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Honorable William D. Johnston
Lafayette County Circuit Court
Lafayette County Courthouse
626 Main Street
Post Office Box 40
Darlington, Wisconsin 53530-0040

Re: *In the Matter of the Rehabilitation of Segregated Account of Ambac Assurance Corporation; Dane County Circuit Court Case No. 10 CV 1576*

Dear Judge Johnston:

Enclosed for your information is a courtesy copy of the Rules Governing Ceded Reinsurance Contracts Following June 4, 2012 Interim Cash Payment Order. We are filing the original by copy of this letter with Ms. Baux in the Dane County Circuit Court.

Please note that the Rehabilitator developed the enclosed Rules with input from Ambac Assurance Corporation ("Ambac"), as the management services provider. We circulated a draft of the Rules to each of Ambac's reinsurers in order to allow the reinsurers sufficient time to provide any comments or clarify any issues. All of Ambac's reinsurers provided comments on the Rules, which the Rehabilitator, in conjunction with Ambac as the management services provider, evaluated and incorporated into the enclosed final version of the Rules, as appropriate. All of Ambac's reinsurers have received a copy of the enclosed, final Rules.

This filing is informational and does not request or require any court action.

Thank you for your attention to this matter.

Very truly yours,

FOLEY & LARDNER LLP



Jeffrey A. Simmons

Enclosures

cc: Jody Baux, Ambac Clerk, Dane County Circuit Court (with enclosures, via hand delivery)
All Counsel of Record (with enclosures, via email)

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