

If You Had Net Purchases of MBIA Inc. ("MBIA") Common Stock from September 11, 1998 through November 18 and/or 22, 2004, You May Be Eligible for Compensation.

You must submit a claim form postmarked on or before December 29, 2008.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

United States Securities and Exchange Commission v. MBIA Inc. 07 Civ. 658 (LLS)

SUMMARY NOTICE OF DISTRIBUTION PLAN — FAIR FUND —

On January 29, 2007, the SEC filed and settled a civil action against MBIA, alleging violations of the federal securities laws.

What is This About?

Without admitting or denying the allegations of the SEC's Complaint MBIA paid \$50,000,001 comprised of a \$50 million penalty plus \$1.00 in disgorgement. On March 1, 2007 MBIA paid an additional \$10 million in disgorgement and restitution pursuant to an Assurance of Discontinuance entered by the Office of the Attorney General of the State of New York. The size of the Fair Fund available to compensate harmed investors is approximately \$60 million (plus accrued interest less tax obligations, and certain fees and expenses).

On February 22, 2007 the Court entered a Final Judgment against MBIA pursuant to the terms of the settlement. On May 22, 2008 the Court appointed Laurence Storch as Distribution Agent and authorized the Commission to establish a Fair Fund in accordance with Section 308(a) of the Sarbanes-Oxley Act. The Court approved the Distribution Plan submitted by the Distribution Agent on September 30, 2008.

How Do I Make a Claim?

If you believe you are eligible, you may submit a Claim Form to the Distribution Agent at the address below postmarked on or before the **Claims Bar Date Deadline of December 29, 2008**. Claim Forms will be mailed to Potentially Eligible Claimants identified by the Claims Administrator. You may also download and print the Claim Form from the SEC's Fair Fund website at www.SECMBIAfairfund.com or call 1-888-356-0275 or write to the Distribution Agent at the address below and request a Claim Form. Be sure to include your full name and mailing address.

NOTICE TO CUSTODIANS AND BROKER/DEALERS OR OTHER NOMINEES

If you are a broker or a nominee that had net purchases of MBIA common stock from September 11, 1998 through November 22, 2004 for beneficial owners, you shall provide the names and addresses of the identified beneficial owners and 1) the number of MBIA common stock shares held at the close of trading on September 10, 1998, 2) the number of MBIA common stock shares held at the close of trading on November 18, 2004, and 3) the number of MBIA common stock shares held at the close of trading on November 22, 2004 for each beneficial owner on or before November 4, 2008.

SEC v. MBIA Fair Fund

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