



National Public Finance Guarantee Voluntarily Dismisses Adversary Proceeding Challenging the Commonwealth of Puerto Rico’s Fiscal Plan

PURCHASE, N.Y.--(BUSINESS WIRE)--National Public Finance Guarantee Corporation (National), an indirect subsidiary of MBIA Inc. (NYSE:MBI), today announced that, together with the other plaintiffs in the case, it has voluntarily dismissed without prejudice the adversary complaint filed on May 3, 2017 which challenged the Commonwealth of Puerto Rico’s fiscal plan dated March 13, 2017.

“Hurricane Maria’s impact on lives, property and infrastructure on the island of Puerto Rico is without precedent,” said Bill Fallon, CEO of National Public Finance Guarantee Corporation. “With the focus quite rightly on rescue, recovery and the restoration of basic services to Puerto Rico’s citizens and a strong likelihood that the existing fiscal plan will have to be amended in the wake of the hurricane, we do not believe it would be appropriate to move forward with the litigation at this time. As it has for more than three decades, National will continue to support the people of Puerto Rico and we look forward to working with the Commonwealth and the Oversight Board on a revised fiscal plan that allows Puerto Rico to rebuild its infrastructure, restore its fiscal health and return to the municipal markets.”

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, an indirect subsidiary of MBIA Inc. (NYSE: MBI), is headquartered in Purchase, New York and provides financial guarantee insurance for the U.S. public finance market. Please visit National's website at www.nationalpfg.com.

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