

In the Matter of the Rehabilitation of:

Case No. 10 CV 1576

SEGREGATED ACCOUNT OF
AMBAC ASSURANCE CORPORATION

**NOTICE OF MOTION AND MOTION BY WELLS FARGO BANK,
NATIONAL ASSOCIATION, IN ITS CAPACITY AS TRUSTEE FOR THE BENEFIT
AND PROTECTION OF CERTAIN BONDHOLDERS,
TO MODIFY INJUNCTION ORDER AND TO INTERVENE**

TO: David G. Walsh
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PLEASE TAKE NOTICE that the Intervening Party, Wells Fargo Bank, National Association, in its capacity as trustee for the benefit and protection of certain bondholders (the “Bondholders Trustee”), by its attorneys, Murphy Desmond S.C., by Stephen L. Morgan, at a time and place to be set by the Court, will move and does hereby move this Court as follows:

1. To intervene in this action pursuant to Paragraph 12 of the March 24, 2010 Injunction Order, as an interested party yet reserving all rights to challenge jurisdiction; and
2. For an Order modifying the Injunction Order by removing from the Segregated Account those policies held by the bondholders represented by the Bondholders Trustee and returning those policies to the Ambac Assurance Corporation's general account.

This Motion is supported by the brief submitted with this Motion and the Declaration of Gavin Wilkinson that is attached thereto. The attorneys for the Bondholders Trustee request a hearing on this Motion as soon as possible because the amount of money involved is substantial, and any delay in transferring the policies from the Segregated Account back to the General Account of Ambac Assurance Company subjects the Bondholders Trustee and the underlying bondholders to loss of principal and large amounts of interest accumulating on this sizeable obligation.

Dated this 5th day of April, 2010.

MURPHY DESMOND S.C.

Attorneys for Wells Fargo Bank, National Association, in Its Capacity as Trustee of the Bondholders

By: 

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