

EXECUTION VERSION

DATE: July 19, 2007

TO: Ambac Credit Products, LLC  
Attn: David Salz

FROM: Citigroup Global Markets Limited  
Attn: Nestor Dominguez

SUBJECT: Credit Derivative Transaction (Ridgeway Court Funding II, Ltd., Class A1A Floating Rate Notes Due 2047)

The purpose of this letter (this "Confirmation") is to confirm the terms and conditions of the Credit Derivative Transaction entered into on the Trade Date specified below (the "Note Transaction") between Citigroup Global Markets Limited ("Citigroup") and Ambac Credit Products, LLC ("ACP"). This Confirmation constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below.

The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions (the "Credit Derivatives Definitions"), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the Credit Derivatives Definitions and this Confirmation, this Confirmation will govern.

This Confirmation supplements, forms a part of, and is subject to, the 1992 ISDA Master Agreement and Schedule thereto, each dated as of June 27, 2007 as amended and supplemented from time to time (the "Agreement") between Citigroup and ACP. All provisions contained in the Agreement govern this Confirmation except as expressly modified below. This Confirmation is a Relevant Confirmation with respect to a Relevant Transaction, as defined in the Agreement.

Capitalized terms used but not defined herein, in the Agreement or in the Credit Derivatives Definitions shall have the meanings given to such terms in the Indenture dated as of June 27, 2007 (as the same may be amended from time to time, the "Indenture") by and among Ridgeway Court Funding II, Ltd., Ridgeway Court Funding II, Corp. and Wells Fargo Bank, National Association, as trustee (the "Trustee").

The terms of the Transaction to which this Confirmation relates are as follows:

1. General Terms:

Trade Date: June 27, 2007

Effective Date: June 27, 2007

Scheduled Termination Date: The Payment Date occurring in June 2047

Termination Date: The earliest of (i) the Scheduled Termination Date, (ii) the date on which the Fixed Rate Payer Calculation Amount is reduced

NYA 848195

EXHIBIT

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to zero, (iii) the date on which the Reference Obligations are prepaid, amortized or redeemed, in each case in full, pursuant to Article 9 of the Indenture or (iv) the Cash Settlement Date on which the Class A1A Swap by and between Party A and Party B has terminated.

Floating Rate Payer: ACP ("Seller")  
Fixed Rate Payer: Citigroup ("Buyer")  
Calculation Agent: Buyer, unless Buyer is the Defaulting Party (in which event the Calculation Agent shall be Seller).  
Calculation Agent City: New York.  
Business Day: New York, and any other day that is a Business Day as defined in the Indenture.  
Business Day Convention: Following (which shall apply to any date referred to in this Confirmation, other than the Effective Date, that falls on a day that is not a Business Day).  
Reference Entity: The Reference Entity set out on Schedule A attached hereto. Section 2.31 of the Credit Derivatives Definitions shall not apply.  
Reference Obligation: The Reference Obligation set out on Schedule A attached hereto. Section 2.30 of the Credit Derivatives Definitions shall not apply.  
All Guarantees: Not applicable.  
Reference Price: 100%  
2. Fixed Payments:  
Reference Obligation Notional Amount: Shall equal:

(i) For the initial Fixed Rate Payer Calculation Period, the amount specified in Schedule A (the "Initial Notional Amount"), and (ii) with respect to any Calculation Period thereafter, an amount equal to the Initial Notional Amount of the Reference Obligation (x) increased by the sum of all Class A1A Note Fundings pursuant to Article 17 of the Indenture up to a maximum of US\$840,000,000 and (y) decreased by the sum of all principal payments made in respect of the Reference Obligation (as a result of scheduled or accelerated amortization, acceleration of payment obligations, redemption or otherwise) to the extent allocable to a holder of the Reference Obligation

having a principal amount equal to the outstanding principal amount of such Reference Obligation on the first day of the relevant Fixed Rate Payer Calculation Period.

For purposes hereof, the outstanding principal amount on the first day of the Fixed Rate Payer Calculation Period shall be the principal amount outstanding on such day after giving effect to any payments on such day in respect of principal on the Reference Obligation whether or not scheduled.

**Fixed Rate Payer Calculation Amount:** The Reference Obligation Notional Amount.

**Fixed Amount:** The product of (i) the Reference Obligation Notional Amount, (ii) the Fixed Rate and (iii) the Fixed Rate Day Count Fraction; provided that if the aggregate principal amount of the Reference Obligation is reduced on any day other than a Fixed Rate Payer Payment Date, the Fixed Amount shall be an amount equal to the product of (i) the weighted average Reference Obligation Notional Amount for such Fixed Rate Payer Calculation Period, (ii) the Fixed Rate and (iii) the Fixed Rate Day Count Fraction. No Fixed Amount shall be payable with respect to any period after the earlier of (i) the Early Termination Date and (ii) the Scheduled Termination Date.

**Fixed Rate Payer Payment Dates:** The 10<sup>th</sup> calendar day of each month, beginning in November 2007.

**Fixed Rate:** 0.12% (12.0 basis points) per annum

**Fixed Rate Day Count Fraction:** Actual/360.

3. **Floating Payment:**

**Floating Rate Payer Calculation Amount:** As of the Cash Settlement Date, the Shortfall, except to the extent attributable to any present or future withholding taxes, or other, similar charges imposed by any governmental or taxing authority (including interest and penalties in respect of such withholding taxes or other, similar charges) imposed on payments under the Reference Obligation to a holder of a principal amount of the Reference Obligation equal to the Relevant Notional Amount, such holder having the relevant tax characteristics of the Buyer with respect to withholding taxes or other, similar charges, including whether the Buyer has provided applicable and effective tax forms to the Reference Entity, the Trustee or the relevant paying agent for reduced or no withholding to the extent such form(s) are required to be provided for such reduction or elimination of withholding.

**Conditions to Settlement:** Credit Event Notice, which notice must be in writing.

**Notifying Party:** Buyer

**Notice of Physical Settlement:** Not applicable.

**Notice of Publicly Available Information:** Applicable, provided that (i) such notice must be in writing, and (ii) the relevant Credit Event Notice is given.

**Public Source(s):** In addition to the Public Sources specified in Section 3.7 of the Credit Derivatives Definitions, a notice from the Trustee for the Reference Obligation, Standard and Poor's Ratings Group ("S&P"), Moody's Investor Services, Inc. ("Moody's") and Fitch, Inc. ("Fitch").

**Specified Number:** Two, provided however, that the Specified Number shall be one if the Publicly Available Information consists of information received from the Trustee for the Reference Obligation.

**Notice of Shortfall,** as defined in Section 10(B) of this Confirmation

**Credit Events:** The following Credit Events shall apply to this Transaction:

**Failure to Pay,** as defined in Section 10(C) of this Confirmation.

**Grace Period Extension:** Applicable

**Payment Requirement:** USD 1

**Obligations:**

**Obligation Category:** Reference Obligation Only.

**Multiple Exercise:** Notwithstanding any provisions herein, or any provisions in the Credit Derivatives Definitions, the Conditions to Settlement may be satisfied on any number of occasions, but only once in relation to each and every Shortfall. Sections 1.7 and 3.1 of the Credit Derivatives Definitions shall be construed accordingly.

4. **Settlement Terms:**

**Settlement Method:** Cash Settlement

**Settlement Currency:** USD

**Terms Relating to Cash:** The terms Final Price, Valuation Method, Market Value, Quotation, Valuation Date, Quotation Method, Full Quotation,

**Settlement:** Weighted Average Quotation, Quotation Amount, Minimum Quotation Amount, Valuation Time, Dealer and Representative Amount shall be inapplicable to this Transaction.

**Cash Settlement Date:** Three Business Days after the Event Determination Date. For the avoidance of doubt, there may be more than one Cash Settlement Date, but only one Cash Settlement Date in respect of each and every Shortfall.

**Cash Settlement Amount:** The Floating Rate Payer Calculation Amount.

**Shortfall:**

- (a) With respect to any Payment Date prior to the Scheduled Termination Date, (i) the amount of accrued interest due and payable on such Payment Date in respect of the Reference Obligation with a principal amount outstanding equal to the Reference Obligation Notional Amount minus (ii) the amount of such accrued interest, if any, paid by or on behalf of the Reference Entities or, if applicable, any guarantor or insurer, in respect of the Reference Obligation with a principal amount outstanding equal to the Reference Obligation Notional Amount on such Payment Date, after giving effect to any applicable grace period.
- (b) With respect to the date that is the earlier of (i) the Scheduled Termination Date or (ii) the date on which the assets designated to fund the Reference Obligation have been disposed of (whether in accordance with the Transaction Documents or otherwise and whether pursuant to sale or liquidation or otherwise) and all proceeds of those assets have been fully distributed (whether in accordance with the Transaction Documents or otherwise and whether so distributed to holders of the Reference Obligation or any other person), (x) the amount of principal or accrued interest due and payable on such date in respect of the Reference Obligation with a principal amount outstanding equal to the Reference Obligation Notional Amount minus (y) the amount of such principal or accrued interest, if any, paid by or on behalf of the Reference Entities or, if applicable, any guarantor or insurer, in respect of the Reference Obligation with a principal amount outstanding equal to the Reference Obligation Notional Amount on such date, after giving effect to any applicable grace period.

5. Notice and Account Details:

Contact and Account Details:

Buyer: Citigroup Global Markets Limited  
Citigroup Centre  
Canada Square  
Canary Wharf  
London  
E14 5LB

Attn: Head of Credit Derivatives Trading  
Attn: Credit Derivatives Documentation  
Tel: +44 20 7986 9025  
Fax: +44 20 7986 1929

With a copy to:

Telephone number: 212-723-6493  
Facsimile number: 212-723-8649  
Attention: Arthur C. Valdes

With a copy to:

Attn: Credit Derivatives Legal  
250 West St., 10<sup>th</sup> Floor  
New York, NY 10013  
Tel: (212) 723-3855  
Fax: (212) 801-4109

Buyer Settlements: JP MORGAN CHASE BANK, NEW YORK  
ABA#: 021-000-021  
SWIFT: CHASUS33  
A/C OF: CGML  
SWIFT: SBILGB2L  
ACCOUNT NO: 9301035789

Seller: Ambao Credit Products, LLC  
One State Street Plaza  
New York, NY 10004  
Attn: Financial Control  
Tel: (212) 668-0340  
Fax: (212) 208-3428

Copy to:

Attn: Structured Finance and Credit Derivatives  
Fax: (212) 208-3113

Seller Settlements:

BK OF NYC  
ABA# 021000018  
ACCT: GLA 111565  
FFC: AMBAC CREDIT PRODUCTS LLC  
ACCT: 003924  
ATTN: RIDGEWAY COURT FUNDING II, LTD.

6. Reports

Buyer agrees to use reasonable efforts with respect to the Reference Obligation to either (i) obtain and to provide Seller and Seller's Credit Support Provider with copies of trustee's or noteholder reports or notices relating to the Reference Obligation, on an ongoing basis promptly after receipt thereof by Buyer or (ii) procure the delivery thereof by the Reference Entity or any trustee or administrator to Seller. Buyer further agrees to make requests to the Trustee, as Seller may from time to time direct, for any information any Noteholder or any Designated Protection Provider (each as defined in the Indenture) is entitled to request from the Trustee under the terms of the Indenture.

7. Adjustment of Calculation Agent Determinations

To the extent that a Trustee furnishes any Monthly Reports or Note Valuation Reports correcting information contained in previously issued Monthly Reports or Note Valuation Reports and such corrections impact calculations pursuant to this Transaction, the calculations relevant to the Transaction shall be adjusted retroactively by the Calculation Agent to reflect the corrected information (provided that, for the avoidance of doubt, no amounts in respect of interest shall be payable by either party and provided that the Calculation Agent in performing the calculations pursuant to this paragraph will assume that no interest has accrued on any adjusted amount), and the Calculation Agent shall promptly notify both parties of any corrected payments required by either party. Any required corrected payments shall be made within five Business Days of the day on which adjusted payments are made in respect of the Reference Obligation.

8. Recovered Amounts

If, on or after any Event Determination Date, an amount (whether interest, principal or other amount in respect of the Reference Obligation) is disbursed by the Trustee on behalf of the Reference Entity in respect of the Reference Obligation in full or partial payment of a Shortfall (a "Recovered Amount"); Buyer shall, no later than two Business Days following the date of disbursement of such Recovered Amount, pay to Seller an amount equal to the portion of the Recovered Amount attributable to the Relevant Notional Amount as of the applicable Event Determination Date.

After the Termination Date, Buyer shall continue to make payment of Recovered Amounts to Seller, in the same manner and subject to the same limitations as provided in this Confirmation as if the Termination Date had not occurred; provided, that Buyer's obligation to continue to make these payments shall cease on the day that is 30 days after the date on which the liquidation and distribution of the assets held by the Reference Entity to fund the Reference Obligation is completed.

9. Holding of Reference Obligation

Buyer shall not at any time have any obligation to hold any part of the Reference Obligation.

10. Additional Agreements Regarding Credit Derivatives Definitions

(A) Section 1.8 of the Definitions is hereby deleted in its entirety and the following is hereby substituted therefor: "Event Determination Date" means the first date on which all Conditions to Settlement are satisfied." Notwithstanding any provisions herein, or any provisions of the Credit Derivatives Definitions, an Event Determination Date may occur on more than one occasion, but only once in relation to each and every Shortfall.

(B) Section 1.18 of the Credit Derivatives Definitions shall not apply to the Transaction.

(C) Section 4.5 of the Credit Derivatives Definitions is hereby deleted in its entirety and the following is hereby substituted therefor:

"Failure to Pay" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period),

(a) the failure by a Reference Entity to make, when and where due, any payments of accrued interest in an aggregate amount of not less than the Payment Requirement under one or more Reference Obligations, in accordance with the terms of such Reference Obligations at the time of such failure; or

(b) a failure to pay in full the principal amount of the Reference Obligations at the earlier of:

(i) the Maturity Date of such Reference Obligations; and

(ii) the date on which all of the assets designated to fund the Reference Obligation have been disposed of (whether in accordance with the Transaction Documents or otherwise and whether pursuant to sale or liquidation or otherwise) and all proceeds of those assets have been fully distributed (whether in accordance with the Transaction Documents or otherwise and whether so distributed to holders of the Reference Obligations or any other person).

(D) Section 9.1(b)(ii) of the Credit Derivatives Definitions is hereby amended by adding after the last word "Transaction" and before the semi-colon the phrase ", except as provided in the Schedule to the Agreement."

(E) "Notice of Shortfall" means a written notice delivered by the Buyer to the Seller containing a statement of the Shortfall and setting forth the calculations by which Buyer determined the Shortfall.



Please confirm your agreement to be bound by the terms of the foregoing by executing a copy of this Confirmation and returning it to us by facsimile.

It has been a pleasure working with you on this Transaction, and we look forward to working with you again in the future.

Yours sincerely,

CITIGROUP GLOBAL MARKETS LIMITED



By: JUSTIN PALAMARA  
Authorized Signatory

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Agreed and Accepted:  
Ambac Credit Products, LLC

By: \_\_\_\_\_  
Name:  
Title:

Please confirm your agreement to be bound by the terms of the foregoing by executing a copy of this Confirmation and returning it to us by facsimile.

It has been a pleasure working with you on this Transaction, and we look forward to working with you again in the future.

Yours sincerely,

**CITIGROUP GLOBAL MARKETS LIMITED**

By: \_\_\_\_\_

Name:

Title:

Date:

Agreed and Accepted:  
Ambac Credit Products, LLC

By: \_\_\_\_\_

Name:

Title:

Schedule A

Reference Entity

Ridgeway Court Funding II, Ltd.

Reference Obligation

Class A1A Floating Rate Notes Due 2047

Initial Notional Amount

USD 0

Maximum Notional Amount

USD 840,000,000

Identification

Regulation S Common Code: 030323068

Regulation S Global Note CUSIP Number: To be generated as per the Class A1A Swap

Restricted Global Note CUSIP Number: To be generated as per the Class A1A Swap

Reg S International Securities Identification Number: To be generated as per the Class A1A Swap

Maturity Date-Stated

6/10/2047

Intentionally Left Blank

EXECUTION VERSION

DATE: July 19, 2007

TO: Ambac Credit Products, LLC  
Attn: David Salz

FROM: Citigroup Global Markets Limited  
Attn: Nestor Dominguez

SUBJECT: Credit Derivative Transaction (Ridgeway Court Funding II, Ltd., Class A1A Swap, dated July 2, 2007)

The purpose of this letter (this "Confirmation") is to confirm the terms and conditions of the Credit Derivative Transaction entered into on the Trade Date specified below (the "Swap Transaction") between Citigroup Global Markets Limited ("Citigroup") and Ambac Credit Products, LLC ("ACP"). This Confirmation constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below.

The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions (the "Credit Derivatives Definitions"), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the Credit Derivatives Definitions and this Confirmation, this Confirmation will govern.

This Confirmation supplements, forms a part of, and is subject to, the 1992 ISDA Master Agreement and Schedule thereto, each dated as of June 27, 2007 as amended and supplemented from time to time (the "Agreement") between Citigroup and ACP. All provisions contained in the Agreement govern this Confirmation except as expressly modified below. This Confirmation is a Relevant Confirmation with respect to a Relevant Transaction, as defined in the Agreement.

Capitalized terms used but not defined herein, in the Agreement or in the Credit Derivatives Definitions shall have the meanings given to such terms in the Class A1A Swap Confirmation by and between Ridgeway Court Funding II, Ltd. and Citigroup Global Markets Limited (including the 1992 ISDA Master Agreement dated as of June 27, 2007, the Schedule thereto dated June 27, 2007 and the Confirmation dated as of June 27, 2007, each as amended from time to time, and collectively, the "Class A1A Swap") and the Indenture dated June 27, 2007 (as amended from time to time, the "Indenture") among Ridgeway Court Funding II, Ltd., Ridgeway Court Funding II, Corp. and Wells Fargo Bank, National Association, as trustee (the "Trustee").

The terms of the Transaction to which this Confirmation relates are as follows:

1. General Terms:

Trade Date:	June 27, 2007
Effective Date:	June 27, 2007
Scheduled Termination Date:	The Payment Date occurring in June 2047.
Termination Date:	The earliest of (i) the Scheduled Termination Date, (ii) the Redemption Date and (iii) the date on which the Class A1A Swap Notional Amount is reduced to zero in

accordance with the terms of the Class A1A Swap.

**Floating Rate Payer:** ACP ("Seller")

**Fixed Rate Payer:** Citigroup ("Buyer")

**Calculation Agent:** Buyer, unless Buyer is the Defaulting Party (in which event the Calculation Agent shall be Seller).

**Calculation Agent City:** New York.

**Business Day:** New York, and any other day that is a Business Day as defined in the Indenture.

**Business Day Convention:** Following (which shall apply to any date referred to in this Confirmation, other than the Effective Date, that falls on a day that is not a Business Day).

**Reference Entity:** The Reference Entity set out on Schedule A attached hereto. Section 2.31 of the Credit Derivatives Definitions shall not apply.

**Reference Obligation:** The Reference Obligation set out on Schedule A attached hereto. Section 2.30 of the Credit Derivatives Definitions shall not apply.

**All Guarantees:** Not applicable.

**Reference Price:** 100%

**2. Fixed Payments:**

**The Reference Obligation Notional Amount:** Shall have the same meaning as the term "Notional Amount" in the Class A1A Swap

**Fixed Rate Payer Calculation Amount:** The Average Notional Amount as such term is defined in the Class A1A Swap.

**Fixed Amount:** The product of (i) the Fixed Rate Payer Calculation Amount, (ii) the Fixed Rate and (iii) the Fixed Rate Day Count Fraction. No Fixed Amount shall be payable with respect to any period after the earlier of (i) the Early Termination Date and (ii) the Scheduled Termination Date.

**Fixed Rate Payer Payment Dates:** Each Option Fee Payment Date as defined in the Class A1A Swap.

**Fixed Rate:** 0.12% (12.0 basis points) per annum

**Fixed Rate Day**

Count Fraction:

Actual/360.

**3. Floating Payment:**

Floating Rate Payer  
Calculation Amount:

As of the Cash Settlement Date, the Shortfall, except to the extent attributable to any present or future withholding taxes, or other, similar charges imposed by any governmental or taxing authority (including interest and penalties in respect of such withholding taxes or other, similar charges) imposed on payments under the Reference Obligation to a holder of a principal amount of the Reference Obligation equal to the Relevant Notional Amount, such holder having the relevant tax characteristics of the Buyer with respect to withholding taxes or other, similar charges, including whether the Buyer has provided applicable and effective tax forms to the Reference Entity, the Trustee or the relevant paying agent for reduced or no withholding to the extent such form(s) are required to be provided for such reduction or elimination of withholding.

Conditions to Settlement:

Credit Event Notice, which notice must be in writing.

Notifying Party: Buyer

Notice of Physical Settlement: Not applicable.

Notice of Publicly Available Information: Applicable, provided that (i) such notice must be in writing, and (ii) the relevant Credit Event Notice is given.

Public Source(s): In addition to the Public Sources specified in Section 3.7 of the Credit Derivatives Definitions, a notice from the Trustee for the Reference Obligation, Standard and Poor's Ratings Group ("S&P"), Moody's Investor Services, Inc. ("Moody's") and Fitch, Inc. ("Fitch").

Specified Number: Two, provided however, that the Specified Number shall be one if the Publicly Available Information consists of information received from the Trustee for the Reference Obligation.

Notice of Shortfall, as defined in Section 10(E) of this Confirmation.

Credit Events:

The following Credit Events shall apply to this Transaction:

Failure to Pay, as defined in Section 10(C) of this

Confirmation.

Grace Period Extension: Inapplicable

Payment Requirement: USD 1

Obligations:

Obligation Category: Reference Obligation Only.

Multiple Exercise:

Notwithstanding any provisions herein, or any provisions in the Credit Derivatives Definitions, the Conditions to Settlement may be satisfied on any number of occasions, but only once in relation to each and every Shortfall. Sections 1.7 and 3.1 of the Credit Derivatives Definitions shall be construed accordingly.

4. Settlement Terms:

Settlement Method: Cash Settlement

Settlement Currency: USD

Terms Relating to

Cash Settlement:

The terms Final Price, Valuation Method, Market Value, Quotation, Valuation Date, Quotation Method, Full Quotation, Weighted Average Quotation, Quotation Amount, Minimum Quotation Amount, Valuation Time, Dealer and Representative Amount shall be inapplicable to this Transaction.

Cash Settlement Date:

Three Business Days after the Event Determination Date. For the avoidance of doubt, there may be more than one Cash Settlement Date, but only one Cash Settlement Date in respect of each and every Shortfall.

Cash Settlement Amount:

The Floating Rate Payer Calculation Amount.

Shortfall:

(a) With respect to any Payment Date—Monthly on or prior to the Termination Date, (i) the amount of accrued Option Fee Amount payable on such Payment Date—Monthly in accordance with the Priority of Payments in the Indenture minus (ii) the amount of such accrued Option Fee Amount paid by or on behalf of the Reference Entity or, if applicable, any guarantor or insurer, in respect of such Reference Obligation with a principal amount outstanding equal to the Reference Obligation Notional Amount of such Reference Obligation on such date, after giving effect to any applicable grace period; provided that a Shortfall shall not exist to the extent the Option Fee Amount has been reduced as a result of the



application of Section 10.2(j)(i) of the Indenture.

**5. Notice and Account Details:**

Contact and Account Details:

**Buyer:**

Citigroup Global Markets Limited  
Citigroup Centre  
Canada Square  
Canary Wharf  
London  
E14 5LB

Attn: Head of Credit Derivatives Trading  
Attn: Credit Derivatives Documentation  
Tel: +44 20 7986 9025  
Fax: +44 20 7986 1929

With a copy to:

Telephone number: 212-723-6493  
Facsimile number: 212-723-8649  
Attention: Arthur C. Valdes

With a copy to:

Attn: Credit Derivatives Legal  
250 West St., 10<sup>th</sup> Floor  
New York, NY 10013  
Tel: (212) 723-3855  
Fax: (212) 801-4109

**Buyer Settlements:**

JP MORGAN CHASE BANK, NEW YORK  
ABA#: 021-009-021  
SWIFT: CHASUS33  
A/C OF: CGML  
SWIFT: SBILGB2L  
ACCOUNT NO: 9301035789

**Seller:**

Ambac Credit Products, LLC  
One State Street Plaza  
New York, NY 10004  
Attn: Financial Control  
Tel: (212) 668-0340  
Fax: (212) 208-3428

Copy to:

Attn: Structured Finance and Credit Derivatives

Fax: (212) 208-3113

**Seller Settlements:**

BK OF NYC  
ABA# 021000018  
ACCT: GLA 111565  
FFC: AMBAC CREDIT PRODUCTS LLC  
ACCT: 003924  
ATTN: RIDGEWAY COURT FUNDING II, LTD.

**6. Reports**

Buyer agrees to use reasonable efforts with respect to the Reference Obligation to provide (or otherwise procure the delivery thereof) to Seller and Seller's Credit Support Provider copies of any and all notices and reports either furnished to Buyer by the Issuer or furnished by Buyer to the Issuer pursuant to or in connection with the Class A1A Swap. Buyer further agrees to make requests to the Trustee, as Seller may from time to time direct, for any information any Noteholder or any Designated Protection Provider (each as defined in the Indenture) is entitled to request from the Trustee under the terms of the Indenture.

**7. Adjustment of Calculation Agent Determinations**

To the extent that a Trustee furnishes any Monthly Reports or Note Valuation Reports correcting information contained in previously issued Monthly Reports or Note Valuation Reports and such corrections impact calculations pursuant to this Transaction, the calculations relevant to the Transaction shall be adjusted retroactively by the Calculation Agent to reflect the corrected information (provided that, for the avoidance of doubt, no amounts in respect of interest shall be payable by either party and provided that the Calculation Agent in performing the calculations pursuant to this paragraph will assume that no interest has accrued on any adjusted amount), and the Calculation Agent shall promptly notify both parties of any corrected payments required by either party. Any required corrected payments shall be made within five Business Days of the day on which adjusted payments are made in respect of the Reference Obligation.

**8. Recovered Amounts**

If, on or after any Event Determination Date, an amount (whether Option Fee Amount or other amount in respect of the Reference Obligation) is disbursed by the Trustee on behalf of the Reference Entity in respect of the Reference Obligation in full or partial payment of a Shortfall (a "Recovered Amount"), Buyer shall, no later than two Business Days following the date of disbursement of such Recovered Amount, pay to Seller an amount equal to the portion of the Recovered Amount attributable to the Relevant Notional Amount as of the applicable Event Determination Date.

After the Termination Date, Buyer shall continue to make payment of Recovered Amounts to Seller, in the same manner and subject to the same limitations as provided in this Confirmation as if the Termination Date had not occurred; provided, that Buyer's obligation to continue to make these payments shall cease on the day that is 30 days after the date on which the liquidation and distribution of the assets held by the Reference Entity to fund the Reference Obligation is completed.

9. Holding of Reference Obligation

Buyer shall not at any time have any obligation to hold any part of the Reference Obligation.

10. Additional Agreements Regarding Credit Derivatives Definitions

- (A) Section 1.8 of the Definitions is hereby deleted in its entirety and the following is hereby substituted therefor: "Event Determination Date" means the first date on which all Conditions to Settlement are satisfied." Notwithstanding any provisions herein, or any provisions of the Credit Derivatives Definitions, an Event Determination Date may occur on more than one occasion, but only once in relation to each and every Shortfall.
- (B) Section 1.18 of the Credit Derivatives Definitions shall not apply to the Transaction.
- (C) Section 4.5 of the Credit Derivatives Definitions is hereby deleted in its entirety and the following is hereby substituted therefor:

"Failure to Pay" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to pay, when and where due, any Option Fee Amount in an aggregate amount of not less than the Payment Requirement under one or more Reference Obligations, in accordance with the terms of such Reference Obligations at the time of such failure.

- (D) Section 9.1(b)(ii) of the Credit Derivatives Definitions is hereby amended by adding after the last word "Transaction" and before the semi-colon the phrase ", except as provided in the Schedule to the Agreement."
- (E) "Notice of Shortfall" means a written notice delivered by the Buyer to the Seller containing a statement of the Shortfall and setting forth the calculations by which Buyer determined the Shortfall.


[Signature Page Follows]

Please confirm your agreement to be bound by the terms of the foregoing by executing a copy of this Confirmation and returning it to us by facsimile.

It has been a pleasure working with you on this Transaction, and we look forward to working with you again in the future.

Yours sincerely,

**CITIGROUP GLOBAL MARKETS LIMITED**



By: **JUSTIN PALAMARA**  
Authorized Signatory

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Agreed and Accepted:  
**AMBAC CREDIT PRODUCTS, LLC**

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Please confirm your agreement to be bound by the terms of the foregoing by executing a copy of this Confirmation and returning it to us by facsimile.


It has been a pleasure working with you on this Transaction, and we look forward to working with you again in the future.

Yours sincerely,

CITIGROUP GLOBAL MARKETS LIMITED

By: \_\_\_\_\_  
Name:  
Title:  
Date:

Agreed and Accepted:  
AMBAC CREDIT PRODUCTS, LLC

By:   
Name:  
Title:  
Date:

Schedule A

Reference Entity  
Ridgeway Court Funding II, Ltd.

Reference Obligation  
The 1992 ISDA Master Agreement (Multicurrency-Cross Border) dated June 27, 2007 between Citigroup Global Markets Limited and Ridgeway Court Funding II, Ltd., the Schedule thereto, dated June 27, 2007, the Confirmation dated June 27, 2007 (collectively, the "Class A1A Swap")

Initial Notional Amount  
USD 840,000,000

Maturity Date-Stated  
6/10/2047