

OFFICE OF THE COMMISSIONER OF INSURANCE (OCI)

STATE OF WISCONSIN

In the Matter of the Acquisition of Control of
Ambac Assurance Corporation, the "Domestic Insurer"

by

American Acorn Corporation (American Acorn), American Acorn Holdings LLC,
Oaktree Opportunities Fund XII Holdings (Delaware), L.P.,
Oaktree Fund GP, LLC, Oaktree Fund GP I, LP, Oaktree Capital I GP, LLC, Oaktree Capital
Holdings, LLC,
Oaktree Capital Group Holdings, LP,
Oaktree Capital Group Holdings GP, LLC, Bruce Karsh,
Howard Marks, and Sheldon Stone

Petitioner.

OCI Case No. 25-C46550

PREHEARING CONFERENCE MEMORANDUM

Rebecca Easland, Hearing Examiner, presiding

Appearances:

For the Division of Financial Regulation, Office of the Commissioner of Insurance:

- Tim Cornelius, Deputy, OCI Chief Legal Counsel
- Nicole Kuehl, Financial Attorney
- Amy Malm, OCI's Administrator of the Division of Financial Regulation
- Aaron Kenseth, OCI's Supervisor of Ambac
- Mark McNabb, OCI Licensing Supervisor
- Chris Martin, OCI Licensing Specialists
- Dennis McGettigan, Gordian Group-Advisor to OCI
- Damian Britt, Gordian Group-Advisor to OCI

For the acquiring group (collectively, "Acorn"):

- Zachary Bemis, Godfrey & Kahn
- Greg Share, Oaktree Capital Management LP
- Parimah Hassouri, Kirkland & Ellis

For Ambac Assurance Corporation and Ambac Financial Group, Inc. (together, "Ambac"):

- Emily Feinstein, Quarles & Brady
- Stephen Ksenak, Senior Managing Director & General Counsel
- William Toman, Quarles & Brady
- Ryan Rainey, Quarles & Brady

Others:

For CQS (UK) LLP, CQS (US), LLC, Deutsche Bank Securities Inc., FFI Fund Ltd., FYI Ltd., Intermarket Corporation, Deltroit Asset Management (UK) LLP, Mudrick Stressed Credit Master Fund, L.P. ("Mudrick"), Olifant Fund, Ltd., Shenkman Tactical Credit Master Fund LP, Shenkman Opportunistic Credit Master Fund LP, Four Points Multi-Strategy Master Fund, Inc., Shenkman Multi-Asset Credit Select Master Fund LP, and Three Court Master, LP, as members of the Ad Hoc Group of AAC Surplus Noteholders (collectively, "Ad Hoc Group")

- Jason Zakia, White & Case LLP
- Eric McLeod, Husch Blackwell, LLP
- Bruce Arnold, Husch Blackwell, LLP

For ESM Management, LLC, and Align Private Capital (together "ESM")

- Erin K. Deeley, Stafford Rosenbaum, LLP
- Robert Blabey, Align Private Capital
- Eric Meyer

This is a Memorandum summarizing a prehearing conference held pursuant to Wis. Stat. § 227.44 and Wis. Admin. Code § Ins 5.33, on August 4, 2025.

IT IS SO ORDERED:

1. The above-entitled matter is set for hearing on Wednesday, September 3, 2025, at 9:00 am central time. The link is on the open meetings notice published on the OCI website and here:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_MzNjNzMwZDUtOTBhMC00NTYzLThjZmQtZmE1ODVhZGlyNWUx%40thread.v2/0?context=%7b%22Tid%22%3a%22f4e2d11c-fae4-453b-b6c0-2964663779aa%22%2c%22Oid%22%3a%222b32da62-a973-4e11-a4ef-4b82aba38fcd%22%7d

Meeting ID: 218 914 627 642 2

Passcode: aa6dH2wv

Or by phone:

Call-in Number: 1-608-571-2209

Phone Conference ID: 132 439 860#

2. Having timely filed motions to intervene, Ambac, Ad Hoc Group, and ESM, shall have until Friday, August 8, 2025, at 4:00 pm central time to file briefs in support of the motions to intervene. Filing a supporting brief is optional, not required.

3. Anyone opposing motion(s) to intervene shall have until Friday, August 15, 2025, at 4:00 pm central time to file a brief in opposition to motion(s) to intervene.
4. Briefs shall be filed electronically via email to OCICompanyLicensing@wisconsin.gov. All briefs filed will also be uploaded to the Ambac transaction page on OCI's website under Public Comment, Motion to Intervene.
5. Decisions on the motions to intervene shall be made by August 22, 2025, 4:00 pm central time. If the motion(s) are granted, further orders may be issued to provide any individual admitted to the proceeding sufficient time to conduct discovery and prepare for the hearing.
6. Public written comments must be submitted on or before August 29, 2025, 4:00 pm central time to be included in the record. Public comments shall be delivered electronically to OCICompanyLicensing@wisconsin.gov

Failure to comply with the terms of this report may be considered cause for imposing sanctions which may include dismissal, default judgment, contempt, orders limiting or barring the presentation of testimony or introduction of evidence at trial, or any combination thereof, or such other added and further sanctions as the Hearing Examiner may deem appropriate under the circumstances.

Pursuant to the Americans with Disabilities Act, reasonable accommodations will be made to any individual upon request. Please contact christopherj.martin@wisconsin.gov or 608-267-4555 with specific information regarding reasonable accommodations at least 10 days prior to the date of the hearing.

8/5/2025 | 1:25 PM CDT

Date

Signed by:

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Rebecca Easland
Hearing Examiner