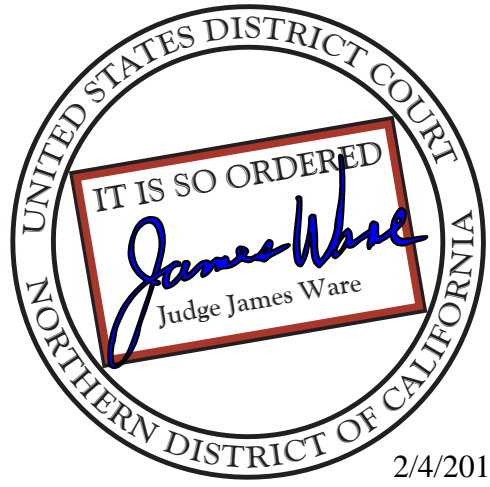


1 Tyree P. Jones, Jr. (SBN 127631)  
 David S. Reidy (SBN 225904)  
 2 REED SMITH LLP  
 101 Second Street, Suite 1800  
 3 San Francisco, CA 94105  
 Telephone: (415) 543-8700  
 4 Facsimile: (415) 391-8269

5 Mark S. Melodia (*Pro Hac Vice*)  
 REED SMITH LLP  
 6 Princeton Forrestal Village  
 136 Main Street, Suite 250  
 7 Princeton, NJ 08540  
 Telephone: (609) 520-6015  
 8 Facsimile: (609) 951-0824

9 Attorneys for Defendants  
 MERRILL LYNCH & CO., INC.; MERRILL  
 10 LYNCH BANK & TRUST CO., FSB;  
 MERRILL LYNCH MORTGAGE SERVICES  
 11 CORPORATION; FIRST FRANKLIN  
 MORTGAGE CORPORATION; FIRST  
 12 FRANKLIN FINANCIAL CORPORATION  
 AND HOME LOAN SERVICES, INC.



2/4/2011

REED SMITH LLP  
 A limited liability partnership formed in the State of Delaware

14 IN THE UNITED STATES DISTRICT COURT  
 15 FOR THE NORTHERN DISTRICT OF CALIFORNIA

16 In re First Franklin Financial Corp. Litigation

Case No. C08-1515 JW (HRL)

17 **STIPULATION REGARDING OBJECTION**  
 18 **TO SETTLEMENT**

19 *The Honorable James Ware*

28

1           WHEREAS, Plaintiffs in this matter (“the Action”) filed a First Amended and Consolidated  
2 Class Action Complaint on May 7, 2009 asserting that First Franklin violated the Equal Credit  
3 Opportunity Act, 15 U.S.C. § 1691 et seq., and the Fair Housing Act, 42 U.S.C. § 3601 et seq., in  
4 connection with the pricing of mortgage loans;

5           WHEREAS, First Franklin denies any and all facts and claims alleged by Plaintiffs in the  
6 Action, and further denies that Plaintiffs or any members of the class they purport to represent have  
7 suffered any injury or damage;

8           WHEREAS, on August 17, 2010, the parties in this matter filed with the Court a Settlement  
9 Agreement setting forth their negotiated agreement to resolve the claims in this matter (Doc. No.  
10 219-1);

11           WHEREAS, on August 31, 2010, the Court entered an Order granting preliminary approval  
12 of the Settlement Agreement (Doc. No. 226);

13           WHEREAS, the Court’s order of preliminary approval directed that notice of the settlement  
14 be given to the settlement class members, and provided that any class member wishing to object to  
15 the settlement should do so in writing by December 14, 2010;

16           WHEREAS, the Settlement Agreement in this matter provides that if the settlement receives  
17 final approval, all settlement class members will finally and completely release and forever  
18 discharge, and shall be deemed to have fully, finally, completely released and forever discharged, the  
19 Released Parties, and each of them, from any and all actual or potential claim, right, demand, charge,  
20 complaint, action, cause of action, suit, counterclaim, cross-claim, third-party claim, contention,  
21 allegation, obligation, assertion of wrongdoing or liability of any and every kind whatsoever,  
22 including, without limitation, those based on contract, Equal Credit Opportunity Act, and/or the Fair  
23 Housing Act, or any other federal, state, local or other law, statute, regulation, or principle of  
24 common law or equity, including, without limitation, all claims for monetary, equitable, declaratory,  
25 injunctive, or any other form of relief, whether known or unknown, suspected or unsuspected, under  
26 the law of any jurisdiction, which Plaintiffs or any Settlement Class Member ever had, now has, or  
27  
28

1 may have in the future, resulting from, arising out of, or in any way, directly or indirectly, connected  
2 with (a) the claims raised in the Action, or (b) any claims which could have been raised in the Action  
3 based on the same transactional nucleus of facts (“the Release”);

4 WHEREAS, on or about December 13, 2010, counsel for class members David Rajamin and  
5 Edith Gonzalez Larios (“the Rajamin objectors”), who are Plaintiffs in an unrelated matter in the  
6 Southern District of New York styled *Rajamin, et al. v. Deutsche Bank, et al.*, No. 10-CV-7531-LTS  
7 (“the *Rajamin* Action”), asserted an objection in this Action on behalf of these class members, based  
8 on the Release language in the Settlement Agreement;

9 WHEREAS, the parties in this matter have communicated with counsel for the Rajamin  
10 objectors in a good faith effort to resolve this objection;

11 WHEREAS, the parties wish to provide clarification as to the intended scope of the Release  
12 approved by the Court and communicated to class members in this Action, so as to provide  
13 assurances to the Rajamin objectors that class members who participate in the settlement in this  
14 Action will not release their right to assert or pursue the claims currently being asserted in the  
15 *Rajamin* Action;

16 WHEREAS, the Rajamin objectors now wish to withdraw their objection with the Court’s  
17 approval;

18 NOW THEREFORE, the parties stipulate as follows:

19 1. The claims released by settlement class members in connection with the Settlement  
20 Agreement are only those claims that were raised in this Action (or which could have been raised in  
21 this Action) that relate to alleged discriminatory practices in connection with the pricing of mortgage  
22 loans for African American and Hispanic borrowers.

23 2. Nothing in the Settlement Agreement or in this Stipulation is intended to waive or  
24 release any claims asserted in the *Rajamin* Action, and First Franklin will not contend that any Class  
25 Members have affirmed their debt by not opting out of this settlement.  
26  
27  
28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**SO STIPULATED:**

Dated: January 10, 2011

REED SMITH LLP

By Mark S. Melodia / maw  
Tyree P. Jones, Jr.  
Mark S. Melodia  
Attorneys for Defendants  
MERRILL LYNCH & CO., INC.; MERRILL  
LYNCH BANK & TRUST CO., FSB; MERRILL  
LYNCH MORTGAGE SERVICES  
CORPORATION; FIRST FRANKLIN  
MORTGAGE CORPORATION; FIRST  
FRANKLIN FINANCIAL CORPORATION AND  
HOME LOAN SERVICES, INC.

Dated: January 17, 2011

RODDY, KLEIN & RYAN

By [Signature]  
Gary Klein  
Attorneys for Plaintiffs

Dated: January 10, 2011

NAGLER & ASSOCIATES

By David F. Berry  
David F. Berry  
Attorneys for Objectors David Rajamin and Edith  
Gonzalez Larios