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**Effect of Change in spread in CDO**

Figures in Million of dollars

As of 31/12/2006

CDO Exposure	71,500
Statutory Capital Base	6,224
Assumed Duration of the CDO bonds	5
Change in Spread that can eliminate capital In bps	175
Capital Eroded	6256
Remaining Equity	(32)

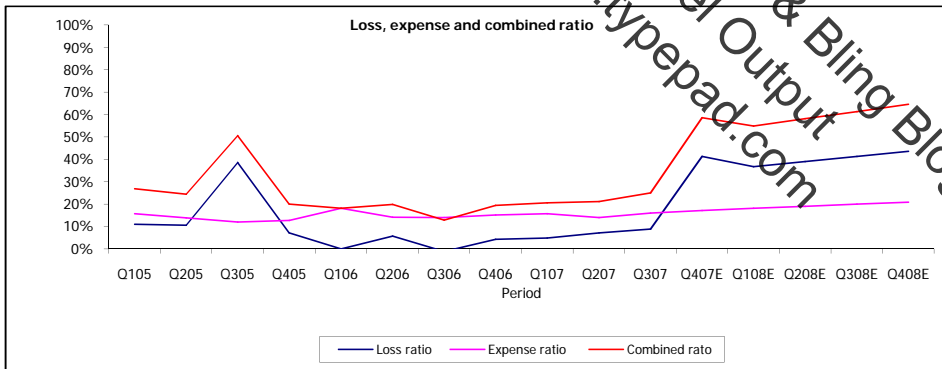
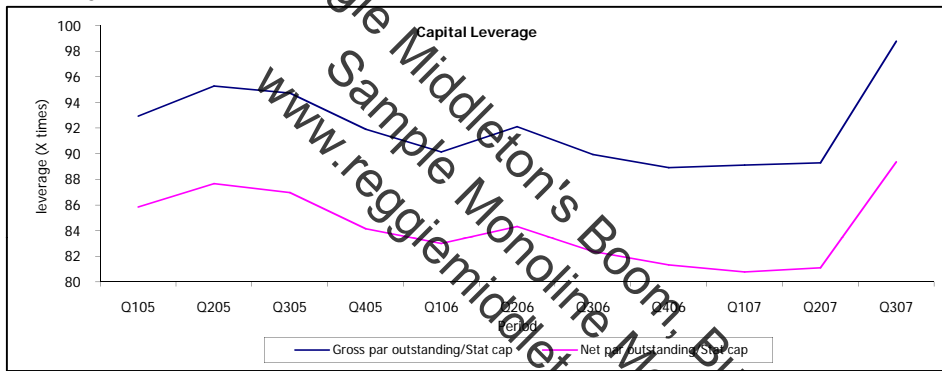
Spread 175  
Duration 5

**Sensitivity Analysis**

Duration	Spread in BPS				
	6256	171	173	175	177
3	3,668	3,711	3,754	3,797	3,840
4	4,891	4,948	5,005	5,062	5,119
5	6,113	6,185	6,256	6,328	6,399
6	7,336	7,422	7,508	7,593	7,679
7	8,559	8,659	8,759	8,859	8,959

An Increase in spread of 175 Bps would erode the entire equity

**Historical Leverage Chart**



Loss ratio going forward is anticipated to worsen considering the increased losses to result from the rise in defaults in the mortgage market.

Ambac Financial Corp  
Relative Valuation

All Figures in Millions of Dollars, unless otherwise stated	FY2007			FY2008		
	Mean Multiple	High Multiple	Low Multiple	Mean Multiple	High Multiple	Low Multiple
BVPS	53.7	53.7	53.7	63.8	63.8	63.8
Equity Value Per Share	\$23.3	\$34.4	\$12.7	\$26.5	\$39.4	\$13.9
Current Stock Price	\$21.8	\$21.8	\$21.8	\$21.8	\$21.8	\$21.8
(Discount)/Premium to FMV	-6.3%	-37%	71%	-18%	-45%	57%

Book value excluding the impact of derivative gains and losses

All Figures in Millions of Dollars, unless otherwise stated	FY2007			FY2008		
	Mean Multiple	High Multiple	Low Multiple	Mean Multiple	High Multiple	Low Multiple
BVPS	64.3	64.3	64.3	63.8	63.8	63.8
Equity Value Per Share	\$27.9	\$41.2	\$15.3	\$26.5	\$39.4	\$13.9
Current Stock Price	\$21.8	\$21.8	\$21.8	\$21.8	\$21.8	\$21.8
(Discount)/Premium to FMV	-22%	-47%	43%	-18%	-45%	57%

Peers

Name	Ticker	Mcap	Price	BVPS '07	BVPS '08	P/B '07	P/B '08
MBIA Financial	MBI	26,535	58.5	58.5	62.1	0.45	0.43
Assured Guarant	AGO	20.17	31.50	31.50	35.50	0.64	0.57
The PMI Group	PMI	10.45	42.43	42.43	43.12	0.25	0.24
Primus Guaranty	PRS	5.91	10.02	10.02	9.57	0.59	0.62
Security Capital	SCA	3.32	22.40	22.40	24.40	0.24	0.22
Average						0.43	0.41
High						0.64	0.62
Low						0.24	0.22

Reggie Middleton's Boom, Bust & Bling Blog  
Sample Monoline Model Output  
www.reggiemiddleton.typepad.com

Quarterly Driver Sheet table with columns for periods Q105 to Q408 and rows for Gross premium written, Net premium written, and Other Credit enhancements.

FINANCIAL SERVICES table with columns for periods Q105 to Q408 and rows for Investment income, Reinsurance products, and Net mark to market gains.

Corporate table with columns for periods Q105 to Q408 and rows for Total revenue and Net investment income.

Statutory Capital table with columns for periods Q105 to Q408 and rows for Capital and surplus, Contingency reserve, and Total.

Total claims paying resources table with columns for periods Q105 to Q408 and rows for Gross per value outstanding and Gross per insured.

Gross per value outstanding table with columns for periods Q105 to Q408 and rows for Gross per outstanding, Gross per insured, and Gross per insured % growth.

Not per value outstanding table with columns for periods Q105 to Q408 and rows for Public Finance, Total Public Finance, and Structured Finance.

International Finance (2) table with columns for periods Q105 to Q408 and rows for Total International Finance and Net per outstanding.

Leverage table with columns for periods Q105 to Q408 and rows for Gross per outstanding/total cap and Net per outstanding/total cap.

Expense table with columns for periods Q105 to Q408 and rows for Financial Guarantee, Loss and loss expense, and Underwriting and operating expense.

Financial Services table with columns for periods Q105 to Q408 and rows for Interest on investment and payment agreements, Operating expenses, and Interest.

Corporate table with columns for periods Q105 to Q408 and rows for Provision for income tax and effective tax rate.

Balance Sheet Items table with columns for periods Q105 to Q408 and rows for Held income securities at fair value, Held income securities pledged as collateral, and Short-term investments.

Cash table with columns for periods Q105 to Q408 and rows for Securities purchased under agreements to repurchase, Receivable for securities sold, and Investment income due and accrued.

Prepaid reinsurance table with columns for periods Q105 to Q408 and rows for Prepaid reinsurance, Deferred taxes, and Deferred acquisition costs.

Liabilities table with columns for periods Q105 to Q408 and rows for Liabilities (deductions) in loans, Deferred assets, and Other assets.

LIABILITIES AND STOCKHOLDERS' EQUITY table with columns for periods Q105 to Q408 and rows for Unearned premiums, Losses and loss expense reserve, and Ceded reinsurance balances payable.

Liabilities table with columns for periods Q105 to Q408 and rows for Obligations under investment and payment agreements, Obligations under investment repurchase agreements, and Securities sold under agreement to repurchase.

Current income taxes table with columns for periods Q105 to Q408 and rows for Current income taxes, Long-term debt, and Accrued interest payable.

Other liabilities table with columns for periods Q105 to Q408 and rows for Derivative liabilities, Other liabilities, and Payable for securities purchased.

Stockholders' equity table with columns for periods Q105 to Q408 and rows for Common stock held in treasury at cost, Add paid in capital, and Accumulated other comprehensive income.

Loan table with columns for periods Q105 to Q408 and rows for Loan ratio, Loan ratio, and Combined gap.

Amfac Financial Corp

Basis Foot is assumptions

Values from is derived from Quarterly sheet

Annual Driver Sheet table with columns for years 2003-2012 and rows for Financial Guarantees (Premium written, Paid on per value insured, Gross premium written, Net premium written, Other credit enhancements, Net investment income, Net mark to market gains, Other income/loss).

FINANCIAL SERVICES table with columns for years 2003-2012 and rows for Investment income, Derivative products, Net realized investment gains, Net mark to market gains (Derivatives) on total return swap contra, Net mark to market gains (Derivatives) on non trading derivatives, Corporate, Net investment income.

Statutory Capital table with columns for years 2003-2012 and rows for Capital and surplus, Contingency reserve, Total, Total claims paying reserves, q-q growth.

Items per value outstanding table with columns for years 2003-2012 and rows for Gross per value outstanding, Gross per insured, % growth, Gross per repaid, % of opening gross per outstanding.

Net per value outstanding table with columns for years 2003-2012 and rows for Public Finance, Total Public Finance, Total Government Finance, International Finance, Total, % of opening gross per outstanding.

Leverage table with columns for years 2003-2012 and rows for Gross per value outstanding/Total cap, Net per value outstanding/Total cap.

Expense table with columns for years 2003-2012 and rows for Financial Guarantees (Amortized expenses, Underwriting and operating expense), Financial Services (Interest on investment and payment agreements, Operating expenses), Corporate.

Balance Sheet Items table with columns for years 2003-2012 and rows for Fixed income securities, Short term investments, Cash, Receivable for securities sold, Investment income tax and accrued, Repaid reinsurance, Deferred taxes, Investments, Total assets.

LIABILITIES AND STOCKHOLDERS' EQUITY table with columns for years 2003-2012 and rows for Unearned premium, Loans and loss expense reserve, Loans and loss expense reserve.

Loans and Loss Expense Reserve table with columns for years 2004-2012 and rows for Opening balance of net loss reserve, Provision for loss and loss expense, Loans paid, Recoveries of losses from reinsurers, Other recoveries net of reinsurance, Ending balance of net loss reserve, Obligations under investment and payment agreements, Total liabilities and stockholders' equity.

Loans and Loss Expense Reserve table with columns for years 2004-2012 and rows for Opening ratio, Ending ratio, Ending ratio.

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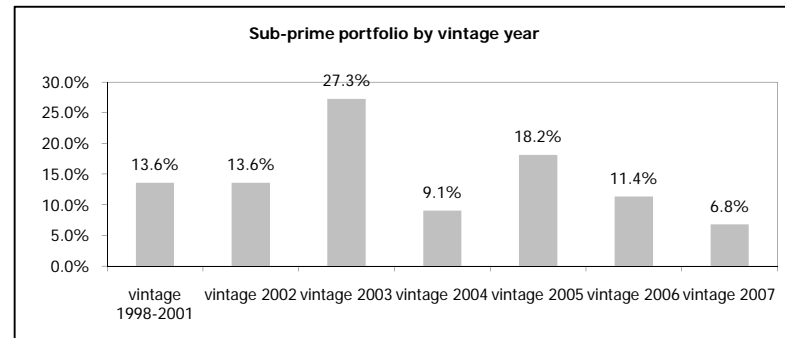


FY07E	Q108E	Q208E	Q308E	Q408E	FY08E	FY09E	FY10E	FY11E	FY12E
797	159	154	149	145	606	546	502	472	444
68	14	14	13	13	54	48	44	42	39
<b>865</b>	<b>173</b>	<b>167</b>	<b>162</b>	<b>158</b>	<b>660</b>	<b>594</b>	<b>546</b>	<b>514</b>	<b>483</b>
459	121	123	124	125	493	522	554	587	622
5	-	-	-	-	-	-	-	-	-
(1,205)	-	-	-	-	-	-	-	-	-
9	2	2	2	2	8	7	7	6	6
457	125	127	129	130	511	542	575	609	646
7	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-
(11)	-	-	-	-	-	-	-	-	-
(1)	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
5	1	1	1	1	5	5	5	5	5
-	-	-	-	-	-	-	-	-	-
<b>598</b>	<b>422</b>	<b>421</b>	<b>419</b>	<b>416</b>	<b>1,677</b>	<b>1,678</b>	<b>1,686</b>	<b>1,720</b>	<b>1,761</b>
<b>1,815</b>	<b>422</b>	<b>421</b>	<b>419</b>	<b>416</b>	<b>1,677</b>	<b>1,678</b>	<b>1,686</b>	<b>1,720</b>	<b>1,761</b>
122	63	65	67	69	265	238	219	206	194
135	31	32	32	33	129	121	114	114	107
-	-	-	-	-	-	-	-	-	-
426	116	118	120	121	475	503	534	566	599
12	3	2	2	2	10	10	9	8	8
82	18	18	17	17	69	62	57	54	51
13	3	3	3	3	11	11	11	11	11
<b>791</b>	<b>235</b>	<b>238</b>	<b>242</b>	<b>244</b>	<b>959</b>	<b>946</b>	<b>947</b>	<b>959</b>	<b>970</b>
(193)	187	182	177	172	718	724	739	761	791
(60)	52	50	49	47	198	200	204	210	218
(133)	136	132	128	124	520	524	535	551	579
1,084.1	135.5	132.0	128.3	124.4	520.3	524.1	535.2	551.1	572.5
10.5	1.3	1.3	1.2	1.2	5.1	5.1	5.2	5.4	5.6
-	-	-	-	-	-	-	-	-	-
(1.36)	1.3	1.3	1.3	1.2	5.09	8.85	16.40	31.55	61.89
(1.37)	1.3	1.3	1.2	1.2	5.06	8.80	16.32	31.40	61.58
102	102	102	102	102	102	102	102	102	102
103	103	103	103	103	103	103	103	103	103
52.4	56.3	57.6	58.8	60.0	63.8	63.9	69.1	74.5	80.1
64.3	56.3	57.6	58.8	60.0	63.8	63.9	69.1	74.5	80.1

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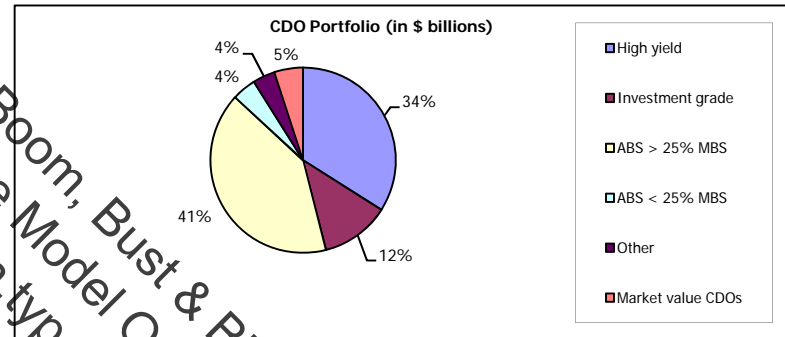
AMBAC	
Total subprime exposure with in insured portfolio	
Total MBS portfolio	53.9
RMBS subprime exposure	8.8
<b>% of total RMBS portfolio</b>	<b>16.3%</b>

Sub prime portfolio by vintage		
vintage 1998-2001	1.2	13.6%
vintage 2002	1.2	13.6%
vintage 2003	2.7	27.3%
vintage 2004	0.8	9.1%
vintage 2005	1.6	18.2%
<b>vintage 2006</b>	<b>1</b>	<b>1.4%</b>
<b>vintage 2007</b>	<b>0.6</b>	<b>6.8%</b>
Direct Subprime RMBS	8.8	100.0%



**18.2% of the subprime portfolio belongs to vintage years of 2006-2007 when credit writing standards has been on its low**

Total CDO portfolio (in US\$bn)		
<b>High yield</b>	<b>24.3</b>	<b>34.0%</b>
Investment grade	8.6	12.0%
<b>ABS &gt; 25% MBS</b>	<b>29.2</b>	<b>40.8%</b>
ABS < 25% MBS	3	4.1%
Other	2.80	3.9%
Market value CDOs	3.60	5.0%
	<b>71.5</b>	<b>100.0%</b>



Breakdown of CDO of ABS's subprime collateral by rating	2Q 07	3Q 07
AAA	3.8%	7.4%
AA	39.7%	39.0%
A	47.2%	36.9%
BBB	8.6%	8.7%
<b>Below investment grade</b>	<b>0.7%</b>	<b>8.0%</b>

**Significant movement in the rating of CDO's portfolio from the previous quarter..**

Ambac witnessed a significant downgrade in the rating of its CDO portfolio with 8.04% being rated below investment grade in 3Q 07 compared to 0.66% in 2Q 07, however its AA rated CDO portfolio also increased to 7.38% in 3Q 07 from 3.76% in 2Q 07.



Expense ratio 15%

Here we have done a loss tail analysis of the forecasted losses of the Structured Finance, Direct RMBS and Consumer Finance portfolio, expecting the losses of the vintage year 2005 to be paid over the next 5 years in 2006-2010. We have calculated the loss ratio of the company which is deteriorating from 2007 onwards (denoted by Paid losses/Written premium ratio).

Base Case Analysis			Calendar year payout										
Year	Gross written premium	Expense ratio	Total Expected losses	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2003	1,144	172	972	22									
2004	1,048	157	891		61								
2005	1,096	164	932			200							
2006	997	150	847				504						
2007	1,006	151	855					1,266					
2008	766	115	651						1,880				
2009	690	103	586							1,833			
2010	635	95	539								1,694		
2011	597	89	507									1,389	
2012	561	84	477										618
Calendar year paid losses				22	61	200	504	1,266	1,880	1,833	1,694	1,389	618
Cumulative losses				22	83	282	787	2,053	3,933	5,766	7,460	8,849	9,467
Report year written premium				1,144	1,048	1,096	997	1,006	766	690	635	597	561
Paid Losses/Written Premium ratio				2%	6%	18%	51%	126%	245%	266%	267%	233%	110%
Outstanding loss reserves				950	1,780	2,512	2,856	2,445	1,216	(31)	(1,185)	(2,067)	(2,208)

Optimistic Case Analysis			Calendar year payout										
Year	Gross written premium	Expense ratio	Total Expected losses	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2003	1,144	172	972	39									
2004	1,048	157	891		121								
2005	1,096	164	932			63							
2006	997	150	847				194						
2007	1,006	151	855					582					
2008	766	115	651						916				
2009	690	103	586							916			
2010	635	95	539								853		
2011	597	89	507									722	
2012	561	84	477										334
Calendar year paid losses				39	121	63	194	582	916	916	853	722	334
Cumulative losses				39	161	257	451	1,033	1,949	2,865	3,718	4,440	4,774
Report year written premium				1,144	1,048	1,096	997	1,006	766	690	635	597	561
Paid Losses/ WP ratio				3%	12%	5%	19%	58%	119%	133%	134%	121%	59%
Outstanding loss reserves				933	1,703	2,253	3,385	3,659	3,394	3,065	2,751	2,536	2,679

Worst Case Analysis			Calendar year payout										
Year	Gross written premium	Expense ratio	Total Expected losses	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2003	1,144	172	972	39									
2004	1,048	157	891		121								
2005	1,096	164	932			38							
2006	997	150	847				1,032						
2007	1,006	151	855					3,590					
2008	766	115	651						3,492				
2009	690	103	586							3,492			
2010	635	95	539								3,232		
2011	597	89	507									2,582	
2012	561	84	477										1,156
Calendar year paid losses				39	121	381	1,032	2,422	3,590	3,492	3,232	2,582	1,156
Cumulative losses				39	161	542	1,574	4,016	7,606	11,098	14,331	16,913	18,068
Report year written premium				1,144	1,048	1,096	997	1,006	766	690	635	597	561
Paid Losses/ WP ratio				3%	12%	35%	103%	243%	468%	506%	507%	433%	206%
Outstanding loss reserves				933	1,703	2,253	2,068	482	(2,422)	(5,363)	(8,855)	(10,130)	(10,810)

Alternatively, we have calculated the provisioning for losses that Ambac will need to make every year on the basis of the anticipated losses that the company will have to pay in coming years. In doing so we have assumed that the 85% of the premium written from 2007 onwards (excluding 15% as underwriting expense) will be transferred to the loss expense reserve every year. The loss reserve uptill 2007 is taken from company's balance sheet. The losses have been calculated on the basis of various default probabilities assumed in Structured Finance, Direct Subprime RMBS and Consumer Finance portfolios. We have assumed a duration of 5 years to spread the losses on various vintages over the coming years. We anticipate the company will have to create a provision of \$ 6.8 billion under the base case scenario.

Base Case Analysis			Calendar year payout									
Year	Gross written premium	Loss and loss expense reserve	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2003	1,144	189	22	-	-	-	-	-	-	-	-	-
2004	1,048	254	-	61	-	-	-	-	-	-	-	-
2005	1,096	304	-	-	200	-	-	-	-	-	-	-
2006	997	220	-	-	-	504	-	-	-	-	-	-
2007	1,006	279	-	-	-	-	1,266	-	-	-	-	-
2008	766	930	-	-	-	-	-	1,880	-	-	-	-
2009	690	1,517	-	-	-	-	-	-	1,833	-	-	-
2010	635	2,056	-	-	-	-	-	-	-	1,694	-	-
2011	597	2,563	-	-	-	-	-	-	-	-	1,389	-
2012	561	3,040	-	-	-	-	-	-	-	-	-	618
		Calendar year paid losses	22	61	200	504	1,266	1,880	1,833	1,694	1,389	618
		Cumulative losses	22	83	282	787	2,053	3,933	5,766	7,460	8,849	9,467
		Provision for losses		4	(150)	(588)	(1,208)	(1,229)	(1,246)	(1,154)	(882)	(141)

Total

(6,596)

Optimistic Case Analysis			Calendar year payout									
Year	Gross written premium	Loss and loss expense reserve	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2003	1,144	189	-	-	-	-	-	-	-	-	-	-
2004	1,048	254	-	-	-	-	-	-	-	-	-	-
2005	1,096	304	-	-	63	-	-	-	-	-	-	-
2006	997	220	-	-	-	194	-	-	-	-	-	-
2007	1,006	279	-	-	-	-	582	-	-	-	-	-
2008	766	930	-	-	-	-	-	916	-	-	-	-
2009	690	1,517	-	-	-	-	-	-	916	-	-	-
2010	635	2,056	-	-	-	-	-	-	-	853	-	-
2011	597	2,563	-	-	-	-	-	-	-	-	722	-
2012	561	3,040	-	-	-	-	-	-	-	-	-	334
		Calendar year paid losses	-	-	63	194	582	916	916	853	722	334
		Cumulative losses	-	-	63	257	839	1,755	2,671	3,524	4,246	4,579
		Provision for losses		65	(13)	(278)	(524)	(264)	(330)	(313)	(215)	143

Total

(1,729)

Worst Case Analysis			Calendar year payout									
Year	Gross written premium	Loss and loss expense reserve	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2003	1,144	189	39	-	-	-	-	-	-	-	-	-
2004	1,048	254	-	121	-	-	-	-	-	-	-	-
2005	1,096	304	-	-	381	-	-	-	-	-	-	-
2006	997	220	-	-	-	1,032	-	-	-	-	-	-
2007	1,006	279	-	-	-	-	2,442	-	-	-	-	-
2008	766	930	-	-	-	-	-	3,492	-	-	-	-
2009	690	1,517	-	-	-	-	-	-	3,492	-	-	-
2010	635	2,056	-	-	-	-	-	-	-	3,232	-	-
2011	597	2,563	-	-	-	-	-	-	-	-	2,582	-
2012	561	3,040	-	-	-	-	-	-	-	-	-	1,156
		Calendar year paid losses	39	121	381	1,032	2,442	3,590	3,492	3,232	2,582	1,156
		Cumulative losses	39	161	542	1,574	4,016	7,606	11,098	14,331	16,913	18,068
		Provision for losses		25	(71)	(331)	(1,116)	(2,383)	(2,939)	(2,906)	(2,693)	(2,075)

Total

(15,168)

Before Subordination

Sensitivity Analysis - Default probabilities - Base case

Vintage	Sub-prime RMBS	Other RMBS	ABS CDO High grade	ABS CDO Mezzanine	CDO other	Other ABS
1998	3%					
1999	3%					
2000	3%					
2001	3%					
2002	6%					
2003	6%					
2004	9%	6%	6%	19%	13%	13%
2005	9%	6%	6%	19%	13%	13%
2006	19%	9%	9%	44%	13%	13%
2007	19%	9%	9%	44%	13%	13%

Sensitivity Analysis - Default probabilities - Worst case

Vintage	Sub-prime RMBS	Other RMBS	ABS CDO High grade	ABS CDO Mezzanine	CDO other	Other ABS
1998	6%					
1999	6%					
2000	6%					
2001	6%					
2002	13%					
2003	13%					
2004	25%	13%	13%	38%	19%	19%
2005	25%	13%	13%	38%	19%	19%
2006	38%	19%	19%	88%	19%	19%
2007	38%	19%	19%	88%	19%	19%

Sensitivity Analysis - Default probabilities - Optimistic

Vintage	Sub-prime RMBS	Other RMBS	ABS CDO High grade	ABS CDO Mezzanine	CDO other	Other ABS
1998	0%					
1999	0%					
2000	0%					
2001	0%					
2002	0%					
2003	0%					
2004	3%	3%	3%	13%	6%	6%
2005	3%	3%	3%	13%	6%	6%
2006	6%	6%	6%	31%	6%	6%
2007	6%	6%	6%	31%	6%	6%

Assumption for the Consumer asset backed finance

Base case Scenario -default probabilities

Rating	1996-2000	2001	2002	2003	2004	2005	2006	2007
AAA	0%	0%	0%	0%	3%	3%	6%	6%
AA	0%	3%	3%	3%	6%	6%	13%	13%
A	0%	3%	3%	3%	13%	13%	16%	16%
BBB	0%	6%	6%	6%	13%	13%	19%	19%
BIG	0%	6%	6%	6%	19%	19%	25%	25%

Worst case Scenario -default probabilities

Rating	1996-2000	2001	2002	2003	2004	2005	2006	2007
AAA	0%	0%	0%	0%	6%	6%	13%	13%
AA	0%	6%	6%	6%	13%	13%	19%	19%
A	0%	6%	6%	6%	16%	16%	25%	25%
BBB	0%	9%	9%	9%	25%	25%	31%	31%
BIG	0%	13%	13%	13%	38%	38%	50%	50%

Optimistic case Scenario -default probabilities

Rating	1996-2000	2001	2002	2003	2004	2005	2006	2007
AAA	0%	0%	0%	0%	0%	0%	3%	3%
AA	0%	0%	0%	0%	3%	3%	6%	6%
A	0%	0%	0%	0%	6%	6%	6%	6%

BBB	0%	0%	0%	0%	6%	6%	9%	9%
BIG	0%	0%	0%	0%	13%	13%	16%	16%

### SENSITIVITY ANALYSIS

*In \$ millions, unless specified otherwise*

Statutory capital	6,224
Total claims paying resources	14,195
Number of outstanding shares (in mn)	102.3
<i>Ambac Sensitivity Analysis</i>	
<b>BASE CASE SCENARIO</b>	
RMBS Losses	625
CDO Losses	3,958
Consumer Finance losses	4,884
<b>Total losses</b>	<b>9,467</b>
Assumed tax rate	27.0%
<b>After tax losses</b>	<b>6,911</b>
Losses as a % of statutory capital	111.0%
Losses as a % of claims paying resources	48.7%
Shareholders' equity	5,650
Less : Total losses under scenario	6,911
<b>New Shareholder's equity</b>	<b>(1,261)</b>
<b>Old Book value per share</b>	<b>55.6</b>
<b>New Book value per share</b>	<b>(12.3)</b>

### Present Value of Losses - Base Case

<i>(In \$ millions)</i>	
RMBS Losses	558
CDO Losses	3,216
Consumer Finance losses	4,108
<b>Total Losses</b>	<b>7,882</b>
Statutory Capital	6,224
<b>Capital Deficit</b>	<b>1,658</b>

<b>WORST CASE SCENARIO</b>	
RMBS Losses	1,380
CDO Losses	7,975
Consumer Finance losses	8,713
<b>Total losses</b>	<b>18,068</b>
Assumed tax rate	27.0%
<b>After tax losses</b>	<b>13,190</b>
Losses as a % of statutory capital	211.9%
Losses as a % of claims paying resources	92.9%
Shareholders' equity	5,650
Less : Total losses under scenario	13,190
<b>New Shareholder's equity</b>	<b>(7,540)</b>
<b>Old Book value per share</b>	<b>55.6</b>
<b>New Book value per share</b>	<b>(73.7)</b>

### Present Value of Losses - Worst Case

<i>(In \$ millions)</i>	
RMBS Losses	1,237
CDO Losses	6,490
Consumer Finance losses	7,349
<b>Total Losses</b>	<b>15,076</b>

<b>OPTIMISTIC CASE SCENARIO</b>	
RMBS Losses	141

### Present Value of Losses - Optimistic Case

<i>(In \$ millions)</i>	
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Year issued	CDO of ABS	Insured Amount (\$ mn)	Insured Amount after Subordination	Collateral as % of Deal(1)							Collateral Rating as a % of deal								
				Sub-prime RMBS	Other RMBS	ABS CDO High grade	ABS CDO Mezzanine	CDO other	Other ABS	Losses -base and worst case	Loss as a % of net par insured	AAA/Aaa(3) Subordination	Subordi nation Below Ambac	AAA	AA	A	BBB	BIG	
8	2005 Belle Haven ABS CDO 2005-1, Ltd.	588	459	56%	30%	4%	3%	2%	3%				13%	22%	6%	2%	40%	48%	3%
	Default assumptions - base case			9%	6%	6%	19%	13%	13%										
	Default assumptions - optimistic case			3%	3%	3%	13%	6%	6%										
	Default assumptions - worst case			25%	13%	13%	38%	19%	19%										
	<b>Base case losses</b>			<b>24</b>	<b>9</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>2</b>			39	9%						
	<b>Optimistic case losses</b>			<b>8</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>1</b>			15							
	<b>Worst case losses</b>			<b>64</b>	<b>17</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>3</b>			93	20%						
9	2006 Diversey Harbor ABS CDO, Ltd.	1,875	1,444	35%	40%	7%	17%	1%					5%	23%	27%	38%	31%	3%	2%
	Default assumptions - base case			18%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			12%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			36%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>95</b>	<b>54</b>	<b>9</b>	<b>107</b>	<b>2</b>	<b>0</b>			268	19%						
	<b>Optimistic case losses</b>			<b>32</b>	<b>7</b>	<b>6</b>	<b>77</b>	<b>1</b>	<b>0</b>			152							
	<b>Worst case losses</b>			<b>189</b>	<b>108</b>	<b>19</b>	<b>215</b>	<b>3</b>	<b>0</b>			534	37%						
10	2006 Belle Haven ABS CDO 2006-1, Ltd.	1,676	1,425	45%	40%	5%	9%	5%	7%				7%	15%	21%	37%	30%	6%	6%
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			12%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>120</b>	<b>40</b>	<b>7</b>	<b>56</b>	<b>9</b>	<b>12</b>			244	17%						
	<b>Optimistic case losses</b>			<b>40</b>	<b>4</b>	<b>4</b>	<b>49</b>	<b>4</b>	<b>6</b>			122							
	<b>Worst case losses</b>			<b>240</b>	<b>86</b>	<b>13</b>	<b>112</b>	<b>13</b>	<b>19</b>			478	34%						
11	2006 Ridgeway Court Funding I, Ltd.	1,570	1,256	35%	27%	8%	23%	4%	2%				6%	20%	31%	42%	26%	1%	
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>82</b>	<b>32</b>	<b>9</b>	<b>24</b>	<b>3</b>	<b>3</b>			259	21%						
	<b>Optimistic case losses</b>			<b>27</b>	<b>21</b>	<b>6</b>	<b>33</b>	<b>3</b>	<b>2</b>			150							
	<b>Worst case losses</b>			<b>165</b>	<b>64</b>	<b>19</b>	<b>253</b>	<b>9</b>	<b>5</b>			514	41%						
12	2006 Duke Funding High Grade IV, Ltd.	1,313	1,142	29%	70%								8%	13%	1%	52%	40%	7%	
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>62</b>	<b>75</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			127	12%						
	<b>Optimistic case losses</b>			<b>21</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			71	10%						
	<b>Worst case losses</b>			<b>124</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			274	24%						
13	2006 Duke Funding High Grade V, Ltd.	1,250	1,050	41%	59%								9%	16%		44%	44%	10%	2%
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>81</b>	<b>58</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			139	13%						
	<b>Optimistic case losses</b>			<b>27</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			66							
	<b>Worst case losses</b>			<b>161</b>	<b>116</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			278	26%						
14	2006 McKinley Funding III, Ltd.	1,187	961	18%	41%	6%	32%	3%					5%	19%	38%	37%	17%	2%	5%
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>32</b>	<b>37</b>	<b>5</b>	<b>135</b>	<b>4</b>	<b>0</b>			213	22%						
	<b>Optimistic case losses</b>			<b>11</b>	<b>25</b>	<b>4</b>	<b>96</b>	<b>2</b>	<b>0</b>			137							
	<b>Worst case losses</b>			<b>65</b>	<b>74</b>	<b>11</b>	<b>269</b>	<b>5</b>	<b>0</b>			424	44%						

Year issued	CDO of ABS	Insured Amount (\$ mn)	Insured Amount after Subordination	Collateral as % of Deal(1)							Collateral Rating as a % of deal								
				Sub-prime RMBS	Other RMBS	ABS CDO High grade	ABS CDO Mezzanine	CDO other	Other ABS	Losses -base and worst case	Loss as a % of net par insured	AAA/Aaa(3) Subordination	Subordination Below Ambac	AAA	AA	A	BBB	BIG	
15	2006 Millerton II High Grade ABS CDO, Ltd.	1,118	961	41%	50%	4%	1%	3%	1%				7%	14%	25%	38%	36%	1%	1%
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>74</b>	<b>45</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>1</b>		132	14%							
	<b>Optimistic case losses</b>			<b>25</b>	<b>30</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>		62								
	<b>Worst case losses</b>			<b>148</b>	<b>90</b>	<b>7</b>	<b>8</b>	<b>5</b>	<b>2</b>		261	27%							
16	2006 Lancer Funding, Ltd.	950	760	46%	41%	3%	6%	3%	1%				6%	20%	14%	56%	28%	1%	1%
	Default assumptions - base case			18%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			36%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>66</b>	<b>29</b>	<b>2</b>	<b>20</b>	<b>3</b>	<b>1</b>		121	16%							
	<b>Optimistic case losses</b>			<b>22</b>	<b>19</b>	<b>1</b>	<b>14</b>	<b>1</b>	<b>0</b>		59								
	<b>Worst case losses</b>			<b>131</b>	<b>88</b>	<b>4</b>	<b>40</b>	<b>4</b>	<b>1</b>		239	32%							
17	2006 Cairn High Grade ABS CDO II Limited	820	672	35%	39%	1%	22%	1%	2%				6%	18%	10%	47%	39%	4%	
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>44</b>	<b>25</b>	<b>2</b>	<b>65</b>	<b>1</b>	<b>2</b>		137	20%							
	<b>Optimistic case losses</b>			<b>15</b>	<b>19</b>	<b>1</b>	<b>19</b>	<b>0</b>	<b>1</b>		79								
	<b>Worst case losses</b>			<b>88</b>	<b>68</b>	<b>1</b>	<b>12</b>	<b>1</b>	<b>3</b>		272	40%							
18	2006 ESP Funding I, Ltd.	657	473	42%	16%	1%	25%	2%	1%				7%	28%	19%	44%	31%	4%	2%
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>37</b>	<b>7</b>	<b>0</b>	<b>34</b>	<b>1</b>	<b>1</b>		93	20%							
	<b>Optimistic case losses</b>			<b>12</b>	<b>5</b>	<b>0</b>	<b>24</b>	<b>7</b>	<b>0</b>		48								
	<b>Worst case losses</b>			<b>75</b>	<b>14</b>	<b>0</b>	<b>66</b>	<b>22</b>	<b>2</b>		178	38%							
19	2006 Longshore CDO Funding 2006-1, Ltd.	614	510	30%	32%	7%	12%	1%	3%				9%	17%	27%	39%	35%		
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>29</b>	<b>15</b>	<b>3</b>	<b>27</b>	<b>10</b>	<b>2</b>		86	11%							
	<b>Optimistic case losses</b>			<b>10</b>	<b>10</b>	<b>2</b>	<b>19</b>	<b>5</b>	<b>1</b>		47								
	<b>Worst case losses</b>			<b>57</b>	<b>31</b>	<b>7</b>	<b>54</b>	<b>15</b>	<b>3</b>		166	33%							
20	2007 Kleros Preferred Funding VI, Ltd.	2,400	1,920	33%	36%	6%	20%	2%	1%				5%	20%	62%	16%	11%	6%	5%
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>119</b>	<b>65</b>	<b>11</b>	<b>168</b>	<b>5</b>	<b>2</b>		370	19%							
	<b>Optimistic case losses</b>			<b>40</b>	<b>43</b>	<b>7</b>	<b>120</b>	<b>2</b>	<b>1</b>		214								
	<b>Worst case losses</b>			<b>238</b>	<b>130</b>	<b>22</b>	<b>336</b>	<b>7</b>	<b>4</b>		736	38%							
21	2007 RidgewayCourt FundingII, Ltd.	1,950	1,268	48%	9%	4%	30%	7%	1%				6%	35%	8%	45%	35%	5%	7%
	Default assumptions - base case			19%	9%	9%	44%	13%	13%										
	Default assumptions - optimistic case			6%	6%	6%	31%	6%	6%										
	Default assumptions - worst case			38%	19%	19%	88%	19%	19%										
	<b>Base case losses</b>			<b>114</b>	<b>11</b>	<b>5</b>	<b>166</b>	<b>11</b>	<b>2</b>		309	24%							
	<b>Optimistic case losses</b>			<b>38</b>	<b>7</b>	<b>3</b>	<b>119</b>	<b>6</b>	<b>1</b>		173								
	<b>Worst case losses</b>			<b>228</b>	<b>21</b>	<b>10</b>	<b>333</b>	<b>17</b>	<b>2</b>		611	48%							





Year issued	CDO of ABS	Insured Amount (\$ mn)	Insured Amount after Subordination	Collateral as % of Deal(1)							Losses -base and worst case	Loss as a % of net par insured	AAA/Aaa(3) Subordination	Subordination Below Ambac	Collateral Rating as a % of deal				
				Sub-prime RMBS	Other RMBS	ABS CDO High grade	ABS CDO Mezzanine	CDO other	Other ABS	AAA					AA	A	BBB	BIG	

% Base case losses of various collateral	12.5%	7.0%	6.8%	29.8%	9.8%	10.1%	17.3%
% Optimistic case losses of various collateral	4.2%	4.4%	4.2%	21.2%	4.9%	5.1%	9.6%
% Worst case losses of various collateral	26.6%	14.0%	13.5%	59.5%	14.7%	15.2%	34.9%

Vintage year	2,004	2005	2006	2007	2008	2009	2,010	2011	2012	Total Losses
Losses-Base case	63	466	1828	1601	3958					
Losses-Optimistic case	29	191	993	988	2201					
Losses-Worst case	130	1038	3619	3188	7975					

Assumed Duration 5

Vintage year	2,003	2004	2005	2006	2007	2008	2,009	2,010	2011	2012	Total Losses
Losses-Base case	13	93	365.6	320.2	320.2						
Losses-Optimistic case	5	38.1	198.6	197.6	197.6						
Losses-Worst case	26.0	207.7	723.8	637.5	637.5						

Base Case	2,003	2004	2005	2006	2007	2008	2009	2,010	2011	2012	Total Losses
			13	13	13	13	13				63
			93	93	93	93	93				466
					366	366	366	366	366		1,828
					320	320	320	320	320		1,601
			13	106	471	792	792	779	686	320	3,958

2003	2,004	2005	2006	2007	2,008	2,009	2,010	2,011	2,012	
		12.6	99	365.6	320.2	320.2	320.2			
			13	93	366	320				
				13	93	69	320			
					33	93	366	320		
						93	366	320		
						13	93	366	320	
									320.2	
		12.6	105.8	471.4	791.6	791.6	779.0	685.9	320.2	3,958

2003	2004	2005	2006	2007	2008	2009	2,010	2011	2012
	13						13		
	93	13					93		
	366	93	13				471		
	320	366	93	13			792		
		320	366	93	13		792		
			320	366	93		779		
				320	366		686		
					320		320		
									3,958

Optimistic Case	2,003	2004	2005	2006	2007	2008	2009	2,010	2011	2012	Total Losses
			6	6	6	6	6				29
					38	38	38	38	38		191
					199	199	199	199	199		993
						198	198	198	198		988
			6	44	243	440	440	434	396	198	2,201

Optimistic Case	2003	2004	2005	2006	2007	2008	2009	2,010	2011	2012
										6
										44
		6	38	199						243
		6	38	199	198					440
		6	38	199	198					440
			38	199	198					434
				199	198					396
					198					198
Total Losses	29	191	993	988	2,201					

Worst case	2,003	2004	2005	2006	2007	2008	2009	2,010	2011	2012	Total Losses
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Year issued	CDO of ABS	Insured Amount (\$ mn)	Insured Amount after Subordination	Collateral as % of Deal(1)							Collateral Rating as a % of deal								
				Sub-prime RMBS	Other RMBS	ABS CDO High grade	ABS CDO Mezzanine	CDO other	Other ABS	Losses -base and worst case	Loss as a % of net par insured	AAA/Aaa(3) Subordination	Subordination Below Ambac	AAA	AA	A	BBB	BIG	
					26		26	26	26	26				130					
							208	208	208	208		208		1,038					
								724	724	724		724		3,619					
									638	638		638		3,188					
					-	26	234	957	1,595	1,595		1,569	1,361	638	7,975				

Year	Insured Amount (\$ mn)	Insured Amount after Subordination	Sub-prime RMBS	Other RMBS	ABS CDO High grade	ABS CDO Mezzanine	CDO other	Other ABS	Losses -base and worst case	Loss as a % of net par insured	AAA/Aaa(3) Subordination	Subordination Below Ambac
2003												
2004												
2005		26						26				26
2006		26	208					234				234
2007		26	208	724				957				957
2008		26	208	724	638			1,595				1,595
2009		26	208	724	638			1,595				1,595
2010			208	724	638			1,569				1,569
2011			208	724	638			1,361				1,361
2012								638				638
Total Losses		130	1,038	3,619	3,188			7,975				7,975

Structured Finance											
Loss Tail Analysis											
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total Losses
Base Case	-	-	13	106	471	792	792	779	686	320	3,958
Optimistic Case	-	-	4	44	243	440	440	434	396	198	2,201
Worst Case	-	-	26	234	957	1,595	1,595	1,569	1,361	638	7,975

WACC											
	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total Losses	
Base Case	-	13	106	471	720	724	585	468	199	3,216	
Optimistic Case	-	6	44	243	400	400	326	271	123	1,776	
Worst Case	-	26	234	957	1,595	1,595	1,179	930	396	6,490	

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Residential Mortgages - Sub																
Sector name	Issuer	Issue name	Issue Date	Original Insured Amount (\$Millions)	Current Net Par Exposure (\$Millions)	Net exposure Less 20% Subordination	Clean-up Call	Original Ambac Rating	Current Ambac Rating	Vintage Year	Default rate - base case	Default rate - optimistic case	Default rate - worst case	Losses - Base case	Losses - optimistic case	
Mortgage & Home Equity	Accredited Home Lenders, Inc.	Accredited Mortgage Loan Trust 2002-1	7/25/2002	207.4	12.74	10,192		10% A-	A-	2002	6%	0%	13%	0.6	0.0	
Mortgage & Home Equity	Accredited Home Lenders, Inc.	Accredited Mortgage Loan Trust 2002-2	11/25/2002	541.9	40.91	32,728		10% A	A	2002	6%	0%	13%	2.0	0.0	
Mortgage & Home Equity	Accredited Home Lenders, Inc.	Accredited Mortgage Loan Trust 2003-1	5/30/2003	303.05	27.88	22,304		10% A-	A-	2003	6%	0%	13%	1.4	0.0	
Mortgage & Home Equity	Accredited Home Lenders, Inc.	Accredited Mortgage Loan Trust 2003-2	9/25/2003	416.8	50.88	40,704		10% A-	A-	2003	6%	0%	13%	2.5	0.0	
Mortgage & Home Equity	Accredited Home Lenders, Inc.	Accredited Mortgage Loan Trust 2003-3	11/25/2003	515.55	79.23	63,384		10% A-	A-	2003	6%	0%	13%	4.0	0.0	
Mortgage & Home Equity	Accredited Home Lenders, Inc.	Accredited Mortgage Loan Trust 2004-1	2/19/2004	505	77.92	62,336		10% A-	A-	2004	9%	3%	25%	5.8	1.9	
Mortgage & Home Equity	Accredited Home Lenders, Inc.	Accredited Mortgage Loan Trust 2004-3, Class 1A5	8/27/2004	29.02	29.02	23,216		10% AAA	AAA	2004	9%	3%	25%	2.2	0.7	
Mortgage & Home Equity	American Business Financial Services, Inc.	American Business Financial Services, Inc., Mortgage-Backed Notes, 2000-1	3/30/2000	235	12.14	9,712		10% BBB	BIG	2000	3%	0%	6%	0.2	0.0	
Mortgage & Home Equity	American Business Financial Services, Inc.	American Business Financial Services, Inc., Mortgage-Backed Notes, 2000-3	9/28/2000	150	8.05	11,111		10% BBB	BIG	2000	3%	0%	6%	0.2	0.0	
Mortgage & Home Equity	American Business Financial Services, Inc.	American Business Financial Services, Inc., Mortgage-Backed Notes, 2000-4	12/21/2000	275	17.05	13,644		10% BBB	BIG	2000	3%	0%	6%	0.3	0.0	
Mortgage & Home Equity	American Business Financial Services, Inc.	American Business Financial Services, Inc., Mortgage-Backed Notes, 2002-1	3/21/2002	320	32.21	25,768		10% BBB	BBB-	2002	6%	0%	13%	1.6	0.0	
Mortgage & Home Equity	American Business Financial Services, Inc.	American Business Financial Services, Inc., Mortgage-Backed Notes, 2003-2	10/31/2003	147.94	15.88	12,704		10% AAA	AAA	2003	6%	0%	13%	0.8	0.0	
Mortgage & Home Equity	American Home Mortgage Investment Corp.	American Home Mortgage Investment Trust 2005-2	6/22/2005	115.72	115.72	92,576		10% AA-	AA-	2005	9%	3%	25%	8.7	2.9	
Mortgage & Home Equity	Ameriquest Mortgage Company	Argent 2004-W3	3/5/2004	455.25	57.19	45,752		10% A	A-	2004	9%	3%	25%	4.3	1.4	
Mortgage & Home Equity	Ameriquest Mortgage Company	Quest 2003-X4	11/26/2003	124.95	3.12	2,496		10% AA-	AA-	2003	6%	0%	13%	0.2	0.0	
Mortgage & Home Equity	Ameriquest Mortgage Company	Quest 2004-X1	3/17/2004	204.11	32.11	25,688		10% AA-	AA-	2004	9%	3%	25%	2.4	0.8	
Mortgage & Home Equity	Citigroup Global Markets, Inc.	Citigroup Mortgage Loan Trust, 2003-HE3	12/23/2003	437.25	120.56	96,448		10% AA	AA	2003	6%	0%	13%	6.0	0.0	
Mortgage & Home Equity	Citigroup Global Markets, Inc.	Citigroup Mortgage Loan Trust, 2003-HE4	12/30/2003	275.46	76.84	61,472		10% AA+	AA+	2003	6%	0%	13%	3.8	0.0	
Mortgage & Home Equity	Continental Services Corporation	ContiMortgage Home Equity Loan Trust, 1999-1	3/4/1999	617.5	7.93	6,344		10% A	A	1999	3%	0%	6%	0.2	0.0	
Mortgage & Home Equity	Continental Services Corporation	ContiMortgage Home Equity Loan Trust, 1999-3	6/17/1999	760	12.73	10,184		10% A	BBB	1999	3%	0%	6%	0.3	0.0	
Mortgage & Home Equity	Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates Trust 2004-13, Class AF-5B	12/30/2004	44.05	44.05	35.24		10% AAA	AAA	2004	2%	0%	25%	3.3	1.1	
Mortgage & Home Equity	Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates Trust 2005-1, Class AF-5B	3/30/2005	30	30	24		10% AAA	AAA	2005	3%	0%	25%	2.3	0.8	
Mortgage & Home Equity	Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates Trust 2005-16	12/28/2005	1,038.96	703.24	562,592		10% BBB+	BBB+	2005	9%	3%	25%	52.7	17.6	
Mortgage & Home Equity	Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates Trust 2005-17	12/29/2005	860.4	591.57	473,256		10% BBB+	BBB+	2005	9%	3%	25%	44.4	14.8	
Mortgage & Home Equity	Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates Trust 2005-3, Class AF-5B	3/30/2005	39	39	31.2		10% AAA	AAA	2005	2%	0%	25%	2.9	1.0	
Mortgage & Home Equity	Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates Trust 2006-13	7/28/2006	442.13	339.39	271,512		10% BBB+	BBB+	2006	19%	6%	25%	50.9	17.0	
Mortgage & Home Equity	Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates Trust 2006-11	6/29/2006	690.2	556.77	445,416		10% BBB	BBB	2006	19%	6%	38%	83.5	28.0	
Mortgage & Home Equity	EquiCredit Corporation	EQCC Home Equity Loan Asset Backed Certificates 2001-1F	12/14/2001	7,089.87	587.84	470,272		10% A-	BBB-	2001	3%	0%	13%	11.8	0.0	
Mortgage & Home Equity	Equity One, Inc.	Equity One ABS, Inc. Mortgage Pass Through Certificates 1998	12/9/1998	125.03	6.05	4.84		5% BBB	A	1998	3%	0%	0%	0.1	0.0	
Mortgage & Home Equity	Equity One, Inc.	Equity One ABS, Inc. Mortgage Pass Through Certificates 1998	8/19/1999	195.02	13	10.4		5% BBB	BBB	1999	3%	0%	6%	0.3	0.0	
Mortgage & Home Equity	Equity One, Inc.	Equity One ABS, Inc. Mortgage Pass Through Certificates 2001	11/16/2001	261.63	18.79	15,032		10% BBB	BBB	2001	3%	0%	6%	0.4	0.0	
Mortgage & Home Equity	Equity One, Inc.	Equity One ABS, Inc. Mortgage Pass Through Certificates 2002	4/30/2002	287.55	26.58	21,264		10% A	A	2002	6%	0%	13%	1.3	0.0	
Mortgage & Home Equity	Fremont Investment and Loan	Fremont Home Loan Asset Backed Certificates 1999-3	9/23/1999	486	9.32	7,456		10% BBB+	A	1999	3%	0%	6%	0.2	0.0	
Mortgage & Home Equity	Goldman Sachs & Co.	Goldman Sachs Asset Securities Corp., Series 2001-A	5/24/2001	652.81	33.76	27,008		10% A-	A	2001	3%	0%	6%	0.7	0.0	
Mortgage & Home Equity	Goldman Sachs & Co.	GSAA Home Equity Trust 2004-7, Class AF-4	9/30/2004	30.36	30.36	24,288		10% AAA	AA	2004	9%	3%	25%	2.3	0.8	
Mortgage & Home Equity	Goldman Sachs & Co.	GSAMP Mortgage Loan Trust 2002-HE2	12/30/2002	2,563.36	188.78	151,024		10% A-	A-	2002	6%	0%	13%	9.4	0.0	
Mortgage & Home Equity	Goldman Sachs & Co.	GSAMP Mortgage Loan Trust 2003-SEA	8/25/2003	99.09	22.54	18,032		10% AA-	AA-	2003	6%	0%	13%	1.1	0.0	
Mortgage & Home Equity	Goldman Sachs & Co.	GSAMP Mortgage Loan Trust 2003-SEA2	10/31/2003	110.61	39.85	31,88		10% AA	AA	2003	6%	0%	13%	2.0	0.0	
Mortgage & Home Equity	Goldman Sachs & Co.	GSRPM Mortgage Loan Trust 2003-1	1/29/2003	232.71	25.14	20,112		10% A-	A	2003	6%	0%	13%	1.3	0.0	
Mortgage & Home Equity	Goldman Sachs & Co.	GSRPM Mortgage Loan Trust, Mortgage Pass-Through Certificates 2002-1	5/29/2002	254.16	19.45	15.56		10% AAA	AAA	2002	6%	0%	13%	1.0	0.0	
Mortgage & Home Equity	Home Loan and Investment Bank, F.S.B.	Home Loan 1998-P1	11/19/1998	60	2.69	2,152		5% A-	A-	1998	3%	0%	6%	0.1	0.0	
Mortgage & Home Equity	Home Loan and Investment Bank, F.S.B.	Home Loan Mortgage Loan Trust 2004-2	12/16/2004	90	18.73	14,984		10% A-	A-	2004	9%	3%	25%	1.4	0.5	
Mortgage & Home Equity	Home Loan and Investment Bank, F.S.B.	Home Loan Mortgage Loan Trust 2005-1	11/29/2005	170	72.57	58,056		10% BBB+	BBB+	2005	9%	3%	25%	5.4	1.8	

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Mortgage & Home Equity	Home Loan and Investment Bank, F.S.B.	Home Loan Mortgage Loan Trust 2006-1	11/3/2006	190	153.25	122.6	10%	BBB+	BBB+	2006	19%	6%	38%	23.0	7.7

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Mortgage & Home Equity	Home Loan and Investment Bank, F.S.B.	Lehman Home Equity Loan Trust 2002-1	11/26/2002	100	8.78	7.024		10% A-	A-	2002	6%	0%	13%	0.4	0.0
Mortgage & Home Equity	Home Loan and Investment Bank, F.S.B.	Lehman Home Equity Loan Trust 2004-3	6/3/2004	100	12.51	10.008		10% A-	A-	2004	9%	3%	25%	0.9	0.3
Mortgage & Home Equity	Home Loan and Investment Bank, F.S.B.	Lehman Home Equity Loan Trust 2001-1	11/20/2001	51.26	4.81	3.848		5% A-	A-	2001	3%	0%	6%	0.1	0.0
Mortgage & Home Equity	Mid-State Homes, Inc.	Mid States Trust IX, Variable Funding Notes	2/5/2001	400	87.15	69.72		10% A+	A+	2001	3%	0%	6%	1.7	0.0
Mortgage & Home Equity	Mid-State Homes, Inc.	Mid States Trust VII, 6.34% Asset-Backed Notes	12/10/1998	313.49	118.07	94.456		10% A-	A-	1998	3%	0%	6%	2.4	0.0
Mortgage & Home Equity	Mid-State Homes, Inc.	Mid States Trust VIII, 7.791% Asset-Backed Notes	5/3/2000	386.5	138.08	110.464		10% A-	A-	2000	3%	0%	6%	2.8	0.0
Mortgage & Home Equity	Morgan Stanley	Morgan Stanley ABS Capital I Inc. Trust 2005-WM/C3	5/6/2005	176.46	11.63	9.304		10% AAA	AAA	2005	9%	3%	25%	0.9	0.3
Mortgage & Home Equity	New Century Mortgage Securities, Inc.	New Century Home Equity Certificates, 2003-5	10/17/2003	65	40	32		10% AAA	AAA	2003	6%	0%	13%	2.0	0.0
Mortgage & Home Equity	New South Federal Savings Bank	New South Home Equity Trust Home Equity Asset Backed Certificates Series 1999-1	5/27/1999	432.73	44.17	35.336		10% BBB	A	1999	3%	0%	6%	0.9	0.0
Mortgage & Home Equity	New South Federal Savings Bank	New South Home Equity Trust Home Equity Asset-Backed Certificates Series 2001-1	3/29/2001	254.13	38.79	31.451		10% BBB	BBB	2001	3%	0%	6%	0.8	0.0
Mortgage & Home Equity	Option One Mortgage Corporation	Option One Mortgage Acceptance Corp., Mesa 2001-5 Asset Backed Certificates, Series	12/18/2001	147.85	11.65	9.32		10% AA-	A-	2001	3%	0%	6%	0.2	0.0
Mortgage & Home Equity	Option One Mortgage Corporation	Option One Mortgage Loan Trust 2007-FXD1	1/30/2007	817.69	900.4	472.32		10% A	A	2007	19%	6%	38%	88.4	29.5
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2002-RP1	3/7/2002	104.33	10.9	8.72		10% A	A	2002	6%	0%	13%	0.5	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2002-RP2	10/31/2002	102.4	14.71	11.768		10% A	A	2002	6%	0%	13%	0.7	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-RS5	6/27/2003	1,100.00	159.46	127.568		10% A	A	2003	6%	0%	13%	8.0	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2001-RS1	3/28/2001	421	20.26	16.208		10% BBB	BBB	2001	3%	0%	6%	0.4	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2001-RS3	10/25/2001	575	28.34	22.672		10% BBB	BBB	2001	3%	0%	6%	0.6	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2002-RS1	1/29/2002	81.31	13.48	10.784		10% AAA	AAA	2002	6%	0%	13%	0.7	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2002-RS4	8/29/2002	615	35.59	28.472		10% BBB+	BBB+	2002	6%	0%	13%	1.8	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2002-RS5	9/27/2002	570.4	46.12	36.896		10% A	BBB	2002	6%	0%	13%	0.0	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2002-RS6	11/26/2002	751.1	71.09	56.872		10% A-	A-	2002	6%	0%	13%	3.4	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2002-RS7	1/3/2003	300	40.36	32.288		10% A-	A-	2003	6%	0%	13%	2.0	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-RP2	9/5/2003	180.15	24.76	19.808		10% AA+	AA+	2003	6%	0%	13%	1.2	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-RS1	2/27/2003	400	17.1	13.68		10% A-	A-	2003	6%	0%	13%	0.9	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-RS11	12/30/2003	62	6.2	49.6		10% AAA	AAA	2003	6%	0%	13%	3.1	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-RS2	3/28/2003	1,200.00	113.02	90.416		10% A	A	2003	6%	0%	13%	5.7	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-RS3	4/29/2003	850	73.21	58.568		10% A	A	2003	6%	0%	13%	3.7	0.0

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Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-R54	5/30/2003	1,115.00	105.6	84.48	10%	A	BBB	2003	6%	0%	13%	5.3	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-R56	7/29/2003	1,000.00	155.95	124.76	10%	A	A	2003	6%	0%	13%	7.8	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-R58	9/29/2003	30	30	24	10%	AAA	AAA	2003	6%	0%	13%	1.5	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-R59	10/30/2003	28.1	28.1	22.48	10%	AAA	AAA	2003	6%	0%	13%	1.4	0.0

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Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2004-KS1	1/29/2004	43.79	43.79	35.032		10% AAA	AAA	2004	9%	3%	25%	3.3	1.1
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2004-KS5	5/27/2004	400	143.1	114.48		10% BBB	BBB	2004	9%	3%	25%	10.7	3.6
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2004-KS9	9/29/2004	275	118.81	95.048		10% BBB	BBB	2004	9%	3%	25%	8.9	3.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Home Equity Mortgage Asset-Backed Pass-Through Certificates 2002-KS1	1/30/2002	1,900.00	157.13	125.704		10% BBB	BBB	2002	6%	0%	13%	7.9	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Mortgage Asset-Backed Pass-Through Certificates 1999-RS1	3/30/1999	177.75	9.23	7.481		10% BBB	A	1999	3%	0%	6%	0.2	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Mortgage Asset-Backed Pass-Through Certificates, Series 2002-KS6	10/1/2002	1,200.00	113.52	90.816		10% BBB	BIG	2002	6%	0%	13%	5.7	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Mortgage Asset-Backed Pass-Through Certificates, Series 2002-KS8	12/23/2002	800	143.8	115.04		10% BBB	BIG	2002	6%	0%	13%	7.2	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Mortgage Asset-Backed Pass-Through Certificates, Series 2003-KS4	5/29/2003	650	33.9	27.12		10% A	BBB	2003	6%	0%	13%	1.7	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Mortgage Asset-Backed Pass-Through Certificates, Series 2003-KS5	6/27/2003	875	77.75	62.2		10% A	BBB	2003	6%	0%	13%	3.9	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Mortgage Asset-Backed Pass-Through Certificates, Series 2003-KS9	10/30/2003	1,350.00	190.64	152.512		10% A	BBB	2003	6%	0%	13%	9.5	0.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Mortgage Asset-Backed Pass-Through Certificates, Series 2004-KS4	4/29/2004	1,000.00	156.96	125.568		10% BBB	BBB	2004	6%	3%	25%	11.8	3.0
Mortgage & Home Equity	Residential Funding Corporation / Homecomings Financial Network	Residential Asset Securities Corporation Mortgage Asset-Backed Pass-Through Certificates, 2002-KS4	7/2/2002	2,000.00	149	119.2		10% BBB	BIG	2002	6%	0%	13%	7.5	0.0
Mortgage & Home Equity	UBS Securities LLC	PFCA Home Equity Investment Trust II, Series 2002-IFC1	6/6/2002	59.7	36.31	29.048		10% A-	A-	2002	6%	0%	13%	1.8	0.0
Mortgage & Home Equity	UBS Securities LLC	PFCA Home Equity Investment Trust II, Series 2002-IFC2	10/17/2002	75.49	64.69	51.752		10% A-	A-	2002	6%	0%	13%	3.2	0.0
Mortgage & Home Equity	UBS Securities LLC	PFCA Home Equity Investment Trust II, Series 2003-GP1	1/16/2003	398	39.87	31.896		10% A-	A-	2003	6%	0%	13%	2.0	0.0
Mortgage & Home Equity	UBS Securities LLC	PFCA Home Equity Investment Trust II, Series 2003-IFC3	4/29/2003	497.5	153.76	123.008		10% A	A	2003	6%	0%	13%	7.7	0.0
Mortgage & Home Equity	UBS Securities LLC	PFCA Home Equity Investment Trust II, Series 2003-IFC4	6/30/2003	497.5	196.29	157.032		10% A	A	2003	6%	0%	13%	9.8	0.0
Mortgage & Home Equity	UBS Securities LLC	PFCA Home Equity Investment Trust II, Series 2003-IFC5	9/30/2003	497.75	198	158.4		10% A	A	2003	6%	0%	13%	9.9	0.0
Mortgage & Home Equity	UBS Securities LLC	PFCA Home Equity Investment Trust II, Series 2003-IFC6	12/3/2003	497.5	151.21	120.968		10% A	A	2003	6%	0%	13%	7.4	0.0
Mortgage & Home Equity	UBS Securities LLC	PFCA Home Equity Investment Trust, Series 2004-GP2	4/28/2004	199	37.37	29.896		10% A	A	2004	9%	25%	25%	2.8	0.0
				<b>48,754.70</b>	<b>8,724</b>									<b>625</b>	<b>161</b>

<b>Potential losses</b>	
Original Ambac Rating	(All)
Vintage Year	(All)
<b>Data</b>	
Sum of Losses -Base case	625
Sum of Losses -optimistic case	141
Sum of Losses -Worst case	1380

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## Sector - Mortgage &amp; Home Equity

Issuer	Issue name	Issue Date	Collateral Type	Original Insured Amount (\$Millions)	Current Net Par Exposure (\$Millions)	Current Net Par Exposure Less 20% subordination	Clean-up Call	Original Ambac Rating	Current Ambac Rating	Vintage	Rating	Vintage - YR	Default rate - base case	Default rate - optimistic case	Default rate - worst case	Base case - losses	Optimistic case - losses
Private Placement	Private Placement	1996	Mortgages-Other	80.25	602.92	482	10%	AA	AA	1996	AA	1996-2000	0%	0%	0%	-	-
HK Mortgage Financing Ltd.	HK Mortgage Financing Ltd. HK\$778M Sec Guard Titg Note Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 1998-H14	6/9/1997	Pooled RMBS outside the US	50.27	1.94	2	10%	BBB+	BBB+	1997	BBB	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 1998-H14	11/25/1998	Closed End 2nd Liens	200	1.18	1	10%	BBB	A	1998	A	1996-2000	0%	0%	0%	-	-
Wells Fargo Home Mortgage	Norwest Asset Backed Certificates 1998-H11	4/30/1998	Residential Mortgages - Prime	219.7	1.97	2	10%	BBB+	A	1998	A	1996-2000	0%	0%	0%	-	-
Merrill Lynch	Merrill Lynch Mortgage Loan Asset Backed Pass-Through Certificates Series 1999-A	12/21/1999	Residential Mortgages - Prime	689.5	82.61	66	10%	BBB	A	1999	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 1999-H11	3/23/1999	Closed End 2nd Liens	439.6	13.27	11	10%	BBB	A	1999	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 1999-H14	6/25/1999	Closed End 2nd Liens	425.32	12.51	10	10%	BBB	A	1999	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 1999-H16	9/28/1999	Closed End 2nd Liens	557.89	21.79	17	10%	BBB	A	1999	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes, 1999-H18	11/24/1999	Closed End 2nd Liens	374.82	15.54	12	10%	BBB	A	1999	A	1996-2000	0%	0%	0%	-	-
Private Placement	Private Placement	1999	Mortgages-Other	0	113.13	61	10%	A+	A+	1999	A	1996-2000	0%	0%	0%	-	-
JEA Florida	Bear Stearns Capital Markets Sequoia Mortgage Trust 4 Mortgage Loan Asset Backed Pass-Through Certificates, Class A	11/25/2000	Mortgages-Other	3.97	6.26	5	10%	BBB	BBB	2000	BBB	1996-2000	0%	0%	0%	-	-
Redwood Trust, Inc.	Residential Asset Mortgage Products, Inc. Home Loan Backed Notes, 2000-HL1	3/21/2000	Residential Mortgages - Prime	377.12	53.98	27	10%	BBB	A+	2000	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes, 2000-HL1	8/25/2000	Residential Mortgages - Mid-Prime	133.86	3.79	3	10%	BBB	A+	2000	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 2000-H14	9/28/2000	Closed End 2nd Liens	583.44	29.9	24	10%	BBB	A	2000	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 2000-H15	12/21/2000	Closed End 2nd Liens	575	33.32	27	10%	BBB	BBB+	2000	BBB	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes, 2000-H11	2/24/2000	Closed End 2nd Liens	426.17	15.65	13	10%	BBB	A	2000	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes, 2000-H12	3/29/2000	Closed End 2nd Liens	451.71	18.07	14	10%	BBB	A	2000	A	1996-2000	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes, 2000-H13	6/27/2000	Closed End 2nd Liens	600	27.17	22	10%	BBB	BBB+	2000	BBB	1996-2000	0%	0%	0%	-	-
Private Placement	Private Placement	2000	Pooled RMBS Outside the US	270.48	59.07	47	10%	AAA	AAA	2000	AAA	1996-2000	0%	0%	0%	-	-
Private Placement	Private Placement	2000	Pooled RMBS Outside the US	1,166.10	675.56	540	10%	AAA	AAA	2000	AAA	1996-2000	0%	0%	0%	-	-
GMAC Mortgage Corporation	GMACM Home Loan Trust, Home Loan-Backed Term Notes, 2001-HLTV1	1/30/2001	Residential Mortgages - Mid-Prime	300	16.21	13	10%	BBB	A	2001	A	2001	3%	0%	6%	0	-
GMAC Mortgage Corporation	GMACM Home Loan Trust, Home Loan-Backed Term Notes, 2001-HLTV2	10/30/2001	Residential Mortgages - Mid-Prime	189.26	15.43	12	10%	A-	A-	2001	A	2001	3%	0%	6%	0	-
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2001-15A (Class 1-A1)	9/28/2001	Residential Mortgages - Prime	132.09	0.6	0	10%	AAA	AAA	2001	AAA	2001	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Equity Loan-Backed Term Certificates, 2001 HS2	6/27/2001	HELOC	325	6.83	5	10%	BBB	AA	2001	AA	2001	3%	0%	6%	0	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 2001-H11	2/22/2001	Closed End 2nd Liens	250	16.11	13	10%	BBB	BBB	2001	BBB	2001	6%	0%	9%	1	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 2001-H12	3/28/2001	Closed End 2nd Liens	226.09	13.98	11	10%	BBB	A	2001	A	2001	3%	0%	6%	0	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 2001-H14	9/27/2001	Closed End 2nd Liens	425	34	27	10%	BBB	A	2001	A	2001	3%	0%	6%	1	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan Backed Notes 2001-HS3	9/27/2001	HELOC	117	1.96	2	10%	BBB	BBB	2001	BBB	2001	6%	0%	9%	0	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan-Backed Notes, 2001-H13	6/26/2001	Closed End 2nd Liens	435.42	32.24	26	10%	BBB	A	2001	A	2001	3%	0%	6%	1	-
Private Placement	Private Placement	2001	Pooled RMBS Outside the US	462.6	135.14	108	10%	AAA	AAA	2001	AAA	2001	0%	0%	0%	-	-
Private Placement	Private Placement	2001	Pooled RMBS Outside the US	1,278.70	817.37	654	10%	AAA	AAA	2001	AAA	2001	0%	0%	0%	-	-
Chevy Chase Bank, F.S.B.	CSFB Mortgage Pass-Through Certificates, Series 2002-P1	3/27/2002	Affordability Mortgage Product (f.o. neg am)	477.21	27.07	22	10%	AAA	AAA	2002	AAA	2002	0%	0%	0%	-	-
GMAC Mortgage Corporation	GMACM Home Loan Trust, Home Loan-Backed Term Notes, 2002-HLTV1	9/26/2002	Residential Mortgages - Mid-Prime	211	21.18	17	10%	BBB	BBB	2002	BBB	2002	6%	0%	9%	1	-
Indymac Bank	IndyMac Bank Residential Asset Securitization Trust 2002-A12	9/27/2002	Residential Mortgages - Prime	20	12.6	10	10%	AAA	AAA	2002	AAA	2002	0%	0%	0%	-	-
Indymac Bank	IndyMac Bank Residential Asset Securitization Trust 2002-A14J	11/27/2002	Residential Mortgages - Prime	22.96	17.83	14	10%	AAA	AAA	2002	AAA	2002	0%	0%	0%	-	-

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Issuer	Issue name	Issue Date	Collateral Type	Original Insured Amount (\$Millions)	Current Net Par Exposure (\$Millions)	Current Net Par Exposure Less 20% subordination	Clean-up Call	Original Ambac Rating	Current Ambac Rating	Vintage	Rating	Vintage - YR	Default rate - base case	Default rate - optimistic case	Default rate - worst case	Base case - losses	Optimistic case - losses
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2002-15 (Class A4)	7/30/2002	Residential Mortgages - Prime	18.5	12.31	10	10%	AAA	AAA	2002	AAA	2002	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates, 2002-R24	10/29/2002	Residential Mortgages - Mid-Prime	500	47.16	38	10%	BBB	BBB	2002	BBB	2002	6%	0%	9%	2	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan-Backed Notes, 2002-H11	1/29/2002	Closed End 2nd Liens	450	39.05	31	10%	BBB	A	2002	A	2002	3%	0%	6%	1	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan-Backed Notes, 2002-H12	3/26/2002	Closed End 2nd Liens	325	33.22	27	10%	BBB	BBB	2002	BBB	2002	6%	0%	9%	2	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan-Backed Notes, 2002-H13	6/26/2002	Closed End 2nd Liens	375	41.8	33	10%	BBB	BBB	2002	BBB	2002	6%	0%	9%	2	-
Samsung Life Insurance Limited	Samsung Life Insurance Limited Wachovia Asset Securities Inc. 2002-HE1	12/11/2002	Pooled RMBS outside the US	299.6	7.09	6	10%	A	A	2002	A	2002	3%	0%	6%	0	-
Wachovia Bank, N.A.	Wachovia Asset Securities Inc. 2002-HE1	9/27/2002	HELOC	950	169.99	136	10%	BBB	A+	2002	A	2002	3%	0%	6%	3	-
Wachovia Bank, N.A.	Wachovia Asset Securities Inc. 2002-HE2	12/19/2002	HELOC	1,200.00	128.4	103	10%	BBB	A+	2002	A	2002	3%	0%	6%	3	-
Private Placement	Private Placement	2002	Pooled RMBS Outside the US	1,286.09	1,076.54	861	10%	AAA	AAA	2002	AAA	2002	0%	0%	0%	-	-
Private Placement	Private Placement	2002	Pooled RMBS Outside the US	1,371.30	943.14	628	10%	AAA	AAA	2002	AAA	2002	0%	0%	0%	-	-
Private Placement	Private Placement	2002	Pooled RMBS Outside the US	1,676.01	1,060.61	615	10%	AAA	AAA	2002	AAA	2002	0%	0%	0%	-	-
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2003-4	12/3/2003	Affordability Mortgage Product (i/o, neg am)	481.5	40.94	33	10%	AAA	AAA	2003	AAA	2003	0%	0%	0%	-	-
Compass Bank	Compass Receivables Asset Funding Trust 2003-HE1	5/28/2003	Residential Mortgages - Prime	754.43	123.58	99	10%	A	A	2003	A	2003	3%	0%	6%	2	-
Credit Suisse Holdings (USA), Inc.	CSFB Mortgage Securities Corp., 2003-1, Class III-A-3	1/30/2003	Residential Mortgages - Prime	20	1.22	1	10%	AAA	AAA	2003	AAA	2003	0%	0%	0%	-	-
Impac Funding Corporation	Impac CMB Trust Collateralized Asset-Backed Bonds, 2003-1	1/30/2003	Residential Mortgages - Mid-Prime	325.53	26.36	21	10%	A-	A-	2003	A	2003	3%	0%	6%	1	-
Impac Funding Corporation	Impac CMB Trust Collateralized Asset-Backed Bonds, 2003-4	3/31/2003	Residential Mortgages - Mid-Prime	264.34	16.34	13	10%	A	A	2003	A	2003	3%	0%	6%	0	-
Irwin Home Equity Corporation	Irwin Home Equity Loan-Backed Term Notes 2003-B	3/11/2003	HELOC	229.61	1	1	10%	A	A	2003	A	2003	3%	0%	6%	0	-
Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-R23	6/26/2003	Residential Mortgages - Mid-Prime	20	20	16	10%	AAA	AAA	2003	AAA	2003	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-R24	9/29/2003	Residential Mortgages - Mid-Prime	73	73	58	10%	AAA	AAA	2003	AAA	2003	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates 2003-R25	12/23/2003	Residential Mortgages - Mid-Prime	40	40	32	10%	AAA	AAA	2003	AAA	2003	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Asset Mortgage Products, Inc. Mortgage Asset-Backed Pass-Through Certificates, 2003-R22	4/2/2003	Residential Mortgages - Mid-Prime	287.62	35.09	28	10%	AAA	AAA	2003	AAA	2003	0%	0%	0%	-	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan-Backed Notes 2003-HS4	12/30/2003	Closed End 2nd Liens	253.13	30.63	25	10%	BBB+	BBB+	2003	BBB	2003	6%	0%	9%	2	-
Residential Funding Corporation / Homecomings Financial Network	Residential Funding Mortgage Securities II, Inc. Home Loan-Backed Notes, 2003-H13	9/25/2003	Closed End 2nd Liens	253.5	55	44	10%	BBB+	BBB+	2003	BBB	2003	6%	0%	9%	3	-
Residential Funding Corporation / Homecomings Financial Network	RMAC Mortgage Backed Floating Rate Notes, Series 2003-NS1	3/12/2003	Pooled RMBS outside the US	1,694.12	209.72	168	10%	A	A	2003	A	2003	3%	0%	6%	4	-
Residential Funding Corporation / Homecomings Financial Network	RMAC Mortgage Backed Floating Rate Notes, Series 2003-NS2	6/25/2003	Pooled RMBS outside the US	891.1	124.56	100	10%	A-	A-	2003	A	2003	3%	0%	6%	2	-
Residential Funding Corporation / Homecomings Financial Network	RMAC Mortgage Backed Floating Rate Notes, Series 2003-NS3	9/29/2003	Pooled RMBS outside the US	955.81	148.27	119	10%	A	A	2003	A	2003	3%	0%	6%	3	-
Residential Funding Corporation / Homecomings Financial Network	RMAC Mortgage Backed Floating Rate Notes, Series 2003-NS4 (A1a-GBP)	12/3/2003	Pooled RMBS outside the US	854.74	157.97	126	10%	A	A	2003	A	2003	3%	0%	6%	3	-
Southern Pacific Mortgage Ltd	Southern Pacific Securities G PLC	6/24/2003	Pooled RMBS outside the US	672.78	46.76	37	10%	AA-	AA-	2003	AA	2003	3%	0%	6%	1	-
Private Placement	Private Placement	2003	Pooled RMBS Outside the US	1,033.26	1,235.61	988	10%	AAA	AAA	2003	AAA	2003	0%	0%	0%	-	-
Adelaide Bank	Torrens Trust Series 2004-2 (W)	6/18/2004	Pooled RMBS outside the US	751.86	497.44	398	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	10	-
Ameriquest Mortgage Company	Argent NIM Trust 2004-WN7	5/18/2004	Net Interest Margins (NIMs)	63	5.04	4	10%	BBB-	BIG	2004	BIG	2004	19%	13%	38%	1	1
Asset Backed Funding Corporation	Asset Backed Funding Corporation NIM Trust 2004-OPT2	6/3/2004	Net Interest Margins (NIMs)	77.3	4.08	3	10%	BBB-	BIG	2004	BIG	2004	19%	13%	38%	1	0
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2004-1	3/10/2004	Affordability Mortgage Product (i/o, neg am)	767	68.6	55	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2004-2	6/10/2004	Affordability Mortgage Product (i/o, neg am)	465	53.97	43	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-

Issuer	Issue name	Issue Date	Collateral Type	Original Insured Amount (\$Millions)	Current Net Par Exposure (\$Millions)	Current Net Par Exposure Less 20% subordination	Clean-up Call	Original Ambac Rating	Current Ambac Rating	Vintage	Rating	Vintage - YR	Default rate - base case	Default rate - optimistic case	Default rate - worst case	Base case - losses	Optimistic case - losses
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2004-3	9/24/2004	Affordability Mortgage Product (i/o, neg am)	800.1	121.46	97	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	2	-
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2004-4	12/3/2004	Affordability Mortgage Product (i/o, neg am)	677.7	145.68	117	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	3	-
Compass Bank	Compass Residential Mortgage Trust 2004-R1	3/30/2004	Residential Mortgages - Prime	590.97	214.89	172	10%	A-	A-	2004	A	2004	13%	6%	16%	21	11
Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates Trust 2004-AB1	9/29/2004	Affordability Mortgage Product (i/o, neg am)	623.56	98.79	79	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	2	-
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-G	6/29/2004	HELOC	630.5	64.53	52	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	6	3
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-D	6/30/2004	HELOC	1,249.17	195.95	157	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	20	10
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-J	9/30/2004	HELOC	1,000.00	126.89	102	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	13	6
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-K	9/29/2004	HELOC	1,725.89	246.49	197	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	25	12
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-L	9/29/2004	HELOC	1,015.23	140.61	112	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	14	7

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Issuer	Issue name	Issue Date	Collateral Type	Original Insured Amount (\$Millions)	Current Net Par Exposure (\$Millions)	Current Net Par Exposure Less 20% subordination	Clean-up Call	Original Ambac Rating	Current Ambac Rating	Vintage	Rating	Vintage - YR	Default rate - base case	Default rate - optimistic case	Default rate - worst case	Base case - losses	Optimistic case - losses
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-M	9/29/2004	HELOC	1,015.23	141.34	113	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	14	7
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-N	9/29/2004	HELOC	1,015.23	142.9	114	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	14	7
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-O	9/30/2004	HELOC	1,275.83	215.86	173	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	22	11
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-S	12/23/2004	HELOC	740	110.64	89	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	11	6
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2004-T	12/23/2004	HELOC	2,000.00	383.77	307	10%	A-	A-	2004	A	2004	13%	6%	16%	38	19
Deutsche Bank	Deutsche Mortgage Securities, Inc. 2004-3	4/30/2004	Residential Mortgages - Mid-Prime	47.55	47.26	38	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
GreenPoint Mortgage Funding	Greenpoint Home Equity Loan Trust 2004-3	6/29/2004	HELOC	226.99	21.38	17	10%	BBB	A	2004	A	2004	13%	6%	16%	2	1
GreenPoint Mortgage Funding	Greenpoint Home Equity Loan Trust 2004-4	9/10/2004	HELOC	210.74	23.72	19	10%	BBB	A	2004	A	2004	13%	6%	16%	2	1
GreenPoint Mortgage Funding	GreenPoint Mortgage Funding, Series 2004-1	1/29/2004	HELOC	202.05	17.5	14	10%	BBB+	BBB+	2004	BBB	2004	13%	6%	25%	2	1
GreenPoint Mortgage Funding	GreenPoint Mortgage Funding, Series 2004-2	4/29/2004	HELOC	248.92	22.43	18	10%	BBB	A	2004	A	2004	13%	6%	16%	2	1
Homestar Mortgage Acceptance Corporation	Homestar Mortgage Acceptance Corporation 2004-6, Class A-3B	11/19/2004	Residential Mortgages - Prime	107.56	107.56	86	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	2	-
Impac Funding Corporation	Impac CMB Trust Series 2004-7 Class2-A	7/29/2004	Residential Mortgages - Mid-Prime	772.48	96.2	72	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	2	-
Impac Funding Corporation	Impac CMB Trust Series 2004-9, Class 2-A	10/28/2004	Residential Mortgages - Mid-Prime	840.04	170.24	136	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	3	-
Impac Funding Corporation	Impac Funding Corp. Series 2004-6 Class 2-A	6/29/2004	Residential Mortgages - Mid-Prime	172.5	93.54	77	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	2	-
Impac Funding Corporation	IMPAC Secured Assets Corp Series 2004-3, Class 2-A-1 & 2-A-2	8/31/2004	Residential Mortgages - Mid-Prime	625.25	56.17	45	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
Indymac Bank	IndyMac Home Equity Loan Trust 2004-2, Certificates	9/29/2004	HELOC	500	239.9	192	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	24	12
Indymac Bank	IndyMac Residential Asset-Backed Trust 2004-LH1	12/22/2004	HELOC	500	257.55	206	10%	BBB+	BBB+	2004	BBB	2004	13%	6%	25%	26	13
Irwin Home Equity Corporation	Irwin Home Equity Loan Trust 2004-1	8/6/2004	HELOC	292.05	33.6	27	10%	A-	A-	2004	A	2004	13%	6%	16%	3	2
Korea First Bank	Korea First Mortgage 1 Limited	3/29/2004	Pooled RMBS outside the US	499.4	33.7	27	10%	A	A	2004	A	2004	13%	6%	16%	3	2
Korea First Bank	Korea First Mortgage No.3 Ptc	12/6/2004	Pooled RMBS outside the US	736.56	165.23	132	10%	A	A	2004	A	2004	13%	6%	16%	17	8
Lehman Brothers	Lehman Home Equity Loan Trust 2004-2	5/18/2004	HELOC	260.41	25.36	20	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	3	1
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2004-21XS, Class 1-A2 & 1-A4	11/30/2004	Residential Mortgages - Mid-Prime	92.62	60.1	48	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2004-17XS (Class A3A & A4A)	8/30/2004	Residential Mortgages - Mid-Prime	47.98	43.58	35	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2004-4XS	1/30/2004	Residential Mortgages - Mid-Prime	24.22	23.67	19	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	0	-
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2004-6XS	2/27/2004	Residential Mortgages - Mid-Prime	36.86	36.86	29	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
Nomura Securities International, Inc.	Nomura Asset Acceptance Corporation Alternative Loan Trust 2004-AP3	11/30/2004	Residential Mortgages - Mid-Prime	66.27	66.27	53	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
RBS Greenwich Capital Markets	DSLA Mortgage Loan Trust 2004-AR1	8/31/2004	Affordability Mortgage Product (i/o, neg am)	108.11	26.02	21	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
RBS Greenwich Capital Markets	DSLA Mortgage Loan Trust 2004-AR2	10/29/2004	Affordability Mortgage Product (i/o, neg am)	149.28	44.58	36	10%	AAA	AAA	2004	AAA	2004	3%	0%	6%	1	-
Redwood Trust, Inc.	Sequoia HELOC Trust 2004-1	6/29/2004	HELOC	317.04	60.51	48	10%	BBB	A	2004	A	2004	13%	6%	16%	6	3
Residential Funding Corporation / Homecomings Financial Network	RMAC Mortgage Backed Floating Rate Notes, Series 2004-NS1 (A1a-GBP)	3/3/2004	Pooled RMBS outside the US	1,371.74	326.09	261	10%	A-	A-	2004	A	2004	13%	6%	16%	33	16
Residential Funding Corporation / Homecomings Financial Network	RMAC Mortgage Backed Floating Rate Notes, Series 2004-NSP2 (A2a-GBP)	6/29/2004	Pooled RMBS outside the US	2,744.61	715.82	573	10%	A-	A-	2004	A	2004	13%	6%	16%	72	36
Wachovia Bank, N.A.	Wachovia Asset Securitization Issuance, LLC 2004-HEMM2	12/21/2004	HELOC	1,000.00	260.28	208	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	26	13
Bear, Stearns & Co. Inc.	SACO I Trust, 2005-10	12/30/2005	Closed End 2nd Liens	284.64	140.28	112	10%	A	BIG	2005	BIG	2005	19%	13%	38%	21	14
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2005-1	3/17/2005	Affordability Mortgage Product (i/o, neg am)	461	107.41	86	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2005-2	6/16/2005	Affordability Mortgage Product (i/o, neg am)	410	98.19	79	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2005-3	9/20/2005	Affordability Mortgage Product (i/o, neg am)	342	126.22	101	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	3	-
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2005-A	6/7/2005	Affordability Mortgage Product (i/o, neg am)	475	67.45	54	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
Chevy Chase Bank, F.S.B.	Chevy Chase Funding Corp. 2005-B	9/27/2005	Affordability Mortgage Product (i/o, neg am)	190	47.59	38	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-

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Issuer	Issue name	Issue Date	Collateral Type	Original Insured Amount (\$Millions)	Current Net Par Exposure (\$Millions)	Current Net Par Exposure Less 20% subordination	Clean-up Call	Original Ambac Rating	Current Ambac Rating	Vintage	Rating	Vintage - YR	Default rate - base case	Default rate - optimistic case	Default rate - worst case	Base case - losses	Optimistic case - losses
Chevy Chase Bank, F.S.B.	Chevy Chase Funding LLC, Series 2005-4	12/15/2005	Affordability Mortgage Product (I/O, neg am)	318.92	161.91	130	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	3	-

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Chevy Chase Bank, F.S.B.	Chevy Chase Funding LLC, Series 2005-C	11/22/2005	Affordability Mortgage Product (i/o, neg am)	122	66.49	53	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
Citigroup Global Markets, Inc.	Citigroup Mortgage Securities, Inc. REMIC Series 2005-2, Class IA-3	3/28/2005	Residential Mortgages - Prime	15.14	15.14	12	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	0	-
Countrywide Home Loans, Inc.	Countrywide Home Loans Alternative Trust 2005-81	12/29/2005	Residential Mortgages - Mid-Prime	96.73	71.82	57	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2005-F	9/29/2005	HELOC	2,706.75	1,076.70	861	10%	BBB+	BBB+	2005	BBB	2005	13%	6%	25%	108	54
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2005-L	12/29/2005	HELOC	400	129.62	104	10%	BBB+	BBB+	2005	BBB	2005	13%	6%	25%	13	6
First-Citizens Bank	First-Citizens Home Equity Loan, Series 2005-1, Class A Notes	5/12/2005	HELOC	248.42	125.17	100	10%	A	A	2005	A	2005	13%	6%	16%	13	6
GMAC Mortgage Corporation	GMACM Home Equity Loan Trust 2005-HE3	9/29/2005	HELOC	963.68	520.84	417	10%	BBB	BBB	2005	BBB	2005	13%	6%	25%	52	26
GreenPoint Mortgage Funding	Greenpoint Mortgage Funding Trust 2005-AMS	10/31/2005	Affordability Mortgage Product (i/o, neg am)	187.71	113.71	91	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
GreenPoint Mortgage Funding	Greenpoint Mortgage Funding Trust 2005-HE3	8/25/2005	HELOC	417.2	78.11	62	10%	BBB	BIG	2005	BIG	2005	19%	13%	38%	12	8
Hsinchu International Bank Co., Ltd.	Hsinchu International Mortgage Loan 1 Limited	12/20/2005	Pooled RMBS outside the US	301.54	220.58	109	10%	AA-	AA-	2005	AA	2005	6%	3%	13%	11	4
Impac Funding Corporation	Impac CMB Trust Series 2005-5, Class A-3W	6/30/2005	Residential Mortgages - Mid-Prime	150	61.32	45	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
Impac Funding Corporation	Impac CMB Trust Series 2005-6	9/9/2005	Residential Mortgages - Mid-Prime	1,157.43	529.79	426	10%	AAA	AA+	2005	AA	2005	6%	3%	13%	26	11
Impac Funding Corporation	Impac CMB Trust Series 2005-7	9/29/2005	Residential Mortgages - Mid-Prime	1,394.37	797.44	638	10%	AAA	AA+	2005	AA	2005	6%	3%	13%	40	16
Impac Funding Corporation	IMPAC Secured Assets Corp. 2005-2	12/29/2005	Residential Mortgages - Mid-Prime	325	196.54	127	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	4	-
Indymac Bank	IndyMac INDX Mortgage Loan Trust 2005-AR18	9/7/2005	Affordability Mortgage Product (i/o, neg am)	170	85.16	68	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
Lehman Brothers	Lehman Home Equity Loan Trust 2005-1	3/11/2005	HELOC	259.5	31.84	25	10%	BBB	BBB	2005	BBB	2005	13%	6%	25%	3	2
Lehman Brothers	Lehman XS Trust Mortgage, Series 2005-4	9/30/2005	Residential Mortgages - Mid-Prime	74.02	43.39	35	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
Lehman Brothers	Lehman XS Trust Mortgage, Series 2005-7N	11/30/2005	Residential Mortgages - Mid-Prime	289.31	162.3	130	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	3	-
Lehman Brothers	Lehman XS Trust Mortgage, Series 2005-9N	12/30/2005	Residential Mortgages - Mid-Prime	184.98	120.76	97	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
Lehman Brothers	SARM Net Interest Margin Notes, Series 2005-19XS-1	11/4/2005	Net Interest Margins (NIMs)	25	5.25	4	10%	BBB+	BBB+	2005	BBB	2005	13%	6%	25%	1	0
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2005-2XS	1/31/2005	Residential Mortgages - Mid-Prime	112.94	99.28	79	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2005-4XS	2/28/2005	Residential Mortgages - Mid-Prime	107.93	103.39	83	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2005-7XS	3/31/2005	Residential Mortgages - Mid-Prime	88.59	88.59	71	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
Lehman Brothers	Structured Asset Securities Corporation Mortgage Pass-Through Certificates 2005-9XS	5/31/2005	Residential Mortgages - Mid-Prime	59.63	59.63	48	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
Morgan Stanley	Morgan Stanley Dean Witter Credit Corporation 2005-1	1/27/2005	HELOC	753.65	205.62	164	10%	BBB	A	2005	A	2005	13%	6%	16%	21	10
Option One Mortgage Corporation	Option One Mortgage Loan Trust 2005-2	5/26/2005	Net Interest Margins (NIMs)	53.6	2.32	2	10%	BBB-	BBB-	2005	BBB	2005	13%	6%	25%	0	0
RBS Greenwich Capital Markets	DSLA Mortgage Loan Trust 2005-AR2	4/29/2005	Affordability Mortgage Product (i/o, neg am)	150	61.82	49	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
RBS Greenwich Capital Markets	DSLA Mortgage Loan Trust 2005-AR3	5/25/2005	Affordability Mortgage Product (i/o, neg am)	103.26	46.77	37	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2005-10	8/31/2005	Affordability Mortgage Product (i/o, neg am)	258.35	134.02	107	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	3	-
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2005-12	9/30/2005	Affordability Mortgage Product (i/o, neg am)	224.48	131.1	105	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	3	-
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2005-13	9/30/2005	Affordability Mortgage Product (i/o, neg am)	177.05	82.67	66	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	2	-
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2005-16	11/30/2005	Affordability Mortgage Product (i/o, neg am)	348.36	189.78	152	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	4	-
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2005-2, Class 2-A-1C	4/12/2005	Affordability Mortgage Product (i/o, neg am)	175	56.74	45	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-

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RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2005-8	7/29/2005	Affordability Mortgage Product (i/o, neg am)	432.62	170.96	137	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	3	-
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2005-9	8/26/2005	Affordability Mortgage Product (i/o, neg am)	821.17	245.23	196	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	5	-
RBS Greenwich Capital Markets	Soundview NIM Trust 2005-OPT1	6/23/2005	Net Interest Margins (NIMs)	63.2	3.48	3	10%	BIG	BIG	2005	BIG	2005	19%	13%	38%	1	0
UBS Securities LLC	MASTR ABS NIM Trust 2005-OPT1	6/22/2005	Net Interest Margins (NIMs)	64	7.36	6	10%	BIG	BIG	2005	BIG	2005	19%	13%	38%	1	1
Private Placement	Private Placement	2005	Pooled RMBS outside the US	211.05	244.09	195	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	5	-
Private Placement	Private Placement	2005	Pooled RMBS Outside the US	46.4	46.4	37	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	1	-
Private Placement	Private Placement	2005	Pooled RMBS Outside the US	1,423.32	1,193.44	955	10%	AAA	AAA	2005	AAA	2005	3%	0%	6%	24	-
Bear, Stearns & Co. Inc.	Bear Stearns Alt-A Trust 2006-R1	9/29/2006	Residential Mortgages - Mid-Prime Affordability Mortgage Product (i/o, neg am)	141.92	116.9	94	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	6	2
Bear, Stearns & Co. Inc.	Bear Stearns Mortgage Funding Trust 2006-AR2	9/29/2006	Affordability Mortgage Product (i/o, neg am)	114.39	104.46		10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	5	2
Bear, Stearns & Co. Inc.	Bear Stearns Mortgage Funding Trust 2006-AR4, Class A-2	11/30/2006	Affordability Mortgage Product (i/o, neg am)	183.63	170.61	136	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	9	3
Bear, Stearns & Co. Inc.	SACO I Trust 2006-2, Class I-A	1/30/2006	Closed End 2nd Liens	322.84	150.86	11	10%	BIG	BIG	2006	BIG	2006	25%	16%	50%	30	19

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Bear, Stearns & Co. Inc.	SACO I Trust 2006-2, Class II-A	1/30/2006	Closed End 2nd Liens	275.74	144.44	116	10%	A	BIG	2006	BIG	2006	25%	16%	50%	29	18
Bear, Stearns & Co. Inc.	SACO I Trust 2006-8, Class A Notes	9/15/2006	HELOC	355.96	201.95	162	10%	BBB	BIG	2006	BIG	2006	25%	16%	50%	40	25
Bear, Stearns & Co. Inc.	Structured Asset Mortgage Investment Trust, Series 2006-AR7	9/5/2006	Affordability Mortgage Product (i/o, neg am)	150	124.54	100	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	6	2
Bear, Stearns & Co. Inc.	Structured Asset Mortgage Investment Trust, Series 2006-AR8	10/31/2006	Affordability Mortgage Product (i/o, neg am)	100	88.21	71	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	4	2
Chevy Chase Bank, F.S.B.	Chevy Chase Funding LLC, Series 2006-1	3/17/2006	Affordability Mortgage Product (i/o, neg am)	580.6	310.56	248	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	16	6
Chevy Chase Bank, F.S.B.	Chevy Chase Funding LLC, Series 2006-2	6/15/2006	Affordability Mortgage Product (i/o, neg am)	500	303.39	243	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	15	6
Chevy Chase Bank, F.S.B.	Chevy Chase Funding LLC, Series 2006-3	9/12/2006	Residential Mortgages - Prime	332	279.87	224	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	14	6
Chevy Chase Bank, F.S.B.	Chevy Chase Funding LLC, Series 2006-4	12/7/2006	Residential Mortgages - Prime	210.38	192.69	154	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	10	4
Citigroup Global Markets, Inc.	Citigroup HELOC Trust 2006-NCB1	5/23/2006	HELOC	1,022.29	514.47	212	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	77	39
Countrywide Home Loans, Inc.	Countrywide Alternative Loan Trust Series 2006-0A19, Class A-3A	11/30/2006	Affordability Mortgage Product (i/o, neg am)	100	85.94	69	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	4	2
Countrywide Home Loans, Inc.	Countrywide Home Equity Loan Trust 2006-S6	9/29/2006	Closed End 2nd Liens	1,100.00	877.23	603	10%	AAA	A-	2006	A	2006	16%	6%	25%	110	44
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2006-B	3/29/2006	HELOC	1,150.00	573.07	459	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	86	43
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2006-C	3/30/2006	HELOC	1,850.00	963.67	771	10%	BBB-	BBB+	2006	BBB	2006	19%	9%	31%	145	72
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2006-S1	3/30/2006	Closed End 2nd Liens	860	549.98	440	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	82	41
Countrywide Home Loans, Inc.	Countrywide Revolving Home Equity Loan Trust 2006-S4	9/8/2006	Closed End 2nd Liens	1,000.00	775.03	620	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	116	58
Deutsche Bank	Deutsche Alt-B Securities Mortgage Loan Trust, Series 2006-AB2	5/30/2006	Residential Mortgages - Mid-Prime	77.52	77.52	62	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	4	2
GreenPoint Mortgage Funding	Greenpoint Mortgage Funding Trust 2006-AR2	3/31/2006	Affordability Mortgage Product (i/o, neg am)	169.84	108.94	87	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	5	2
GreenPoint Mortgage Funding	Greenpoint Mortgage Funding Trust 2006-AR3	4/28/2006	Affordability Mortgage Product (i/o, neg am)	259.69	184.91	148	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	9	4
Hsinchu International Bank Co., Ltd.	Hsinchu International Mortgage Loan 2 Limited	9/20/2006	Pooled RMBS outside the US	304.91	276.58	221	10%	AA-	AA-	2006	AA-	2006	13%	6%	19%	28	14
Impac Funding Corporation	IMPAC Secured Assets Corp. 2006-3	9/29/2006	Residential Mortgages - Mid-Prime	400	299.82	240	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	15	6
Impac Funding Corporation	IMPAC Secured Assets Corp. 2006-5, Class 2-A	12/21/2006	Mortgages - Other	398.3	342.78	274	10%	A-	A-	2006	A	2006	16%	6%	25%	43	17
Indymac Bank	IndyMac Home Equity Mortgage Loan Asset-Backed Trust 2006-3	12/7/2006	Closed End 2nd Liens	575	472.99	378	10%	BBB	BBB	2006	BBB	2006	10%	9%	31%	71	35
Indymac Bank	IndyMac Home Equity Mortgage Loan Asset-Backed Trust 2006-HE2	6/27/2006	HELOC	486.65	287.26	230	10%	BBB	BBB-	2006	BBB	2006	9%	9%	31%	43	22
Indymac Bank	IndyMac INDX Mortgage Loan Trust 2006-AR2	2/28/2006	Affordability Mortgage Product (i/o, neg am)	178.72	118.75	95	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	6	2
Indymac Bank	IndyMac Residential Asset-Backed Trust 2006-L1	3/17/2006	Mortgages - Other	239.37	124.07	99	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	19	9
Indymac Bank	IndyMac Residential Asset-Backed Trust 2006-L3	9/25/2006	Mortgages - Other	167.79	111.19	89	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	17	8
Indymac Bank	IndyMac Residential Mortgage-Backed Trust 2006-L4	12/21/2006	Mortgages - Other	156.88	118.57	95	10%	BBB+	BBB+	2006	BBB	2006	19%	9%	31%	18	9
Irwin Home Equity Corporation	Irwin Home Equity Loan Trust 2006-1	1/20/2006	HELOC	311.96	174.78	140	10%	A-	A-	2006	A	2006	16%	6%	25%	22	9
Irwin Home Equity Corporation	Irwin Home Equity Loan Trust 2006-3	10/17/2006	HELOC	225.5	175.22	140	10%	BBB+	BBB+	2006	BBB	2006	19%	9%	31%	26	13
Irwin Home Equity Corporation	Irwin Home Equity Loan Trust 2006-P1	6/29/2006	HELOC	230.4	156.69	125	10%	BBB+	BBB+	2006	BBB	2006	19%	9%	31%	24	12
Lehman Brothers	Lehman XS Trust Mortgage, Series 2006-2N	1/31/2006	Residential Mortgages - Mid-Prime	214.02	126.62	101	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	6	3
Patrimonio S.A. de C.V.	Patrimonio S.A. de C.V. RMBS 2006-1	12/5/2006	Pooled RMBS outside the US	91.49	90.51	72	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	14	7
RBS Greenwich Capital Markets	DSLA Mortgage Loan Trust 2006-ARD	9/12/2006	Affordability Mortgage Product (i/o, neg am)	241.8	175.05	140	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	9	4
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2006-14, Class 2A-1C	12/22/2006	Affordability Mortgage Product (i/o, neg am)	142	132.06	106	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	7	3
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2006-7	8/15/2006	Affordability Mortgage Product (i/o, neg am)	171.75	117.77	94	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	6	2
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2006-9	10/4/2006	Affordability Mortgage Product (i/o, neg am)	166.73	133.47	107	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	7	3

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Issuer	Issue name	Issue Date	Collateral Type	Original Insured Amount (\$Millions)	Current Net Par Exposure (\$Millions)	Current Net Par Exposure Less 20% subordination	Clean-up Call	Original Ambac Rating	Current Ambac Rating	Vintage	Rating	Vintage - YR	Default rate - base case	Default rate - optimistic case	Default rate - worst case	Base case - losses	Optimistic case - losses
Residential Funding Corporation / Homecomings Financial Network	RALI 2006-QH1, Class A-3	11/29/2006	Affordability Mortgage Product (i/o, neg am)	48.01	45.14	36	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	2	1
The Winter Group	Owint Mortgage Trust 2006-OT1	12/8/2006	Closed End 2nd Liens	299.04	259.44	208	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	13	5
The Winter Group	Terwin Mortgage Trust 2006-4SL	4/20/2006	Closed End 2nd Liens	444.6	190.18	152	10%	AAA	A	2006	A	2006	16%	6%	25%	24	10
The Winter Group	Terwin Mortgage Trust 2006-6SL	6/29/2006	Closed End 2nd Liens	666	355.08	284	10%	AAA	A	2006	A	2006	16%	6%	25%	44	18
Wells Fargo Bank, National Association	WFMS 2006-AR19, Class A4	11/30/2006	Residential Mortgages - Prime	10	6.54	5	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	0	0
Wells Fargo Bank, National Association	WFMS 2006-AR19, Class A4, Oppenheimer Fund	11/30/2006	Mortgages - Other	50	16.03	13	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	1	0
Private Placement	Private Placement	2006	Pooled RMBS Outside the US	160.45	162.9	130	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	8	3

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Banc of America Securities LLC	Bank Of America Funding Corporation 2007-5, Class 2A4, Oppenheimer Fund	7/5/2007	Residential Mortgages - Mid-Prime	13.76	6.6	5	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	0	0
Banc of America Securities LLC	Bank Of America Funding Corporation 2007-5, Class 3A2, Oppenheimer Fund	7/5/2007	Residential Mortgages - Mid-Prime	24.55	12	10	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	0
Bear, Stearns & Co. Inc.	Bear Stearns Second Lien Trust 2007-1, Class I-A	4/30/2007	HELOC	295.93	245.14	196	10%	A+	A+	2007	A	2007	16%	6%	25%	31	12
Bear, Stearns & Co. Inc.	Bear Stearns Second Lien Trust 2007-1, Class II-A	4/30/2007	Closed End 2nd Liens	382.57	336.67	269	10%	A+	A+	2007	A	2007	16%	6%	25%	42	17
Bear, Stearns & Co. Inc.	Bear Stearns Second Lien Trust 2007-1, Class III-A	4/30/2007	Closed End 2nd Liens	291.27	260.52	208	10%	A+	A+	2007	A	2007	16%	6%	25%	33	13
Chevy Chase Bank, F.S.B.	Chevy Chase Funding LLC, Series 2007-1	3/15/2007	Residential Mortgages - Prime	430.87	348.84	279	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	17	7
Chevy Chase Bank, F.S.B.	Chevy Chase Funding LLC, Series 2007-2	6/21/2007	Residential Mortgages - Prime	425	372.07	298	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	19	7
Countrywide Home Loans, Inc.	Countrywide Alternative Loan Trust 2007-12T1, Oppenheimer Fund, Class A-4	4/30/2007	Mortgages-Other	48.6	22.42	18	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	0
Countrywide Home Loans, Inc.	Countrywide Alternative Loan Trust 2007-1T1, Oppenheimer Fund, Class 2-A-1	1/30/2007	Mortgages-Other	50	22.69	18	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	0
Countrywide Home Loans, Inc.	Countrywide Asset Backed Certificates 2007-S3, Oppenheimer Fund, Class A3	3/30/2007	Closed End 2nd Liens	52	25.48	12	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	1
Credit Suisse First Boston Mortgage Acceptance Corporation	Home Equity Mortgage Trust 2007-1	3/9/2007	HELOC	175	145.3	109	10%	BBB	BIG	2007	BIG	2007	25%	16%	50%	29	18
Deutsche Bank	Deutsche Alt-A Securities Inc. Mortgage Loan 2007-RS1, Class A3, Oppenheimer Fun	9/6/2007	Residential Mortgages - Mid-Prime	99.88	99.88	80	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	5	2
Deutsche Bank	Deutsche Alt-A Securities, Inc. Re-REMIC Trust Certificates Series 2007-RS1	8/30/2007	Residential Mortgages - Mid-Prime	672.53	627.99	500	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	31	13
First Franklin Financial Corporation	First Franklin Mortgage Loan Trust, Series 2007-FFC	5/29/2007	Closed End 2nd Liens	616.73	420.31	336	10%	A+	A+	2007	A	2007	16%	6%	25%	53	21
Impac Funding Corporation	IMPAC Secured Assets Corp. 2007-2, 1AM	3/29/2007	Residential Mortgages - Mid-Prime	222.41	214.98	172	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	11	4
Impac Funding Corporation	IMPAC Secured Assets Corp. 2007-2, 2-A	3/29/2007	Mortgages-Other	223.44	221.27	177	10%	BBB+	BBB+	2007	BBB	2007	19%	9%	31%	33	17
Impac Funding Corporation	IMPAC Secured Assets Corp. 2007-3, Class AM	4/30/2007	Residential Mortgages - Mid-Prime	148.38	143.32	115	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	7	3
Impac Funding Corporation	IMPAC Secured Assets Corp. 2007-3, Oppenheimer Fund, Class A1C	4/30/2007	Residential Mortgages - Mid-Prime	40	19.6	16	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	0
Indymac Bank	IndyMac Residential Mortgage-Backed Trust 2007-L1	3/27/2007	Mortgages-Other	107.25	88.78	71	10%	BBB+	BBB+	2007	BBB	2007	19%	9%	31%	13	7
Irwin Home Equity Corporation	Irwin HELOC Trust 2007-1, Class IA-1	5/17/2007	HELOC	48.38	44.85	36	10%	BBB+	BBB+	2007	BBB	2007	19%	9%	31%	7	3
Irwin Home Equity Corporation	Irwin Home Equity Loan Trust 2007-1, Class IIA-1, IIA-2, IIA-3, IIA-4	5/17/2007	Closed End 2nd Liens	220	210.7	169	10%	BBB+	BBB+	2007	BBB	2007	19%	9%	31%	32	16
Lehman Brothers	Lehman XS Trust Mortgage, Series 2007-6	5/11/2007	Residential Mortgages - Mid-Prime	453.35	388.78	311	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	19	8
Lehman Brothers	Lehman XS Trust Mortgage, Series 2007-7N	5/31/2007	Affordability Mortgage Product (i/o, neg am)	148.02	146.29	117	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	7	3
Lehman Brothers	Lehman XS Trust Series 2007-10H, Classes I-A1-2	6/29/2007	Residential Mortgages - Mid-Prime	10	9.49	8	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	0	0
Lehman Brothers	Lehman XS Trust Series 2007-10H, Classes I-A4-1	6/29/2007	Residential Mortgages - Mid-Prime	56.03	54.19	43	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	3	1
Lehman Brothers	Lehman XS Trust Series 2007-14H, Class A2-2	7/31/2007	Residential Mortgages - Mid-Prime	120.52	120.52	96	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	6	2
Lehman Brothers	Lehman XS Trust Series 2007-14H, Class A3, Oppenheimer Funds	8/16/2007	Residential Mortgages - Mid-Prime	79.2	79.2	63	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	4	2
Lehman Brothers	Lehman XS Trust Series 2007-14H, Class A4	7/31/2007	Residential Mortgages - Mid-Prime	70.32	67.39	54	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	3	1
Lehman Brothers	Lehman XS Trust Series 2007-15N, Class 3-A2	7/31/2007	Affordability Mortgage Product (i/o, neg am)	221.68	219.95	176	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	11	4
Lehman Brothers	Lehman XS Trust Series 2007-15N, Class 4-A3	7/31/2007	Affordability Mortgage Product (i/o, neg am)	92.76	91.29	73	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	5	2
Lehman Brothers	Lehman XS Trust Series 2007-17H, Class A1	9/28/2007	Residential Mortgages - Mid-Prime	527.99	347.99	278	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	17	7
Morgan Stanley	MSCC Heloc Trust 2007-1	2/27/2007	HELOC	845.75	744.2	595	10%	A-	A-	2007	A	2007	16%	6%	25%	93	37
Nomura Securities International, Inc.	Nomura Asset Acceptance Corporation, 2007-1 Oppenheimer Fund, Class 2A4	5/10/2007	Residential Mortgages - Mid-Prime	40	18.68	15	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	0
Nomura Securities International, Inc.	Nomura Asset Acceptance Corporation, Alternative Loan Trust, 2007-1, Class II-AM	5/10/2007	Residential Mortgages - Mid-Prime	142.81	136.08	109	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	7	3
Nomura Securities International, Inc.	Nomura Asset Acceptance Corporation, Alternative Loan Trust, 2007-3	7/10/2007	Residential Mortgages - Mid-Prime	348.3	342.03	274	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	17	7
Patrimonio S.A. de C.V.	Patrimonio Peso RMBS 2007-1	7/2/2007	Pooled RMBS outside the US	90.15	45.26	36	10%	BBB	BBB	2007	BBB	2007	19%	9%	31%	7	3
Patrimonio S.A. de C.V.	Patrimonio UDI RMBS 2007-1	6/21/2007	Pooled RMBS outside the US	79.22	61.33	49	10%	BBB-	BBB-	2007	BBB	2007	19%	9%	31%	9	5
PHH Mortgage Corporation	PHH Alternative Mortgage Trust, Series 2007-2, Oppenheimer Fund, 2A5	4/26/2007	Residential Mortgages - Mid-Prime	31.55	15.33	12	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	0

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RBS Greenwich Capital Markets	DSLA Mortgage Loan Trust 2007-AR1	2/22/2007	Affordability Mortgage Product (i/o, neg am)	179.42	160.07	128	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	8	3
RBS Greenwich Capital Markets	Harborview Mortgage Loan Trust 2007-2	3/30/2007	Affordability Mortgage Product (i/o, neg am)	135.31	130.54	104	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	7	3
Residential Funding Corporation / Homecomings Financial Network	RALI 2007-OS7, Oppenheimer Fund, Class A7	5/30/2007	Residential Mortgages - Mid-Prime	50	24.5	20	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	0
Wachovia Bank, N.A.	Wachovia Asset Securitization Issuance II, LLC 2007-HE1	3/29/2007	HELOC	1,515.00	1,180.78	945	10%	BBB+	BBB+	2007	BBB	2007	19%	9%	31%	177	89
Wachovia Bank, N.A.	Wachovia Asset Securitization Issuance II, LLC 2007-HE2	6/28/2007	HELOC	2,013.00	1,868.00	1494	10%	BBB+	BBB+	2007	BBB	2007	19%	9%	31%	280	140
Wells Fargo Bank, National Association	WFMS 2007-11, Class A98, Oppenheimer Fund	7/30/2007	Residential Mortgages - Prime	50	24.26	19	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	1	0
Private Placement	Private Placement	2007	Residential Mortgages - Mid-Prime	90.96	90.96	73	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	5	2
Private Placement	Private Placement	2007	Residential Mortgages - Mid-Prime	75.06	75.06	60	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	4	2

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AmeriCredit Corp	AmeriCredit Automobile Receivables Trust 2004-C-A	8/31/2004	Auto Receivables	800	163.01	130	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	16	8
AmeriCredit Corp	AmeriCredit Automobile Receivables Trust 2005-D-A Superior Wholesale Inventory Financing (SWIFT) Trust X, Series 2004-A	11/17/2005	Auto Receivables	1,400.00	597.74	478	10%	BBB	BBB	2005	BBB	2005	13%	6%	25%	60	30
Bank Of America, N.A.	Capital One Auto Finance Trust 2004-A	4/11/2006	Auto Receivables	180	180	144	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	9	4
Capital One Auto Finance	Capital One Auto Finance Trust 2005-A	5/25/2004	Auto Receivables	1,000.00	152.63	122	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	15	8
Capital One Auto Finance	Capital One Auto Finance Trust 2006-A	4/7/2005	Auto Receivables	1,500.00	413.96	331	10%	BBB	BBB	2005	BBB	2005	13%	6%	25%	41	21
Capital One Auto Finance	Capital One Auto Finance Trust 2007-A	5/4/2006	Auto Receivables	1,421.07	1,360.35	1088	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	204	102
Cendant Corporation	AESOP Funding II, L.L.C. 2002-1	7/25/2002	Auto Rental Fleet	83.33	56.67	45	%	BBB	BBB	2002	BBB	2002	6%	0%	9%	3	-
Cendant Corporation	AESOP Funding II, L.L.C. 2003-3	5/6/2003	Auto Rental Fleet	750	225	180	%	BBB	BBB	2003	BBB	2003	6%	0%	9%	11	-
Cendant Corporation	AVIS Budget Rental Car Funding (AESOP) LLC, Series 2007-2	6/6/2007	Auto Rental Fleet	650	431.95	346	%	BBB	BBB	2007	BBB	2007	19%	9%	31%	65	32
Cendant Corporation	Cendant Rental Car Funding (AESOP) LLC Series 2005-4	6/1/2005	Auto Rental Fleet	800	620	496	%	BBB	BBB	2005	BBB	2005	13%	6%	25%	62	31
Hertz Corporation	Hertz Vehicle Financing, LLC Series 2005-2	12/21/2005	Auto Rental Fleet	2,150.00	1,625.44	1,300	%	BBB	BBB	2005	BBB	2005	13%	6%	25%	163	81
Hertz Corporation	Hertz Vehicle Financing, LLC Series 2005-3	12/21/2005	Auto Rental Fleet	0	118.19	0	%	BBB	BBB	2005	BBB	2005	13%	6%	25%	12	6
Rental Car Finance Corporation	Rental Car Finance Corporation 2004-1	5/5/2004	Auto Rental Fleet	500	455	364	%	BBB	BBB	2004	BBB	2004	13%	6%	25%	46	23
Rental Car Finance Corporation	Rental Car Finance Corporation 2006-1	3/28/2006	Auto Rental Fleet	600	543.75	435	%	BBB	BBB	2006	BBB	2006	19%	9%	31%	82	41
Triad Financial Corporation	Triad Auto Receivables Trust 2004-A	3/18/2004	Auto Receivables	670.25	97.46	54	10%	BBB	BBB	2004	BBB	2004	13%	6%	25%	10	5
Triad Financial Corporation	Triad Auto Receivables Trust 2005-A	5/26/2005	Auto Receivables	1,104.00	281.25	225	10%	BBB	BBB	2005	BBB	2005	13%	6%	25%	28	14
Triad Financial Corporation	Triad Auto Receivables Trust 2006-A	1/26/2006	Auto Receivables	822.5	344.16	275	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	52	26
Triad Financial Corporation	Triad Auto Receivables Trust 2006-C	10/18/2006	Auto Receivables	1,092.20	640.85	513	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	96	48
United Panam Financial Corp	UPFC Auto Receivables Trust 2005-A	4/14/2005	Auto Receivables	195	37.74	30	10%	BBB	BBB	2005	BBB	2005	13%	6%	25%	4	2
United Panam Financial Corp	UPFC Auto Receivables Trust 2006-B	12/14/2006	Auto Receivables	250	136.73	109	10%	BBB	BBB	2006	BBB	2006	19%	9%	31%	21	10
Vanguard Car Rental USA, Inc.	ARG Funding Corp 2005-2 Rental Car Variable Funding Asset Backed Notes	4/1/2005	Auto Rental Fleet	1,500.00	1,320.00	1056	%	BBB	BBB	2005	BBB	2005	13%	6%	25%	132	66
Private Placement	Private Placement	2006	Auto Receivables	71	71	57	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	4	1
Private Placement	Private Placement	2006	Auto Rental Fleet	0	175	140	10%	AAA	AAA	2006	AAA	2006	6%	3%	13%	9	4
Private Placement	Private Placement	2007	Auto Receivables	153.14	166.87	133	%	BBB	BBB	2007	BBB	2007	19%	9%	31%	25	13
Private Placement	Private Placement	2007	Auto Receivables	1,000.00	910	728	10%	AAA	AAA	2007	AAA	2007	6%	3%	13%	46	18
Bear, Stearns & Co. Inc.	Madison Avenue Manufacturing Housing Trust, Series 2002-A	3/28/2002	Manufactured Housing Pts	556.33	135.66	109	10%	AAA	A	2002	A	2002	6%	0%	6%	3	-
CIT	Lehman ABS Manufactured Housing, 2001-B	10/31/2001	Manufactured Housing Pts	375	124.72	100	10%	AAA	A+	2001	A+	2001	6%	0%	6%	2	-
Conseco Finance Corporation	Conseco Finance Securities Corporation, 2001-2	6/27/2001	Manufactured Housing Pts	402.5	130.29	104	10%	AA+	BIG	2001	BIG	2001	6%	0%	13%	7	-
Conseco Finance Corporation	Lehman RABS Series 2004-1 Trust (Conseco MH Series 1999-2, Class A7)	3/4/2004	Manufactured Housing Pts	46.96	23.5	19	10%	AA+	AA+	2004	AA	2004	6%	3%	13%	1	0
CountryPlace Mortgage	CountryPlace Manufactured Housing Contract Trust Series 2005-1	7/12/2005	Manufactured Housing Pts	118.44	85.46	68	10%	BBB+	BBB+	2005	BBB	2005	13%	6%	25%	9	4
CountryPlace Mortgage	CountryPlace Manufactured Housing Contract Trust Series 2007-1	3/22/2007	Manufactured Housing Pts	101.94	92.93	74	10%	A	A	2007	A	2007	16%	6%	25%	12	5
Deutsche Bank	Green Tree 2006-1 Asset-Backed Note LLC	9/13/2006	Manufactured Housing Pts	210.98	181.29	145	10%	A	A	2006	A	2006	16%	6%	25%	23	9
Greenpoint Credit Corp.	GreenPoint Manufactured 2001-2	10/2/2001	Manufactured Housing Pts	425.89	148.92	119	10%	AA	AA	2001	AA	2001	3%	0%	6%	3	-
MERIT Securities Corporation	MERIT Securities Corporation Series 12-1	6/10/2004	Manufactured Housing Pts	121.61	73.77	59	10%	AA+	AA+	2004	AA	2004	6%	3%	13%	4	1
Newcastle Investment Corp New York	Newcastle MH 1 LLC, Asset-Backed Notes	6/30/2006	Manufactured Housing Pts	177.93	148.75	119	10%	BBB+	BBB+	2006	BBB	2006	19%	9%	31%	22	11
Newcastle Investment Corp New York	Newcastle MH 1 LLC, Asset-Backed Notes 2006-1	12/20/2006	Manufactured Housing Pts	291.83	245.45	196	10%	A	A	2006	A	2006	16%	6%	25%	31	12
Origen Financial	Origen Manufacturing Housing Contract Trust Collateralized Notes 2006-A	8/25/2006	Manufactured Housing Pts	200.65	176.67	141	10%	BBB+	BBB+	2006	BBB	2006	19%	9%	31%	27	13
Origen Financial	Origen Manufacturing Housing Contract Trust Collateralized Notes 2007-A	5/2/2007	Manufactured Housing Pts	184.39	177.35	142	10%	BBB+	BBB+	2007	BBB	2007	19%	9%	31%	27	13
1st Financial Funding & Investment	1st Financial Credit Card Master Note Trust II, Series 2005-A	3/24/2005	Credit Card Receivables	92.5	92.5	74	%	BBB	BBB	2005	BBB	2005	13%	6%	25%	9	5
1st Financial Funding & Investment	1st Financial Credit Card Master Note Trust II, Series 2005-B	9/26/2005	Credit Card Receivables	92.5	92.5	74	%	BBB	BBB	2005	BBB	2005	13%	6%	25%	9	5
Cabela's Credit Card Master Note Trust	Cabela's Credit Card Master Note Trust, Class A Fixed Rate Series 2004-1	4/14/2004	Credit Card Receivables	75	66	53	%	BBB	BBB	2004	BBB	2004	13%	6%	25%	7	3

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Cabela's Credit Card Master Note Trust	Cabela's Credit Card Master Note Trust, Class A Floating Rate Series 2004-II	4/14/2004	Credit Card Receivables	175	154	123%		BBB	BBB	2004	BBB	2004	13%	6%	25%	15	8
Providian Gateway Master Trust	Providian Gateway Master Trust, Floating Rate Class A, Series 2001-D	6/8/2001	Credit Card Receivables	650	597.5	478%		BBB	BBB-	2001	BBB	2001	6%	0%	9%	30	-
Private Placement	Private Placement	1999	Credit Card Receivables	425	275	220%		AAA	AAA	1999	AAA	1996-2000	0%	0%	0%	-	-
<b>Grand Total</b>				<b>131,052</b>	<b>60,380</b>											<b>4,884</b>	<b>2,238</b>

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Issuer	Issue name	Issue Date	Collateral Type	Original Insured Amount (\$Millions)	Current Net Par Exposure (\$Millions)	Current Net Par Exposure Less 20% Subordination	Clean-up Call	Original Ambac Rating	Current Ambac Rating	Vintage	Rating	Vintage - YR	Default rate - base case	Default rate - optimistic case	Default rate - worst case	Base case - losses	Optimistic case - losses
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**Potential Losses**

Collateral Type	(All)
Data	
Sum of Base case - losses	4,884
Sum of Optimistic case - losses	2,238
Sum of Worst case losses	8,713

Vintage - YR (All)

	Vintage - YR							Grand Total
Data	2001	2002	2003	2004	2005	2006	2007	
Sum of Base case - losses	45	20	38	571	940	1,871	1,400	4,884
Sum of Optimistic case - losses	-	-	-	267	84.60	84.60	650	2,238
Sum of Worst case losses	79	39	73	1,010	380.03	3,197	2,415	8,713

Assumed Duration	2,001	2,002	2,003	2,004	2,005	2,006	2,007
Sum of Base case - losses	9.03	3.92	7.52	114.18	188.00	374.21	279.97
Sum of Optimistic case - losses	-	-	-	53.32	84.60	84.60	130.09
Sum of Worst case losses	15.76	7.80	14.69	202.06	380.03	642.41	482.94

	2,001	2,002	2,003	2,004	2,005	2,006	2,007
Sum of Base case - losses	-	-	20.47	114.18	188.00	374.21	279.97
Sum of Optimistic case - losses	-	-	-	53.32	84.60	84.60	130.09
Sum of Worst case losses	-	-	38.26	202.06	380.03	642.41	482.94

Base Case	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
		9.03	9.03	9.03	9.03	9.03	9.03					45
			3.92	3.92	3.92	3.92	3.92					20
				7.52	7.52	7.52	7.52					38
					114.18	114.18	114.18	114.18				571
						188.00	188.00	188.00	188.00	188.00		940
							374.21	374.21	374.21	374.21	374.21	1,871
								279.97	279.97	279.97	279.97	1,400
		9	13	20	135	323	688	964	956	842	654	280
												4,884

Base Case	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
		9	4	8	114	188	374	280	280			
			9	4	8	114	188	374	280			
				9	4	8	114	188	374	280		
					9	4	8	114	188	374	280	
						9	4	8	114	188	374	280
		9	13	20	135	323	688	964	956	842	654	280

Base Case	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2001												
2002	9											
2003	9	4										
2004	9	4	8									
2005	9	4	8	114								
2006	9	4	8	114	188							
2007		4	8	114	188	374						
2008			8	114	188	374	280					
2009				114	188	374	280	956				
2010					188	374	280	842				
2011						374	280	654				
2012							280	280				
Total	45	20	38	571	940	1,871	1,400	4,884				

Optimistic Case	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
					53.32	84.60	84.60	84.60	84.60	84.60		67
												2,238

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**Increase in reserve estimate (in US\$ mn)**

	1Q 07	2Q 07	3Q 07
Transportation	54	134	77
Mortgage backed and home equity	21	53	74
Healthcare	25	39	39

**Total loss reserve**

	FY 2005	FY 2006	1Q 07	1H 07	9M 07
Public Finance	215.5	195	216	229.1	179.7
Structured Finance	86.6	21.6	23.4	30.5	103.6
International Finance	2	3.5	-8.1	-3.8	0.8

**Gross case basis credit reserve**

	FY 2004	FY 2005	FY 2006	1Q 07	1H 07	9M 07
Public Finance	47	97	45.7	50.2	50.6	51.1
Structured Finance	80	9.5	-0.2	0.4	5.3	66.3
International Finance	6.3	0	2	-8.1	-3.8	0

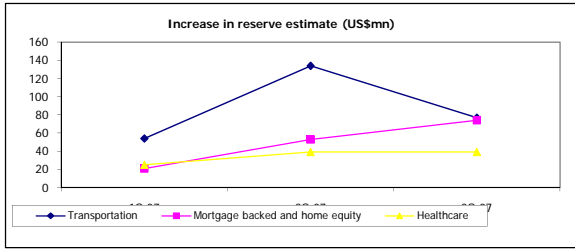
**Net losses paid (recovered)**

	FY 2003	FY 2004	FY 2005	FY 2006	1Q 07	1H 07	9M 07
Public Finance	5.8	20	11	76	(9)	(8)	(7)
Structured Finance	26.9	(5)	73	31	(1)	(1)	(1)

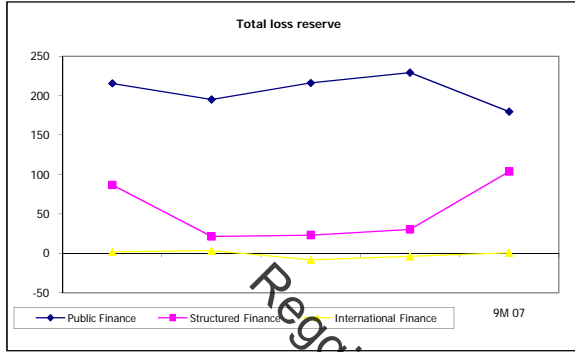
International Finance	1.4	4	3	(1)	10	1	(3)
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	2003	2004	2005	2006	9M 07
Net claims paid	36,289	18,923	86,739	105,568	(11,285)
Net premiums earned	667,256	764,510	866,415	871,383	684,740
ratio of net claims paid	5.3%	2.5%	10.0%	12.1%	-1.6%

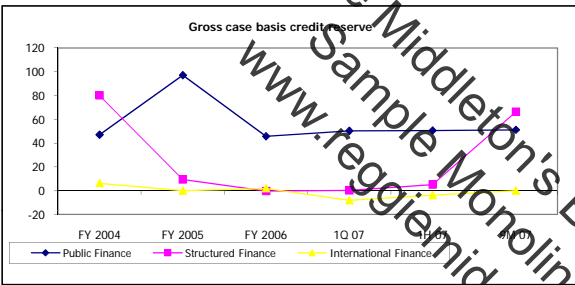
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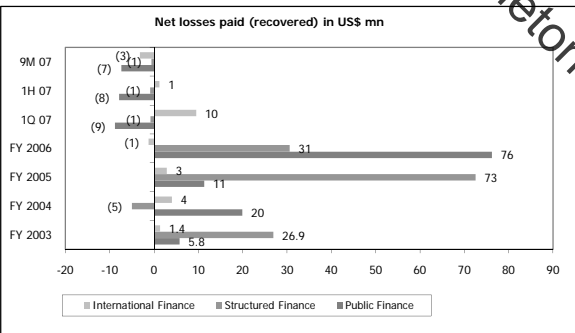
In the last few quarters the mortgage backed home equity is witnessing an increase in the reserve estimate attributable to the rise in the number of



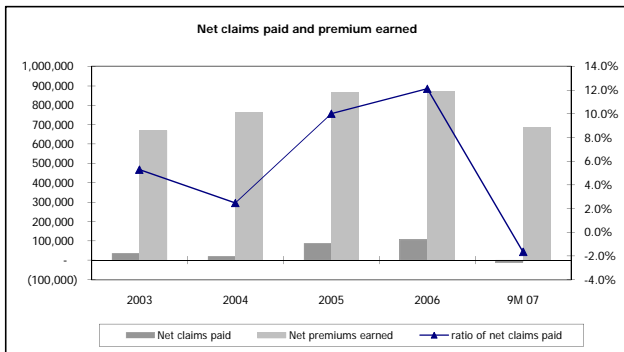
Structured Finance line of business has been the worst hit owing to the crisis in the subprime mortgage market. The loss reserve in this business has increased considerably in the last quarter and is expected to worsen owing to increased defaults and downgrade of ratings of this structured finance products. While the loss reserve on the public finance which includes the municipal bonds have declined in the last quarter



The structured finance business has also witnessed a rise in the gross case basis credit reserve owing to concerns as the likely downgrade of ratings of the CDOs may result in increased losses for the company.

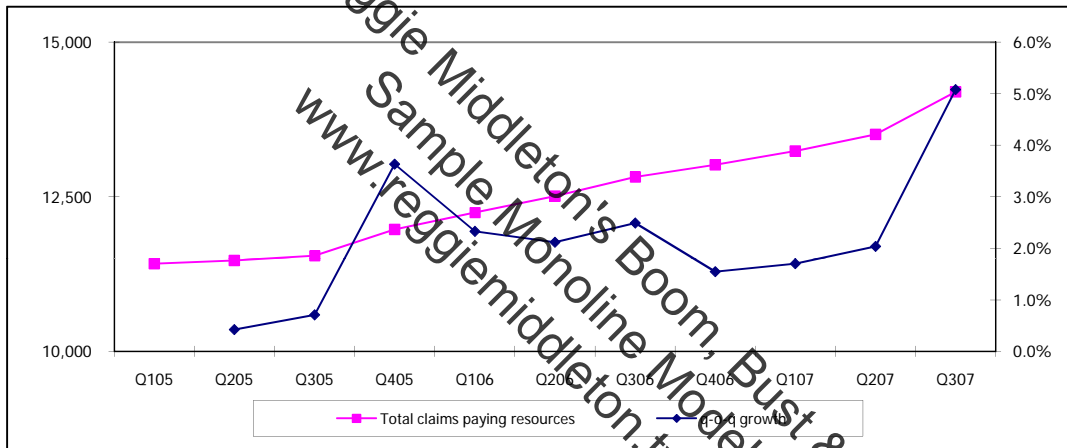


In structured finance the company has net paid losses of US\$73 mn in 2005, however although in 2006 the loss reserve have been increasing so far in 2007 the company has a net recovery of US\$0.6 mn. we anticipate the net losses paid to rise in the coming quarters as the company witnesses increased payout.



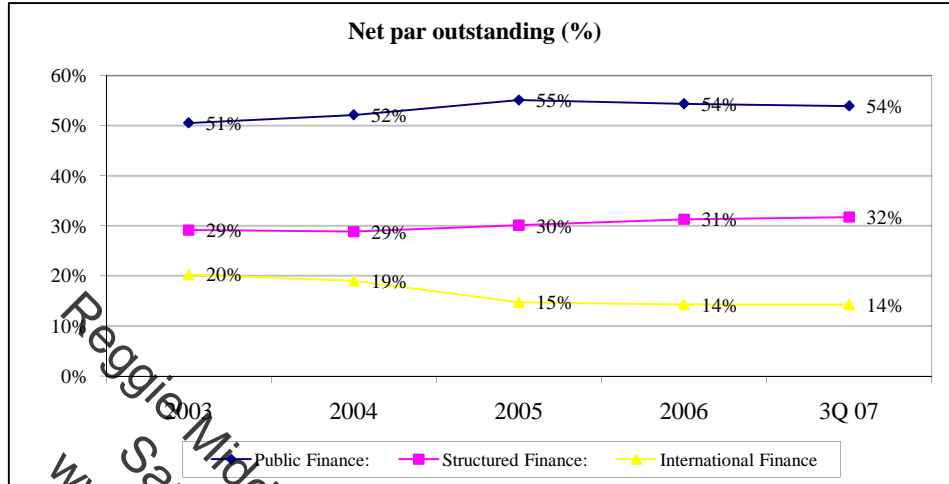
The ratio of net claims paid has been around 10-12% in 2005. While in 9M 07 so far the ratio of net claims paid has declined significantly as the provision for losses has increased to US\$47.6 mn the actual loss paid so far has been a meagre US\$17.7 mn. In addition, the company has also reported other recoveries of US\$27 mn.

Capital and claim-paying resources:	2Q 07	3Q 07	q-o-q growth
Contingency reserve	2,898	2,997	3.4%
Capital and surplus	3,844	3,227	-16.0%
<b>Qualified statutory capital</b>	<b>6,742</b>	<b>6,224</b>	<b>-7.7%</b>
Unearned premiums	3,417	3,603	5.5%
Losses and loss adjustment expenses	47	107	126.6%
Unrealized losses on credit derivatives	-	796	
<b>Policyholders' reserves</b>	<b>10,206</b>	<b>10,731</b>	<b>5.1%</b>
Third party capital support	800	800	0.0%
Present Value of Future Installment Premiums	2,503	2,664	6.4%
<b>Total claims paying resources</b>	<b>13,509</b>	<b>14,195</b>	<b>5.1%</b>





	2003	2004	2005	2006	3Q 07
Public Finance:	51%	52%	55%	54%	54%
Structured Finance:	29%	29%	30%	31%	32%
International Finance	20%	19%	15%	14%	14%



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