26. **Amendments**. This Agreement may not be modified, altered, supplemented or amended except pursuant to a written agreement executed and delivered by the GMAC Member and approved by the Board; except that the prior consent of the Preferred Member shall be required (i) to change adversely any of the powers, preferences or other rights of the Preferred Units as provided in this Agreement, (ii) to modify, alter or amend the provisions of Section 10 or Section 14(f), and (iii) as may be required by applicable law.

27. **Sole Benefit of Member**. Except as expressly provided in Section 17 and Section 18, the provisions of this Agreement (including Section 11) are intended solely to benefit the Members and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor shall be a third-party beneficiary of this Agreement), and no Member shall have any duty or obligation to any creditor of the Company to make any contributions or payments to the Company.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Agreement as of the date first written above.

GMAC MORTGAGE GROUP LLC

By: _____
Name: Cathy L. Quenneville
Title: Secretary

GMAC LLC

By: _____
Name: Cathy L. Quenneville
Title: Secretary

Schedule A

MEMBERS

Class of Units		Name and Address		Number of Units Outstanding
Common		GMAC Mortgage Group LLC 200 Renaissance Center Detroit, Michigan 48265		2,000,000
Preferred		GMAC LLC 767 5th Avenue, 24th Floor New York, NY 10171		607,192

Schedule B

VALUE

CUSIP	Value (per $1,000 face amount)
76114EAA0	$799.5358
76113BAK5	$718.0347

Exhibit B

Exhibit 10.1

AMENDED AND RESTATED

OPERATING AGREEMENT

AGREEMENT, dated as of November 27, 2006, by and between General Motors Corporation, a Delaware corporation ("GM"), GMAC LLC, a Delaware limited liability company (f/k/a General Motors Acceptance Corporation, a Delaware corporation and a wholly-owned subsidiary of GM ("GMAC")), and Residential Capital, LLC, a Delaware limited liability company (f/k/a Residential Capital Corporation, a Delaware corporation and an indirect wholly-owned subsidiary of GMAC ("ResCap")).

The parties agree as follows:

Section 1. Definitions. For purposes of this Agreement, the following terms shall have the meanings assigned in this section:

"Affiliate" means, with respect to any Person, any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such Person.

"Bank Agent" means, with respect to any senior unsecured credit facility under which ResCap is a borrower, the administrative agent under such facility, or if there is no such agent, each lender under such facility.

"Capital Stock" of any Person means: (i) in the case of a corporation, corporate stock; (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; and (iii) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests.

"Class" means, with respect to any Rated Indebtedness, all such Rated Indebtedness designated as belonging to the same class, series or issue or otherwise having substantially the same material terms and governed by substantially the same instruments.

"Class Agent" means, in the case of Rated Indebtedness evidenced by an indenture or other similar agreement, the trustee or other fiduciary or agent authorized to act for such Class (upon direction or otherwise), and, in all other cases, the holders of a majority in principal amount of the outstanding Rated Indebtedness of such Class.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities or general partnership or managing member interests, by contract or otherwise. "Controlling" and "Controlled" shall have correlative meanings. Without limiting the generality of the foregoing, a Person shall be deemed to Control any other Person in which it owns, directly or indirectly, a majority of the ownership interests.

"Cumulative Net Income" means the net income of ResCap and its Subsidiaries on a consolidated basis determined in accordance with GAAP for the period beginning with the first day of the first fiscal quarter beginning after June 24, 2005 and ending on the last day of the fiscal quarter ending immediately preceding the date as of which a determination of Cumulative Net Income is required_ *minus* an amount equal to the net increase in equity resulting from the release of all tax-related accounts of ResCap and certain of its domestic Subsidiaries (on a consolidated basis) as a result of the conversion of such entities to become limited liability companies and their subsequent election to be treated as a multi-member limited liability company for federal income tax purposes.

"Disqualified Stock" means any Capital Stock that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part.

"Dividend" means any dividend or distribution of cash or property by ResCap on account of its Capital Stock or the repurchase by ResCap of its Capital Stock (other than dividends, distributions or repurchases payable in Capital Stock (other than Disqualified Stock)).

"GAAP" means generally accepted accounting principles as in effect in the United States from time to time, applied on a consistent basis.

"GM Affiliate" means GM and any Person that is an Affiliate of GM, other than GMAC and its Subsidiaries.

"GM Affiliate Business" means all businesses and operations (whether or not such businesses or operations are terminated, divested or discontinued) of the GM Affiliates as conducted from time to time.

"GM Indemnifiable Liabilities" means all Liabilities of any GM Affiliate to the extent such Liabilities (a) relate to, (b) arise out of or (c) result principally from any of the following items:

(i) the failure of any GM Affiliate to pay, perform or otherwise promptly discharge any Liabilities of such GM Affiliate in accordance with their terms; or

(ii) the GM Affiliate Business.

"GMAC Affiliate" means GM, GMAC and any Person that is an Affiliate of GM or GMAC, other than ResCap and its Subsidiaries.

"GMAC Affiliate Business" means all businesses and operations (whether or not such businesses or operations are terminated, divested or discontinued) of the GMAC Affiliates as conducted from time to time.

"GMAC Indemnifiable Liabilities" means all Liabilities of any GMAC Affiliate to the extent such Liabilities (a) relate to, (b) arise out of or (c) result principally from any of the following items:

(i) the failure of any GMAC Affiliate to pay, perform or otherwise promptly discharge any Liabilities of such GMAC Affiliate in accordance with their terms; or

(ii) the GMAC Affiliate Business.

"Governmental Authority" means any supranational, international, national, federal, state or local court, government, department, commission, board, bureau, agency, official or other regulatory, administrative or governmental authority.

"Independent Director" means an individual who: (A) is not and has not been an officer, director or employee, and has no immediate family member that is or has been an officer, of any GMAC Affiliate within the three years immediately prior to such individual's appointment as an Independent Director; (B) has not received, and has no immediate family member who has received, during any twelve-month period in the three years immediately prior to such individual's appointment as an Independent Director, more than $100,000 in direct compensation from any GMAC Affiliate, other than director fees and pension and other forms of deferred compensation for prior service that is not contingent in any way on continued service; (C) is not employed by, and has no immediate family member that is an officer of, any Person that has made payments to, or received payments from, any GMAC Affiliate for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million or 2% of ResCap's consolidated gross revenues; and (D) is reasonably believed by the then current directors of ResCap to be financially sophisticated and otherwise qualified to fulfill the obligations of an Independent Director as set forth in this Agreement. For purposes of this definition, "immediate family member" means an individual's spouse, parents and parents-in-law, siblings and siblings-in-law, children and children-in-law and anyone (other than domestic employees) who shares such individual's home. Notwithstanding anything contained in clauses (A) through (D) above, any Independent Director may serve or have served as an Independent Director of one or more limited purpose entities organized for the purpose of acquiring, financing or otherwise investing, directly or indirectly, in assets or receivables originated, owned or serviced by any GMAC Affiliate or ResCap Subsidiary or holding equity beneficial interest in trusts formed by any GMAC Affiliate or ResCap Subsidiary.

"Investment" in any Person means any loan, advance or other extension of credit (other than in the ordinary course of business) to such Person (whether in cash or property) or any capital contribution or purchase or acquisition of any Capital Stock or indebtedness of such Person (whether in cash or property); *provided, however,* that the term "Investment" shall not include any purchase of securities issued by a GMAC Affiliate through the use of funds in a custodial account held by ResCap or its Subsidiaries relating to the sale of financial assets by ResCap or its Subsidiaries.

"Liabilities" means all debts, liabilities, obligations, responsibilities, response actions, losses, damages (whether compensatory, punitive or treble), fines, penalties and sanctions, absolute or contingent, matured or unmatured, liquidated or unliquidated, foreseen or unforeseen, joint, several or individual, asserted or unasserted, accrued or unaccrued, known or unknown, whenever arising, including those arising under or in connection with any law, statute, ordinance, regulation, rule or other pronouncements of Governmental Authorities having the effect of law, Proceeding, threatened Proceeding, order or consent decree of any Governmental Authority or any award of any arbitration tribunal, and those arising under any contract, guarantee, commitment or undertaking, whether sought to be imposed by a Governmental Authority, a party to this agreement or any other Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute, or otherwise, and including any costs, expenses, interest, external attorneys' fees, disbursements and expense of external counsel, expert and consulting fees and costs related thereto or to the investigation or defense thereof.

"Losses" means all losses, liabilities, penalties, claims, damages, demands, costs and expenses (including reasonable external attorneys' fees, investigation expenses, out-of-pocket expenses, interest and punitive or consequential damages) and other Liabilities of any kind.

"Person" means any individual, corporation, partnership, joint venture, limited liability company, limited liability partnership, association, joint stock company, trust, unincorporated organization, or other organization, whether or not a legal entity, and any Governmental Authority.

"Proceeding" means any past, present or future suit, counter suit, action, arbitration, mediation, alternative dispute resolution process, claim, counterclaim, demand, proceeding, inquiry or investigation by or before any Governmental Authority or any arbitration or mediation tribunal.

"Rating Agencies" means Standard & Poor's Ratings Services, Moody's Investors Service, Inc., Fitch Ratings, Inc. and Dominion Bond Rating Service, or, if any such agency shall cease to perform the functions of a statistical rating agency, a replacement therefor that is a nationally recognized statistical rating agency in the United States and is designated by GMAC and ResCap.

"Rated Indebtedness" means any senior long-term unsecured debt of ResCap, that, at the relevant time, is outstanding and not defeased in accordance with its terms and that is at the time of its issuance rated by at least two of the Rating Agencies, unless the instruments governing such indebtedness provide that they are not entitled to the benefits of this Agreement.

"ResCap Business" means all businesses and operations (whether or not such businesses or operations are terminated, divested or discontinued) of ResCap or its Subsidiaries as conducted from time to time.

"ResCap Indemnifiable Liabilities" means all Liabilities of ResCap or any of its Subsidiaries to the extent such Liabilities (a) relate to, (b) arise out of or (c) result principally from any of the following items:

(i) the failure of ResCap or any of its Subsidiaries to pay, perform or otherwise promptly discharge any Liabilities of ResCap or such Subsidiary, as the case may be, in accordance with their terms; or

(ii) the ResCap Business.

"Stockholder's Equity" means, at any time of determination, the amount which would be shown as stockholder's equity or member's equity, as the case may be, on the consolidated balance sheet of ResCap as of such time prepared in accordance with GAAP.

"Subsidiary" means, with respect to any Person, any other Person of which a majority of the voting interests is owned, directly or indirectly, by such Person; *provided*, *however*, that the term "Subsidiary" shall not include any securitization trusts or similar Person established by any ResCap Subsidiary.

"Tax Dividend" means a Dividend identified at the time of its declaration by ResCap's Board of directors (or any committee thereof) as a tax-related dividend for purposes of this Agreement in an amount equal to the net increase in equity resulting from the release of all tax-related accounts of ResCap and certain of its domestic Subsidiaries (on a consolidated basis) as a result of the conversion of such entities to become limited liability companies and their subsequent election to be treated as a multi-member limited liability company for federal income tax purposes.

Section 2. Covenants. Each of GMAC and ResCap, as applicable, agrees as follows:

(a) ResCap shall not, nor shall it permit any of its Subsidiaries to:

(i) guarantee any indebtedness of any GMAC Affiliate; or

(ii) make any Investment in any GMAC Affiliate.

(b) Except as provided in Section 2(c), ResCap shall not, nor shall it permit any of its Subsidiaries to, engage in material transactions with or originated through any GMAC Affiliate unless such transactions are on terms and conditions that are consistent with those that parties at arm's-length would agree to and for fair value; *provided* that in addition:

(i) all financing arrangements and intercompany debt obligations between ResCap or any of its Subsidiaries and GMAC Affiliates must be in writing;

(ii) any agreement between ResCap and/or any of its Subsidiaries and any GMAC Affiliate(s) that involve the payment by ResCap or any of its

Subsidiaries or by any GMAC Affiliate of more than $25 million per year or the provisions of goods or services by ResCap and/or any of its Subsidiaries or by any GMAC Affiliate(s) valued in excess of $25 million per year must be in writing; and

(iii) ResCap and GMAC shall maintain in effect an income tax allocation agreement that shall provide for two-way sharing payments based on the separately calculated tax liability or benefit of ResCap.

(c) Notwithstanding the requirements of Section 2(b):

(i) ResCap shall maintain in effect a licensing agreement providing for the use by ResCap and its Subsidiaries of certain trademarks, trade names and other intellectual property of GMAC Affiliates, with royalties, if any, calculated on an arm's length basis and on such other terms as may be agreed to from time to time between ResCap and GMAC.

(ii) ResCap shall maintain in effect a services and facilities agreement providing for the provision of certain services by GMAC to ResCap and its Subsidiaries and the provision of certain services by ResCap to GMAC Affiliates on such terms as may be agreed from time to time between ResCap and GMAC.

(iii) ResCap and its Subsidiaries may provide residential mortgage financing and other services to employees of any GMAC Affiliate on substantially similar terms as they make to employees of ResCap and its Subsidiaries and the GMAC Affiliates may provide automobile discounts and other services or discounts to employees of ResCap or any of its Subsidiaries on substantially similar terms as they make to employees of any GMAC Affiliate.

(d) (i) Subject to Sections 2(d)(iii) and (iv), ResCap shall not, directly or indirectly, declare or make any Dividend unless at the time such Dividend is declared and paid Stockholder's Equity exceeds $6.5 billion.

(ii) If ResCap is permitted to declare or make any Dividend under Section 2(d)(i) above, the cumulative amount of Dividends paid after June 24, 2005 (excluding any Tax Dividend) shall not exceed 50% of ResCap's Cumulative Net Income at the time such Dividend is declared and paid.

(iii) The provisions of this Section 2(d) shall not prohibit the payment of any Dividend within 60 days after the date of declaration thereof if, as of such date of declaration, such payment would comply with the restrictions set forth in this Section 2(d).

(iv) The restrictions set forth in this Section 2(d) shall cease to be effective upon the occurrence of Stockholder's Equity exceeding $12.0 billion as of the end of each of two consecutive fiscal quarters.

(v) Promptly after the declaration of any Dividend (other than a Tax Dividend), the Chief Financial Officer or Treasurer of ResCap shall provide a certificate to any Class Agent or Bank Agent certifying as to ResCap's compliance with this Agreement as of such date based on the latest available published financial statements of ResCap.

(e) ResCap shall at all times (i) maintain, or cause to be maintained, books, records and financial statements for itself and its Subsidiaries separate from those of any and all GMAC Affiliates; (ii) maintain, or cause to be maintained, its assets and the assets of its Subsidiaries in such a manner that it would not be costly or difficult to segregate, ascertain or identify such assets from those of any and all GMAC Affiliates; (iii) maintain, or cause to be maintained, bank accounts and cash management and account receivable collection systems for itself and its Subsidiaries separate from those of any and all GMAC Affiliates; (iv) maintain, or cause to be maintained, its own asset investment, risk management and hedging programs and systems for itself and its Subsidiaries separate from those of any and all GMAC Affiliates (which may be similar to or the same as those maintained by GMAC); (v) pay its own liabilities only out of its own funds or promptly reimburse any GMAC Affiliate for ResCap's share of any expenses relating to amounts owing under the Services and Facilities Agreement or master vendor contracts or similar arrangements paid on behalf of ResCap by such GMAC Affiliate; (vi) use its own stationary, invoices, checks and business forms; (vii) not commingle, or permit its Subsidiaries to commingle, the funds and other assets of ResCap and its Subsidiaries with those of any GMAC Affiliate; (viii) at all times hold itself out, and cause its Subsidiaries to hold themselves out, to the public as a legal entity separate and distinct from any and all GMAC Affiliates and undertake to correct any known misunderstanding regarding its separate identity; and (ix) otherwise take, or cause to be taken, such reasonable and customary action so that ResCap will maintain its separate legal existence and identity; *provided, however,* that the foregoing shall not prohibit ResCap and its Subsidiaries from using trademarks and names of GMAC Affiliates, it being understood that such use shall not be violative of or otherwise inconsistent with Section 2(f)(viii) above.

(f) (i) GMAC shall vote for, and ResCap shall at all times have, at least two Independent Directors. In the event of a vacancy in the position of an Independent Director, whether as a result of resignation, removal, or otherwise, GMAC shall, as promptly as practicable, elect a successor Independent Director. No appointment of an Independent Director or successor Independent Director, shall be effective until such Independent Director or successor shall have (y) accepted his or her appointment as an Independent Director by a written instrument, which may be a counterpart signature page to this Agreement, and (z) executed a counterpart to this Agreement. In acting or otherwise voting on matters referred to in Section 2(g)(iii), to the fullest extent permitted by law, the Independent Directors shall consider only the interest of ResCap, including its creditors. GMAC agrees that it will not bring any legal action, including actions asserting claims for breach of fiduciary duty, against any Independent Director for

acting in accordance with Sections 2(g)(i), 2(g)(iii), 4 or 8, or for any claims against which such Independent Directors are exculpated pursuant to the terms of ResCap's Certificate of Formation and the Limited Liability Company Agreement, as in effect on the date hereof.

(ii) The chairperson of the Audit Committee of the Board of Directors shall be an Independent Director.

(iii) Notwithstanding ResCap's Certificate of Formation and the Limited Liability Company Agreement or any provision of law that otherwise so empowers ResCap, holders of ResCap's Capital Stock, ResCap's Board of Directors, any officer of ResCap or any other Person, none of GMAC, ResCap or any officer of ResCap shall be authorized or empowered, nor shall they permit ResCap to (A) institute proceedings to have ResCap be adjudicated bankrupt or insolvent, (B) consent to the institution of bankruptcy or insolvency proceedings against ResCap, (C) file a petition seeking, or consent to, the appointment of a receiver, assignee, trustee, sequestrator or other similar official of ResCap or a substantial part of its assets, (D) make any assignment for the benefit of creditors of ResCap, or (E) take action in furtherance of any such action, in each case to the fullest extent permitted by law, in each case if such action is being taken in connection with the commencement or pendency of a bankruptcy or insolvency proceeding of any GMAC Affiliate, unless the action is authorized by the prior approval of ResCap's Board of Directors (including the approval of a majority of the Independent Directors). ResCap's Board of Directors shall not vote on, or authorize the taking of, any of the foregoing actions unless there is at least one Independent Director then serving in such capacity. Further, notwithstanding ResCap's Certificate of Formation and the Limited Liability Company Agreement or any provision of law that otherwise so empowers ResCap, holders of ResCap's Capital Stock or ResCap's Board of Directors, ResCap shall not be authorized or empowered to amend Sections 17 or 18 of its Limited Liability Company Agreement without the approval of the majority of the Independent Directors.

(iv) ResCap shall maintain or have in effect directors and officers insurance, errors and omissions insurance and comprehensive general liability insurance covering its Independent Directors in amounts and on such terms as are usual and customary for a company similar in size to ResCap and engaged in a business similar to that engaged in by ResCap.

(g) In accordance with GAAP and the rules and regulations of the Securities and Exchange Commission, GMAC shall prepare consolidated financial statements that include ResCap. The supplemental disclosures to such financial statements shall provide that ResCap's creditors will be entitled to be satisfied out of ResCap's assets prior to ResCap's equity holders and that GMAC conducts its residential mortgage operations and related businesses through ResCap.

(h) GMAC shall otherwise hold out ResCap and ResCap's Subsidiaries as legal entities separate and distinct and correct any known misunderstanding about ResCap's separate identity from GMAC.

Section 3. Indemnification.

(a) GM will, to the fullest extent permitted by law, indemnify, defend and hold harmless ResCap and its Subsidiaries from and against any Losses related to GM Indemnifiable Liabilities.

(b) GMAC will, to the fullest extent permitted by law, indemnify, defend and hold harmless ResCap and its Subsidiaries from and against any Losses related to GMAC Indemnifiable Liabilities (other than GM Indemnifiable Liabilities).

(c) ResCap will, to the fullest extent permitted by law, indemnify, defend and hold harmless the GM Affiliates and the GMAC Affiliates from and against any losses related to ResCap Indemnifiable Liabilities.

Section 4. Termination. This Agreement shall terminate at such time as ResCap ceases to be a direct or indirect Subsidiary of GMAC; *provided* that ResCap, GM and GMAC may agree to terminate this Agreement earlier if such termination has been approved by a majority of the members of ResCap's Board of Directors, including a majority of the Independent Directors. In acting or otherwise voting on matters referred to in this Section 4, to the fullest extent permitted by law, the Independent Directors shall consider only the interest of ResCap, including its creditors. To the extent that such approval is required, ResCap's Board of Directors shall not vote on, or authorize, the termination of this Agreement unless there is at least one Independent Director then serving in such capacity.

Section 5. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed to have been duly given when received at the addresses or telecopy numbers specified below (or at such other address or telecopy number for a party as shall be specified by like notice):

If to GM:

General Motors Corporation
200 Renaissance Center
Detroit, MI 48265
Attn: Corporate Secretary
Telecopy: (212) 418-3630
Telephone: (313) 556-5000

If to GMAC:

GMAC LLC
200 Renaissance Center
Detroit, MI 48265
Attn: Corporate Secretary
Telecopy: (313) 665-6308
Telephone: (313) 665-6301

If to ResCap:

Residential Capital, LLC
8400 Normandale Lake Boulevard
Minneapolis, MN 55437
Attn: General Counsel
Telephone: (857) 952-8700

Section 6. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matters hereof.

Section 7. No Guarantee. This Agreement is not, and shall not be construed to be, a guarantee by GM or GMAC of any indebtedness of ResCap or an agreement by GM or GMAC to contribute additional capital to ResCap. GMAC's sole obligation under this Agreement (except as set forth in Section 3) is to comply with the Independent Director provisions of Section 2(g) and the provisions of Sections 2(h) and 2(i) and the sole remedy against GMAC for breach of those sections is specific performance. GM's sole obligation under this Agreement is as set forth in Section 3. Under no circumstances shall GM or GMAC be liable for damages for breach of this Agreement (other than Section 3).

Section 8. Amendment and Waiver. The provisions of this Agreement may not be amended or waived except by an instrument in writing signed by the parties hereto; *provided* that no amendment or waiver that materially and adversely affects the rights of any Class of Rated Indebtedness shall become effective unless such amendment or waiver has been approved by a majority of the members of ResCap's Board of Directors, including a majority of the Independent Directors. In acting or otherwise voting on matters referred to in this Section 8 that materially and adversely affect the rights of any Class of Rated Indebtedness, to the fullest extent permitted by law, the Independent Directors shall consider only the interest of ResCap, including its creditors. ResCap shall provide to each Class Agent and Bank Agent a copy of any amendment or waiver of this Agreement. ResCap's Board of Directors shall not vote on, or authorize, any amendment to this Agreement unless there is at least one Independent Director then serving in such capacity.

Section 9. Removal of GM as a Party. GM shall be released from all of its obligations under this Agreement and have no further obligations or rights hereunder with respect to the period from and after November 30, 2006, but shall remain liable for any liabilities or obligations related to the period prior to such date.

Section 10. Assignment. This Agreement may not be assigned, except in connection with a merger or consolidation and except that all or any of the rights of GM hereunder may be assigned to any other GM Affiliate and any rights of GMAC hereunder may be assigned to any other GMAC Affiliate. No such assignment shall relieve the assigning party of its obligations hereunder.

Section 11. Transfer of ResCap to a GM Affiliate. GMAC may not sell, convey or otherwise transfer a majority ownership interest in ResCap to one or more GM Affiliates in a single transaction or series of transactions, unless GM and the applicable GM Affiliate(s) enter into an agreement substantially identical to this Agreement prior to the time that ResCap ceases to be a direct or indirect Subsidiary of GMAC.

Section 12. Successors and Assigns. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and its respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement; *provided* that the holders of Rated Indebtedness and any lenders under any credit facility under which ResCap is a borrower shall be deemed third party beneficiaries of this Agreement; *provided, further,* that the remedies of such holders or lenders hereunder shall be limited to specific enforcement of the provisions of this Agreement as the same may be amended and waived pursuant to Section 8 hereof; and, *provided, further,* that any action to enforce the rights of the holders of Rated Indebtedness of any Class or any lenders under any credit facility under which ResCap is a borrower as third party beneficiaries shall be undertaken only by the Class Agent for such Class or any Bank Agent, as applicable.

Section 13. Delay and Waiver. No failure or delay on the part of any party hereto in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of any agreement herein, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or of any other right. Except as provided in Section 11, all rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any other rights or remedies that any party hereto may have.

Section 14. Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York.

Section 15. Counterparts. This Agreement may be executed in counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

* * * *

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

GENERAL MOTORS CORPORATION

By: /s/ Anita Bama
Name: Anita Bama
Title: Attorney-in-fact

GMAC LLC

By: /s/ Teresa Holderer
Name: Teresa Holderer
Title: Attorney-in-fact

RESIDENTIAL CAPITAL, LLC

By: /s/ James R. Giertz
Name: James R. Giertz
Title: Chief Financial Officer

Exhibit C

Chubb Group of Insurance Companies
15 Mountain View Road,
Warren, New Jersey 07059

BPL FOR FINANCIAL INSTITUTIONS[SM]

DECLARATIONS

FEDERAL INSURANCE COMPANY

A stock insurance company, incorporated under the laws of Indiana, herein called the Company

Capital Center, 251 North Illinois, Suite 1100
Indianapolis, IN 46204-1927

Policy Number: 82077768

NOTICE: THIS IS A CLAIMS MADE POLICY, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD", OR AN APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY "LOSS" WILL BE REDUCED, AND MAY BE EXHAUSTED, BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION AMOUNT. IN NO EVENT WILL THE COMPANY BE LIABLE FOR "DEFENSE COSTS" OR ANY OTHER "LOSS" IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. READ THE ENTIRE POLICY CAREFULLY.

ITEM 1. **Parent Organization** (Name and Address):

GMAC LLC

200 RENAISSANCE CENTER
DETROIT, MI 48265

ITEM 2. Limits of Liability (inclusive of **Defense Costs**):

(A) Each **Loss** Limit of Liability: $ 15,000,000

(B) Aggregate Limit of Liability for the **Policy Period**: $ 15,000,000

ITEM 3. Coinsurance Percentage: 0%

ITEM 4. Retention Amount each **Loss**: $ 25,000,000

ITEM 5. **Policy Period**:

(A) Inception Date: December 31, 2007

(B) Expiration Date: December 31, 2008

at 12:01 a.m. both dates at the Address in ITEM 1.

ITEM 6. Extended Reporting Period:

(A) Additional Period: 1 year

(B) Additional Premium: 150.00% of Annualized Premium for the expiring **Policy Period**

ITEM 7. Pending or Prior Date: December 31, 2006

ITEM 8. Endorsement(s) Effective at Inception:

(A) Lender Liability Coverage Endorsement which includes the deletion of Exclusion o. Attached X YES NO

(B) Other Endorsements:

Endorsements 1 - 16

These Declarations, the completed signed Application and this Policy with Endorsements shall constitute the contract between the Insured and the Company.

In witness whereof, the Company issuing this Policy has caused this Policy to be signed by its authorized officers, but it shall not be valid unless also signed by a duly authorized representative of the Company.

FEDERAL INSURANCE COMPANY

W. Andrew Macan

Secretary

Thomas F. Motamed

President

January 14, 2008

Date

Robert Hamburger

Authorized Representative

BPL FOR FINANCIAL INSTITUTIONS[SM]

In consideration of payment of the premium and subject to the Declarations, limitations, conditions, provisions and other terms of this Policy, the Company and the **Insured** agree as follows:

1. INSURING CLAUSE

The Company shall pay, on behalf of an **Insured**, **Loss** on account of any **Claim** first made against such **Insured** during the **Policy Period** or, if exercised, during the Extended Reporting Period, for a **Wrongful Act** committed by an **Insured** or any person for whose acts the **Insured** is legally liable while performing **Professional Services**, including failure to perform **Professional Services**.

2. DEFINITIONS

Application means all signed applications, including attachments and other materials submitted therewith or incorporated therein, submitted by the **Insured** to the Company for this Policy or for any policy of which this Policy is a direct or indirect renewal or replacement.

Application shall also include all of the following documents whether or not submitted with or attached to any such signed application:

a. the Annual Report (including financial statements) last issued to shareholders before this Policy's inception date;

b. the report last filed with the Securities and Exchange Commission on Form 10-K before this Policy's inception date; and

c. the report last filed with the Securities and Exchange Commission on Form 10-Q before this Policy's inception date.

All such applications, attachments, materials and other documents are deemed attached to, incorporated into and made a part of this Policy.

Biological Agents means:

a. bacteria; mildew, mold, or other fungi; other microorganisms; or any mycotoxins, spores, or other by-products of any of the foregoing;

b. viruses or other pathogens (whether or not a microorganism); or

c. colony or group of any of the foregoing.

Claim means:

a. a written demand for monetary damages;

b. a civil proceeding commenced by the service of a complaint or similar pleading; or

c. an arbitration proceeding commenced by the submission of a statement of claim or similar document,

brought by or on behalf of a **Customer** against an **Insured** for a **Wrongful Act**, including any appeal therefrom; or

d. a criminal proceeding commenced by the service of an indictment, against an **Insured** for a **Wrongful Act**, including any appeal therefrom.

Except as may otherwise be provided in Section 6, Section 7 or Subsection 8b of this Policy, a **Claim** shall be deemed to have first been made when such **Claim** is commenced as set forth in this definition (or, in the case of a written demand for monetary damages, when such demand is first received by an **Insured**).

Customer means any person or entity that:

a. has or had a written agreement with the **Organization**;

b. submitted a written application to the **Organization**; or

c. is a named beneficiary of any account held by the **Organization's** Trust Department and who is entitled

to receive **Professional Services** permitted by law or regulation.

Defense Costs means that part of **Loss** consisting of reasonable costs, charges, fees (including but not limited to attorneys' fees and experts' fees) and expenses (other than regular or overtime wages, salaries, fees or benefits of the directors, officers or employees of the **Organization**) incurred in defending any **Claim** and the premium for appeal, attachment or similar bonds.

Domestic Partner means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the **Organization**.

Financial Impairment means the status of an **Organization** resulting from:

a. the appointment by any state or federal official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate such **Organization**; or

b. such **Organization** becoming a debtor in possession under the United States bankruptcy law or the equivalent of a debtor in possession under the law of any other country.

Insured means the **Organization** and any **Insured Person**.

Insured Person means any natural person who was, now is or shall become:

a. a full-time, part-time, temporary, leased or seasonal employee or volunteer of the **Organization** but only while acting in his or her capacity as such;

b. a duly elected director or a duly elected or appointed officer of any **Organization** but only while acting in his or her capacity as such; or

c. with respect to any **Organization** formed outside the United States of America, any equivalent executive position described in item b, under applicable law in any country other than the United States of America, but only while acting in his or her capacity as such.

Loan Servicing means the servicing of any loan, lease or extension of credit (whether consumer, commercial, mortgage banking or otherwise, but not including financing for investment banking, or leveraged or management buyouts). **Loan Servicing** includes the following servicing activities: record keeping, billing and disbursements of principal or interest, receipt or payment of insurance premiums and taxes, credit reporting or statements of creditworthiness, determination of the depreciation amount of property (but not projections of or an appraisal for residual or future value of property) or any similar administrative activity.

Loss means the amount that an **Insured** becomes legally obligated to pay on account of any covered **Claim**, including but not limited to damages (including punitive or exemplary damages if and to the extent that such punitive or exemplary damages are insurable under the law of the jurisdiction most favorable to the insurability of such damages provided such jurisdiction has a substantial relationship to the relevant **Insured**, to the Company, or to the **Claim** giving rise to the damages), judgments, settlements, pre-judgment and post-judgment interest and **Defense Costs**. **Loss** does not include:

a. any amount not indemnified by the **Organization** for which an **Insured Person** is absolved from payment by reason of any covenant, agreement or court order;

b. any costs incurred by an **Insured** to comply with any order for injunctive or other non-monetary relief, or to comply with an agreement to provide such relief;

c. any amount incurred by an **Insured** in the defense or investigation of any action, proceeding, investigation or demand that is not then a covered **Claim** even if:

   (1) such amount also benefits the defense of a covered **Claim**; or

   (2) such action, proceeding, investigation or demand subsequently gives rise to a covered **Claim**;

d. taxes, fines or penalties, or the multiple portion of any multiplied damage award, except as provided above with respect to punitive or exemplary damages;

e. any amount not insurable under the law pursuant to which this Policy is construed;

f. any amount allocated to noncovered loss pursuant to Section 10;

g. regular or overtime wages, salaries or fees of **Insured Persons**;

h. diminution in value or damages resulting from the diminution in value of money, securities, property or any other item of value unless caused by a **Wrongful Act** of an **Insured** in the execution or implementation of investment advice or investment decisions;

i. loss of the actual money, securities, property or other items of value in the custody or control of an **Insured**;

j. amounts otherwise reimbursable to an **Insured** by any trust, estate, plan or fund or any similar entity or the sponsor of any such trust, estate plan or fund or any similar entity; or

k. principal, interest or other monies whether paid, accrued or due as the result of any loan, lease or extension of credit;

l. any amount which constitutes disgorgement, including restitution.

Organization means the **Parent Organization** and any **Subsidiary** including any such organization in its capacity as a debtor in possession under the United States bankruptcy law or in an equivalent status under the law of any other country.

Parent Organization means the entity that is named in ITEM 1 of the Declarations as legally constituted at the inception date of this Policy.

Policy Period means the period of time specified in ITEM 5 of the Declarations, subject to prior termination in accordance with Section 22. If this period is less than or greater than one year, then the limits of liability specified in the Declarations shall be the Company's maximum limit of liability for the entire **Policy Period**.

Pollutants means:

a. any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by the United States Environmental Protection Agency or any state, county, municipality or locality counterpart thereof, including, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials; or

b. any other air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products or any noise.

Professional Services means those services, including **Loan Servicing**, performed or required to be performed by an **Insured** for or on behalf of a **Customer**:

a. for a fee, commission or other monetary consideration;

b. where a fee, commission or other monetary consideration would usually be received by the **Insured** but for business or other reasons is waived by the **Insured**; or

c. for other remuneration which inures to the benefit of such **Insured**.

Related Claims means all **Claims** based upon, arising from, or in consequence of the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events.

Subsidiary means any organization, at or prior to the inception date of this Policy, in which more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to vote for election of directors of such organization are owned, directly or indirectly, in any combination, by one or more **Organizations**.

Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed, attempted, or allegedly committed or attempted, before or during the **Policy Period** by any **Insured** or any person for whose acts the **Insured** is legally liable.

3. EXCLUSIONS

The Company shall not be liable for **Loss** on account of any **Claim**:

a. based upon, arising from, or in consequence of any fact, circumstance, situation, transaction, event or **Wrongful Act** that, before the Inception Date set forth in ITEM 5 of the Declarations, was the subject of any notice given under any policy of which this Policy is a direct or indirect renewal or replacement;

b. based upon, arising from, or in consequence of any demand, suit or other proceeding pending against, or order, decree or judgment entered for or against any **Insured**, on or prior to the Pending or Prior Date set forth in ITEM 7 of the Declarations, or the same or substantially the same fact, circumstance, situation, transaction, event or **Wrongful Act** underlying or alleged therein;

c. brought or maintained by or on behalf of any **Insured** in any capacity; or by or on behalf of, or at the behest of any business enterprise which is operated, managed or owned directly or indirectly, in whole or in part by an **Insured**; provided that this Exclusion 3c shall not apply:

   (1) where the claimant is an **Insured Person** and was provided with or entitled to be provided with **Professional Services** and is bringing such **Claim** solely in the capacity as a **Customer**, where the **Claim** is brought without the solicitation, assistance or participation of any other **Insured**; or

(2) to a **Claim** brought or maintained by an **Insured Person** for contribution or indemnity, if such **Claim** directly results from another **Claim** covered under this Policy;

d. based upon, arising from, or in consequence of:

(1) any actual, alleged, or threatened exposure to, or generation, storage, transportation, discharge, emission, release, dispersal, escape, treatment, removal or disposal of any **Pollutants**; or

(2) any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Pollutants**, or any action taken in contemplation or anticipation of any such regulation, order, direction or request;

e. based upon, arising from, or in consequence of:

(1) the actual, alleged, or threatened discharge, release, escape, dispersal or disposal of **Biological Agents** into or on real or personal property, buildings, water, land or atmosphere; or

(2) any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Biological Agents**, or any action taken in contemplation or anticipation of any such regulation, order, direction or request;

f. for bodily injury, mental anguish, emotional distress, sickness, disease or death of any person;

g. based upon, arising from or in consequence of damage to or destruction of any tangible property including loss of use thereof whether or not it is damaged or destroyed;

h. based upon, arising from or in consequence of any actual or alleged violation of the responsibilities, obligations or duties imposed on fiduciaries by the Employee Retirement Income Security Act of 1974, or any amendments thereto, or any rules or regulations promulgated thereunder, or any amendments to or rules or regulations promulgated pursuant to these laws, or similar provisions of any federal, state, or local statutory law or common law as respects any pension, profit sharing, health and welfare or other employee benefit plan or trust established or maintained for the purpose of providing benefits to employees of the **Organization**;

i. for any **Wrongful Act** of an **Insured Person** in his or her capacity as a director, officer, manager, trustee, regent, governor, partner, or employee of any entity other than the **Organization**, even if the **Insured Person's** service in such capacity is with the knowledge or consent or at the request of the **Organization**;

j. based upon, arising from, or in consequence of:

(1) the committing in fact of any deliberately fraudulent or deliberately criminal act or omission or any willful violation of any statute or regulation by any **Insured** or any person for whose acts any **Insured** is legally liable; or

(2) any **Insured** having gained in fact any profit, remuneration or advantage to which such **Insured** was not legally entitled,

as evidenced by:

(a) any written statement or written document by any **Insured**; or

(b) any judgment, award, order, decree or ruling or equivalent determination in any judicial, administrative or alternative dispute resolution proceeding;

k. for discrimination, libel, slander, wrongful termination of employment, disparagement, sexual harassment, violation of rights of privacy, wrongful entry, eviction, false arrest, false imprisonment, malicious prosecution, assault or battery;

l. based upon, arising from, or in consequence of:

(1) the insolvency of any bank, banking firm, broker, or dealer in securities, or any other person or entity, or the inability of any such entity or person to make any payment or settle or effect any transaction of any kind; provided that this Exclusion 3l(1) shall not apply to **Wrongful Acts** solely in connection with an **Insured's** investment on behalf of the claimant in the stock of any of the foregoing entities; or

(2) **Financial Impairment**;

m. based upon, arising from, or in consequence of any investment banking or related activities, actual or alleged, or the failure to engage in or complete any such activities including, without limitation, the following:

(1) the underwriting, placement, securitizing, syndicating, promoting, conversion, sale, purchase or market making (as defined in section 3(A)(38) of the Securities Exchange Act of 1934 as amended) of any security or instrument or other evidence of indebtedness, whether or not registered under the Securities Act of 1933, as amended;

(2) the rendering of advice or recommendations regarding any actual, potential, attempted or threatened merger, consolidation, or business combination, acquisition, sale, purchase, divestiture or distribution, tender or exchange offer, proxy contest or solicitation, leveraged or management buy-out, going private transaction, partnership, minority investment, joint or collaborative venture, dissolution, liquidation, rehabilitation, conservatorship, or insolvency proceeding, reorganization, restructuring, recapitalization, spin-off, primary or secondary private or public offering of debt or equity securities or other instruments or evidences of indebtedness, or sale of assets or operations of any enterprise or entity, or any effort to raise or furnish capital or financing for any enterprise or entity under any of the foregoing;

(3) the rendering of analysis, advice or fairness opinions or valuations regarding any enterprise or entity or any of the assets or liabilities of, or interests in, any entity not held by the **Insured** as trustee;

(4) any acquisition, sale, conversion or transfer of securities, assets or liabilities by the **Insured** for such **Insured's** own account or as an original purchaser in a transaction under Regulation 144A under the Securities Act of 1933, as amended;

(5) the forming, syndicating, operating, administering, advising or rolling up a limited partnership or real estate investment trust;

(6) any use by any **Insured** of, or aiding and abetting or any other participation by any **Insured** in the use of, non-public information in a manner prohibited by the laws of the United States of America including but not limited to the Insider Trading and Securities Fraud Enforcement Act of 1988 (as amended), section 10(b) of the Securities Exchange Act of 1934 (as amended) and Rule 10(b)(5) promulgated thereunder, or prohibited by the laws of any state, territory or subdivision thereof, or prohibited by the laws of any other jurisdiction, or any rules or regulations promulgated under any of the foregoing; and

(7) any disclosure or statement or omission in any disclosure, filing or **Loan Servicing** in connection with any investment banking activities, including any of the activities listed in this Exclusion 3m(1) through (6);

n. based upon, arising from, or in consequence of any fees or charges;

o. based upon, arising from, or in consequence of:

(1) the purchase, sale, participation, syndication, grant, or commitment to; or

(2) any act of restructure, termination, transfer, repossession or foreclosure on;

any loan, lease or extension of credit or any failure to do the activities described in this Exclusion 3o. However, this Exclusion 3o shall not apply to **Loan Servicing**;

p. based upon, arising from, or in consequence of any act arising out of the operation or control of any entity or property that the **Insured** acquired as security or collateral for; or the rendering of advice in connection with any loan, lease or extension of credit;

q. based upon, arising from, or in consequence of any function or activity as a receiver, trustee in bankruptcy, conservator or assignee for the benefit of creditors;

r. based upon, arising from, or in consequence of the rendering of or failing to render any information, system or network technology service or advice, including the development, design or implementation of software or other systems;

s. based upon, arising from, or in consequence of mechanical or electronic failure, faulty construction, error in design, latent defect, wear or tear, gradual deterioration, electrical disturbance, media failure or breakdown or malfunction or error in programming involving any electronic or computer system;

t. based upon, arising from or in consequence of any unauthorized instructions that are designed to modify, alter, impair, damage, destroy, delete, record, input or transmit information within any electronic or computer system;

u. based upon, arising from, or in consequence of the notarization of any signature without the physical appearance at the time of notarization of the person who is or claims to be the person signing the instrument;

v. based upon, arising from or in consequence of serving as a trustee under bond indenture;

w. based upon, arising from, or in consequence of the liability of others assumed by any **Insured** under any written or oral contract or agreement; provided that this Exclusion 3w shall not apply to the extent that an **Insured** would have been liable in the absence of such contract or agreement;

x. based upon, arising from or in consequence of the rendering of or failure to render any of the following professional services: medical or health care services, real estate appraisal services, accounting services, data processing services, architectural or construction management services, the practice of law or the rendering of legal services, securities broker or dealer services or insurance agent or brokerage services;

y. based upon, arising from, or in consequence of any oral or written representation, promise or guarantee regarding any rate of return or the fulfillment of any minimum performance standards; or

z. by, on behalf of, or at the behest of any natural person or concern (including but not limited to any shareholder, bondholder, or debenture holder), their estate, heirs, legal representatives or assigns, that has a legal or equitable interest in any stock, bond, debenture, or other form of security or ownership interest of the **Organization**, when such **Claim** is based upon, arises out of, or pertains to any interest in such security or ownership interest; provided that this Exclusion 3z shall not apply:

(1) to any **Claim** for a **Wrongful Act** in which an **Insured Person** was provided with or was entitled to be provided with **Professional Services** and such **Claim** is brought solely in his or her capacity as a **Customer**, and

(2) such **Claim** is brought without the solicitation, assistance or participation of any other **Insured**.

4. SEVERABILITY OF EXCLUSIONS

No fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** for the purpose of applying Exclusion 3j.

5. SPOUSES, DOMESTIC PARTNER, ESTATES AND LEGAL REPRESENTATIVES

Coverage shall extend to **Claims** for the **Wrongful Acts** of an **Insured Person** made against:

a. the estate, heirs, legal representatives or assigns of such **Insured Person** if such **Insured Person** is deceased or the legal representatives or assigns of such **Insured Person** if such **Insured Person** is incompetent, insolvent or bankrupt; or

b. the lawful spouse or **Domestic Partner** of such **Insured Person** solely by reason of such spouse's or **Domestic Partner's** status as a spouse or **Domestic Partner**, or such spouse's or **Domestic Partner's** ownership interest in property which the claimant seeks as recovery for an alleged **Wrongful Act** of such **Insured Person**.

All terms and conditions of this Policy, including without limitation the Retention Amount applicable to **Loss** incurred by the **Insured Person**, shall also apply to **Loss** incurred by the estate, heirs, legal representatives, assigns, and spouse or **Domestic Partner** of such **Insured Person**. The coverage provided by this Section 5 shall not apply with respect to any loss arising from an act or omission by an **Insured Person's** estate, heirs, legal representatives, assigns, spouse or **Domestic Partner**.

6. EXTENDED REPORTING PERIOD

If the Company or the **Parent Organization** terminates or does not renew this Policy, other than termination by the Company for nonpayment of premium, then the **Parent Organization** shall have the right, upon payment of the Additional Premium set forth in ITEM 6(B) of the Declarations, to an extension of the coverage granted by this Policy for **Claims** that are:

a. first made during the period set forth in ITEM 6(A) of the Declarations (the "Extended Reporting Period") following the effective date of termination or nonrenewal; and

b. reported to the Company in writing within the time provided in Section 8, Reporting and Notice,

but only to the extent such **Claims** are for **Wrongful Acts** committed, attempted or allegedly committed or attempted before the earlier of the effective date of termination or nonrenewal or the date of the first merger, consolidation, acquisition, cessation or **Financial Impairment** event described in Section 13, Acquisition by Another Organization.

The offer of renewal terms and conditions or premiums different from those in effect prior to renewal shall not constitute refusal to renew. The right to purchase an extension of coverage as described in this Section 6 shall lapse unless written notice of election to purchase the extension, together with payment of the additional premium due, is received by the Company within thirty (30) days after the effective date of termination or nonrenewal. Any **Claim** made during the Extended Reporting Period shall be deemed to have been made during the immediately preceding **Policy Period**. The entire additional premium for the Extended Reporting Period shall be deemed fully earned at the inception of such Extended Reporting Period.

7. LIMITS OF LIABILITY, RETENTION AMOUNT AND COINSURANCE

a. All **Loss** arising out of the same **Wrongful Act** and all **Related Claims** of the **Insured** shall be deemed one **Loss**, and such **Loss** shall be deemed to have originated in the earliest **Policy Period** in which a **Claim** is first made against the **Insured** alleging such **Wrongful Act** or **Related Claims**.

b. The Company's maximum liability for each **Loss**, shall be the Limit of Liability for each **Loss** set forth in ITEM 2(A) of the Declarations. The Company's maximum aggregate liability for all **Loss** on account of all **Claims** first made during the same **Policy Period**, shall be the Aggregate Limit of Liability for the **Policy Period** set forth in ITEM 2(B) of the Declarations.

c. **Defense Costs** are part of, and not in addition to, the Limits of Liability set forth in ITEM 2 of the Declarations, and the payment by the Company of **Defense Costs** shall reduce and may exhaust such Limits of Liability. **Defense Costs** shall be applied against the Retention Amount set forth in ITEM 4 of the Declarations.

d. The Company's liability under this Policy shall apply only to that part of each **Loss**, which is excess of the Retention Amount set forth in ITEM 4 of the Declarations and such Retention Amount shall be borne by the **Insured** uninsured and at the **Insured's** own risk. In the event that any **Insured** is unwilling or unable to bear the Retention Amount it shall be the obligation of the **Parent Organization** to bear such Retention Amount uninsured and at its own risk.

e. With respect to all **Loss** (excess of the Retention Amount) originating in any one **Policy Period**, the **Insured** shall bear uninsured that percentage of all such **Loss** specified as the Coinsurance Percentage in ITEM 3 of the Declarations, and the Company's liability hereunder shall apply only to the remaining percentage of all such **Loss**.

f. The Limit of Liability available during the Extended Reporting Period, if exercised, shall be the remaining portion, if any, of the Aggregate Limit of Liability provided in the immediately preceding **Policy Period**.

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8. REPORTING AND NOTICE

a. The **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give to the Company written notice of any **Claim** as soon as practicable, but in no event later than the earliest of the following dates:

(1) sixty (60) days after the date on which any **Insured** first becomes aware that the **Claim** has been made;

(2) sixty (60) days after the effective date of expiration or termination, if this Policy expires (or is otherwise terminated) without being renewed and if no Extended Reporting Period is purchased; or

(3) the expiration date of the Extended Reporting Period, if purchased;

provided that if the Company sends written notice to the **Insured**, at any time before the date set forth in Subsection 8a(1) with respect to any **Claim**, stating that this Policy is being terminated for nonpayment of premium, the **Insured** shall give to the Company written notice of such **Claim** prior to the effective date of such termination.

b. If during the **Policy Period** an **Insured**:

(1) becomes aware of circumstances which could give rise to a **Claim** and gives written notice of such circumstances to the Company; or

(2) receives a written request to toll or waive a statute of limitations applicable to a **Wrongful Act** before or during the **Policy Period** and gives written notice of such request and of such alleged **Wrongful Act** to the Company,

then any **Claim** subsequently arising from the circumstances referred to in Subsection 8b(1), or from such **Wrongful Act** referred to in Subsection 8b(2), shall be deemed to have been first made during the **Policy Period** in which the written notice described in Subsection 8b(1) or (2) was first given by an **Insured** to the Company, provided any such subsequent **Claim** is reported to the Company in the manner set forth in Subsection 8a(1). With respect to any such subsequent **Claim**, no coverage under this Policy shall apply to any loss incurred prior to the date such subsequent **Claim** is actually made.

c. The **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give to the Company such information, assistance, and cooperation as the Company may reasonably require, and shall include in any notice under Subsections 8a or 8b, a description of the **Claim** or circumstances, the nature of any alleged **Wrongful Act**, the nature of the alleged or potential damage, the names of all actual or potential claimants, the names of all actual or potential parties, and the manner in which such **Insured** first became aware of the **Claim** or circumstances.

9. DEFENSE AND SETTLEMENT

a. It shall be the duty of the **Insured** and not the duty of the Company to defend **Claims** made against the **Insured**. The **Insured** shall have the sole obligation under this Policy to retain defense counsel, which shall be subject to the approval of the Company, which shall not be unreasonably withheld.

b. The Company may make any investigation it deems necessary and may, with the consent of the **Parent Organization**, make any settlement of any **Claim** it deems expedient. If the **Parent Organization** withholds consent to any settlement acceptable to the claimant in accordance with the Company's recommendation (a "Proposed Settlement"), the Company's liability for all **Loss**, including **Defense Costs**, from such **Claim** shall not exceed:

(1) the amount of the Proposed Settlement plus **Defense Costs** incurred up to the date of the **Insured's** refusal to consent to the Proposed Settlement of such **Claim**; plus

(2) seventy percent (70%) of any **Loss**, including **Defense Costs**, in excess of the amount referenced in Subsection 9b(1), incurred in connection with such **Claim**; subject in all events to the applicable Retention Amount and the available Limits of Liability for such **Claim**. The remaining thirty percent (30%) of any **Loss**, including **Defense Costs**, in excess of the amount referenced in Subsection 9b(1) shall be borne by the **Insured** uninsured and at the **Insured's** own risk, in addition to amounts not covered pursuant to the provisions of Section 10, Allocation.

c. The **Insured** agrees not to settle or offer to settle any **Claim**, incur any **Defense Costs** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the Company's prior written consent, which shall not be unreasonably withheld. The Company shall not be liable for any settlement, any **Defense Costs**, any element of **Loss** incurred, any obligation assumed, or any admission made, by any **Insured** without the Company's prior written consent.

d. The **Insured** agrees to provide the Company with all information, assistance and cooperation which the Company reasonably requests. The **Insured** further agrees that, in the event of a **Claim,** the **Insured** shall do nothing that may prejudice the Company's position or its potential or actual rights of recovery.

10. ALLOCATION

If both **Loss** covered by this Policy and loss not covered by this Policy are incurred, either because a **Claim** against an **Insured** includes both covered and noncovered matters or because a **Claim** is made against both an **Insured** and others, then the **Insured** and the Company shall allocate such amount between covered **Loss** and noncovered loss based upon the relative legal and financial exposures of the parties to covered and noncovered matters and, in the event of a settlement in such **Claim**, also based upon the relative benefits to the parties from such settlement. The Company shall not be liable under this Policy for the portion of such amount allocated to noncovered loss.

If the **Insured** and the Company agree on an allocation of **Defense Costs**, then the Company shall advance on a current basis **Defense Costs** allocated to covered **Loss**. If the **Insured** and the Company cannot agree on an allocation:

a. no presumption as to allocation shall exist in any arbitration, suit or other proceeding;

b. the Company shall advance on a current basis **Defense Costs** which the Company believes to be covered under this Policy until a different allocation is negotiated, arbitrated or judicially determined; and

c. the Company, if requested by the **Insured**, shall submit the dispute to binding arbitration. The rules of the American Arbitration Association shall apply except with respect to the selection of the arbitration panel, which shall consist of one arbitrator selected by the **Insured**, one arbitrator selected by the Company, and a third independent arbitrator selected by the first two arbitrators.

Any negotiated, arbitrated or judicially determined allocation of **Defense Costs** on account of a **Claim** shall be applied retroactively to all **Defense Costs** on account of such **Claim**, notwithstanding any prior advancement to the contrary. Any allocation or advancement of **Defense Costs** on account of a **Claim** shall not apply to or create any presumption with respect to the allocation of other **Loss** on account of such **Claim**.

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11. OTHER INSURANCE

If any **Loss** under this Policy is insured under any other valid insurance, prior or current and regardless of whether collectible, then this Policy shall cover such **Loss**, subject to its limitations, conditions, provisions and other terms, only to the extent that the amount of such **Loss** is in excess of the applicable deductible (or retention) and limit of liability under such other insurance, whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limits of Liability provided in this Policy.

Any payment by any **Insured** of a retention or deductible under such other insurance shall reduce, by the amount of such payment which would otherwise have been covered under this Policy, the applicable Retention Amount under this Policy.

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12. CHANGES IN EXPOSURE ACQUISITION/CREATION OF ANOTHER ORGANIZATION

If, before or during the **Policy Period**, any **Organization**:

a. acquires securities or voting rights in another organization, or creates another organization, which as a result of such acquisition or creation becomes a **Subsidiary**; or

b. acquires another organization by merger into or consolidation with an **Organization** such that the **Organization** is the surviving entity,

then such other organization and its **Insured Persons** shall be **Insureds** under this Policy, if such other organization's primary business is to offer both deposit and loan services, but only with respect to **Wrongful Acts** after such acquisition or creation, unless the Company agrees, after presentation of a complete application and all other appropriate information, to provide coverage by endorsement for **Wrongful Acts** before such acquisition or creation.

If the total assets of any such new **Subsidiary** or newly acquired organization exceed ten percent (10%) of the total assets of the **Organization** (as reflected in the most recent audited consolidated financial statements of such organization and the **Organization**, respectively, as of the date of such acquisition or creation), the value of the fiduciary assets under management by the acquired organization exceeds ten percent (10%) of the combined total fiduciary assets under management of the **Organization** (as reflected in their most recent audited consolidated financial statements) or such new **Subsidiary's** or newly acquired organization's primary business is not to offer both deposit and loan services, then the **Parent Organization** shall give written notice of such acquisition or creation to the Company as soon as practicable, but in no event later than sixty (60) days after the date of such acquisition or creation, together with such other information as the Company may require, and shall pay any reasonable additional premium required by the Company. If the **Insured** fails to give such notice within the time specified in the preceding sentence, or fails to pay the additional premium required by the Company, then coverage for such acquired or created organization and its **Insured Persons** shall terminate with respect to **Claims** first made more than sixty (60) days after such acquisition or creation. Coverage for any acquired or created organization described in this paragraph, and for the **Insured Persons** of such organization, shall be subject to such additional or different terms, conditions and limitations of coverage as the Company in its sole discretion may require.

13. ACQUISITION BY ANOTHER ORGANIZATION

If:

a. the **Parent Organization** merges into or consolidates with another organization and the **Parent Organization** is not the surviving entity;

b. another organization, person or group of organizations and/or persons acting in concert acquires securities or voting rights which result in ownership or voting control by such other organization or persons of more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to vote for the election of directors of the **Parent Organization**;

c. the **Organization** completely ceases to actively engage in its primary business ("cessation"); or

d. **Financial Impairment** occurs,

then coverage under this Policy shall continue until termination of this Policy, but only with respect to **Claims** for **Wrongful Acts** before such merger, consolidation, acquisition, cessation or **Financial Impairment**. Upon the occurrence of any event described in Section 13a through 13d, the entire premium for this Policy shall be deemed fully earned.

The **Parent Organization** shall give written notice of such merger, consolidation, acquisition, cessation or **Financial Impairment** to the Company as soon as practicable, but in no event later than sixty (60) days after the date of such merger, consolidation, acquisition, cessation or **Financial Impairment**, together with such other information as the Company may require. Upon receipt of such notice and information and at the request of the **Parent Organization**, the Company may provide to the **Parent Organization** a quotation for an extension of coverage (for such period as may be negotiated between the Company and the **Parent Organization**) with respect to **Claims** for **Wrongful Acts** before such merger, consolidation, acquisition, cessation or **Financial Impairment**. Any coverage extension pursuant to such quotation shall be subject to such additional or different terms, conditions and limitations of coverage, and payment of additional premium, as the Company in its sole discretion may require.

14. CESSATION OF SUBSIDIARY

In the event an organization ceases to be a **Subsidiary** before or during the **Policy Period**, then coverage with respect to such **Subsidiary** and its **Insured Persons** shall continue until termination of this Policy, but only with respect to **Claims** for **Wrongful Acts** while such organization was a **Subsidiary**.

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15. REPRESENTATIONS AND SEVERABILITY

In issuing this Policy, the Company has relied upon the statements, representations and information in the **Application**. All of the **Insureds** acknowledge and agree that all such statements, representations and information:

a. are true and accurate;

b. were made or provided in order to induce the Company to issue this Policy; and

c. are material to the Company's acceptance of the risk to which this Policy applies.

In the event that any of the statements, representations or information in the **Application** are not true and accurate, this Policy shall be void with respect to any **Insured** who knew as of the date the **Application** was signed the facts that were not truthfully and accurately disclosed (whether or not the **Insured** knew of such untruthful or inaccurate disclosure in the **Application**) or to whom knowledge of such facts is imputed.

For purposes of the preceding sentence:

(1) the knowledge of any **Insured Person** who is a past, present or future chief financial officer, in-house general counsel, chief executive officer, president or chairperson of an **Organization** shall be imputed to such **Organization**;

(2) the knowledge of the persons who signed the **Application** shall be imputed to all of the **Insureds**; and

(3) except as provided in Subsection 15(1), the knowledge of an **Insured Person** who did not sign the **Application** shall not be imputed to any other **Insured**.

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16. TERRITORY

Coverage shall extend anywhere in the world.

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17. NOTICE

Notice to the Company of a **Claim**, or circumstance which could give rise to a **Claim**, shall be given in writing addressed to:

Attn: Home Office Claims Department
Chubb Group of Insurance Companies
15 Mountain View Road
Warren, New Jersey 07059

All other notices to the Company shall be given in writing addressed to:

Attn: Department of Financial Institutions
Chubb Group of Insurance Companies
15 Mountain View Road
Warren, New Jersey 07059

Any such notice shall be effective the date of receipt by the Company at such address.

18. VALUATION AND FOREIGN CURRENCY

All premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States of America. If a judgment is rendered, a settlement is denominated or any element of **Loss** under this Policy is stated in a currency other than United States dollars, then payment under this Policy shall be made in United States dollars at the rate of exchange published in The Wall Street Journal on the date the judgment becomes final, the amount of the settlement is agreed upon or the element of **Loss** is due, respectively.

19. SUBROGATION

In the event of any payment under this Policy, the Company shall be subrogated to the extent of such payment to all the **Insured's** rights of recovery, and such **Insured** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company effectively to bring suit or otherwise pursue subrogation rights in the name of the **Insured**.

20. ACTION AGAINST THE COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy. No person or entity shall have any right under this Policy to join the Company as a party to any action against any **Insured** to determine such **Insured's** liability, nor shall the Company be impleaded by such **Insured** or legal representatives of such **Insured**.

21. ALTERATION AND ASSIGNMENT

No change in, modification of, or assignment of interest under this Policy shall be effective except when made by written endorsement to this Policy which is signed by a duly authorized representative of the Company.

22. TERMINATION OF POLICY

This Policy shall terminate at the earliest of the following times:

a. sixty (60) days after receipt by the **Parent Organization** of written notice of nonrenewal from the Company;

b. ten (10) days after receipt by the **Parent Organization** of written notice of termination from the Company for nonpayment of premium;

c. upon receipt by the Company of written notice of termination from the **Parent Organization**; provided that this Policy may not be terminated by the **Insured** after the effective date of any acquisition of the **Parent Organization** as described in Section 13, Acquisition by Another Organization;

d. upon expiration of the **Policy Period** set forth in ITEM 5 of the Declarations; or

e. at such other time as may be agreed upon by the Company and the **Parent Organization**.

The Company shall refund the unearned premium computed at customary short rates if this Policy is terminated by the **Parent Organization**. Under any other circumstances the refund shall be computed pro rata. Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of a notice of termination, but such payment shall be made as soon as practicable thereafter.

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23. BANKRUPTCY

Bankruptcy or insolvency of any **Insured** or the estate of any **Insured** shall not relieve the Company of its obligations nor deprive the Company of its rights or defenses under this Policy.

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24. AUTHORIZATION CLAUSE

By acceptance of this Policy, the **Parent Organization** agrees to act on behalf of all **Insureds** with respect to the giving and receiving of notice of **Claim** or termination, the payment of premiums and the receiving of any return premiums that may become due under this Policy, the negotiation, agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this Policy, and each **Insured** agrees the **Parent Organization** shall act on behalf of such **Insured**.

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25. COMPLIANCE WITH APPLICABLE TRADE SANCTION LAWS

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit the Company from providing insurance.

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26. HEADINGS

The descriptions in the headings and subheadings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.

Effective date of
this Endorsement: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement No: 1

To be attached to and form part of
Policy Number: 82077768

Issued to: GMAC LLC

DELETION OF EXCLUSION ENDORSEMENT

It is agreed that Section 3., Exclusions, is amended by deleting Exclusion n. in its entirety.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Date: January 14, 2008

By Robert Hamburger
Authorized Representative

Effective date of
this Endorsement: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement No: 2

To be attached to and form part of
Policy Number: 82077768

Issued to: GMAC LLC

LIMITED LIABILITY CORPORATION ENDORSEMENT

It is agreed that:

1. The definition of **Insured Person** in Section 2., Definitions, is amended to include, with respect to any **Organization** that is a limited liability corporation, any natural person who has been, now is, or shall become a duly elected director, duly elected or appointed officer, member manager, member of the management committee or board of managers, or equivalent executive of the **Organization**.

2. The definition of **Subsidiary** in Section 2., Definitions, is amended by adding the following:

   Subsidiary also means any organization in which one or more of the Organizations, in any combination directly or indirectly owns or controls fifty percent (50%) or more of the outstanding securities or voting rights representing, in the case of a limited liability corporation, the present right to vote for election of or appoint directors, member managers, members of the management committee or board of managers, or equivalent executives.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Date: January 14, 2008

By Robert Hamburger
Authorized Representative

Effective date of
this Endorsement: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement No: 3

To be attached to and form part of
Policy Number: 82077768

Issued to: GMAC LLC

MODIFIED EXCLUSION 3j. - FINAL ADJUDICATION ENDORSEMENT

It is agreed that Section 3, Exclusions, is amended by deleting Exclusion j. in its entirety and replacing it with the following:

j. based upon, arising from, or in consequence of:

(1) the committing in fact of any deliberately fraudulent or deliberately criminal act or omission or any willful violation of any statute or regulation by any **Insured**; or any person for whom any **Insured** is legally liable; or

(2) any **Insured** having gained in fact any profit, remuneration or advantage to which such **Insured** was not legally entitled,

as evidenced by any judgment or ruling in any judicial, administrative or alternative dispute resolution proceeding;

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Date: January 14, 2008

By Robert Hamburger
Authorized Representative

Effective date of
this Endorsement: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement No: 4

To be attached to and form part of
Policy Number: 82077768

Issued to: GMAC LLC

PREMIUM ENDORSEMENT

It is agreed that:

1. The premium for this Policy for the period December 31, 2007 to December 31, 2008 is:

   Premium: One Million Eighty Six Thousand Seven Hundred Fifty ($1,086,750)

2. This premium is subject to change during the period in 1. above if amendments are added to this Policy at the request of the **Parent Organization**.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Date: January 14, 2008

By Robert Hamburger
Authorized Representative

Effective date of
this Endorsement: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement No: 5

To be attached to and form part of
Policy Number: 82077768

Issued to: GMAC LLC

AMEND EXCLUSION f. - MENTAL ANGUISH, EMOTIONAL DISTRESS ENDORSEMENT

It is agreed that Section 3., Exclusions f., is deleted in its entirety, and replaced as follows:

f. based upon, arising from, or in consequence of bodily injury, sickness, disease or death of any person;

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Date: January 14, 2008

By Robert Hamburger
Authorized Representative

Effective date of
this Endorsement: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement No: 6

To be attached to and form part of
Policy Number: 82077768

Issued to: GMAC LLC

AMEND EXCLUSION v. - TRUSTEE INDENTURE ENDORSEMENT

It is agreed that Section 3., Exclusions v., is deleted in its entirety and replaced as follows:

v. based upon, arising from, or in consequence of any conflicts of interest as addressed in Section 310 (b) of the Trust Indenture Act of 1939;

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Date: January 14, 2008

By Robert Hamburger
Authorized Representative

Effective date of
this Endorsement: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement No: 7

To be attached to and form part of
Policy Number: 82077768

Issued to: GMAC LLC

NOTICE TO MICHIGAN INSUREDS

THIS POLICY IS EXEMPT FROM THE FILING REQUIREMENTS OF SECTION 2236 OF THE INSURANCE CODE OF 1956, 1956 PA 218, MCL 500.2236.

Effective date of
this Endorsement: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement No: 8

To be attached to and form part of
Policy Number: 82077768

Issued to: GMAC LLC

MICHIGAN AMENDATORY ENDORSEMENT

It is agreed that:

1. The following is added to the NOTICE provision on the Declarations Page:

   "PLEASE READ AND REVIEW THIS INSURANCE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT."

2. Section 8. Reporting and Notice is amended to add the following paragraphs (d) and (e) at the end of such Section:

   "(d) Notice of a **Claim** given by or on behalf of the **Parent Organization** to any licensed agent of the Company in the state of Michigan, with particulars sufficient to identify the person or entity entitled to coverage under this Policy, shall be deemed to be notice to the Company, provided that such notice is given in accordance with the terms and conditions of this Section 8. and all other applicable provisions of this Policy for notice to the Company.

   (e) Failure by an **Insured** to give notice within a prescribed time will not invalidate any coverage that would have been available under this Policy if it is shown that it was not reasonably possible to give such notice within the prescribed time, and that notice was given as soon as reasonably possible."

3. The first paragraph of Section 11. Other Insurance is amended to read as follows:

   "If any **Loss** under this Policy is insured under any other valid insurance policy(ies) subject to the same terms, conditions and provisions as the insurance provided by this Policy, then this Policy shall cover its share of such **Loss**, subject to its limitations, conditions, provisions and other terms, in an amount equal to the proportion that the then-available limit of liability under this Policy bears to the aggregate of all limits of liability of all insurance covering such **Loss**, whether such other policy(ies) is stated to be primary, contributory, excess, contingent or otherwise, unless such other policy(ies) is written only as specific excess insurance over the Limits of Liability provided in this Policy. If any **Loss** under this Policy is insured under any other valid insurance policy(ies) other than as described above, then this Policy shall cover such **Loss**, subject to its limitations, conditions, provisions and other terms, only to the extent that the amount of such **Loss** is in excess of the applicable deductible (or retention) and limit of liability under such other insurance, whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limits of Liability provided in this Policy."

4. Section 17. Notice is amended to add the following at the end of such Section:

   "Notice of a **Claim** given by or on behalf of the **Parent Organization** to any licensed agent of the Company in the state of Michigan, with particulars sufficient to identify the person or entity entitled to coverage under this Policy, shall be deemed to be notice to the Company, provided that such notice is given in accordance with the terms and conditions of this Policy for such notice to the Company."

5. The last paragraph of Section 22. Termination of Policy is amended to read as follows:

   "If this Policy is terminated by the **Parent Organization** or the Company, the minimum earned premium shall be the greater of the pro-rata amount of the annualized premium or twenty-five dollars ($25). Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of a notice of termination, but such payment shall be made as soon as practicable thereafter."

6. Any terms of the Policy which are in conflict with the statutes of the state wherein the Policy is issued are hereby amended to conform to such statutes.

The Policy will be deemed to have been amended as necessary to effect the purpose of this Amendatory Endorsement.

The regulatory requirements set forth in this Amendatory Endorsement shall supersede and take precedence over any provisions of the Policy or any endorsement to the Policy, whenever added, that are inconsistent with or contrary to the provisions of this Amendatory Endorsement, unless such Policy or endorsement provisions comply with the applicable insurance laws of the state of Michigan.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Date: January 14, 2008

By Robert Hamburger
Authorized Representative

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 9

To be attached to and
form part of Policy No. 82077768

Issued to: GMAC LLC

AMENDED SECTION 12 ENDORSEMENT

In consideration of the premium charged, it is agreed that Section 12., CHANGES IN EXPOSURE ACQUISITION/ CREATION OF ANOTHER ORGANIZATION, is deleted and replaced with the following:

12. CHANGES IN EXPOSURE ACQUISITION/CREATION OF ANOTHER ORGANIZATION

If, before or during the **Policy Period**, any **Organization**:

a. acquires securities or voting rights in another organization, or creates another organization, which as a result of such acquisition or creation becomes a **Subsidiary**; or

b. acquires another organization by merger into or consolidation with an unaffiliated entity such that the **Organization** is the surviving entity,

then such other organization and its **Insured Persons** shall be **Insureds** under this Policy, but only with respect to **Wrongful Acts** after such acquisition or creation, unless the Company agrees, after presentation of a complete application and all other appropriate information, to provide coverage by endorsement for **Wrongful Acts** before such acquisition or creation.

If the total assets of any such new **Subsidiary** or newly acquired organization exceed twenty-five percent (25%) of the total assets of the **Organization** (as reflected in the most recent audited consolidated financial statements of such organization and the **Organization**, respectively, as of the date of such acquisition or creation), or the value of the fiduciary assets under management by the acquired organization exceeds twenty-five percent (25%) of the combined total fiduciary assets under management of the **Organization** (as reflected in their most recent audited consolidated financial statements), then the **Parent Organization** shall give written notice of such acquisition or creation to the Company as soon as practicable, but in no event later than sixty (60) days after the date of such acquisition or creation, together with such other information as the Company may require, and shall pay any reasonable additional premium required by the Company. If the **Insured** fails to give such notice within the time specified in the preceding sentence, or fails to pay the additional premium required by the Company, then coverage for such acquired or created organization and its **Insured Persons** shall terminate with respect to **Claims** first made more than sixty (60) days after such acquisition or creation. Coverage for any acquired or created organization described in this paragraph, and for the **Insured Persons** of such organization, shall be subject to such additional or different terms, conditions and limitations of coverage as the Company in its sole discretion may require.

Notwithstanding the foregoing, solely with respect to the creation of a new **Subsidiary**, this Section 12 shall not apply if an **Organization** directly funded or contributed one hundred percent (100%) of such **Subsidiary's** total assets as of the date of such creation.

The securitization of the corporate assets of an **Organization** into **Securitized Debt Instruments** shall not constitute an acquisition, creation, or merger as described in a. and b. above.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Robert Hamburger

Authorized Representative

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 10

To be attached to and
form part of Policy No. 82077768

Issued to: GMAC LLC

AMENDED DEFINITIONS ENDORSEMENT

In consideration of the premium charged, it is agreed that Section 2, DEFINITIONS, is amended as follows:

(1) The definition of **Application** is deleted and replaced with the following:

Application means all signed applications, including attachments and other materials submitted therewith or expressly incorporated therein, submitted by the **Insured** to the Company for this Policy or for any policy of which this Policy is a direct or indirect renewal or replacement. **Application** shall also include all of the following documents, whether or not submitted with or attached to any such signed application:

a. the Annual Report (including financial statements) last issued to shareholders before this Policy's inception date;

b. the report last filed with the Securities and Exchange Commission on Form 10-K before this Policy's inception date; and

c. the report last filed with the Securities and Exchange Commission on Form 10-Q before this Policy's inception date.

All such applications, attachments, materials and other documents expressly incorporated thereto are deemed attached to, incorporated into and made a part of this Policy.

(2) The definition of **Claim** is deleted and replaced with the following:

Claim means any **BPL Claim**, **Broker-Dealer Claim**, **Insurance Services Claim**, **Insurance Agent and Broker Claim**, or **Lending Claim**.

(3) The definition of **Loan Servicing** is deleted and replaced with the following:

Loan Servicing means the servicing of any loan, lease or extension of credit (whether consumer, commercial, mortgage banking or otherwise, but not including financing for investment banking, or leveraged or management buyouts). **Loan Servicing** includes but is not limited to the following servicing activities: record keeping, billing and disbursements of principal or interest, receipt or payment of insurance premiums and taxes, credit reporting or statements of creditworthiness, determination of the depreciation amount of property (but not projections of or an appraisal for residual or future value of property), master servicing activities in connection with **Securitized Debt Instruments**, or any similar administrative activity. **Loan Servicing** shall also include, but solely with respect to the servicing of a loan, lease or extension of credit: foreclosure activities, management and preservation of collateral, or administration or liquidation of real estate properties.

(4) The definition of **Loss** is deleted and replaced with the following:

Loss means the amount that an **Insured** becomes legally obligated to pay on account of any covered **Claim**, including but not limited to damages (including punitive, multiplied or exemplary damages if and to the extent that such punitive, multiplied or exemplary damages are insurable under the law of the jurisdiction most favorable to the insurability of such damages provided such jurisdiction has a substantial relationship to the relevant **Insured**, to the Company, or to the **Claim** giving rise to the damages), judgments, settlements, pre-judgment and post-judgment interest and **Defense Costs**. **Loss** does not include:

a. any amount not indemnified by the **Organization** for which an **Insured Person** is absolved from payment by reason of any covenant, agreement or court order;

b. any costs incurred by an **Insured** to comply with any order for injunctive or other non-monetary relief, or to comply with an agreement to provide such relief;

c. any amount incurred by an **Insured** in the defense or investigation of any action, proceeding, investigation or demand that is not then a covered **Claim** even if:

(1) such amount also benefits the defense of a covered **Claim**; or

(2) such action, proceeding, investigation or demand subsequently gives rise to a covered **Claim**;

d. taxes, fines or penalties, except as provided above with respect to punitive, multiplied or exemplary damages;

e. any amount not insurable under the law pursuant to which this Policy is construed;

f. any amount allocated to noncovered loss pursuant to Section 10;

g. regular or overtime wages, salaries or fees of **Insured Persons**;

h. diminution in value or damages resulting from the diminution in value of money, securities, property or any other item of value unless caused by a **Wrongful Act** of an **Insured** in the execution or implementation of investment advice or investment decisions;

i. loss of the actual money, securities, property or other items of value in the custody or control of an **Insured**;

j. amounts otherwise reimbursable to an **Insured** by any trust, estate, plan or fund or any similar entity or the sponsor of any such trust, estate, plan or fund or any similar entity;

k. principal, interest or other monies whether paid, accrued or due as the result of any loan, lease or extension of credit; or

l. any amount which in fact constitutes disgorgement, including restitution.

(5) The definition of **Professional Services** is deleted and replaced with the following:

Professional Services means any **BPL Services**, **Broker-Dealer Services**, **Insurance Services**, **Insurance Agent and Broker Services**, or **Lending Services**.

(6) The definition of **Wrongful Act** is deleted and replaced with the following:

Wrongful Act means any **BPL Wrongful Act**, **Broker-Dealer Wrongful Act**, **Insurance Services Wrongful Act**, **Insurance Agent and Broker Wrongful Act**, or **Lending Wrongful Act**.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Robert Hamburger

Authorized Representative

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 11

To be attached to and
form part of Policy No. 82077768

Issued to: GMAC LLC

AMENDED EXCLUSIONS ENDORSEMENT

In consideration of the premium charged, it is agreed that Section 3., EXCLUSIONS, is amended as follows:

(1) Exclusion 3d is deleted and replaced with the following:

d. based upon, arising from, or in consequence of:

(1) any actual, alleged, or threatened exposure to, or generation, storage, transportation, discharge, emission, release, dispersal, escape, treatment, removal or disposal of any **Pollutants**; or

(2) any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Pollutants**, or any action taken in contemplation or anticipation of any such regulation, order, direction or request;

provided that this Exclusion 3d shall not apply to an **Insurance Services Claim** that arises out of the **Insured's** claim handling and adjusting;

(2) Exclusion 3e is deleted and replaced with the following:

e. based upon, arising from, or in consequence of:

(1) the actual, alleged, or threatened discharge, release, escape, dispersal or disposal of **Biological Agents** into or on real or personal property, buildings, water, land or atmosphere; or

(2) any regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Biological Agents**, or any action taken in contemplation or anticipation of any such regulation, order, direction or request;

provided that this Exclusion 3e shall not apply to an **Insurance Services Claim** arising out of the **Insured's** claim handling and adjusting;

(3) Exclusion 3g is deleted and replaced with the following:

g. for damage to or destruction of any tangible property including loss of use thereof whether or not it is damaged or destroyed;

(4) Exclusion 3m is deleted and replaced with the following:

m. based upon, arising from, or in consequence of any investment banking or related activities, actual or alleged, or the failure to engage in or complete any such activities including, without limitation, the following:

(1) the underwriting, placement, syndicating, promoting, conversion, sale, purchase or market making (as defined in section 3(A)(38) of the Securities Exchange Act of 1934 as amended) of any security or instrument or other evidence of indebtedness, whether or not registered under the Securities Act of 1933, as amended;

(2) the rendering of advice or recommendations regarding any actual, potential, attempted or threatened merger, consolidation, or business combination, acquisition, sale, purchase, divestiture or distribution, tender or exchange offer, proxy contest or solicitation, leveraged or management buy-out, going private transaction, partnership, minority investment, joint or collaborative venture, dissolution, liquidation, rehabilitation, conservatorship, or insolvency proceeding, reorganization, restructuring, recapitalization, spin-off, primary or secondary private or public offering of debt or equity securities or other instruments or evidences of indebtedness, or sale of assets or operations of any enterprise or entity, or any effort to raise or furnish capital or financing for any enterprise or entity under any of the foregoing;

(3) the rendering of analysis, advice or fairness opinions or valuations regarding any enterprise or entity or any of the assets or liabilities of, or interests in, any entity not held by the **Insured** as trustee;

(4) any acquisition, sale, conversion or transfer of securities, assets or liabilities by the **Insured** for such **Insured's** own account or as an original purchaser in a transaction under Regulation 144A under the Securities Act of 1933, as amended;

(5) the forming, syndicating, operating, administering, advising or rolling up a limited partnership or real estate investment trust;

(6) any use by any **Insured** of, or aiding and abetting or any other participation by any **Insured** in the use of, non-public information in a manner prohibited by the laws of the United States of America including but not limited to the Insider Trading and Securities Fraud Enforcement Act of 1988 (as amended), section 10(b) of the Securities Exchange Act of 1934 (as amended) and Rule 10(b)(5) promulgated thereunder, or prohibited by the laws of any state, territory or subdivision thereof, or prohibited by the laws of any other jurisdiction, or any rules or regulations promulgated under any of the foregoing; and

(7) any disclosure or statement or omission in any disclosure or filing in connection with any activities listed in this Exclusion 3m(1) through (6);

provided that this Exclusion 3m shall not apply to a **Broker-Dealer Claim** arising out of **Broker-Dealer Services** related to a **Securitized Debt Instrument**;

(5) Exclusion 3p is deleted and replaced with the following:

p. based upon, arising from or in consequence of any act arising out of the operation or control of any entity or property that the **Insured** acquired as security or collateral for any loan, lease or extension of credit;

(6) Exclusion 3q is deleted and replaced with the following:

q. based upon, arising from, or in consequence of any function or activity as a receiver, trustee in bankruptcy, conservator or assignee for the benefit of others; provided that this Exclusion 3q shall not apply to **Loan Servicing**.

(7) Exclusion 3x is deleted and replaced with the following:

x. based upon, arising from or in consequence of the rendering of or failure to render any of the following professional services: medical or health care services; real estate appraisal services; accounting services; data processing services; architectural or construction management services; or the practice of law or the rendering of legal services except to the extent such legal services are required in the course of providing **Professional Services**;

(8) Exclusion 3y is deleted and replaced with the following:

y. based upon, arising from, or in consequence of any oral or written representation (other than a written representation made in a prospectus issued in connection with a **Securitized Debt Instrument**), promise or guarantee regarding any rate of return or the fulfillment of any minimum performance standards; or

(9) Exclusion 3z is deleted and replaced with the following:

z. by, on behalf of, or at the behest of any natural person or concern and their heirs, legal representatives, and assigns (including but not limited to any shareholder, bondholder, or debenture holder), that has a legal or equitable interest in any stock, bond, debenture, or other form of security or ownership interest of the **Organization**, when such **Claim** is based upon, arises out of, or pertains to any interest in such security or ownership interest; provided that this Exclusion 3z shall not apply:

(1) to any **Claim** for a **Wrongful Act** in which an **Insured Person** was provided with or was entitled to be provided with **Professional Services**, where such **Claim** is brought solely in his or her capacity as a **Customer**, and is brought without the solicitation, assistance or participation of any other **Insured**; or

(2) to any **Broker-Dealer Claim** brought by, on behalf of, or at the behest of a holder of a **Securitized Debt Instrument**.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Robert Hamburger

Authorized Representative

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 12

To be attached to and
form part of Policy No. 82077768

Issued to: GMAC LLC

AMENDED REPRESENTATIONS AND SEVERABILITY ENDORSEMENT

In consideration of the premium charged, it is agreed that Section 15., REPRESENTATIONS AND SEVERABILITY, is deleted and replaced with the following:

15. REPRESENTATIONS AND SEVERABILITY

In issuing this Policy, the Company has relied upon the statements, representations and information in the **Application**. All of the **Insureds** acknowledge and agree that all such statements, representations and information:

a. are true and accurate;

b. were made or provided in order to induce the Company to issue this Policy; and

c. are material to the Company's acceptance of the risk to which this Policy applies.

In the event that any of the statements, representations or information in the **Application** are not true and accurate, this Policy shall be void with respect to any **Insured** who knew as of the date the **Application** was signed the facts that were not truthfully and accurately disclosed (whether or not the **Insured** knew of such untruthful or inaccurate disclosure in the **Application**) or to whom knowledge of such facts is imputed.

For purposes of the preceding sentence:

(1) the knowledge of any **Insured Person** who is a past, present or future chief financial officer, in-house general counsel, chief executive officer, president or chairperson of an **Organization** shall be imputed to such **Organization**;

(2) the knowledge of the persons who signed the **Application** shall be imputed to the **Organization**; and

(3) except as provided in Subsection 15(1), the knowledge of an **Insured Person** who did not sign the **Application** shall not be imputed to any other **Insured**.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Robert Hamburger

Authorized Representative

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 13

To be attached to and
form part of Policy No. 82077768

Issued to: GMAC LLC

BROAD FORM EXTENSION ENDORSEMENT

In consideration of the premium charged, it is agreed that:

(1) Section 1., INSURING CLAUSE, is deleted and replaced with the following:

1. INSURING CLAUSES

BPL Services Liability Coverage

The Company shall pay, on behalf of an **Insured, Loss** on account of any **BPL Claim** first made against such **Insured** during the **Policy Period** or, if exercised, during the Extended Reporting Period, for a **BPL Wrongful Act** committed by an **Insured** or any person for whose acts the **Insured** is legally liable solely while performing **BPL Services**, including failure to perform **BPL Services**.

Broker-Dealer Services Liability Coverage

The Company shall pay, on behalf of an **Insured, Loss** on account of any **Broker-Dealer Claim** first made against such **Insured** during the **Policy Period** or, if exercised, during the Extended Reporting Period, for a **Broker-Dealer Wrongful Act** committed by an **Insured** or any person for whose acts the **Insured** is legally liable solely while performing **Broker-Dealer Services**, including failure to perform **Broker-Dealer Services**.

Insurance Services Liability Coverage

The Company shall pay, on behalf of an **Insured**, **Loss** on account of any **Insurance Services Claim** first made against such **Insured** during the **Policy Period** or, if exercised, during the Extended Reporting Period, for an **Insurance Services Wrongful Act** committed by an **Insured** or any person for whose acts the **Insured** is legally liable solely while performing **Insurance Services**, including failure to perform **Insurance Services**.

Insurance Agent and Broker Services Liability Coverage

The Company shall pay, on behalf of an **Insured**, **Loss** on account of any **Insurance Agent and Broker Services Claim** first made against such **Insured** during the **Policy Period** or, if exercised, during the Extended Reporting Period, for an **Insurance Agent and Broker Wrongful Act** committed by an **Insured** or any person for whose acts the **Insured** is legally liable solely while performing **Insurance Agent and Broker Services**, including failure to perform **Insurance Agent and Broker Services**.

Lending Services Liability Coverage

The Company shall pay, on behalf of an **Insured**, **Loss** on account of any **Lending Claim** first made against such **Insured** during the **Policy Period** or, if exercised, during the Extended Reporting Period, for a **Lending Wrongful Act** committed by an **Insured** or any person for whose acts the **Insured** is legally liable solely while performing **Lending Services**, including failure to perform **Lending Services**.

(2) Section 2., DEFINITIONS, is amended by adding the following Definitions:

BPL Claim means:

a. a written demand for monetary damages or non-monetary relief;

b. a civil proceeding commenced by the service of a complaint or similar pleading;

c. an arbitration proceeding commenced by the submission of a statement of claim or similar document,

brought by or on behalf of a **BPL Customer** against an **Insured** for a **BPL Wrongful Act**, including any appeal therefrom; or

d. a criminal proceeding commenced by the service of an indictment or similar document, against an **Insured** for a **BPL Wrongful Act**, including any appeal therefrom.

BPL Claim does not include any **Broker-Dealer Claim**, **Insurance Services Claim**, **Insurance Agent and Broker Services Claim**, or **Lending Claim**.

Except as may otherwise be provided in Section 6, Section 7 or Subsection 8b of this Policy, a **BPL Claim** shall be deemed to have first been made when such **BPL Claim** is commenced as set forth in this definition (or, in the case of a written demand for monetary damages or non-monetary relief, when such demand is first received by an **Insured**).

BPL Customer means any person or entity that:

a. has or had a written agreement with the **Organization**;

b. submitted a written application to the **Organization**; or

c. is a named beneficiary of any account held by the **Organization's** Trust Department and who is entitled

to receive **BPL Services** permitted by law or regulation.

BPL Services means those services, including **Loan Servicing**, performed or required to be performed by an **Insured** for or on behalf of a **BPL Customer**:

a. for a fee, commission or other monetary consideration;

b. where a fee, commission or other monetary consideration would usually be received by the **Insured** but for business or other reasons is waived by the **Insured**; or

c. for other remuneration which inures to the benefit of such **Insured**.

BPL Services does not include any **Broker-Dealer Services**, **Insurance Services**, **Insurance Agent and Broker Services**, or **Lending Services**.

BPL Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty that:

a. is committed, attempted, or allegedly committed or attempted, before or during the **Policy Period** by an **Insured** or any person for whose acts the **Insured** is legally liable; and

b. arises solely from the performance of **BPL Services**.

Broker-Dealer Claim means:

a. a written demand for monetary damages or non-monetary relief;

b. a civil proceeding commenced by the service of a complaint or similar pleading;

c. an arbitration proceeding commenced by the submission of a statement of claim or similar document,

brought by or on behalf of a **Broker-Dealer Customer** against an **Insured** for a **Broker-Dealer Wrongful Act**, including any appeal therefrom; or

d. a criminal proceeding commenced by the service of an indictment or similar document, against an **Insured** for a **Broker-Dealer Wrongful Act**, including any appeal therefrom.

Broker-Dealer Claim does not include any **BPL Claim**, **Insurance Services Claim**, **Insurance Agent and Broker Services Claim**, or **Lending Claim**.

Except as may otherwise be provided in Section 6, Section 7 or Subsection 8b of this Policy, a **Broker-Dealer Services Claim** shall be deemed to have first been made when such **Broker-Dealer Services Claim** is commenced as set forth in this definition (or, in the case of a written demand for monetary damages or non-monetary relief, when such demand is first received by an **Insured**).

Broker-Dealer Customer means any person or entity that:

a. has or had a written agreement with the **Organization**; or

b. submitted a written application to the **Organization**

to receive **Broker-Dealer Services**.

Broker-Dealer Customer shall also mean the original purchaser of a **Securitized Debt Instrument** from the **Organization**.

Broker-Dealer Services means any act performed for a fee by an **Insured** for a **Broker-Dealer Customer** of the **Organization** arising from:

a. the sale and/or servicing of **Securities**, **Securitized Debt Instruments**, or life, health, annuities, accident and disability products, but only to the extent performed by **Registered Representatives** who are duly licensed to do so and solely with respect to products that have been approved by the **Organization**;

b. financial, economic, investment advice, or financial planning but only in connection with the services described in a. above; or

c. the underwriting, placement, securitizing, syndicating and promotion of **Securitized Debt Instruments**.

Broker-Dealer Services does not include any **BPL Services**, **Insurance Services**, **Insurance Agent and Broker Services**, or **Lending Services**.

Broker-Dealer Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty that:

a. is committed, attempted, or allegedly committed or attempted, before or during the **Policy Period** by an **Insured** or any person for whose acts the **Insured** is legally liable; and

b. arises solely from the performance of **Broker-Dealer Services**.

ERISA means the Employee Retirement Income Security Act of 1974, the Pension Protection Act of 2006, the English Pension Scheme Act 1993, the English Pensions Act 1995, all as amended, any similar common or statutory law anywhere in the world, and any rules or regulations promulgated under any such Act or law.

Insurance Services means only those services rendered or required to be rendered by or on behalf of the **Insureds** for an **Insurance Services Customer** in the conduct of the **Insureds'** claim handling and adjusting; safety engineering, inspection and loss control operations; personal injury rehabilitation operations; salvage operations; recovery subrogation services; premium financing operations; or insurance pool management. **Insurance Services** does not include:

a. managed care; medical or health care services; real estate appraisal, development or management services; architectural or construction management services; the practice of law or the rendering of legal services except to the extent such legal services are required in connection with **Insurance Services**; or actuarial consulting services;

b. services performed by any entity of which the **Insureds** shall have acquired ownership or control as security for a loan or other extension of credit; or

c. any **BPL Services**, **Broker-Dealer Services**, **Insurance Agent and Broker Services**, or **Lending Services**.

Insurance Services Claim means:

a. a written demand for monetary damages or non-monetary relief;

b. a civil proceeding commenced by the service of a complaint or similar pleading;

c. an arbitration proceeding commenced by the submission of a statement of claim or similar document,

brought by or on behalf of an **Insurance Services Customer** against an **Insured** for a **Insurance Services Wrongful Act**, including any appeal therefrom; or

d. a criminal proceeding commenced by the service of an indictment or similar document, against an **Insured** for a **Insurance Services Wrongful Act**, including any appeal therefrom.

Insurance Services Claim does not include any **BPL Claim**, **Broker-Dealer Claim**, **Insurance Agent and Broker Services Claim**, or **Lending Claim**.

Except as may otherwise be provided in Section 6, Section 7 or Subsection 8b of this Policy, an **Insurance Services Claim** shall be deemed to have first been made when such **Insurance Services Claim** is commenced as set forth in this definition (or, in the case of a written demand for monetary damages or non-monetary relief, when such demand is first received by an **Insured**).

Insurance Services Customer means any person or entity that:

a. has or had a written agreement with the **Organization**; or

b. submitted a written application to the **Organization**,

to receive **Insurance Services** permitted by law or regulation.

Insurance Services Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty that:

a. is committed, attempted, or allegedly committed or attempted, before or during the **Policy Period** by an **Insured** or any person for whose acts the **Insured** is legally liable; and

b. arises solely from the performance of **Insurance Services**.

Insurance Agent and Broker Claim means:

a. a written demand for monetary damages or non-monetary relief;

b. a civil proceeding commenced by the service of a complaint or similar pleading;

c. an arbitration proceeding commenced by the submission of a statement of claim or similar document,

brought by or on behalf of an **Insurance Agent and Broker Customer** against an **Insured** for a **Insurance Agent and Broker Wrongful Act**, including any appeal therefrom; or

d. a criminal proceeding commenced by the service of an indictment or similar document, against an **Insured** for a **Insurance Agent and Broker Wrongful Act**, including any appeal therefrom.

Insurance Agent and Broker Claim does not include any **BPL Claim**, **Broker-Dealer Claim**, **Insurance Services Claim**, or **Lending Claim**.

Except as may otherwise be provided in Section 6, Section 7 or Subsection 8b of this Policy, an **Insurance Agent and Broker Claim** shall be deemed to have first been made when such **Insurance Agent and Broker Claim** is commenced as set forth in this definition (or, in the case of a written demand for monetary damages or non-monetary relief, when such demand is first received by an **Insured**).

Insurance Agent and Broker Customer means any person or entity that:

a. has or had a written agreement with the **Organization**; or

b. submitted a written application to the **Organization**,

to receive **Insurance Agent and Broker Services** permitted by law or regulation.

Insurance Agent and Broker Services means only those services performed by an **Insured** for an **Insurance Agents and Broker Customer** while acting as an insurance agent, insurance broker, insurance consultant, or insurance risk manager. **Insurance Agents or Insurance Brokerage Services** does not include any **BPL Services**, **Broker-Dealer Services**, **Insurance Services**, or **Lending Services**.

Insurance Agent and Broker Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty that:

a. is committed, attempted, or allegedly committed or attempted, before or during the **Policy Period** by an **Insured** or any person for whose acts the **Insured** is legally liable; and

b. arises solely from the performance of **Insurance Agent and Broker Services**.

Lending Claim means:

a. a written demand for monetary damages or non-monetary relief;

b. a civil proceeding commenced by the service of a complaint or similar pleading;

c. an arbitration proceeding commenced by the submission of a statement of claim or similar document,

brought by or on behalf of a **Lending Customer** against an **Insured** for a **Lending Wrongful Act**, including any appeal therefrom; or

d. a criminal proceeding commenced by the service of an indictment or similar document, against an **Insured** for a **Lending Wrongful Act**, including any appeal therefrom.

Lending Claim does not include any **BPL Claim**, **Broker-Dealer Claim**, **Insurance Services Claim**, or **Insurance Agent and Broker Claim**.

Except as may otherwise be provided in Section 6, Section 7 or Subsection 8b of this Policy, a **Lending Claim** shall be deemed to have first been made when such **Lending Claim** is commenced as set forth in this definition (or, in the case of a written demand for monetary damages or non-monetary relief, when such demand is first received by an **Insured**).

Lending Customer means any person or entity to which an extension of credit, an agreement to extend credit, or a refusal to extend credit was made or negotiated by or on behalf of the **Organization**.

Lending Services means only those services performed by or on behalf of an **Insured** for a **Lending Customer** arising from the extending or refusal to extend credit or granting or refusal to grant a loan or any transaction in the nature of a loan. **Lending Services** does not include any **BPL Services, Broker-Dealer Services**, **Insurance Services**, or **Insurance Agent and Broker Services**.

Lending Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty that:

a. is committed, attempted, or allegedly committed or attempted, before or during the **Policy Period** by an **Insured** or any person for whose acts the **Insured** is legally liable; and

b. arises solely from the performance of **Lending Services**.

Registered Representative means any individual who is licensed as a registered representative or registered principal by the National Association of Securities Dealers, Inc. and who is employed by the **Organization** during the **Policy Period**, but solely with respect to such individual's rendering of **Broker-Dealer Services** on behalf of the **Organization**.

Securitized Debt Instrument means any **Security** issued by the **Organization** in relation to the securitization of a pool of loans, receivables or other assets into asset-backed securities offered for sale by the **Organization**.

Security means common or preferred stocks or bonds, mutual fund shares, variable annuities, and any other instrument that is a "security" as that term is defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, or any rules or regulations made pursuant to any such law.

(3) Section 5., EXCLUSIONS, is amended by deleting Exclusion 3c and Exclusion 3o.

(4) Section 5., EXCLUSIONS, is amended by adding the following Exclusion applicable only to **BPL Claims**:

The Company shall not be liable for **Loss** on account of any **BPL Claim** brought or maintained by or on behalf of any **Insured** in any capacity, or by, on behalf of, or at the behest of any business enterprise which is operated, managed or owned, directly or indirectly, in whole or in part, by an **Insured**; provided that this Exclusion shall not apply:

(1) where the claimant is an **Insured Person** and was provided with or was entitled to be provided with **BPL Services** and is bringing such **BPL Claim** solely in the capacity as a **BPL Customer**, and such **BPL Claim** is brought without the solicitation, assistance or participation of any other **Insured**; or

(2) to a **BPL Claim** brought or maintained by an **Insured Person** for contribution or indemnity, if the **BPL Claim** directly results from another **BPL Claim** covered under this Policy.

(5) Section 5., EXCLUSIONS, is amended by adding the following Exclusions applicable only to **Broker-Dealer Claims**:

The Company shall not be liable for **Loss** on account of any **Broker-Dealer Claim**:

(A) based upon, arising from, or in consequence in fact of the willful or intentional violation of any law, statute, rule or regulation regulating (i) the issuance, purchase or sale of securities or securities transactions on any security or commodity exchanges or the over-the-counter market or (ii) any investment companies or investment advisors;

(B) brought or maintained by or on behalf of any **Insured** in any capacity, or by, on behalf of, or at the behest of any business enterprise which is operated, managed or owned, directly or indirectly, in whole or in part, by an **Insured**; provided that this Exclusion (B) shall not apply:

(1) where the claimant is an **Insured Person** and was provided with or was entitled to be provided with **Broker-Dealer Services** and is bringing such **Broker-Dealer Claim** solely in the capacity as a **Broker-Dealer Customer**, and the **Broker-Dealer Claim** is brought without the solicitation, assistance or participation of any other **Insured**; or

(2) to a **Broker-Dealer Claim** brought or maintained by an **Insured Person** for contribution or indemnity, if the **Broker-Dealer Claim** directly results from another **Broker-Dealer Claim** covered under this Policy;

(C) based upon, arising from, or in consequence of the commingling of any funds;

(D) based upon, arising from, or in consequence of any civil, criminal, administrative, or arbitration proceeding as to which any **Insured** has received written notice prior December 31, 2006, or any matter, fact, circumstance, transaction, or event underlying or alleged in such proceeding;

(E) based upon, arising from, or in consequence of any **Insured** acting or serving as a clearing agent, specialist, or market maker for any securities or for failing to clear or make a market for any securities;

(F) based upon, arising from, or in consequence of a transaction involving any of the following: non-covered options; commodities; any type of futures contract; or any equity **Security** priced under five dollars ($5.00) at the time of any transaction unless the **Security** is (i) traded on a national securities exchange, (ii) NASDAQ approved or authorized, or (iii) part of a mutual fund; or

(G) based upon, arising from, or in consequence of any security or investment products not approved or not authorized by the **Organization** for sale by a **Registered Representative**.

(6) Section 5., EXCLUSIONS, is amended by adding the following Exclusions applicable only to **Insurance Services Claims**:

The Company shall not be liable to make any payment for **Loss** in connection with any **Insurance Services Claim**:

(A) based upon, arising from, or in consequence of the underwriting of insurance, including without limitation any decisions involving the classification, selection, or renewal or risks as well as the rates and premiums charged to insure or reinsure risks;

(B) brought or maintained by or on behalf of any **Insured** in any capacity, or by, on behalf of, or at the behest of any business enterprise which is operated, managed or owned, directly or indirectly, in whole or in part, by an **Insured**; provided that this Exclusion (B) shall not apply:

(1) where the claimant is an **Insured Person** and was provided with or was entitled to be provided with **Insurance Services** and is bringing such **Insurance Services Claim** solely in his or her capacity as an **Insurance Services Customer**, and the **Insurance Services Claim** is brought without the solicitation, assistance or participation of any other **Insured**; or

(2) to an **Insurance Services Claim** brought or maintained by an **Insured Person** for contribution or indemnity, if the **Insurance Services Claim** directly results from another **Insurance Services Claim** covered under this Policy;

(C) for any express representations, warranties or guarantees, estimates of construction costs, or costs exceeding estimates made in connection with **Insurance Services**;

(D) based upon, arising from, or in consequence of the adequacy or inadequacy of any claim reserves of the **Organization** or of any **Insurance Services Customer**; or

(E) for any amounts which constitute benefits, coverage, or amounts due or allegedly due, including without limitation any amount which constitutes interest thereon, from the **Insureds** as an insurer or reinsurer under any policy or contract or treaty of insurance, reinsurance, suretyship, annuity or endowment.

(7) Section 5., EXCLUSIONS, is amended by adding the following Exclusions applicable only to **Insurance Agent and Broker Claims**:

The Company shall not be liable for **Loss** on account of any **Insurance Agent and Broker Claim**:

(A) based upon, arising from, or in consequence of any extension of credit;

(B) brought or maintained by or on behalf of any **Insured** in any capacity, or by, on behalf of, or at the behest of any business enterprise which is operated, managed or owned, directly or indirectly, in whole or in part, by an **Insured**; provided that this Exclusion (B) shall not apply:

(1) where the claimant is an **Insured Person** and was provided with or was entitled to be provided with **Insurance Agent and Broker Services** and is bringing such **Insurance Agent Broker Claim** solely in his or her capacity as an **Insurance Agent and Broker Customer**, and the **Insurance Agents or Insurance Brokerage Claim** is brought without solicitation, assistance or participation of any other **Insured**; or

(2) to an **Insurance Agent and Broker Claim** brought or maintained by an **Insured Person** for contribution or indemnity, if the **Insurance Agent and Broker Claim** directly results from another **Insurance Agent and Broker Claim** covered under this Policy;

(C) based upon, arising from, or in consequence of any **Insurance Agent and Broker Services** that contributed or led to the financial impairment or insolvency of any insurer;

(D) based upon, arising from, or in consequence of the performance of, or the failure to perform, **Insurance Agent and Broker Services** not authorized by contract or agreement with any insurer;

(E) based upon, arising from, or in consequence of any actuarial services;

(F) based upon, arising from, or in consequence of any computer software development, customization, design, or any electronic data consulting services;

(G) based upon, arising from, or in consequence of:

(1) any advice to participate or not participate in any Employee Benefit Plan, Pension Benefit Plan, or Welfare Benefit Plan; or

(2) any termination of any Employee Benefit Plan, Pension Benefit Plan, or Welfare Benefit Plan,

as each such term is defined in **ERISA**;

(H) for any financial inability of any insurer (including without limitation any reinsurer, pool, syndicate, association or any other organization formed for the purpose of providing insurance or reinsurance) to make any payment due, or the bankruptcy, insolvency, liquidation or receivership of any insurer rated as A- or higher by AM Best at the time of placement of such insurance;

(I) for any inability or refusal to pay, collect, or return any premium, commission, escrow, or tax funds or money;

(J) based upon, arising from, or in consequence of any performance or failure to perform of any mutual fund or investment company;

(K) based upon, arising from, or in consequence of any violation of any securities, antitrust, or restraint of trade laws;

(L) based upon, arising from, or in consequence of any warranties or guarantees by any person in the capacity of a risk manager, loss control engineer, or safety inspector; or

(M) for the performance of any annuity, variable annuity or variable life insurance product.

(8) Section 5., EXCLUSIONS, is amended by adding the following Exclusions applicable only to **Lending Claims**:

The Company shall not be liable for **Loss** on account of any **Lending Claim:**

(A) based upon, arising from, or in consequence of, or in any way involving, directly or indirectly, any extension of credit which, at the time of its making, was in excess of the legal lending limit of the **Organization**;

(B) brought or maintained by or on behalf of any **Insured** in any capacity, or by, on behalf of, or at the behest of any business enterprise which is operated, managed or owned, directly or indirectly, in whole or in part, by an **Insured**; provided that this Exclusion (B) shall not apply:

(1) where the claimant is an **Insured Person** and was provided with or entitled to be provided with **Lending Services** and is bringing such **Lending Claim** solely in his or her capacity as a **Lending Customer**, and the **Lending Claim** is brought without solicitation, assistance or participation of any other **Insured**; or

(2) to a **Lending Claim** brought or maintained by an **Insured Person** for contribution or indemnity, if the **Lending Claim** directly results from another **Lending Claim** covered under this Policy.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Robert Hamburger

Authorized Representative

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 14

To be attached to and
form part of Policy No. 82077768

Issued to: GMAC LLC

AMENDED NOTICE AND REPORTING; DEFENSE AND SETTLEMENT ENDORSEMENT

In consideration of the premium charged, it is agreed that:

(1) Section 2., DEFINITIONS, is amended by adding the following Definitions:

Mass or Class Action means any **Claim** brought or maintained by or on behalf of five (5) or more persons or entities who are acting in concert, whether or not such persons or entities are represented by one or more legal counsel;

Semi-Annual Reporting Period means each consecutive period of six (6) consecutive calendar months commencing on June 30, 2007.

(2) Section 8., NOTICE AND REPORTING, is deleted and replaced with the following:

8. REPORTING AND NOTICE

a. Subject to Subsection 8b, if a **Claim** is made against an **Insured**, then the **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give to the Company written notice of such **Claim** in the form of a bordereau report no later than thirty (30) days following the end of the **Semi-Annual Reporting Period** during which any member of the Risk Management Department or Office of the General Counsel of the **Parent Organization** first received notice of such **Claim**. Such bordereau report submitted pursuant to this Subsection 8a shall contain information including, but not limited to, a description of the **Claim**, the nature of the alleged **Wrongful Act**, the nature of the alleged damage, the names of the claimants, and the manner in which the **Insured** first became aware of the **Claim**. Upon the request of the Company, the **Insured** shall forward to the Company every demand, notice, summons, complaint or other process received by any **Insured** or **Insured** representative in connection with any **Claim** for which notice is submitted in a bordereau report under this Subsection 8a.

Notwithstanding the foregoing, if this Policy expires (or is otherwise terminated) without being renewed and no Extended Reporting Period is purchased, the **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give written notice to the Company of any **Claim** made against the **Insured** which has not yet been reported to the Company pursuant to this Subsection 8a as soon as practicable but in no event later than sixty (60) days after the effective date of such expiration or termination. If this Policy expires (or is otherwise terminated) without being renewed and the Extended Reporting Period is purchased, the **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give written notice to the Company of any **Claim** made against the **Insured** which has not yet been reported to the Company

pursuant to this Subsection 8a as soon as practicable but in no event later than the expiration date of the Extended Reporting Period.

Notwithstanding any statutory, administrative or common law obligations governing claim handling practices, the Company shall be entitled to fully reserve its rights (including, but not limited to, denial of coverage) in connection with any **Claim** for which notice is provided to the Company pursuant to this Subsection 8a.

b. Notwithstanding Subsection 8a, if a **Claim** is made against any **Insured** and:

(1) such **Claim** constitutes or becomes a **Mass or Class Action**;

(2) such **Claim** constitutes a criminal proceeding commenced by the service of an indictment or similar document;

(3) the Office of the General Counsel of the **Parent Organization** reasonably believes that **Loss** on account of such **Claim** will equal or exceed $12,500,000; or

(4) such **Claim** is scheduled to proceed to trial within one hundred twenty (120) days,

then the **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give to the Company written notice of any such **Claim** as soon as practicable, after any member of the Risk Management Department or Office of the General Counsel of the **Parent Organization** first received notice of the **Claim**, separate and apart from any bordereau report required under Subsection 8a. Such written notice shall contain information including, but not limited to, a description of the **Claim**, the nature of the alleged **Wrongful Act**, the nature of the alleged damage, the names of the claimants and the manner in which a member of the **Parent Organization's** Risk Management Department or Office of the General Counsel first received notice of the **Claim**. The **Insureds** shall immediately forward to the Company every demand, notice, summons, complaint or other process received by any **Insured** or **Insured** representative in connection with any **Claim** for which notice is required under this Subsection 8b.

Notwithstanding the foregoing, if this Policy expires (or is otherwise terminated) without being renewed and if no Extended Reporting Period is purchased, the **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give written notice to the Company of any **Claim** made against any **Insured** which has not yet been reported to the Company pursuant to this Subsection 8b as soon as practicable but in no event later than sixty (60) days after the effective date of such expiration or termination. If this Policy expires (or is otherwise terminated) without being renewed and the Extended Reporting Period is purchased, the **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give written notice to the Company of any **Claim** made against the **Insured** which has not yet been reported to the Company pursuant to this Subsection 8b as soon as practicable but in no event later than the expiration date of the Extended Reporting Period.

c. If during the **Policy Period** an **Insured**:

(1) becomes aware of circumstances which could give rise to a **Claim** and gives written notice of such circumstances to the Company; or

(2) receives a written request to toll or waive a statute of limitations applicable to a **Wrongful Act** before or during the **Policy Period** and gives written notice of such request and of such alleged **Wrongful Act** to the Company,

then any **Claim** subsequently arising from the circumstances referred to in Subsection 8c(1), or from such **Wrongful Act** referred to in Subsection 8c(2), shall be deemed to have been first made during the **Policy Period** in which the written notice described in

Subsection 8c(1) or (2) was first given by an **Insured** to the Company, provided any such subsequent **Claim** is reported to the Company in the manner set forth in Subsection 8a or 8b, as applicable. In providing written notice to the Company pursuant to Subsection 8c(1) or (2), the **Insured** shall include a description of the circumstances or **Wrongful Act**, the nature of any alleged **Wrongful Act**, the nature of the alleged or potential damages, the names of all potential claimants, the names of all potential parties, and the manner in which the member of the **Parent Organization's** Risk Management Department or Office of the General Counsel first received notice of the circumstances or **Wrongful Act**.

d. The **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give to the Company such information, assistance and cooperation as the Company may reasonably require. Without limiting the generality of the preceding sentence:

(1) the **Insured** shall provide the Company with all information required under Subsections 8a, 8b or 8c, as applicable;

(2) with respect to any **Claim** reported pursuant to Subsection 8a that at any time thereafter becomes a **Mass or Class Action**, the **Insured** shall give the Company written notice that such **Claim** constitutes a **Mass or Class Action** as soon as practicable but in no event later than sixty (60) days after such **Claim** becomes a **Mass or Class Action**, and shall immediately forward to the Company every demand, notice, summons, complaint or other process received by any **Insured** or **Insured** representative in connection with any such **Claim**;

(3) with respect to any **Claim** reported pursuant to Subsection 8a that at any time thereafter the Office of the General Counsel of the **Parent Organization** reasonably believes that **Loss** on account of such **Claim** will equal or exceed $12,500,000, the **Insured** shall give the Company written notice thereof as soon as practicable, and shall immediately forward to the Company every demand, notice, summons, complaint or other process received by any **Insured** or **Insured** representative in connection with any such **Claim**; and

(4) with respect to any **Claim** reported pursuant to Subsection 8a that at any time thereafter is scheduled to proceed to trial within one hundred twenty (120) days, the **Insured** shall give the Company written notice thereof as soon as practicable, and shall immediately forward to the Company every demand, notice, summons, complaint or other process received by any **Insured** or **Insured** representative in connection with any such **Claim**.

(2) Section 9., DEFENSE AND SETTLEMENT, is deleted and replaced with the following:

9. DEFENSE AND SETTLEMENT

a. It shall be the duty of the **Insured** and not the duty of the Company to defend **Claims** made against the **Insured**. The **Insured** shall have the sole obligation under this Policy to retain defense counsel, which shall be subject to the approval of the Company, which shall not be unreasonably withheld.

b. The Company may make any investigation it deems necessary and may, with the consent of the **Parent Organization**, make any settlement of any **Claim** it deems expedient.

c. Except as provided in Subsection 9d, the **Insured** agrees not to settle or offer to settle any **Claim**, incur any **Defense Costs** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the Company's prior written consent, which shall not be unreasonably withheld. The Company shall not be liable for any settlement, any **Defense Costs**, any element of **Loss** incurred, any obligation assumed, or any admission made, by any **Insured** without the Company's prior written consent.

d. Notwithstanding Subsection 9c, the **Insured** may settle any **Claim** or incur any **Defense Costs** with respect to any **Claim** without the Company's prior written consent; provided that (1) the total amount of such settlement or **Defense Costs**, separately or combined, does not exceed $12,500,000, and (2) such **Claim**:

   i. is not a **Mass or Class Action**;

   ii. is not an action in which a party or a judicial panel seeks consolidation or transfer to a Multidistrict Litigation Panel in accordance with 28 U.S.C. §1407;

   iii. does not have any scheduled trial date; or

   iv. is not a criminal proceeding commenced by the service of an indictment or similar document.

e. The **Insured** agrees to provide the Company with all information, assistance and cooperation which the Company reasonably requests. The **Insured** further agrees that, in the event of a **Claim**, the **Insured** shall do nothing that may prejudice the Company's position or its potential or actual rights of recovery.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Robert Hamburger

Authorized Representative

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 15

To be attached to and
form part of Policy No. 82077768

Issued to: GMAC LLC

GNMA, FHLMA and FNMA LOSS PAYEE ENDORSEMENT

In consideration of the premium charged, it is agreed that:

(1) If a **Claim** against an **Insured** also includes a claim against the Government National Mortgage Association ("GNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") or Federal National Mortgage Association ("FNMA") solely by reason of GNMA, FHLMC or FNMA's ownership interest in property which the claimant seeks as recovery for a **Wrongful Act** of such **Insured**, all loss which GNMA, FHLMC or FNMA becomes legally obligated to pay on account of such **Claim** shall be treated as **Loss** which the **Insured** becomes legally obligated to pay on account of the **Claim** made against such **Insured**. However, the foregoing provision shall not apply to the extent any claim or **Claim** alleges any error, misstatement, misleading statement, act, omission, neglect or breach of duty committed, attempted or allegedly committed or attempted by GNMA, FHLMC or FNMA. Any payment due under this Endorsement for such **Loss** shall be made by an instrument issued to the **Parent Organization** and GNMA, FHLMC or FNMA, their successors and assigns, as joint loss payees. All limitations, conditions, provisions and other terms of coverage applicable to the **Insured's Loss** shall also be applicable to GNMA, FHLMC or FNMA 's loss.

(2) Nothing in this Endorsement is intended nor shall be construed to give GNMA, FHLMC or FNMA any rights under this Policy or to include GNMA, FHLMC or FNMA as an **Insured** or as a third party beneficiary under this Policy.

(3) The Company's failure to provide payment in the manner set forth above in paragraph (1) shall not serve to change or increase the amount of such **Loss** due and payable by the Company on any **Claim**. Nothing in this endorsement is intended nor shall be interpreted to increase the Company's limit of liability for any **Loss**, its Each **Loss** Limit of Liability or its Aggregate Limit of Liability Each **Policy Period** set forth in the Declarations.

(4) The coverage under this Policy shall not apply on an excess or contributing basis with any policies which may be available to GNMA, FHLMC or FNMA, its successors and assigns .

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Name and Address of Insured:

GMAC LLC

200 RENAISSANCE CENTER
DETROIT, MI 48265

Signature of Authorized **Insured** Representative

Position/Title

Date

Robert Hamburger

Authorized Representative

ENDORSEMENT/RIDER

Effective date of
this endorsement/rider: December 31, 2007

FEDERAL INSURANCE COMPANY

Endorsement/Rider No. 16

To be attached to and
form a part of Policy No. 82077768

Issued to: GMAC LLC

AMEND SECTION 13., ACQUISITION BY ANOTHER ORGANIZATION, ENDORSEMENT

In consideration of the premium charged, it is agreed that Section 13. of the Policy, ACQUISITION BY ANOTHER ORGANIZATION, is amended by deleting the first paragraph and replacing it with the following:

If:

a. the **Parent Organization** merges into or consolidates with another organization and the **Parent Organization** is not the surviving entity;

b. another organization, person or group of organizations and/or persons acting in concert acquires securities or voting rights which result in ownership or voting control by such other organization or persons of more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to vote for the election of directors of the **Parent Organization**;

c. the **Organization** completely ceases to actively engage in its primary business ("cessation"); or

d. **Financial Impairment** occurs,

then coverage under this Policy shall continue until termination of this Policy, but only with respect to **Claims** for **Wrongful Acts** before such merger, consolidation, acquisition, cessation or **Financial Impairment**. Notwithstanding the foregoing, in the event of the **Financial Impairment** of a **Subsidiary**:

(1) coverage under this Policy with respect to such **Subsidiary** and its **Insured Persons** shall continue until termination of this Policy, but only with respect to **Claims** for **Wrongful Acts** before such **Financial Impairment**; and

(2) coverage under this Policy with respect to all other **Insureds** shall not be affected by such **Financial Impairment**.

Upon the occurrence of any event described above, including but not limited to Section 13a through 13d, the entire premium for this Policy shall be deemed fully earned.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Robert Hamburger

Authorized Representative

Notice of Loss Control Services

As a Chubb policyholder, you have loss prevention information and/or services available to you, as described in this Notice.

Errors and Omissions Liability Loss Prevention Services

- ***What is E&O Liability Insurance*** **Booklet**
  What is E&O Liability Insurance discusses general principles governing E&O liability and potential exposures facing professionals in their performance as professionals. To order *What is E&O Liability Insurance*, simply call **1.866.282.9001,** order 14-01-0157, and provide your mailing address.

The services provided are advisory in nature. While this program is offered as a resource in developing or maintaining a loss prevention program, you should consult competent legal counsel to design and implement your own program. No liability is assumed by reason of the services, access or information provided. All services are subject to change without notice.

Chubb & Son, div. of Federal Insurance Company
as manager of the member insurers of the
Chubb Group of Insurance Companies

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

(for policies with no terrorism exclusion or sublimit)

You are hereby notified that, under the Terrorism Risk Insurance Act of 2002 (the "Act") effective November 26, 2002, this policy makes available to you insurance for losses arising out of certain acts of international terrorism. Terrorism is defined as any act certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States Mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that the insurance provided by your policy for losses caused by acts of terrorism is partially reimbursed by the United States under the formula set forth in the Act. Under this formula, the United States pays 90% of covered terrorism losses that exceed the statutorily established deductible to be paid by the insurance company providing the coverage. The portion of your policy's annual premium that is attributable to insurance for such acts of terrorism is: $ **-0-.**

If you have any questions about this notice, please contact your agent or broker.

IMPORTANT NOTICE TO POLICYHOLDERS

All of the members of the Chubb Group of Insurance companies doing business in the United States (hereinafter "Chubb") distribute their products through licensed insurance brokers and agents ("producers"). Detailed information regarding the types of compensation paid by Chubb to producers on US insurance transactions is available under the Producer Compensation link located at the bottom of the page at www.chubb.com, or by calling 1-866-588-9478. Additional information may be available from your producer.

Thank you for choosing Chubb.