

TITLE DEFICIENCY LETTER - VERSION 2

First American Title Insurance Company

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CLIFFORD L. MORGAN
Senior Vice President
Underwriting—New Product Development

December 27, 2001

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED]

Upon due consideration, First American Title Insurance Company (the Company), on behalf of all of its title company subsidiaries, direct operations and underwritten agents, makes the following representations to World Savings Bank, FSB (the "Lender") with regard to such incorrect references, typographical errors or missing endorsements on the Company's policies. Please note that any reference below to a "deed of trust" includes a "mortgage" or "security deed" and vice-versa.

First American Title Insurance Company will not deny coverage of a properly submitted claim that would otherwise be covered under the terms and provisions of the title policy issued to the Lender, by reason of any of the following matters:

1. Incorrect or missing recording information of the insured Deed of Trust, (including date, book, page, document number, etc).
2. Mortgagor/Co-Mortgagor name in mortgage/title policy requires minor (typographical) correction.
3. Name of insured party in mortgage/title policy requires minor (typographical) correction
4. Loan amount in title policy requires correction.
5. Policy effective date requires correction.
6. Name of trustee in title policy requires minor (typographical) correction.
7. Name of trustee omitted in title policy.

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8. Missing or incorrect designation of the street type (i.e. Lane, Drive, Avenue, Street or Court) referenced in the short-form policy insuring the mortgage.
9. If the mortgage amount reflected on the title policy differs from the deed of trust but is higher than current unpaid principal balance of the loan, we will still honor the terms of the policy. If the insurance amount requested on the Lender's closing instructions was between 100% and 125% of the original principal amount of the mortgage, but the final policy was issued in a lesser amount, First American will still honor the amount requested in the Lender's closing instructions.
10. Where any policy or endorsement that is received by World Savings is missing countersignatures, or is received in the form of a photocopy or a fax, these formats will not invalidate the coverage of the policy or the validity of the endorsements.
11. Where the jacket to the policy is missing, we will still honor the policy coverage by determining from the closing instructions which form of policy was requested.
12. When a particular title policy endorsement (for example, ALTA 9, 6.2, 8.1, CLTA 116, etc.) is available and has been requested in the Lender's closing instructions, but is not attached to the final title policy, the Company will not deny a claim based on the coverage under that particular endorsement; it will treat the endorsement as if it had been properly issued and attached to the policy.

Nothing in this letter is intended to prejudice the rights of either this Company or Lender with respect to any coverage disputes that are not otherwise covered by items 1 through 12, above.

First American Title Insurance Company's goal is to facilitate real estate closings including, the closing and securing of the Lender's loan. We wish to respond, quickly and accurately, to each and every covered claim that is presented under the terms and conditions of the various title policies that we have issued. We also want the Lender, and any subsequent assignee or investor of that loan, to retain confidence in the First American title policy. To that end, the representations made in this letter also extend to any assignee of interest in the loan that is processed and insured by a policy of title insurance issued by this Company, by all of its directly or indirectly-owned subsidiaries, and by all of its agents.

This letter will retroactively apply to all of the title policies issued to [REDACTED] Bank, FSB and all of its related predecessor companies and subsidiaries prior to this date. This letter shall remain in effect until the Company cancels it in writing and receipt of said cancellation is acknowledged by World Savings in writing to the Company. If this letter is cancelled, said cancellation will be prospective only. Any [REDACTED] Bank loan transactions that have settled and closed prior to the date of

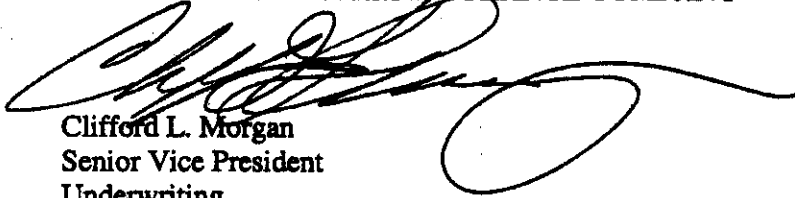
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the cancellation will continue to be covered by this letter. All correspondence should be sent to [REDACTED]

If you need anything further, or if we need to clarify anything mentioned in this letter, please do not hesitate to contact me at your convenience.

Very truly yours,

FIRST AMERICAN TITLE INSURANCE COMPANY



Clifford L. Morgan
Senior Vice President
Underwriting

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