

For Immediate Release

Completion of Strategic Review of ACA Results in Reduction of Operating Expenses

ACA website (www.aca.com), New York – August 18, 2015 – ACA Financial Guaranty Corporation, a monoline bond insurance company operating in run-off, has implemented an operating expense reduction plan. The plan is the culmination of a strategic review by ACA's Board of Directors and is expected to result in operating expense reductions for ACA through 2017 as compared with previous budgets. See Annex A for certain projections and important assumptions and disclaimers. This disclosure should not be considered as an indication that the operating expense reduction will result in a commensurate improvement to ACA's earnings. Earnings will be affected by a number of factors, including losses and revenues. As disclosed in ACA's financial statements, loss estimates are expected to increase.

About ACA Financial Guaranty Corporation

Founded in 1997, ACA Financial Guaranty Corporation is a monoline bond insurance company licensed in 50 states and 5 territories and principally regulated by the Maryland Insurance Administration. On August 8, 2008, the Company and counterparties to its structured finance products reached an agreement on a restructuring plan for ACA. The plan, approved by the Maryland Insurance Administration, provided for settlement of the structured finance obligations and protection for ACA's municipal policyholders. ACA operates as a runoff insurance company and focuses on actively managing its remaining insured tax-exempt obligations. ACA's portfolio consists of fewer than 150 obligors guarantying timely payment of principal and interest on approximately \$2.5 billion of generally high yield municipal bonds.

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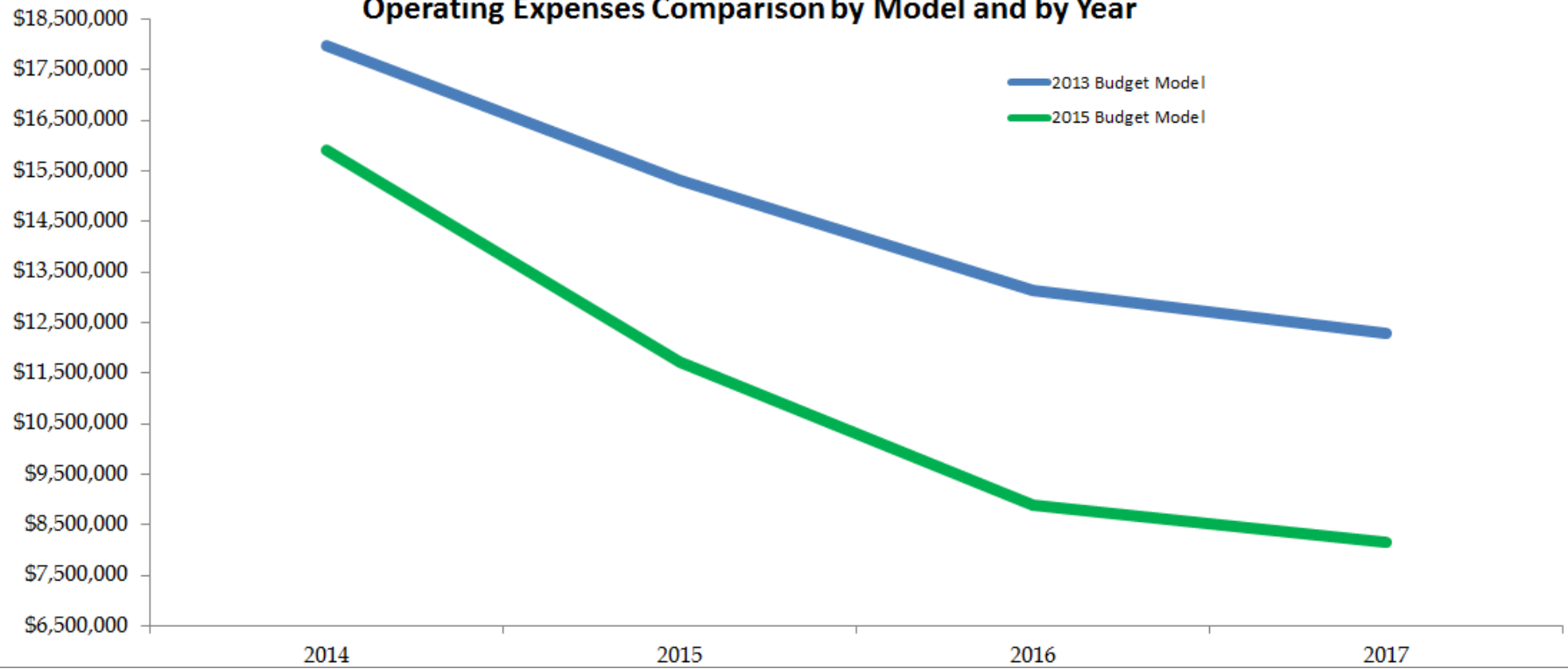
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ANNEX A – Operating Expense Projections

This Annex contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance and financial condition. Forward-looking statements by their nature address matters that are uncertain. For ACA, particular uncertainties that could cause our actual operating expenses to be materially different than those expressed in our forward-looking statements include: a weaker or different state of the United States economy; slower than expected reduction in ACA’s portfolio; changes in the rate of inflation; increased legal expenses; changes in the labor market; changes in third party costs; and the other factors that are described in ACA’s Audited Statutory-Basis Financial Statements as of and for the Years Ended December 31, 2014 and 2013 (“2014 Audited Financials”). Our 2014 Audited Financials are available on our website (www.aca.com). These uncertainties may cause our actual future operating expense results to be materially different than those expressed in our forward-looking statements. This document includes certain forward-looking projected financial information that is based on current estimates and forecasts based on information known to us as of its date, and speaks only as of its date. Actual results could differ materially, and the information presented herein will, through the passage of time, become outdated. Any or all of this information may be removed from ACA’s website or otherwise become unavailable at any time. We undertake no responsibility to update this presentation or any other forward-looking statements, or to present similar information in the future. The forward looking statements are based on certain assumptions, which could prove to be incorrect. The assumptions include that compensation and benefit expenses decline based on reduced staffing needs over the projection period as remediation, portfolio monitoring, legal, and finance activities decline. Severance expense is assumed as positions are reduced, and certain positions are assumed to be fractionalized at certain points.

Operating Expenses Comparison by Model and by Year



| Year | 2013 Budget Model | 2015 Budget Model |
|-------------|-------------------|--------------------------------|
| 2014 | \$17,974,511 | \$15,908,000 (<i>Actual</i>) |
| 2015 | \$15,322,726 | \$11,711,824 |
| 2016 | \$13,143,422 | \$8,904,541 |
| 2017 | \$12,301,140 | \$8,152,003 |