



## **National Public Finance Guarantee Corporation Issues Statement on Puerto Rico Oversight Board Decision to Not Approve PREPA RSA**

PURCHASE, N.Y. --(BUSINESS WIRE)-- National Public Finance Guarantee Corporation (National), an indirect subsidiary of MBIA Inc. (NYSE:MBI), today issued the following statement in response to the announcement by the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board") that it did not approve the proposed Puerto Rico Electric Power Authority ("PREPA") Restructuring Support Agreement ("RSA"), which was the only pre-existing consensual agreement included in the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA").

"We are disappointed in the Oversight Board's decision to not approve the PREPA RSA after three years of negotiations and believe that the decision is in violation of the PROMESA law. The RSA would provide PREPA needed debt relief, restore access to the capital markets and attract private investment necessary for modernization and EPA compliance. National will continue to pursue its lawsuit in the U.S. District Court for the District of Puerto Rico that seeks to compel the Oversight Board to comply with its obligations under PROMESA and remains committed to working with the Commonwealth and PREPA to find a sustainable, long-term solution for the people of Puerto Rico.

National has adequate resources, with claims-paying resources totaling \$4.6 billion at March 31, 2017, to ensure that its policyholders will receive the full amount of the scheduled interest and principal payments that come due on their National insured bonds."

### **Forward-Looking Statements**

This release includes statements that are not historical or current facts and are "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The words "believe," "anticipate," "project," "plan," "expect," "estimate," "intend," "will likely result," "looking forward" or "will continue," and similar expressions identify forward-looking statements. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical earnings and those presently anticipated or projected, including, among other factors, the possibility that MBIA Inc. or

National will experience increased credit losses or impairments on public finance obligations issued by state, local and territorial governments and finance authorities that are experiencing unprecedented fiscal stress; the possibility that loss reserve estimates are not adequate to cover potential claims; MBIA Inc.'s or National's ability to fully implement their strategic plan; and changes in general economic and competitive conditions. These and other factors that could affect financial performance or could cause actual results to differ materially from estimates contained in or underlying MBIA Inc.'s or National's forward-looking statements are discussed under the "Risk Factors" section in MBIA Inc.'s most recent Annual Report on Form 10-K, which may be updated or amended in MBIA Inc.'s subsequent filings with the Securities and Exchange Commission. MBIA Inc. and National caution readers not to place undue reliance on any such forward-looking statements, which speak only to their respective dates. National and MBIA Inc. undertake no obligation to publicly correct or update any forward-looking statement if it later becomes aware that such result is not likely to be achieved.

National Public Finance Guarantee Corporation, headquartered in Purchase, New York is the world's largest U.S. public finance-only financial guarantee insurance company, with offices in New York and San Francisco. Please visit National's website at [www.nationalpfg.com](http://www.nationalpfg.com).

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