

Investor Update Call

November 20, 2014

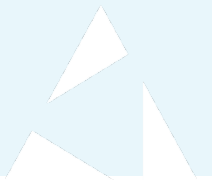


Forward Looking Statements

This presentation contains statements about future results, plans and events that may constitute "forward-looking" statements. You are cautioned that these statements are not guarantees of future results, plans or events and such statements involve risks and uncertainties that may cause actual results to differ materially from those set forth in these statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Syncora Holdings Ltd.'s (the "Company") control.

These factors include, but are not limited to: (1) the performance of invested assets; (2) payment of claims on guaranteed obligations, including residential mortgage-backed securities; (3) actions that may be required in order to meet anticipated liquidity and surplus needs; (4) the Company's ability to maintain minimum policyholders' surplus; (5) higher losses and adverse development of reserves on guaranteed obligations due to continued deterioration in the credit and mortgage markets; (6) reduced availability of funds due to the purchase of certain insured bonds and the potential inability to convert those assets to cash at their carrying value; (7) restrictions on writing new insurance business; (8) uncertainty as to the fair value of credit default swap ("CDS") contracts and liabilities thereon; (9) decision by the Company's regulators to take regulatory action such as rehabilitation or liquidation of the Company at any time; (10) Syncora Capital Assurance Inc. being required to make mark-to-market termination payments under its CDS contracts; (11) bankruptcy events involving counterparties to CDS contracts; (12) the potential loss of certain control rights under certain financial guarantee insurance; (13) non-payment of premium and make wholes owed or cancellation of policies; (14) uncertainty in portfolio modeling which makes it difficult to estimate potential paid claims and loss reserves; (15) potential adverse developments at Syncora Capital Assurance Inc. and recapture of business to be ceded to Syncora Capital Assurance Inc. under the master transaction agreement between the Company and certain financial counterparties to the Company's CDS contracts (the "2009 MTA"); (16) the financial condition of Syncora Guarantee (U.K.) Limited and action by the Prudential Regulation Authority and the Financial Conduct Authority; (17) the requirement that the Company provide Syncora Guarantee (U.K.) Limited with sufficient funds to maintain its minimum solvency margin; (18) challenges related to the 2009 MTA and any commutations and releases; (19) defaults by counterparties to reinsurance arrangements; (20) the interconnectedness of risks that affect the Company's reinsurance and insurance portfolio and financial guarantee products; (21) termination payments related to less traditional products, including CDS contracts, possibly in excess of current resources; (22) exposure to large refinancing risks; (23) non-payment of premiums by policyholders; (24) changes in accounting policies or practices or the application thereof; (25) changes in officers or key employees; (26) further deterioration in general economic conditions, including as a result of the financial crisis as well as inflation or deflation, interest rates, foreign currency exchange rates and other factors and the effects of disruption or economic contraction due to catastrophic events or terrorist acts; (27) the commencement of new litigation or investigations or the outcome of current and new litigation or investigations; (28) legislative or regulatory developments, including changes in tax laws and regulation of mortgages; (29) losses from fraudulent conduct due to unconditional and irrevocable nature of financial guarantee insurance; (30) problems with the transaction servicers in relation to structured finance transactions; (31) limitations on the availability of net operating loss carry forwards; (32) uncertainty as to federal income tax treatment of CDS contracts; (33) liquidity risks including due to timing of claims payments and reduced availability of funds, undertakings with the New York State Department of Financial Services ("NYDFS"); (34) conflicts of interests with significant shareholders of Syncora; limitations on the transferability of the common shares of Syncora and other additional factors, risks or uncertainties described in Syncora's historical filings with the NYDFS or the Securities and Exchange Commission, including in its Annual Report on Form 10K for the fiscal year ended December 31, 2008, as amended and in Syncora's, the Company's and Syncora Capital Assurance Inc.'s financial statements posted on its website at www.syncora.com. Readers are cautioned not to place undue reliance on forward-looking statements which speak only as of the date they are made. Syncora does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements are made.

Agenda



Overview

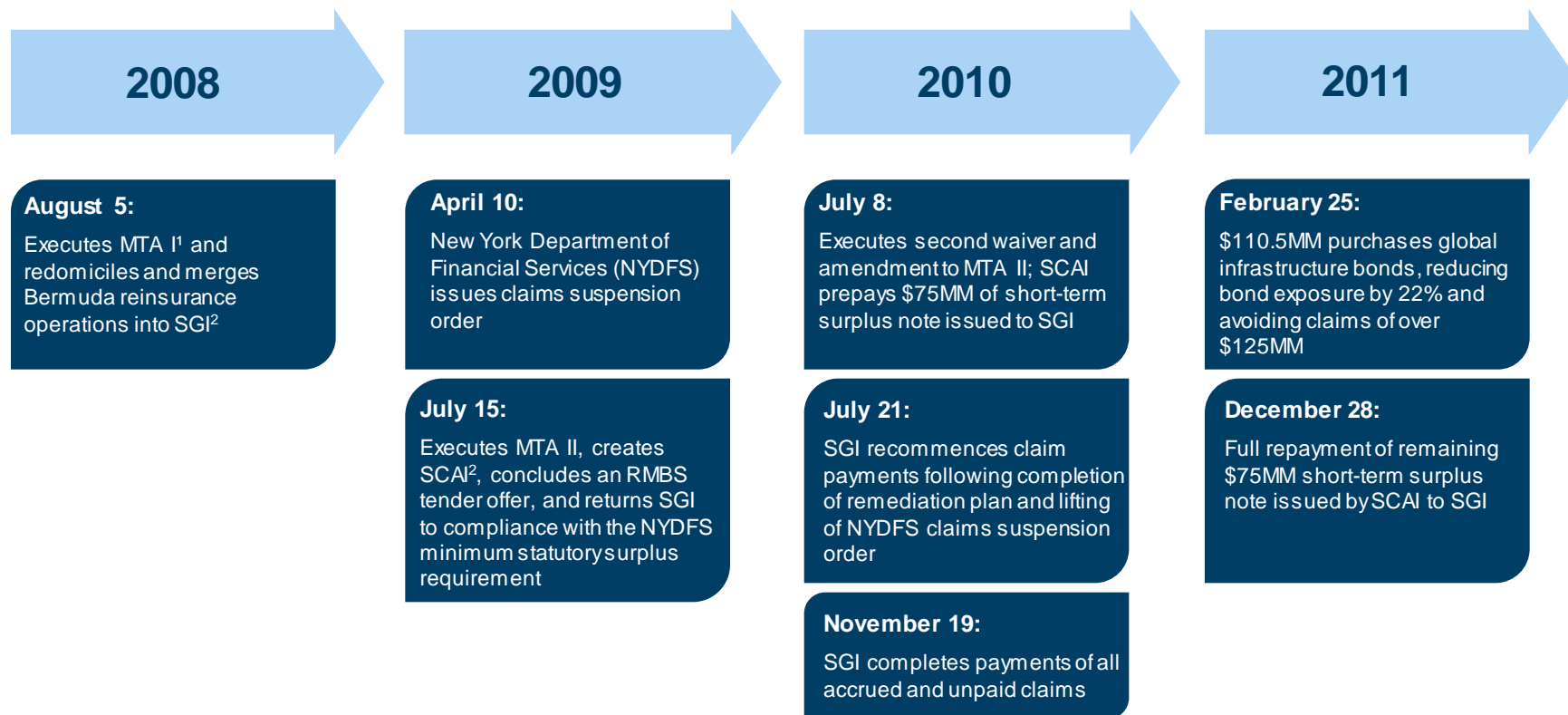
Operating & financial results Q3 2014

Syncora's insured portfolio

Key risks, uncertainties and constraints

Strategic goals

Timeline: 2008 - 2011



FY 2008	SGI
Surplus (\$ MM)	(\$2,400)
NPO (\$ BN)	134
Number of Credits	2,727
Flag List Credits	97

FY 2009	SGI	SCAI
Surplus (\$ MM)	\$100	\$222
NPO (\$ BN)	23	83
Number of Credits	2,769	2,518
Flag List Credits	51	15

FY 2010	SGI	SCAI
Surplus (\$ MM)	\$133	\$130
NPO (\$ BN)	19	77
Number of Credits	136	2,448
Flag List Credits	49	26

FY 2011	SGI	SCAI
Surplus (\$ MM)	\$186	\$133
NPO (\$ BN)	16	59
Number of Credits	127	2,330
Flag List Credits	52	29

¹ MTA refers to the Master Transaction Agreement

² SGI refers to Syncora Guarantee Inc.; SCAI refers to Syncora Capital Assurance Inc.

Timeline: 2012 - 2014 YTD

2012

February 2:

Restructuring of a \$2.5BN global infrastructure transaction partially insured by Syncora

February 3:

Restructuring of a \$1.3BN structured single risk transaction, significantly reducing 2018 refinancing risks

March 30:

Commutation of certain insurance policies held by a bank counterparty involving approx. \$172MM in gross par outstanding

June 17:

\$375MM settlement with Countrywide and Bank of America

2013

During 2013:

Commuted approx. \$6.0BN of swap exposures

September 3:

SGL assumes ownership of American Roads LLC following its emergence from a pre-pack Chapter 11

December 4:

Jefferson County settlement with recovery on claims totalling \$246MM

2014 Q1-Q3

During 2014:

Remediated through commutations and purchases approximately \$1.0BN of exposures

February 24:

\$400MM settlement with JP Morgan

September 11:

City of Detroit settlements, plan effective date before year-end

October 31:

Restructuring of exposure to a \$132MM power and utility transaction

Key Take-Aways

FY2008 – Q3 2014

Surplus

- Significant improvement of SGL surplus position to \$972.1MM vs. \$(3.8)BN Q1 2009

Liquidity

- Material improvement (49%) in SGL liquidity position to \$1.0BN vs. \$683.3MM Q4 2009

Net Par

- Significant reduction (72.6%) of combined SGL/SCAI net par outstanding to \$45.2BN from \$165.0BN Q4 2007

Flag List

- Significant improvement in Flag List credit exposures (77.2%) to \$7.4BN from \$32.6BN Q4 2008

Operating Expenses

- Material reduction in operating expenses (74.6%) to \$56.3MM (Q4 2013) from \$221.2MM (Q4 2008)

FY 2012	SGI	SCAI
Surplus (\$ MM)	\$511	\$173
NPO (\$ BN)	15	52
Number of Credits	114	2,168
Flag List Credits	50	34

FY 2013	SGI	SCAI
Surplus (\$ MM)	\$973	\$186
NPO (\$ BN)	13	38
Number of Credits	105	1,896
Flag List Credits	49	38

Q3 2014	SGI	SCAI
Surplus (\$ MM)	\$972	\$117
NPO (\$ BN)	11	34
Number of Credits	96	1,738
Flag List Credits	43	41

Financial Highlights for Nine Months Ended September 30, 2014



SGI:

Asset-Backed Securities

- Q1 settlement of RMBS litigation against JPMorgan, recovery of \$400.0MM of cash.
- Q3 agreement to commute a Commercial ABS financial guarantee policy. Reduced SGI's insured exposure by \$95.4MM.

Structured Single Risk

- Q1 purchased insured bonds of a global infrastructure transaction with large claims during years with liquidity strains (2017-20). Purchase reduced future nominal principal and interest (P&I) claims by \$172.4MM.
- Q1 purchased \$21.3MM of global infrastructure bonds, including 100% of insured bonds on one transaction. Purchases reduced P&I claims by \$14.5MM.
- Q1 and Q2, reached agreements for commutation of certain global infrastructure projects, reducing outstanding par exposure by \$322.0MM.
- Q3 executed commutation agreement, terminating two power and utilities policies, resulting in a \$398.4MM reduction in insured exposure.
- Q3 Pike Pointe Holdings, American Roads and Detroit Windsor Tunnel, wholly-owned subsidiaries of SGI, reached agreement in principle on a development agreement with the City of Detroit and other parties.
- Q3 successful resolution with certain parties to avoid significant long-term risks on an international power and utilities insured credit by restructuring the transaction, which decreased unpaid losses by \$27.0MM.

Financial Highlights for Nine Months Ended September 30, 2014

SCAI:

Public Finance

- Q3 resolution of claims in the Detroit bankruptcy related to insured Certificates of Participation (“COP bonds”).
- Under that settlement, SCAI expects to receive salvage consisting of:
 - \$23.5MM par newly issued general unsecured obligations;
 - \$21.3MM par limited tax general obligation notes secured by Detroit’s parking revenues;
 - \$6.5MM real estate purchase vouchers; and
 - \$5.0MM cash.
- Completion of purchases of all of its outstanding Detroit COP bonds with par value of \$120.0MM, reducing SCAI’s future nominal P&I claims by \$81.3MM.
- Purchase of Puerto Rico Electric and Power Authority and Puerto Rico General Obligation bonds with par value of \$21.0MM, reducing SCAI’s future nominal P&I claims by \$9.5MM.

Statutory Income Statements



(\$ In Thousands)	Syncora Guarantee Inc.		Syncora Capital Assurance Inc.	
	Nine months ended		Nine months ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Underwriting Income				
Net premiums earned	\$ 38,633	\$ 56,306	\$ 35,987	\$ 49,101
Net losses and loss adjustment expenses (benefit) provision	(37,199)	(2,659)	84,756	149,696
Other underwriting expenses incurred	21,729	22,986	14,160	16,824
Net underwriting gain (loss)	54,103	35,979	(62,929)	(117,419)
Investment Income				
Net investment income	17,627	13,555	10,767	12,958
Interest income on surplus notes	6,033	6,033	-	-
Net realized gain (loss)	4,077	(40,325)	(33,353)	(24,346)
Net investment gain (loss)	27,737	(20,737)	(22,586)	(11,388)
Other Income				
Other income	518	559	132	3,875
Pre-Tax Income (Loss)	82,358	15,801	(85,383)	(124,932)
Federal and foreign income taxes (benefit) incurred	(2,282)	32,670	2,983	(36,939)
Net Income (Loss)	\$ 84,640	\$ (16,869)	\$ (88,366)	\$ (87,993)

Statutory Balance Sheets



(\$ In Thousands)	Syncora Guarantee Inc.		Syncora Capital Assurance Inc.	
	As of		As of	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Admitted Assets				
Bonds	\$ 938,786	\$ 678,624	\$ 432,215	\$ 490,823
Investment in subsidiary - SGI-UK	57,807	58,297	-	-
Investment in subsidiary - SCAI	116,969	186,426	-	-
Common stocks	-	-	19,998	15,625
Cash, cash equivalents and short-term - restricted	77,294	89,248	54,064	98,251
Other	4,963	7,033	7,985	7,497
Total cash and invested assets	1,195,819	1,019,628	514,262	612,196
Investment income due and accrued	2,535	2,116	2,778	3,411
Net uncollected premiums and reinsurance assets	4,093	3,275	2,531	1,537
Other assets and receivable from parent, subsidiaries and affiliates	7,905	9,501	4,096	1,547
Total Admitted Assets	\$ 1,210,352	\$ 1,034,520	\$ 523,667	\$ 618,691
Liabilities, Surplus and Other Funds				
Unpaid losses and loss adjustment expenses	\$ (26,599)	\$ (258,784)	\$ 76,797	\$ 70,135
Unearned premium revenue, net	148,976	171,711	231,339	254,441
Contingency reserves	104,345	102,449	89,691	105,839
Other liabilities and payable to parent, subsidiaries and affiliates	11,537	45,812	8,866	1,814
Total Liabilities	238,259	61,188	406,693	432,229
Capital and Surplus				
Common capital stock	15,000	15,000	2,500	2,500
Preferred capital stock	200,000	200,000	-	-
Surplus notes	584,334	584,334	200,000	200,000
Gross paid-in and contributed surplus	2,046,972	2,046,972	189,000	189,000
Unassigned funds	(1,874,213)	(1,872,974)	(274,526)	(205,038)
Surplus as Regards Policyholders	972,093	973,332	116,974	186,462
Total Liabilities, Surplus and Other Funds	\$ 1,210,352	\$ 1,034,520	\$ 523,667	\$ 618,691

Claims Paying Resources

(\$ In MM)	Syncora Guarantee Inc.		Syncora Capital Assurance Inc.	
	As of		As of	
	September 30, 2014 ¹	December 31, 2013 ²	September 30, 2014	December 31, 2013
Claims paying resources				
Policyholders' surplus	\$ 972	\$ 973	\$ 117	\$ 186
Contingency reserve	104	102	90	106
Qualified statutory capital	1,076	1,076	207	292
Unearned premium revenue	149	172	231	254
Loss & loss adjustment expense reserves	201	141	77	70
Total policyholders' surplus & reserves	1,426	1,389	515	617
NPVFIP*	94	156	108	119
Total claims paying resources	\$ 1,520	\$ 1,544	\$ 623	\$ 736
Total claims paying resources, excluding equity interest in SCAI	\$ 1,403	\$ 1,358	N/A	N/A
Net par outstanding	\$ 11,449	\$ 12,818	\$ 33,766	\$ 38,471
Leverage ratio (Net par outstanding/Total claims paying resources)	7.5	8.3	54.2	52.3
Leverage ratio (Excluding equity interest in SCAI)	8.2	9.4	N/A	N/A

¹ As of September 30, 2014, the reported loss and loss adjustment expenses excludes the recoverable benefit of four structured single risk credits (\$227.2MM).

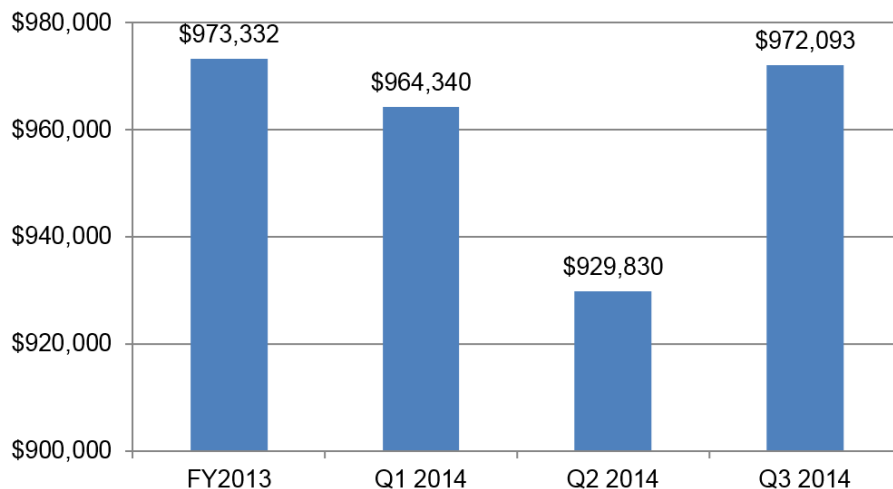
² As of December 31, 2013, the reported loss and loss adjustment expense reserves exclude the benefit of the JPMorgan litigation settlement (\$400.0MM) which was completed in Q1 2014.

* NPVFIP means Net Present Value of Future Installment Premiums.

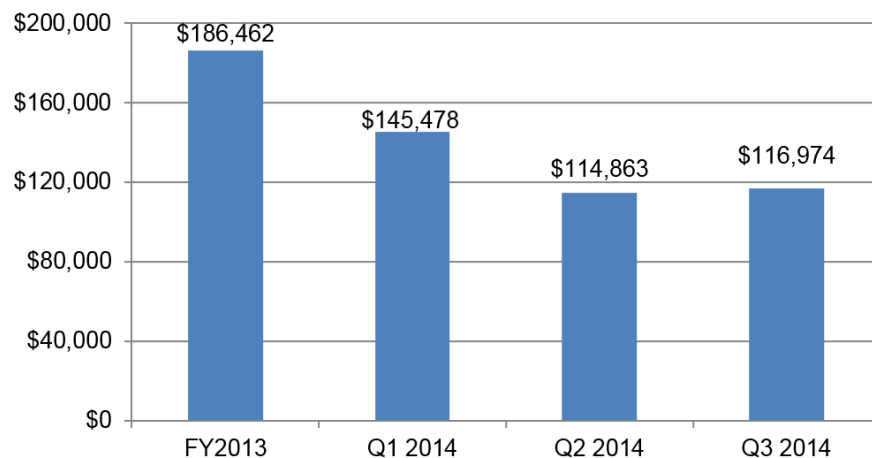
S&G & S&C Policyholders' Surplus: FY 2013 – Q3 2014

- S&G policyholders surplus remains strong, but may be adversely affected by:
 - Adverse development on insured and reinsured policies
 - Remediation actions to address potential liquidity mismatch
- S&C surplus continues to experience stress primarily resulting from material adverse development in municipal finance exposures (Detroit, Puerto Rico).
- S&C received \$30.0MM capital contribution from S&G on 11/13/14 to assist in bolstering its surplus position.¹ S&G's ability to further support S&C is subject to contractual and regulatory restrictions.

S&G Policyholders' Surplus (\$ in thousands)



S&C Policyholders' Surplus (\$ in thousands)

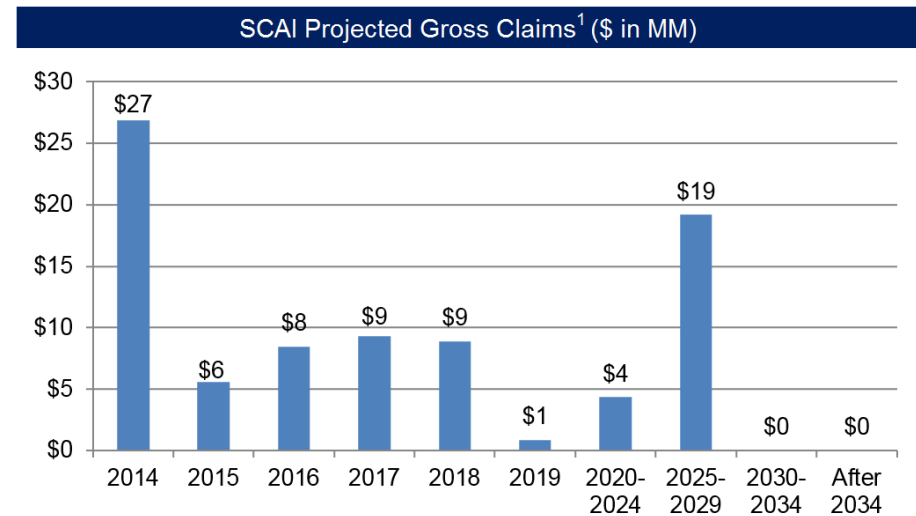
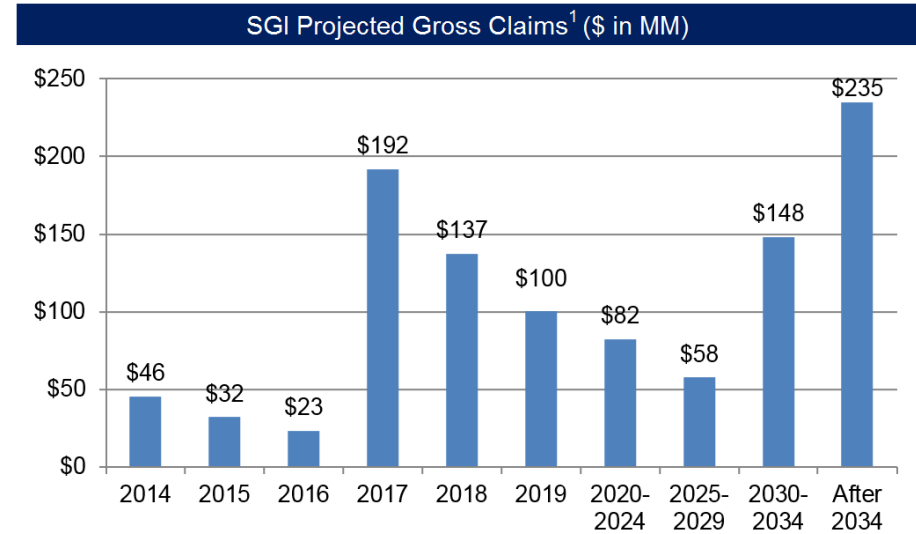


¹ Subsequent event not reflected in Q3 2014 results.

SGI & SCAI Projected Claims: FY 2014 – FY 2059



- SGI continues to face a “potential liquidity mismatch” between expected future medium to long-term claim payments and related recoveries:
 - SGI anticipates it will be obligated to make substantial claim payments on certain loss credits in 2017 – 2029 (of approximately \$570MM)
 - SGI is further exposed to (a) one refinancing risk credit with a heightened risk of material claims payments with an aggregate par outstanding of \$986MM, and (b) other credits with exposure to refinancing risk and risks of material principal repayments with an aggregate par outstanding of \$4.24BN
- SCAI has significant exposure to public finance transactions, which pose a risk of material adverse development to SCAI’s short- to medium-term liquidity position.
- SCAI could also face future adverse development on its Puerto Rico exposures (\$357.8MM) which could lead to a material increase in projected claims.



¹ Represents estimated undiscounted cash outflows under direct and assumed financial guarantee contracts, excluding remediated RMBS claims and after ceded reinsurance.

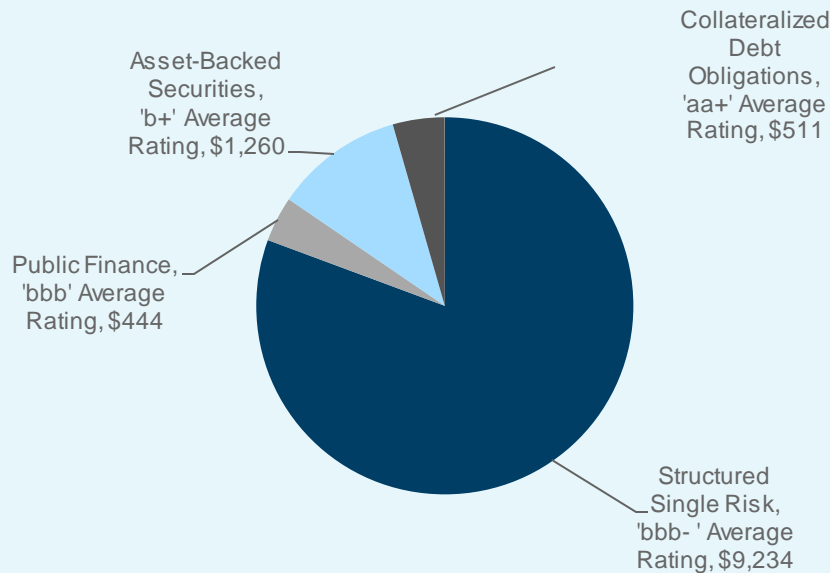
Insured Portfolio Overview: SGI and SCAI

SGI's portfolio consists of 96 credits totaling \$11.4BN in net par exposure. Average internal rating¹ of the SGI portfolio is 'bbb-'. 32% or \$3.6BN of SGI's portfolio is internally rated Below Investment Grade (BIG).

SCAI's portfolio consists of 1,738 credits totaling \$33.8BN in net par exposure. Average internal rating¹ of the SCAI portfolio is 'a'. 5.5% or \$1.85BN of SCAI's portfolio is internally rated BIG.

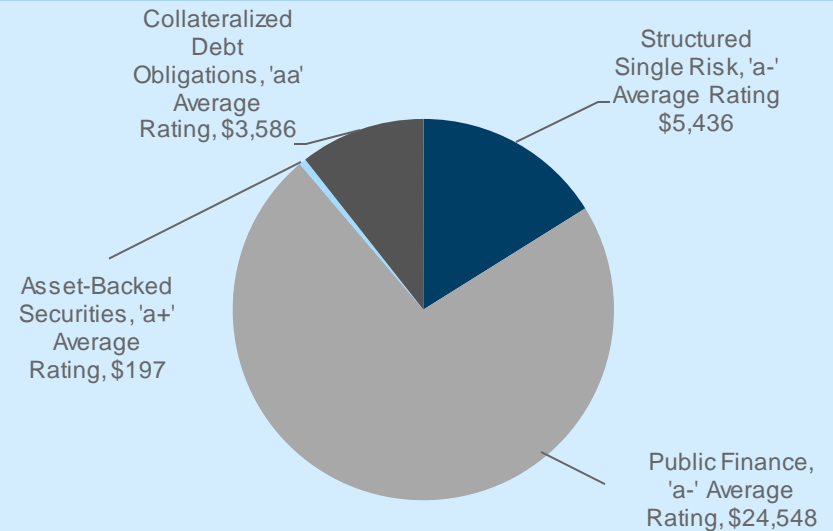
SGI Net Par Outstanding by Sector

as of September 30, 2014 (in \$MM)



SCAI Net Par Outstanding by Sector

as of September 30, 2014 (in \$MM)



¹ All average ratings reflect Synchora's internal ratings.

Below Investment Grade (“BIG”) Credits as of September 30, 2014

SGI Net Par Outstanding by BIG Category¹

as of September 30, 2014 (in \$MM)

	3Q 2014	4Q 2013
Loss List		
Business Area		
Asset-Backed Securities	627	725
Collateralized Debt Obligations	2	10
Public Finance	47	34
Structured Single Risk	132	430
Total Loss List:	808	1,198
Red Flag		
Business Area		
Asset-Backed Securities	17	243
Collateralized Debt Obligations	-	-
Public Finance	136	-
Structured Single Risk	1,639	1,544
Total Red Flag List:	1,792	1,788
Yellow Flag		
Business Area		
Asset-Backed Securities	488	105
Collateralized Debt Obligations	-	-
Public Finance	-	-
Structured Single Risk	560	592
Total Yellow Flag List:	1,048	697
Total:	3,648	3,683

SCAI Net Par Outstanding by BIG Category¹

as of September 30, 2014 (in \$MM)

	3Q 2014	4Q 2013
Loss List		
Business Area		
Asset-Backed Securities	-	-
Collateralized Debt Obligations	-	-
Public Finance	239	163
Structured Single Risk	-	-
Total Loss List:	239	163
Red Flag		
Business Area		
Asset-Backed Securities	-	-
Collateralized Debt Obligations	-	-
Public Finance	147	4
Structured Single Risk	-	-
Total Red Flag List:	147	4
Yellow Flag		
Business Area		
Asset-Backed Securities	-	-
Collateralized Debt Obligations	-	-
Public Finance	1,101	1,021
Structured Single Risk	363	-
Total Yellow Flag List:	1,464	1,021
Total:	1,850	1,188

¹ BIG Categories

- Loss List - credits where a loss is probable and reasonably estimable and a case reserve has been established.
- Red Flag List - credits where a loss is possible but not probable and reasonably estimable, including credits where claims may have been paid or may be paid but full recovery is in doubt.
- Yellow Flag List - credits that we determine to be below investment grade, including credits where claims may have been paid or may be paid but reimbursement is likely.

BIG Credits > \$100 MM in Net Par

SGI BIG Credits

as of September 30, 2014 (\$MM)

Business Area	Business Type	Net Par Outstanding	3Q 2014 Internal Rating ¹	Flag List
SSR	Global Infrastructure ²	986	b- , b+	Red Flag
SSR	Global Infrastructure	538	b	Red Flag
SSR	Specialized Risk	266	bb	Yellow Flag
ABS	RMBS	248	bb	Yellow Flag
ABS	RMBS	212	bb	Yellow Flag
SSR	Global Infrastructure	172	bb	Yellow Flag
ABS	RMBS	152	c	Loss List
SSR	Power & Utilities	132	d	Loss List
SSR	Global Infrastructure	116	b	Red Flag
ABS	RMBS	112	c	Loss List
SSR	Global Infrastructure	111	bb-	Yellow Flag
PF	Municipal	101	b	Red Flag
	Total:	3,145		

SCAI BIG Credits

as of September 30, 2014 (\$MM)

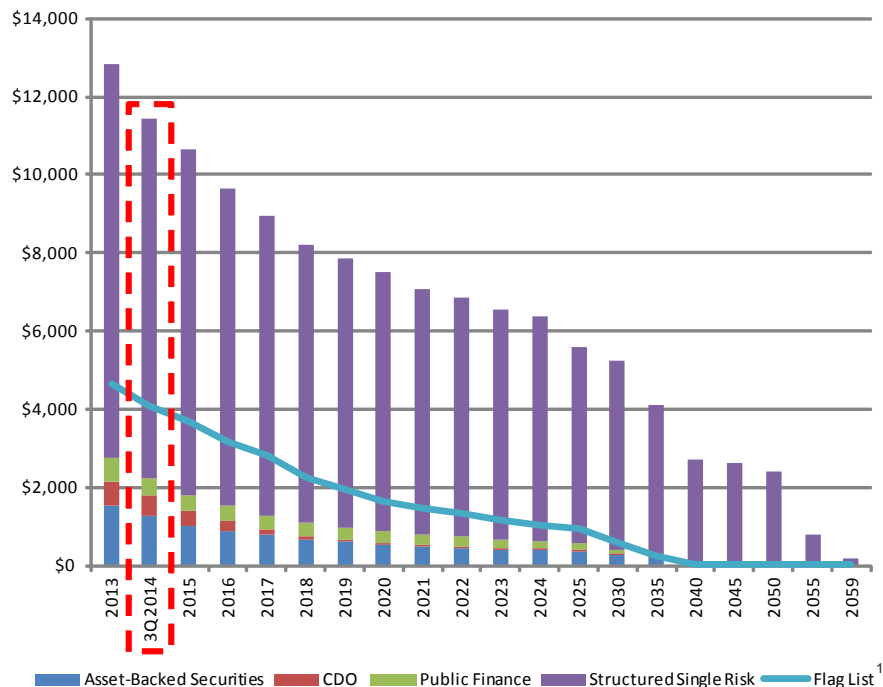
Business Area	Business Type	Net Par Outstanding	3Q 2014 Internal Rating ¹	Flag List
SSR	Global Infrastructure	363	bb	Yellow Flag
PF	Special Revenue	253	bb+	Yellow Flag
PF	Municipal	225	bb+	Yellow Flag
PF	Municipal	192	c	Loss List
PF	Municipal	135	b	Red Flag
PF	Municipal	130	bb	Yellow Flag
PF	Municipal	117	bb+	Yellow Flag
PF	Municipal	112	bb-	Yellow Flag
	Total:	1,528		

¹ A 'c' internally rated credit is where case reserve has been established but claim has not yet been paid. A 'd' internally rated credit is where case reserve has been established and claim has been paid.

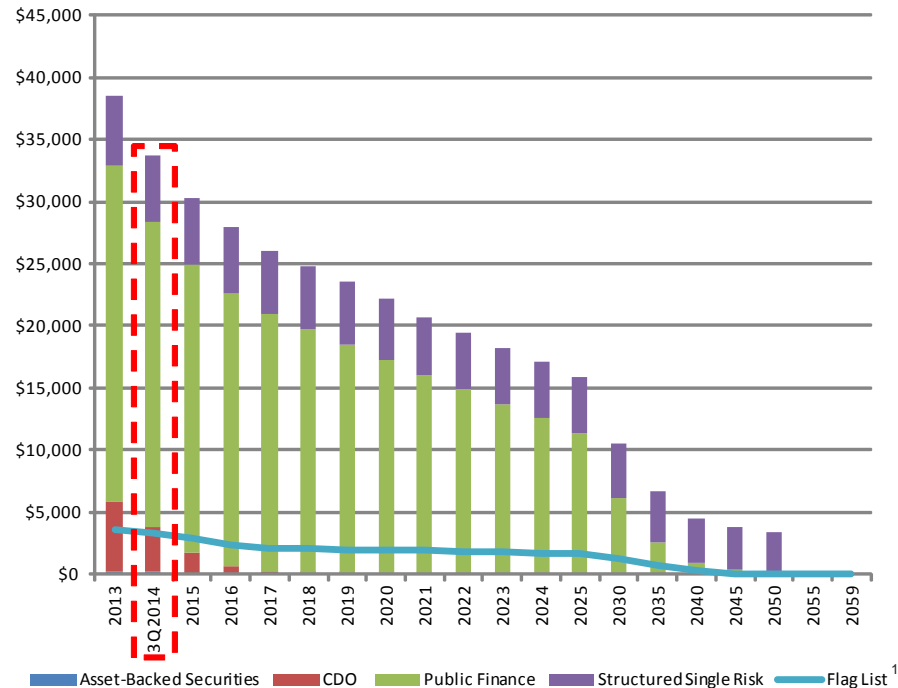
² Total exposure consists of a small junior lien tranche and a large senior lien tranche. Rating differential reflects the different lien status.

SGI & SCAI Portfolio Net Par Reduction by Business Area as of September 30, 2014

SGI Portfolio Net Par Runoff (in \$MM)



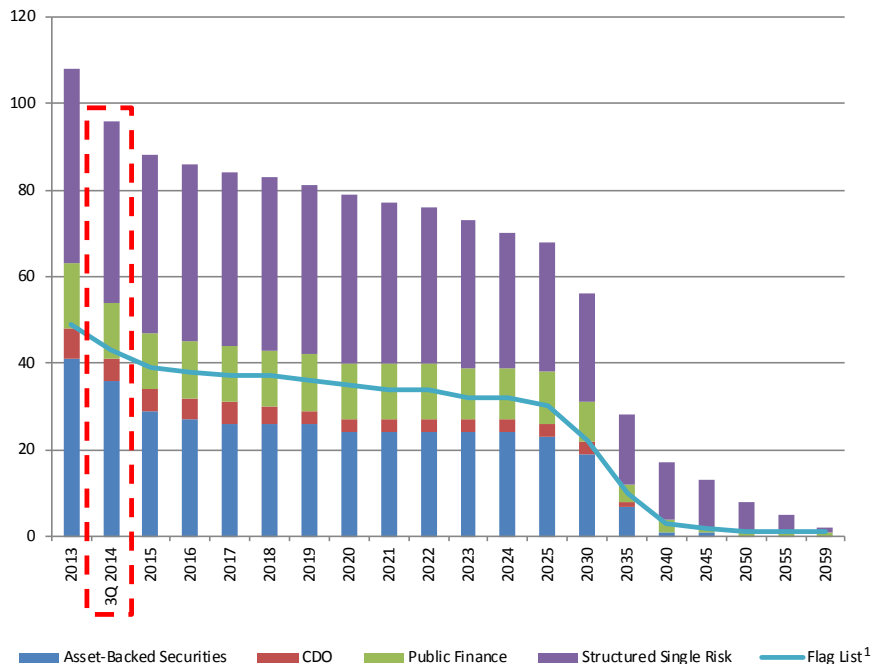
SCAI Portfolio Net Par Runoff (in \$MM)



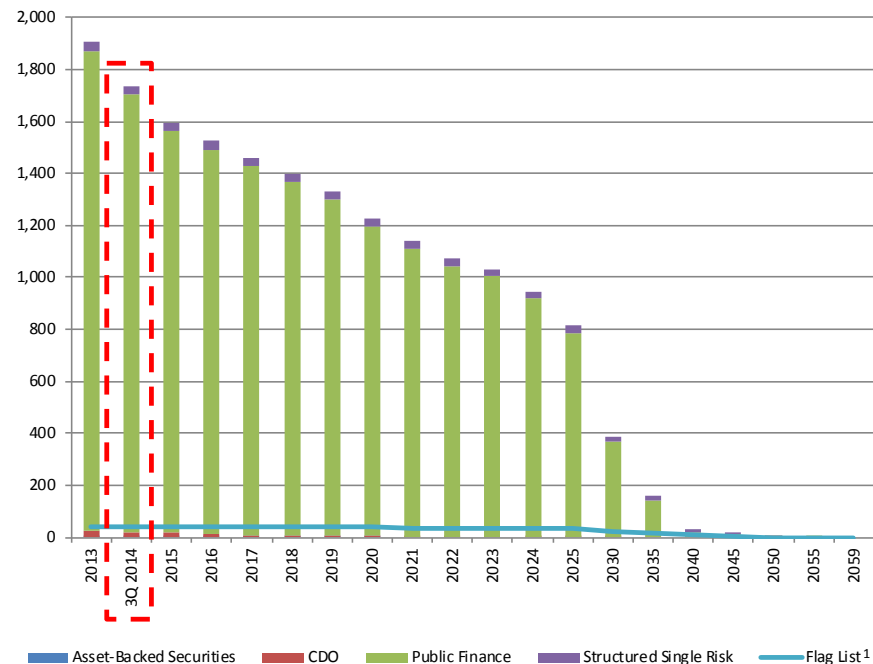
¹ Syncora's Flag List consists of all BIG credits plus credits on Syncora's Special Monitoring List. The Special Monitoring List is defined as those credits that are viewed as low investment grade where a material covenant or trigger may be breached and increased surveillance is warranted.

SGI & SCAI Credit Count Reduction by Business Area as of September 30, 2014

SGI Portfolio Credit Count Runoff

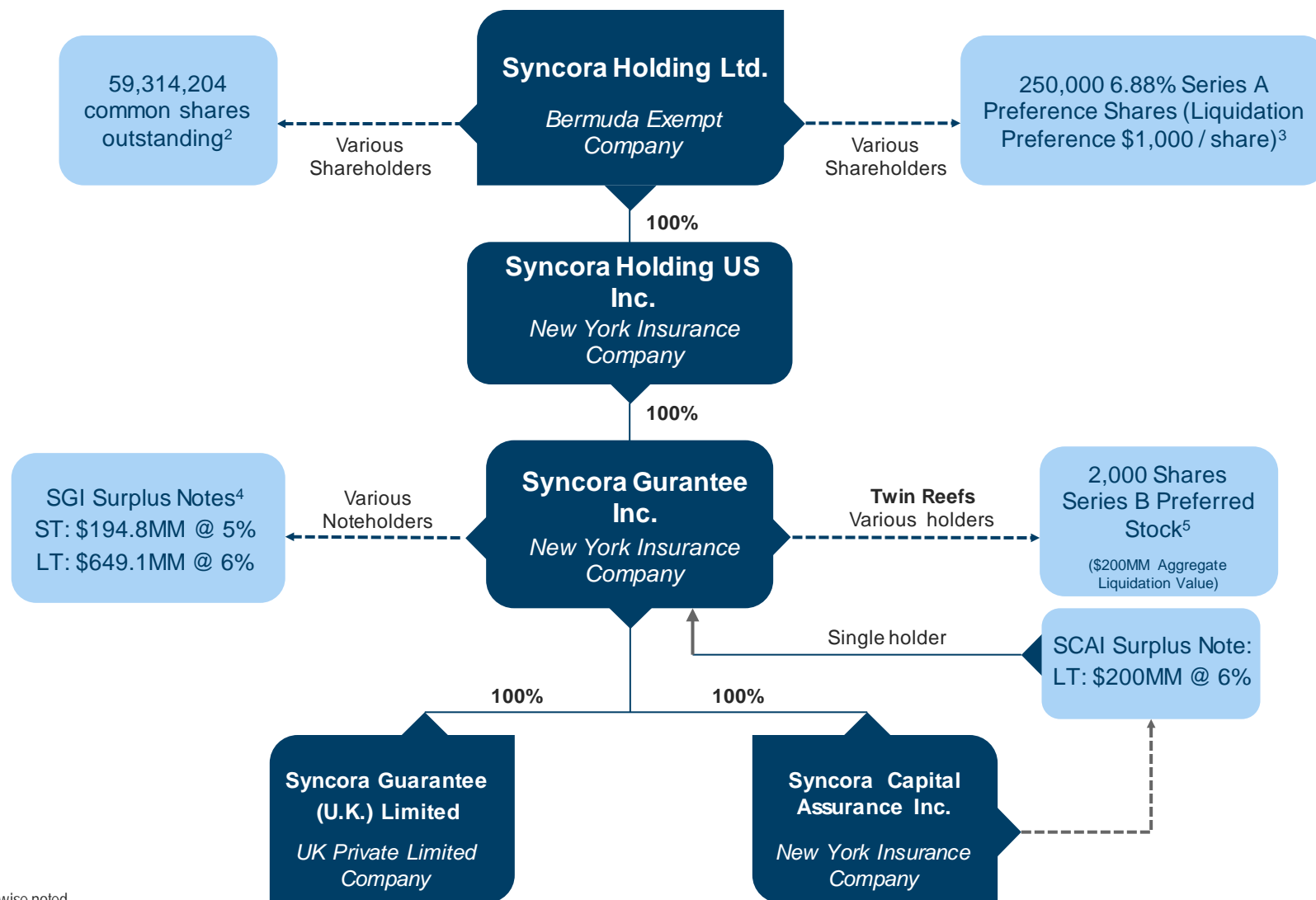


SCAI Portfolio Credit Count Runoff



¹ Syncora's Flag List consists of all BIG credits plus credits on Syncora's Special Monitoring List. The Special Monitoring List is defined as those credits that are viewed as low investment grade where material breach of a covenant or trigger may be breached and increased surveillance is warranted.

Structural Constraints: Simplified Corporate Capital Structure as of September 30, 2014¹



¹ Unless otherwise noted.

² Syncora Guarantee Inc. received 3,044,588 common shares in connection with the Bank of America/Countrywide settlement in 2012.

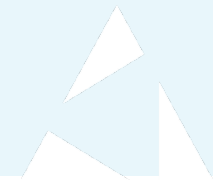
³ Syncora Guarantee Inc. obtained the right to receive and vote 84,584 SHL Series A preference shares in connection with the Bank of America/Countrywide settlement in 2012 (transfer remains subject to regulatory approval).

⁴ Syncora Guarantee Inc. received \$19,240,000 of short term surplus notes and \$21,426,000 of long term surplus notes in connection with the Bank of America/Countrywide settlement in 2012.

⁵ Syncora Guarantee Inc. received \$65,474,000 in par value of Twin Reefs preferred shares in connection with the Bank of America/Countrywide settlement in 2012 (liquidation preference \$100,000/share).

Overview of Syncora Holdings Ltd.

Selected Risks & Uncertainties



Holding company has limited liquidity and lack of access to funding

Structural subordination of Series A Preference Shares and common shares

Securities have limited trading market

- Common shares trade on pink sheets
- 5% bye-law restriction on trading
- Acquiring control of SHL (presumed at 10% or more of voting power) subject to consent of the NYDFS

Utilization of NOLs may be limited in event of a change in control

Overview of SGI Selected Risks & Uncertainties



Adverse development

- Flag list credits
- Other areas of concern

Potential liquidity mismatch

- Known large claims
- Heightened risk of material claims on one credit
- Potential for material claims on other currently performing credits
- Uncertainty in receipt and timing of expected recoveries

Payment on SGI surplus notes and SGI preference shares

- NYDFS discretion
- Process
- Considerations
- Priority

Litigation uncertainties

- Outcome
- Collectability

Overview of SCAI Selected Risks & Uncertainties

Adverse development

- Flag list credits
- Other areas of concern

Municipal Exposure

- Detroit and Puerto Rico
- General trends

Surplus Challenges

- Continued downward pressure
- Limited ability to obtain additional affiliate support

Payments on SCAI Surplus Note

- NYDFS discretion
- Considerations

Syncora Structural Constraints: MTA II

In connection with its 2009 comprehensive restructuring, Syncora entered into a Master Transaction Agreement, which prohibits certain Syncora parties from taking certain actions without consent of the requisite percentage of SCAI swap counterparties and SGI surplus noteholders. Below is a summary of some of those key constraints:

Operations	Intercompany Transactions	Financing	Distributions
<ul style="list-style-type: none">• Writing new insurance business• Disposition of all or any material portion of assets• Reinsurance of all or a material portion of Syncora's public finance portfolio	<ul style="list-style-type: none">• Entering into new agreements or amending existing agreements, including the tax sharing agreement• Entering into certain related party transactions	<ul style="list-style-type: none">• Disposition of SGI's rights with respect to SCAI's surplus notes• Incurring indebtedness and other material voluntary obligations (subject to certain exceptions)	<ul style="list-style-type: none">• Making any payments to holders of surplus notes except on the same terms and on a pro rata basis• Payment of dividends

Syncora Structural Constraints: Regulatory¹

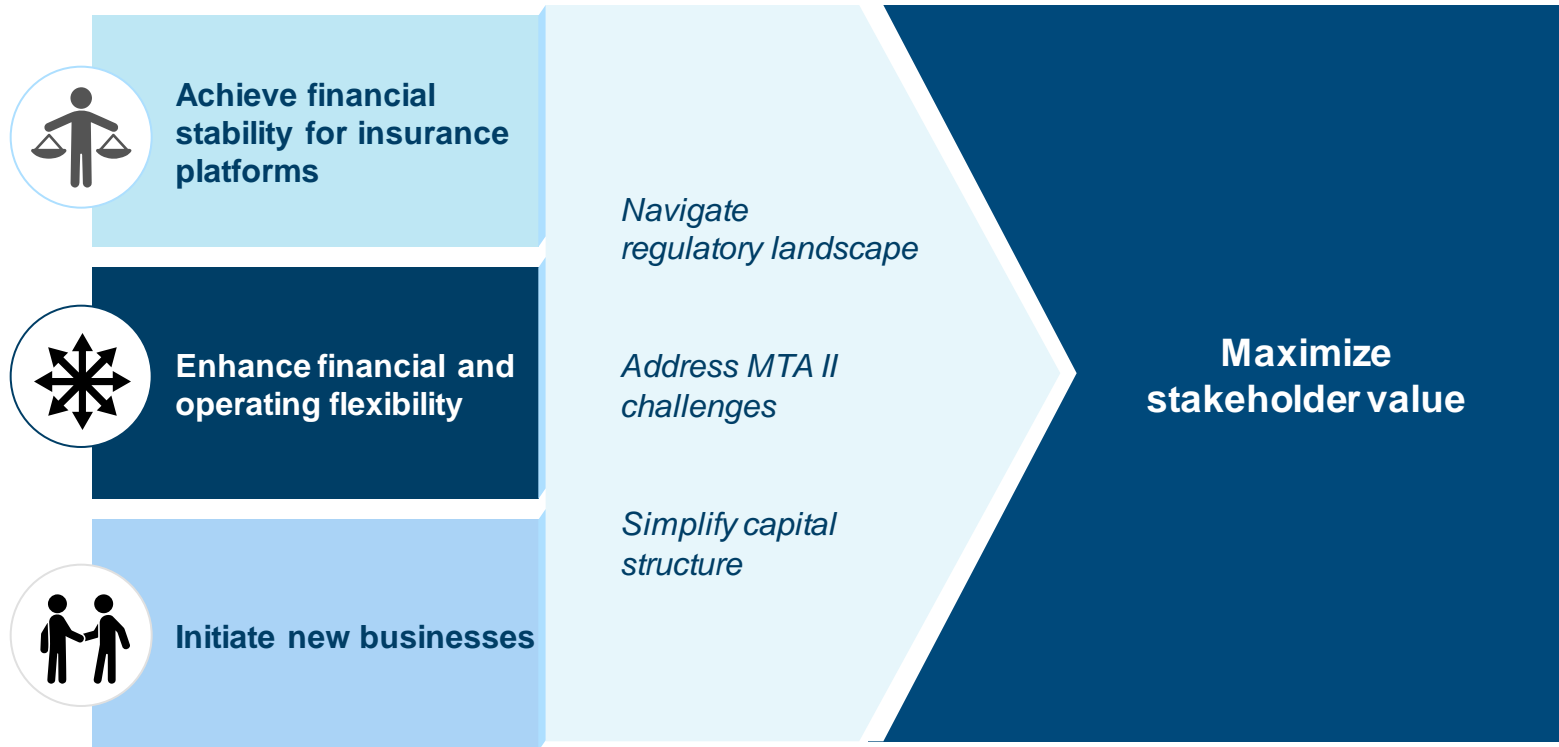
Similar to other insurance companies licensed in New York State, SGI and SCAI are each regulated by and subject to the rules and regulations of the NYDFS, which require approval of the NYDFS (or prior notice and non-disapproval thereof) in order to take certain actions, including, without limitation:

Operations	Intercompany Transactions	Financing	Distributions
<ul style="list-style-type: none">• Employing certain statutory accounting measures (i.e. permitted practices)	<ul style="list-style-type: none">• Entering into affiliate transactions• Amending the Tax Sharing Agreement• Amending the General Services Agreement	<ul style="list-style-type: none">• Making certain investments• Standard restrictions on borrowings and liens	<ul style="list-style-type: none">• Making payments on surplus notes• Paying dividends

¹ The operating insurance companies are also subject to regulatory requirements in various other states (including California) and in the United Kingdom (SGI and SG U.K.)

Strategic Goals

Syncora continues to explore strategic options, with the primary goals of stabilizing and reducing risk to the insurance platforms and maximizing value for all stakeholders.



Strategic Goals: Criteria and Considerations



Syncora has developed key criteria and considerations for evaluating strategic initiatives:

Comply with regulatory and contractual constraints

Activities do not distract from de-risking and stabilization initiatives

Sustainable source of economic and strategic value for Syncora stakeholders

Consistent with core competencies

Maximize utilization and value of Syncora's NOL and other assets

Reduce or support future operating costs to the insurance entities

Strategic Goals: Target Timeline

Syncora's strategic goals have 3 key interrelated components.

Ongoing

Continue to de-risk and stabilize insurance platform

2015

Explore options to eliminate key financial and operating constraints

2015-2016

Explore / Pursue new business opportunities

The background features a light blue gradient on the left side, transitioning into a solid light blue area on the right. Overlaid on this are several white geometric shapes: a large triangle pointing upwards in the top right, a smaller triangle pointing downwards in the middle right, and a vertical rectangle on the far right. The bottom of the slide is a solid white area.

Concluding Remarks