

COURT OF APPEALS OF WISCONSIN  
DISTRICT IV

---

In the Matter of Rehabilitation of:

Segregated Account of  
Ambac Assurance Corporation

Appeal No. 2011 AP 561

TED NICKEL and OFFICE OF THE  
COMMISSIONER OF INSURANCE,

Petitioners-Respondents,

AMBAC ASSURANCE,

Interested Party-Respondent,

v.

DEPFA BANK, PLC,

Interested Party-Appellant,

ACCESS TO LOANS FOR LEARNING  
STUDENT LOAN CORPORATION,  
AURELIUS CAPITAL MANAGEMENT LP,  
BANK OF AMERICA, N.A., CUSTOMER  
ASSET PROTECTION COMPANY  
("CAPCO"), DEUTSCHE BANK  
NATIONAL TRUST COMPANY,  
DEUTSCHE BANK TRUST COMPANY  
AMERICAS, EATON VANCE, FEDERAL  
HOME LOAN MORTGAGE  
CORPORATION ("Freddie Mac"),  
FEDERAL NATIONAL MORTGAGE  
ASSOCIATION ("Fannie Mae"), FIR TREE  
INC., KING STREET CAPITAL MASTER  
FUND, LTD., KING STREET CAPITAL,

L.P., LLOYDS TSB BANK PLC,  
MONARCH ALTERNATIVE CAPITAL LP,  
ONE STATE STREET LLC, STONEHILL  
CAPITAL MANAGEMENT LLC, U.S.  
BANK NATIONAL ASSOCIATION,  
WELLS FARGO BANK, N.A., WELLS  
FARGO BANK, N.A., as Trustee for the LVM  
Bondholders, WILMINGTON TRUST  
COMPANY, and WILMINGTON TRUST  
FSB,

Interested Parties-Co-Appellants.

---

**APPEAL FROM ORDERS OF THE CIRCUIT COURT  
OF DANE COUNTY CASE NO. 10 CV 1576  
THE HONORABLE WILLIAM D. JOHNSTON PRESIDING**

---

**REPLY BRIEF OF APPELLANT WELLS FARGO BANK, N.A.,  
AS TRUSTEE FOR THE LVM BONDHOLDERS**

---

Stephen L. Morgan  
State Bar Number 1015099  
Jennifer M. Krueger  
State Bar Number 1030962  
MURPHY DESMOND S.C.  
33 E. Main St., Ste. 500  
P.O. Box 2038  
Madison, WI 53701-2038

*Of Counsel*

Steven T. Whitmer  
Kevin A. Wisniewski  
LOCKE LORD BISSELL &  
LIDDELL LLP  
111 South Wacker Drive  
Chicago, IL 60606

*Attorneys for Wells Fargo Bank,  
N.A., as Trustee for the LVM  
Bondholders*

TABLE OF CONTENTS

	<u>Page</u>
<b>I. THE COURT SHOULD REVERSE THE ORDER CONFIRMING THE PLAN BECAUSE IT LACKS SAFEGUARDS FOR PROTECTING LONG-DATED CLAIMANTS FROM IMPROPER DISCRIMINATORY TREATMENT .....</b>	<b>1</b>
<b>A. The Commissioner Did Not Challenge The Record Facts Presented by the Trustee .....</b>	<b>2</b>
<b>B. The Commissioner’s Approach Provides No Protection to the LVM Bondholders .....</b>	<b>3</b>
<b>C. The Commissioner Provides No Valid Objection to the Trustee’s Proposal.....</b>	<b>4</b>
<b>CONCLUSION.....</b>	<b>6</b>

TABLE OF AUTHORITIES

CASES

PAGE

*In re Western Asbestos Co.*, 313 B.R. 832 (Bankr. N.D. Cal. 2003) ..... 5

**I. THE COURT SHOULD REVERSE THE ORDER CONFIRMING THE PLAN BECAUSE IT LACKS SAFEGUARDS FOR PROTECTING LONG-DATED CLAIMANTS FROM IMPROPER DISCRIMINATORY TREATMENT.**

In its initial brief, Wells Fargo Bank, N.A., as Trustee for the LVM Bondholders (the “Trustee”), established that the rehabilitation plan unfairly discriminates against holders of long-dated claims because it provides no assurance that such claims will ever be paid. In its response, the Commissioner offers no persuasive rebuttal. Indeed, the Commissioner does not challenge the record facts showing that the plan discriminates against the LVM Bondholders. Nor does the Commissioner provide this Court with any valid objection to the Trustee’s reasonable proposal for addressing that improper discrimination. Instead, the Commissioner vaguely contends that, at some unspecified time in the future, everything will somehow get addressed. But, of course, the Commissioner’s burden is to provide those assurances now, so that this Court can conduct its review. Because the Commissioner has not met this burden, the Trustee respectfully requests that the Court reverse the order confirming the rehabilitation plan.<sup>1</sup>

---

<sup>1</sup> The Trustee concurs with the arguments made in Sections I, V and VI of appellants’ July 29, 2011 consolidated reply brief, and incorporates those arguments here by reference.

**A. The Commissioner Did Not Challenge The Record Facts Presented by the Trustee.**

The Trustee's supplemental opening brief established a number of ways in which the rehabilitation plan fails to assure that funds will be available after June 1, 2020 to pay the LVM Bondholders' claims, most of which will not become due until long after 2020.<sup>2</sup> For example, the Trustee showed that the plan discriminates against holders of long-dated claims because:

- *there is no plan* for what will happen after June 1, 2020, and thus there is no assurance in the plan that any money will be available to pay the LVM Bondholders;
- the Commissioner conceded that the financial projections that gave rise to the 25% cash percentage payout are unreliable and could be "materially understated";
- in arriving at the 25% cash percentage figure, the Commissioner relied on a better-than-worst-case economic scenario, even though prudence required the use of a less optimistic scenario; and
- despite the stated goal of ensuring "transparency," the Commissioner refused to share with the affected policyholders the data underlying its financial projections.

---

<sup>2</sup> In Appeal No. 2010 AP 2022, which has been consolidated with this appeal, the Trustee established why the LVM Bondholders' policies were improperly placed into the Segregated Account. The rehabilitation plan perpetuates that error and, accordingly, we incorporate those arguments here by reference.

(See Trustee’s July 5, 2011 Supplemental Opening Brief at pp. 6-9.)

The Commissioner’s response is revealing in that it does not deny a single one of these serious deficiencies. These now-undisputed record facts are alarming, and underscore the substantial risk that the rehabilitation plan imposes on the LVM Bondholders.

**B. The Commissioner’s Approach Provides No Protection to the LVM Bondholders.**

Instead of addressing the plan’s obvious deficiencies, the Commissioner briefly mentions a few supposed protections—a moratorium, a supposed “conservative deferred payment approach,” and the Commissioner’s ultimate retention of “discretion”—and essentially solicits the Trustee’s blind trust. But the Commissioner’s vague and noncommittal promises instill no confidence, given that they are built on admittedly unreliable and unsupported financial projections. And “trust me” is cold comfort when the plan ends in 2020, before the bulk of the LVM Bondholders’ claims even begin to mature.

Not surprisingly, the only “authority” the Commissioner cites for even the limited assurances in its brief is the circuit court’s order finding the overall plan fair and nondiscriminatory. But, as appellants established in their consolidated moving brief, that was an order the Commissioner itself drafted and the circuit court merely rubber-stamped. So the

Commissioner essentially cites its own arguments as authority for themselves. None of this is reassuring to the LVM Bondholders. None of it tells them what is going to happen when their claims come due after 2020. None of it gives them any reason to believe that they will be paid on par with short-dated claimholders.

**C. The Commissioner Provides No Valid Objection to the Trustee's Proposal.**

There was, however, one simple protective measure that the Commissioner could have adopted that would have given long-dated claimants like the LVM Bondholders reason to believe that funds would be available after 2020 to pay their claims. The Commissioner could have deposited money in a reserve account equaling 25% (*i.e.*, the same cash percentage to be paid to those whose claims are now maturing) of the expected total value of the LVM Bondholders' claims. Ambac and the Commissioner have calculated the expected value of those future claims as \$1.163 billion. (R.465:127-128.) Using Ambac's own number, then, the Trustee proposed that the Commissioner establish a 25% reserve, or \$290 million, to cover their long-dated claims.

The Trustee is still waiting for a valid argument as to why the reserve it proposes is not acceptable. There is no merit to the Commissioner's contention that the reserve is "unnecessary and

unworkable.” (OCI Br. at 60.) The now-undisputed evidence discussed in the Trustee’s opening brief shows that the reserve is certainly necessary given that even the Commissioner agrees that no plan even exists after 2020. A reserve assures the availability of funds after 2020, whereas the current plan makes no provision for the preservation of such funds for future availability.

Nor is it unworkable to set up such a reserve. Reserves of this sort are common in insolvency proceedings, for example, so that shorter-dated claimants do not consume all the funds, leaving nothing for longer-dated claimants. *See, e.g., In re Western Asbestos Co.*, 313 B.R. 832, 842-43 (Bankr. N.D. Cal. 2003) (in order to ensure that reorganization plan treated holders of long-dated claims (unliquidated claims) on par with holders of short-dated claims (liquidated claims), the court required the plan to “reserve a sufficient amount from any distribution made to liquidated claims so that an equivalent percentage payment may be made to any claims liquidated in the future”). The Commissioner’s prediction of “another layer of legal challenges” if such a reserve is created appears to have it backwards. (OCI Br. at 61.) Litigation is, in fact, more likely if there remains *no* assurance of future payment for those with long-dated claims, because then every move by the Commissioner will be subject to

increased scrutiny by long-dated claimholders concerned about any decisions that may negatively impact their future recovery.

### CONCLUSION

The Trustee understand that the Commissioner is charged with balancing the needs of all claimants, which is not an easy task. But a plan that so blatantly favors those with current claims, and leaves no assurance that money will be available to pay longer-dated claims, cannot stand. At the very least, the Court should reverse the order confirming the plan, and direct the Commissioner to present a plan that contains the reserve mechanism proposed by the Trustee.

Dated this 8th day of September, 2011.

MURPHY DESMOND S.C.  
Attorneys for Wells Fargo Bank,  
N.A., as Trustee for the LVM  
Bondholders

By: 

Stephen L. Morgan  
State Bar Number 1015099  
Jennifer M. Krueger  
State Bar Number 1030962  
33 E. Main St., Ste. 500  
P.O. Box 2038  
Madison, WI 53701-2038

OF COUNSEL:

LOCKE LORD BISSELL & LIDDELL LLP

Attorney Steven T. Whitmer

(06244114)

Attorney Kevin A. Wisniewski

(06294107)

111 South Wacker Drive

Chicago, IL 60606

(312) 443-1869 (STW phone)

(312) 896-6569 (STW facsimile)

## FORM AND LENGTH CERTIFICATION

I hereby certify that this brief conforms to the rules contained in §809.19 (8)(b) and (c) of the Wisconsin Statutes, as modified by this Court's May 5, 2011 Order, for a brief using the following font:

- Monospaced font: 10 characters per inch; double spaced; 1.5 inch margin on left side and 1 inch margins on the other 3 sides. The length of this document is \_\_\_\_\_ pages.
- Proportional serif font: Min. printing resolution of 200 dots per inch, 13 point body text, 12 point for quotes and footnotes, leading of min. 2 points, maximum of 60 characters per full line of body text. The length of this brief is 1,144 words.

Dated this 8th day of September, 2011.

MURPHY DESMOND S.C.  
Attorneys for Wells Fargo Bank,  
N.A., as Trustee for the LVM  
Bondholders

By: 

Stephen L. Morgan  
State Bar Number 1015099  
Jennifer M. Krueger  
State Bar Number 1030962  
33 E. Main St., Ste. 500  
P.O. Box 2038  
Madison, WI 53701-2038

OF COUNSEL:

LOCKE LORD BISSELL & LIDDELL LLP

Attorney Steven T. Whitmer

(06244114)

Attorney Kevin A. Wisniewski

(06294107)

111 South Wacker Drive

Chicago, IL 60606

(312) 443-1869 (STW phone)

(312) 896-6569 (STW facsimile)

**CERTIFICATION OF COMPLIANCE WITH RULE 809.19(12)**

I hereby certify that:

I have submitted an electronic copy of this brief, excluding appendix, if any, which complies with the requirements of § 809.19(12). I further certify that:

This electronic brief is identical in content and format to the printed form of the brief filed as of this date. A copy of this certificate has been served with the paper copies of this brief filed with the court and served on all opposing parties.

Dated this 8th day of September, 2011.

MURPHY DESMOND S.C.  
Attorneys for Wells Fargo Bank,  
N.A., as Trustee for the LVM  
Bondholders

By: 

Stephen L. Morgan  
State Bar Number 1015099  
Jennifer M. Krueger  
State Bar Number 1030962  
33 E. Main St., Ste. 500  
P.O. Box 2038  
Madison, WI 53701-2038

OF COUNSEL:

LOCKE LORD BISSELL & LIDDELL LLP

Attorney Steven T. Whitmer

(06244114)

Attorney Kevin A. Wisniewski

(06294107)

111 South Wacker Drive

Chicago, IL 60606

(312) 443-1869 (STW phone)

(312) 896-6569 (STW facsimile)

## CERTIFICATE OF SERVICE

I hereby certify that on September 8, 2011, I served by first class mail, postage prepaid, upon counsel listed below the Reply Brief of Appellant Wells Fargo Bank, N.A., as Trustee for the LVM Bondholders.

<i>Ambac Assurance Corporation</i> c/o Daniel W. Stolper Barbara A. Neider Stafford Rosenbaum LLP 222 W. Washington Ave., Suite 900 P.O. Box 1784 Madison, WI 53701-1784	<i>Theodore K. Nickel, Commissioner</i> <i>of Insurance of the State of</i> <i>Wisconsin</i> c/o David G. Walsh Michael B. Van Sicklen Matthew R. Lynch Foley & Lardner LLP 150 East Gilman Street Madison, WI 53701
<i>Wells Fargo, N.A., in its Capacity as</i> <i>Trustee of the Bondholders</i> c/o Stephen L. Morgan Brittany S. Ogden Jennifer M. Krueger Murphy Desmond S.C. 33 East Main Street, Suite 500 Madison, WI 53703	<i>Nuveen Asset Management,</i> <i>Restoration Capital Management,</i> <i>LLC, Stone Lion Capital Partners,</i> <i>LP</i> c/o Noreen J. Parrett Connie O'Connell Parrett & O'Connell, LLP 10 East Doty Street, Suite 621 Madison, WI 53703

<p><i>Bank of New York Mellon</i>  c/o Laura E. Callan  Solheim Billing &amp; Grimmer SC  One South Pinckney Street, Ste. 301  Madison, WI 53701</p>	<p><i>U.S. Bank National Association  AND Deutsche Bank National Trust  Company, solely in its Capacity as  Trustee AND Deutsche Bank Trust  Company Americas, solely in its  Capacity as Trustee</i>  c/o Nathan L. Moenck  Ann Ustad Smith  Michelle L. Dama  Michael Best &amp; Friedrich LLP  One South Pinckney Street, Ste. 700  Madison, WI 53701</p>
<p><i>Depfa Bank plc</i>  c/o Grant C. Killoran  Seth E. Dizard  Gregory W. Lyons  O’Neil, Cannon, Hollman, DeJong  &amp; Laing S.C.  111 East Wisconsin Ave., Ste. 1400  Milwaukee, WI 53202</p>	<p><i>Wells Fargo Bank, N.A. in its  Capacity as Trustee for Certain  RMBS Certificateholders</i>  c/o Jane C. Schlicht  Cook and Franke, S.C.  660 East Mason Street  Milwaukee, WI 53202</p>
<p><i>Knowledge Works Foundation, as  the Administrator of the Ohio  Centric Student Loan Program and  Treasurer of the State of Ohio</i>  c/o Melissa A. Kern  Frost Brown Todd LLC  1103 Boundary Road  Middleton, WI 53562</p>	<p><i>Federal Home Loan Mortgage  Corporation</i>  c/o David I. Cisar  Susan E. Lovern  Christopher J. Stroebel  Owen Thomas Armstrong, Jr.  von Briesen &amp; Roper, s.c.  411 E. Wisconsin Avenue, Suite 700  Milwaukee, WI 53202</p>
<p><i>PNC Bank</i>  c/o Beth E. Hanan  John Franke  Gass Weber Mullins LLC  309 N. Water Street, Suite 700  Milwaukee, WI 53202</p>	<p><i>HSBC Bank USA, National  Association</i>  c/o Randall D. Crocker  Susan E. Lovern  Christopher J. Stroebel  Owen Thomas Armstrong, Jr.  von Briesen &amp; Roper, s.c.  411 E. Wisconsin Avenue, Suite 700  Milwaukee, WI 53202</p>

<p><i>The Bank Insureds</i>  c/o James A. Friedman  Brady Williamson  Anthony G. Gaughan  Godfrey &amp; Kahn, S.C.  One East Main Street, Suite 500  Madison, WI 53701</p>	<p><i>Access to Loans for Learning  Student Loan Corporation AND  Lloyds TSB Bank plc</i>  c/o Lawrence Bensky  Law Office of Lawrence Bensky,  LLC  10 East Doty Street, Suite 800  Madison, WI 53703</p>
<p><i>Assured Guaranty Corporation AND  Goldman Sachs &amp; Co., Inc.</i>  c/o Earl H. Munson  James E. Bartzen  Boardman, Suhr, Curry &amp; Field LLP  One South Pinckney Street, 4th Fl.  Madison, WI 53701-0927</p>	<p><i>Federal National Mortgage  Association</i>  c/o Rodney W. Carter  Steven W. Laabs  Davis &amp; Kuelthau, S.C.  300 North Corporate Drive, Ste. 150  Brookfield, WI 53045-5804</p>
<p><i>Countrywide Home Loans Servicing  L.P.</i>  c/o Thomas M. Pyper  Cynthia L. Buchko  Whyte Hirschboeck Dudek S.C.  33 East Main Street, Suite 300  Madison, WI 53703</p>	<p><i>Wilmington Trust Company,  Wilmington Trust FSB and Bank of  America, N.A.</i>  c/o Jane C. Schlict  Cook and Franke, S.C.  660 East Mason Street  Milwaukee, WI 53202</p>
<p><i>Eaton Vance Management</i>  c/o Gregory T. Everts  Quarles &amp; Brady, LLP  33 East Main Street, Suite 900  Madison, WI 53703</p>	<p><i>Customer Asset Protection Company</i>  c/o John Franke  Beth E. Hanan  Gass Weber Mullins LLC  309 N. Water Street, Suite 700  Milwaukee, WI 53202</p>

<p><i>United States of America</i>  c/o Hilarie Snyder  Robert J. Kovacev  U.S. Department of Justice  P.O. Box 7238  Washington, D.C. 20044</p>	<p><i>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</i>  c/o R. Timothy Muth  Bryan K. Nowicki  Jessica Hutson Polakowski  Reinhart Boerner Van Deuren s.c.  P.O. Box 2018  Madison, WI 53701-2018</p>
--	---

I further certify that on this 8th day of September, 2011, I caused true and correct copies of the Reply Brief of Appellant Wells Fargo Bank, N.A., as Trustee for the LVM Bondholders, to be served by e-mail on the parties listed below.

<p><i>Ambac Assurance Corporation</i>  c/o Daniel W. Stolper  Barbara A. Neider  Stafford Rosenbaum LLP  222 W. Washington Ave., Suite 900  P.O. Box 1784  Madison, WI 53701-1784  dstolper@staffordlaw.com  bneider@staffordlaw.com</p> <p>c/o William G. Primps  Emily L. Saffitz  Allison H. Weiss  Peter A. Ivanick  Lynn Roberts  Henry J. Ricardo  Richard W. Reinthaler  Dewey &amp; Leboeuf LLP  1301 Avenue of the Americas  New York, NY 10019  wprimps@dl.com  esaffitz@dl.com  aweiss@dl.com  pivanick@dl.com  lwroberts@dl.com  rreinthaler@dl.com  hricardo@dl.com</p> <p>c/o Todd L. Padnos  Dewey &amp; Leboeuf LLP  1950 University Avenue, Suite 500  East Palo Alto, CA 94303  tpadnos@dl.com</p>	<p><i>Theodore K. Nickel, Commissioner  of Insurance of the State of  Wisconsin</i>  c/o David G. Walsh  Michael B. Van Sicklen  Matthew R. Lynch  Foley &amp; Lardner LLP  150 East Gilman Street  Madison, WI 53701  mvansicklen@foley.com  dwalsh@foley.com  mlynch@foley.com</p> <p>c/o Kevin G. Fitzgerald  Andrew A. Oberdeck  Foley &amp; Lardner LLP  777 East Wisconsin Avenue  Milwaukee, WI 53202  kfitzgerald@foley.com  aoberdeck@foley.com</p>
--	--

<p><i>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</i>  c/o R. Timothy Muth  Bryan K. Nowicki  Jessica Hutson Polakowski  Reinhart Boerner Van Deuren s.c.  22 East Mifflin Street, Suite 600  Madison, WI 53703  tmuth@reinhartlaw.com  dnowicki@reinhartlaw.com  jpolakowski@reinhartlaw.com</p>	<p><i>Nuveen Asset Management, Restoration Capital Management, LLC, Stone Lion Capital Partners, LP</i>  c/o Philip Bentley  Amy Caton  Susan Jacquemot  Kramer Levin Naftalis &amp; Frankel LLP  1177 Avenue of the Americas  New York, NY 10036  pbentley@kramerlevin.com  acaton@kramerlevin.com  sjacquemot@kramerlevin.com</p> <p>c/o Noreen J. Parrett  Connie O’Connell  Parrett &amp; O’Connell, LLP  10 East Doty Street, Suite 621  Madison, WI 53703  nparrett@parrettoconnell.com  coconnell@parrettoconnell.com</p>
<p><i>Bank of New York Mellon</i>  c/o Laura E. Callan  Solheim Billing &amp; Grimmer SC  One South Pinckney Street, Ste. 301  Madison, WI 53701  lcallan@sbgllaw.com</p> <p>c/o Dale C. Christensen, Jr.  Thomas Ross Hooper  Seward &amp; Kissel LLP  One Battery Park Plaza  New York, NY 10004  christensen@sewkis.com  hooper@sewkis.com</p>	<p><i>U.S. Bank National Association AND Deutsche Bank National Trust Company, solely in its Capacity as Trustee AND Deutsche Bank Trust Company Americas, solely in its Capacity as Trustee</i>  c/o Paul E. Benson  Paul A. Lucey  Michael Best &amp; Friedrich LLP  100 East Wisconsin Ave., Ste. 3300  Milwaukee, WI 53202  pebenson@michaelbest.com  palucey@michaelbest.com</p>

<p><i>Depfa Bank plc</i>  c/o Grant C. Killoran  Seth E. Dizard  Gregory W. Lyons  O’Neil, Cannon, Hollman, DeJong  &amp; Laing S.C.  111 East Wisconsin Ave., Ste. 1400  Milwaukee, WI 53202  grant.killoran@wilaw.com  greg.lyons@wilaw.com  seth.dizard@wilaw.com</p> <p>c/o Michael C. Weed  Thomas J. Welsh  Andrew K. Davidson  Orrick, Herrington &amp; Sutcliffe LLC  400 Capitol Mall, Suite 3000  Sacramento, CA 95814-4497  mweed@orrick.com  tomwelsh@orrick.com  adavidson@orriock.com</p>	<p>c/o Nathan L. Moenck  Ann Ustad Smith  Michelle L. Dama  Michael Best &amp; Friedrich LLP  One South Pinckney Street, Ste. 700  Madison, WI 53701  nlmoenck@michaelbest.com  ausmith@michaelbest.com</p> <p>c/o John M. Rosenthal  Kristine Bailey  Morgan, Lewis &amp; Bockius LLP  One Market St., Spear Street Tower  San Francisco CA 94105  jrosenthal@morganlewis.com  kbailey@morganlewis.com</p> <p>c/o Leah M. Houghton  Morgan, Lewis &amp; Bockius LLP  225 Franklin Street, 16th Floor  Boston, MA 02110-4104  lhoughton@morganlewis.com</p> <p>c/o John C. Goodchild, III  Morgan, Lewis &amp; Bockius LLP  1701 Market Street  Philadelphia, PA 19103-2921  jgoodchild@morganlewis.com</p> <p>c/o Allyson Ho  Morgan, Lewis &amp; Bockius LLP  1000 Louisiana Street, Suite 4000  Houston, TX 77002-5006  aho@morganlewis.com</p>
---	--

<p><i>PNC Bank</i> c/o Beth E. Hanan John Franke Gass Weber Mullins LLC 309 N. Water Street, Suite 700 Milwaukee, WI 53202 hanan@gasswebermullins.com franke@gasswebermullins.com</p> <p>c/o Peter D. Laun Jones Day 500 Grant Street, Suite 4500 Pittsburgh, PA 15219-2514 pdlaun@jonesday.com</p>	<p><i>Wells Fargo Bank, N.A. in its Capacity as Trustee for Certain RMBS Certificateholders</i> c/o Jane C. Schlicht Cook and Franke, S.C. 660 East Mason Street Milwaukee, WI 53202 schlicht@cf-law.com</p> <p>c/o Michael E. Johnson William B. Macurda Cele Ogawa Alston &amp; Bird LLP 90 Park Avenue New York, NY 10016 michael.johnson@alston.com bill.macurda@alston.com cele.ogawa@alston.com</p>
---	---

<p><i>Knowledge Works Foundation, as the Administrator of the Ohio Centric Student Loan Program and Treasurer of the State of Ohio</i> c/o Melissa A. Kern Frost Brown Todd LLC 1103 Boundary Road Middleton, WI 53562 mkern@fbtlaw.com</p> <p>Greg E. Mitchell Frost Brown Todd LLC 2800 Lexington Financial Center 250 W. Main Street Lexington, KY 40507 gmitchell@fbtlaw.com</p> <p>Jeffrey A. Lipps Joel E. Sechler Carpenter Lipps &amp; Leland LLP 280 Plaza Suite 1300 280 North High Street Columbus, OH 43215 lipps@carpenterlipps.com sechler@carpenterlipps.com</p>	<p><i>Federal Home Loan Mortgage Corporation</i> c/o David J. Cisar Susan E. Lovern Christopher J. Stroebel Owen Thomas Armstrong, Jr. von Briesen &amp; Roper, s.c. 411 E. Wisconsin Avenue, Suite 700 Milwaukee, WI 53202 dcisar@vonbriesen.com slovern@vonbriesen.com cstroebel@vonbriesen.com tarmstro@vonbriesen.com</p> <p>c/o Robert A. Zeavin Craig S. Bloomgarden Mannatt, Phelps &amp; Phillips 11355 W. Olympic Boulevard Los Angeles, CA 90064 rzeavin@manatt.com cbloomgarden@manatt.com</p> <p>c/o Marcia D. Alazraki Mannatt, Phelps &amp; Phillips 7 Times Square New York, NY 10036 malazraki@manatt.com</p>
---	---

<p><i>The Bank Insureds</i>  c/o James A. Friedman  Brady Williamson  Anthony G. Gaughan  Godfrey &amp; Kahn, S.C.  One East Main Street, Suite 500  Madison, WI 53701  jfriedman@gklaw.com  bwillimson@gklaw.com  agaughan@gklaw.com</p> <p>c/o Donald S. Bernstein  Michael P. Carroll  Avi Gesser  Davis Polk &amp; Wardwell LLP  450 Lexington Avenue  New York, NY 10017  donald.bernstein@davispolk.com  michael.carroll@davispolk.com  avi.gesser@davispolk.com</p>	<p><i>HSBC Bank USA, National Association</i>  c/o Randall D. Crocker  Susan E. Lovern  Christopher J. Stroebel  von Briesen &amp; Roper, s.c.  411 E. Wisconsin Avenue, Suite 700  Milwaukee, WI 53202  rcrocker@vonbriesen.com  slovern@vonbriesen.com  cstroebel@vonbriesen.com</p> <p>c/o Pieter Van Tol  Hogan Lovells US LLP  875 Third Avenue  New York, NY 10022  pieter.vantol@hoganlovells.com</p>
<p><i>Assured Guaranty Corporation AND Goldman Sachs &amp; Co., Inc.</i>  c/o Earl H. Munson  James E. Bartzen  Boardman, Suhr, Curry &amp; Field LLP  One South Pinckney Street, 4th Fl.  Madison, WI 53701-0927  emunson@boardmanlawfirm.com  jbartzen@boardmanlawfirm.com</p> <p>c/o C.N. Franklin Reddick III  Richard K. Welsh  Akin Gump Strauss Hauer &amp; Feld LLP  2029 Century Park East, Suite 2400  Los Angeles, CA 90067-3010  freddick@akingump.com  rwelsh@akingump.com</p>	<p><i>Access to Loans for Learning Student Loan Corporation AND Lloyds TSB Bank plc</i>  c/o Lawrence Bensky  Law Office of Lawrence Bensky, LLC  10 East Doty Street, Suite 800  Madison, WI 53703  lbensky@benskylaw.com</p> <p>c/o James C. Owen  McCarthy, Leonard &amp; Kaemmerer  400 S. Woods Mill Road  Chesterfield, MO 63017  jowen@mlklaw.com</p>

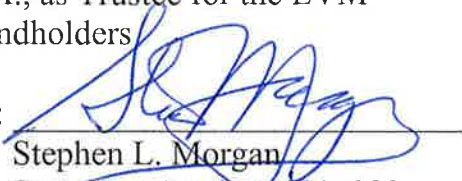
<p><i>Countrywide Home Loans Servicing L.P.</i>  c/o Bruce G. Arnold  Whyte Hirschboeck Dudek S.C.  555 East Wells Street, Suite 1900  Milwaukee, WI 53202-3819  barnold@whdlaw.com</p> <p>c/o Thomas M. Pyper  Cynthia L. Buchko  Whyte Hirschboeck Dudek S.C.  33 East Main Street, Suite 300  Madison, WI 53703  tpyper@whdlaw.com  cbuchko@whdlaw.com</p>	<p><i>Federal National Mortgage Association</i>  c/o Rodney W. Carter  Steven W. Laabs  Davis &amp; Kuelthau, S.C.  300 North Corporate Drive, Ste. 150  Brookfield, WI 53045-5804  rcarter@dkattorneys.com  slaabs@dkattorneys.com</p> <p>c/o David M. Schlecker  Reed Smith, LLP  599 Lexington Avenue  New York, NY 10022  dschlecker@reedsmith.com</p>
<p><i>Eaton Vance Management</i>  c/o Gregory T. Everts  Quarles &amp; Brady, LLP  33 East Main Street, Suite 900  Madison, WI 53703  greg.everts@quarles.com</p> <p>c/o Jeffrey Spear  Joel Walker  Kenneth Argentieri  Duane Morris LLP  600 Grant Street, Suite 5010  Pittsburgh, PA 15219  jwspear@duanemorris.com  jmwalker@duanemorris.com</p>	<p><i>Wilmington Trust Company,  Wilmington Trust FSB and Bank of America, N.A.</i>  c/o Jane C. Schlicht  Cook and Franke, S.C.  660 East Mason Street  Milwaukee, WI 53202  schlicht@cf-law.com</p> <p>c/o Michael E. Johnson  William B. Marcurda  Alston &amp; Bird LLP  90 Park Avenue  New York, NY 10016  michael.johnson@alston.com  bill.marcurda.alston.com</p>

<i>United States of America</i> c/o Hilarie Snyder Robert J. Kovacev U.S. Department of Justice P.O. Box 7238 Washington, DC 20044 Hilarie.E.Snyder@usdoj.gov Robert.J.Kovacev@usdoj.gov	<i>Customer Asset Protection Company</i> c/o John Franke Beth E. Hanan Gass Webber Mullins LLC 309 N. Water Street, Suite 700 Milwaukee, WI 53202 hanan@gasswebermullins.com franke@gasswebermullins.com
---	---

Dated this 8th day of September, 2011.

MURPHY DESMOND S.C.  
Attorneys for Wells Fargo Bank,  
N.A., as Trustee for the LVM  
Bondholders

By:



Stephen L. Morgan  
State Bar Number 1015099  
Jennifer M. Krueger  
State Bar Number 1030962  
33 E. Main St., Ste. 500  
P.O. Box 2038  
Madison, WI 53701-2038

OF COUNSEL:

LOCKE LORD BISSELL & LIDDELL LLP  
Attorney Steven T. Whitmer  
(06244114)  
Attorney Kevin A. Wisniewski  
(06294107)  
111 South Wacker Drive  
Chicago, IL 60606  
(312) 443-1869 (STW phone)  
(312) 896-6569 (STW facsimile)