



THE BANK OF NEW YORK MELLON

**Notice of Default to Holders  
of**

**FGIC Corporation  
6% Senior Notes due 2034 (the “Securities”)  
Cusip Number 302915AA1**

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*Note: This Notice contains important information that is of interest to the registered and beneficial owners of the Securities. Each registered holder of the Securities should forward a copy of this Notice immediately to any beneficial owners(s) of the Securities for whom the holder acts as nominee or in any other capacity.*

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The Bank of New York Mellon (formerly The Bank of New York) serves as Trustee for the Securities described above which were issued under an Indenture between FGIC Corporation (the “Company”) and The Bank of New York, as Trustee dated as of January 12, 2004 (the “Indenture”). Capitalized terms used but not otherwise defined herein will have the meanings assigned to them in the Indenture. No representation is made as to the correctness of the CUSIP Number, which is included solely for the convenience of Holders of the Securities.

On January 15, 2010, a payment of interest was due and payable on the Securities. Such interest was not paid to Holders on January 15, 2010 by the Company. Per Section 501 (1) of the Indenture the Company has the opportunity to make the payment of the interest that was due and payable on January 15, 2010 within a period of 30 days following the January 15, 2010 interest payment due date. The Trustee hereby provides notice to Holders of the Securities that a default has occurred and is continuing. Further, if the interest installment payment due and payable on the Securities on January 15, 2010 is not paid by the Company by February 15, 2010 an Event of Default will occur under Section 501 (1) of the Indenture.

The Trustee will continue to monitor this issue and will provide additional communication to Holders of the Securities as circumstances warrant.

Holders with questions concerning this Notice may contact the Trustee Attn: Bridget Schessler, 525 William Penn Place, 38<sup>th</sup> Floor, Pittsburgh, PA 15259, via phone at (412) 234-7967 or via e-mail to [bridget.schessler@bnymellon.com](mailto:bridget.schessler@bnymellon.com).

**Dated: February 1, 2010**

**The Bank of New York Mellon,  
as Trustee**