
In the Matter of the Rehabilitation of:

Case No. 10-CV-1576

Segregated Account of Ambac Assurance Corporation

AMBAC ASSURANCE CORPORATION'S NOTICE OF MOTION
AND MOTION FOR LEAVE TO FILE EXCESS PAGES

TO: All Counsel of Record

PLEASE TAKE NOTICE that Ambac Assurance Corporation ("Ambac"), by its attorneys, moves the Court for leave to file a brief in excess of 10 pages in reply to the Brief of Assured Guaranty Re Ltd. and Assured Guaranty Corp. in Opposition to Rehabilitator's Motion to Enforce Injunction. Ambac will present this Motion before the Honorable William D. Johnston, presiding by judicial appointment, at the Lafayette County Courthouse, 626 Main Street, Darlington, Wisconsin, at the currently-scheduled hearing at 9:00 a.m. (CDT) on May 25, 2011, or at an alternative date, time, and place to be set by the Court.

The grounds for this Motion are as follows:

1. On April 15, 2011, the Wisconsin Commissioner of Insurance, Theodore K. Nickel, as court-appointed Rehabilitator ("Rehabilitator") of the Segregated Account ("Segregated Account") of Ambac, filed his Motion to Enforce Injunction Against Assured Guaranty Corp. and Assured Guaranty Re Ltd. (collectively, the "Assured Reinsurers").

2. On April 20, 2011, Ambac joined in the Rehabilitator's Motion.
3. On May 9, 2011, the Assured Reinsurers filed a 57 page brief in Opposition to the Rehabilitator's Motion. Because the brief was longer than the 40 page limit imposed by Dane County Circuit Court L.R. 115, the Assured Reinsurers filed a Motion for Leave to File Excess Pages.
4. Ambac does not object to the Assured Reinsurers' Motion for Leave to File Excess Pages, nor does Ambac object to Assured Reinsurers filing a brief in excess of the 40 page limit set by Dane County Circuit Court L.R. 115.
5. In the Assured Reinsurers' 57 page brief, they raise a number of arguments:
 - a. This Court lacks personal jurisdiction over one of the Assured Reinsurers.
 - b. The injunction does not enjoin the Assured Reinsurers from arbitrating a contract dispute with Ambac.
 - c. The Wisconsin Statutes abrogating arbitration provisions do not apply to the Reinsurance Agreements.
 - d. Contractual disputes between the Assured Reinsurers and Ambac are not properly before this Court.
 - e. The Arbitration Agreements remain in effect because Ambac is not subject to a Chapter 645 proceeding.
 - f. The Assured Reinsurers' payment obligations do not include the amounts of the surplus notes.

6. Dane County Circuit Court L.R. 115, limits a reply brief to ten (10) pages, "[u]nless otherwise ordered by this Court..." Dane County Circuit Court L.R. 115.

7. In order to adequately reply to Assured Reinsurers' 57 page brief, Ambac believes it will be necessary to exceed the 10 page limit.

8. As stated above, Ambac does not object to Assured Reinsurers' Motion for leave to exceed the page limit on their brief. Rather, Ambac merely requests that if Assured Reinsurers are permitted to exceed the page limit on their brief, that Ambac also be permitted to exceed the page limit on its brief.

WHEREFORE, Ambac requests that this Court grant Ambac leave to file a reply brief in excess of the 10 page limit imposed by Dane County Circuit Court L.R. 115.

Dated: May 16, 2011.

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