

STATE OF WISCONSIN : CIRCUIT COURT : DANE COUNTY

In the Matter of the Rehabilitation of:

**SEGREGATED ACCOUNT OF
AMBAC ASSURANCE CORPORATION**

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

**FINAL DECREE AND ORDER DISCHARGING THE REHABILITATOR
AND THE SDC**

This matter came before the Court on the Rehabilitator's Motion For Final Decree And Order Discharging The Rehabilitator and the SDC (the "**Motion**"). Having considered (a) the Motion, (b) the MHPI Projects' Motion for Reconsideration, (c) the Rehabilitator's Motion to Dissolve the Injunction Dated February 7, 2018 and Amend the Confirmation Order, (d) the Rehabilitator's Motion for a Final Decree and Order Discharging the Rehabilitator and SDC, and (e) the record and filings in this Rehabilitation Proceeding, and for good cause shown and for the reasons indicated by the Court at the hearings in this matter **THE COURT HEREBY FINDS AND CONCLUDES AS FOLLOWS:**

A. On March 24, 2010, as a result of Ambac's financial position, the Court entered an order placing the Segregated Account into Rehabilitation pursuant to OCI's request under Wis. Stat. § 645.32.

B. Since that time, the Rehabilitator, appointed pursuant to Wis. Stat. § 645.33 - 645.35, and the Court-appointed Special Deputy Commissioner Daniel J. Schwartz (the "**SDC**") have carried out their duties and responsibilities under Wisconsin law in rehabilitating the Segregated Account, including by proposing the Second Amended Plan.

C. On January 22, 2018, the Rehabilitation Court issued an “Order Granting the Rehabilitator’s Motion to Further Amend the Plan of Rehabilitation and Confirming the Second Amended Plan of Rehabilitation” (the “**Confirmation Order**”).

D. Article 5.2 of the Second Amended Plan outlined certain conditions precedent to the Effective Date of the Second Amended Plan; those conditions have been satisfied.

E. On February 12, 2018, upon the satisfaction of all conditions precedent to the Effective Date, the Consensual Transaction (as defined in the Second Amended Plan) closed, and the Effective Date occurred, thus terminating the Rehabilitation of the Segregated Account.

F. On February 12, 2018, as required under Article 5.1 of the Second Amended Plan, the Rehabilitator posted a Notice to the Website advising interested parties of the Effective Date of the Second Amended Plan.

G. This Rehabilitation Proceeding may remain administratively closed until such time as any appellate court may remand for further proceedings, at which time this Rehabilitation shall automatically be reopened.

H. All conduct and actions of the SDC, OCI, and all of their employees, agents, consultants, experts, legal counsel, accountants, and other advisors, including all distributions that they have made, are hereby approved. OCI shall have discretion to hire employees, agents, consultants, experts, legal counsel, accountants, and other advisors to carry out any duties in connection with or related to the Rehabilitation going forward, including appeals or otherwise, without further Court approval.

I. The Court shall retain exclusive jurisdiction over this Proceeding in accordance with Chapter 645 of the Wisconsin Statutes to ensure that the terms, purposes, and intent of the Second Amended Plan are carried out. Without limiting the generality of the foregoing, and

except as otherwise provided in the Second Amended Plan, the Court shall also expressly retain exclusive jurisdiction:

- (a) to enter such orders and injunctions as are necessary to enforce the terms of the Second Amended Plan, and to impose such limitations, restrictions, terms, and conditions as the Court may deem necessary;
- (b) to enter an order reopening the Proceeding;
- (c) to correct any defect, cure any omission, or reconcile any inconsistency in the Plan and the Amended Payment Guidelines, or in any order of the Court as may be necessary to implement the purposes and intent of the Second Amended Plan;
- (d) to consider any amendment or modification of the Second Amended Plan or any related documents;
- (e) to determine controversies, suits, and disputes that may arise in connection with the interpretation, enforcement, or consummation of the Second Amended Plan, the Payment Guidelines, or the Amended Payment Guidelines;
- (f) to determine such other matters or proceedings as may be provided for under the Act, including, but not limited to, the Second Amended Plan, any prior order or orders of this Court, the Approval Order or any order that may arise in connection with the Second Amended Plan or the Proceeding; and
- (g) to interpret and enforce, and determine questions and disputes regarding, the injunctions, releases, exculpations, and indemnifications provided for or set forth in the Second Amended Plan or the Confirmation Order.

ACCORDINGLY, IT IS HEREBY ORDERED AND DECREED THAT:

1. The Rehabilitator's Motion is **GRANTED**, and this case is hereby closed.
2. A **FINAL DECREE** discharging the Rehabilitator and the Special Deputy Commissioner from their duties pursuant to Wis. Stat. ch. 645 is **ENTERED** and the Rehabilitator and Special Deputy Commissioner are hereby **DISCHARGED**.