FGIC

FGIC ENLISTS VARGAS AS INTERNAL AUDITOR

June 8, 2005 - New York, NY – FGIC Corporation, the parent company of Financial Guaranty Insurance Company, announced that Felix Vargas has joined the firm as Managing Director & Internal Auditor, effective June 6. He has overall responsibility for FGIC's Internal Audit function.

Mr. Vargas has over 13 years of accounting and audit experience in the insurance industry. Most recently, Mr. Vargas was a Vice President and Global Internal Audit Director for General Reinsurance Corporation, where he was responsible for the company's internal audit practice, the development of its annual global audit plan, and the implementation and testing of Sarbanes-Oxley compliance. Mr. Vargas' career includes experience at NAC Reinsurance Corporation, Price Waterhouse, LLP and Ceridian Corporation.

Mr. Vargas is a Certified Public Accountant and a Certified Information Systems Auditor. He holds a B.B.A. in Public Accounting and an M.S. in Information Systems from Pace University.

Chief Executive Officer, Frank J. Bivona, commented, "The internal audit function has become a critical element for effective corporate governance. Felix not only has a broad accounting background but also specific auditing experience in the insurance industry that will be invaluable for FGIC as we proceed with best practices in every aspect of our business."

Company Profile
FGIC Corporation is an insurance holding company whose wholly owned subsidiary, Financial Guaranty Insurance Company, provides credit enhancement on public finance and structured finance securities in the U.S. and internationally. Established in 1983, FGIC is one of the four leading monoline financial guarantors. FGIC typically guarantees the scheduled payments of principal and interest on an issuer's obligation. FGIC's financial strength is rated triple-A by Moody's Investors Service, Standard & Poor's and Fitch Ratings.