

FGIC Corporation and FGIC Amend Credit Agreement

May 14, 2009 – New York, NY - The Revolving Credit Agreement dated as of December 12, 2005 (as amended, the “Credit Agreement”), among FGIC Corporation and Financial Guaranty Insurance Company (together, the “Companies”), the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, has been amended to provide that, among other things, the independent certified accountant’s report and opinion delivered in connection with each of the Companies’ financial statements for the fiscal years ending December 31, 2008 and 2009 may contain a going concern or like qualification or exception. The Companies’ auditors issued a modified unqualified “going concern” audit opinion in connection with each of the Companies’ financial statements for the fiscal year ending 2008, and this amendment eliminates the event of default under the Credit Agreement that may have resulted from the issuance of such audit opinions.

Company Profile

FGIC Corporation is an insurance holding company whose wholly owned subsidiary, Financial Guaranty Insurance Company, provides credit enhancement on infrastructure finance and structured finance securities worldwide.

Cautionary Statement

This press release contains “forward-looking statements” – that is, statements related to possible future events. Forward-looking statements often address expectations and beliefs as to future performance, results and business plans. You should not place undue reliance on forward-looking statements, because they are necessarily subject to risks and uncertainties that could cause actual results and performance to differ materially from those expressed or implied by our forward-looking statements. Among the factors that could cause our results or performance to differ are: (1) the extent to which we are able to pursue and achieve strategic alternatives, either with or without the participation of potential investors and other third parties; (2) further downgrades to our ratings; (3) our ability to execute our business plan given our current ratings, possible further downgrades and market conditions; (4) the results of loss mitigation efforts; (5) legislative and regulatory developments within the United States and abroad, including the effect of new pronouncements by accounting authorities; (6) competitive conditions and pricing levels; (7) the level and nature of activity within the national and international credit and other markets; (8) fluctuations in the economic, credit or interest rate environment in the United States or abroad; (9) possible defaults and/or additional ratings downgrades or actions in mortgage-backed securities and (10) other risks and uncertainties that have not been identified by us at this time. Forward-looking statements are based upon our current expectations and beliefs concerning future events. We undertake no obligation to update or revise any forward-looking statement, except as required by law.