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Ambac Files Suit Against City of Detroit

NEW YORK, Nov. 8, 2013 (GLOBE NEWSWIRE) -- **Ambac Assurance Corporation** (Ambac Assurance) (Nasdaq:AMBC) today announced that it has filed a lawsuit against the City of Detroit (the "City") in the United States Bankruptcy Court, Eastern District of Michigan, Southern Division, asking that the City be required to segregate the property taxes pledged to pay the City's general obligation bonds insured by Ambac Assurance. David Dubrow of Arent Fox, Ambac Assurance's counsel, commented: "Michigan's state law could not be more clear: the City is required to segregate the pledged property taxes and then only use them to pay debt service on the bonds. And bankruptcy law is equally clear on such matters: Michigan law must be followed."

About Ambac

Ambac Financial Group, Inc., headquartered in New York City, is a holding company whose subsidiaries, including its principal operating subsidiary, Ambac Assurance, Everspan Financial Guarantee Corporation, and Ambac Assurance UK Limited, provided financial guarantees and other financial services to clients in both the public and private sectors globally. Ambac Assurance, including the Segregated Account of Ambac Assurance (in rehabilitation), is a guarantor of public finance and structured finance obligations. Ambac Financial Group, Inc. is also exploring opportunities involving the development or acquisition of new financial services businesses. Ambac Financial Group Inc.'s common stock trades on the NASDAQ Global Select Market.

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