

# Petition Exhibit G

## Unreported Cases Cited In Petition



AT IAS PART 36 OF THE SUPREME COURT  
OF THE STATE OF NEW YORK, COUNTY OF  
NEW YORK, AT THE COURTHOUSE,  
60 CENTRE STREET, IN THE COUNTY, CITY  
AND STATE OF NEW YORK, ON THE 11 DAY  
OF June, 2013

PRESENT:  
HON. DORIS LING COHAN, J.S.C.

~~HON. DORIS LING COHAN~~

Index No. 401265/2012

In the Matter of the Rehabilitation of  
FINANCIAL GUARANTY INSURANCE  
COMPANY.

**FILED** PLAN APPROVAL ORDER

Motion Sequence No. 4

JUN 13 2013

Upon full consideration of the ~~entire~~ <sup>NEW YORK</sup> record of the above-captioned rehabilitation proceeding (the "Rehabilitation Proceeding"), including (i) the affirmation (the "Affirmation") of Gary T. Holtzer of Weil, Gotshal & Manges LLP, attorneys for Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York (the "Superintendent"), as the court-appointed rehabilitator (the "Rehabilitator") of Financial Guaranty Insurance Company ("FGIC"), dated September 27, 2012, in support of the Rehabilitator's motion for an order pursuant to Sections 7403(a) and 7403(d) of the New York Insurance Law (the "NYIL") (a) approving the proposed First Amended Plan of Rehabilitation for FGIC, dated June 4, 2013, attached hereto as Exhibit 1, together with all exhibits and the Plan Supplement<sup>1</sup> thereto (collectively, the "Plan"), including approving the Novation Agreement and consummation of the transactions contemplated thereby and (b) terminating the Rehabilitation Proceeding upon the effective date of the Plan (the "Effective Date"); (ii) the exhibits attached to the Affirmation, including the Disclosure Statement for the Plan (the "Disclosure Statement"); (iii) the Memorandum of Law in Support of Approval of the Plan (the "Memorandum"); (iv) the

<sup>1</sup> Capitalized terms not defined herein have the meanings ascribed to them in the Plan.

Affidavit of Michael W. Miller in Further Support of the Plan, dated December 12, 2012 (the "Lazard Affidavit"); (v) the Affidavit of John S. Dubel in Further Support of the Plan, dated December 12, 2012 (the "Dubel Affidavit"); (vi) the letter setting forth the standard for approval of the Plan, dated January 22, 2013 (the "Standard Letter"); (vii) the order dated January 24, 2013, as amended on January 29, 2013, finding (a) a lack of sufficient evidence in the submissions to raise a material question of fact and (b) that the need for an evidentiary hearing had not been established (the "January Order"); (viii) the Amended Omnibus Reply Memorandum of Law in Further Support of Approval of the Plan, dated January 25, 2013, including the cover letter attached thereto, and the amended Omnibus Response Chart attached as Exhibit 1B thereto (the "Amended Reply"); (ix) the letter setting forth the remaining issues, dated February 11, 2013, including the further amended Omnibus Response Chart attached as Exhibit 1C thereto (the "February 11 Letter"); (x) the letter advising the Court that no party served an objection to the Plan Revisions (as defined in the Court's interim order dated February 19, 2013 (the "Scheduling Order")) and that each of the Trustees (defined below) filed notices withdrawing each of their objections to the Plan, dated April 12, 2013 (the "April 12 Letter"); (xi) the letter advising the Court of (a) the termination agreement and deed of release to be entered into by and among FGIC, Childrens Health Partnership Holdings Pty Ltd ("CHP") and certain related parties and (b) CHP's intention to withdraw its objections to the Plan, dated April 16, 2013 (the "April 16 Letter"); (xii) the notices of withdrawal of objections to the Plan filed by (a) Jefferson County Alabama, dated November 30, 2012, (b) Assured Guaranty Corp., Assured Guaranty Re Ltd. and Assured Guaranty Re Overseas Ltd, dated December 12, 2012, (c) Deutsche Bank National Trust Company and Deutsche Bank Trust Company Americas, dated April 12, 2013, (d) Wells Fargo, N.A., dated April 12, 2013, (e) U.S. Bank National Association

and U.S. Bank Trust National Association, dated April 12, 2013, (f) The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A., dated April 12, 2013, (g) CHP, dated April 25, 2013, (h) certain holders of sewer warrants issued by Jefferson County, Alabama, dated May 31, 2013, (i) Aurelius Capital Management, LP, dated June 4, 2013 and (j) CQS ABS Master Fund Ltd., CQS Select ABS Master Fund Ltd and CQS ABS Alpha Master Fund Ltd., dated June 4, 2013 (collectively, the "Notices of Withdrawal"), (xiii) the letter advising the Court that all remaining objections to the Plan have been resolved, dated June 4, 2013 (the "June 4 Letter"); and (xiv) the presentation at the hearing held on June 11, 2013 to consider approval of the Plan (the "Plan Approval Hearing");

And upon reading and signing the order to show cause dated September 28, 2012 and the Scheduling Order;

And all objections to the Plan having been withdrawn;

And the Court having held the Plan Approval Hearing; and due and proper notice of the Plan Approval Hearing having been provided as required by the order dated April 23, 2013, and no further notice being necessary;

This Court finds that:

- a. The legal and factual bases set forth in the Affirmation and the exhibits thereto, the Plan, the Disclosure Statement, the Memorandum, the Lazard Affidavit, the Dubel Affidavit, the Standard Letter, the January Order, the Amended Reply, the February 11 Letter, the April 12 Letter, the April 16 Letter, the Notices of Withdrawal, the June 4 Letter and the presentation at the Plan Approval Hearing, establish just and sufficient cause to grant the relief requested;
- b. The relief requested is in the best interests of, and fair and equitable to, all of FGIC's Policyholders, creditors and other claimants;
- c. The relief requested provides Policyholders, creditors and other claimants at least what they would expect to have received had FGIC been subject to a liquidation pursuant to Article 74 of the NYIL;

- d. U.S. Bank National Bank Association and U.S. Bank Trust National Association, The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A., Deutsche Bank National Trust Company and Deutsche Bank Trust Company Americas and Wells Fargo Bank, N.A., each in its capacity as trustee of various trusts (collectively, the "Trustees") filed objections to the Plan of Rehabilitation for FGIC dated September 27, 2012 and the First Amended Plan of Rehabilitation for FGIC dated December 12, 2012. The Rehabilitator revised the Plan to address the Trustees' concerns and the Trustees withdrew their objections to approval of the Plan, as revised and set forth in the amended version of the First Amended Plan of Rehabilitation for FGIC. The Court finds that the Trustees' withdrawal of objections to approval of the Plan, as revised, shall not be construed as consent by the Trustees to the First Amended Plan of Rehabilitation for FGIC or to any modification to the Transaction Documents effected by the provisions of such Plan. The Court finds that the Trustees have acted reasonably and in good faith in making and withdrawing the objections, and the Trustees have not acted negligently in performing their duties in respect of the objections; and
- e. Based upon information available to FGIC as of the date hereof, FGIC has determined that it shall not take any action to offset, recoup or otherwise recover any Pre-Rehabilitation FGIC Premiums, Expenses and Recoveries that have not been paid to FGIC but instead have been or shall be applied by the Trustees to reduce the amount of Policy Claims ("Unpaid Pre-Rehabilitation Amounts"), other than with respect to up to approximately \$5 million owed with respect to the IMM 2004-10 1A1/Impac 2004-10 transaction (the "Impac Transaction"), with respect to which FGIC reserves all rights. FGIC represents that it has reviewed all information concerning Unpaid Pre-Rehabilitation Amounts that has been made available to it to date.

NOW, on motion of the Rehabilitator, it is ORDERED as follows:

1. To the extent not already granted by prior order of this Court, the relief requested, as set forth in the Affirmation, is granted;
2. The Plan is approved and its implementation authorized;
3. The form of amended and restated charter and the form of amended and restated by-laws, each filed as part of the Plan Supplement, are approved and shall constitute the charter and by-laws, respectively, of FGIC as of the Effective Date;
4. The Novation Agreement, including consummation of the transactions contemplated thereby, is approved. The Rehabilitator and (with respect to the period from and after the Effective Date) FGIC are authorized and empowered to consummate the transactions contemplated by the Novation

Agreement as of the Effective Date (or such other date for consummation of such transactions as may be set forth in such agreement); *provided, however*, that should the Rehabilitator waive the condition to the Effective Date that this Order becomes a Final Order, consummation of the transactions contemplated by the Novation Agreement shall not occur until the earlier of (i) this Order becoming a Final Order or (ii) FGIC waiving the requirement that this Order be a Final Order with respect to such agreement;

5. Upon the Novation Effective Date (as defined in the Novation Agreement), the Covered Policies, the Covered Policy Rights and the Covered Policy Liabilities (each as defined in the Novation Agreement) shall be legally novated from FGIC to National Public Finance Guarantee Corporation in accordance with the terms and conditions of the Novation Agreement;
6. An initial CPP of 17.25% is approved, subject to adjustment by the Rehabilitator in his sole discretion on or before the Effective Date;
7. FGIC shall not take any action to offset, recoup or otherwise recover any Unpaid Pre-Rehabilitation Amounts, including challenging the propriety of any Unpaid Pre-Rehabilitation Amount *per se* except (i) with respect to the Impac Transaction and (ii) in the event that FGIC receives any additional information from the Trustees, servicers or calculation agents of relevance to the calculation of any Unpaid Pre-Rehabilitation Amounts or FGIC otherwise discovers that information previously provided by the Trustees, servicers or calculation agents regarding such amounts was incorrect. Any potential action by FGIC to offset, recoup or otherwise recover any unpaid Pre-Rehabilitation Amounts based on clause (ii) of the preceding sentence shall be limited to the amount of the potential Unpaid Pre-Rehabilitation Amounts determined by giving effect to such additional or corrected information;
8. Pursuant to Section 7403(d) of the NYIL, on the Effective Date, the Rehabilitation Proceeding shall terminate without further order of this Court and the Superintendent shall be discharged from his duties as the Rehabilitator. The Rehabilitator's employees and agents shall be discharged of their duties with respect to all matters related to the Rehabilitation of FGIC and the Rehabilitator, the NYLB and each of their respective employees, attorneys, agents, advisors and representatives shall have no liability for actions taken by FGIC after the Effective Date;
9. Pursuant to Section 7403(d) of the NYIL, on the Effective Date, FGIC shall resume possession of its property and the conduct of its business, subject to the limitations described in the Plan;

10. The Rehabilitator shall serve notice of this Order by (i) publishing notice substantially in the form of the Notice of Plan Approval Order attached hereto as Exhibit 2 (the "Plan Approval Notice") in The Wall Street Journal and The Bond Buyer within ten (10) Business Days after receiving an entered copy of this Order, (ii) mailing the Plan Approval Notice to all known Policyholders and other claimants by first class mail within five (5) Business Days after receiving an entered copy of this Order and (iii) posting true copies of this Order and the Plan Approval Notice at <http://www.fgcrehabilitation.com> within five (5) Business Days after receiving an entered copy of this Order, and such service shall be deemed good and sufficient service;
11. From and after the Effective Date, this Order, including the terms of the Plan attached hereto as Exhibit 1, shall supersede the Order of Rehabilitation and the Order to Show Cause, both of which shall remain in effect with respect to their respective periods prior to the Effective Date; and
12. This Court shall retain exclusive jurisdiction to hear and determine all matters arising out of, or related to, the implementation, interpretation and/or enforcement of this Order, the Rehabilitation Proceeding and other matters as set forth in the Plan.

E N T E R

*[Signature]* 6/11/13  
JUSTICE BONIS LING-COHAN

**FILED**  
JUN 13 2013  
NEW YORK  
COUNTY CLERK'S OFFICE

*At IAS Part 2 of the Supreme Court of the State  
of New York, County of Nassau, at the  
Courthouse, 100 Supreme Court Drive, Mineola,  
New York, on the 1<sup>st</sup> day of FEBRUARY  
2007*

HON. EDWARD W. McCARTY III  
JUSTICE

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU

-----X

In The Matter of  
  
the Rehabilitation of

Index No.: 003808/04

**ORDER**

INTERBORO MUTUAL INDEMNITY  
INSURANCE COMPANY

-----X

Upon the petition of FRANCESCA G. BLISS, Assistant Special Deputy Superintendent and Agent of ERIC DINALO, Acting Superintendent of Insurance of the State of New York, as Rehabilitator (the "Rehabilitator") of INTERBORO MUTUAL INDEMNITY INSURANCE COMPANY ("the Company" or "Interboro Mutual") dated December 22, 2006 and filed with the County Clerk of Nassau County on December 22, 2006, which requests the Court grant an Order concurrently approving the conversion of Interboro Mutual from a New York mutual property and casualty insurer into a New York stock property and casualty insurer ("the Conversion") pursuant to Section 7311 of the New York Insurance Law, and approving the sale of stock pursuant to a Stock and Purchase Agreement, and terminating this proceeding and permitting Interboro to resume its business.

And the Petitioner, having appeared by VINCENT J. TABONE, attorney for the Superintendent of Insurance as Rehabilitator of INTERBORO MUTUAL INDEMNITY INSURANCE COMPANY

And upon the order of this court entered December 22, 2006, directing the form and method of notice of the filing of the petition on Interboro creditors, the affidavits of service of the notice of the filing of Thomas Galamb, sworn to on December 27, 2006, and Dennis J. Hayes sworn to December 27, 2006, no opposition having been received and the hearing duly held on February 1, 2007 and upon due consideration;

It is ORDERED that:

- (1) The Conversion of Interboro Mutual by the Rehabilitator pursuant to N. Y. Ins. § 7311 is authorized and approved;
- (2) The Amended and Restated Charter and Amended and Restated Bylaws of Interboro Insurance Company, to be effective upon filing with the Clerk of the County of Nassau is authorized and approved;
- (3) The Plan is approved and its implementation by the Rehabilitator is authorized;
- (4) The Superintendent as Rehabilitator is authorized to issue the capital stock of Interboro Insurance Company, to be placed in escrow with the escrow agent appointed by the Superintendent as Rehabilitator, for the benefit of a qualifying purchaser;
- (5) Approval of the acquisition of control of Interboro Insurance Company by Interboro LLC, which shall be effective upon the consummation of the transactions contemplated by the Stock Purchase Agreement is affirmed;
- (6) The payment to the creditors of Interboro Mutual during the Claims Administration Period of the amounts provided for in the Plan in respect of their claims and in full satisfaction of such claims, which shall be effective upon the consummation of the transactions contemplated by the Stock Purchase Agreement is approved;

- (7) The rehabilitation proceeding, is terminated, including discharging the converted company from rehabilitation pursuant to N.Y. Ins. Law § 7403(d) and discharging the Superintendent from his duties as the Rehabilitator, which shall be effective only upon the consummation of the transactions contemplated by the Stock Purchase Agreement
- (8) Interboro Insurance Company is to resume possession of its property and the conduct of its business, which shall be effective upon the consummation of the transactions contemplated by the Stock Purchase Agreement and
- (9) That items (5) through (8) shall be null and void and of no effect should Interboro LLC fail to acquire control and/or make or provide for the required capital contribution within forty-five days of the date of entry of this Order.

ENTER

*Edward W. McPartly III*  
J.S.C.

**ENTERED**  
FEB 01 2007  
NASSAU COUNTY  
COUNTY CLERK'S OFFICE