

**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

**REPLY MERITS BRIEF OF  
AMBAC ASSURANCE  
CORPORATION**

Ambac Assurance Corporation (“Ambac”), the Certificate Insurer for certain classes of certificates (the “Insured Certificates”) issued by five trusts (LXS 2007-6; LXS 2007-10H; LXS 2007-15N; LXS 2007-14H; and LXS 2007-17H) (the “Ambac Trusts”) at issue in this proceeding, respectfully submits this reply brief.

A severance order resolving one trust, LXS 2007-17H, was submitted to the Court on September 12, 2018 (NYSCEF Doc. No. 133). Ambac respectfully requests that the Court sign and enter this severance order as soon as possible.

For the remaining four Ambac Trusts, all interested parties have agreed in principle on the terms of the distribution and write-up of the applicable Allocable Shares. Severance orders regarding these four Ambac Trusts are currently under review and Ambac expects them to be filed shortly. Once signed and entered, these severance orders will resolve this matter as it relates to the Ambac Trusts.<sup>1</sup>

Date: November 16, 2018

By:

/s/ Henry J. Ricardo

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**Attorneys for Ambac Assurance Corporation**

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<sup>1</sup> Ambac reserves the right to submit further merits briefing in the event the anticipated judgments are not submitted or entered.