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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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IN RE AMBAC FINANCIAL GROUP, INC.
SECURITIES LITIGATION

MEMORANDUM
AND
ORDER

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08 Civ. 411 (NRB)

NAOMI REICE BUCHWALD
UNITED STATES DISTRICT JUDGE

Before the Court today is Lead Plaintiffs' motion for final approval of their Settlement with the SIPA trustee of Lehman Brothers Inc.; approval of the proposed allocation of the proceeds of the Settlement; and reimbursement of expenses. This application addresses the final portion of this class action.

On March 11 of this year, this Court preliminarily approved the settlement and ordered notice to the class and this hearing. Proof of notice has been filed and, significantly, no objections have been received.

The Court's task is to determine whether the terms of the Settlement are fair, reasonable and adequate. Having reviewed the submissions in support, I find that the Settlement meets the requisite standard. Counsel for the class have negotiated with the Lehman trustee to recognize an allowed, general unsecured claim against the Lehman estate in the sum of \$550,000, and the class will receive payment in the same proportion as other holders of similar claims in the SIPA proceeding. In turn, the same

distribution protocol as was utilized in the earlier settlements will be followed. This aspect of the motion serves to support the conclusion that this settlement is superior to the filing of individual claims in the SIPA proceeding. In that regard, we note that this settlement does not impact any individual entity, other than the class representatives, that has in fact filed a proof of claim in the SIPA proceeding.

Apart from the amount of the settlement with the Lehman trustee, plaintiffs persuasively point out that litigating further would only reduce the available funds for settlement—clearly an unattractive alternative.

Accordingly, the Settlement and the plan of allocation are approved. Likewise, the Court approves the reimbursement of expenses as they have been appropriately supported.

SO ORDERED.

Dated: New York, New York
June 9, 2015


NAOMI REICE BUCHWALD
UNITED STATES DISTRICT JUDGE