

MBIA Inc.

Audit Committee Charter

Purpose of the Audit Committee

The Audit Committee is appointed by the Board of Directors of MBIA Inc. (the “Company”) to assist the Board of Directors in monitoring (1) the integrity of the financial statements of the Company and of other material financial disclosures made by the company (2) the qualifications and independence of the Company’s independent auditor, (3) the performance of the Company’s internal audit function and independent auditor and (4) the Company’s compliance with legal and regulatory requirements.

In addition, the Audit Committee shall prepare the report of the Audit Committee required to be included in the Company’s annual proxy statement under the rules of the U.S. Securities and Exchange Commission (the “SEC”).

While the Audit Committee has the responsibilities and powers set forth in this Charter, the function of the Audit Committee is oversight. The management of the Company is responsible for the preparation, presentation and integrity of the Company’s financial statements. Management and the Company’s internal audit department are responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. The independent accountants are responsible for planning and carrying out proper annual audits and quarterly reviews of the Company’s financial statements.

In fulfilling their responsibilities under this Charter, it is recognized that the members of the Audit Committee are not full-time employees of the Company and, accordingly, it is not the duty or responsibility of the Committee or its individual members to conduct auditing or accounting reviews or procedures or to certify the Company’s financial statements or the independent auditors work. Each member of the Audit Committee shall be entitled to rely on the information, opinions, reports or statements, including financial statements and other financial data prepared or presented by officers or employees of the Company, its legal counsel, independent accountants or other persons with professional or expert competence.

Committee Composition and Membership

The Audit Committee shall consist of at least three members, each of whom the Board of Directors deems (1) independent as defined under applicable SEC and New York Stock Exchange (“NYSE”) rules and (2) qualified to perform the functions of an audit committee member pursuant to the requirements of the NYSE. At least one member of the Audit Committee must be a financial expert as defined by the SEC.

No director may serve as a member of the Audit Committee if he or she serves on the audit committee of more than two other public companies, unless the Board of Directors determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee. Members of the Audit Committee shall serve at pleasure of the Board of Directors and for such terms as the Board of Directors shall determine.

Committee Meetings, Reports and Authority

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. In the course of performing its functions, the Audit Committee shall make regular reports to the Board of Directors.

To perform its functions, the Audit Committee shall have the independent authority (1) to retain independent legal, accounting or other advisors to advise the Audit Committee and (2) to receive appropriate funds as determined by the Audit Committee from the Company for payment of compensation to the outside legal, accounting or other advisors employed by the Audit Committee. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel, independent auditor or other advisers to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee and to provide such information as the Audit Committee may deem necessary or reasonable.

The Audit Committee may form and delegate authority to subcommittees consisting of one or more members of the Committee, which may also include other members of the Board of Directors as may be designated by the Board of Directors, when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting. Pre-approvals of permitted non-audit services are subject to the *de minimis* exceptions described in Section 10(A)(i)(1)(B) of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

The Audit Committee is directly responsible for the appointment, compensation and oversight of the work of the independent auditors, including the resolution of any disagreements between management and the independent auditors regarding financial reporting. The independent auditors will report directly to the Audit Committee.

The Audit Committee shall be responsible for all matters for which the NYSE or the SEC requires an audit committee to assume responsibility from time to time and shall have the powers necessary to fulfill such responsibilities.

In performing its functions, the Audit Committee shall undertake those tasks and responsibilities that, in its judgment, would most effectively contribute to and implement

the purposes of the Audit Committee. The following functions are some of the common recurring activities of the Committee in carrying out its oversight responsibility.

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the Company's annual audited financial statements and the report of the independent auditor required by Section 10A(k) of the Exchange Act, including disclosures made in Management's Discussion and Analysis of Financial Condition and Results of Operations as well as any major issues as to the adequacy of the Company's internal controls (including management's internal control report prepared in accordance with the SEC's rules under Section 404 of the Sarbanes-Oxley Act) and any special audit steps adopted in light of significant deficiencies and/or material weaknesses.

2. Review any analysis prepared by management or the independent auditor of significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including an analysis of the effect of alternative GAAP methods on the Company's financial statements and a description of any transactions as to which management obtained Statement on Auditing Standards No. 50 letters.

3. Review with management and the independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet structures on the Company's financial statements.

4. Review with management and the independent auditor the Company's quarterly financial statements including disclosures made in Management's Discussion and Analysis of Financial Condition and Results of Operations prior to the filing of its Form 10-Q, including the results of the independent auditor's review of the quarterly financial statements.

5. Review earnings and other material press releases related to accounting or financial matters (paying particular attention to any use of "pro forma," or "adjusted" non-GAAP information), and review financial information and earnings guidance delivered to analysts and rating agencies to the extent such information is different from the information provided to the Audit Committee.

6. Review major changes to the Company's auditing and accounting principles and practices as suggested by the independent auditor, internal auditors or management.

Oversight of the Company's Relationship with its Independent Auditor

7. Have the sole and direct responsibility and authority for the appointment, compensation, retention and oversight of the work of each independent auditor engaged by the Company and its subsidiaries for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company, and each such independent auditor shall report directly to the Committee.

8. Review annually the experience and qualifications of the senior members of the independent auditor team and the internal quality control procedures of the independent auditor. Assure that rotation of both the lead partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit occurs every five years.

9. Obtain and review at least annually a report by the independent auditor describing (1) such auditor's internal quality control procedures and (2) material issues, if any, raised in its most recent quality control or peer review or by inquiries or investigations by governmental or professional authorities within the previous five years and the steps taken to deal with such issues.

10. Subject to the *de minimis* exceptions of Section 10A(i) of the Exchange Act and the SEC rules promulgated thereunder, have sole authority to approve the retention of the independent auditor for any permitted nonaudit service and the fee for such service.

11. Obtain and review, at least annually, a report from the independent auditor regarding such auditor's independence and all relationships between the independent auditor and the Company, discuss such reports with the auditor, consider whether the provision of non-audit services is compatible with maintaining the auditor's independence and, if deemed necessary by the Audit Committee, recommend that the Board of Directors take appropriate action to satisfy itself of the independence of the auditor.

12. Terminate the independent auditor, such responsibility being solely that of the Audit Committee.

13. Review with the independent auditor any significant consultation the engagement team had had with its national office; speaking directly to the independent auditor's national office, if necessary.

14. Meet with independent auditor prior to the audit to review the scope, planning and staffing of the audit, acknowledging that it is the auditor's responsibility to plan the scope, nature and timing of work to support its audit opinion.

15. Obtain from the independent auditor assurance that the audit was conducted in a manner consistent with Section 10A of the Exchange Act and no action under Section 10A(b) of the Securities Exchange Act of 1934 has been initiated.

16. Obtain reports from management and the Company's senior internal auditing executive that the Company and the Company's domestic and foreign subsidiaries and affiliates are in conformity with applicable legal requirements and the Company's code of ethical conduct, including disclosure of insider and affiliated party transactions.

17. Discuss with the independent auditor (out of the presence of management if necessary) the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit.

18. Review with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies.

19. Maintain procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

20. Review with the independent auditor any problems or difficulties the auditor may have encountered and any management letter provided by the auditor and management's response to that letter. Such review should include any difficulties encountered during the course of the audit work, including any restrictions on the scope of activities or access to required information, and any disagreements with management. The review should also include a discussion of the responsibilities, budget and staffing.

Performance of the Company's internal audit function and independent auditor

21. Review the reports of the Company's internal auditor and management's response thereto.

22. Review the Company's internal Audit Plan annually to ensure that it identifies and addresses major areas of risk.

23. Review the Company's financial reporting processes and the appropriateness of the Company's accounting principles, and consider any significant changes proposed to either those processes or principles.

24. Review the Company's code of ethical conduct and its system of monitoring adherence to that code and advise the Board regarding compliance with applicable laws and regulations and with the Company's code of ethical conduct.

25. Review the internal controls of the Company and the qualifications, activities and organizational structure of the Company's Internal Audit Department and review the appointment and replacement of the senior internal auditing executive made by the Company. Meet at least quarterly separately in executive session with the independent auditors, the Chief Financial Officer and the senior internal auditing executive. In addition, meet separately in executive session with any other officer or employee of the Company or the Company's outside counsel in connection with fulfilling the Audit Committee's responsibilities.

Compliance with Legal and Regulatory Requirements

26. Review with the Company's General Counsel all legal compliance matters and any legal matter that could have a material impact on the Company's financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or government agencies.

27. Review the adequacy of this Charter at least annually and make any recommended changes to the Board of Directors for consideration and approval.

28. Conduct special investigations and engage special legal, accounting or other consultants to help advise the Audit Committee in connection with such investigations. The results of these investigations are to be reported to the full Board.

29. Review the findings of examinations conducted by any regulatory agencies and report the results of such findings to the full Board.

Other Responsibilities

30. Periodically review and discuss with management the Company's guidelines and policies with respect to the process by which the Company undertakes risk assessment and risk management, with respect to risks that are not subject to the review and discussion by the Risk Committee or by any other Board committee, including discussion of the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures; and meet periodically with management to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

31. Review the Company's Antifraud Plan annually, including the identification of potential fraud risk, fraud protection and fraud detection methods.

32. Set the hiring policies of the Company for employees or former employees of the independent auditors.

33. Review and discuss with the CEO and CFO the procedures undertaken in connection with the CEO and CFO certifications for Form 10-Ks and Form 10-Qs, including their evaluation of the Company's disclosure controls and procedures and internal controls.

34. Undertake and review with the Board of Directors an annual performance evaluation of the Audit Committee, which shall compare the performance of the Audit Committee with the requirements of this Charter and set forth the goals and objectives of the Audit Committee for the upcoming year. The performance evaluation by the Audit Committee shall be conducted in such manner as the Board deems appropriate.

35. Perform such other duties as may be delegated to the Audit Committee by the Board or as may be consistent with this Charter or the Company's By-Laws.

MBIA Inc.

Compensation and Organization Committee Charter

The Compensation and Organization Committee of the Board of Directors of MBIA Inc. is charged with responsibilities relating to the compensation of the employees of MBIA Inc. and its subsidiaries. Those responsibilities are enumerated below:

- I. Review and approve the overall policy developed by management with respect to compensation for the Company's employees and those of its subsidiaries.
- II. Review significant organizational changes and executive succession planning.
- III. Review and approve goals and objectives relevant to CEO compensation.
- IV. Annually review and assess performance of the Chairman and Chief Executive Officer, in light of corporate goals and objectives relevant to CEO compensation, and those officers reporting to him.
- V. Set the compensation to be paid to the Chief Executive Officer and of the President. Approve compensation of the officers reporting to the Chief Executive Officer and to the President.
- VI. Administer the Company's Stock Option Plan and the grants awarded thereunder.
- VII. Review and approve any employment contract or special agreement for Board members or any senior officers of the Company.
- VIII. Recommend to the Board equity compensation plans and review the administration of bonus and benefit plans. Receive periodic reports on the Company's employee benefit plans and approve management recommendations with respect to any significant changes in the plans.

- IX. Perform such other duties as may be delegated to it or requested by the Board of Directors.
- X. Assure that shareholders are given an opportunity to vote on all equity-based compensation plans, with brokers not being allowed to vote customers' shares on equity compensation without customer instructions to do so.
- XI. Prepare an annual report of executive compensation for inclusion in the proxy statement.
- XII. Retain, approve fees and terminate compensation consultants, such authority being solely that of the Compensation Committee.
- XIII. Review and approve all arrangements that could constitute extensions of credit to executives.
- XIV. Perform an annual performance evaluation of the Compensation and Organization Committee.

MBIA Inc.

Executive Committee Charter

The Executive Committee of the Board of Directors of MBIA Inc. shall have and may exercise, during the intervals between meetings of the Board of Directors, all of the powers of the Board in the management of the business and affairs of the Company, except that the Executive Committee shall have no power or authority in reference to the following matters:

- I. Declaration of any dividend or distribution with respect to shares of stock in the Company.
- II. Approve or propose to shareholders any action as to which shareholder approval is required by law.
- III. Filling of vacancies on the Board of Directors or on any Committee thereof.
- IV. Amendment of the Certificate of Incorporation.
- V. Amendment or repeal of the By-Laws, or the adoption of new By-Laws.
- VI. Approval of a plan of merger not requiring shareholder approval.
- VII. Authorization or approval of a reacquisition of shares, except according to a formula or method prescribed by the Board of Directors.
- VIII. Authorization or approval of the issuance or sale or contract for sale of shares, or the determination of the designation and relative rights, preferences and limitations of a class or series of shares, except that the Board of Directors may authorize a Committee or a senior executive officer of the Company to do so within limits specifically prescribed by the Board of Directors.

MBIA Inc.

Finance Committee Charter

The Finance Committee of the Board of Directors of MBIA Inc. is charged with the responsibilities on behalf of MBIA Inc. and its subsidiaries enumerated below:

- I. Approve general investment policies and objectives and any significant proposed modifications.
- II. Monitor investment activities and portfolio holdings, including periodic review of investment performance relative to objectives and to overall market performance benchmarks.
- III. Approve any significant investments not falling within established investment policies and written guidelines.
- IV. Review periodically asset allocation among types of investments and the quality and maturity of investments.
- V. Review periodically the investment portfolio manager's performance, and approve any change in, or additions to, investment managers.
- VI. Review periodically the capital structure, capital adequacy and financial flexibility of the Company and its subsidiaries, including compliance with rating agency and regulatory capital requirements.
- VII. Review shareholder dividend policy and make recommendations with respect thereto.
- VIII. Perform such other duties as may be delegated to it or requested by the Board of Directors.

MBIA Inc.

Nominating/Corporate Governance Committee Charter

The duties and functions of the Nominating/Corporate Governance Committee of the Board of Directors of MBIA Inc. shall be as follows:

- I. Review the qualifications of and recommend to the Board of Directors of MBIA Inc. nominees for Directors (a) to be submitted to the shareholders for election as Directors at each Annual Meeting of Shareholders and (b) to fill any vacancies occurring on the Board from time to time.
- II. Consider and make recommendations to the Board of Directors concerning the size and composition of the Board of Directors.
- III. Review from time to time and recommend to the Board of Directors guidelines and criteria for selecting nominees to the Board.
- IV. Recommend to the Board the compensation to be paid to the Directors of the Board. Propose nominees to serve on the various Committees of the Board of Directors.
- V. Develop and recommend to the Board a set of corporate governance principles.
- VI. Conduct an annual performance evaluation of the Committee.
- VII. Oversee the annual evaluation of the Board and management.

The Nominating/Corporate Governance Committee shall have the sole authority to retain and terminate search firms. The Committee shall also have authority to retain independent consultants to advise it.

MBIA Inc.

Risk Oversight Committee Charter

The Risk Oversight Committee of the Board of Directors of MBIA Inc. is charged with the responsibilities on behalf of MBIA Inc. and its subsidiaries enumerated below:

- I. Monitor the underwriting process through the receipt of periodic reports in order to assure general compliance with underwriting guidelines and procedures, including appropriate diversification by geography, quality, type and size of issue.
- II. Review significant changes in general underwriting policy and guidelines proposed by management.
- III. Review management proposals to introduce new product lines and new services outside the scope of existing businesses.
- IV. Review portfolio quantitative analyses and sectoral qualitative analyses to assess overall insurance portfolio characteristics and performance.
- V. Review risk/return tools and overall risk/return performance according to targets.
- VI. Monitor risk-based capital adequacy measures and trends over time.
- VII. Review surveillance activities with particular focus on problem credits.
- VIII. Review market risk measures and management throughout the company.
- IX. Perform such other duties as may be delegated to it or requested by the Board of Directors.
- X. Perform an annual performance evaluation of the Risk Oversight Committee.