



Ambac's AAA-rated guarantee helps lower financing costs, improve liquidity and broaden distribution

Ambac's triple-A-rated financial guarantee – an unconditional and irrevocable promise that investors will receive principal and interest payments in full and on time should the issuer default – lowers overall financing costs for issuers through better credit ratings and enhances the marketability of issues to investors.

Strengthening Financings Worldwide

Ambac provides guarantees for a broad range of asset classes, including innovative uses of structures backed by assets, receivables and future flows. Having founded the municipal bond insurance industry in 1971, innovation is ingrained in our culture. Today, Ambac plays a leading role with public and private sector clients in the structured, asset-backed and mortgage-backed securities sectors worldwide. Our global strategy is to seamlessly cover issuers, arrangers and investors in all major markets and work with a full range of structures, instruments and collateral types. We work with clients to structure complex transactions, generating senior tranches in a capital structure. Adept at working with both traditional and non-traditional asset types and structures, Ambac is recognized for our responsiveness to client needs and our ability to effectively execute deals in a timely manner.

Ambac's Triple-A Advantage

- A premier financial guarantor rated triple-A by all major rating agencies
- Over 30 years' experience providing financial alternatives for public entities and structured transactions worldwide
- Highly-skilled teams of professionals
- A diversified range of credit enhancement and risk transfer solutions
- Client-focused, emphasizing efficient execution that supports issuers, arrangers and investors
- Streamlined approval process – a single credit committee with representatives from credit, legal, risk management and senior management

Transaction Guidelines

Asset characteristics, business considerations, financial preferences and market conditions are carefully assessed for each transaction. General guidelines include:

- Investment grade rating as defined by Moody's and S&P before Ambac's insurance
- Minimum transaction size of \$100 million
- Minimal event risk; no single name corporates
- Generally, no foreign currency transfer and convertibility risk in developing markets



Ambac brings AAA strength to a full range of asset classes worldwide

A Commitment to Meeting Client Needs

Ambac has created financing solutions in all types of market environments for a wide breadth of asset classes.

Consumer Asset-Backed Securities

- Mortgage-Backed and Home Equity
- Student Loans
- Auto Loans & Leases
- Other Assets (credit card receivables, consumer loans, manufactured housing loans)

Structured Credit

- Collateralized Debt Obligations (cash flow and market value)
- Credit Derivatives

Structured Finance

- Operating Company Securitizations
- Leasing and Asset Finance
- Emerging Markets
- Structured Insurance

Commercial Asset-Backed Securities

- Trade Receivables
- Equipment Leasing
- Operating Assets (sea containers, gas pipeline compressor leases)
- Entertainment Assets (film rights, music, publishing revenue streams)
- Franchised/Secured Small Business Loans
- Intellectual Property/Royalty Payments
- Commercial Mortgages
- Corporate-related Assets (natural resource-based assets)

ABCP Conduits

MTN Funding Vehicles

Global Utilities

Structured Secondary Markets

Links of Interest

Awards & Transactions <http://www.ambac.com/awards.asp>

Selected Exposures <http://ir.ambac.com>

For a complete listing of our products, please visit <http://www.ambac.com>

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Ambac Assurance UK Limited is authorized and regulated by the Financial Services Authority.

Ambac Financial Group, Inc., headquartered in New York City, is a holding company whose affiliates provide financial guarantees and financial services to clients worldwide. The Company's financial guarantee subsidiary, Ambac Assurance Corporation, is rated triple-A by all major rating agencies. Ambac Financial Group, Inc., is traded on the New York Stock Exchange (ticker symbol ABK).