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ACA FINANCIAL GUARANTY ANNOUNCES NEW GENERAL COUNSEL

NEW YORK – **ACA Financial Guaranty Corporation** (“ACA”) announced the addition of Steven Berkowitz as its new general counsel. Mr. Berkowitz brings more than 20 years of industry experience to the company and a broad knowledge in the public finance and corporate fields.

This follows the **Maryland Insurance Administration’s** approval of a restructuring plan for ACA, which took effect August 8, 2008. In September, an entirely new Board of Directors and CEO were announced as part of the Company’s restructuring, and Mr. Berkowitz is the latest addition to this transitional management team.

“We are excited to welcome such a seasoned professional to our executive team,” said Raymond J. Brooks, Jr., Chief Executive Officer of ACA. “With Steven’s extensive industry background and knowledge of the specific legal matters affecting financial guarantors, we are well positioned to move forward in this new phase for the Company.”

Mr. Berkowitz spent the past 16 years with Financial Security Assurance Inc. (“FSA”), where he most recently was a Managing Director in the Asset Finance Group. Prior to this position at FSA, he served as Managing Director of the Municipal Structured Finance Group and in the Legal Department as Managing Director and Associate General Counsel.

“Steven has a broad range of experience with legal work pertinent to public finance that will be especially beneficial in our remediation efforts,” added Mr. Brooks.

Prior to joining FSA, Mr. Berkowitz was an associate with Mudge Rose Guthrie Alexander & Ferdon in their Public Finance Department. Here, he represented issuers, underwriters, borrowers, banks, insurers, and other parties in complex public and private financings.

Mr. Berkowitz received his B.A. degree in Economics and History, Magna Cum Laude, from the State University of New York at Albany, and a J.D. from the State University of New York at Buffalo School of Law.

About ACA Financial Guaranty

Founded in 1997, New York-based ACA Financial Guaranty Corporation is a financial guarantor of public finance obligations. The company proactively manages each credit in its portfolio to optimize their value, while complying with the regulatory requirements of the Maryland Insurance Administration.

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