

STATE OF WISCONSIN : CIRCUIT COURT : DANE COUNTY

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**In the Matter of the Rehabilitation of:**

**SEGREGATED ACCOUNT OF  
AMBAC ASSURANCE CORPORATION**

**Case No.: 10-CV-1576  
Hon. Richard G. Niess**

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**ORDER GRANTING THE REHABILITATOR'S MOTION TO DISSOLVE THE  
INJUNCTION DATED FEBRUARY 7, 2018 AND  
AMEND THE CONFIRMATION ORDER**

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This matter came before the Court on the Rehabilitator's Motion to Dissolve the Injunction dated February 7, 2018 and Amend the Confirmation Order dated January 22, 2018 (the "**Motion**"). Among other things, the Motion seeks to amend the Confirmation Order, and thereby amend Article 6.13 of the Second Amended Plan of Rehabilitation dated September 25, 2017, to clarify that Article 6.13 does not apply to policies or related transactional documents in the General Account.<sup>1</sup> The Court, having considered the (a) Motion, (b) Second Amended Plan, (c) the record and filings in this Rehabilitation Proceeding, (d) the absence of objections to dissolving the injunction or amending Article 6.13 by MHPI Projects, and (e) for good cause shown,

**IT IS HEREBY ORDERED THAT:**

1. The Rehabilitator's Motion is **GRANTED**;
2. The Injunction entered February 7, 2018 is **DISSOLVED**; and

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<sup>1</sup> Capitalized terms used in this Order that are not otherwise defined shall have the meanings ascribed to them in the Second Amended Plan, Payment Guidelines, and Motion, as the case may be.

3. Article 6.13 of the Second Amended Plan, as set forth in the Confirmation Order dated January 22, 2018, shall be revised and is hereby replaced with the following provision:

**6.13 No Defaults.** As of the Effective Date, any default or event of default, actual or alleged, relating to the Segregated Account, AAC or any subsidiary thereof, as to Policies and Transaction Documents will be deemed to be cured, to the extent such default or event of default is, or is alleged to be, caused in whole or in part by the existence, terms, implementation of or compliance with: (i) the Plan; (ii) the First Amended Plan; (iii) the Original Plan; (iv) the Segregated Account; (v) the Merger; (vi) the Consensual Transaction; (vii) the Definitive Documents; (viii) the Proceeding and all orders of the Court entered therein; (ix) the grounds for the Proceeding; (x) the failure of AAC or the Segregated Account to pay any amount prior to the Effective Date under any Policy or Transaction Document; (xi) the financial condition of AAC prior to the Effective Date resulting from the Proceeding or the grounds for the Proceeding; or (xii) noncompliance by AAC or the Segregated Account with any provision of any Policy or Transaction Document prior to the Effective Date.