

Bear Stearns Liquid Funding Holdings Inc.
383 Madison Avenue
New York, N.Y. 10179

March 10, 2011

To the holders of the Class A Voting Units
(as defined in the within-mentioned LLC Agreement):

Re: Class A Voting Units issued by Liquid Funding Holdings, LLC, a Delaware limited liability company (*Holdings*), under the Limited Liability Company Agreement, dated as of November 9, 2001 (the *LLC Agreement*)

Ladies and Gentlemen:

We refer to our letter of September 15, 2010, indicating our interest in purchasing all of the Class A Voting Units in a single transaction (or series of related transactions) on the terms and conditions set forth in such letter (the *Transaction*). Unless otherwise indicated, capitalized terms used herein without definition have the meanings given to such terms in the LLC Agreement.

1. Closing Schedule

We can now confirm that we have received responses from each holder of Class A Units confirming its interest in participating in the Transaction. This letter is to notify you that we intend to close the Transaction on the terms set forth in our letter and the attached Purchase and Sale Agreement, in accordance with the following schedule:

No later than March 24, 2011:

Each holder returns a signed copy of the Purchase and Sale Agreement (attached to this letter) and the Transfer Agreement attached thereto as Annex B. Even if you returned your signature page to the draft of the Purchase and Sale Agreement distributed with our letter of September 15, 2010, you must re-execute the attached Purchase and Sale Agreement and the Transfer Agreement.

Any holder that has not already provided its account and contact details per Annex A of the Purchase and Sale Agreement must do so not later than March 24, 2011. Any holder that fails to provide such details will receive payment in accordance with the account information held by Holdings.

Each member of the Management Committee or officeholder that is affiliated with a Class A Unitholder shall have tendered its resignation.

March 31, 2011:

Subject to the satisfaction of the conditions to closing,
financial closing shall occur.

The undersigned will purchase the Class A Units.

We ask for everyone's cooperation in returning its signed copy of the Purchase and Sale Agreement and Transfer Agreement in accordance with the foregoing schedule to avoid any further delays in this process. Execution copies should be returned to Jeffrey Lippman (by email with the original to follow by overnight courier) and with a copy to Lisa O'Brien (by email only) in accordance with the contact information set forth below.

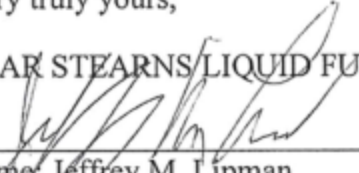
2. Securities Laws. This letter is being delivered on the understanding and belief that, as required under the LLC Agreement, you are an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act of 1933, as amended. Your decision to participate in this Transaction must be taken by you in consultation with your advisors and without reliance on Purchaser or any affiliate of Purchaser. You must comply with all laws that apply to you in any place where you sell Class A Voting Units. You must also obtain any consents or approvals that you need in order to sell the Class A Voting Units. Neither we nor our affiliates are responsible for your compliance with these legal requirements.

3. Contacts. Please direct any questions or comments that you may have in relation to this letter to Jeffrey Lipman (email: [REDACTED]; telephone: +1 [REDACTED]) or Lisa O'Brien of Freshfields Bruckhaus Deringer US LLP, legal counsel to the Purchaser (email [REDACTED]; telephone [REDACTED]).

We look forward to a successful closing.

Very truly yours,

BEAR STEARNS LIQUID FUNDING HOLDINGS INC.

By 

Name: Jeffrey M. Lipman

Title: Senior Vice President

DATED AS OF MARCH 24, 2011

**FINANCIAL TRUST COMPANY, INC.,
Seller**

**BEAR STEARNS LIQUID FUNDING HOLDINGS INC.
Purchaser**

**MEMBERSHIP INTEREST PURCHASE AND
SALE AGREEMENT**

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This **PURCHASE AND SALE AGREEMENT** (this *Agreement*), dated as of March 24, 2011 by and between the party listed as the "Seller" on the signature pages hereto (*Seller*), and Bear Stearns Liquid Funding Holdings Inc., a Delaware corporation (*Purchaser*). Seller and Purchaser are hereinafter sometimes referred to individually as a *Party* and collectively as the *Parties*.

WITNESSETH:

WHEREAS, Seller and Purchaser are party to the Limited Liability Company Agreement, dated as of November 9, 2001 (as amended, modified and supplemented from time to time, the *LLC Agreement*) for Liquid Funding Holdings, LLC, a Delaware limited liability company (*Holdings*);

WHEREAS, Seller is the legal and beneficial owner of that number of Class A voting units in Holdings issued pursuant to the LLC Agreement listed opposite its name on Annex A hereto (collectively, the *Transferred Interests*); and

WHEREAS, Seller desires to sell and Purchaser desires to purchase the Transferred Interests, on the terms and conditions described herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

For purposes of this Agreement, unless otherwise defined herein, capitalized terms have the meanings set forth in the LLC Agreement. In addition, the following terms have the following meanings:

Business Day means any day other than (i) a Saturday or a Sunday or (ii) a day on which commercial banks are authorized or required by applicable law, regulation or executive order to close in New York, New York.

Closing Date has the meaning set forth in Section 5.1.

Limited means Liquid Funding, Ltd., a Bermuda limited liability company, a subsidiary of Holdings.

Other Acquisitions has the meaning set forth in Section 4.1(d).

Person means any natural person, corporation, business trust, joint venture, association, company, firm, partnership, limited liability company, or other entity or governmental authority.

Transfer Agreement means the Transfer Agreement (in the form of Annex B hereto with such changes as may be acceptable to Seller and Purchaser) between Seller and Purchaser.

1.2 Interpretation of this Agreement

In this Agreement, unless a contrary intention appears:

- (a) the singular number includes the plural number and vice versa;
- (b) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by the terms of this Agreement;
- (c) reference to day or days without further qualification means calendar days;
- (d) reference to any agreement, document or instrument means such agreement, document or instrument as amended, modified, waived, supplemented, restated or replaced and in effect from time to time in accordance with the terms thereof; and
- (e) reference to "including" means "including, without limitation".

2. PURCHASE AND SALE OF INTERESTS

2.1 Sale of Transferred Interests

On the terms and conditions set forth in this Agreement, Seller agrees to sell to Purchaser, without recourse, representation or warranty (except as specifically set forth in Section 4.1, below), and Purchaser agrees to purchase from Seller, all of Seller's right, title and interest in and to the Transferred Interests on the Closing Date.

2.2 Purchase Price

The purchase price for the Transferred Interests (the **Purchase Price**) is the amount (expressed in U.S. Dollars) set forth on Annex A as the "Purchase Price". In addition, to the extent provided in Section 7.1, Seller shall be entitled to receive the amount (if any) payable under Section 7.1.

3. CONVEYANCE OF TRANSFERRED INTERESTS

3.1 Allocation of Payments and Liabilities

From and after the Closing Date, Purchaser shall be entitled to all distributions, payments, proceeds and profits payable with respect to or otherwise arising from the Transferred Interests. If and to the extent any such distributions, payments, proceeds or profits are received by Seller after the Closing Date, Seller will hold such amount in trust

for the benefit of Purchaser and promptly upon receipt remit the full amount thereof to Purchaser (without deduction, set-off or counter-claim).

3.2 Sale of Transferred Interests

On the Closing Date, the ownership of Seller's interest in the Transferred Interests will be sold and transferred to Purchaser as provided herein. Seller's records will reflect the transfer of the Transferred Interests to Purchaser as a sale.

4. REPRESENTATIONS AND WARRANTIES

4.1 Representations of Seller

To induce Purchaser to enter into this Agreement, Seller represents and warrants to Purchaser as of the date hereof and as of the Closing Date:

- (a) If Seller is not an individual, Seller is a corporation, partnership, limited liability company or trust, duly organized, validly existing and, if applicable, in good standing under the laws of the jurisdiction of its organization.
- (b) Seller has the requisite power and authority to execute and deliver this Agreement and the Transfer Agreement and to enter into and consummate all transactions contemplated hereby and thereby.
- (c) This Agreement and the Transfer Agreement have been duly authorized and this Agreement has been, and upon execution thereof, the Transfer Agreement shall be, duly and validly executed and delivered by Seller.
- (d) Seller acknowledges and agrees that Purchaser intends to acquire 100% of the other Class A Voting Units (the *Other Acquisitions*) contemporaneously with the Closing hereunder. Seller hereby consents to the Other Acquisitions and irrevocably waives any right of first refusal, right to notice and any other right, whether relating to a restriction on transfer or otherwise in respect of the Other Acquisitions that Seller may have under the LLC Agreement or otherwise.
- (e) Seller is the sole legal and beneficial owner of the Transferred Interests, and the Transferred Interests are free and clear of any and all pledges, liens, charges, security interests, or other encumbrances. Except as set forth in the LLC Agreement, Seller is not a party to any option, warrant, purchase right, or other contract relating to the sale, transfer or other disposition of the Transferred Interests. Except as set forth in the LLC Agreement, Seller is not and has not been a party to any voting trust, proxy, or other agreement or understanding with respect to the voting of any of the Transferred Interests, or any restrictions on transfer. Seller acquired the Transferred Interests in accordance with the terms of the LLC Agreement. Seller has no claim (contingent or otherwise) against Holdings or any of its Subsidiaries and, except as set forth in Section 7.1, Seller

shall have no further right or claim in contract, tort or otherwise, against Holdings or its Subsidiaries or in respect of their respective assets and does hereby release any such right or claim.

- (f) The execution, delivery and performance by Seller of this Agreement and the Transfer Agreement do not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any governmental authority.
- (g) The execution, delivery and performance of this Agreement and the Transfer Agreement by Seller do not and will not (i) to the extent applicable, violate, conflict with or result in the breach of the organizational documents of Seller, (ii) conflict with or violate any law or governmental order applicable to Seller, or (iii) conflict with, result in any breach of, constitute a default (or event which with the giving of notice or lapse of time, or both, would become a default) under, require any consent under, or give to others any rights of termination, acceleration or cancellation of, any contract or instrument to which Seller is a party.
- (h) No broker, finder, investment banker or other Person is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or the Transfer Agreement based upon arrangements made by or on behalf of Seller.
- (i) To Seller's knowledge, neither Holdings nor any of its Subsidiaries is engaged in, or has engaged in, any activity other than, in the case of Holdings, holding the outstanding capital stock of Limited, and, in the case of Limited, activities for which Bear Stearns Bank plc. (now known as [REDACTED] Morgan Bank Dublin plc) has acted as its investment manager.
- (j) Seller has such knowledge and experience in financial, business and investment matters that Seller is capable of evaluating, alone, or together with its representatives and advisors, the merits and risks of the sale of the Transferred Interests on the terms contemplated hereby and has independently, and without reliance on Purchaser made its own analysis and decision to enter into this Agreement and to sell the Transferred Interests to Purchaser. Seller acknowledges that Purchaser has not given Seller any advice on whether the sale of the Transferred Interests on the terms set forth herein is prudent.
- (k) Seller acknowledges that (i) Purchaser may have, and later may come into possession of, information with respect to the Transferred Interests that is not known to Seller and that may be material to a decision to sell the Transferred Interests (the *Excluded Information*), (ii) Seller has determined to sell the Transferred Interests notwithstanding its lack of knowledge of the Excluded Information and (iii) Purchaser shall have no liability to Seller or to any of Seller's representatives or affiliates, and Seller waives and releases any claims that it might have against Purchaser, whether under applicable securities laws or

otherwise, with respect to the nondisclosure of the Excluded Information in connection with this Agreement; provided, however, that the Excluded Information shall not and does not affect the truth or accuracy of Purchaser's representations in this Agreement.

4.2 Representations of Purchaser

To induce Seller to enter into this Agreement, Purchaser hereby represents and warrants to Seller as of the date hereof and as of the Closing Date:

- (a) Purchaser is a Delaware corporation, duly organized, validly existing, and in good standing under the laws of the State of Delaware.
- (b) Purchaser has the requisite corporate power and authority to acquire the Transferred Interests, to execute and deliver this Agreement and to enter into and consummate all transactions contemplated by this Agreement.
- (c) This Agreement has been duly and validly authorized, executed and delivered by Purchaser.
- (d) Purchaser qualifies as an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the Securities Act.
- (e) Purchaser is acquiring the Transferred Interests for its own account for investment and not with a view to or for sale or transfer in connection with any distribution thereof, in whole or in part, in any manner which would violate the Securities Act or any applicable state securities law.
- (f) Purchaser has such knowledge and experience in financial, business and investment matters that Purchaser is capable of evaluating alone, or together with its representatives and advisors, the merits and risks of purchasing of the Transferred Interests on the terms contemplated hereby and has independently and without reliance on Seller made its own analysis and decision to enter into this Agreement and to purchase the Transferred Interests from Seller and acknowledges that Seller has not given Purchaser any advice on whether the purchase of the Transferred Interests on the terms set forth herein is prudent

5. CLOSING

5.1 Closing Date

The closing of the sale of the Transferred Interests (the *Closing*) will be held at the offices of Freshfields Bruckhaus Deringer US LLP, located at 520 Madison Avenue, 34th Floor, New York, NY 10022, at 11 [REDACTED] local time on the fifth Business Day following the date by which the conditions precedent set forth in Section 6 shall have been satisfied (or waived to the extent provided herein), except for those conditions precedent that by

their terms cannot be satisfied until Closing (the *Closing Date*) or at such other place, date and time as Seller and Purchaser may mutually agree.

5.2 Closing Actions

At the Closing and subject to satisfaction of any condition in Section 6 that by its terms cannot be satisfied until the Closing Date, Seller and Purchaser shall take or cause to be taken the following actions applicable to it (the *Closing Actions*); provided Purchaser shall not be required to perform its Closing Actions until each of the conditions precedent in Section 6 has been satisfied (or waived by Purchaser):

- (a) Purchaser shall deliver the Purchase Price to Seller by wire transfer of U.S. Dollars in immediately available funds to the account designated by Seller on Annex A hereto, which payment shall be treated for all purposes as a payment for the Transferred Interests;
- (b) Purchaser shall execute and deliver to Seller a counterpart to the Transfer Agreement delivered by Seller pursuant to Section 6(d); and
- (c) Automatically upon payment of the Purchase Price in accordance with Section 5.2(a), the Transfer Agreement shall be effective without the need for any further action by any Person.

6. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF PURCHASER

The obligation of Purchaser to consummate the transactions contemplated hereby is subject to the fulfillment (or waiver by Purchaser) of each of the following conditions precedent:

- (a) The representations and warranties made by Seller in this Agreement shall be true and correct as of the Closing Date in all respects.
- (b) There shall not be in effect any order or injunction of any court, administrative body or governmental entity, or any other legal restraint or prohibition that would prevent, delay or impair the consummation of the transactions contemplated hereby or by the Transfer Agreement.
- (c) There shall not be any pending or threatened any action or proceeding seeking to enjoin or restrain consummation of the transactions contemplated by this Agreement, seeking to impose limitations on or impair Purchaser's ability to acquire or hold the Transferred Interests or to enjoy the benefits thereof or seeking damages in connection with such transactions.
- (d) Seller shall have executed and delivered to Purchaser the Transfer Agreement and such other documents as may be reasonably requested by Purchaser to transfer and convey to Purchaser all of Seller's right, title and interest to and under all of the Transferred Interests, free and clear of any and all pledges, liens, charges,

security interests, or other encumbrances, the effectiveness of which Transfer Agreement and other documents shall be conditioned solely upon Seller's receipt of the Purchase Price in accordance with the terms hereof.

- (e) Each member of the Management Committee appointed by the holders of the Class A Voting Units shall have tendered his or her resignation in a form satisfactory to Purchaser.
- (f) All consents, approvals or authorizations of, or registrations, filings or declaration with, any governmental authority or other Person reasonably determined by Purchaser to be required in connection with the consummation of the transactions contemplated hereby shall have been obtained.
- (g) To comply with Section 1445(e)(5) of the Code, Purchaser shall have received a certificate (described in U.S. Treasury Regulations section 1.1445-11T(d)(2)(i)) from Holdings to the effect that no U.S. Federal withholding is required in respect of any portion of the Purchase Price.
- (h) All conditions precedent to the closing of the Other Acquisitions shall have been (or shall be, substantially contemporaneously with the satisfaction of the conditions precedent hereunder) satisfied or waived in accordance with the terms thereof.
- (i) Since the date hereof, Purchaser shall not have become aware of any event or condition affecting Holdings or its Subsidiaries that could reasonably be expected to have a materially adverse effect on the business, operations, assets, liabilities or condition of Holdings or Limited.

7. MISCELLANEOUS

7.1 Payment of Deferred Consideration

Pursuant to the Proof of Claim filed in the United States Bankruptcy Court for the District of Delaware on January 11, 2008, Limited has filed a proof of claim in respect of contingent, unliquidated claims (if any) (collectively, the *Claims*) against American Home Mortgage Investment Corp. (*American Home*) arising from or related to the Master Repurchase Agreement (September 1996 version), dated as of March 18, 2005 (as amended, supplemented or otherwise modified from time to time and including all annexes, schedules, exhibits and any related agreements and other documents, collectively, the *MRA*) between Limited and American Home. There can be no assurances that Limited will receive any payment in respect of the Claims. If Holdings receives from Limited any distribution from amounts paid to Limited in partial or full satisfaction of the Claims, Seller shall be entitled to receive a percentage of the amount of such distribution (net of any costs or expenses (including, without limitation, reserves, enforcement costs, legal fees and claims against Holdings or Limited by American Home)) equal to Seller's ownership percentage of Holdings immediately prior to the

Closing. Purchaser shall be entitled to determine in its sole discretion when any such payment shall be made to Seller, the amount thereof and the extent to which Holdings or Limited should retain any portion of payments made in respect of the Claims. Nothing in this Section 7.1 shall limit or otherwise restrict Purchaser's ability to cause Holdings or Limited to be liquidated or unwound or otherwise terminated or to limit, condition or otherwise restrict the right or authority of Holdings or Limited to dispose of, settle, withdraw or otherwise make any change with respect to the Claims.

7.2 Costs

Except as otherwise set forth in this Agreement, all costs and expenses in connection with the transactions contemplated hereunder will be borne by the party that incurred such costs.

7.3 Notices

All communications provided for or permitted hereunder will be in writing and will be deemed to have been duly given if (a) personally delivered, (b) mailed by registered or certified mail, postage prepaid and received by the addressee, (c) sent by express courier delivery service and received by the addressee, or (d) transmitted by facsimile transmission (or any other type of electronic transmission agreed upon by the Parties) and confirmed by a writing delivered by any of the means described in (a), (b) or (c), in each case at the following addresses:

If to Purchaser: Bear Stearns Liquid Funding Holdings Inc.
 c/o JP Morgan Chase & Co.
 270 Park Avenue
 NY, NY 10017
 Attention: Jeffrey Lipman
 Email: [REDACTED]
 Facsimile: [REDACTED]

If to Seller: At the address set forth opposite Seller's name on Exhibit A
 hereto.

The designation of such person and/or address may be changed at any time by any Party upon written notice given under this Section.

7.4 Severability of Provisions

Any part, provision, representation, warranty or covenant of this Agreement that is held to be void or unenforceable by a court of competent jurisdiction will be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof. Any part, provision, representation, warranty or covenant of this Agreement that is unenforceable or is held to be void or unenforceable by a court of competent jurisdiction will, as to such jurisdiction, be ineffective to the extent of such unenforceability without

invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the Parties hereto waive any provision of law which prohibits or renders void or unenforceable any provision hereof.

7.5 Further Assurances

Each Party hereto agrees to execute and deliver such instruments and take such actions as any other Party may, from time to time before or after Closing, reasonably request in order to effectuate the purpose and to carry out the terms of this Agreement.

7.6 Survival

The representations and warranties made by a Party herein and in any certificate or other instrument delivered pursuant hereto will survive the Closing without limitation.

7.7 Governing Law

This Agreement shall be construed in accordance with, and this Agreement and any matters arising out of or relating in any way whatsoever to this Agreement (whether in contract, tort or otherwise), shall be governed by the law of the State of New York.

7.8 Entire Agreement; Binding Effect

This Agreement (including all exhibits and any other attachments) constitutes the entire understanding between the Parties regarding the subject matter of this Agreement, supersedes any and all previous communications and understandings between the Parties (including any bid, indication of interest, commitment letter or letter of interest) regarding the subject matter of this Agreement, and binds and inures to the benefit of the Parties, their successors and permitted assigns. No Party has entered into this Agreement in reliance upon any oral or written representation or information provided by any other Party other than the representations and information expressly set forth in this Agreement.

7.9 No Third Party Beneficiaries

Nothing expressed or mentioned in this Agreement is intended or will be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement, or any provisions herein contained, this Agreement and all conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Parties and for the benefit of no other person.

7.10 Counterparts

This Agreement may be executed in two or more counterparts, each of which when so executed and delivered will be an original, but all of which together will constitute one and the same instrument.

7.11 Confidentiality; Publicity

(a) For a period of two years from the date hereof, Seller and Purchaser shall keep confidential the terms of this Agreement and the Transfer Agreement and any non-public information supplied pursuant to this Agreement or the Transfer Agreement and shall not disclose, or cause to be disclosed, such confidential information to any Person, except (i) to such Party's representatives, advisors and auditors who agree to hold such information in confidence or who are otherwise bound by a professional or contractual duty to maintain the confidentiality of such information, (ii) to an affiliate of such Party, (iii) as may be required under any applicable law or at the request of any regulatory, supervisory or governmental authority, institution and department and (iv) pursuant to a subpoena or similar demand or court order (provided that, to the extent permitted by applicable law, such disclosing Party shall first, as promptly as practicable upon receipt of such subpoena or demand, furnish a copy thereof to the other Party to afford such other Party the opportunity to contest such subpoena or demand). This Section 7.11 shall not apply to information that is generally available to the public (other than pursuant to a breach of this Section 7.11) or that was in the possession of a Party prior to its disclosure under this Agreement or that otherwise becomes known to such Party other than in breach of a duty of confidentiality owed to the other Party. Notwithstanding anything to the contrary herein, each Party hereby authorizes each other Party (and each employee, representative or other agent thereof) to disclose to any and all Persons the U.S. Federal income tax treatment and tax structure of the transaction contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such Party related to such tax treatment and structure.

(b) No public release, announcement or filing concerning the transactions contemplated hereby shall be issued or filed by either Seller or Purchaser without the prior consent of the other Party, except as such release, announcement or filing may be required by applicable law, in which case the Party required to make such release, announcement or filing shall allow the other Party reasonable time to comment on such release, announcement or filing in advance of such issuance or filing.

7.12 Amendments and Waivers; Termination

(a) Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated, except by an instrument in writing signed by the Party against whom enforcement of the change, waiver, discharge or termination is sought.

(b) Notwithstanding anything to the contrary in this Agreement, this Agreement may be terminated and the transactions contemplated by this Agreement abandoned at any time prior to the Closing:

(i) by mutual written consent of Seller and Purchaser;

- (ii) by Purchaser if any of the conditions set forth in Section 6 shall have become incapable of fulfillment and shall not have been waived in writing by Purchaser; or
 - (iii) by Purchaser or Seller if the conditions precedent to Closing are not satisfied on or prior to March 25, 2011, unless on or prior to such date, Purchaser shall have notified Seller of a later date by which the conditions to Closing may be fulfilled.
- (c) In the event of termination pursuant to Section 7.12(b)(ii) or (iii), written notice thereof shall forthwith be given by the terminating party to the other Party and this Agreement and the transactions contemplated by this Agreement shall be terminated without further action by any Party upon actual receipt of such notice.
- (d) If this Agreement is terminated and the transactions contemplated hereby are abandoned as described in Sections 7.12(b) and (c), this Agreement shall become null and void and of no further force and effect, except for the provisions of:
- (i) Section 7.2, relating to expenses;
 - (ii) Section 7.4, relating to severability;
 - (iii) Sections 7.7, 7.15 and 7.16, relating to governing law, venue and jurisdiction;
 - (iv) Section 7.8, relating to entire agreement and binding effect;
 - (v) Section 7.9, relating to third-party beneficiaries;
 - (vi) Section 7.11, relating to the obligations of the Parties to keep confidential certain information and publicity; and
 - (iv) this Section 7.12.

Nothing in this Section 7.12 shall release or be deemed to release any Party from any liability for any breach by such Party of the terms and provisions of this Agreement.

7.13 Headings

The headings in this Agreement are for purposes of reference only and will not limit or otherwise affect the meaning hereof.

7.14 Assignment

This Agreement shall not be assigned or transferred by any Party hereto without the express prior written consent of each other Party. This Agreement shall be binding upon

and shall inure to the benefit of each Party and their respective successors and permitted assigns.

7.15 Jurisdiction; Venue; Consent to Service of Process

Each of the Parties hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of and agrees that venue shall be proper in the Supreme Judicial Court of the State of New York, New York or, to the extent permitted by law, the United States District Court for the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to or connected with this Agreement or the Transfer Agreement, or for recognition or enforcement of any judgment. Each of the Parties hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such courts. Each of the Parties agrees that a final judgment in any such action or proceeding will be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Each of the Parties hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the Transfer Agreement in the above-identified courts. Each of the Parties hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

7.16 Waiver of Trial by Jury

EACH OF THE PARTIES KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT OR THE TRANSFER AGREEMENT.

IN WITNESS WHEREOF, Purchaser and Seller have caused their names to be signed by their respective duly authorized officers as of the date first above written.

SELLER:

FINANCIAL TRUST COMPANY, INC.

By: _____
Name:
Title:

PURCHASER:

BEAR STEARNS LIQUID FUNDING HOLDINGS INC.

By: _____
Name:
Title:

ANNEX A
SELLER INFORMATION

Seller	Financial Trust Company, Inc.
Number of Class A Voting Units	
Purchase Price (USD)	\$265,303
Contact Details for Seller	
Seller Account Information	Bank ABA# Account Number

FORM OF TRANSFER AGREEMENT

TRANSFER AGREEMENT dated as of March 24, 2011 (this *Agreement*), between Financial Trust Company, Inc. (the *Transferor*) and Bear Stearns Liquid Funding Holdings Inc., a Delaware corporation (the *Transferee*).

RECITALS

WHEREAS, the parties hereto are party to the Limited Liability Company Agreement for Liquid Funding Holdings, LLC, a Delaware limited liability company (*Holdings*), dated November 9, 2001 (as amended, modified and supplemented from time to time, the *LLC Agreement*); and

WHEREAS, the Transferor is the sole legal and beneficial owner of ___ Class A Voting Units issued by Holdings under the LLC Agreement (the *Transferred Interests*);

WHEREAS, the Transferor and the Transferee are parties to a Membership Interest Purchase and Sale Agreement, dated as of March 24, 2011 (the *Purchase Agreement*), providing for the terms and conditions for the sale of the Transferred Interests to the Transferee; and

WHEREAS, the parties hereto desire to effect the transfer by the Transferor to the Transferee of all of the right, title and interest of the Transferor in and to the Transferred Interests and the proceeds, payments or profits from the foregoing.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Definitions.** For the purposes of this Agreement, unless otherwise defined herein, capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the LLC Agreement.
2. **Assignment.** With effect on and after the date hereof, the Transferor does hereby irrevocably sell, transfer, assign and convey to the Transferee, all of its right, title and interest in and to the Transferred Interests and all proceeds, payments or profits of the Transferred Interests, together with all other documents and instruments evidencing any of such right, title and interest.
3. **GOVERNING LAW.** THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THIS AGREEMENT AND ANY MATTERS ARISING OUT OF OR RELATING IN ANY WAY WHATSOEVER TO THIS AGREEMENT

(WHETHER IN CONTRACT, TORT OR OTHERWISE) SHALL BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

4. **Counterparts.** This Agreement may be executed in any number of separate counterparts and by each of the parties hereto in separate counterparts, each counterpart constituting an original and all such counterparts together constituting but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers thereunto and duly authorized as of the day and year first above written.

FINANCIAL TRUST COMPANY, INC.

By: _____

Name:

Title:

Financial Trust Company, Inc.
c/o Jeanne Brennan
6100 Red Hook Quarter
Suite B3
St. Thomas
US Virgin Islands
00802

**BEAR STEARNS LIQUID FUNDING HOLDINGS
INC., as Transferee**

By: _____

Name:

Title:

FORM OF TRANSFER AGREEMENT

TRANSFER AGREEMENT dated as of March 24, 2011 (this *Agreement*), between Financial Trust Company, Inc. (the *Transferor*) and Bear Stearns Liquid Funding Holdings Inc., a Delaware corporation (the *Transferee*).

RECITALS

WHEREAS, the parties hereto are party to the Limited Liability Company Agreement for Liquid Funding Holdings, LLC, a Delaware limited liability company (*Holdings*), dated November 9, 2001 (as amended, modified and supplemented from time to time, the *LLC Agreement*); and

WHEREAS, the Transferor is the sole legal and beneficial owner of ____ Class A Voting Units issued by Holdings under the LLC Agreement (the *Transferred Interests*);

WHEREAS, the Transferor and the Transferee are parties to a Membership Interest Purchase and Sale Agreement, dated as of March 24, 2011 (the *Purchase Agreement*), providing for the terms and conditions for the sale of the Transferred Interests to the Transferee; and

WHEREAS, the parties hereto desire to effect the transfer by the Transferor to the Transferee of all of the right, title and interest of the Transferor in and to the Transferred Interests and the proceeds, payments or profits from the foregoing.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers thereunto and duly authorized as of the day and year first above written.

FINANCIAL TRUST COMPANY, INC.

By: _____

Name:

Title:

Financial Trust Company, Inc.
c/o Jeanne Brennan
6100 Red Hook Quarter
Suite B3
St. Thomas
US Virgin Islands
00802

**BEAR STEARNS LIQUID FUNDING HOLDINGS
INC., as Transferee**

By: _____

Name:

Title: