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S&P Takes Rating Actions On Six Bond Insurers

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NEW YORK (Standard & Poor's) Dec. 19, 2007--Standard & Poor's Ratings Services today announced various ratings actions (see list below) on six financial guaranty insurance companies.

The rating actions were prompted by worsening expectations for the performance of insured nonprime residential mortgage backed securities and CDOs of asset backed securities. Based upon current stress test analysis, the details of which are being published simultaneously with this release, the affected companies may experience claims and/or capital consumptive negative rating transitions such that their capital resources may no longer be sufficient at their respective rating levels. Another consideration in the analysis, if there is a capital shortfall, is the magnitude of the shortfall and the extent to which the company has raised or is planning to raise new capital, and the viability of that capital plan.

Standard & Poor's will host a teleconference today at 3 p.m. EST. See below for details.

ADDITIONAL RESOURCES

Lists of the insured ratings that have changed as a result of these actions are posted at www.spviews.com. Go to the left hand navigation bar and click on "Deals Affected" to view or download the lists. Our analysis of the impact of the ratings actions announced today is ongoing. We expect to post

lists of affected structured finance issues later today. As we complete our analysis during the next few weeks, we may publish additional ratings changes.

The report ("Detailed Results Of Subprime Stress Test Of Financial Guarantors") describing our stress analysis of the financial guarantors also is available at www.spviews.com, as is "Credit FAQ: The Interaction Of Bond Insurance And Credit Ratings." The articles are also available on Standard & Poor's subscription based research service, RatingsDirect.

RATING OUTLOOKS AND CREDITWATCH

We are today issuing one downgrade. The other actions are either changes in rating outlook or assignment to CreditWatch. Outlooks and CreditWatch are used in a changing credit situation when a rating change is not yet certain. Ratings may be placed on CreditWatch when an event or deviation from an expected trend has occurred or is expected, when this event or deviation increases the probability of a rating action, and when additional information is necessary to take a rating action. The greater the likelihood of a rating change, the more compelling the use of Creditwatch, with guidelines of at least a one in two likelihood of a ratings change occurring in the short term, typically within 90 days. From time to time, there may be events that present such significant uncertainty to an issuer's creditworthiness that a rating is placed on CreditWatch without the need to assess this threshold of potential change.

Similar to CreditWatch, an outlook assesses potential for change and the likely direction of the rating over the intermediate term. In contrast to CreditWatch, an outlook is assigned as an ongoing component of long-term ratings, where appropriate. Outlooks have a longer time horizon than CreditWatch listings and incorporate trends or risks with less certain implications for credit quality. The time frame for an outlook generally is up to two years. Although Standard & Poor's ratings are based on an opinion of the most likely scenario for an issuer's future performance, the outlook addresses what direction we believe the rating may take if our most likely scenario does not hold.

RATINGS LIST

	TO	FROM
ACA Financial Guaranty Corp. Financial strength, financial enhancement and issuer credit	CCC/WatchDev	A/WatchNeg
Ambac Assurance Corp. Ambac Assurance U.K. Ltd. Connie Lee Insurance Co. Financial strength, financial enhancement and issuer credit	AAA/Negative	AAA/Stable
Ambac Financial Group Inc. Senior unsecured and issuer credit Subordinated hybrid security	AA/Negative A+/Negative	AA/Stable A+/Stable

Financial Guaranty Insurance Co. Financial strength, financial enhancement and issuer credit	AAA/WatchNeg	AAA/Stable
FGIC U.K. Ltd. Financial strength, financial enhancement and issuer credit	AAA/WatchNeg	AAA/Stable
FGIC Corp. Senior unsecured and issuer credit	AA/WatchNeg	AA/Stable
MBIA Insurance Corp. Financial strength, financial enhancement and issuer credit	AAA/Negative	AAA/Stable
MBIA Insurance Corp. of Illinois Financial strength, financial enhancement and issuer credit	AAA/Negative	AAA/Stable
MBIA Assurance S.A. Financial strength, financial enhancement and issuer credit	AAA/Negative	AAA/Stable
MBIA Inc. Senior unsecured and issuer credit AA/Stable	AA/Negative	
XL Capital Assurance Inc. XL Financial Assurance Ltd. Financial strength, financial enhancement and issuer credit	AAA/Negative	AAA/Stable
XL Capital Assurance (UK) Ltd. Financial strength, financial enhancement and issuer credit	AAA/Negative	AAA/Stable
RATINGS AFFIRMED:		
Assured Guaranty Corp. Financial strength, financial enhancement and issuer credit	AAA/Stable	
Assured Guaranty (UK) Ltd. Financial strength, financial enhancement and issuer credit	AAA/Stable	
CIFG Guaranty CIFG Europe CIFG Assurance North America Inc. Financial strength, financial enhancement and issuer credit	AAA/Negative	
Financial Security Assurance Inc. Financial strength, financial enhancement and issuer credit	AAA/Stable	
Financial Security Assurance (UK) Ltd.		

Financial strength, financial enhancement and issuer credit	AAA/Stable
Financial Security Assurance Holdings Ltd. Senior unsecured and issuer credit	AA/Stable
Junior subordinated hybrid security	A+/Stable
Radian Asset Assurance Inc. Financial strength, financial enhancement and issuer credit	AA/Stable
PMI Guaranty Co. Financial strength, financial enhancement and issuer credit	AA/Negative

TELECONFERENCE

Standard & Poor's will host a teleconference today at 3 p.m. EST.

Live-Dial-In-Numbers:

US/Canada: 1-888-324-0379

All Others: 1-210-234-6980

Conference ID#: 8434357

Passcode: SANDP1

Net Enhanced:

URL: <http://www.mymeetings.com/nc/join>

Conference Name: PG8434357

Passcode: SANDP1

Replay Numbers:

US/Canada: 1-866-455-0459

All Others: 1-203-369-1259

Replay will expire on Jan. 16, 2008

Live Audio Streaming:

URL: <http://www.mymeetings.com>, Under Participant Join, Select Join an event

Conference ID#: 8434357

Passcode: SANDP1

Replay Web Streaming:

URL: <http://www.mymeetings.com/nc/join>

Conference ID#: PG8434357

Passcode: SANDP1

Web replay streaming will expire on Jan. 16, 2008

Complete ratings information is available to subscribers of RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. All ratings affected by this rating

action can be found on Standard & Poor's public Web site at www.standardandpoors.com; select your preferred country or region, then Ratings in the left navigation bar, followed by Credit Ratings Search.

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