

In the Matter of the Rehabilitation of:

Segregated Account of
Ambac Assurance Corporation

Case No. 10 CV 1576

**FREDDIE MAC'S JOINDER IN THE RMBS HOLDERS'
STATEMENT REGARDING REHABILITATOR'S MAY 2012 MOTIONS**

PLEASE TAKE NOTICE that the Federal Home Loan Mortgage Corporation ("Freddie Mac"), through undersigned counsel, joins in the Statement filed in this action on May 31, 2012 by 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 (collectively, the "RMBS Holders") in response to the Rehabilitator's Amended Motion to Approve Purchase of Surplus Notes, Motion for Approval to Commence Making Interim Cash Payments on Permitted Policy Claims, and Motion to Authorize the Rehabilitator and the Segregated Account to Proceed with Proposed Settlement Agreement with the United States (together, the "Motions").

Like the RMBS Holders, Freddie Mac previously has appealed from orders entered by this Court in these rehabilitation proceedings, and those appeals currently are pending in the Wisconsin Court of Appeals. (*See* Wis. Ct. App., Appeal Nos. 2010 AP 1291, 2011 AP 561, and 2011 AP 2708.) Because the Wisconsin Court of Appeals has exclusive jurisdiction over those matters,¹ this Court's entry of the proposed orders granting the Surplus Notes Motion Relief, Claims Payment Motion Relief, and IRS Settlement Motion Relief does not affect Freddie Mac's pending appeals. (*See* Wis. Stat. § 808.075; *State ex rel. Freeman Printing Co. v. Luebke*, 36

¹ In Appeal No. 2011 AP 2708, the question of the Wisconsin Court of Appeals' jurisdiction over that matter has been fully briefed and is awaiting a decision from that court.

Wis. 2d 298, 303, 152 N.W.2d 861, 863 (Wis. 1967) (explaining a trial court only retains the power to hear matters that are not directly concerned with the appeal, but are still part of the case).) Nonetheless, out of an abundance of caution, Freddie Mac files this Joinder to preserve its rights in its pending appeals and its rights in any future matters in these rehabilitation proceedings or any other proceedings, including any proceedings involving Ambac, the Segregated Account, or any of their affiliates.

Freddie Mac reserves the right to request judicial relief, to object to other relief requested by the Rehabilitator or any other entity, and to continue to pursue Freddie Mac's pending appeals from the prior orders of this Court. In addition, Freddie Mac reserves the right to oppose the Rehabilitator's statements in the Motions in connection with any matter, and Freddie Mac does not waive any arguments or objections Freddie Mac has made or may make in this Court, the Wisconsin Court of Appeals, or elsewhere, including, without limitation, with respect to Wisconsin's absolute priority rule in Wis. Stat. § 645.68.

Dated this 31st day of May, 2012.

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