



FOR IMMEDIATE RELEASE

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FGIC RESTRUCTURES CDO BUSINESS

June 16, 2006 – New York, NY – FGIC Corporation, the parent company of Financial Guaranty Insurance Company, announced today that it has reorganized its CDO team and will expand the scope of its CDO business to include a broader range of asset classes and structures.

As part of the reorganization, the CDO Group has been combined with Risk Distribution. Lynn Finkel, Managing Director, has assumed responsibility for running the CDO Group, in addition to heading up the Risk Distribution function. Ms. Finkel has been part of the structured finance team at FGIC since 2004. She was previously a Vice President for Securitization at Cendant.

In late May, Eric Hurst joined FGIC as a Director with responsibility for international and negotiated CDO transactions. Prior to joining FGIC, Mr. Hurst was part of the CDO team at Ambac Assurance Corporation for eight years, including three years in its London office. His responsibilities there included establishing a presence in the European CDO market as head of European CDOs. He also established the first monoline European Trust Custody Receipt Program.

In conjunction with the reorganization, Elizabeth Menhenett has been promoted to Director within the CDO Group charged with the domestic CLO and ABS CDO business. Ms. Menhenett has been a driver in the development of FGIC's CDO business for the past four years. Previously, she was a Director in the CDO group at Fitch.

Tom Adams, Senior Managing Director and head of the Consumer Asset-Backed/CDO Group at FGIC, noted, "FGIC is always looking for areas where we can add value, which is the mission of our newly reconfigured CDO team. In addition, as FGIC expands its efforts in synthetic risk distribution, we decided to combine this with our CDO area, as both businesses use common tools and interact with similar counterparties. We also felt it made sense to centralize our global coverage in New York to ensure a consistent approach to the CDO market."

FGIC 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.

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