

International Fidelity Insurance Company

One Newark Center – 20th Floor

Newark NJ 07102

(973) 624 7200

www.ific.com



ANNOUNCEMENT

September 24, 2007

Newark, NJ

Daniel J. Mitterhoff is elected as Vice Chairman of the Board of Directors for International Fidelity Insurance Company.

By election of the Board of Directors, Daniel J. Mitterhoff has been appointed Vice-Chairman of International Fidelity Insurance Company. Previously, Mr. Mitterhoff was a director of the company. Mr. Mitterhoff also serves as the company's Vice-President for Industry and Governmental Affairs. He will continue his responsibilities in this capacity.

Mr. Mitterhoff received a Bachelor of Arts in Government from Skidmore College. Thereafter, in 1988, he received his JD degree from the Washington College of Law. In 1992 he received a Master of Arts in Law and International Service. In 1999, Mr. Mitterhoff received his LL.M. degree from Columbia University School of Law. He is a member of the Bar in the State of Maryland, State of New Jersey, District of Columbia and the U.S. Court of Federal Claims.

Mr. Mitterhoff was Managing Partner for the Washington, D.C. based law firm specializing in surety of Mitterhoff & Henrichsen for ten years. In September 2000, he left the practice of law to devote himself to his work at International Fidelity Insurance Company, as well as his interest in teaching government procurement and construction law and advocating for the establishment of a functional contract surety bond system in China.

Fred Mitterhoff, IFIC's Chairman, President and CEO states: "As a father I could not be more proud of Danny's academic credentials and accomplishments. As Chairman and a shareholder of IFIC I could not be more assured to have his advice and assistance in overseeing our company's interests from a board perspective. This appointment establishes a measure of continuity and depth at the leadership level on the company's board that is needed. IFIC is also fortunate to have Danny in the role of Vice President as the company's liaison of industry and governmental affairs. He has a great deal to offer the surety bond industry in that role."

Danny Mitterhoff states: "I am excited about the future of the company. In my new role, I look forward to working with my father and the management team he has put together. The company has never been better positioned than it is now for long-term success. The most important thing for the company is to continue to provide value to our agents by being a consistent surety market so that our business with them continues to grow."

About International Fidelity Insurance Company

IFIC is the largest independent writer of surety in the United States. With over \$96 million in profitable 2006 writings, the company is dedicated to the independent agency system specializing in surety through its network of 22 Regional Profit Centers. The company's 2006 year-end statutory statement reported over \$73 million in capital & surplus on a debt-free balance sheet.

The company's mission is: "...to be a leading, dynamic middle market surety that consistently delivers the required return on investment to its shareholders by providing long-term rewarding relationships with its employees, agents and reinsurers..."