



**July 10, 2009**

**MBIA Statement Concerning: MBIA Insurance Corporation v. Bank of America Corp., Countrywide Financial Corporation, Countrywide Home Loans, et. al.**

MBIA today commenced an action in the Superior Court of California against Countrywide, several of its senior officers and the underwriters of certain residential mortgage backed securities insured by MBIA. The Complaint alleges state securities law violations and seeks damages for fraudulent, material representations and omissions in their offering documents which have resulted in substantial damages to MBIA. This action reflects MBIA's determination to aggressively pursue all potential claims related to Countrywide's fraud and misrepresentation. On July 8, 2009, in a separate suit filed by MBIA against Countrywide, the New York State Supreme Court ruled that MBIA's fraud claims against Countrywide will be allowed to proceed.