



April 7, 2009

Statement from MBIA CEO Jay Brown Concerning: Third Avenue Trust and Third Avenue Variable Series Trust v. MBIA Insurance Corp. and MBIA Insurance Corp. of Illinois

While we appreciate Third Avenue's past support of MBIA, we believe the allegations in the complaint are without merit and intend to defend it vigorously. We have complied with all of the terms and conditions of their investment. All payments on the surplus notes have been and, subject to regulatory approval, will continue to be made on time and in full. Our Transformation should not have been a surprise to them, as I have been clear to all stakeholders since I returned a year ago that our corporate objective was to separate our structured and municipal businesses. All of our actions were proper, in accordance with relevant laws and were approved by the New York State Insurance Department (NYSID) after a thorough examination. In addition, the Illinois Division of Insurance approved all transactions entered into by MBIA Insurance Corp. of Illinois.