

TERMINATION AGREEMENT

This Termination Agreement, dated as of November [], 2008, is entered into among [] (“Counterparty”), Maiden Lane III LLC (“ML III”) and AIG Financial Products, Corp. (“AIG-FP”).

WHEREAS, Counterparty and AIG-FP entered into the credit derivative transactions under the Confirmations listed in Schedule A hereto, as amended (the “CDS Transactions”), each as documented under an ISDA Master Agreement dated [], (together with the Schedule and Credit Support Annex thereto, each as amended prior to the date hereof the “Agreement”), and together with the Confirmations evidencing the CDS Transactions and all side letters and other agreements between AIG-FP and Counterparty or to which AIG-FP and Counterparty are parties or to which any of their respective affiliates are parties, in each case relating to the CDS Transactions, but excluding this Termination Agreement, collectively, the “Transaction Documents”);

WHEREAS, pursuant to the terms of the Transaction Documents AIG-FP has posted certain collateral to Counterparty in support of its obligations under the CDS Transactions (the “Collateral”).

WHEREAS, Counterparty is simultaneously herewith entering into a forward purchase agreement (the “Asset Purchase Agreement”) with ML III pursuant to which Counterparty will deliver the reference obligations (the “CDOs”) underlying the CDS Transactions to [] (the “Escrow Agent”) in preparation for their sale under the Asset Purchase Agreement; and

WHEREAS, Counterparty and AIG-FP wish to terminate the CDS Transactions and have released and discharged all of their respective obligations under and in respect of the CDS Transactions.

WHEREAS, capitalized terms used but not defined in this Termination Agreement shall have the meanings given to them in the Asset Purchase Agreement.

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

1. (a) *Termination of CDS Transactions.* With effect from and including [*insert same date as Purchase Date*] (the “Termination Date”), and in consideration of the mutual representations, warranties and covenants contained in this Termination Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties), AIG-FP and Counterparty each hereby agree that:

(i) each CDS Transaction under the Agreement and the related confirmation, together with any guaranty or other credit support solely in respect of the foregoing shall be terminated in full and of no further force or effect;

(ii) except as provided in Section 2 below, neither AIG-FP nor Counterparty shall owe any other party any termination payment or other amounts in connection with the termination of the CDS Transactions; and

(iii) any requirement of notice of termination or delivery of any other document required in connection with termination of the CDS Transactions is hereby waived by each party entitled to such notice or other document.

(b) *Releases.*

(i) With effect from and including the Termination Date, and in consideration of the mutual representations, warranties and covenants contained in this Termination Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties), the Counterparty, for good and valuable consideration, the sufficiency of which it hereby acknowledges, forever releases each of AIG-FP and AIG, Inc. (including all of their respective past and present parent companies, subsidiaries, divisions, affiliates, joint ventures, predecessors, successors, transferees, assigns, subrogees, insurers, co-insurers, reinsurers, servants, attorneys, partners, principals, members, directors, officers, employees, stockholders, owners, representatives and anyone claiming by or through them) from any and all Claims and Unknown Claims of any nature whatsoever that the Counterparty ever had, now has or can, shall or may have, by reason of any matter, cause or thing occurring from the beginning of the world to the Termination Date that arises out of or in any way relates to the CDS Transactions. For the avoidance of doubt the Counterparty is not releasing any Claims or Unknown Claims related to any derivative transaction other than the CDS Transactions.

(ii) With effect from and including the Termination Date, and in consideration of the mutual representations, warranties and covenants contained in this Termination Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties), each of AIG-FP and AIG, Inc., for good and valuable consideration, the sufficiency of which it hereby acknowledges, forever releases the Counterparty (including all of its past and present parent companies, subsidiaries, divisions, affiliates, joint ventures, predecessors, successors, transferees, assigns, subrogees, insurers, co-insurers, reinsurers, servants, attorneys, partners, principals, members, directors, officers, employees, stockholders, owners, representatives and anyone claiming by or through them) from any and all Claims and Unknown Claims of any nature whatsoever that AIG-FP or AIG, Inc. ever had, now has or can, shall or may have, by reason of any matter, cause or thing occurring from the beginning of the

world to the Termination Date that arises out of or in any way relates to the CDS Transactions. For the avoidance of doubt AIG-FP is not releasing any Claims or Unknown Claims related to any derivative transaction other than the CDS Transactions.

(iii) Notwithstanding the foregoing, such release and discharge shall not affect any rights, liabilities or obligations of AIG-FP or the Counterparty with respect to payments or other obligations due and payable or due to be performed on or prior to the Termination Date, and all such payments and obligations shall be paid or performed by AIG-FP or Counterparty, as applicable, in accordance with the terms of the CDS Transactions nor shall such release and discharge affect the obligation to return Collateral which shall be returned to the Escrow Agent at such date or dates, and subject to netting and set-off, as set forth in this Agreement and the Asset Purchase Agreement. [Notwithstanding the foregoing, AIG-FP and Counterparty agree that any provision of a Transaction Document that addresses indemnification of AIG-FP or its affiliates by another party or contribution by any such party in connection with any CDS Transaction that by its terms would survive the termination of a CDS Transaction shall survive the termination of the CDS Transactions hereunder].

(iv) “Claims” means any action or actions, cause or causes of action, in law or in equity, suits, liens, liabilities, claims, demands, obligations, damages, punitive damages, losses, costs, expenses and attorneys’ fees of any nature whatsoever, including, but not limited to claims based on breach of fiduciary duty or other legal duty, legal fault, negligence, negligent misrepresentation, offense, quasi-offense, contract, fraud, aiding and abetting fraud or breach of fiduciary duty, ratification, promissory estoppel, breach of the implied covenant of good faith and fair dealing, any securities law or any other theory.

(v) “Unknown Claims” means any claim that the Counterparty AIG-FP or AIG, Inc. does not know or even suspect to exist in its favor at the time of this Termination Agreement, which, if known, may have affected its decision to enter into this Termination Agreement. The parties understand that they may have suffered damages that are unknown to them at present and that they may suffer unknown damages in the future. The parties acknowledge that any actions taken in consideration of this Termination Agreement are intended to and in fact do release and discharge any and all claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist or have existed upon any theory of law or equity, regardless of whether or not the law recognizes the existence of such claims or rights of actions as of the date of this Termination Agreement.

2. *Payment of Termination Price, Return of Collateral, Netting.* On [insert date $T+2$], 2008 or such other date as agreed among the parties hereto: (i) ML III shall instruct the Escrow Agent to pay Counterparty an amount in USD (the “Termination Price”) equal to \$[insert the CDS market value as of the relevant date]; and (ii)

Counterparty shall deliver to the Escrow Agent Collateral in an amount equal to the lesser of (x) the amount of Collateral and (y) the Termination Price, where the amounts in (i) and (ii) hereof shall be subject to netting and set-off. If a portion of the Collateral is posted in a form other than cash, then the Counterparty may, if it so elects, and shall, if it is so instructed by ML III or AIG-FP, sell all or such portion of the non-cash collateral as it elects (but not less than as directed). If, following the netting and set-off set forth in this Section 2, there is still Collateral posted with Counterparty ("Excess Collateral"), then Counterparty shall hold such Excess Collateral in trust for ML III and AIG-FP until such time as the Asset Purchase Agreement specifies that the Collateral shall be delivered to the Escrow Agent.

3. *Representations and Warranties.* On the date of this Termination Agreement and on each Closing Date, each of the parties makes to each of the other parties those representations and warranties set forth in Sections 3(a), (b) and (c) of the 1992 ISDA Master Agreement with references in such Sections to "this Agreement" or "any Credit Support Document" being deemed references to this Termination Agreement alone.

4. *Entire Agreement.* This Termination Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, between the parties hereto with respect to the subject matter hereof.

5. *Severability.* If any of the provisions of this Termination Agreement becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired.

6. *Assignment.* This Termination Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and shall not be modified, except in writing, nor assigned by any party without the consent of the other party, which consent shall not be unreasonably withheld.

7. *Notice.* Any notice given by a party to this Termination Agreement to the other party shall be delivered by hand or sent by overnight courier or facsimile to such party to the address or facsimile number set forth below its signature to this Termination Agreement.

8. *Counterparts.* This Termination Agreement (and each amendment, modification and waiver in respect of it) may be executed in any number of counterparts (including by facsimile transmission), each of which when executed and delivered shall constitute an original, but all the counterparts shall together constitute but one and the same instrument.

9. *Costs.* [Each party to this Termination Agreement will pay its own costs and expenses (including legal fees) incurred in connection with this Termination Agreement and as a result of the negotiation, preparation and execution of this Termination Agreement.]

10. *Amendment.* No amendment, modification or waiver in respect of this Termination Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.

11. *Governing Law.* This Termination Agreement shall be governed by and construed in accordance with the law of the State of New York, without regards to the conflicts of law provisions thereof. Each of the parties hereto hereby submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any New York state court sitting in New York City for the purposes of all legal proceedings arising out of or relating to this Termination Agreement or the transaction contemplated hereby and agrees that service of process may be made by mail to the respective party at its address set forth herein. Each of the parties hereto irrevocably waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. To the extent that Counterparty has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, such party hereby irrevocably waives such immunity in respect of its obligations under this Termination Agreement and the other documents entered into in connection with this Termination Agreement and in connection with the Transaction and the Transaction Documents and, without limiting the generality of the foregoing, agrees that the waivers set forth herein shall have the fullest scope permitted under the Foreign Sovereign Immunities Act of 1976 of the United States and are intended to be irrevocable for the purposes of such Act. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS TERMINATION AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

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

[COUNTERPARTY]

By: _____
Name:
Title:
Address: []

AIG FINANCIAL PRODUCTS, CORP.

By: _____
Name:
Title:
Address: []

MAIDEN LANE III LLC

By: _____
Name:
Title:
Address: []

Schedule A

List of CDS Transactions with Counterparty

1. [List CDS Transactions]