

July 10, 2024

FOR IMMEDIATE RELEASE

FGIC Announces Results of Joinders to the Transaction Support Agreement; Supporting Owners Represent Over 85% of Permitted Policy Distributions Under the Proposed Transaction

NEW YORK, July 10, 2024 – Financial Guaranty Insurance Company (“**FGIC**”) announced the results of its joinder process for beneficial owners of certain FGIC-insured instruments and units (“**Owners**”) to join the Transaction Support Agreement, dated February 29, 2024, among FGIC and holders of certain FGIC-insured instruments and units (the “**TSA**”) and become eligible to receive an early joinder fee thereunder. The TSA provides for a transaction (the “**Proposed Transaction**”) that will accelerate the current long-term run-off of FGIC’s insured portfolio pursuant to the First Amended Plan of Rehabilitation for FGIC, dated June 4, 2013 (the “**Existing Rehabilitation Plan**”). Under the Proposed Transaction, all FGIC policies with outstanding DPO or DPO Accretion (each as defined in the Existing Rehabilitation Plan) and/or projected future claims (defined in the TSA as “**Covered Policies**”) will be satisfied and discharged, in consideration of payment in full in cash (on a present value basis) by FGIC to the respective holders of such policies (the “**Permitted Policy Distribution**”). The total gross amount of Permitted Policy Distributions that will be payable by FGIC to satisfy and discharge such policies is estimated to be approximately \$1.841 billion. A copy of the TSA is available at <http://www.fgic.com/proposedacceleratedrunoff/> and <https://deals.is.kroll.com/fgic>.

The deadline to submit an executed joinder agreement to join the TSA was June 12, 2024, at 5:00 p.m. New York City time (the “**Early Joinder Fee Deadline**”) and the deadline for participating Owners to certify their ownership of FGIC-insured instruments and units was June 27, 2024, at 5:00 p.m. New York City time. As of the Early Joinder Fee Deadline, approximately 735 Owners are party to the TSA, consisting of approximately 165 institutional Owners and approximately 570 individual retail Owners (collectively, the “**Supporting Owners**”). The Supporting Owners represent holders who collectively would be entitled to receive over 85% of the Permitted Policy Distributions under the Proposed Transaction.

The Proposed Transaction is conditioned on, among other things, receiving the support of the New York State Department of Financial Services (“**NYSDFS**”). Subject to this support, the TSA contemplates that the Proposed Transaction will be implemented pursuant to an amended rehabilitation plan (the “**Amended Plan**”), subject to approval by the Supreme Court of the State of New York (the “**Court**”) in a reopened rehabilitation proceeding pursuant to Article 74 of the New York Insurance Law. There is no guarantee that the NYSDFS will support the Proposed Transaction, or the Court will approve the Amended Plan.

FGIC is encouraged by the strong support for the Proposed Transaction by the Supporting Owners and will continue its dialogue with the NYSDFS to receive its support to reopen FGIC's rehabilitation proceeding and implement the Proposed Transaction through the Amended Plan, subject to Court approval.

About FGIC

FGIC is a New York stock insurance corporation and a wholly owned subsidiary of FGIC Corporation. FGIC emerged from rehabilitation on August 19, 2013, and is responsible for administering its outstanding insurance policies in accordance with the terms of the First Amended Plan of Rehabilitation for FGIC, dated June 4, 2013. Please visit www.fgic.com.

Investor and Media Contacts:

If you have any questions regarding FGIC and/or the Proposed Transaction, you can send an email to FGICinfo@is.kroll.com.

Additional Information:

Weil, Gotshal & Manges LLP is serving as counsel and Houlihan Lokey Capital, Inc. is serving as financial advisor.

FORWARD-LOOKING STATEMENTS

This notice 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 speak only as of the date they are made and are necessarily subject to risks and uncertainties that could cause actual results and performance to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are based upon FGIC management's current expectations and beliefs concerning future events. FGIC undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.