

COURT OF APPEALS OF WISCONSIN
DISTRICT IV

In the Matter of the Rehabilitation of:

Segregated Account of Ambac Assurance
Corporation:

SEAN DILWEG and OFFICE OF THE
COMMISSIONER OF INSURANCE,

Appeal Nos. 2010AP001291,
2010AP002022

Plaintiffs-Respondents,

AMBAC ASSURANCE,

Interested Party-Respondent,

v.

WELLS FARGO BANK/TRUSTEE OF
BONDHOLDERS, BANK OF NEW
YORK MELLON and DEUTSCHE
BANK NATIONAL TRUST
COMPANY,

Defendants,

FEDERAL HOME LOAN MORTGAGE
CORPORATION,

Defendant-Petitioner-Co-Appellant,

AURELIUS CAPITAL
MANAGEMENT LP, FIR TREE INC.,
KING STREET CAPITAL MASTER
FUND, LTD., KING STREET
CAPITAL, L.P., MONARCH
ALTERNATIVE CAPITAL LP and
STONEHILL CAPITAL
MANAGEMENT LLC,

Defendants-Petitioners-Appellants,

EATON VANCE MANAGEMENT,
NUVEEN ASSET MANAGEMENT,
RESTORATION CAPITAL
MANAGEMENT LLC and STONE
LION CAPITAL PARTNERS LP,

Defendants-Co-Appellants-Petitioners.

**DANE COUNTY CASE NO. 2010-CV-1576
THE HONORABLE WILLIAM D. JOHNSTON PRESIDING
LAFAYETTE COUNTY CIRCUIT COURT, PRESIDING BY JUDICIAL
ASSIGNMENT**

**RMBS POLICYHOLDERS' MOTION FOR LEAVE TO FILE A REPLY IN
SUPPORT OF THEIR MOTION TO FILE OVERSIZED BRIEF
*INSTANTER***

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Appellants Aurelius Capital Management, LP, Fir Tree, Inc., King Street Capital, L.P., King Street Capital Master Fund, Ltd., Monarch Alternative Capital LP, and Stonehill Capital Management LLC (collectively, the “RMBS Policyholders”) respectfully move this Court to grant them leave to file instanter a short Reply in Support of the RMBS Policyholders’ Motion to File an Oversized Brief. In support of this Motion, the RMBS Policyholders state as follows:

1. On December 15, 2010, the RMBS Policyholders filed a Motion to File an Oversized brief with this Court, asking that this Court grant an additional three thousand (3,000) words for their reply.

2. On December 16, 2010, Michael Van Sicklen, on behalf of the Wisconsin Insurance Commissioner, Sean Dilweg, and the Office of the Commissioner of Insurance (“OCI”), sent a letter to the clerk of the Court informing the clerk that OCI opposed the motion and will file a formal response the following week.

3. On December 23, 2010, OCI filed its opposition to the RMBS Policyholders’ motion, arguing that the RMBS Policyholders are estopped from requesting additional words because they did not do so in September, two months before OCI and AAC filed their responses.

4. The RMBS Policyholders seek leave to file their short reply to respond to OCI’s arguments and clarify reasons why this Court should grant the RMBS Policyholders’ motion.

5. The RMBS Policyholders respectfully submit that a short reply brief will aid this Court in determining whether it should grant the RMBS Policyholders' Motion to File Oversized Brief by correcting OCI's mischaracterization of the issues.

WHEREFORE, the RMBS Policyholders respectfully request that this Court grant leave to file a Reply in Support of the RMBS Policyholders' Motion to File an Oversized Brief.

Dated this 27th day of December, 2010.

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