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BY E-MAIL AND FEDERAL EXPRESS

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Joseph T. Verdesca

January 25, 2013

James Gadsden, Esq.
Carter Ledyard & Milburn LLP
2 Wall Street
New York, NY 10005-2072

Re: In the Matter of Financial Guaranty Insurance Company, Index No. 401265/2012

Dear Mr. Gadsden:

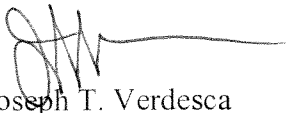
Thank you for your letter on behalf of The Bank of New York Mellon and The Bank of New York Mellon Trust company, N.A., as Trustee (the "Trustee"), dated January 18, 2013, requesting confirmation from the court-appointed rehabilitator (the "Rehabilitator") of Financial Guaranty Insurance Company of his understanding regarding certain sections of the First Amended Plan of Rehabilitation for Financial Guaranty Insurance Company, dated December 12, 2012 (the "Proposed Plan"). I write in response thereto.

You indicate in your letter that "It is the Trustee's view that references to compromises, settlements and releases in Section 3.7(a) [of the Proposed Plan] . . . include settlements incorporated in a chapter 11 plan of an originator (or other responsible [party] to cure, substitute or repurchase any defective mortgage or other loan)" The Rehabilitator is of the view that references to "compromise, settle or release" in Section 3.7(a) of the Proposed Plan would include settlements of Trust Loan Repurchase Obligations (as defined in the Proposed Plan) made in connection with a chapter 11 plan of an originator or other responsible party.

You also indicate in your letter that "It is the Trustee's view that . . . Section 7.8(d) of [the Proposed Plan] does not restrict the operation of Section 3.7 of [the Proposed Plan]." The Rehabilitator confirms that the injunctive relief provided for pursuant to Section 7.8(d) of the Proposed Plan is not intended to restrict the operation of Section 3.7 of the Proposed Plan.

If you have any additional questions regarding the above, please do not hesitate to contact me.

Very truly yours,



Joseph T. Verdesca

cc: Gary Holtzer, Esq.