



November 12, 2010

Dear Servicer:

You are receiving this letter because Wells Fargo Bank, N.A. is the master servicer or trustee for various securitization trusts in which you act as a servicer. On June 3, 2010, the U.S. Treasury Department issued Supplemental Directive 10-05 (the "Directive"), which includes requirements for the treatment of principal forbearance for loans modified under the Home Affordable Modification Program ("HAMP"). The Directive is to be implemented on all HAMP modified loans within the next 90 days unless the governing agreements specifically prohibit the treatment of a principal forbearance as a realized loss. All capitalized terms used but not defined in this letter shall have the meanings given to them in the Directive.

In order for us to treat any principal forbearance amount as a realized loss, you are required to provide the data elements per the standard reporting template, which is attached to this letter. Provide this information for HAMP modifications going forward. In addition, you are required to resubmit any HAMP modifications that had Deferred Principal with only the Deferred Principal as was described in the letter we sent on or about August 4, 2010. Your reporting is, and shall be deemed to be, an express direction as to how we are to treat the principal forbearance. Also report that the modification is a HAMP modification.

Please be advised that as a Servicer, you are solely responsible for the review, analysis, and interpretation of, and compliance with, the Directive. To assist you in doing so, we have provided below some industry-developed guidance and standards for calculating and/or reporting HAMP modification data:

1. Calculate the modified interest amount using the prior month ending balance and the new modified rate. Do not use the new capitalized higher balance.
2. With regards to HAMP principal reduction amounts, a question has been asked if Servicers are allowed to charge their Servicing Fee ("S/F") on the Total Debt Owed (interest bearing principal plus the forborne amount) or if Servicers are only allowed to charge their S/F on the interest bearing portion of the loan. The S/F should be calculated using only the interest bearing balance unless the specific Servicing Agreement provides otherwise. This is consistent with the guidance from Fannie Mae. You should refer to the definition of the Servicing Fee in your Servicing Agreements for guidance. If you are allowed to retain the S/F on the entire UPB of the loan it will be allowed only up to the interest portion of the monthly payment. You may not remit negative interest as a result of the S/F retention. If you intend to change your current practice, please notify us prior to the initial reporting change.

3. Calculate the lender-paid MI premium using the total debt owed regardless of how the principal forbearance is treated. If you fail to do so, the MI provider could potentially seek to rescind the insurance coverage. If the premium is paid on the higher balance and there is not enough interest to make the payment, it will be passed as a loss to the Trust.

4. A question has been asked if the PRA should be reported as a realized loss at the time of the modification or wait until the principal is actually forgiven. You should report it as a realized loss at the time of the modification. The PRA Forbearance Amount is the amount outstanding (static for 3 years). The Principal Reduction Alternative Forbearance Paid in Full Amount is if the borrower pays in full prior to the balance being forgiven. If the borrower pays in full after PRA is offered, then the unapplied PRA Forbearance Amount (the portion of PRA that has not yet been forgiven) will be forgiven. An example is provided in the attached file.

5. A Servicer will be reimbursed for capitalized interest if there are collections on loans in the related remittance. Such reimbursements may be limited to principal remittance amounts. The excess of any capitalized amounts over the principal remittance amount in one month will be reimbursed in a subsequent month to the extent the principal remittance amount is available in the subsequent months.

6. Some Servicers are employing a type of modification that involves deferring interest and/or fees to a balloon payment when the loan liquidates or pays off without capitalization or forgiveness. Advances normally recovered at liquidation or payoff may be recovered at the time of modification only if the arrearage is capitalized or the debt is forgiven. However, advances can not be recovered at the time of modification if the interest and/or fees are simply deferred.

For your information, a comprehensive list of all fields previously requested, including the fields attached with this letter, will be available on our ServicerConnect website on November 17th. The document will be named "Comprehensive Modification Reporting Requirements Feb 2008 to Nov 2010.pdf" via the HELP page. Our expectation is that all previously requested fields are already being reported; however, please note that all fields on the comprehensive list, where applicable, are required to be reported to us by the 90 day deadline.

If you have further questions about this guidance, please contact:
servicerconnect@wellsfargo.com

Sincerely,

Wells Fargo Bank, N.A., as Master Servicer or Trustee