



FOLEY & LARDNER LLP

ATTORNEYS AT LAW

VEREX PLAZA
150 EAST GILMAN STREET
MADISON, WI 53703-1481
POST OFFICE BOX 1497
MADISON, WI 53701-1497
608.257.5035 TEL
608.258.4258 FAX
foley.com

July 16, 2010

VIA FACSIMILE AND U.S. MAIL

WRITER'S DIRECT LINE
608.258.4206
mvansicklen@foley.com EMAIL

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*, Case No. 10CV1576 (Dane County Circuit Court)

Dear Judge Johnston:

We are writing with regard to the Rehabilitator's correspondence yesterday (our "July 15 letter") in response to the proposed orders submitted by certain holders of Las Vegas Monorail bonds (the "LVM Movants"). With apologies to the Court and the Clerk for adding another document to this already extensive file, we are compelled to correct an error in our July 15 letter.

Our July 15 letter responded to the proposed form of order circulated by counsel for the LVM Movants that we first saw yesterday morning which included a reference to the late-filed LVM affidavit that the Court said it was not considering. The proposed order the LVM Movants actually filed with the Court several hours later, however, differed from the circulated version in that they deleted the reference to the affidavit in question. We apologize to the LVM Movants' counsel for faulting them for including language that they removed of their own accord.

The removal of the reference to the affidavit was the only change between the proposed order denying relief that the LVM Movants initially circulated and the one they later filed with the Court. That change does not affect the rationale for the Rehabilitator's objection to the form of order proposed by the LVM Movants, which the Rehabilitation reconfirms here for the general reasons expressed in the July 15 letter.

Very truly yours,

FOLEY & LARDNER LLP


Michael B. Van Sicklen

cc: Counsel of Record (with enclosure, via email)
Jody Baux, Dane County Clerk (with enclosure, via first-class mail)