

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

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In the matter of the application of

U.S. BANK NATIONAL ASSOCIATION,
WELLS FARGO BANK, NATIONAL
ASSOCIATION, WILMINGTON TRUST,
NATIONAL ASSOCIATION, WILMINGTON
TRUST COMPANY, AND CITIBANK, N.A. (as
Trustees, Indenture Trustees, Securities
Administrators, Paying Agents, and/or Calculation
Agents of Certain Residential Mortgage-Backed
Securitization Trusts),

Petitioners,

For Judicial Instructions under CPLR Article 77 on
the Administration and Distribution of a Settlement
Payment,

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Index No. 651625/2018

Hon. Marcy S. Friedman

**RESPONSIVE MERITS BRIEF OF
AMBAC ASSURANCE
CORPORATION**

In its opening merits brief (NYSCEF Doc. No. 168), Ambac Assurance Corporation (“Ambac”), the Certificate Insurer for certain classes of certificates (the “Insured Certificates”) issued by four trusts (LXS 2007-6; LXS 2007-10H; LXS 2007-15N; and LXS 2007-14H) (the “Ambac Trusts”) at issue in this proceeding, explained that (1) the applicable Trust Agreements give Ambac the right to receive any Subsequent Recoveries that would otherwise be payable to the Insured Certificates, to the extent Ambac made claim payments for write-downs of those certificates; (2) the Insured Certificates should not be written-up at all; and (3) the write-up of uninsured certificates should exclude those sums paid directly to Ambac. The Court should enter an order providing for these results in the Ambac Trusts.

None of the other opening briefs oppose the relief Ambac seeks or contend that the applicable Trust Agreements require different results with respect to the issues on which Ambac has taken a position. If any interested party takes a contrary position in its responsive brief, Ambac will address such arguments in its reply brief.

Ambac also appeared as Certificate Insurer of one additional trust, LXS 2007-17H. LXS 2007-17H is the subject of a severance order currently pending before the Court and Ambac respectfully requests that the Court sign and enter the severance order.

Date: November 2, 2018

By:

/s/ Henry J. Riccardo

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