Grant C. Killoran
Attorney at Law

O'NEIL CANNON
HOLLMAN DEJONG & LAING S.C.
Wisconsin's Premier Lawyers & Litigators

Grant.Killoran@wilaw.com

July 5, 2011

VIA MESSENGER

A. John Voelker, Acting Clerk
Wisconsin Court of Appeals
110 East Main Street
Suite 215
P.O. Box 1688
Madison, Wisconsin 53701-1688

Re: *In re the Matter of the Rehabilitation of:*
Segregated Account of Ambac Assurance Corporation,
Appeal No. 2010-AP-2835
(Dane County Case No. 2010-CV-1576)

Dear Mr. Voelker:

Enclosed for filing find the original and eleven (11) copies of Depfa Bank plc's Supplemental Appellant's Brief. Please file the original and nine (9) copies with the Court and return file-stamped versions of the remaining two (2) copies to us via our messenger.

Thank you for your cooperation with respect to this filing. If you have any questions, please do not hesitate to contact Greg Lyons of this office or me.

Sincerely,

Grant C. Killoran

GCK/ljn

Enclosures

c: Gregory W. Lyons, Esq. (w/enc.)
Laura J. Now, Esq. (w/enc.)
Seth E. Dizard, Esq. (w/enc.)
Thomas J. Welsh, Esq. (w/enc.) (via e-mail)
Katie DeWitt, Esq. (w/enc.) (via e-mail)
Counsel of Record (*See* Certificate of Service)

WISCONSIN COURT OF APPEALS
DISTRICT IV

In the Matter of the Rehabilitation of:

Segregated Account of Ambac Assurance Corporation — **Appeal No. 2010-AP-2835**

TED NICKEL and OFFICE OF THE COMISSIONER OF INSURANCE,

Petitioners-Respondents,

AMBAC ASSURANCE,

Interested Party-Respondent,

v.

DEPFA BANK PLC,

Interested Party-Appellant,

ACCESS TO LOANS FOR LEARNING STUDENT LOAN CORPORATION, AURELIUS CAPITAL MANAGEMENT LP, BANK OF AMERICA, N.A., CUSTOMER ASSET PROTECTION COMPANY ("CAPCO"), DEUTSCHE BANK NATIONAL TRUST COMPANY, DEUTSCHE BANK TRUST COMPANY AMERICAS, EATON VANCE, FEDERAL HOME LOAN MORTGAGE CORPORATION ("Freddie Mac"), FEDERAL NATIONAL MORTGAGE ASSOCIATION ("Fannie Mae"), FIR TREE INC., KING STREET CAPITAL MATER FUND, LTD., KING STREET CAPITAL, L.P., LLOYDS TSB BANK PLC, MONARCH ALTERNATIVE

CAPITAL LP, ONE STATE STREET LLC, STONEHILL CAPITAL MANAGEMENT LLC, U.S. BANK NATIONAL ASSOCIATION, WELLS FARGO BANK, N.A., WELLS FARGO BANK, N.A., as Trustee for the LVM Bondholders, WILMINGTON TRUST COMPANY and WILMINGTON TRUST FSB,

Interested Parties-Co-Appellants.

APPEAL FROM ORDERS OF THE CIRCUIT COURT OF DANE COUNTY CASE NO. 2010-CV-001576 THE HONORABLE WILLIAM D. JOHNSTON PRESIDING

DEPFA BANK PLC'S SUPPLEMENTAL APPELLANT'S BRIEF

O'NEIL, CANNON, HOLLMAN, DEJONG & LAING S.C.
Co-Counsel for Depfa Bank, plc
By: Grant C. Killoran, SBN 1015503
Gregory W. Lyons, SBN 1000492
Seth E. Dizard, SBN 1025871
Laura J. Now, SBN 1079346
111 East Wisconsin Avenue, Suite 1400
Milwaukee, Wisconsin 53202-4870
(414) 276-5000

ORRICK, HERRINGTON & SUTCLIFFE LLP
Of Counsel
By: Thomas J. Welsh (admitted *pro hac vice*)
400 Capitol Mall, Suite 3000
Sacramento, California 95814-4497
(916) 447-9200

TABLE OF CONTENTS

TABLE OF AUTHORITIES

Cases

Statutes

STATEMENT OF ISSUES PRESENTED FOR REVIEW

This case presents the following issues for review:

1. Did appellant Depfa Bank plc ("Depfa") have an interest in the Circuit Court action regarding the creation of the Ambac Segregated Account and subsequent rehabilitation thereof that Depfa would be unable to protect absent intervention in that action? *See* Wis. Stat. § 803.09(1).

The Circuit Court answered this question in the negative. (R.397: 20; Jt.-App.244.)

2. Did the Wisconsin Insurance Commissioner ("Commissioner") act in excess of his authority granted pursuant to Wis. Stat. § 645, *et seq.*, in creating an insolvent Segregated Account and the rehabilitation thereof?

The Circuit Court answered this question in the negative. (R.397: 20; Jt.-App.244; R.556:47, 53-57; Jt.-App.149, 155-159.)

3. Does the Plan of Rehabilitation ("Plan"), specifically the Claim Penalty Provisions contained therein, illegally strip policyholders of their assets by virtue of their making a claim, thereby illegally altering their contractual rights and violating due process?

The Circuit Court failed to address this argument despite it being fully briefed in that court and included in Depfa's proposed order. (R.530:12-13, 18-20.) However, the Circuit Court's approval of the Plan and related rulings operate as an implied rejection thereof. (R.556; Jt.-App.100-174.)

STATEMENT ON ORAL ARGUMENT AND PUBLICATION

Depfa requests oral argument due to the complexity of the issues in this case. Oral argument will present an opportunity for the Court to obtain additional information regarding these complex issues and will aid in the speedy and effective resolution of the case.

Depfa also submits that this case will meet the criteria for publication pursuant to Wis. Stat. § 809.23 as it presents previously undecided questions of law regarding the Commissioner's authority that will have a lasting impact, not only within Wisconsin but across the nation, on the substantial public interest in current and future insurance contracts between Wisconsin-domiciled insurance providers and policyholders.[1]

---

[1] Depfa is engaged in ongoing settlement discussions with Ambac and the Commissioner and has reached an agreement in principle. However, settlement documentation and requisite approvals could not be completed prior to Depfa's deadline for filing this brief. Depfa will promptly notify the Court if and when such settlement is finalized and approved by the Circuit Court.

STATEMENT OF THE CASE

I. NATURE OF THE CASE.

This case presents a consolidated appeal from various Circuit Court orders and rulings related to the Segregated Account of Ambac Assurance Corporation ("Ambac"). It presents questions of law regarding Depfa's exclusion as a party and the Circuit Court's approval of certain extra-statutory actions of the Commissioner, which are subject to *de novo* review.

The implications of this case are wide-reaching and of utmost importance. They not only involve the multi-billion dollar insurance insolvency proceedings of Ambac, but have the power to change the way business is conducted with Wisconsin-domiciled insurance companies in perpetuity. Depfa respectfully submits that the Circuit Court proceedings must be carefully scrutinized to assure that the rule of law in Wisconsin does not fall victim to expediency.

II. STATEMENT OF PROCEDURAL HISTORY AND FACTS.

Depfa incorporates the extensive procedural history and facts set forth in Appellants' Joint Opening Brief ("JOB"). Depfa's timely Notices of Appeal of the Circuit Court's October 25, 2010 and January 24, 2011 Decisions, and related orders, are found at R.407, 578. Other supplemental

facts will be addressed in the next section.

ARGUMENT

I. The Circuit Court Erred in Denying Depfa's Request to Intervene as a Matter of Right.

The Circuit Court erred in denying Depfa's request to intervene as a matter of right pursuant to Wis. Stat. 803.09(1), which presents a question of law subject to *de novo* review. *See Helgeland v. Wisconsin Municipalities*, 2008 WI 9, ¶ 41, 307 Wis. 2d 1, 23, 745 N.W.2d 1.

Intervention as a matter of right must be granted when "the movant claims an interest relating to the property or transaction which is the subject of the action and the movant is so situated that the disposition of the action may as a practical matter impair or impede the movant's ability to protect that interest, unless the movant's interest is adequately represented by existing parties." Wis. Stat. § 803.09(1); *see also Becker v. Becker*, 66 Wis.2d 731, 735, 225 N.W.2d 884, 886 (1975).

Depfa's interest in the subject litigation is undeniable. Depfa is the policyholder under numerous Ambac policies assigned to the Segregated Account. (R.430:1-3.) Moreover, Depfa's interest in these policies was impaired by the Circuit Court proceedings, in particular the Circuit Court's approval of the Segregated Account, the rehabilitation injunctions entered

on March 24, 2010 ("Injunctions"), and the confirmation of the Plan, which collectively altered Depfa's policy rights by, among other things, substituting the Segregated Account as Depfa's insurer, reducing any policy payments to just 25% in cash (with 75% in uncertain Surplus Notes), and requiring other draconian asset seizures and other concessions upon the making of a policy claim (*see*, *infra*, section III). (R.1:17-21, 35-45, 106-108; Jt.-App.261-265, 277-287, 340-342; R.9; Jt.-App.175-190; R.11; Jt.App.191-194; R.371; R.556; Jt.-App.100-174.)

As explained at length in the JOB and in subsequent sections of this brief, Depfa's interests were not adequately represented by Ambac or the Commissioner, who sought and obtained the approval of the Injunctions, Segregated Account, and Plan in violation of Wisconsin law. On the contrary, Depfa was prejudiced impermissibly by, among other things, its inability to conduct formal discovery (R.381; R.387; Jt.-App.221-224; R.471:81:25-83:21; R.613:27:22-24), fully conduct cross-examination of witnesses after redirect (R.563:127-30; R.613:27:22-24), and respond to the majority of arguments offered by the Commissioner in closing, which had been reserved improperly for rebuttal (R.613:9:20-10:4, 11:21-22, 27:22-24).

Depfa should have been allowed to intervene in the Circuit Court proceedings, and the Circuit Court's failure to allow such intervention impermissibly handicapped Depfa's ability to protect its interests, constituting reversible error and requiring remand.

II. The Circuit Court Erred in Approving the Commissioner's Creation of an Insolvent Segregated Account and the Rehabilitation thereof.

The Circuit Court also erred in approving the Commissioner's creation of an insolvent Segregated Account and rehabilitation thereof. Such actions were in excess of the Commissioner's authority granted by Wis. Stat. § 645, *et seq.*, and as such are subject to *de novo* review. *See Zellner v. Herrick*, 2009 WI 80, ¶ 12, 319 Wis. 2d 532, 537, 770 N.W.2d 305.

The Commissioner may only exercise the power and authority given to him by the Wisconsin legislature under the Wisconsin Insurance Code. *See Duel v. State Farm Mut. Auto Ins. Co.*, 240 Wis. 161, 170, 1 N.W. 2d 887, 891 (1942) ("the insurance commissioner has only such powers as are conferred by statute and . . . these must be found within the four corners of the statute.") (citations omitted). The Commissioner's decisions and actions cannot be allowed if they (1) are outside the range delegated to the

agency by law; (2) are inconsistent with agency rules or prior agency practice; (3) deviate from agency practice or prior policy and are not adequately explained; or (4) violate a constitutional or statutory provision. *See, e.g., Nat'l Motorists Ass'n v. Office of the Comm'r of Ins.*, 2002 WI App 308 ¶ 22, 259 Wis.2d 240, 655 N.W.2d 179 (citing Wis. Stat. § 227.57(8)).

The Commissioner acted outside the law when he approved the insolvent Segregated Account. (JOB at 38-46.) Further, his placement of the Segregated Account into rehabilitation also was outside of his statutory authority under Wis. Stat. 645.31, as it is clear that the Commissioner never envisioned "rehabilitating" that account. (R.561:32-33; R.562:158; R.563:214-5.) Rather, the Segregated Account was created to force the settlement of problematic policies (R.560:188-89) and run-off the remainder of Segregated Account liabilities. (R.560:215:19-22; R.561:55-56.) The Commissioner did this knowingly and intentionally to coerce Segregated Account policyholders into settling for less than what they were owed to free up capital for policyholders of Ambac's General Account. (R.560:188-91.) This sort of "rehabilitation" is not permitted by law and is therefore in excess of the Commissioner's authority. *See, e.g., In re*

Jacobs, 149 B.R. 983, 992-93 (Bankr. N.D. Okla. 1993) (insurance commissioner cannot use regulatory authority to extort payment or punish nonpayment of debt discharged in bankruptcy); *State ex rel. Times Inc. Co. v. Smith*, 184 Wis. 455, 481, 200 N.W. 65 (1924) (commissioner may not hold insurance license renewals hostage to effectuate reinterpretation of policy requirements).

Moreover, in "rehabilitating" the Segregated Account, the Commissioner disregarded his duty to protect the interests of the insolvent insurer's policyholders and the public at large in order to advance the interests of the favored Ambac General Account policyholders (R.560:140-43). *See* Wis. Stat. § 645.33(2) (authority to reform and revitalize insolvent insurer); *see also Commercial Nat'l Bank v. Superior Court of Los Angeles County,* 17 Cal Rptr. 2d 884, 889 (Cal. Ct. App. 1993) (noting the law "imposes a fiduciary duty on the Commissioner, as a trustee, to all policyholders to ensure that each is treated fairly and shares ratably with other policyholders."); *Foster v. Mut. Fire, Marine & Inland Ins. Co.*, 614 A.2d 1086, 1094 (Pa. 1992).

For example, Ambac's General Account policyholders (are paid 100 cents on the dollar for their claims, while under the Plan, Segregated

Account policyholders like Depfa are paid just 25% of their claims in cash, with the balance "paid" through the issuance of an unregistered and illegally issued security called a "Surplus Note"[2]). (R.560:199; R.561:57; R.567:6, 8, 14-15; Jt.-App.592, 594, 600-601.) This inequity is completely unsound as the only policyholders relevant to the Commissioner's "duty" in this context are those in the Segregated Account subject to rehabilitation, not the General Account or Ambac as a whole. Despite this important distinction, the Commissioner repeatedly has attempted to justify this treatment of the Segregated Account policyholders by referencing the benefit of his actions to Ambac as a whole and to the General Account policyholders in particular. (R.560:170.) Such a "shadow rehabilitation" is in excess of his authority and contravention of law. *See* Wis. Stat. § 645.32; *see also Grode v. Mut. Fire Marine & Inland Ins. Co.*, 572 A.2d 798, 804 (Pa. Commw. Ct. 1990), *aff'd in part, sub nom. Foster*, 614 A.2d 1086.

Further, it is clear that despite assurances to the contrary (R.560:143), the Plan will result in harm to the public of Wisconsin because

---

[2] *See* JOB at 50-56 (discussing problems with Surplus Notes).

it creates a heretofore unknown danger of buying insurance from, or doing any business with, a Wisconsin-domiciled insurer. Simply put, if the Commissioner's interpretation of Wisconsin law is correct, policyholders who buy insurance from a Wisconsin-domiciled company are not legally entitled to rely upon the full financial backing and protection of the insurer's entire asset portfolio. Rather, policyholders of a Wisconsin-domiciled insurance company may end up holding nothing more than the ability to pursue coverage from an undercapitalized or illiquid segregated account, while the insurer's management rebuilds the company's business around policyholders who pay premiums, but never submit claims. Certainly, the Commissioner's actions here will have an adverse impact on businesses, jobs, and the long-term public good of Wisconsin.

The Circuit Court's error in confirming the Commissioner's scheme is patently clear when this Court examines how the Plan would be treated under bankruptcy law, which like Wisconsin's insurance insolvency law seeks to equitably administer the assets of a bankrupt entity. *See, e.g., In re Little Creek Dev. Co.*, 779 F.2d 1068, 1071 (5th Cir. 1986). There is no reasonable doubt that a bankruptcy court would soundly reject the creation of a new entity like the Segregated Account for the purpose of sequestering

liabilities, while protecting the remainder of the company; such schemes are referred to as the "new debtor syndrome" and have been consistently rejected for the inequities they create. *See, e.g., In re N.R. Guaranteed Ret., Inc.*, 112 B.R. 263 (Bankr. N.D. Ill. 1990) (dismissing bankruptcy petition where individual created corporate entity for the sole purpose of protecting other assets from creditors).

It is clear that the Commissioner's actions were and are in excess of his authority, and the Circuit Court's rulings and orders confirming those actions are reversible error requiring remand.

III. The Circuit Court Erred in Approving the Plan that Illegally Strips Policyholders of Their Assets.

The Circuit Court further erred in approving the Plan that illegally strips policyholders of their assets by virtue of making a claim. These errors are subject to *de novo* review. *See Sweck v. D.P. Way Corp.*, 70 Wis.2d 426, 435-36, 234 N.W.2d 921, 926 (1975); *Zerox Corp. v. Wisconsin Dept. of Revenue*, 2009 WI App 113, ¶ 12, 321 Wis.2d 181, 192, 772 N.W.2d 677.

First, while the Commissioner may restructure debt and claim payment obligations pursuant to a plan of rehabilitation, he may not improve the pre-rehabilitation contractual position of an insurer. *See*

Dardar v. Ins. Guar. Ass'n, 556 So.2d 272, 274 (La. Ct. App. 1990) (holding insurance rehabilitator, with authority to conduct business of an insolvent insurer, steps into the shoes of the insurer and is bound by the same constraints as is the insurer in the normal course of business.) However, that is exactly what the Commissioner has done here because the Plan expressly penalizes policyholders like Depfa for making a claim under the Plan by altering the policy to require that such policyholders surrender their rights to collateral upon the filing of a claim (R.430 ¶¶7-8; R.511). This is accomplished through the "Claim Penalty Provisions" of the Plan (R.567:23-24 [4.04(g-h)], 127-129; Jt.-App.609-610, 713-715), which improve Ambac's pre-rehabilitation contractual position because the Plan will pay policyholders only 25% of their policy claim in cash, while seizing all of the policyholder's other collateral for the benefit of Ambac's General Account. In many situations (like Depfa's), the collateral is worth much more than the 25% cash payment the policyholder will receive. Thus, the Plan creates a windfall whereby the Ambac General Account would actually make money by virtue of policyholder claims whenever the collateral exceeds the 25% cash payment. (R.430 ¶¶7-8.) Such contractual improvement in favor of the insurer is not allowed under the auspices of a

rehabilitation.

Second, the confiscatory nature of the Claim Penalty Provisions render the Plan constitutionally defective. *See Calfarm Ins. Co. v. Deukmejian*, 771 P.2d 1247, 1250-55 (Cal. 1989) (violation of due process to due to lack of relief from confiscatory note); *see also Neblett v. Carpenter*, 305 U.S. 297, 305 (1938) (while policyholders have no constitutional right "to a particular form of remedy", they are entitled to at least the liquidation value of their claims); *Carpenter v. Pac. Mut. Life Ins. Co. of Cal.*, 74 P.2d 761, 778 (Cal. 1937) (same). Because the Plan confiscates contractual rights—here the right to utilize a policyholder's pre-claim collateral to cover losses no longer fully covered by the Segregated Account—but does not provide any mechanism for relief from the confiscatory nature of the Plan, it is unlawful and must be rejected.

The Plan as written by the Commissioner and approved by the Circuit Court is contrary to law and constitutes reversible error requiring remand.

CONCLUSION

For the reasons set forth herein and in the JOB, Depfa respectfully submits that each Circuit Court error requires reversal of the Circuit Court's

orders and rulings approving the Temporary Injunction, Segregated Account, and Plan and remand for further proceedings.

Dated this 5th day of July, 2011.

O'NEIL, CANNON, HOLLMAN, DEJONG & LAING S.C.

By: _____

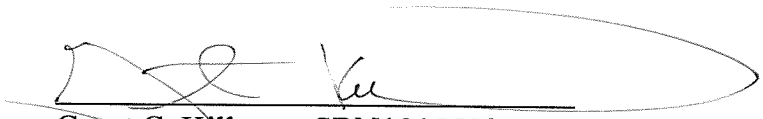
Grant C. Killoran, SBN1015503
Gregory W. Lyons, SBN1000492

CERTIFICATION OF COMPLIANCE WITH RULE 809.19(8)(b) AND THE COURT'S MAY 3, 2011 ORDER

I hereby certify that this supplemental brief conforms to the rules contained in sections 809.19(8)(b), Wis. Stats., for a brief produced with a proportional serif font.

I hereby further certify that this supplemental brief conforms to the length requirements specified in the May 3, 2011 Order of this Court. The length of those portions of this supplemental brief included in the word count is 2,158 words.

Dated this 5th day of July, 2011.



Grant C. Killoran, SBN1015503
Gregory W. Lyons, SBN1000492

CERTIFICATION OF COMPLIANCE WITH RULE 809.19(12)

I hereby certify that I have had submitted an electronic copy of this supplemental brief, excluding the appendix, if any, which complies with the requirements of section 809.19(12), Wis. Stats.

I further certify that the electronic supplemental brief is identical in content and format to the printed form of the brief filed as of this date. A copy of this certificate is being served with the paper copies of this brief filed with the Court and served on all counsel of record for the parties.

Dated this 5th day of July, 2011.

Grant C. Killoran, SBN1015503
Gregory W. Lyons, SBN1000492

CERTIFICATION OF SERVICE

I hereby certify that on July 5, 2011, I had served by first class mail, postage prepaid and/or electronic mail, this supplemental brief upon counsel as listed below:

Ted Nickel and Office of the Commissioner of Insurance, State of Wisconsin
c/o Michael B. Van Sicklen
David G. Walsh
Matthew R. Lynch
Foley & Lardner LLP
150 East Gilman Street
P.O. Box 1497
Madison, WI 53701-1497
Email: mvansicklen@foley.com
Email: dwalsh@foley.com
Email: mlynch@foley.com

c/o Kevin G. Fitzgerald
Andrew A. Oberdeck
Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee, WI 53202
Email: kfitzgerald@foley.com
Email: aoberdeck@foley.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Ambac Assurance Corporation
c/o Daniel W. Stolper
Barbara A. Neider
Stafford Rosenbaum LLP
222 West Washington Avenue
Suite 900
P.O. Box 1784
Madison, WI 53701-1784
Email: dstolper@staffordlaw.com
Email: bneider@staffordlaw.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Peter A. Ivanick
William G. Primps
Lynn Roberts
Emily L. Saffitz
Allison H. Weiss
Henry J. Ricardo
Richard W. Reinthaler
Dewey & LeBoeuf LLP
1301 Avenue of the Americas
New York, NY 10019-6092
Email: pivanick@dl.com
Email: wprimps@dl.com
Email: lwroberts@dl.com
Email: esaffitz@dl.com
Email: aweiss@dl.com
Email: hricardo@dl.com
Email: rreinthaler@dl.com

Todd L. Padnos
Dewey & LeBoeuf LLP
1950 University Avenue
Suite 500
East Palo Alto, CA 94303-2225
Email: tpadnos@dl.com

Wells Fargo Bank
c/o Stephen L. Morgan
Brittany S. Ogden
Jennifer M. Krueger
Murphy Desmond S.C.
33 East Main Street
Suite 500
P.O. Box 2038
Madison, WI 53701-2038
Email: smorgan@murphydesmond.com
Email: bogden@murphydesmond.com
Email: jkrueger@murphydesmond.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Steven T. Whitmer
Kevin Wisniewski

Locke Lord Bissell & Liddell LLP
111 South Wacker Drive
Chicago, IL 60606
Email: swhitmer@lockelord.com
Email: kwisniewski@lockelord.com

Wells Fargo Bank/Trustee for RMBS Certificate Holders
c/o Jane C. Schlicht
Cook & Franke S.C.
660 East Mason Street
Milwaukee, WI 53202
Email: schlicht@cf-law.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Michael E. Johnson
William B. Macurda
Cele Ogawa
Alston & Bird LLP
90 Park Avenue
New York, NY 10016
Email: michael.johnson@alston.com
Email: bill.macurda@alston.com
Email: cele.ogawa@alston.com

The Bank of New York Mellon
c/o Laura E. Callan
Thomas Solheim
Solheim Billing & Grimmer, S.C.
One South Pinckney Street
Suite 301
P.O. Box 1644
Madison, WI 53701-1644
Email: lcallan@sbglaw.com
Email: tsolheim@sbglaw.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Dale C. Christensen, Jr.
Thomas Ross Hooper
Seward & Kissel LLP
One Battery Park Plaza
New York, NY 10004
Email: christensen@sewkis.com

Email: hooper@sewkis.com

Federal Home Loan Mortgage Corporation ("Freddie Mac") c/o David I. Cisar Susan E. Lovern Owen Thomas Armstrong, Jr. von Briesen & Roper, s.c. 411 East Wisconsin Avenue Suite 700 P.O. Box 3262 Milwaukee, WI 53201-3262 Email: dcisar@vonbriesen.com Email: slovern@vonbriesen.com Email: oarmstrong@vonbriesen.com Christopher J. Stroebel von Briesen & Roper, s.c. Three South Pinckney Street Suite 1000 Madison, WI 53703 Email: cstroebel@vonbriesen.com Craig S. Bloomgarden Robert A. Zeavin Manatt, Phelps & Phillips, LLP 11355 West Olympic Boulevard Los Angeles, CA 90064 Email: cbloomgarden@manatt.com Email: rzeavin@manatt.com Marcia D. Alazraki Manatt, Phelps& Phillips, LLP 7 Times Square New York, NY 10036 Email: malazraki@manatt.com	Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.
Federal National Mortgage Association ("Fannie Mae") c/o Rodney W. Carter Steven W. Laabs	Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Davis & Kuelthau, S.C.
300 North Corporate Drive
Suite 150
Brookfield, WI 53045-5804
Email: rcarter@dkattorneys.com
slabs@dkattorneys.com

c/o David M. Schlecker
Reed Smith LLP
599 Lexington Avenue
New York, NY 10022
Email: dschlecker@reedsmith.com

Aurelius Capital Management, LP, Fir Tree, Inc., King Street Capital, L.P., King Street Capital Master Fund, Ltd., Monarch Alternative Capital LP, and Stonehill Capital Management LLC RMBS Policy Holders
c/o Bryan K. Nowicki
R. Timothy Muth
Jessica Hutson Polakowski
Reinhart Boerner Van Deuren s.c.
22 East Mifflin Street
Suite 600
Madison, WI 53703
Email: bnowicki@reinhartlaw.com
Email: tmuth@reinhartlaw.com
Email: jpolakowski@reinhartlaw.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

John B. Simon
David M. Greenwald
Michael T. Brody
Andrew J. Olejnik
Jenner & Block LLP
353 North Clark Street
Chicago, IL 60654
Email: jsimon@jenner.com
Email: dgreenwald@jenner.com
Email: mbrody@jenner.com
Email: aolejnik@jenner.com

Patrick J. Trostle
Mark Lightner
Jenner & Block LLP
919 Third Avenue
37th Floor
New York, NY 10022
Email: ptrostle@jenner.com
Email: mlightner@jenner.com

Eaton Vance Management
c/o Gregory T. Everts
Quarles & Brady
P.O. Box 2113
Madison, WI 53701-2113
Email: greg.everts@quarles.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Jeffrey W. Spear
Joel M. Walker
Kenneth M. Argentieri
Duane Morris LLP
600 Grant Street
Suite 5010
Pittsburgh, PA 15219
Email: jwspear@duanemorris.com
Email: jmwalkder@duanemorris.com
Email: kmargentieri@duanemorris.com

Nuveen Asset Management, Restoration Capital Management LLC, Stone Lion Capital Partner LP, LVM Bondholders
c/o Noreen Joy Parrett
Connie L. O'Connell
Parrett & O'Connell
10 East Doty Street
Suite 621
Madison, WI 53703
Email: nparrett@parrettoconnell.com
Email: coconnell@parrettoconnell.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Philip Bentley

Amy Caton
Susan Jacquemot
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York, NY 10036
Email: pbentley@kramerlevin.com
Email: acaton@kramerlevin.com
Email: sjacquemot@kramerlevin.com

U.S. Bank National Association, solely in its capacity as Trustee AND Deutsche Bank National Trust Company, solely in its capacity as Trustee AND Deutsche Bank Trust Company Americas, solely in its capacity as Trustee
c/o Nathan L. Moenck
Ann Ustad Smith
Michelle L. Dama
Michael Best & Friedrich LLP
One South Pinckney Street
Suite 700
Madison, WI 53701
Email: nlmoenck@michaelbest.com
Email: ausmith@michaelbest.com
Email: mldama@michaelbest.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Paul E. Benson
Paul A. Lucey
Michael Best & Friedrich LLP
100 East Wisconsin Avenue
Suite 3300
Milwaukee, WI 53202
Email: pebenson@michaelbest.com
Email: palucey@michaelbest.com

John M. Rosenthal
Kristine Bailey
Morgan, Lewis & Bockius LLP
One Market, Spear Street Tower
San Francisco, CA 94195
Email: jrosenthal@morganlewis.com

Email: kbailey@morganlewis.com

Leah M. Houghton
Morgan, Lewis & Bockius LLP
225 Franklin Street
16th Floor
Boston, MA 02110-4104
Email: lhoughton@morganlewis.com

John C. Goodchild, III
Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-292
Email: jgoodchild@morganlewis.com

Allyson N. Ho
Morgan, Lewis & Bockius LLP
1000 Louisiana
Suite 4000
Houston, TX 77002
Email: aho@morganlewis.com

One State Street, LLC
c/o Anne M. Bensky
Kathleen G. McNeil
Garvey McNeil & Associates, S.C.
One Odana Court
Madison, WI 53719
Email: bensky@gmmattorneys.com
Email: mcneil@gmmattorneys.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

c/o Mark I. Bane
Ropes & Gray LLP
1211 Avenue of the Americas
New York, NY 10036
Email: mark.bane@ropesgray.com

c/o D. Ross Martin
Andrew G. Devore
Ropes & Gray LLP
Prudential Tower

800 Boylston Street
Boston, MA 02199-3600
Email: ross.martin@ropesgray.com
Email: andrew.devore@ropesgray.com

Access to Loans for Learning Student Loan Corporation AND Lloyds TSB Bank plc c/o Lawrence Bensky Law Office of Lawrence Bensky, LLC 10 East Doty Street Suite 800 Madison, WI 53703 Email: lbensky@benskylaw.com c/o James C. Owen McCarthy, Leonard & Kaemmerer 400 South Woods Mill Road Chesterfield, MO 63017 Email: jowen@mlklaw.com	Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.
Wilmington Trust Co./Wilmington Trust FSB c/o Jane C. Schlicht Cook & Franke S.C. 660 East Mason Street Milwaukee, WI 53202 Email: schlicht@cf-law.com c/o Michael E. Johnson William B. Macurda Cele Ogawa Alston & Bird LLP 90 Park Avenue New York, NY 10016 Email: michael.johnson@alston.com Email: bill.macurda@alston.com Email: cele.ogawa@alston.com	Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.
Bank of America c/o Jane C. Schlicht	Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class

Cook & Franke S.C. 660 East Mason Street Milwaukee, WI 53202 Email: schlicht@cf-law.com	mail.
c/o Michael E. Johnson William B. Macurda Cele Ogawa Brian Cox Alston & Bird LLP 90 Park Avenue New York, NY 10016 Email: michael.johnson@alston.com Email: bill.macurda@alston.com Email: cele.ogawa@alston.com Email: brian.cox@alston.com	
Assured Guaranty Corp. & Goldman Sachs & Co., Inc. James E. Bartzen Earl H. Munson Boardman Suhr Curry & Field LLP One South Pinckney Street Suite 400 P.O. Box 927 Madison, WI 53701-0927 Email: jbartzen@boardmanlawfirm.com Email: emunson@boardmanlawfirm.com	Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.
C.N. Franklin Reddick III Richard K. Welsh Akin Gump Strauss Hauer & Feld 2029 Century Park East Suite 2400 Los Angeles, CA 90067 Email: freddick@akingump.com Email: rwelsh@akingump.com	
KnowledgeWorks Foundation, As The Administrator of the Ohio Centric Student Loan Program AND Treasurer	Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

of the State of Ohio
c/o Melissa A. Kern
Frost Brown Todd LLC
1103 Boundary Road
Middleton, WI 53562
Email: mkern@fbtlaw.com

c/o Greg E. Mitchell
Frost Brown Todd LLC
2800 Lexington Financial Center
250 West Main Street
Lexington, KY 40507
Email: gmitchell@fbtlaw.com

c/o Jeffrey A. Lipps
Joel E. Sechler
Carpenter Lipps & Leland LLP
280 Plaza Suite 1300
280 North High Street
Columbus, OH 43215
Email: lipps@carpenterlipps.com
Email: sechler@carpenterlipps.com

PNC Corporation AND Customer Asset Protection Company ("CAPCO")
c/o John Franke
Beth E. Hanan
Gass Weber Mullins LLC
309 North Water Street
Suite 700
Milwaukee, WI 53202
Email: franke@gasswebermullins.com
Email: hanan@gasswebermullins.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

c/o Peter D. Laun
Jones Day
500 Grant Street
Suite 4500
Pittsburgh, PA 15219
Email: pdlaun@jonesday.com

Attorneys for U.S.A.
c/o Robert J. Kovacev
Hilarie Snyder
Tax Division, U.S. Dept. of Justice
P.O. Box 7238
Washington, DC 20044
Email: robert.j.kovacev@usdoj.gov
Email: hilarie.e.snyder@usdoj.gov

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Countrywide Home Loans Servicing L.P.
c/o Bruce G. Arnold
Whyte Hirschboeck Dudek S.C.
555 East Wells Street
Suite 1900
Milwaukee, WI 53202-3819
Email: barnold@whdlaw.com

c/o Thomas M. Pyper
Cynthia L. Buchko
Whyte Hirschboeck Dudek S.C.
333 East Main Street
Suite 300
Madison, WI 53703
Email: tpyper@whdlaw.com
Email: cbuchko@whdlaw.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

HSBC Bank U.S.A. N.A.
c/o Randall D. Crocker
Susan E. Lovern
von Briesen & Roper, s.c.
411 East Wisconsin Avenue
Suite 700
P.O. Box 3262
Milwaukee, WI 53201-3262
Email: rcrocker@vonbriesen.com
Email: slovern@vonbriesen.com

Christopher J. Stroebel
von Briesen & Roper, s.c.
Three South Pinckney Street
Suite 1000

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

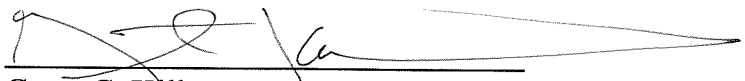
Madison, WI 53703
Email: cstroebel@vonbriesen.com

Pieter Van Tol
Hogan Lovells US LLP
875 Third Avenue
New York, NY 10022
Email: pieter.vantol@hoganlovells.com

The Bank Insureds
c/o James A. Friedman
Brady Williamson
Anthony G. Gaughan
Godfrey & Kahn, S.C.
P.O. Box 2719
Madison, WI 53701-2719
Email: jfriedman@gklaw.com
Email: bwilliamson@gklaw.com
Email: agaughan@gklaw.com

Served three (3) copies pursuant to Wis. Stat. § 809.19(8) by first class mail.

Michael P. Carroll
Donald S. Bernstein
Avi Gesser
Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Email: michael.carroll@davispolk.com
Email: donald.bernstein@davispolk.com
Email: avi.gesser@davispolk.com



Grant C. Killoran, SBN1015503
Gregory W. Lyons, SBN1000492