

XL Capital Assurance Inc.1221 Avenue of the Americas
New York, NY 10020-1001

Phone: (212) 478-3400

Fax: (212) 478-3587

NEWS RELEASE

IMMEDIATE

Contact: Mitch Karig
Media Relations
(212) 478-3460
mkarig@xlca.com

XLCA GUARANTEES \$500 MILLION FINANCING FOR AVIS RENT A CAR

New York, October 23, 2003 – XL Capital Assurance Inc. (XLCA) announced today that it has issued a triple-A rated financial guarantee in connection with a \$500 million rental fleet securitization for Avis Rent A Car System, Inc. (Avis). This is XLCA's second guarantee of an Avis financing this year.

Proceeds from the transaction, AESOP Funding II LLC, Series 2003-5, will fund the acquisition and financing of vehicles for Avis's rental fleet operations in the United States. The transaction was privately placed under Rule 144A by joint leads Barclays Capital and Citigroup.

"The success of our previous financing led us to work again with XLCA, and we are very pleased with our relationship," stated Duncan Cocroft, Executive Vice President and Treasurer of Cendant Corp.

"The two-tranche deal was well-received in a market with a lot of competing supply," said Fouad Onbargi, Director, Asset Securitization at Barclays Capital. "We welcomed this opportunity to work again with XLCA on the AESOP program."

Richard G. Pfaltzgraff, XLCA Managing Director and head of the Commercial Asset Securitization Group, said, "We look forward to doing more business with Avis and Cendant." Shailesh S. Deshpande, a Director in XLCA's Commercial Asset Securitization Group, said, "We value our growing relationship with Avis and Cendant."

Avis is one of the largest car rental brands in the world, based on total revenue and number of rental locations; it is an indirect wholly owned subsidiary of Cendant Corporation.

XLCA, rated triple-A by Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings, is a New York-domiciled financial guarantee insurer that specializes in commercial and consumer asset securitization, structured investment products, power & utilities, global infrastructure, future flow securitization, U.S. public finance, and bank deposit insurance. XLCA is an indirect, wholly owned subsidiary of XL Capital Ltd (NYSE: XL), which, through its operating subsidiaries, is a leading provider of insurance and reinsurance coverages and financial products to industrial, commercial and professional service firms, insurance companies and other enterprises on a worldwide basis.

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