



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2011
OF THE CONDITION AND AFFAIRS OF THE
ASSURED GUARANTY MUNICIPAL CORP.

NAIC Group Code 0194, NAIC Company Code 18287, Employer's ID Number 13-3250292
Organized under the Laws of New York, State of Domicile or Port of Entry New York
Country of Domicile United States
Incorporated/Organized 03/16/1984, Commenced Business 09/23/1985
Statutory Home Office 31 West 52nd St., New York, NY 10019
Main Administrative Office 31 West 52nd St., New York, NY 10019
Mail Address 31 West 52nd St., New York, NY 10019
Primary Location of Books and Records 31 West 52nd St., New York, NY 10019
Internet Website Address www.assuredguaranty.com
Statutory Statement Contact Luz Trinidad Vivas, 212-339-3492
Lvivas@assuredguaranty.com, 213-339-3589

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Includes Dominic John Frederico (President and Chief Executive Officer), Donald Hal Paston (Treasurer), James Michael Michener (Secretary and General Counsel).

OTHER OFFICERS

Table with 4 columns: Name, Title, Name, Title. Includes Howard Wayne Albert (Chief Risk Officer), Laura Ann Bieling # (Controller), Stephen Donnarumma # (Chief Credit Officer), John Mahlon Ringler (Assistant Vice President Regulatory Reporting), Robert Adam Bailenson # (Chief Financial Officer), Russell Brown Brewer II # (Chief Surveillance Officer), Robert Bruce Mills (Chief Operating Officer), Benjamin Gad Rosenblum (Chief Actuary).

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Includes Wayne Howard Albert, Gon Ling Chow #, James Michael Michener, Bruce Elliot Stern, Robert Adam Bailenson, Stephen Donnarumma, Robert Bruce Mills, Richard James Bauerfeld, Dominic John Frederico, Donald Hal Paston, Russell Brown Brewer II, Philip Richard Kastellec #, Andrew Hoyt Pickering.

State of New York
County of New York ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Signatures of Dominic John Frederico (President), James Michael Michener (Secretary), and Donald Hal Paston (Treasurer).

Subscribed and sworn to before me this 23rd day of Feb. 2011
Luz T. Vivas
Notary Public, State of New York
No. 01VI-4957324
Qualified in New York County
Commission Expires October 16, 2013

- a. Is this an original filing? Yes [] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	2,778,465,903		2,778,465,903	2,669,682,889
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	626,259,355		626,259,355	455,553,043
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$45,866,041 , Schedule E - Part 1), cash equivalents (\$141,163,063 , Schedule E - Part 2) and short-term investments (\$132,727,769 , Schedule DA).....	319,756,872		319,756,872	553,733,365
6. Contract loans (including \$ premium notes).....				
7. Derivatives (Schedule DB).....				
8. Other invested assets (Schedule BA)	337,082,440		337,082,440	318,028,257
9. Receivables for securities	3,917,525		3,917,525	20
10. Securities lending reinvested collateral assets (Schedule DL).....				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	4,065,482,095		4,065,482,095	3,996,997,574
13. Title plants less \$ charged off (for Title insurers only).....				
14. Investment income due and accrued	32,204,912		32,204,912	32,587,539
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	36,748,747	12,372,276	24,376,471	32,957,224
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....				
15.3 Accrued retrospective premiums.....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	80,859,470		80,859,470	71,120,698
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	123,015,209		123,015,209	
18.2 Net deferred tax asset.....	141,222,600	88,784,566	52,438,034	89,781,433
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software.....	44,728	41,094	3,634	80,375
21. Furniture and equipment, including health care delivery assets (\$)	16,625,397	16,625,397		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	2,756,481	1,018,346	1,738,135	11,454,594
24. Health care (\$) and other amounts receivable.....				
25. Aggregate write-ins for other than invested assets	9,020,343	3,514,597	5,505,746	2,337,048
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	4,507,979,982	122,356,276	4,385,623,706	4,237,316,485
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
28. Total (Lines 26 and 27)	4,507,979,982	122,356,276	4,385,623,706	4,237,316,485
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)				
2501. Miscellaneous Receivables.....	4,969,252	366,210	4,603,042	37,239
2502. Prepaid Expenses.....	2,487,736	2,487,736		
2503. Other Assets.....	1,563,355	660,651	902,704	2,299,809
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	9,020,343	3,514,597	5,505,746	2,337,048

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	198,617,696	282,020,606
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	13,423,865	5,439,837
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	19,051,620	17,894,540
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	3,606,569	4,739,101
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		113,324,490
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$1,683,001,568 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	1,398,563,863	1,482,036,901
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	33,206,349	60,707,138
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	103,089,601	114,517,696
14. Amounts withheld or retained by company for account of others	11,624	13,169
15. Remittances and items not allocated		
16. Provision for reinsurance (Schedule F, Part 7)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	16,763,797	53,412,067
20. Derivatives		
21. Payable for securities	8,110,296	
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	1,381,874,444	1,176,171,782
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	3,176,319,724	3,310,277,327
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	3,176,319,724	3,310,277,327
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	15,000,000	15,000,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	175,000,000	225,000,000
34. Gross paid in and contributed surplus	776,884,430	776,884,430
35. Unassigned funds (surplus)	242,419,552	(89,845,272)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	1,209,303,982	927,039,158
38. Totals (Page 2, Line 28, Col. 3)	4,385,623,706	4,237,316,485
DETAILS OF WRITE-INS		
2501. Contingency Reserve	1,238,030,526	1,034,236,675
2502. Miscellaneous Liability	143,843,918	141,935,107
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,381,874,444	1,176,171,782
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	233,597,019	226,875,900
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	(97,014,987)	98,954,138
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	28,500,590	8,640,005
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	53,003,750	48,828,968
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	(15,510,647)	156,423,111
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	249,107,666	70,452,789
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	152,504,681	140,774,585
10. Net realized capital gains (losses) less capital gains tax of \$1,181,520 (Exhibit of Capital Gains (Losses)).....	(49,295,212)	(19,328,205)
11. Net investment gain (loss) (Lines 9 + 10)	103,209,469	121,446,380
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income	(84,182,344)	72,673,501
15. Total other income (Lines 12 through 14)	(84,182,344)	72,673,501
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	268,134,791	264,572,670
17. Dividends to policyholders		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	268,134,791	264,572,670
19. Federal and foreign income taxes incurred	(130,402,819)	14,269,215
20. Net income (Line 18 minus Line 19) (to Line 22)	398,537,610	250,303,455
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	927,039,158	854,201,578
22. Net income (from Line 20)	398,537,610	250,303,455
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	170,505,677	53,366,805
25. Change in net unrealized foreign exchange capital gain (loss)	364,258	5,027,193
26. Change in net deferred income tax	(186,963,162)	(11,076,201)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	154,312,731	(13,222,830)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
29. Change in surplus notes	(50,000,000)	(50,000,000)
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in		
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(204,492,290)	(161,560,842)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	282,264,824	72,837,580
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	1,209,303,982	927,039,158
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)		
1401. Miscellaneous Income	(84,182,344)	72,673,501
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(84,182,344)	72,673,501
3701. Change in Contingency Reserve	(203,793,851)	(179,067,047)
3702. Change in net unrealized on other assets	(722,285)	(522,052)
3703. Other Adjustment	23,846	
3798. Summary of remaining write-ins for Line 37 from overflow page		18,028,257
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(204,492,290)	(161,560,842)

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	131,226,475	174,301,732
2. Net investment income	130,776,247	150,549,382
3. Miscellaneous income	(84,182,344)	72,673,501
4. Total (Lines 1 through 3)	177,820,378	397,524,615
5. Benefit and loss related payments	(3,873,305)	415,091,779
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	73,912,160	70,598,450
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	107,118,400	55,451,297
10. Total (Lines 5 through 9)	177,157,255	541,141,526
11. Net cash from operations (Line 4 minus Line 10)	663,123	(143,616,911)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,027,948,345	718,058,214
12.2 Stocks		1,731,397
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	29,366	1,111,089
12.7 Miscellaneous proceeds	4,889,396	4,856,078
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,032,867,107	725,756,778
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,162,679,312	293,262,923
13.2 Stocks	200,629	1,145,309
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets	19,054,183	18,028,257
13.6 Miscellaneous applications		22
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,181,934,124	312,436,511
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(149,067,017)	413,320,267
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	(50,000,000)	(50,000,000)
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(35,572,598)	72,852,907
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(85,572,598)	22,852,907
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(233,976,492)	292,556,263
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	553,733,365	261,177,102
19.2 End of year (Line 18 plus Line 19.1)	319,756,873	553,733,365

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty	150,820,593	1,482,036,901	1,398,563,863	233,597,019
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence				
17.2 Other liability - claims-made				
17.3 Excess workers' compensation				
18.1 Products liability - occurrence				
18.2 Products liability - claims-made				
19.1,19.2 Private passenger auto liability				
19.3,19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance - nonproportional assumed property				
32. Reinsurance - nonproportional assumed liability				
33. Reinsurance - nonproportional assumed financial Lines				
34. Aggregate write-ins for other lines of business				
35. TOTALS	150,820,593	1,482,036,901	1,398,563,863	233,597,019
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)				

column 4 does not equal column 1+2-3 due to foreign currency fluctuations

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire					
2. Allied lines					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5. Commercial multiple peril					
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine					
10. Financial guaranty		1,398,563,863			1,398,563,863
11.1 Medical professional liability - occurrence					
11.2 Medical professional liability - claims-made					
12. Earthquake					
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health					
16. Workers' compensation					
17.1 Other liability - occurrence					
17.2 Other liability - claims-made					
17.3 Excess workers' compensation					
18.1 Products liability - occurrence					
18.2 Products liability - claims-made					
19.1,19.2 Private passenger auto liability					
19.3,19.4 Commercial auto liability					
21. Auto physical damage					
22. Aircraft (all perils)					
23. Fidelity					
24. Surety					
26. Burglary and theft					
27. Boiler and machinery					
28. Credit					
29. International					
30. Warranty.....					
31. Reinsurance - nonproportional assumed property ..					
32. Reinsurance - nonproportional assumed liability ..					
33. Reinsurance - nonproportional assumed financial lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS		1,398,563,863			1,398,563,863
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Lines 35 through 37)					1,398,563,863
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498. Sum. of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)					

(a) State here basis of computation used in each case . pro rata based on expiration of risk.....

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire						
2. Allied lines						
3. Farmowners multiple peril						
4. Homeowners multiple peril						
5. Commercial multiple peril						
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine						
10. Financial guaranty	314,883,660	25,755,325	449,404	165,092,329	25,175,467	150,820,593
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake						
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation						
17.1 Other liability - occurrence						
17.2 Other liability - claims-made						
17.3 Excess workers' compensation						
18.1 Products liability - occurrence						
18.2 Products liability - claims-made						
19.1,19.2 Private passenger auto liability						
19.3,19.4 Commercial auto liability						
21. Auto physical damage						
22. Aircraft (all perils)						
23. Fidelity						
24. Surety						
26. Burglary and theft						
27. Boiler and machinery						
28. Credit						
29. International						
30. Warranty						
31. Reinsurance - nonproportional assumed property	XXX					
32. Reinsurance - nonproportional assumed liability	XXX					
33. Reinsurance - nonproportional assumed financial lines	XXX					
34. Aggregate write-ins for other lines of business						
35. TOTALS	314,883,660	25,755,325	449,404	165,092,329	25,175,467	150,820,593
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Sum. of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)						

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [X] No []

If yes: 1. The amount of such installment premiums \$145,656,655

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$145,656,655

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire								
2. Allied lines								
3. Farmowners multiple peril								
4. Homeowners multiple peril								
5. Commercial multiple peril								
6. Mortgage guaranty								
8. Ocean marine								
9. Inland marine								
10. Financial guaranty	(50,942,933)		(37,330,856)	(13,612,077)	198,617,696	282,020,606	(97,014,987)	(41.5)
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake								
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation								
17.1 Other liability - occurrence								
17.2 Other liability - claims-made								
17.3 Excess workers' compensation								
18.1 Products liability - occurrence								
18.2 Products liability - claims-made								
19.1,19.2 Private passenger auto liability								
19.3,19.4 Commercial auto liability								
21. Auto physical damage								
22. Aircraft (all perils)								
23. Fidelity								
24. Surety								
26. Burglary and theft								
27. Boiler and machinery								
28. Credit								
29. International								
30. Warranty								
31. Reinsurance - nonproportional assumed property	XXX							
32. Reinsurance - nonproportional assumed liability	XXX							
33. Reinsurance - nonproportional assumed financial lines	XXX							
34. Aggregate write-ins for other lines of business								
35. TOTALS	(50,942,933)		(37,330,856)	(13,612,077)	198,617,696	282,020,606	(97,014,987)	(41.5)
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498. Sum. of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)								

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire									
2. Allied lines									
3. Farmowners multiple peril									
4. Homeowners multiple peril									
5. Commercial multiple peril									
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine									
10. Financial guaranty	398,061,850	24,472,077	223,916,231	198,617,696				198,617,696	13,423,865
11.1 Medical professional liability - occurrence									
11.2 Medical professional liability - claims-made									
12. Earthquake									
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)								(a)	
15. Other accident and health									
16. Workers' compensation									
17.1 Other liability - occurrence									
17.2 Other liability - claims-made									
17.3 Excess workers' compensation									
18.1 Products liability - occurrence									
18.2 Products liability - claims-made									
19.1,19.2 Private passenger auto liability									
19.3,19.4 Commercial auto liability									
21. Auto physical damage									
22. Aircraft (all perils)									
23. Fidelity									
24. Surety									
26. Burglary and theft									
27. Boiler and machinery									
28. Credit									
29. International									
30. Warranty									
31. Reinsurance - nonproportional assumed property	XXX				XXX				
32. Reinsurance - nonproportional assumed liability	XXX				XXX				
33. Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34. Aggregate write-ins for other lines of business									
35. TOTALS	398,061,850	24,472,077	223,916,231	198,617,696				198,617,696	13,423,865
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3498.	Sum. of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)								

(a) Including \$ for present value of life indemnity claims.

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UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	47,393,219			47,393,219
1.2 Reinsurance assumed				
1.3 Reinsurance ceded	18,892,629			18,892,629
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	28,500,590			28,500,590
2. Commission and brokerage:				
2.1 Direct, excluding contingent				
2.2 Reinsurance assumed, excluding contingent		7,545,973		7,545,973
2.3 Reinsurance ceded, excluding contingent		45,231,019		45,231,019
2.4 Contingent-direct				
2.5 Contingent-reinsurance assumed				
2.6 Contingent-reinsurance ceded				
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		(37,685,046)		(37,685,046)
3. Allowances to manager and agents				
4. Advertising		2,354,249		2,354,249
5. Boards, bureaus and associations		4,050		4,050
6. Surveys and underwriting reports		4,355,578		4,355,578
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries		35,649,489		35,649,489
8.2 Payroll taxes		1,252,879		1,252,879
9. Employee relations and welfare		2,741,718		2,741,718
10. Insurance		579,887		579,887
11. Directors' fees				
12. Travel and travel items		1,388,647		1,388,647
13. Rent and rent items		4,538,263		4,538,263
14. Equipment		2,430,918		2,430,918
15. Cost or depreciation of EDP equipment and software		726,407		726,407
16. Printing and stationery		231,110		231,110
17. Postage, telephone and telegraph, exchange and express		391,649		391,649
18. Legal and auditing		4,744,532		4,744,532
19. Totals (Lines 3 to 18)		61,389,376		61,389,376
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		7,450,830		7,450,830
20.2 Insurance department licenses and fees		107,828		107,828
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		7,558,658		7,558,658
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses		21,740,762	2,931,529	24,672,291
25. Total expenses incurred	28,500,590	53,003,750	2,931,529 (a)	84,435,869
26. Less unpaid expenses - current year	13,423,865	21,577,180	1,081,009	36,082,054
27. Add unpaid expenses - prior year	5,439,837	21,969,028	664,613	28,073,478
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	20,516,562	53,395,598	2,515,133	76,427,293
DETAILS OF WRITE-INS				
2401. Investment Management Expense.....			2,931,529	2,931,529
2402. Bank Fees.....		14,620,692		14,620,692
2403. Outside Service Fees.....		1,656,529		1,656,529
2498. Summary of remaining write-ins for Line 24 from overflow page		5,463,541		5,463,541
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)		21,740,762	2,931,529	24,672,291

(a) Includes management fees of \$0 to affiliates and \$2,931,529 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 2,207,799	1,665,602
1.1 Bonds exempt from U.S. tax	(a) 98,466,993	98,584,928
1.2 Other bonds (unaffiliated)	(a) 39,891,643	39,834,974
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 252,402	350,706
7. Derivative instruments	(f)	
8. Other invested assets	15,000,000	15,000,000
9. Aggregate write-ins for investment income		
10. Total gross investment income	155,818,837	155,436,210
11. Investment expenses		(g) 2,931,529
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		2,931,529
17. Net investment income (Line 10 minus Line 16)		152,504,681
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)		
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		

- (a) Includes \$ 30,047,077 accrual of discount less \$ 7,519,620 amortization of premium and less \$ 3,985,354 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ 80,332 accrual of discount less \$ 126,933 amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ 2,931,529 investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5. Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	2,480,344		2,480,344		
1.1 Bonds exempt from U.S. tax	(625,688)	(1,867,411)	(2,493,099)		
1.2 Other bonds (unaffiliated)	1,115,124	(49,577,781)	(48,462,657)		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)				(380,252)	(3,138)
2.21 Common stocks of affiliates				170,889,073	
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments	11,060	350,660	361,720		(332,355)
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	2,980,840	(51,094,532)	(48,113,692)	170,508,821	(335,493)
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA).....			
6. Contract loans			
7. Derivatives (Schedule DB).....			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL).....			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only).....			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	12,372,276	12,394,806	22,530
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			
15.3 Accrued retrospective premiums.....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset.....	88,784,566	238,404,329	149,619,763
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software.....	41,094	332,421	291,327
21. Furniture and equipment, including health care delivery assets.....	16,625,397	17,852,365	1,226,968
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates	1,018,346	1,122,370	104,024
24. Health care and other amounts receivable.....			
25. Aggregate write-ins for other than invested assets	3,514,597	6,562,716	3,048,119
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	122,356,276	276,669,007	154,312,731
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	122,356,276	276,669,007	154,312,731
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)			
2501. Miscellaneous Receivables.....	366,210	1,973,769	1,607,559
2502. Prepaid Expenses.....	2,487,736	3,928,296	1,440,560
2503. Other Assets.....	660,651	660,651	
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	3,514,597	6,562,716	3,048,119

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Practices

A. Accounting Practices

The financial statements of Assured Guaranty Municipal Corp., (the "Company" or "AGM") are presented on the basis of accounting practices prescribed or permitted by the New York Insurance Department ("NYID"). The New York Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of New York for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the New York Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures* manual ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of New York. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

A reconciliation of the Company's net income and capital and surplus between practices prescribed and permitted by the New York Insurance Commissioner and NAIC SAP is shown below:

	2011	2010
Net Income (Loss), New York Basis	\$ 398,537,606	\$250,303,455
Net Income (Loss), NAIC SAP	\$ 398,537,606	\$250,303,455
Statutory Surplus, New York Basis	\$1,209,303,982	\$927,039,158
Effect of New York prescribed limitation under NYSID 1408		
Recorded as change in unrealized on investment in subsidiaries	12,140,377	0
Statutory Surplus, NAIC SAP	\$1,221,444,359	\$927,039,158

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles prescribed or permitted by the State of New York requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the statutory financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

All premiums are earned as the related principal and interest expires. Generally, premiums are received either in full at contract inception or in installments over the life of the covered risk. For purposes of earnings recognition, premiums received at contract inception are earned in direct proportion to the payment of debt service. Installment premiums are typically earned on a monthly pro-rata basis over the installment period.

In addition, the company uses the following accounting policies:

1. Short-term investments and cash equivalents are stated at amortized cost.
2. Investments in long-term bonds not backed by other loans with a NAIC designation of 1 or 2 are stated at amortized cost. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized cost or fair value. For purposes of computing amortized cost, premiums and discounts are accounted for using the effective interest method. For bonds purchased at a price below par value, discounts are accreted over the remaining term of the bond. For bonds purchased at a price above par value, which have call features, premiums are amortized on a yield to worst basis. For premium bonds that do not have call features, such premiums are amortized over the remaining terms of the bonds.

The Company purchased securities that it has insured, and for which it has loss reserves, in order to mitigate the economic effect of insured losses. These securities were purchased at a discount and are accounted for excluding the effects of the Company's insurance on the securities.
3. Common stocks are stated at market other than investment in stocks of subsidiaries which are carried on the equity basis, to the extent admissible.
4. The Company did not hold investments in preferred stock at December 31, 2011.
5. The Company did not hold investments in mortgage loans at December 31, 2011.
6. Loan-backed bonds are reported at amortized cost using the effective interest method. Changes in the estimated cash flows from the original purchase assumptions are accounted for using the retrospective method.
7. Investments in United States ("US") insurance subsidiaries are reported at their statutory book values in accordance with the statutory equity method and reduced by limitations as required under Section 1408 of New York Insurance Law. Investments in foreign insurance subsidiaries are reported at their audited US Generally Accepted Accounting Principles ("GAAP") equity adjusted to a statutory basis of accounting as provided for in paragraph 9 of SSAP 97.
8. The Company has no investments in joint ventures at December 31, 2011.
9. The Company did not have investments in derivatives as of December 31, 2011.
10. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53 – Property Casualty Contracts – Premiums.
11. Unpaid losses and loss adjustments expenses include an amount determined from individual case estimates and loss reports. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined. The Company has not written any policies which have been identified as having the potential for the existence of a liability due to asbestos or environmental losses.
12. The Company is required to establish a mandatory contingency reserve in accordance with NAIC SAP. The reserve amount is established by a charge to surplus for the protection of all policyholders equal to the sum of the following:
 - (i) For all policies written prior to July 1, 1989, an amount equal to 50% of cumulative earned premiums less permitted reductions; plus
 - (ii) For all policies written on or after July 1, 1989, an amount equal to the greater of 50% of premiums written for each category of insured obligation or a designated percent of principal guaranteed for that category. These amounts are provided each quarter as either 1/60th or 1/80th of the total required for each category, less permitted reductions.

NOTES TO FINANCIAL STATEMENTS

13. The Company has not modified its capitalization policy from the prior period.
14. The Company did not hold business dealings with pharmaceutical rebate receivables at December 31, 2011.
15. On November 6, 2011, the NAIC adopted SSAP No. 101, Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10, effective for reporting periods beginning on or after January 1, 2012. The Company is still in the process of calculating the overall impact.

2. Accounting Changes and Corrections of Errors

There were no material changes in accounting policy or correction of errors during 2011.

3. Business Combinations and Goodwill

The Company has not been a party to any business combinations taking the form of a statutory merger in 2011.

4. Discontinued Operations

The Company does not have any discontinued operations.

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - The Company did not hold investments in mortgage loans during 2011.
- B. Debt Restructuring - The Company has no investments in restructured debt in which the Company is a creditor during 2011.
- C. Reverse Mortgages - The Company did not hold reverse mortgages as investments during 2011.
- D. Loan-Backed Securities
 1. Prepayment assumptions for single class and multi-class residential/commercial asset backed securities were obtained from publicly available sources and internal models.
 2. The Company had no loan-backed securities with other-than-temporary impairments ("OTTI") due to either the intent to sell the securities or the inability or lack of intent to retain the securities.
 3. The following table summarizes other-than-temporary-impairments recorded for loan-backed securities which the Company still owns at the end of the year recorded based on the fact that the present value of projected cash flows expected to be collected was less than the amortized cost of the securities:

CUSIP	Amortized Cost Before Other-Than-Temporary Impairment	Present Value of Projected Cash Flows	Other-Than-Temporary Impairment	Amortized Cost After Other-Than-Temporary Impairment	Fair Value @ Time of OTTI	Date of Financial Statement Where Reported
576431-AC-4	949,727	632,523	317,204	632,523	325,803	3/31/2011
88157D-AB-3	1,544,545	1,331,842	212,703	1,331,842	722,170	3/31/2011
88157G-AA-8	2,583,430	1,958,839	624,591	1,958,839	1,075,843	3/31/2011
88157G-AB-6	2,102,403	1,809,288	293,115	1,809,288	865,405	3/31/2011
07401W-AP-4	8,593,991	7,641,096	952,895	7,641,096	1,075,988	6/30/2011
126682-AA-1	14,422,500	13,828,560	593,940	13,828,560	4,328,844	6/30/2011
126686-AH-7	9,504,109	9,396,451	107,658	9,396,451	2,808,174	6/30/2011
23242L-AB-9	17,661,236	16,154,125	1,507,111	16,154,125	5,537,130	6/30/2011
576431-AC-4	625,595	544,547	81,048	544,547	283,108	6/30/2011
88156V-AA-6	13,451,558	12,337,770	1,113,789	12,337,770	5,688,249	6/30/2011
88156V-AB-4	2,306,393	2,086,152	220,241	2,086,152	1,594,740	6/30/2011
88157D-AA-5	37,225,026	35,577,304	1,647,722	35,577,304	14,848,529	6/30/2011
88157G-AA-8	36,063,980	31,561,425	4,502,555	31,561,425	9,808,591	6/30/2011
88157G-AB-6	2,486,813	2,289,743	197,071	2,289,743	737,021	6/30/2011
07401W-AP-4	7,465,394	6,691,385	774,009	6,691,385	973,036	9/30/2011
126682-AA-1	12,983,539	12,802,704	180,835	12,802,704	3,640,380	9/30/2011
53957D-AC-7	59,938,003	47,204,394	12,733,609	47,204,394	35,080,752	9/30/2011
88157D-AB-3	5,135,040	4,194,205	940,835	4,194,205	1,974,576	9/30/2011
88157G-AA-8	31,195,466	30,623,039	572,427	30,623,039	9,248,168	9/30/2011
88157V-AC-1	929,092	795,531	133,561	795,531	701,139	9/30/2011
88157D-AA-5	35,744,109	33,063,579	2,680,530	33,063,579	12,797,425	9/30/2011
88157G-AB-6	2,235,604	2,225,413	10,191	2,225,413	743,190	9/30/2011
07401W-AP-4	6,605,733	5,538,670	1,067,063	5,538,670	846,274	12/31/2011

NOTES TO FINANCIAL STATEMENTS

126682-AA-1	12,699,292	12,174,790	524,502	12,174,790	3,490,558	12/31/2011
126686-AH-7	4,751,433	4,628,911	122,522	4,628,911	1,589,693	12/31/2011
23242L-AB-9	68,660,199	65,873,542	2,786,657	65,873,542	25,510,256	12/31/2011
53957D-AC-7	33,491,381	26,782,784	6,708,597	26,782,784	25,302,947	12/31/2011
576431-AC-4	478,442	333,815	144,627	333,815	196,000	12/31/2011
57645N-AD-2	10,342,284	9,876,156	466,128	9,876,156	8,899,655	12/31/2011
65538B-AH-2	1,574,255	1,222,732	351,523	1,222,732	687,530	12/31/2011
88156V-AA-6	10,780,537	9,850,988	929,549	9,850,988	5,567,853	12/31/2011
88157D-AA-5	56,348,085	53,241,762	3,106,323	53,241,762	23,236,351	12/31/2011
88157G-AA-8	32,342,092	29,641,441	2,700,650	29,641,441	11,146,304	12/31/2011
88157V-AC-1	799,210	538,165	261,044	538,165	718,831	12/31/2011
Total	544,020,494	494,453,672	49,566,825	494,453,672	222,050,512	

4. The following summarizes gross unrealized investment losses on loan-backed securities by the length of time that securities have continuously been in an unrealized loss position.

	Less than 12 months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Other Loan Backed & Structured Securities	\$ ---	\$ ---	\$ 1,024,800	\$ (7,281)	\$ 1,024,800	\$ (7,281)
Residential Mortgage Backed Securities	\$165,211,949	\$(85,971,829)	\$24,366,515	\$(31,795,223)	\$189,578,464	\$(117,767,053)
Total	\$165,211,949	\$(85,971,829)	\$25,391,315	\$(31,802,504)	\$190,603,264	\$(117,774,334)

5. All loan-backed securities in an unrealized loss position were reviewed to determine whether an other-than-temporary impairment should be recognized. For those securities in an unrealized loss position as of December 31, 2011, the Company has not made a decision to sell any such securities. The Company has evaluated its cash flow requirements and believes that its liquidity is adequate and it will not be required to sell these securities before recovery of their cost basis. This unrealized loss is primarily attributable to the market illiquidity and volatility in the U.S. economy and not specific to individual issuer credit.

- E. Repurchase Agreements - The Company did not enter into repurchase agreements during 2011.
- F. Real Estate Impairment and Land Sales - The Company did not hold investments in real estate, recognize any real estate impairments, or engage in any retail land sales during 2011.
- G. Low-income Housing tax credits (LIHTC) – The Company did not hold investments in Low-income Housing tax credits (LIHTC) during 2011.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Limited Partnerships, or Limited Liability Companies that exceed 10% of admitted assets.
- B. There were no write-downs of investments in Joint Ventures, Limited Partnerships, or Limited Liability Companies due to impairments during 2011.

7. Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due.

8. Derivative Instruments

During the year ended December 31, 2011, the Company did not enter into any investment related derivative contracts and there were no derivative contracts outstanding as of December 31, 2011.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

The numbers below are in thousands, except for percentages.

A. Components of Deferred Tax Assets (DTAs) and Deferred Tax Liabilities (DTLs):

(1)

Description	2011			2010		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	\$149,024	\$ 5,174	\$154,198	\$333,224	\$ 6,255	\$339,479
Statutory valuation allowance	-	-	-	-	-	-
Adjusted gross deferred tax assets	149,024	5,174	154,198	333,224	6,255	339,479
Gross deferred tax liabilities	(3,676)	(9,300)	(12,975)	(2,121)	(9,172)	(11,293)
Net deferred tax asset/(liability) before admissibility test	\$145,348	\$(4,126)	\$141,223	\$331,103	\$(2,917)	\$328,186
Admitted pursuant to ¶10.a.	\$ -	\$ -	\$ -	\$ 89,781	\$ -	\$ 89,781
¶10.b.i.	52,438	-	52,438	-	-	-
¶10.b.ii.	124,610	-	124,610	89,781	-	89,781
Admitted pursuant to ¶10.b. (lesser of i. or ii.)	52,438	-	52,438	-	-	-
Admitted pursuant to ¶10.c.	3,676	9,300	12,975	11,293	-	11,293
Admitted deferred tax asset	56,114	9,300	65,414	101,074	-	101,074
Deferred tax liability	(3,676)	(9,300)	(12,975)	(2,121)	(9,172)	(11,293)
Net admitted DTA or DTL	52,438	-	52,438	\$98,953	(9,172)	89,781
Nonadmitted DTA	\$ 92,910	\$(4,126)	\$ 88,785	\$232,150	\$ 6,255	\$238,405

(2) The Company has not elected to admit additional DTAs pursuant to SSAP 10R, paragraph 10(e). The current period election does not differ from the prior reporting period.

(3) The Company recorded an increase in admitted DTAs as follows:

Description	Change During 2011		
	Ordinary	Capital	Total
Gross deferred tax assets	\$(184,200)	\$ (1,081)	\$(185,281)
Statutory valuation allowance	-	-	-
Adjusted gross deferred tax assets	(184,200)	(1,081)	(185,281)
Gross deferred tax liabilities	(1,555)	(128)	(1,682)
Net deferred tax asset/(liability) before admissibility test	(185,755)	(1,209)	(186,963)
Admitted pursuant to ¶10.a.	(89,781)	-	(89,781)
¶10.b.i.	52,438	-	52,438
¶10.b.ii.	34,829	-	34,829
Admitted pursuant to ¶10.b. (lesser of i. or ii.)	52,438	-	52,438
Admitted pursuant to ¶10.c.	(7,617)	-	(7,617)
Additional admitted pursuant to ¶10.e.i.	-	-	-
¶10.e.ii.a.	-	-	-
¶10.e.ii.b.	-	-	-
Additional admitted pursuant to ¶10.e.ii. (lesser of a. or b.)	-	-	-
Additional admitted pursuant to ¶10.e.iii	-	-	-
Admitted deferred tax asset	(44,960)	9,300	(35,660)
Deferred tax liability	(1,555)	(128)	(1,682)
Change in net admitted DTA or DTL	(46,515)	9,172	(37,343)
Change in nonadmitted DTA	\$(139,240)	\$(10,381)	\$(149,620)

(4)

Description	With ¶s 10.a.-c.	With ¶s 10.e	Difference
Admitted DTAs	\$52,438	\$52,438	-
Admitted assets	Not Applicable	Not Applicable	-
Statutory surplus	Not Applicable	Not Applicable	-
Total adjusted capital	Not Applicable	Not Applicable	-
Authorized control level used in 10.d.	Not Applicable	Not Applicable	-

B. Temporary differences for which a DTL has not been established
Not applicable

C. Current Tax and Change in Deferred Tax

Current income taxes consist of the following major components:

Description	2011	2010
Current income tax expense (benefit)	\$(130,403)	\$134,188
Tax on capital gains/(losses)	1,182	4,588
Prior year underaccrual (overaccrual)	-	(119,919)
Federal income taxes incurred	\$(129,221)	\$ 18,857

NOTES TO FINANCIAL STATEMENTS

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

	December 31, 2011	December 31, 2010	Change	Character
Deferred Tax Asset				
Unpaid losses and LAE	\$ 79,626	\$246,118	\$(166,492)	Ordinary
Unearned premiums	59,097	62,948	(3,851)	Ordinary
Tax credits and net operating losses	-	-	-	Ordinary
Basis difference in subsidiary	5,174	6,255	(1,081)	Capital
Nonadmitted assets	5,931	7,144	(1,213)	Ordinary
Deferred Compensation	-	-	-	Ordinary
Other	4,370	17,014	(12,644)	Ordinary
Gross Deferred Tax Asset	<u>\$154,198</u>	<u>\$339,479</u>	<u>\$(185,281)</u>	
Nonadmitted Deferred Tax Asset	<u>\$ 88,785</u>	<u>\$238,405</u>	<u>\$(149,620)</u>	
Deferred Tax Liability				
Bonds market discount	\$ -	\$ -	\$ -	Ordinary
Unrealized gains	(9,300)	(9,172)	(128)	Capital
Other	(3,676)	(2,121)	(1,555)	Ordinary
Gross Deferred Tax Liability	<u>\$(12,975)</u>	<u>\$(11,293)</u>	<u>\$(1,682)</u>	

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2011	December 31, 2010	Change
Total deferred tax assets	\$154,198	\$339,479	\$(185,281)
Total deferred tax liabilities	(12,975)	(11,293)	(1,682)
Net deferred tax asset	<u>\$141,223</u>	<u>\$328,186</u>	<u>(186,963)</u>
Tax effect of unrealized (gains)/losses			128
Change in net deferred income tax(charge)/benefit			<u>\$(186,836)</u>

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

Description	Amount	Tax Effect	Effective Tax Rate
Income Before Taxes	\$269,316	\$ 94,261	35.0%
Tax-Exempt Interest	(80,470)	(28,165)	-10.5%
Effect of true-ups from tax return filing	(3,146)	(1,101)	-0.4%
Change in deferred taxes on non-admitted assets	(3,465)	(1,213)	-0.4%
Tax basis differences and Subpart F Income of Sub	2,444	855	0.3%
Tax and Loss bond Purchase	(25,861)	(9,052)	-3.4%
Other	5,797	2,029	0.8%
Total	<u>\$164,614</u>	<u>\$ 57,615</u>	<u>21.4%</u>
Federal income taxes incurred [expense/(benefit)]		\$(130,387)	-48.0%
Tax on capital gains/(losses)		1,166	0.0%
Change in net deferred income tax [charge/(benefit)]		186,836	69.4%
Total statutory income taxes		<u>\$ 57,615</u>	<u>21.4%</u>

E. Operating Loss and Tax Credit Carryforwards

- At December 31, 2011, the Company had no net operating loss carryforwards.
At December 31, 2011, the Company had no net capital loss carryforwards.
At December 31, 2011, the Company had no AMT credit carryforwards.
- There are no income tax expense for 2011 and 2010 that is available for recoupment in the event of future net losses.
- The Company did not have any protective tax deposits admitted under IRC §6603.

F. Consolidated Federal Income Tax Return

- The Company's federal income tax return is consolidated with the following entities:

AG US Holdings Inc.
Assured Guaranty Corp.
AG Financial Products, Inc.
AG Analytics, Inc.
Assured Guaranty Municipal Holdings, Ltd.
Assured Guaranty Municipal Insurance Company
Assured Guaranty (Europe) Ltd.
FSA Portfolio Management, Inc.
Transaction Services Corp.
FSA Services (Japan) Inc.
FSA Mexico Holdings, Inc.
FSA Services (Americas), Inc.

- Each company, as a member of its respective consolidated tax return group, pays its proportionate share of the consolidated federal tax burden for its group as if each company filed on a separate return basis with current period credit for net losses to the extent used in consolidation.

NOTES TO FINANCIAL STATEMENTS

10. Information Concerning Parent, Subsidiaries and Affiliates

A. The Company is a wholly owned subsidiary of Assured Guaranty Municipal Holdings, Ltd., ("AGMH" or the "Parent"), an indirect subsidiary of Assured Guaranty Ltd. ("Assured Guaranty"), a Bermuda incorporated insurance holding company. The organization chart is included in Schedule Y.

B. Transactions with Affiliates

The Company engaged in the following non-insurance transactions (generally representing greater than 0.5% of admitted assets) with affiliates:

1. The Company did not make dividend payment in 2011.
2. The Company repaid surplus notes to its parent of \$25 million on June 15, 2011 and \$25 million on December 15, 2011.
3. On December 18, 2009 the Company purchased \$300.0 million of surplus notes from an affiliate, Assured Guaranty Corp., ("AGC"), a Maryland domiciled insurance company. These notes are interest bearing at a rate of 5% per annum. Principal of the surplus notes are payable at December 31, 2029 or sooner at the option of AGC, subject to prior approval of the Maryland Insurance Administration and compliance with the conditions to such payments as contained in the laws of the State of Maryland. AGM received interest on these notes from AGC of \$15.0 million on December 30, 2011 and \$15.5 million on December 30, 2010.

C. There have been no changes in the methods used to establish the terms of the transactions with affiliates from the prior period.

D. Amounts due from / (to) related parties as of December 31, 2011:

Related Party	Due from / (Due to)
Assured Guaranty Corp.	\$ (15,426,463)
AG Finance Overseas Limited	(316)
Assured Guaranty Ltd.	(750,700)
Assured Guaranty Re Ltd.	(156,696)
AG Re Overseas Ltd	9,715
Assured Guaranty UK Services Ltd.	(53,026)
FSA Services (Americas) Inc.	806
FSA Services (Australia)	(336,410)
Assured Guaranty (Bermuda) Ltd.	43,983
Assured Guaranty Municipal Holdings Ltd.	(40,186)
Assured Guaranty Municipal Insurance Co.	580
FSA Services (Japan) Inc.	365,008
Assured Guaranty (Europe) Ltd.	1,714,234
FSA Portfolio Management Inc.	1,052
Transaction Services Corp.	621,103
Net Receivable(Payable)	\$(14,007,316)

E. The Company has entered into a net worth maintenance agreement on behalf of Assured Guaranty Municipal Insurance Company ("AGMIC"), formerly FSA Insurance Company, pursuant to which the Company agrees to maintain AGMIC's policyholders' surplus of \$66.4 million as determined under the laws of New York. The Company has entered into net worth maintenance agreement with Assured Guaranty (Bermuda) Ltd. ("AGB") Ltd., formerly Financial Security Assurance International Ltd., pursuant to which the Company agrees to cause AGB to maintain the minimum shareholders' equity required under the laws of Bermuda for AGB to maintain its license to do an insurance business. The Company has entered into a net worth maintenance agreement with Assured Guaranty (Europe) Ltd. ("AGE") pursuant to which the Company agrees to maintain AGE's qualifying capital resources at 110% of the minimum capital required of AGE under U.K. law and regulation. Under each of these net worth maintenance agreements any contributions by the Company for the above purposes shall (a) in no event exceed 35% of the Company's policyholders' surplus on an accumulated basis as determined under the laws of the State of New York, and (b) be in compliance with Section 1505 of the New York Insurance Law. Additionally, under the Company's net worth maintenance agreements on behalf of AGMIC and AGB, no contribution shall be made by the Company that would have the effect of jeopardizing the Company's claim-paying rating from Moody's Investors Service, Inc. or Standard & Poor's Ratings Services.

F. There are no management or service contracts or cost sharing agreements other than a cost allocation management which has been approved by the Board of Directors of each company.

G. All outstanding shares of the Company's stock are owned by the Parent, an indirect subsidiary of Assured Guaranty Ltd., a Bermuda incorporated insurance holding company.

H. The Company owns no material shares in an upstream intermediate or ultimate parent.

I. None of the Company's investments in subsidiaries exceeds 10% of the admitted assets of the Company at December 31, 2011.

J. There were no write-downs of SCA entities due to impairments during the year ended December 31, 2011.

K. The Company is not a life insurance company and is not subject to CARVM and the related Actuarial guidelines.

L. The Company does not hold any investment in a downstream non-insurance holding company.

11. Debt

The Company has no debt outstanding at December 31, 2011.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans.

- A. Defined Benefit Plan
The Company does not sponsor a defined benefit pension plan.
- B. Defined Contribution Plan
The Company does not sponsor a Defined Contribution Plan.
- C. Multiemployer Plans
The Company does not participate in a multiemployer pension plan.
- D. Consolidated/Holding Company Plans

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The Company has a non-qualified long-term incentive plan for the benefit of certain employees. Awards vest over a prescribed period. The Company also has a non-qualified supplemental pension plan covering all eligible employees.

- E. Postemployment Benefits and Compensated Absences
The Company has no post-retirement plans. The Company does have an obligation for compensation related to earned vacation.
- F. Impact of Medicare Modernization Act on Post Retirement Benefits
The Company has no post-retirement plans.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- A. The Company is authorized to issue 330 shares of common stock, par value \$45,454.55 per share. Issued and outstanding common stock shares were 330 at December 31, 2011. No shares of preferred stock were issued or outstanding during 2011 and 2010.
- B. The Company has no preferred stock outstanding.
- C. Under New York Insurance Law, the Company may pay a dividend without the prior approval of the New York Superintendent only from earned surplus subject to the maintenance of a minimum capital requirement. In addition, the dividend, together with all dividends declared or distributed by it during the preceding twelve months, may not exceed the lesser of 10% of its policyholders' surplus shown on its last filed statement, or adjusted net investment income, as defined, for such twelve-month period.
- D. In 2011, the Company did not declare nor pay any dividends.
- E. In accordance with (C) above, on the amount of dividends that can be paid in a 12-month period, the Company has \$120.9 million available for payment of dividends as of the filing of this statement for December 31, 2011. Under the Purchase Agreement, the Company agreed to conduct business subject to certain operating and financial constraints. These restrictions will generally continue until July 1, 2012. Among other items, the Company has agreed that it will not repurchase, redeem or pay any dividends on any class of its equity interests unless at that time:
 - AGM is rated at least AA- by S&P and Aa3 by Moody's (if such rating agencies still rate financial guaranty insurers generally) and if the aggregate amount of dividends paid in any year does not exceed 125% of AGMH's debt service requirements for that year; or
 - AGM has received prior rating agency confirmation that such action would not cause AGM's current ratings to be downgraded due to such action.
- F. The Company has no restrictions on unassigned surplus
- G. The Company is not a mutual company; as such, there were no mutual surplus advances during 2011.
- H. The Company holds no stock for special purposes.
- I. There were no special surplus funds as of December 31, 2011.
- J. The portion of unassigned funds (surplus) represented by cumulative unrealized losses \$(255,749,701).
- K. On September 8, 2008 the Company borrowed \$300.0 million from its Parent in the form of surplus notes, of which \$175.0 million are outstanding at December 31, 2011. These notes are non interest bearing. Principal of the surplus notes are payable at any time at the option of the Company, subject to prior approval of the New York Superintendent and compliance with the conditions to such payments as contained in the New York Insurance Laws. These notes have no stated maturity. The Company repaid \$50 million of surplus notes in each of the years ending December 31, 2011 and 2010 to its parent.
- L. The Company has not undergone a reorganization or quasi-reorganization.

14. Contingencies

- A. The Company has no commitments or contingent commitments to any subsidiary, other than those described in Note 10 E.
- B. The Company does not issue life insurance policies and therefore is not subject to guaranty fund assessments.
- C. The Company has not recognized any gain contingencies subsequent to the balance sheet date.
- D. The Company did not incur claims related to extra contractual obligations losses or bad faith losses.
- E. The Company does not issue product warranties.

F. Legal Proceedings

Lawsuits arise in the ordinary course of the Company's business. It is the opinion of the Company's management, based upon the information available, that the expected outcome of litigation against the Company, individually or in the aggregate, will not have a material adverse effect on the Company's financial position or liquidity, although an adverse resolution of litigation against the Company in a fiscal quarter or year could have a material adverse effect on the Company's results of operations in a particular quarter or fiscal year. In addition, in the ordinary course of its business, the Company asserts claims in legal proceedings against third parties to recover losses paid in prior periods. For example, as described below in "Recovery Litigation—RMBS Transactions," as of the date of this filing, AGM has filed complaints against certain sponsors and underwriters of RMBS securities that AGM had insured, alleging, among other claims, that such persons had breached representations and warranties ("R&W") in the transaction documents, failed to cure or repurchase defective loans and/or violated state securities laws. The amounts, if any, the Company will recover in proceedings to recover losses are uncertain, and recoveries, or failure to obtain recoveries, in any one or more of these proceedings during any quarter or fiscal year could be material to the Company's results of operations in that particular quarter or fiscal year.

Proceedings Related to the Company's Financial Guaranty Business

The Company receives subpoenas *duces tecum* and interrogatories from regulators from time to time. The Company has satisfied the requests it has received. It may receive additional inquiries from these or other regulators and expects to provide additional information to such regulators regarding their inquiries, if any, in the future.

In August 2008, a number of financial institutions and other parties, including AGM and other bond insurers, were named as defendants in a civil action brought in the circuit court of Jefferson County, Alabama relating to the County's problems meeting its debt obligations on its \$3.2 billion sewer debt: *Charles E. Wilson vs. JPMorgan Chase & Co et al* (filed the Circuit Court of Jefferson County, Alabama), Case No. 01-CV-2008-901907.00, a putative class action. The action was brought on behalf of rate payers, tax payers and citizens residing in Jefferson County, and alleges conspiracy and fraud in connection with the issuance of

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the County's debt. The complaint in this lawsuit seeks equitable relief, unspecified monetary damages, interest, attorneys' fees and other costs. On January, 13, 2011, the circuit court issued an order denying a motion by the bond insurers and other defendants to dismiss the action. Defendants, including the bond insurers, have petitioned the Alabama Supreme Court for a writ of mandamus to the circuit court vacating such order and directing the dismissal with prejudice of plaintiffs' claims for lack of standing. The Company cannot reasonably estimate the possible loss or range of loss that may arise from this lawsuit.

Beginning in December 2008, AGM and various other financial guarantors were named in complaints filed in the Superior Court, San Francisco County, California. Since that time, plaintiffs' counsel has filed amended complaints against AGM and its affiliate AGC and added additional plaintiffs. As of the date of this filing, the plaintiffs with complaints against AGM and AGC, among other financial guaranty insurers, are: (a) *City of Los Angeles, acting by and through the Department of Water and Power*; (b) *City of Sacramento*; (c) *City of Los Angeles*; (d) *City of Oakland*; (e) *City of Riverside*; (f) *City of Stockton*; (g) *County of Alameda*; (h) *County of Contra Costa*; (i) *County of San Mateo*; (j) *Los Angeles World Airports*; (k) *City of Richmond*; (l) *Redwood City*; (m) *East Bay Municipal Utility District*; (n) *Sacramento Suburban Water District*; (o) *City of San Jose*; (p) *County of Tulare*; (q) *The Regents of the University of California*; (r) *The Redevelopment Agency of the City of Riverside*; (s) *The Public Financing Authority of the City of Riverside*; (t) *The Jewish Community Center of San Francisco*; (u) *The San Jose Redevelopment Agency*; (v) *The Redevelopment Agency of the City of Stockton*; (w) *The Public Financing Authority of the City of Stockton*; and (x) *The Olympic Club*. Complaints filed by the City and County of San Francisco and the Sacramento Municipal Utility District were subsequently dismissed against AGM and AGC. These complaints allege that the financial guaranty insurer defendants (i) participated in a conspiracy in violation of California's antitrust laws to maintain a dual credit rating scale that misstated the credit default risk of municipal bond issuers and created market demand for municipal bond insurance, (ii) participated in risky financial transactions in other lines of business that damaged each insurer's financial condition (thereby undermining the value of each of their guaranties), and (iii) failed to adequately disclose the impact of those transactions on their financial condition. In addition to their antitrust claims, various plaintiffs in these actions assert claims for breach of the covenant of good faith and fair dealing, fraud, unjust enrichment, negligence, and negligent misrepresentation. At hearings held in July and October 2011 relating to AGM, AGC and the other defendants' motion to dismiss, the court overruled the motion to dismiss on the following claims: breach of contract, violation of California's antitrust statute and of its unfair business practices law, and fraud. The remaining claims were dismissed. On December 2, 2011, AGM, AGC and the other bond insurer defendants filed an Anti-SLAPP ("Strategic Lawsuit Against Public Participation") motion to strike the complaints under California's Code of Civil Procedure. The complaints in these lawsuits generally seek unspecified monetary damages, interest, attorneys' fees, costs and other expenses. The Company cannot reasonably estimate the possible loss or range of loss that may arise from these lawsuits.

In September 2010, AGM, among others, was named as a defendant in an interpleader complaint filed by Wells Fargo Bank, N.A., as trust administrator, in the United States District Court, Southern District of New York. The interpleader complaint relates to the MASTR Adjustable Rate Mortgages Trust 2006-OA2, Mortgage Pass-Through Certificates, Series 2006-OA2 RMBS transaction, in which AGM had insured certain classes of certificates. Certain holders of uninsured certificates have disputed payments made by the trust administrator to reimburse AGM for claims it had paid under its financial guaranty policy, and the trust administrator sought adjudication of the priority of AGM's reimbursements. On March 29, 2011, the court granted a motion for judgment on the pleadings and ruled that, pursuant to the waterfall, AGM is only entitled to receive funds that would otherwise have been distributed to the holders of the classes that AGM insures, and that AGM receive such funds at the respective steps in the waterfall that immediately follow the steps at which such certificate holders would otherwise have received such funds. The court further ordered AGM to repay to the MARM 2006-OA2 trust the approximately \$7.2 million that had been credited to it by Wells Fargo. On December 13, 2011, the court entered judgment substantially in conformance with its March 29, 2011 decision. In January 2012, AGM appealed the judgment, and requested that the judgment be stayed pending the appeal. AGM estimates that as a result of this adverse decision (if and to the extent that the adverse decision is not modified), total unreimbursed claims paid by AGM could be up to approximately \$144 million (on a gross discounted basis, without taking into account the benefit of representation and warranty recoveries, and exclusive of the repayment of the \$7.2 million credit), over the life of the transaction.

Proceedings Related to AGMH's Former Financial Products Business

The following is a description of legal proceedings involving AGMH's former Financial Products Business. Although Assured Guaranty Ltd. did not acquire AGMH's former Financial Products Business, which included AGMH's former GIC business, medium term notes business and portions of the leveraged lease businesses, certain legal proceedings relating to those businesses are against AGM and its Parent. While Dexia SA and DCL, jointly and severally, have agreed to indemnify the Company against liability arising out of the proceedings described below in this "—Proceedings Related to AGMH's Former Financial Products Business" section, such indemnification might not be sufficient to fully hold the Company harmless against any injunctive relief or civil or criminal sanction that is imposed against AGMH or its subsidiaries.

Governmental Investigations into Former Financial Products Business

AGMH and/or AGM have received subpoenas *duces tecum* and interrogatories or civil investigative demands from the Attorney General of the States of Connecticut, Florida, Illinois, Massachusetts, Missouri, New York, Texas and West Virginia relating to their investigations of alleged bid rigging of municipal GICs. AGMH is responding to such requests. AGMH may receive additional inquiries from these or other regulators and expects to provide additional information to such regulators regarding their inquiries in the future. In addition,

- AGMH received a subpoena from the Antitrust Division of the Department of Justice in November 2006 issued in connection with an ongoing criminal investigation of bid rigging of awards of municipal GICs and other municipal derivatives;
- AGM received a subpoena from the SEC in November 2006 related to an ongoing industry-wide investigation concerning the bidding of municipal GICs and other municipal derivatives; and
- AGMH received a "Wells Notice" from the staff of the Philadelphia Regional Office of the SEC in February 2008 relating to the investigation concerning the bidding of municipal GICs and other municipal derivatives. The Wells Notice indicates that the SEC staff is considering recommending that the SEC authorize the staff to bring a civil injunctive action and/or institute administrative proceedings against AGMH, alleging violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and Section 17(a) of the Securities Act.

Pursuant to the subpoenas, AGMH has furnished to the Department of Justice and SEC records and other information with respect to AGMH's municipal GIC business. The ultimate loss that may arise from these investigations remains uncertain.

Lawsuits Relating to Former Financial Products Business

During 2008, nine putative class action lawsuits were filed in federal court alleging federal antitrust violations in the municipal derivatives industry, seeking damages and alleging, among other things, a conspiracy to fix the pricing of, and manipulate bids for, municipal derivatives, including GICs. These cases have been coordinated and consolidated for pretrial proceedings in the U.S. District Court for the Southern District of New York as *MDL 1950, In re Municipal Derivatives Antitrust Litigation*, Case No. 1:08-cv-2516 ("MDL 1950").

Five of these cases named both AGMH and AGM: (a) *Hinds County, Mississippi v. Wachovia Bank, N.A.*; (b) *Fairfax County, Virginia v. Wachovia Bank, N.A.*; (c) *Central Bucks School District, Pennsylvania v. Wachovia Bank, N.A.*; (d) *Mayor and City Council of Baltimore, Maryland v. Wachovia Bank, N.A.*; and (e) *Washington County, Tennessee v. Wachovia Bank, N.A.* In April 2009, the MDL 1950 court granted the defendants' motion to dismiss on the federal claims, but granted leave for the plaintiffs to file a second amended complaint. In June 2009, interim lead plaintiffs' counsel filed a Second Consolidated Amended Class Action Complaint; although the Second Consolidated Amended Class Action Complaint currently describes some of AGMH's and AGM's activities, it does not name those entities as defendants. In March 2010, the MDL 1950 court denied the named defendants' motions to dismiss the Second Consolidated Amended Class Action Complaint. The complaints in these lawsuits

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generally seek unspecified monetary damages, interest, attorneys' fees and other costs. The Company cannot reasonably estimate the possible loss or range of loss that may arise from these lawsuits.

Four of the cases named AGMH (but not AGM) and also alleged that the defendants violated California state antitrust law and common law by engaging in illegal bid-rigging and market allocation, thereby depriving the cities or municipalities of competition in the awarding of GICs and ultimately resulting in the cities paying higher fees for these products: (f) *City of Oakland, California v. AIG Financial Products Corp.*; (g) *County of Alameda, California v. AIG Financial Products Corp.*; (h) *City of Fresno, California v. AIG Financial Products Corp.*; and (i) *Fresno County Financing Authority v. AIG Financial Products Corp.* When the four plaintiffs filed a consolidated complaint in September 2009, the plaintiffs did not name AGMH as a defendant. However, the complaint does describe some of AGMH's and AGM's activities. The consolidated complaint generally seeks unspecified monetary damages, interest, attorneys' fees and other costs. In April 2010, the MDL 1950 court granted in part and denied in part the named defendants' motions to dismiss this consolidated complaint.

In 2008, AGMH and AGM also were named in five non-class action lawsuits originally filed in the California Superior Courts alleging violations of California law related to the municipal derivatives industry: (a) *City of Los Angeles, California v. Bank of America, N.A.*; (b) *City of Stockton, California v. Bank of America, N.A.*; (c) *County of San Diego, California v. Bank of America, N.A.*; (d) *County of San Mateo, California v. Bank of America, N.A.*; and (e) *County of Contra Costa, California v. Bank of America, N.A.* Amended complaints in these actions were filed in September 2009, adding a federal antitrust claim and naming AGM (but not AGMH) and AGUS, among other defendants. These cases have been transferred to the Southern District of New York and consolidated with MDL 1950 for pretrial proceedings.

In late 2009, AGM and AGUS, among other defendants, were named in six additional non-class action cases filed in federal court, which also have been coordinated and consolidated for pretrial proceedings with MDL 1950: (f) *City of Riverside, California v. Bank of America, N.A.*; (g) *Sacramento Municipal Utility District v. Bank of America, N.A.*; (h) *Los Angeles World Airports v. Bank of America, N.A.*; (i) *Redevelopment Agency of the City of Stockton v. Bank of America, N.A.*; (j) *Sacramento Suburban Water District v. Bank of America, N.A.*; and (k) *County of Tulare, California v. Bank of America, N.A.*

The MDL 1950 court denied AGM and AGUS's motions to dismiss these eleven complaints in April 2010. Amended complaints were filed in May 2010. On October 29, 2010, AGM and AGUS were voluntarily dismissed with prejudice from the *Sacramento Municipal Utility District* case only. The complaints in these lawsuits generally seek or sought unspecified monetary damages, interest, attorneys' fees, costs and other expenses. The Company cannot reasonably estimate the possible loss or range of loss that may arise from the remaining lawsuits.

In May 2010, AGM and AGUS, among other defendants, were named in five additional non-class action cases filed in federal court in California: (a) *City of Richmond, California v. Bank of America, N.A.* (filed on May 18, 2010, N.D. California); (b) *City of Redwood City, California v. Bank of America, N.A.* (filed on May 18, 2010, N.D. California); (c) *Redevelopment Agency of the City and County of San Francisco, California v. Bank of America, N.A.* (filed on May 21, 2010, N.D. California); (d) *East Bay Municipal Utility District, California v. Bank of America, N.A.* (filed on May 18, 2010, N.D. California); and (e) *City of San Jose and the San Jose Redevelopment Agency, California v. Bank of America, N.A.* (filed on May 18, 2010, N.D. California). These cases have also been transferred to the Southern District of New York and consolidated with MDL 1950 for pretrial proceedings. In September 2010, AGM and AGUS, among other defendants, were named in a sixth additional non-class action filed in federal court in New York, but which alleges violation of New York's Donnelly Act in addition to federal antitrust law: *Active Retirement Community, Inc. d/b/a Jefferson's Ferry v. Bank of America, N.A.* (filed on September 21, 2010, E.D. New York), which has also been transferred to the Southern District of New York and consolidated with MDL 1950 for pretrial proceedings. In December 2010, AGM and AGUS, among other defendants, were named in a seventh additional non-class action filed in federal court in the Central District of California, *Los Angeles Unified School District v. Bank of America, N.A.*, and in an eighth additional non-class action filed in federal court in the Southern District of New York, *Kendal on Hudson, Inc. v. Bank of America, N.A.* These cases also have been consolidated with MDL 1950 for pretrial proceedings. The complaints in these lawsuits generally seek unspecified monetary damages, interest, attorneys' fees, costs and other expenses. The Company cannot reasonably estimate the possible loss or range of loss that may arise from these lawsuits.

In January 2011, AGM and AGUS, among other defendants, were named in an additional non-class action case filed in federal court in New York, which alleges violation of New York's Donnelly Act in addition to federal antitrust law: *Peconic Landing at Southold, Inc. v. Bank of America, N.A.* This case has been consolidated with MDL 1950 for pretrial proceedings. The complaint in this lawsuit generally seeks unspecified monetary damages, interest, attorneys' fees, costs and other expenses. The Company cannot reasonably estimate the possible loss or range of loss that may arise from this lawsuit.

In September 2009, the Attorney General of the State of West Virginia filed a lawsuit (Circuit Ct. Mason County, W. Va.) against Bank of America, N.A. alleging West Virginia state antitrust violations in the municipal derivatives industry, seeking damages and alleging, among other things, a conspiracy to fix the pricing of, and manipulate bids for, municipal derivatives, including GICs. An amended complaint in this action was filed in June 2010, adding a federal antitrust claim and naming AGM (but not AGMH) and AGUS, among other defendants. This case has been removed to federal court as well as transferred to the S.D.N.Y. and consolidated with MDL 1950 for pretrial proceedings. The complaint in this lawsuit generally seeks civil penalties, unspecified monetary damages, interest, attorneys' fees, costs and other expenses. The Company cannot reasonably estimate the possible loss or range of loss that may arise from this lawsuit.

Recovery Litigation

RMBS Transactions

As of the date of this filing, AGM has filed lawsuits with regard to three second lien U.S. RMBS transactions insured by it, alleging breaches of R&W both in respect of the underlying loans in the transactions and the accuracy of the information provided to AGM, and failure to cure or repurchase defective loans identified by AGM to such persons. These transactions consist of the ACE Securities Corp. Home Equity Loan Trust, Series 2006-GP1 transaction (in which AGM has sued Deutsche Bank AG affiliates DB Structured Products, Inc. and ACE Securities Corp. in the Supreme Court of the State of New York), and the Flagstar Home Equity Loan Trust, Series 2005-1 and Series 2006-2 transactions (in which AGM has sued Flagstar Bank, FSB, Flagstar Capital Markets Corporation and Flagstar ABS, LLC in the United States District Court for the Southern District of New York). In these lawsuits, which AGM brought between June 2010 and April 2011, AGM seeks damages, including indemnity or reimbursement for losses.

In September 2010, AGM also filed a lawsuit in the Superior court of the State of California, County of Los Angeles, against UBS Securities LLC and Deutsche Bank Securities, Inc., as underwriters, as well as several named and unnamed control persons of IndyMac Bank, FSB and related IndyMac entities, with regard to two U.S. RMBS transactions that AGM had insured, seeking damages for alleged violations of state securities laws and breach of contract, among other claims. One of these transactions (referred to as IndyMac Home Equity Loan Trust 2007-H1) is a second lien transaction and the other (referred to as IndyMac IMSC Mortgage Loan Trust 2007-HOA-1) is a first lien transaction.

In October 2011, AGM and its affiliate AGC brought an action in the Supreme Court of the State of New York against DLJ Mortgage Capital, Inc. ("DLJ") and Credit Suisse Securities (USA) LLC ("Credit Suisse") with regard to six first lien U.S. RMBS transactions insured by them: CSAB Mortgage-Backed Pass Through Certificates, Series 2006-2; CSAB Mortgage-Backed Pass Through Certificates, Series 2006-3; CSAB Mortgage-Backed Pass Through Certificates, Series 2006-4; CMSC Mortgage-Backed Pass Through Certificates, Series 2007-3; CSAB Mortgage-Backed Pass Through Certificates, Series 2007-1; and TBW Mortgage-Backed Pass Through Certificates, Series 2007-2. The complaint alleges breaches of R&W by DLJ in respect of the underlying loans in the transactions, breaches of contract by DLJ and Credit Suisse in procuring falsely inflated shadow ratings (a

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condition to the issuance by AGM and AGC of its policies) by providing false and misleading information to the rating agencies, and failure by DLJ to cure or repurchase defective loans identified by AGM and AGC.

In February 2012, AGM filed a complaint in the Supreme Court of the State of New York against UBS Real Estate Securities Inc. with respect to three first lien U.S. RMBS transactions it had insured: MASTR Adjustable Rate Mortgages Trust 2006-OA2; MASTR Adjustable Rate Mortgages Trust 2007-1; and MASTR Adjustable Rate Mortgages Trust 2007-3. The complaint alleges breaches of R&W by UBS Real Estate in respect of the underlying loans in the transactions, breaches of UBS Real Estate's repurchase obligations with respect to the defective loans identified by AGM, and breaches of contract by UBS Real Estate in procuring falsely inflated shadow ratings (a condition to the issuance by AGM of its policies) by providing false and misleading information to the ratings agencies concerning the underlying loans in the transactions.

Public Finance Transactions

In June 2010, AGM sued JPMorgan Chase Bank, N.A. and JPMorgan Securities, Inc. (together, "JPMorgan"), the underwriter of debt issued by Jefferson County, in the Supreme Court of the State of New York alleging that JPMorgan induced AGM to issue its insurance policies in respect of such debt through material and fraudulent misrepresentations and omissions, including concealing that it had secured its position as underwriter and swap provider through bribes to Jefferson County commissioners and others. In December 2010, the court denied JPMorgan's motion to dismiss. AGM has filed a motion with the Jefferson County bankruptcy court to confirm that continued prosecution of the lawsuit against JPMorgan will not violate the automatic stay applicable to Jefferson County notwithstanding JPMorgan's interpleading of Jefferson County into the lawsuit. AGM is continuing its risk remediation efforts for this exposure.

In September 2010, AGM, together with TD Bank, National Association and Manufacturers and Traders Trust Company, as trustees, filed a complaint in the Court of Common Pleas of Dauphin County, Pennsylvania against The Harrisburg Authority, The City of Harrisburg, Pennsylvania, and the Treasurer of the City in connection with certain Resource Recovery Facility bonds and notes issued by The Harrisburg Authority, alleging, among other claims, breach of contract by both The Harrisburg Authority and The City of Harrisburg, and seeking remedies including an order of mandamus compelling the City to satisfy its obligations on the defaulted bonds and notes and the appointment of a receiver for The Harrisburg Authority. Acting on its own, the City Council of Harrisburg filed a purported bankruptcy petition for the City on October 11, 2011. On November 23, 2011, the bankruptcy judge dismissed the bankruptcy petition filed by the City Council and subsequently rejected a late-filed appeal by the City Council. The dismissal of the appeal has been appealed by the City Council. As a result of the dismissal, however, the actions brought by AGM and the trustees against The City of Harrisburg and The Harrisburg Authority are no longer stayed. A receiver for The City of Harrisburg (the "City Receiver") was appointed by the Commonwealth Court of Pennsylvania on December 2, 2011. The City Receiver filed a motion to intervene in the mandamus action and action for the appointment of a receiver for the resource recovery facility. The parties have submitted briefs as to whether the statute authorizing the appointment of the receiver preempts the mandamus and receiver remedies sought by AGM and the trustees.

15. Leases

- A. The Company is responsible for leases on the rental of office space at 31 West 52nd St., New York, NY 10019. The lease agreement is a non-cancellable lease expiring 2026. Rental expense for the year ended December 31, 2011 was \$3,653,518.

Future minimum rental payments are as follows (in thousands)

Year Ended December 31,	
2012	\$ 8,618
2013	8,440
2014	7,381
2015	7,144
2016	7,478
Thereafter	73,889
Total	\$112,950

- B. The Company has no other lease obligations which could have a material financial effect.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company provides insurance for public finance and structured finance obligations. Total principal and interest exposures at December 31, 2011 were \$298.0 billion (\$259.0 billion for municipal and \$39.0 billion for non municipal exposures).

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. The Company has not sold or transferred any receivables during 2011.
 B. The Company has not transferred or serviced any financial assets during 2011.
 C. The Company did not engage in any wash sale transactions during 2011.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

- A. The Company does not serve as an Administrative Services Only ("ASO") provider.
 B. The Company does not serve as an Administrative Services Contract ("ASC") provider.
 C. The Company is not a party to any medicare or similarly structured cost based reimbursement contracts.

19. Direct Premium Written or Produced by Managing General Agents or Third Party Administrators

The Company did not write direct premiums through managing general agents or third party administrators.

20. Fair Value

Effective December 31, 2010, the Company adopted Statement of Statutory Accounting Practices ("SSAP") 100, "Fair Value Measurements." SSAP 100 defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurements.

Fair Value Hierarchy

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SSAP 100 specifies a fair value hierarchy based on whether the inputs to valuation techniques used to measure fair value are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect Company estimates of market assumptions. In accordance with SSAP 100, the fair value hierarchy prioritizes model inputs into three broad levels as follows:

- Level 1 – Quoted prices for identical instruments in active markets. The Company generally defines an active market as a market in which trading occurs at significant volumes. Active markets generally are more liquid and have a lower bid-ask spread than an inactive market.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and observable inputs other than quoted prices, such as interest rates or yield curves and other inputs derived from or corroborated by observable market inputs.
- Level 3 – Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. Level 3 financial instruments also include those for which the determination of fair value requires significant management judgment or estimation.

An asset or liability's categorization within the fair value hierarchy is based on the lowest level of significant input to its valuation.

The following table presents information about financial instruments carried at fair value and indicates the level of the fair value measurement on the levels of the inputs used. Bonds are generally recorded at amortized cost. However, as of December 31, 2011, certain bonds were other-than-temporarily-impaired and written down to their values based on NAIC designation, which are reflected on the table below. Stocks, excluding those for investments in subsidiaries, are reported at fair value on a recurring basis.

(in thousands of dollars)

As of 12/31/2011	Level 1	Level 2	Level 3	Total
Bonds	-	-	\$688	\$688
Stocks	\$ 48	-	-	48
Total	\$ 48	-	\$688	\$736

Cash and Short Term Investments

The carrying amounts reported in the statement of admitted assets, liabilities and surplus for these instruments are at amortized cost.

Bonds

Bonds with an NAIC designation of 1 and 2 are carried at amortized cost while bonds with an NAIC designation of 3 through 6 are carried at the lower of cost or fair value.

The fair value of bonds in the investment portfolio is generally based on quoted market prices received from third party pricing services or alternative pricing sources with reasonable levels of price transparency. Such quotes generally include available relevant market information, benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing. Additional valuation factors that can be taken into account are nominal spreads, dollar basis, and liquidity adjustments. The pricing services evaluate each asset class based on relevant market and credit information, perceived market movements, and sector news. The overwhelming majority of fixed maturities are classified as Level 2 because the most significant inputs used in the pricing techniques are observable. Prices determined based upon model processes where at least one significant model assumption or input is unobservable, are considered to be Level 3 in the fair value hierarchy.

Stocks

The Company's stocks are comprised primarily of investments in subsidiaries. As discussed within our significant accounting policies, investments in subsidiaries are recorded in compliance with SSAP97.

21. Other Items

- A. The Company had no extraordinary items during 2011.
- B. The Company has no debt restructuring during 2011.
- C. The Company has no unusual items to disclose during 2011.
- D. As of December 31, 2011, the Company had uncollected premiums of \$36,748,747. Uncollected premiums more than 90 days past due were \$12,372,276.
- E. The Company had no business interruption insurance recoveries during 2011.
- F. The Company has no State Transferable Tax Credits during 2011.
- G. Subprime Mortgage-Related Exposure
(1)–(3) The Company does not own any subprime mortgage investments at December 31, 2011.
- (4) Underwriting Exposure

Year End 2011 U.S. Residential Mortgage-Backed Securities ("RMBS") Loss Projection

The shape of the RMBS loss projection curves used by the Company in both the year end of 2011 and the year end of 2010 assume that the housing and mortgage markets will eventually improve. The Company retained the same general shape of the RMBS loss projection curves at year end 2011 as at year end 2010, reflecting the Company's view, based on its observation of continued elevated levels of early stage delinquencies, that the housing and mortgage market recovery is occurring at a slower than previously expected pace. Over the course of 2011, the Company also made a number of changes to its RMBS loss projection assumptions reflecting that same view of the housing and mortgage markets.

The scenarios the Company used to project RMBS collateral losses for second lien RMBS transactions at year end 2011 were essentially the same as those it used at year end 2010, except that based on its observation of the continued elevated levels of early stage delinquencies, (i) as noted above, the Company retained the same general shape of its RMBS loss projection curves, (ii) the Company increased its base case expected period for reaching the final conditional default rate in 2011; and (iii) the Company adjusted the probability weightings it applied from year-end 2010 to reflect the changes to those scenarios. Taken together, the changes in assumptions between year-end 2010 and 2011 had the effect of reflecting a slower recovery in the housing market than had been assumed at the beginning of the year.

The Company used the same general approach to project RMBS collateral losses for first lien RMBS transactions at year end 2011 as it did at year end 2010, except that (i) as noted above, based on its observation of the continued elevated levels of early stage delinquencies, the Company retained the same general shape of its RMBS loss projection curves; (ii) based on its observation of

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increased loss severity rates, the Company increased its projected loss severity rates in various of its scenarios; and (iii) based on its observation of liquidation rates, the Company decreased the liquidation rates it applies to non-performing loans (the Company made this change at year-end 2011). Finally, again reflecting continued high levels of early stage delinquencies and increased loss severity rates, the Company added a more stressful scenario at year-end 2011 reflecting an even slower potential recovery in the housing and mortgage markets. Additionally, the Company's year-end 2011 base case is a scenario that in previous quarters was assumed to be one of the stress scenarios. Taken together, the changes in assumptions between year-end 2010 and 2011 had the effect of (a) reflecting a slower recovery in the housing market than had been assumed at the beginning of the year and (b) for subprime transactions increasing the initial loss severities in most scenarios from 80% to 90% and for other first lien transactions increasing initial loss severities from 60% to 65% and peak loss severities in a stress case from 60% to 75%.

The Company also used generally the same methodology to project the credit received for recoveries in R&W at year-end 2011 as at year-end 2010. The primary difference relates to the execution of the Bank of America Agreement and the inclusion of the terms of the agreement as a potential scenario in transactions not covered by the Bank of America as well as incorporating the projected terms of a potential agreement with another entity. Compared with year-end 2010, the Company calculated R&W credits for two more second lien transactions and three more first lien transactions where either it obtained loan files, concluded it had the right to obtain loan files that it had not previously concluded were accessible or anticipates receiving a benefit due to an agreement or potential agreement with an R&W provider.

Year-End 2010 U.S. RMBS Loss Projections

The Company retained the same general shape of the RMBS loss projection curves at year end 2010 as at year end 2009, reflecting the Company's view, based on its observation of continued elevated levels of early stage delinquencies, that the housing and mortgage market recovery was occurring at a slower than previously expected pace. The specific shape of those curves was adjusted in the second quarter 2010 to reflect the Company's view that it was observing the beginning of an improvement in the housing and mortgage markets, and this specific shape of the loss projection curves was retained at year-end 2010. However, in the fourth quarter 2010, due to the Company's concerns about the timing and strength of any recovery in the mortgage and housing markets, the Company adjusted the probability weightings it applied to its scenarios to reflect a somewhat more pessimistic view. Also in the fourth quarter 2010, the Company increased its initial subprime loss severity assumption to reflect recent experience. Taken together, the changes in the assumptions between year-end 2009 and 2010 had the effect of (a) reflecting a slower recovery in the housing market than had been assumed at the beginning of the year, and (b) increasing the assumed initial loss severities for subprime transactions from 70% to 80%.

The Company also used generally the same methodology to project the credit received for recoveries on R&W at year-end 2010 as it used at year-end 2009. Other than the impact of the increase in projected collateral defaults on the calculation of the credit, the primary difference relates to the population of transactions the Company included in its R&W credits. The Company added credits for four second lien transactions: two transactions where a capital infusion of the provider of the R&W made that company financially viable in the Company's opinion and another two transactions where the Company obtained loan files that it had not previously concluded were accessible. The Company added credits for two first lien transactions where it has obtained loan files that it had not previously concluded were accessible. The Company also refined some of the assumptions in the calculation of the amount of the credit to reflect actual experience.

U.S. Second Lien RMBS Projections: Home Equity Lines of Credit ("HELOC") and Closed End Secondary ("CES")

The Company insures two types of second lien RMBS: those secured by HELOCs and those secured by closed end second lien mortgages. HELOCs are revolving lines of credit generally secured by a second lien on a one to four family home. A mortgage for a fixed amount secured by a second lien on a one to four family home is generally referred to as a closed end second lien. Both first lien RMBS and second lien RMBS sometimes include a portion of loan collateral with a different priority than the majority of the collateral. The Company has material exposure to second lien mortgage loans originated and serviced by a number of parties, but the Company's most significant second lien exposure is to HELOCs originated and serviced by Countrywide, a subsidiary of Bank of America.

The delinquency performance of HELOC and closed end second lien exposures included in transactions insured by the Company began to deteriorate in 2007, and such transactions, particularly those originated in the period from 2005 through 2007, continue to perform below the Company's original underwriting expectations. While insured securities benefit from structural protections within the transactions designed to absorb collateral losses in excess of previous historically high levels, in many second lien RMBS projected losses now exceed those structural protections.

The Company believes the primary variables affecting its loss reserves in second lien RMBS transactions are the amount and timing of future losses in the collateral pool supporting the transactions and the amount of loans repurchased for breaches of R&W (or agreements with R&W providers related to such obligations). Loss reserves are also a function of the structure of the transaction, the voluntary prepayment rate (typically also referred to as conditional prepayment rate of the collateral); the interest rate environment; and assumptions about the draw rate and loss severity. These variables are interrelated, difficult to predict and subject to considerable volatility. If actual experience differs from the Company's assumptions, the losses incurred could be materially different from the estimate. The Company continues to update its evaluation of these exposures as new information becomes available.

The following table shows the key assumptions used in the calculation of estimated loss reserves for direct vintage 2004-2008 second lien U.S. RMBS.

**Key Assumptions in Base Case Loss Reserve Estimates
Second Lien RMBS(1)**

HELOC Key Variables	As of	As of
	December 31, 2011	December 31, 2010
Plateau conditional default rate ("CDR").....	4.0 – 27.4%	4.2 – 22.1%
Final CDR trended down to.....	0.4 – 3.2%	0.4 – 3.2%
Expected Period until Final CDR.....	36 months	24 months
Initial conditional prepayment rate ("CPR").....	1.4 – 25.8%	3.3 – 17.1%
Final CPR.....	10.0%	10.0%
Loss severity.....	98%	98%
Initial draw rate.....	0.0 – 15.3%	0.0 – 6.8%

CES Key Variables	As of	As of
	December 31, 2011	December 31, 2010
Plateau CDR.....	16.9 – 29.5%	17.7 – 38.8%
Final CDR trended down to.....	3.3 – 8.6%	3.3 – 8.6%
Expected Period until Final CDR.....	36 months	24 months
Initial CPR.....	1.6 – 5.1%	1.4 – 5.8%
Final CPR.....	10%	10%
Loss severity.....	98%	98%

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(1) Represents assumptions for most heavily weighted scenario (the “base case”).

In second lien transactions the projection of near-term defaults from currently delinquent loans is relatively straightforward because loans in second lien transactions are generally “charged off” (treated as defaulted) by the securitization’s servicer once the loan is 180 days past due. Most second lien transactions report the amount of loans in five monthly delinquency categories (*i.e.*, 30-59 days past due, 60-89 days past due, 90-119 days past due, 120-149 days past due and 150-179 days past due). The Company estimates the amount of loans that will default over the next five months by calculating current representative liquidation rates (the percent of loans in a given delinquency status that are assumed to ultimately default) from selected representative transactions and then applying an average of the preceding 12 months’ liquidation rates to the amount of loans in the delinquency categories. The amount of loans projected to default in the first through fifth months is expressed as a conditional default rate. The first four months’ conditional default rate is calculated by applying the liquidation rates to the current period past due balances (*i.e.*, the 150-179 day balance is liquidated in the first projected month, the 120-149 day balance is liquidated in the second projected month, the 90-119 day balance is liquidated in the third projected month and the 60-89 day balance is liquidated in the fourth projected month). For the fifth month the conditional default rate is calculated using the average 30-59 day past due balances for the prior three months. An average of the third, fourth and fifth month conditional default rates is then used as the basis for the plateau period that follows the embedded five months of losses.

As of December 31, 2011, for the base case scenario, the conditional default rate (the “plateau conditional default rate”) was held constant for one month. Once the plateau period has ended, the conditional default rate is assumed to gradually trend down in uniform increments to its final long-term steady state conditional default rate. In the base scenario, the time over which the conditional default rate trends down to its final conditional default rate is 30 months (compared with 18 months at year-end 2010). Therefore, the total stress period for second lien transactions is 36 months, comprising five months of delinquent data, a one month plateau period and 30 months of decrease to the steady state conditional default rate. This is 12 months longer than the 24 months of total stress period used at year-end 2010. The long-term steady state conditional default rates are calculated as the constant conditional default rates that would have yielded the amount of losses originally expected at underwriting. When a second lien loan defaults, there is generally very low recovery. Based on current expectations of future performance, the Company assumes that it will only recover 2% of the collateral, the same as the year-end 2010.

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected (which is a function of the conditional default rate and the loan balance over time) as well as the amount of excess spread (which is the excess of the interest paid by the borrowers on the underlying loan over the amount of interest and expenses owed on the insured obligations). In the base case, the current conditional prepayment rate is assumed to continue until the end of the plateau before gradually increasing to the final conditional prepayment rate over the same period the conditional default rate decreases. For transactions where the initial conditional prepayment rate is higher than the final conditional prepayment rate, the initial conditional prepayment rate is held constant. The final conditional prepayment rate is assumed to be 10% for both HELOC and closed end second lien transactions. This level is much higher than current rates, but lower than the historical average, which reflects the Company’s continued uncertainty about the projected performance of the borrowers in these transactions. This pattern is consistent with how the Company modeled the conditional prepayment rate at year-end 2010. To the extent that prepayments differ from projected levels it could materially change the Company’s projected excess spread and losses.

The Company uses a number of other variables in its second lien loss projections, including the spread between relevant interest rate indices, and HELOC draw rates (the amount of new advances provided on existing HELOCs expressed as a percentage of current outstanding advances). For HELOC transactions, the draw rate is assumed to decline from the current level to a final draw rate over a period of three months. The final draw rates were assumed to range from 0.0% to 1.3% in all but one instance where the final draw rate was 7.7%.

In estimating loss reserves, the Company modeled and probability weighted three possible conditional default rate curves applicable to the period preceding the return to the long-term steady state conditional default rate. Given that draw rates have been reduced to levels below the historical average and that loss severities in these products have been higher than anticipated at inception, the Company believes that the level of the elevated conditional default rate and the length of time it will persist is the primary driver behind the likely amount of losses the collateral will suffer (before considering the effects of repurchases of ineligible loans). The Company continues to evaluate the assumptions affecting its modeling results.

At year-end 2011, the Company’s base case assumed a one month conditional default rate plateau and a 30 month ramp-down (for a total stress period of 36 months). Increasing the conditional default rate plateau to four months and keeping the ramp-down at 30 months (for a total stress period of 39 months) would increase the loss reserves by approximately \$28.9 million for HELOC transactions and \$10.5 million for closed end second lien transactions. On the other hand, keeping the conditional default rate plateau at one month but decreasing the length of the conditional default rate ramp-down to a 24 month assumption (for a total stress period of 30 months) would decrease the loss reserves by approximately \$23.4 million for HELOC transactions and \$1.3 million for closed end second lien transactions.

U.S. First Lien RMBS Loss Projections: Alt-A First Lien, Option Adjustable Rate Mortgage (“ARM”), Subprime and Prime

First lien RMBS are generally categorized in accordance with the characteristics of the first lien mortgage loans on one-to-four family homes supporting the transactions. The collateral supporting “subprime RMBS” transactions consists of first-lien residential mortgage loans made to subprime borrowers. A “subprime borrower” is one considered to be a higher risk credit based on credit scores or other risk characteristics. Another type of RMBS transaction is generally referred to as “Alt-A first lien.” The collateral supporting such transactions consists of first-lien residential mortgage loans made to “prime” quality borrowers who lack certain ancillary characteristics that would make them prime. When more than 66% of the loans originally included in the pool are mortgage loans with an option to make a minimum payment that has the potential to amortize the loan negatively (*i.e.*, increase the amount of principal owed), the transaction is referred to as an “Option ARM.” Finally, transactions may be composed primarily of loans made to prime borrowers. Both first lien RMBS and second lien RMBS sometimes include a portion of loan collateral that differs in priority from the majority of the collateral.

The performance of the Company’s first lien RMBS exposures began to deteriorate in 2007 and such transactions, particularly those originated in the period from 2005 through 2007 continue to perform below the Company’s original underwriting expectations. The Company currently projects first lien collateral losses many times those expected at the time of underwriting. While insured securities benefited from structural protections within the transactions designed to absorb some of the collateral losses, in many first lien RMBS transactions, projected losses exceed those structural protections.

The majority of projected losses in first lien RMBS transactions are expected to come from non-performing mortgage loans (those that are delinquent or in foreclosure or where the loan has been foreclosed and the RMBS issuer owns the underlying real estate). An increase in non-performing loans beyond that projected in the previous period is one of the primary drivers of loss development in this portfolio. In order to determine the number of defaults resulting from these delinquent and foreclosed loans, the Company applies a liquidation rate assumption to loans in each of various delinquency categories. The Company arrived at its liquidation rates based on data in Loan Performance and assumptions about how delays in the foreclosure process may ultimately affect the rate at which loans are liquidated. The Loan Performance securities databases, provided by CoreLogic, Inc, are said to be the industry’s largest and most comprehensive and include loan-level data on more than \$2.2 trillion in mortgage-backed and asset-backed securities (more than 90% of the market) as well as analytical tools designed to help evaluate that data. The liquidation rate is a standard industry measure that is used to estimate the number of loans in a given aging category that will default within a specified time period. The Company projects these liquidations to occur over two years. For year-end 2011 the Company reviewed data in Loan Performance and, based

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on that data, determined that its liquidation rate assumptions needed to be updated. The following table shows liquidation assumptions for various delinquency categories.

The following table shows the Company's liquidation assumptions for various delinquency categories as of December 31, 2011 and December 31, 2010.

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
30 - 59 Days Delinquent		
Alt-A first lien.....	35%	50%
Option ARM.....	50	50
Subprime.....	30	45
60 - 89 Days Delinquent		
Alt-A first lien.....	55	65
Option ARM.....	65	65
Subprime.....	45	65
90+ Days Delinquent		
Alt-A first lien.....	65	75
Option ARM.....	75	75
Subprime.....	60	70
Bancruptcy		
Alt-A first lien.....	55	75
Option ARM.....	70	75
Subprime.....	50	70
Foreclosure		
Alt-A first lien.....	85	85
Option ARM.....	85	85
Subprime.....	80	85
Real Estate Owned (REO)		
All	100	100

While the Company uses liquidation rates as described above to project defaults of non-performing loans, it projects defaults on presently current loans by applying a conditional default rate trend. The start of that conditional default rate trend is based on the defaults the Company projects will emerge from currently non-performing loans. The total amount of expected defaults from the non-performing loans is translated into a constant conditional default rate (i.e., the conditional default rate plateau), which, if applied for each of the next 24 months, would be sufficient to produce approximately the amount of defaults that were calculated to emerge from the various delinquency categories. The conditional default rate thus calculated individually on the collateral pool for each RMBS is then used as the starting point for the conditional default rate curve used to project defaults of the presently performing loans.

In the base case, each transaction's conditional default rate is projected to improve over 12 months to an intermediate conditional default rate (calculated as 20% of its conditional default rate plateau, which was a stress case in prior periods when 15% was used in the base case); that intermediate conditional default rate is held constant for 36 months and then trails off in steps to a final conditional default rate of 5% of the conditional default rate plateau. Under the Company's methodology, defaults projected to occur in the first 24 months represent defaults that can be attributed to loans that are currently delinquent or in foreclosure, while the defaults projected to occur using the projected conditional default rate trend after the first 24 month period represent defaults attributable to borrowers that are currently performing.

Another important driver of loss projections is loss severity, which is the amount of loss the transaction incurs on a loan after the application of net proceeds from the disposal of the underlying property. Loss severities experienced in first lien transactions have reached historic high levels and the Company is assuming that these historic high levels generally will continue for another year (in the case of subprime loans, the Company assumes the unprecedented 90% loss severity rate will continue for six months then drop to 80% for six months before following the ramp described below). The Company determines its initial loss severity based on actual recent experience. (Based on these observations, the Company has increased its loss severity assumptions for year-end 2011 as compared to year-end 2010 as shown in the table below.) The Company then assumes that loss severities begin returning to levels consistent with underwriting assumptions beginning in December 2012, and in the base scenario decline over two years to 40%.

The following table shows the key assumptions used in the calculation of loss reserves to be paid for direct vintage 2004 - 2008 first lien U.S. RMBS.

Key Assumptions in Base Case Loss Reserve Estimates of First Lien RMBS Transactions

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Alt-A First Lien		
Plateau CDR.....	5.7% - 41.3%	7.6% - 42.0%
Intermediate CDR.....	1.1% - 8.3%	1.1% - 6.0%
Final CDR.....	0.3% - 2.1%	0.4% - 2.1%
Initial Loss Severity.....	65%	60%
Initial CPR.....	0.0% - 15.2%	0.0% - 20.0%
Final CPR.....	15%	10%
Option ARM		
Plateau CDR.....	11.7% - 31.5%	14.4% - 32.0%
Intermediate CDR.....	2.3% - 6.3%	2.2% - 4.5%
Final CDR.....	0.6% - 1.6%	0.7% - 1.6%
Initial Loss Severity.....	65%	60%
Initial CPR.....	0.3% - 10.8%	0.0% - 6.0%
Final CPR.....	15%	10%
Subprime		
Plateau CDR.....	10.4% - 29.9%	12.4% - 34.0%
Intermediate CDR.....	2.1% - 6.0%	1.9% - 5.2%
Final CDR.....	0.5% - 1.5%	0.6% - 1.7%
Initial Loss Severity.....	90%	80%
Initial CPR.....	0.0% - 10.6%	0.0% - 4.7%
Final CPR.....	15%	10%

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected (since that amount is a function of the conditional default rate and the loan balance over time) as well as the amount of excess spread (the amount by which the interest paid by the borrowers on the underlying loan exceeds the amount of interest owed on the insured obligations). The assumption for the conditional prepayment rate follows a similar pattern to that of the conditional default rate. The current level of voluntary prepayments is assumed to continue for the plateau period before gradually increasing over 12 months to the final conditional prepayment rate, which is assumed to be either 10% or 15% depending on the scenario run. For transactions where the

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initial conditional prepayment rate is higher than the final conditional prepayment rate, the initial conditional prepayment rate is held constant.

The ultimate performance of the Company's first lien RMBS transactions remains highly uncertain and may be subject to considerable volatility due to the influence of many factors, including the level and timing of loan defaults, changes in housing prices and other variables. The Company will continue to monitor the performance of its RMBS exposures and will adjust the loss projections for those transactions based on actual performance and management's estimates of future performance.

In estimating loss reserves, the Company modeled and probability weighted sensitivities for first lien transactions by varying its assumptions of how fast a recovery is expected to occur. One of the variables used to model sensitivities was how quickly the conditional default rate returned to its modeled equilibrium, which was defined as 5% of the current conditional default rate. The Company also stressed conditional prepayment rates and the speed of recovery of loss severity rates. For year-end 2011 the Company added a more stressful scenario and adjusted its scenario probability weightings, which had the effect of shifting its base case to a scenario that had been considered a stress scenario in prior periods. The Company probability weighted a total of five scenarios (including its base case) at year-end 2011, one more than it weighted in prior periods. In a somewhat more stressful environment than that of the base case, where the conditional default rate plateau was extended three months (to be 27 months long) before the same more gradual conditional default rate recovery and loss severities were assumed to recover over four rather than two years (and subprime loss severities were assumed to recover only to 60%), loss reserves would increase from current projections by approximately \$11.5 million for Alt-A first liens, \$34.5 million for Option ARM, \$58.1 million for subprime and \$0.0 million for prime transactions. In an even more stressful scenario where other loss severities were assumed to recover over six years (and subprime severities were assumed to recover only to 60% and other assumptions were the same as the other stress scenario), loss reserves would increase from current projections by approximately \$29.5 million for Alt-A first liens, \$81.0 million for Option ARM, \$83.7 million for subprime and \$0.0 million for prime transactions. The Company also considered two scenarios where the recovery was faster than in its base case. In scenario somewhat less stressful environment than the base case, where conditional default rate recovery was somewhat less gradual and the initial subprime loss severity rate was assumed to be 80% for 12 months and was assumed to recover to 40% over two years (the same scenario used for the base case at year-end 2010), loss reserves would decrease from current projections by approximately \$2.9 million for Alt-A first lien, \$24.7 million for Option ARM, \$11.0 million for subprime and \$0.0 million for prime transactions. In an even less stressful scenario where the conditional default rate plateau was three months shorter (21 months, effectively assuming that liquidation rates would improve) and the conditional default rate recovery was more pronounced, loss reserves would decrease from current projections by approximately \$11.3 million for Alt-A first lien, \$57.9 million for Option ARM, \$23.0 million for subprime and \$0.0 million for prime transactions.

Breaches of Representations and Warranties

The Company is pursuing reimbursements for breaches of representations and warranties ("R&W") regarding loan characteristics. Performance of the collateral underlying certain first and second lien securitizations has substantially differed from the Company's original expectations. The Company has employed several loan file diligence firms and law firms as well as devoted internal resources to review the mortgage files surrounding many of the defaulted loans. The Company's success in these efforts resulted in two negotiated agreements, in respect of the Company's R&W claims, including one on April 14, 2011 with Bank of America.

The R&W development during 2011 resulted in large part from the Bank of America Agreement executed on April 14, 2011 related to the Company's R&W claims. The benefit of the Bank of America Agreement is included in the R&W credit for the transactions directly affected by the agreement. In addition, the Bank of America Agreement caused the Company to increase the probability of successful pursuit of R&W claims against other providers where the Company believed those providers were breaching at a similar rate. The remainder of the development during 2011 primarily relates to changes in recovery assumptions due to the inclusion of the terms of the Bank of America Agreement as a potential scenario for other transactions and to reflect advanced discussions with other R&W providers.

The Company assumes that recoveries on HELOC and closed-end second lien loans that were not subject to the Bank of America Agreement will occur in two to four years from the balance sheet date depending on the scenarios and that recoveries on Alt-A first lien, Option ARM and Subprime loans will occur as claims are paid over the life of the transactions. Recoveries on second lien transactions subject to the Bank of America Agreement will be paid in full by March 31, 2012.

As of December 31, 2011, cumulative collateral losses on the 12 first lien RMBS transactions are executed as financial guaranties and subject to the Bank of America Agreement were approximately \$1.8 billion. The Company estimates that cumulative projected collateral losses for these first lien transactions will be \$4.5 billion, which will result in estimated gross loss reserves to the Company of \$339.7 million before considering R&W recoveries from Bank of America, and \$67.9 million after considering such R&W recoveries, all on an undiscounted basis. As of December 31, 2011, the Company had been reimbursed \$37.0 million and had invoiced for an additional \$4.2 million in claims in December with respect to the covered first lien transactions under the Bank of America Agreement.

Other Notable Loss or Claim Transactions

The preceding pages describe the asset classes in the financial guaranty portfolio that encompass most of the Company's projected losses. The Company also projects losses on, or is monitoring particularly closely, a number of other transactions, the most significant of which are described in the following paragraphs.

As of December 31, 2011, the Company had exposure to sovereign debt of Greece through financial guarantees of €105.5 million of debt (€68.9 million on a net basis) due in 2037 with a 4.5% fixed coupon and €36.1 million of debt (€23.6 million on a net basis) due in 2057 with a 2.085% inflation-linked coupon. The Hellenic Republic of Greece, as obligor, has been paying interest on such notes on a timely basis. On February 24, 2012, Greece announced the terms of exchange offers and consent solicitations that request the voluntary participation by holders of certain Greek bonds in an exchange that would result in the reduction of 53.5% of the notional amount of such bonds, and request the consent of holders to amendments of the bonds that could be used to effectively impose the same terms on holders that do not voluntarily participate in the exchange. On February 23, 2012, the Greek Parliament enacted legislation that introduces collective action clauses into eligible Greek law governed bonds to permit the terms of such bonds to be amended with the consent of less than all the holders of those bonds. The bonds insured under the financial guarantees were included in the list of Greek bonds covered by the exchange offer and/or consent solicitation. The bonds due in 2037 were issued under Greek law and thus are susceptible to a coercive exchange pursuant to the new legislation that might trigger a claim under the Company's policy. The bonds due in 2057 were issued under English law and already contain a collective action clause that could entail similar results. Greece has stated that its use of collective action clauses will depend on the level of participation in the exchange offer and/or consent solicitation. The Company is currently evaluating the exchange offer and consent solicitation. If Greece does not utilize the collective action clauses, the Company believes the proposal should not trigger claim payments under its financial guarantees. The Company has considered a variety of scenarios in its loss reserve estimation process including the nature of the proposed exchange and the value of the consideration it would receive if it were to participate in the exchange, either voluntarily or involuntarily. The loss reserve to be paid was \$24.5 million gross of reinsurance and \$16.0 million net of reinsurance as of December 31, 2011.

The Company has net exposure to Jefferson County, Alabama of \$195.2 million. On November 9, 2011, Jefferson County filed for bankruptcy under Chapter 9 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Northern District of Alabama (Southern Division).

Most of the Company's exposure relates to \$88.5 million of warrants issued by Jefferson County in respect of its sewer system. Jefferson County's sewer revenue warrants are secured by a pledge of the net revenues of the sewer system, and the bankruptcy court has affirmed that the net revenues constitute "special revenue" under Chapter 9. Therefore, the net revenues of the sewer system are not subject to an automatic stay during the pendency of the County's bankruptcy case. However, whether sufficient net

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revenues will be made available for the payment of regularly scheduled debt service will be a function of the bankruptcy court's determination of "necessary operating expenses" under the bankruptcy code and the valuation of the sewer revenue stream which the bankruptcy court ultimately approves. The Company has projected loss reserve to be paid of \$4.9 million as of December 31, 2011 on the sewer revenue warrants, which is an estimate based on a number of probability-weighted scenarios.

The Company's remaining net exposure of \$106.7 million relates to bonds issued by Jefferson County that are secured by, or payable from, certain revenues, taxes or lease payments that may have the benefit of a statutory lien or a lien on "special revenues" or other collateral. The Company has no loss reserve as of December 31, 2011 on these bonds.

The Company expects that bondholder rights will be enforced. However, due to the early stage of the bankruptcy proceeding, and the circumstances surrounding Jefferson County's debt, the nature of the action is uncertain. The Company will continue to analyze developments in the matter closely.

The Company has projected loss reserves of \$6.7 million as of December 31, 2011 on a transaction backed by revenues generated by telephone directory "yellow pages" (both print and digital) in various jurisdictions with a net par of \$51.1 million and guaranteed by Ambac Assurance Corporation ("Ambac"). This estimate is based primarily on the Company's view of how quickly "yellow pages" revenues are likely to decline in the future.

The Company insures a total of \$162.8 million net par of securities backed by manufactured housing loans, a total of \$93.5 million rated below investment grade ("BIG"). The Company has projected loss reserve to be paid of \$9.5 million as of December 31, 2011 on two direct transactions from 2000-2001 with an aggregate net par of \$93.5 million.

The Company has \$82.1 million of net par exposure to The City of Harrisburg, Pennsylvania, of which \$47.6 million is BIG. The Company has paid \$4.4 million in net claims to date, and expects a full recovery.

The following summarizes U.S subprime loss activity:

- a. The aggregate amount of U.S. subprime related net losses paid in the current year were \$18,716,558;
- b. The aggregate amount of U.S. subprime related net losses incurred in the current year was of \$9,050,864;
- c. The aggregate amount of U.S. subprime related net case reserves at the end of the current reporting period were \$64,723,415;
- d. The Company does not establish IBNR reserves.

22. Events Subsequent

Subsequent events have been considered through March 1, 2012 for these statutory financial statements which are to be issued March 1, 2012. There were no material events occurring subsequent to December 31, 2011 that require disclosure.

23. Reinsurance

- A. The Company has no unsecured reinsurance recoverable at December 31, 2011.
- B. The Company has no reinsurance recoverable in dispute at December 31, 2011.
- C. Reinsurance Assumed and Ceded

	Assumed Reinsurance		Ceded Reinsurance		Assumed less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
AFFILIATES	\$ 361,492,238	\$ 108,447,672	\$ 1,269,290,985	\$ 380,787,295	\$ (907,798,747)	\$ (272,339,623)
ALL OTHER	2,510,946	753,284	413,710,583	124,113,175	(411,199,637)	(123,359,891)
	\$ 364,003,184	\$ 109,200,956	\$ 1,683,001,568	\$ 504,900,470	\$ (1,318,998,384)	\$ (395,699,514)

Direct Unearned Premium Reserve: \$2,717,562,247.

The Company did accrue Profit Commission in the amount of \$4,628,748 from Assured Guaranty Re Ltd. at December 31, 2011. The amount was received by the Company in February 2012. The Company is not bound by any contractual arrangements that required the accrual of return commissions based upon loss experience or any other form of profit sharing. The Company has no protected cells at December 31, 2011.

- D. The Company has no uncollectible reinsurance at December 31, 2011.
- E. The effect of the Company's commutation and resumption of ceded and assumed business is summarized in the table below:

	XL Insurance Company Ltd.	Financial Guaranty Insurance Co.	TOTAL
Ceded (Assumed) Written Premium	\$ 642,478	\$(1,057,005)	\$ (414,527)
Change in UPR	(642,478)	1,057,005	414,527
Premiums Earned	-	-	-
Return of Ceding Commission	-	320,165	320,165
Other Income (Expense)	20,263,509	-	20,263,509
Pre-Tax Gain/(Loss)	20,263,509	320,165	20,583,674

- F. The Company has no retroactive reinsurance in effect at December 31, 2011.
- G. The Company does not utilize the deposit method to account for any of its reinsurance transactions.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

The Company does not issue retrospectively rated contracts or contracts subject to redetermination; none of the company's reinsurance contracts are retrospectively rated or subject to redetermination.

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25. Changes in Incurred Losses and Loss Adjustment Expenses

Incurred losses and loss expenses attributable to insured events of prior years were \$(101,585,892) and \$ 68,535,317 for the years ended December 31, 2011 and 2010, respectively. The current year decrease is a result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

The Company is a participant in an intercompany pooling arrangement with its affiliates, Assured Guaranty Municipal Insurance Company (NAIC # 10843) and Assured Guaranty (Bermuda) Ltd. that provides for pro rata reinsurance on all insurance transactions based on the relative policyholders surplus and contingency reserve of all the affiliates based on the most recent filed statutory statements.

27. Structured Settlements

The Company has not purchased any annuities in 2011.

28. Health Care Receivables

The Company does not have any healthcare receivables at December 31, 2011.

29. Participating Policies

The Company has no participating accident or health contracts during 2011.

30. Premium Deficiency Reserves

The Company has no premium deficiency reserves during 2011.

31. High Deductibles

The Company has not recorded any reserve credits during 2011.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

The Company discounts the liability for unpaid losses for financial guaranty claims on a non-tabular basis at a rate of 5.0%, the approximate taxable equivalent yield on the Company's investment portfolio. The amount of discounted loss and loss adjustment reserves at December 31, 2011 and December 31, 2010 is \$212,041,561 and \$287,460,443, respectively. The amount of the discount as of December 31, 2011 and December 31, 2010 is \$135,253,466 and \$211,913,269, respectively.

33. Asbestos / Environmental Reserves

The Company has not written any policies which have been identified as having the potential for the existence of a liability due to asbestos or environmental losses.

34. Subscriber Savings Accounts

The Company is not a reciprocal exchange and, therefore, does not have subscriber savings accounts.

35. Multiple Peril Crop Insurance

The Company does not write multiple peril crop insurance.

36. Financial Guaranty Insurance

A. (1) Installment Contracts

- a. The gross unearned premium reserve on an undiscounted basis for the entire book of business that would have been reported had all installment premiums been received at inception would have been \$4,040,428,709 as of December 31, 2011.
- b. Schedule of gross premiums (undiscounted) expected to be collected under all installment contracts:

<u>Period</u>	<u>(in thousands)</u>
1 st Quarter 2012	\$ 31,440
2 nd Quarter 2012	70,259
3 rd Quarter 2012	27,702
4 th Quarter 2012	43,469
2013	90,333
2014	79,922
2015	68,433
2016	55,319
2017 – 2021	181,057
2022 – 2026	125,925
2027 – 2031	84,666
2031 thereafter	100,340
TOTAL	\$958,865

- c. Roll forward of the gross expected premiums (undiscounted), (in thousands):

Expected future premiums – beginning of year	\$ 1,147,646
Less premium payments received for existing installment contracts	(230,330)
Expected premium payments for new installment contracts	0
Adjustments to the expected future premium payments	41,549
Expected future premiums – end of year	<u>\$ 958,865</u>

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(2) Non Installment Contracts

- a. The gross earned premium on non-installment contracts that was recognized on an accelerated basis was \$136,373,227 for the year ended December 31, 2011. Such accelerations are recognized when an insured issue is retired early, is called by the issuer, or is in substance paid in advance through a refunding accomplished by placing U.S. Government securities in escrow.
- b. Schedule of future expected gross earned premium revenue on non-installment contracts as of December 31, 2011:

Period	(in thousands)
1 st Quarter 2012	\$ 29,341
2 nd Quarter 2012	31,733
3 rd Quarter 2012	37,185
4 th Quarter 2012	39,988
2013	131,773
2014	131,346
2015	129,469
2016	155,203
2017 – 2021	620,403
2022 – 2026	551,280
2027 – 2031	417,886
2031 thereafter	589,350
TOTAL	\$2,864,957

(3) Claim Liability

- a. The Company used a rate of 5% to discount claim liability. This rate approximates the taxable equivalent yield on the Company's investment portfolio.
- b. Significant components of the change in the claim liability for the period (in thousands):

Accretion of Discount	\$ 24,969
Changes in Timing	87,833
New reserves for defaults of insured contracts	34,879
Claim recoveries on prior year reserves	19,368
Development in prior year reserves	(242,467)
Change in deficiency reserves	0
Change in incurred but not reported claims	0
TOTAL	\$ (75,418)

(4) Risk Management Activities

- a. The following is a description of each grouping or category used to track and monitor below investment grade ("BIG") insured financial obligations:

BIG Category 1: Below-investment-grade transactions showing sufficient deterioration to make lifetime losses possible, but for which none are currently expected. Transactions on which claims have been paid but are expected to be fully reimbursed (other than investment grade transactions on which only liquidity claims have been paid) are in this category.

BIG Category 2: Below-investment-grade transactions for which lifetime losses are expected but for which no claims (other than liquidity claims) have yet been paid.

BIG Category 3: Below-investment-grade transactions for which lifetime losses are expected and on which claims (other than liquidity claims) have been paid. Transactions remain in this category when claims have been paid and only a recoverable remains.

- b. The Company's surveillance personnel are responsible for monitoring and reporting on all transactions in the insured portfolio. The primary objective of the surveillance process is to monitor trends and changes in transaction credit quality, detect any deterioration in credit quality, and recommend to management such remedial actions as may be necessary or appropriate. All transactions in the insured portfolio are assigned internal credit ratings, and surveillance personnel are responsible for recommending adjustments to those ratings to reflect changes in transaction credit quality.

The Company's work-out personnel are responsible for managing work-out and loss mitigation situations, working with surveillance and legal personnel (as well as outside vendors) as appropriate. They develop strategies for the Company to enforce its contractual rights and remedies and to mitigate its losses, engage in negotiation discussions with transaction participants and, when necessary, manage (along with legal personnel) the Company's litigation proceedings.

Since the onset of the financial crisis, the Company has shifted personnel to loss mitigation and work-out activities and hired new personnel to augment its efforts. Although the Company's loss mitigation efforts may extend to any transaction it has identified as having loss potential, much of the activity has been focused on RMBS.

The Company segregates its insured portfolio into investment grade and BIG surveillance categories to facilitate the appropriate allocation of resources to monitoring and loss mitigation efforts and to aid in establishing the appropriate cycle for periodic review for each exposure. BIG exposures include all exposures with internal credit ratings below BBB-. The Company's internal credit ratings are based on internal assessments of the likelihood of default and loss severity in the event of default. Internal credit ratings are expressed on a ratings scale similar to that used by the rating agencies and are generally reflective of an approach similar to that employed by the rating agencies.

The Company monitors its investment grade credits to determine whether any new credits need to be internally downgraded to BIG. The Company refreshes its internal credit ratings on individual credits in quarterly, semi-annual or annual cycles based on the Company's view of the credit's quality, loss potential, volatility and sector. Ratings on credits in sectors identified as under the most stress or with the most potential volatility are reviewed every quarter. The Company's insured credit ratings on assumed credits are based on the Company's reviews of low-rated credits or credits in volatile sectors, unless such information is not available, in which case, the ceding company's credit rating of the transactions are used. For example, the Company models all assumed RMBS credits with par above \$1 million, as well as certain RMBS credits below that amount.

- c. Performance of collateral underlying certain securitizations has substantially differed from the Company's original expectations. Employing several loan file diligence firm and law firms as well as internal resources, the Company performs detailed reviews of

NOTES TO FINANCIAL STATEMENTS

transactions files for the defaulted loans underlying insured transactions, and has identified a material number of defaulted loans that breach representations and warranties regarding the characteristics of the loans. During its activities to avoid and mitigate claim liabilities, the Company incurred loss adjustment expenses of \$47,393,218 and \$15,076,059 in 2011 and 2010, respectively, on its direct portfolio. The reserve for unpaid loss adjustment expenses on the direct portfolio was \$21,446,970 and \$9,298,723 at December 31, 2011 and 2010, respectively.

B. Schedule of insured financial obligations as of December 31, 2011:

(Dollars in Thousands)

	Surveillance Categories			
	BIG1	BIG2	BIG3	Total
Number of Risks	82	26	59	167
Remaining weighted-average contract period (in yrs)	7.5	9.0	5.7	7.2
Insured contractual payments outstanding:				
Principal	\$7,166,350	\$3,203,198	\$5,532,159	\$ 15,901,706
Interest	2,316,069	1,651,829	1,380,706	5,348,604
Total	<u>\$9,482,418</u>	<u>\$4,855,027</u>	<u>\$6,912,865</u>	<u>\$21,250,310</u>
Gross claim liability	\$105,528	\$1,187,229	\$1,646,067	\$2,938,824
Less: Gross potential recoveries - subrogation	183,014	627,388	1,424,772	2,235,174
Ceded claim liability	(52,521)	257,755	151,120	356,354
Discount, net	23,410	141,790	(29,946)	135,254
Net liability reported in the balance sheet	<u>\$(48,375)</u>	<u>\$160,296</u>	<u>\$100,121</u>	<u>\$212,042</u>
Reinsurance recoverables	<u>\$1,351</u>	<u>\$260</u>	<u>\$79,053</u>	<u>\$80,664</u>
Unearned premium reserve	<u>\$48,391</u>	<u>\$2,855</u>	<u>\$8,036</u>	<u>\$59,282</u>

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] NA []
- 1.3 State Regulating? New York
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2011
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2007
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).03/13/2009
- 3.4 By what department or departments? New York Insurance Department
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [X] No [] NA []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] NA []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [X] No []
- 7.2 If yes,
- 7.21 State the percentage of foreign control100.0
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity
Bermuda.....	Corporation.....

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

- 9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PriceWaterhouse Coopers LLP 300 Madison Ave., New York, NY 10017
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] NA []
- 10.6 If the response to 10.5 is no or n/a, please explain
- 11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Benjamin Rosenblum, Actuary of Assured Guaranty Corp. 31 West 52nd St., New York, NY 10019
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
 - 12.11 Name of real estate holding company
 - 12.12 Number of parcels involved.....
 - 12.13 Total book/adjusted carrying value..... \$.....
- 12.2 If yes, provide explanation
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 - a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - c. Compliance with applicable governmental laws, rules and regulations;
 - d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [X] No []
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
Routine Updates for new laws and regulation.
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

BOARD OF DIRECTORS

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below?..... Yes [] No [X]
 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
 17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
 18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?..... Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers .. \$
 - 20.12 To stockholders not officers .. \$
 - 20.13 Trustees, supreme or grand (Fraternal only) \$
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers .. \$
 - 20.22 To stockholders not officers ... \$
 - 20.23 Trustees, supreme or grand (Fraternal only) \$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$
 - 21.22 Borrowed from others \$
 - 21.23 Leased from others \$
 - 21.24 Other \$
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$
 - 22.22 Amount paid as expenses \$
 - 22.23 Other amounts paid \$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:..... \$

INVESTMENT

- 24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3)..... Yes [X] No []
- 24.2 If no, give full and complete information, relating thereto
- 24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?..... Yes [] No [] NA [X]
- 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs. \$
- 24.6 If answer to 24.4 is no, report amount of collateral for other programs. \$
- 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?..... Yes [] No [] NA [X]
- 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?..... Yes [] No [] NA [X]
- 24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?..... Yes [] No [] NA [X]

GENERAL INTERROGATORIES

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3) Yes [] No []
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- | | | | | |
|--|-------|--|----|-----------|
| | 25.21 | Subject to repurchase agreements | \$ | |
| | 25.22 | Subject to reverse repurchase agreements | \$ | |
| | 25.23 | Subject to dollar repurchase agreements | \$ | |
| | 25.24 | Subject to reverse dollar repurchase agreements | \$ | |
| | 25.25 | Pledged as collateral | \$ | |
| | 25.26 | Placed under option agreements | \$ | |
| | 25.27 | Letter stock or securities restricted as to sale | \$ | |
| | 25.28 | On deposit with state or other regulatory body | \$ | 8,114,510 |
| | 25.29 | Other | \$ | |

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No []
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA []
If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No []
- 27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [] No []

28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon.....	One Wall Street, New York, NY 10286.....

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No []
- 28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
107-105.....	Blackrock Financial Management, Inc.....	40 East 52nd St., New York, NY 10022.....
104-518.....	Deutsche Investment Management Americas Inc.....	345 Park Ave., New York, NY 10154.....
105-900.....	General Re-New England Asset Mgmt Inc.....	76 Batterson Park Road, Farmington, CT 06032.....
106-595.....	Wellington Management Company, LLP.....	75 State Street, Boston, MA 02109.....

GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?..... Yes [] No [X]
- 29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
29.2999	TOTAL	

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....
.....

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
30.1 Bonds.....	3,052,356,736	3,133,542,606	81,185,870
30.2 Preferred Stocks.....			
30.3 Totals	3,052,356,736	3,133,542,606	81,185,870

- 30.4 Describe the sources or methods utilized in determining the fair values:
 Fair values were determined by using quoted market values by independent pricing services.....
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... Yes [] No [X]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?..... Yes [] No [X]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?..... Yes [X] No []
- 32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any?.....\$

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

34.1 Amount of payments for legal expenses, if any?.....\$31,772,179

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?...\$488,552

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Debevoise & Plimpton, LLP.....	263,358

GENERAL INTERROGATORIES

(continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only \$
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$

1.31 Reason for excluding

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$

1.6 Individual policies:

Most current three years:

- 1.61 Total premium earned \$
- 1.62 Total incurred claims \$
- 1.63 Number of covered lives

All years prior to most current three years:

- 1.64 Total premium earned \$
- 1.65 Total incurred claims \$
- 1.66 Number of covered lives

1.7 Group policies:

Most current three years:

- 1.71 Total premium earned \$
- 1.72 Total incurred claims \$
- 1.73 Number of covered lives

All years prior to most current three years:

- 1.74 Total premium earned \$
- 1.75 Total incurred claims \$
- 1.76 Number of covered lives

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$	\$	\$
2.2	Premium Denominator	\$	\$	\$
2.3	Premium Ratio (2.1/2.2)	.....	.....	.....
2.4	Reserve Numerator	\$	\$	\$
2.5	Reserve Denominator	\$	\$	\$
2.6	Reserve Ratio (2.4/2.5)	.....	.....	.....

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]
- 3.2 If yes, state the amount of calendar year premiums written on:
 - 3.21 Participating policies..... \$
 - 3.22 Non-participating policies..... \$

4. For Mutual reporting entities and Reciprocal Exchanges only:

- 4.1 Does the reporting entity issue assessable policies?..... Yes [] No []
- 4.2 Does the reporting entity issue non-assessable policies?..... Yes [] No []
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?..... %
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums..... \$

5. For Reciprocal Exchanges Only:

- 5.1 Does the exchange appoint local agents?..... Yes [] No []
- 5.2 If yes, is the commission paid:
 - 5.21 Out of Attorney's-in-fact compensation..... Yes [] No [] NA []
 - 5.22 As a direct expense of the exchange..... Yes [] No [] NA []

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?..... Yes [] No []
- 5.5 If yes, give full information

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:.....
 Not Applicable.....
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:.....
 The Company evaluates its probable maximum loss as part of the underwriting process and uses various financial and exposure models as part of the process of evaluating its exposures. See Notes to Financial Statements numbers 1C and 21.6 for further detail of the loss evaluation process.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....
 The Company is a monline financial guaranty insurer. It does not write property insurance or reinsurance.....
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?..... Yes [] No [X]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.
 As a financial guaranty insurer, the Company is required by State Insurance Law to establish contingency reserves. These reserves are established in addition to specific case reserves/.....
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... Yes [X] No []
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.....1
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?..... Yes [X] No []
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?..... Yes [] No [X]
- 8.2 If yes, give full information.....
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity..... Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member, where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract..... Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?..... Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or, Yes [] No [X]
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force:..... Yes [] No [X]
 11.2 If yes, give full information

- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses..... \$
 12.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$
 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?..... \$
 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [] NA [X]
 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 12.41 From..... %
 12.42 To..... %
 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?..... Yes [] No [X]
 12.6 If yes, state the amount thereof at December 31 of the current year:
 12.61 Letters of Credit..... \$
 12.62 Collateral and other funds..... \$
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):..... \$ 210,754,969
 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 6
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract?..... Yes [X] No []
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
 Reinsured Individually.....
 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?..... Yes [X] No []
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?..... Yes [] No []
 14.5 If the answer to 14.4 is no, please explain:

- 15.1 Has the reporting entity guaranteed any financed premium accounts?..... Yes [] No [X]
 15.2 If yes, give full information

- 16.1 Does the reporting entity write any warranty business? Yes [] No [X]
 If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home	\$	\$	\$	\$	\$
16.12 Products	\$	\$	\$	\$	\$
16.13 Automobile	\$	\$	\$	\$	\$
16.14 Other*	\$	\$	\$	\$	\$

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that it excludes from Schedule F – Part 5. Yes [] No [X]

Incurring but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F – Part 5. Provide the following information for this exemption:

- 17.11 Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 \$.....
- 17.12 Unfunded portion of Interrogatory 17.11..... \$.....
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 \$.....
- 17.14 Case reserves portion of Interrogatory 17.11..... \$.....
- 17.15 Incurred but not reported portion of Interrogatory 17.11..... \$.....
- 17.16 Unearned premium portion of Interrogatory 17.11..... \$.....
- 17.17 Contingent commission portion of Interrogatory 17.11..... \$.....

Provide the following information for all other amounts included in Schedule F – Part 3 and excluded from Schedule F – Part 5, not included above.

- 17.18 Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 \$.....
- 17.19 Unfunded portion of Interrogatory 17.18..... \$.....
- 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 \$.....
- 17.21 Case reserves portion of Interrogatory 17.18..... \$.....
- 17.22 Incurred but not reported portion of Interrogatory 17.18..... \$.....
- 17.23 Unearned premium portion of Interrogatory 17.18..... \$.....
- 17.24 Contingent commission portion of Interrogatory 17.18..... \$.....

18.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$.....

18.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]

18.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$.....

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

	1 2011	2 2010	3 2009	4 2008	5 2007
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	.341,088,389	.472,256,372	.325,489,793	.963,171,442	.811,383,413
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	.341,088,389	.472,256,372	.325,489,793	.963,171,442	.811,383,413
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	.150,820,593	.157,240,201	.194,852,760	.528,243,069	.395,186,794
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)	.150,820,593	.157,240,201	.194,852,760	.528,243,069	.395,186,794
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	.249,107,666	.70,452,789	.143,980,882	.(1,159,155,066)	.84,161,824
14. Net investment gain (loss) (Line 11)	.103,209,469	.121,446,380	.138,567,227	.228,067,840	.177,908,755
15. Total other income (Line 15)	.(84,182,344)	.72,673,501	.46,243,926	.21,815,482	.4,547,556
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	.(130,402,819)	.14,269,215	.145,459,139	.(108,539,515)	.50,690,845
18. Net income (Line 20)	.398,537,610	.250,303,455	.183,332,896	.(800,732,229)	.215,927,290
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	.4,385,623,706	.4,237,316,485	.4,428,950,265	.4,434,173,982	.4,289,263,705
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	.24,376,471	.32,957,224	.50,289,102	.54,038,320	.88,205,232
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	.3,176,319,724	.3,310,277,327	.3,574,748,687	.3,813,821,537	.2,660,324,125
22. Losses (Page 3, Line 1)	.198,617,696	.282,020,606	.663,869,746	.1,104,939,586	.64,531,726
23. Loss adjustment expenses (Page 3, Line 3)	.13,423,865	.5,439,837	.3,653,787		
24. Unearned premiums (Page 3, Line 9)	.1,398,563,863	.1,482,036,901	.1,556,528,669	.1,641,807,756	.1,486,993,219
25. Capital paid up (Page 3, Lines 30 & 31)	.15,000,000	.15,000,000	.15,000,000	.15,000,000	.15,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	.1,209,303,982	.927,039,158	.854,201,578	.620,352,445	.1,628,939,580
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	.663,123	.(143,616,911)	.(245,941,506)	.242,356,768	.333,256,022
Risk-Based Capital Analysis					
28. Total adjusted capital					
29. Authorized control level risk-based capital					
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	.68.3	.66.8	.76.3	.78.3	.73.1
31. Stocks (Lines 2.1 & 2.2)	.15.4	.11.4	.9.9	.9.5	.22.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	.7.9	.13.9	.6.4	.12.3	.1.6
35. Contract loans (Line 6)					
36. Derivatives (Line 7)			.XXX	.XXX	.XXX
37. Other invested assets (Line 8)	.8.3	.8.0	.7.4	.0.0	.3.2
38. Receivables for securities (Line 9)	.0.1			.0.0	.0.0
39. Securities lending reinvested collateral assets (Line 10)			.XXX	.XXX	.XXX
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	.100.0	.100.0	.100.0	.100.0	.100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	.626,210,915	.455,321,842	.404,510,018	.435,055,770	.896,495,763
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47	.626,210,915	.455,321,842	.404,510,018	.435,055,770	.896,495,763
49. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	51.8	49.1	47.4	70.1	55.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2011	2 2010	3 2009	4 2008	5 2007
Capital and Surplus Accounts (Page 4)					
50. Net unrealized capital gains (losses) (Line 24)	170,505,677	53,366,805	(31,787,345)	(723,919,605)	60,437,601
51. Dividends to stockholders (Line 35)			(10,000,000)	(30,000,000)	
52. Change in surplus as regards policyholders for the year (Line 38)	282,264,824	72,837,580	233,849,133	(1,008,587,135)	62,704,654
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
53. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
54. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(50,942,933)	926,254,413	796,171,594	807,571,663	25,920,889
57. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
58. Total (Line 35)	(50,942,933)	926,254,413	796,171,594	807,571,663	25,920,889
Net Losses Paid (Page 9, Part 2, Col. 4)					
59. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
60. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(13,612,077)	480,803,278	477,709,556	378,724,662	13,255,908
63. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
64. Total (Line 35)	(13,612,077)	480,803,278	477,709,556	378,724,662	13,255,908
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
65. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
66. Losses incurred (Line 2)	(41.5)	43.6	14.3	476.4	16.5
67. Loss expenses incurred (Line 3)	12.2	3.8	2.2	0.6	0.2
68. Other underwriting expenses incurred (Line 4)	22.7	21.5	36.9	12.1	52.6
69. Net underwriting gain (loss) (Line 8)	106.6	31.1	46.6	(389.1)	30.7
Other Percentages					
70. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	91.0	(15.2)	34.7	2.7	35.4
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	(29.3)	47.4	16.5	477.0	16.7
72. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	12.5	17.0	22.8	85.2	24.3
One Year Loss Development (000 omitted)					
73. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Col. 11)	(216,332)	(44,468)	(26,356)	728,151	(10,297)
74. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 73 above divided by Page 4, Line 21, Col. 1 x 100.0)	(23.3)	(5.2)	(4.2)	44.7	(0.7)
Two Year Loss Development (000 omitted)					
75. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(221,957)	(300,095)	696,520	(1,761)	(26,435)
76. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 75 above divided by Page 4, Line 21, Col. 2 x 100.0)	(26.0)	(48.4)	42.8	(0.1)	(1.7)

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []
 If no, please explain:



ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)

NAIC Group Code 0194

BUSINESS IN THE STATE OF Consolidated

DURING THE YEAR 2011

NAIC Company Code 18287

Line of Business	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies not Taken		3 Dividends Paid or Credited to Policyholders on Direct Business	4 Direct Unearned Premium Reserves	5 Direct Losses Paid (deducting salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Direct Defense and Cost Containment Expense Paid	9 Direct Defense and Cost Containment Expense Incurred	10 Direct Defense and Cost Containment Expense Unpaid	11 Commissions and Brokerage Expenses	12 Taxes, Licenses and Fees
	1 Direct Premiums Written	2 Direct Premiums Earned										
1. Fire												
2.1 Allied lines												
2.2 Multiple peril crop												
2.3 Federal flood												
3. Farmowners multiple peril												
4. Homeowners multiple peril												
5.1 Commercial multiple peril (non-liability portion)												
5.2 Commercial multiple peril (liability portion)												
6. Mortgage guaranty												
8. Ocean marine												
9. Inland marine												
10. Financial guaranty	314,883,660	455,890,835		2,717,562,048	(50,942,933)	(146,355,255)	398,061,849	35,244,971	47,393,218	21,446,970		7,016,521
11. Medical professional liability												
12. Earthquake												
13. Group accident and health (b)												
14. Credit A & H (group and individual)												
15.1 Collectively renewable A & H (b)												
15.2 Non-cancelable A & H (b)												
15.3 Guaranteed renewable A & H (b)												
15.4 Non-renewable for stated reasons only (b)												
15.5 Other accident only												
15.6 Medicare Title XVIII exempt from state taxes or fees												
15.7 All other A & H (b)												
15.8 Federal employees health benefits program premium (b)												
16. Workers' compensation												
17.1 Other liability - Occurrence												
17.2 Other Liability - Claims-Made												
17.3 Excess workers' compensation												
18. Products liability												
19.1 Private passenger auto no-fault (personal injury protection)												
19.2 Other private passenger auto liability												
19.3 Commercial auto no-fault (personal injury protection)												
19.4 Other commercial auto liability												
21.1 Private passenger auto physical damage												
21.2 Commercial auto physical damage												
22. Aircraft (all perils)												
23. Fidelity												
24. Surety												
26. Burglary and theft												
27. Boiler and machinery												
28. Credit												
30. Warranty												
34. Aggregate write-ins for other lines of business												
35. TOTALS (a)	314,883,660	455,890,835		2,717,562,048	(50,942,933)	(146,355,255)	398,061,849	35,244,971	47,393,218	21,446,970		7,016,521
DETAILS OF WRITE-INS												
3401.												
3402.												
3403.												
3498. Summary of remaining write-ins for Line 34 from overflow page												
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)												

(a) Finance and service charges not included in Lines 1 to 35 \$

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products

..... and number of persons insured under indemnity only products

19.GT

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE F - PART 1

Assumed Reinsurance as of December 31, Current Year (000 Omitted)

1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsured	4 Domiciliary Jurisdiction	5 Assumed Premium	Reinsurance On			9 Contingent Commissions Payable	10 Assumed Premiums Receivable	11 Unearned Premium	12 Funds Held By or Deposited With Reinsured Companies	13 Letters of Credit Posted	14 Amount of Assets Pledged or Compensating Balances to Secure Letters of Credit	15 Amount of Assets Pledged or Collateral Held in Trust
					6 Paid Losses and Loss Adjustment Expenses	7 Known Case Losses and LAE	8 Cols. 6 +7							
52-1533088	30180	Assured Guaranty Corp	MD							929				
0299999 - Total - Affiliates - U.S. Non-Pool														929
13-3896538		Assured Guaranty (Europe)	GB	27,449		24,472	24,472		4,596	361,019				
98-0223300		Assured Guaranty (Bermuda) Ltd	BM	(1,693)					(2,081)	(1,684)				
98-0203985		Assured Guaranty Re Ltd	BM							1,228				
0399999 - Total - Affiliates - Other (Non-U.S.)														25,756
0499999 - Total - Affiliates														25,756
13-2710717	12815	Financial Guaranty Insurance Company	NY	(599)										
52-0515280	25887	United States Fidelity & Guaranty Co	MD							22				
0599998 - Other U.S. Unaffil Insurers - Reins Col 8 < 100,000														
0599999 - Total - Other U.S. Unaffiliated Insurers														(599)
0699998 - Pools and Associations - Reins Col 8 < 100,000														
0799998 - Pools and Associations - Reins Col 8 < 100,000														
AA-1580100		The Tokio Marine and Fire Ins. Co. Ltd	JP	1,048					1,050	916				
98-0187878		RAM Reinsurance Co. Ltd	BM							1,573				
0999998 - Other Non-U.S. Insurers - Reins Col 8 < 100,000														
0999999 - Total - Other Non-U.S. Insurers														1,048
9999999 Totals														26,205
						24,472	24,472		3,565	364,003				

SCHEDULE F - PART 2

Premium Portfolio Reinsurance Effected or (Canceled) during Current Year

1 Federal ID Number	2 NAIC Company Code	3 Name of Company	4 Date of Contract	5 Original Premium	6 Reinsurance Premium
NONE					

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE F - PART 3

Ceded Reinsurance as of December 31, Current Year (000 Omitted)

1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Reinsurance Contracts Ceding 75% or More of Direct Premiums Written	6 Reinsurance Premiums Ceded	7 Reinsurance Recoverable On										8 Reinsurance Payable		18 Net Amount Recoverable From Reinsurers [16 + 17]	19 Funds Held By Company Under Reinsurance Treaties
						7 Paid Losses	8 Paid LAE	9 Known Case Loss Reserves	10 Known Case LAE Reserves	11 IBNR Loss Reserves	12 IBNR LAE Reserves	13 Unearned Premiums	14 Contingent Commissions	15 Cols. 7 thru 14 Totals	16 Ceded Balances Payable	17 Other Amounts Due to Reinsurers			
13-3954813	10843	Assured Guaranty Municipal Insurance Co.	NY		70,901	36,586	2,403	89,152	6,330			653,698		788,169	12,195		775,974	17,651	
0199999 - Authorized - Affiliates - U.S. Intercompany Pooling					70,901	36,586	2,403	89,152	6,330			653,698		788,169	12,195		775,974	17,651	
0499999 - Total - Authorized - Affiliates					70,901	36,586	2,403	89,152	6,330			653,698		788,169	12,195		775,974	17,651	
52-1474358	22896	ACA Financial Guaranty Corporation	NY									5,577		5,577			5,577		
22-2712977	36250	Radian Asset Assurance Inc.	NY		3,499	10,087	132	9,755	173			131,748		151,895	451		151,444	17,702	
75-1331566	25771	CIFG Assurance North America Inc.	NY				449	3,874				796		5,119			5,119		
13-1963496	20281	Federal Insurance Company	NJ		4,060							1,579		1,579		1,353	226		
13-3635895	20311	Syncora Guanatee Inc.	NY		5,460							74,482		74,482		972	73,510		
0599998 - Other U.S. Unaffil Insurers (Under \$100,000)																			
0599999 - Authorized - Other U.S. Unaffiliated Insurers					13,019	10,087	581	13,629	173			214,182		238,652	2,776		235,876	17,702	
0899998 - Authorized - Other Non-U.S. Insurers (Under \$100,000)																			
0999999 - Total - Authorized					83,920	46,673	2,984	102,781	6,503			867,880		1,026,821	14,971		1,011,850	35,353	
98-0223300		Assured Guaranty (Bermuda) Ltd.	BM		13,215	7,186	368	8,961	840			126,980		144,335	2,158		142,177	6,137	
AA-3190539		Assured Guaranty Re Overseas Ltd.	BM		28							94		94			91		
98-0203985		Assured Guaranty Re Ltd.	BM		80,949	9,138	389	28,943	115			488,519		527,104	13,955		513,149	21,861	
1299999 - Unauthorized - Affiliates - Other (Non-U.S.)					94,192	16,324	757	37,904	955			615,593		671,533	16,116		655,417	27,998	
1399999 - Total - Unauthorized - Affiliates					94,192	16,324	757	37,904	955			615,593		671,533	16,116		655,417	27,998	
1499998 - Unauthorized - Other U.S. Unaffiliated Insurers (Under \$100,000)																			
13-1957438		Mitsui Sumitomo Insurance Co., Ltd.	JP		434	(140)	4	5,900	3			22,661		28,428		41	28,387		
AA-1340165		Munchener Ruckversicherungs Gesellschaft	DE									172		172			172		
AA-3190686		Partner Reinsurance Company Ltd.	CH		333							145		145		95	50		
98-0187878		American Overseas Reinsurance Co. Ltd.	BM		2,750	98	50	12,426	87			60,710		73,371	276		73,095	5,971	
98-0138339		Security Life of Denver Intl. Ltd.	BM		2,900							895		895		739	156		
AA-1460146		Swiss Reinsurance Company of Zurich	CH		82	(26)	14	1,795	46			4,655		6,484		10	6,474		
AA-1580100		The Tokio Marine and Fire Ins. Co. Ltd.	JP		6,877	13,933	189	63,110	429			110,291		187,952		958	186,994	33,767	
AA-3190577		X.L. Insurance Company Ltd.	BM		(642)														
1799998 - Unauthorized - Other Non-U.S. Insurers (Under \$100,000)																			
1799999 - Unauthorized - Other Non-U.S. Insurers					12,134	13,865	257	83,231	565			199,529		297,447	2,119		295,328	39,738	
1899999 - Total - Unauthorized					106,326	30,189	1,014	121,135	1,520			815,122		968,980	18,235		950,745	67,736	
1999999 - Total - Authorized and Unauthorized					190,246	76,862	3,998	223,916	8,023			1,683,002		1,995,801	33,206		1,962,595	103,089	
2099999 - Total - Protected Cells																			
9999999 Totals					190,246	76,862	3,998	223,916	8,023			1,683,002		1,995,801	33,206		1,962,595	103,089	

NOTE: Report the five largest provisional commission rates included in the cedant's reinsurance treaties. The commission rate to be reported is by contract with ceded premium in excess of \$50,000:

1	2	3
Name of Reinsurer	Commission Rate	Ceded Premium
1.		
2.		
3.		
4.		
5.		

Report the five largest reinsurance recoverables reported in Column 15, due from any one reinsurer (based on the total recoverables, Line 9999999, Column 15), the amount of ceded premium, and indicate whether the recoverables are due from an affiliated insurer.

1	2	3	4
Name of Reinsurer	Total Recoverables	Ceded Premiums	Affiliated
1. Assured Guaranty Municipal Insurance Co.	788,169	70,901	Yes [X] No []
2. Assured Guaranty Re Ltd.	527,104	80,949	Yes [X] No []
3. The Tokio Marine and Fire Ins. Co. Ltd.	187,952	6,877	Yes [] No [X]
4. Radian Asset Assurance Inc.	151,895	3,499	Yes [] No [X]
5. Assured Guaranty (Bermuda) Ltd.	144,335	13,215	Yes [X] No []

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE F - PART 5

Provision for Unauthorized Reinsurance as of December 31, Current Year (000 OMITTED)

1	2	3	4	5	6	7	Letter of Credit Issuing or Confirming Bank (a)		11	12	13	14	15	16	17	18	19	20	
Federal ID Number	NAIC Company Code	Name of Reinsurer	Domiciliary Jurisdiction	Reinsurance Recoverable All Items Schedule F Part 3, Col. 15	Funds Held By Company Under Reinsurance Treaties	Letters of Credit	American Bankers Association (ABA) Routing Number	Letter of Credit Code	Bank Name	Ceded Balances Payable	Miscellaneous Balances	Other Allowed Offset Items	Cols. 6+7+11+12+13 but not in excess of Col. 5	Subtotal Col. 5 minus Col. 14	Recoverable Paid Losses & LAE Expenses Over 90 Days past Due not in Dispute	20% of Amount in Col. 16	Smaller of Col. 14 or Col. 17	Smaller of Col. 14 or 20% of Amount in Dispute Included in Col. 5	Total Provision for Unauthorized Reinsurance Smaller of Col.5 or Cols. 15 +18 + 19
.98-0203985		Assured Guaranty Re Ltd	BM	527,104	21,861					13,955		751,774	527,104						
.AA-3190539		Assured Guaranty Re Overseas Ltd	BM	94						3		1,287	94						
.98-0223300		Assured Guaranty (Bermuda) Ltd	BM	144,335	6,137					2,158		289,803	144,335						
0399999 - Affiliates - Other (Non-U.S.)				671,533	27,998					16,116		1,042,864	671,533						
0499999 - Total - Affiliates				671,533	27,998					16,116		1,042,864	671,533						
.13-1957438		Mitsui Sumitomo Insurance Co., Ltd	JP	28,428		32,867	021000089	1	Citibank, N.A.	41			28,428						
.AA-1340165		Munchener Ruckversicherungs Gesellschaft	DE	172		682	021000089	1	Citibank, N.A.				172						
.AA-3190686		Partner Reinsurance Company Ltd	CH	145		1,543	026009179	1	Credit Suisse	95			145						
.98-0187878		American Overseas Reinsurance Co. Ltd	BM	73,371	5,971					276		121,531	73,371						
.98-0138339		Security Life of Denver Intl. Ltd	BM	895		2,804	026001591	1	Standard Chartered Bank	739			895						
.AA-1460146		Swiss Reinsurance Company of Zurich	CH	6,484						10		10,853	6,484						
.AA-1580100		The Tokio Marine and Fire Ins. Co. Ltd	JP	187,952	33,767					958		571,458	187,952						
0899999 - Other Non-U.S. Insurers				297,447	39,738	37,896				2,119		703,842	297,447						
0999999 - Total - Affiliates and Others				968,980	67,736	37,896				18,235		1,746,706	968,980						
1099999 - Total - Protected Cells																			
9999999 Totals				968,980	67,736	37,896	XXX	XXX	XXX	18,235		1,746,706	968,980						

1. Amounts in dispute totaling \$ are included in Column 5.
 2. Amounts in dispute totaling \$ are excluded from Column 16.

(a)

Code	American Bankers Association (ABA) Routing Number	Bank Name

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Schedule F - Part 6

NONE

Schedule F - Part 7

NONE

SCHEDULE F - PART 8

Restatement of Balance Sheet to Identify Net Credit for Reinsurance

	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
<u>ASSETS</u> (Page 2, Col. 3)			
1. Cash and invested assets (Line 12)	4,065,482,095		4,065,482,095
2. Premiums and considerations (Line 15)	24,376,471		24,376,471
3. Reinsurance recoverable on loss and loss adjustment expense payments (Line 16.1)	80,859,470	(80,859,470)	
4. Funds held by or deposited with reinsured companies (Line 16.2)			
5. Other assets	214,905,670		214,905,670
6. Net amount recoverable from reinsurers		1,859,504,424	1,859,504,424
7. Protected cell assets (Line 27)			
8. Totals (Line 28)	4,385,623,706	1,778,644,954	6,164,268,660
<u>LIABILITIES</u> (Page 3)			
9. Losses and loss adjustment expenses (Lines 1 through 3)	212,041,561	231,939,336	443,980,897
10. Taxes, expenses, and other obligations (Lines 4 through 8)	22,658,189		22,658,189
11. Unearned premiums (Line 9)	1,398,563,863	1,683,001,568	3,081,565,431
12. Advance premiums (Line 10)			
13. Dividends declared and unpaid (Line 11.1 and 11.2)			
14. Ceded reinsurance premiums payable (net of ceding commissions) (Line 12)	33,206,349	(33,206,349)	
15. Funds held by company under reinsurance treaties (Line 13)	103,089,601	(103,089,601)	
16. Amounts withheld or retained by company for account of others (Line 14)	11,624		11,624
17. Provision for reinsurance (Line 16)			
18. Other liabilities	1,406,748,537		1,406,748,537
19. Total liabilities excluding protected cell business (Line 26)	3,176,319,724	1,778,644,954	4,954,964,678
20. Protected cell liabilities (Line 27)			
21. Surplus as regards policyholders (Line 37)	1,209,303,982	X X X	1,209,303,982
22. Totals (Line 38)	4,385,623,706	1,778,644,954	6,164,268,660

NOTE: Is the restatement of this exhibit the result of grossing up balances ceded to affiliates under 100 percent reinsurance or pooling arrangements? Yes [] No [X]

If yes, give full explanation:

Schedule H - Part 1

NONE

Schedule H - Part 2

NONE

Schedule H - Part 3

NONE

Schedule H - Part 4

NONE

Schedule H - Part 5

NONE

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	38,326	31,261	171	131			7,105	XXX	
2. 2002	420,629	224,174	196,455	83,798	59,243	1,358	663			12,602	XXX	
3. 2003	476,271	250,670	225,601	629	501	421	139			98	XXX	
4. 2004	456,881	232,317	224,564	6,400	5,554	3,010	1,523			(936)	XXX	
5. 2005	504,167	249,785	254,382			29	(193)				XXX	
6. 2006	491,793	239,785	252,008	7,794	4,913	1,559	862			2,743	XXX	
7. 2007	534,619	260,255	274,364	1,421,337	682,354	19,611	8,838			440,755	XXX	
8. 2008	585,140	287,264	297,876	410,242	149,900	22,559	9,498			145,497	XXX	
9. 2009	599,918	291,118	308,800	498,126	231,208	8,916	3,229			155,913	XXX	
10. 2010	471,733	244,857	226,876	96,076	49,098	3,601	1,983			11,330	XXX	
11. 2011	495,346	261,749	233,597	750	454	501	224			102	XXX	
12. Totals	XXX	XXX	XXX	2,563,478	1,214,486	61,736	26,897			768,104	1,383,831	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1.	549	288									261	XXX	
2.	(3,275)	(1,454)									1,821	(1,821)	XXX
3.	8,198	3,561										4,637	XXX
4.	1,968	1,232									2	736	XXX
5.													XXX
6.	28,214	13,830									1,094	14,384	XXX
7.	(4,286)	2,240			6,000	2,245					161,919	(2,771)	XXX
8.	543,122	266,424			8,066	3,014					662,732	281,750	XXX
9.	(38,808)	(24,626)			4,345	1,630					380,332	(11,467)	XXX
10.	(36,601)	(25,835)			2,817	1,050					130,235	(8,999)	XXX
11.	183,123	112,673			219	84					5,394	70,585	XXX
12. Totals	682,204	348,333			21,447	8,023					1,343,529	347,295	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
	1.	XXX	XXX	XXX	XXX	XXX	XXX	9			XXX
2.	81,881	58,452	23,429	19.5	26.1	11.9	(591)			(1,230)	
3.	9,248	4,201	5,047	1.9	1.7	2.2	20			4,617	
4.	11,378	8,309	3,069	2.5	3.6	1.4	41			695	
5.	29	(193)	222	0.0	(0.1)	0.1					
6.	37,567	19,605	17,962	7.6	8.2	7.1	228			14,156	
7.	1,442,662	695,677	746,985	269.8	267.3	272.3	(24,006)			17,480	3,755
8.	983,989	428,836	555,153	168.2	149.3	186.4	101,342			175,356	5,052
9.	472,579	211,441	261,138	78.8	72.6	84.6	2,060			(16,242)	2,715
10.	65,893	26,296	39,597	14.0	10.7	17.5	18,064			(28,830)	1,767
11.	184,593	113,435	71,158	37.3	43.3	30.5	38,086			32,364	135
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	135,253		XXX	198,618	13,424

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011	11 One Year	12 Two Year
1. Prior	15,642	14,641	22,353	32,122	30,964	30,738	32,373	28,479	29,333	29,855	522	1,376
2. 2002	28,875	49,042	38,394	47,022	38,485	25,460	25,267	24,762	26,709	23,429	(3,280)	(1,333)
3. 2003	XXX	4,987	4,062	3,609	3,450	359	5,299	5,615	5,211	5,047	(164)	(568)
4. 2004	XXX	XXX	2,478	3,033	2,894	2,784	3,288	3,493	3,678	3,069	(609)	(424)
5. 2005	XXX	XXX	XXX	212	222	222	222	222	222	222		
6. 2006	XXX	XXX	XXX	XXX	4,691	10,846	12,496	14,631	17,141	17,962	821	3,331
7. 2007	XXX	XXX	XXX	XXX	XXX	46,346	765,961	736,073	655,613	746,985	91,372	10,912
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	990,038	995,313	796,942	555,153	(241,789)	(440,160)
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	56,229	285,500	261,138	(24,362)	204,909
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	78,440	39,597	(38,843)	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	71,158	XXX	XXX
										12. Totals	(216,332)	(221,957)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	.000	4,149	8,934	19,050	19,357	19,924	20,731	21,502	22,489	29,594	XXX	XXX
2. 2002	.99	.261	15,429	15,520	15,014	22,669	22,476	25,277	25,226	25,250	XXX	XXX
3. 2003	XXX	.204	.495	.339	.422	.359	.363	.368	.392	.410	XXX	XXX
4. 2004	XXX	XXX	.928	.935	1,474	1,613	1,602	2,050	2,252	2,333	XXX	XXX
5. 2005	XXX	XXX	XXX	.212	.222	.222	.222	.222	.222	.222	XXX	XXX
6. 2006	XXX	XXX	XXX	XXX	.7	.201	.753	2,534	1,856	3,578	XXX	XXX
7. 2007	XXX	XXX	XXX	XXX	XXX	.5,367	402,050	837,692	1,072,451	749,756	XXX	XXX
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	(17,376)	20,652	103,010	273,403	XXX	XXX
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,461	146,577	272,605	XXX	XXX
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	24,940	48,596	XXX	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	573	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011
1. Prior										
2. 2002										
3. 2003	XXX									
4. 2004	XXX	XXX								
5. 2005	XXX	XXX	XXX							
6. 2006	XXX	XXX	XXX	XXX						
7. 2007	XXX	XXX	XXX	XXX	XXX					
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

NONE

Schedule P - Part 1A - Home/Farm

NONE

Schedule P - Part 1B - Private Passenger

NONE

Schedule P - Part 1C - Comm Auto/Truck

NONE

Schedule P - Part 1D - Workers' Comp

NONE

Schedule P - Part 1E - Comm Multi Peril

NONE

Schedule P - Part 1F - Prof. Liab. Occur

NONE

Schedule P - Part 1F - Prof. Liab. Claim

NONE

Schedule P - Part 1G - Special Liability

NONE

Schedule P - Part 1H - Other Liab Occur

NONE

Schedule P - Part 1H - Other Liab Claims

NONE

Schedule P - Part 1I - Special Property

NONE

Schedule P - Part 1J - Auto Physical

NONE

Schedule P - Part 1K - Fidelity/Surety

NONE

Schedule P - Part 1L - Other

NONE

Schedule P - Part 1M - International

NONE

Schedule P - Part 1N - Reinsurance A

NONE

Schedule P - Part 1O - Reinsurance B

NONE

Schedule P - Part 1P - Reinsurance C

NONE

Schedule P - Part 1R - Prod Liab Occur

NONE

Schedule P - Part 1R - Prod Liab Claims

NONE

SCHEDULE P - PART 1S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	(97,545)	(61,352)	31,781	12,912			580,461	(17,324)	XXX
2. 2010	471,733	244,857	226,876	96,076	49,098	3,601	1,983			11,330	48,596	XXX
3. 2011	495,346	261,749	233,597	750	454	501	224			102	573	XXX
4. Totals	XXX	XXX	XXX	(719)	(11,800)	35,883	15,119			591,893	31,845	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1.	535,682	261,495			18,411	6,889					1,207,900	285,709	
2.	(36,601)	(25,835)			2,817	1,050					130,235	(8,999)	
3.	183,123	112,673			219	84					5,394	70,585	
4.	682,204	348,333			21,447	8,023					1,343,529	347,295	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	79,103		XXX	195,084	11,522
2.	65,893	26,296	39,597	14.0	10.7	17.5	18,064			(28,830)	1,767
3.	184,593	113,435	71,158	37.3	43.3	30.5	38,086			32,364	135
4.	XXX	XXX	XXX	XXX	XXX	XXX	135,253		XXX	198,618	13,424

Schedule P - Part 1T - Warranty

NONE

Schedule P - Part 2A

NONE

Schedule P - Part 2B

NONE

Schedule P - Part 2C

NONE

Schedule P - Part 2D

NONE

Schedule P - Part 2E

NONE

Schedule P - Part 2F - Prof. Liab. Occur

NONE

Schedule P - Part 2F - Prof. Liab. Claim

NONE

Schedule P - Part 2G

NONE

Schedule P - Part 2H - Other Liab Occur

NONE

Schedule P - Part 2H - Other Liab Claim

NONE

Schedule P - Part 2I

NONE

Schedule P - Part 2J

NONE

Schedule P - Part 2K

NONE

Schedule P - Part 2L

NONE

Schedule P - Part 2M

NONE

Schedule P - Part 2N

NONE

Schedule P - Part 2O

NONE

Schedule P - Part 2P

NONE

SCHEDULE P - PART 2R - SECTION 1 - PRODUCTS LIABILITY - OCCURRENCE

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011	11 One Year	12 Two Year
1. Prior												
2. 2002												
3. 2003	XXX											
4. 2004	XXX	XXX										
5. 2005	XXX	XXX	XXX									
6. 2006	XXX	XXX	XXX	XXX								
7. 2007	XXX	XXX	XXX	XXX	XXX							
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals												

NONE

SCHEDULE P - PART 2R - SECTION 2 - PRODUCTS LIABILITY - CLAIMS-MADE

1. Prior												
2. 2002												
3. 2003	XXX											
4. 2004	XXX	XXX										
5. 2005	XXX	XXX	XXX									
6. 2006	XXX	XXX	XXX	XXX								
7. 2007	XXX	XXX	XXX	XXX	XXX							
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals												

NONE

SCHEDULE P - PART 2S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	953,059	908,591	731,102	(177,489)	(221,957)
2. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	78,440	39,597	(38,843)	XXX
3. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	71,158	XXX	XXX
4. Totals											(216,332)	(221,957)

SCHEDULE P - PART 2T - WARRANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
4. Totals												

NONE

Schedule P - Part 3A

NONE

Schedule P - Part 3B

NONE

Schedule P - Part 3C

NONE

Schedule P - Part 3D

NONE

Schedule P - Part 3E

NONE

Schedule P - Part 3F - Prof. Liab. Occur

NONE

Schedule P - Part 3F - Prof. Liab. Claim

NONE

Schedule P - Part 3G

NONE

Schedule P - Part 3H - Other Liab Occur

NONE

Schedule P - Part 3H - Other Liab Claims

NONE

Schedule P - Part 3I

NONE

Schedule P - Part 3J

NONE

Schedule P - Part 3K

NONE

Schedule P - Part 3L

NONE

Schedule P - Part 3M

NONE

Schedule P - Part 3N

NONE

Schedule P - Part 3O

NONE

Schedule P - Part 3P

NONE

SCHEDULE P - PART 3R - SECTION 1 - PRODUCTS LIABILITY - OCCURRENCE

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		
1. Prior	.000											
2. 2002												
3. 2003	.XXX											
4. 2004	.XXX	.XXX										
5. 2005	.XXX	.XXX	.XXX									
6. 2006	.XXX	.XXX	.XXX	.XXX								
7. 2007	.XXX	.XXX	.XXX	.XXX	.XXX							
8. 2008	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX						
9. 2009	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX					
10. 2010	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX				
11. 2011	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX		

NONE

SCHEDULE P - PART 3R - SECTION 2 - PRODUCTS LIABILITY - CLAIMS-MADE

1. Prior	.000											
2. 2002												
3. 2003	.XXX											
4. 2004	.XXX	.XXX										
5. 2005	.XXX	.XXX	.XXX									
6. 2006	.XXX	.XXX	.XXX	.XXX								
7. 2007	.XXX	.XXX	.XXX	.XXX	.XXX							
8. 2008	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX						
9. 2009	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX					
10. 2010	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX				
11. 2011	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX		

NONE

SCHEDULE P - PART 3S - FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.000	462,717	445,393	.XXX	.XXX
2. 2010	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	24,940	48,596	.XXX	.XXX
3. 2011	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	573	.XXX	.XXX

SCHEDULE P - PART 3T - WARRANTY

1. Prior	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.000			.XXX	.XXX
2. 2010	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX			.XXX	.XXX
3. 2011	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX

NONE

Schedule P - Part 4A

NONE

Schedule P - Part 4B

NONE

Schedule P - Part 4C

NONE

Schedule P - Part 4D

NONE

Schedule P - Part 4E

NONE

Schedule P - Part 4F - Prof. Liab. Occur

NONE

Schedule P - Part 4F - Prof. Liab. Claim

NONE

Schedule P - Part 4G

NONE

Schedule P - Part 4H - Other Liab Occur

NONE

Schedule P - Part 4H - Other Liab Claims

NONE

Schedule P - Part 4I - Special Property

NONE

Schedule P - Part 4J

NONE

Schedule P - Part 4K

NONE

Schedule P - Part 4L

NONE

Schedule P - Part 4M

NONE

Schedule P - Part 4N

NONE

Schedule P - Part 4O

NONE

Schedule P - Part 4P

NONE

Schedule P - Part 4R - Prod Liab Occur

NONE

Schedule P - Part 4R - Prod Liab Claims

NONE

Schedule P - Part 4S

NONE

Schedule P - Part 4T

NONE

Schedule P - Part 5A- SN1

NONE

Schedule P - Part 5A- SN2

NONE

Schedule P - Part 5A- SN3

NONE

Schedule P - Part 5B- SN1

NONE

Schedule P - Part 5B- SN2

NONE

Schedule P - Part 5B- SN3

NONE

Schedule P - Part 5C- SN1

NONE

Schedule P - Part 5C- SN2

NONE

Schedule P - Part 5C- SN3

NONE

Schedule P - Part 5D- SN1

NONE

Schedule P - Part 5D- SN2

NONE

Schedule P - Part 5D- SN3

NONE

Schedule P - Part 5E- SN1

NONE

Schedule P - Part 5E- SN2

NONE

Schedule P - Part 5E- SN3

NONE

Schedule P - Part 5F- SN1A

NONE

Schedule P - Part 5F- SN2A

NONE

Schedule P - Part 5F- SN3A

NONE

Schedule P - Part 5F- SN1B

NONE

Schedule P - Part 5F- SN2B

NONE

Schedule P - Part 5F- SN3B

NONE

Schedule P - Part 5H- SN1A

NONE

Schedule P - Part 5H- SN2A

NONE

Schedule P - Part 5H- SN3A

NONE

Schedule P - Part 5H- SN1B

NONE

Schedule P - Part 5H- SN2B

NONE

Schedule P - Part 5H- SN3B

NONE

Schedule P - Part 5R- SN1A

NONE

Schedule P - Part 5R- SN2A

NONE

Schedule P - Part 5R- SN3A

NONE

Schedule P - Part 5R- SN1B

NONE

Schedule P - Part 5R- SN2B

NONE

Schedule P - Part 5R- SN3B

NONE

Schedule P - Part 5T- SN1

NONE

Schedule P - Part 5T- SN2

NONE

Schedule P - Part 5T- SN3

NONE

Schedule P - Part 6C - SN1

NONE

Schedule P - Part 6C - SN2

NONE

Schedule P - Part 6D - SN1

NONE

Schedule P - Part 6D - SN2

NONE

Schedule P - Part 6E - SN1

NONE

Schedule P - Part 6E - SN2

NONE

Schedule P - Part 6H - SN1A

NONE

Schedule P - Part 6H - SN2A

NONE

Schedule P - Part 6H - SN1B

NONE

Schedule P - Part 6H - SN2B

NONE

Schedule P - Part 6M - SN1

NONE

Schedule P - Part 6M - SN2

NONE

Schedule P - Part 6N - SN1

NONE

Schedule P - Part 6N - SN2

NONE

Schedule P - Part 6O - SN1

NONE

Schedule P - Part 6O - SN2

NONE

Schedule P - Part 6R - SN1A

NONE

Schedule P - Part 6R - SN2A

NONE

Schedule P - Part 6R - SN1B

NONE

Schedule P - Part 6R - SN2B

NONE

Schedule P - Part 7A - Section 1

NONE

Schedule P - Part 7A - Section 2

NONE

Schedule P - Part 7A - Section 3

NONE

Schedule P - Part 7A - Section 4

NONE

Schedule P - Part 7A - Section 5

NONE

Schedule P - Part 7B - Section 1

NONE

Schedule P - Part 7B - Section 2

NONE

Schedule P - Part 7B - Section 3

NONE

Schedule P - Part 7B - Section 4

NONE

Schedule P - Part 7B - Section 5

NONE

Schedule P - Part 7B - Section 6

NONE

Schedule P - Part 7B - Section 7

NONE

SCHEDULE P INTERROGATORIES

1. The following questions relate to yet-to-be-issued Extended Reporting Endorsements (EREs) arising from Death, Disability, or Retirement (DDR) provisions in Medical Professional Liability Claims Made insurance policies. EREs provided for reasons other than DDR are not to be included.
- 1.1 Does the company issue Medical Professional Liability Claims Made insurance policies that provide tail (also known as an extended reporting endorsement, or "ERE") benefits in the event of Death, Disability, or Retirement (DDR) at a reduced charge or at no additional cost? Yes [] No [X]
 If the answer to question 1.1 is "no", leave the following questions blank. If the answer to question 1.1 is "yes", please answer the following questions:
- 1.2 What is the total amount of the reserve for that provision (DDR Reserve), as reported, explicitly or not, elsewhere in this statement (in dollars)?.....
- 1.3 Does the company report any DDR reserve as Unearned Premium Reserve per SSAP #65? Yes [] No []
- 1.4 Does the company report any DDR reserve as loss or loss adjustment expense reserve? Yes [] No []
- 1.5 If the company reports DDR reserve as Unearned Premium Reserve, does that amount match the figure on the Underwriting and Investment Exhibit, Part 1A – Recapitulation of all Premiums (Page 7) Column 2, Lines 11.1 plus 11.2? Yes [] No []
- 1.6 If the company reports DDR reserve as loss or loss adjustment expense reserve, please complete the following table corresponding to where these reserves are reported in Schedule P:

Years in Which Premiums Were Earned and Losses Were Incurred		DDR Reserve Included in Schedule P, Part 1F, Medical Professional Liability Column 24: Total Net Losses and Expenses Unpaid	
		1 Section 1: Occurrence	2 Section 2: Claims-Made
1.601	Prior		
1.602	2002		
1.603	2003		
1.604	2004		
1.605	2005		
1.606	2006		
1.607	2007		
1.608	2008		
1.609	2009		
1.610	2010		
1.611	2011		
1.612	Totals		

2. The definition of allocated loss adjustment expenses (ALAE) and, therefore, unallocated loss adjustment expenses (ULAE) was changed effective January 1, 1998. This change in definition applies to both paid and unpaid expenses. Are these expenses (now reported as "Defense and Cost Containment" and "Adjusting and Other") reported in compliance with these definitions in this statement? Yes [X] No []
3. The Adjusting and Other expense payments and reserves should be allocated to the years in which the losses were incurred based on the number of claims reported, closed and outstanding in those years. When allocating Adjusting and Other expense between companies in a group or a pool, the Adjusting and Other expense should be allocated in the same percentage used for the loss amounts and the claim counts. For reinsurers, Adjusting and Other expense assumed should be reported according to the reinsurance contract. For Adjusting and Other expense incurred by reinsurers, or in those situations where suitable claim count information is not available, Adjusting and Other expense should be allocated by a reasonable method determined by the company and described in Interrogatory 7, below. Are they so reported in this Statement? Answer: Yes [X] No []
4. Do any lines in Schedule P include reserves that are reported gross of any discount to present value of future payments, and that are reported net of such discounts on Page 10? Yes [X] No []
 If yes, proper disclosure must be made in the Notes to Financial Statements, as specified in the Instructions. Also, the discounts must be reported in Schedule P - Part 1, Columns 32 and 33.
 Schedule P must be completed gross of non-tabular discounting. Work papers relating to discount calculations must be available for examination upon request.
 Discounting is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.
5. What were the net premiums in force at the end of the year for:
 (in thousands of dollars)
- 5.1 Fidelity
 5.2 Surety
6. Claim count information is reported per claim or per claimant (indicate which).....CLAIM
 If not the same in all years, explain in Interrogatory 7.
- 7.1 The information provided in Schedule P will be used by many persons to estimate the adequacy of the current loss and expense reserves, among other things. Are there any especially significant events, coverage, retention or accounting changes that have occurred that must be considered when making such analyses? Yes [] No [X]
- 7.2 An extended statement may be attached.

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, etc.	1	Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
			2	3							Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL	L	6,223,195	1,944,782			17,907,966	17,907,966		
2. Alaska	AK	L	39,378	349,965						
3. Arizona	AZ	L	1,033,359	2,173,554						
4. Arkansas	AR	L	1,615,906	940,177						
5. California	CA	L	28,583,638	49,264,712		21,598,094	5,505,243	23,425,912		
6. Colorado	CO	L	2,309,611	21,141,124		631,000	631,000			
7. Connecticut	CT	L	594,079	1,586,305		33,042,179		(66,005,122)		
8. Delaware	DE	L	25,675,183	28,580,855		(482,541,728)	(43,345,165)	94,123,735		
9. Dist. of Columbia	DC	L	185,521	2,019,138						
10. Florida	FL	L	12,877,364	14,240,250						
11. Georgia	GA	L	3,429,909	4,039,561		37,848,370	(3,222,826)	115,554		
12. Hawaii	HI	L	115,234	505,188						
13. Idaho	ID	L	311,793	305,323						
14. Illinois	IL	L	10,031,658	6,215,773						
15. Indiana	IN	L	843,153	14,422,709						
16. Iowa	IA	L	209,000	984,568						
17. Kansas	KS	L	90,915	931,791						
18. Kentucky	KY	L	117,197	2,376,503						
19. Louisiana	LA	L	5,446,516	1,814,365						
20. Maine	ME	L	139,800	452,917						
21. Maryland	MD	L	2,773,249	6,343,477		206,469,863	81,531,830	184,611,847		
22. Massachusetts	MA	L	1,765,108	4,648,231		(7,127,548)	(41,392,428)	(34,264,880)		
23. Michigan	MI	L	1,842,988	4,292,744						
24. Minnesota	MN	L	404,012	1,458,874		71,148,084	17,311,096	(109,402,647)		
25. Mississippi	MS	L	1,084,823	1,184,668						
26. Missouri	MO	L	262,031	2,922,056						
27. Montana	MT	L	683,694	53,063						
28. Nebraska	NE	L		716,120						
29. Nevada	NV	L	(618)	2,802,375						
30. New Hampshire	NH	L		584,412						
31. New Jersey	NJ	L	13,096,275	17,679,965		4,228,063	3,572,859	24,260,396		
32. New Mexico	NM	L	71,171	366,641						
33. New York	NY	L	120,157,373	130,158,470		59,375,772	(183,401,574)	262,542,308		
34. No. Carolina	NC	L	583,412	1,959,320						
35. No. Dakota	ND	L		1,078,082						
36. Ohio	OH	L	1,384,853	11,972,059						
37. Oklahoma	OK	L	135,154	576,541						
38. Oregon	OR	L	227,619	2,016,895						
39. Pennsylvania	PA	L	19,560,107	18,488,410		3,299,337	(1,055,668)	(7,339,224)		
40. Rhode Island	RI	L	896,139	805,548						
41. So. Carolina	SC	L	2,377,520	4,914,622						
42. So. Dakota	SD	L	156,892	432,443						
43. Tennessee	TN	L	1,231,827	7,455,285						
44. Texas	TX	L	18,835,119	30,057,732						
45. Utah	UT	L	797,966	1,257,595						
46. Vermont	VT	L	323,862	719,646						
47. Virginia	VA	L	332,915	1,378,636		360	360			
48. Washington	WA	L	1,518,283	5,794,138						
49. West Virginia	WV	L	91,015	429,825						
50. Wisconsin	WI	L	280,562	1,704,404						
51. Wyoming	WY	L		91,156						
52. American Samoa	AS	N								
53. Guam	GU	N		641,848						
54. Puerto Rico	PR	L	9,627,536	9,417,209						
55. U.S. Virgin Islands	VI	N		288,326						
56. Northern Mariana Islands	MP	N								
57. Canada	CN	N	1,103,375	1,676,408						
58. Aggregate other alien	OT	XXX	13,406,989	25,234,051		1,085,221	(397,948)	8,086,004		
59. Totals	(a) 52		314,883,660	455,890,835		(50,942,933)	(146,355,255)	398,061,849		
DETAILS OF WRITE-INS										
5801. Austria		XXX								
5802. Australia		XXX	2,851,005	7,724,574						
5803. Bermuda		XXX	178	4,156						
5898. Sum. of remaining write-ins for Line 58 from overflow page		XXX	10,555,806	17,505,321		1,085,221	(397,948)	8,086,004		
5899. Totals (Lines 5801 through 5803 + 5898) (Line 58 above)		XXX	13,406,989	25,234,051		1,085,221	(397,948)	8,086,004		

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation of premiums by states, etc.

All premiums were allocated by location of risk and/or policyholders.

(a) Insert the number of L responses except for Canada and Other Alien.

**SCHEDULE T – PART 2
INTERSTATE COMPACT – EXHIBIT OF PREMIUMS WRITTEN**

Allocated By States and Territories

States, Etc.		Direct Business Only					Totals
		1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
1. Alabama	AL						
2. Alaska	AK						
3. Arizona	AZ						
4. Arkansas	AR						
5. California	CA						
6. Colorado	CO						
7. Connecticut	CT						
8. Delaware	DE						
9. District of Columbia	DC						
10. Florida	FL						
11. Georgia	GA						
12. Hawaii	HI						
13. Idaho	ID						
14. Illinois	IL						
15. Indiana	IN						
16. Iowa	IA						
17. Kansas	KS						
18. Kentucky	KY						
19. Louisiana	LA						
20. Maine	ME						
21. Maryland	MD						
22. Massachusetts	MA						
23. Michigan	MI						
24. Minnesota	MN						
25. Mississippi	MS						
26. Missouri	MO						
27. Montana	MT						
28. Nebraska	NE						
29. Nevada	NV						
30. New Hampshire	NH						
31. New Jersey	NJ						
32. New Mexico	NM						
33. New York	NY						
34. North Carolina	NC						
35. North Dakota	ND						
36. Ohio	OH						
37. Oklahoma	OK						
38. Oregon	OR						
39. Pennsylvania	PA						
40. Rhode Island	RI						
41. South Carolina	SC						
42. South Dakota	SD						
43. Tennessee	TN						
44. Texas	TX						
45. Utah	UT						
46. Vermont	VT						
47. Virginia	VA						
48. Washington	WA						
49. West Virginia	WV						
50. Wisconsin	WI						
51. Wyoming	WY						
52. American Samoa	AS						
53. Guam	GU						
54. Puerto Rico	PR						
55. US Virgin Islands	VI						
56. Northern Mariana Islands	MP						
57. Canada	CN						
58. Aggregate Other Alien	OT						
59. Totals							

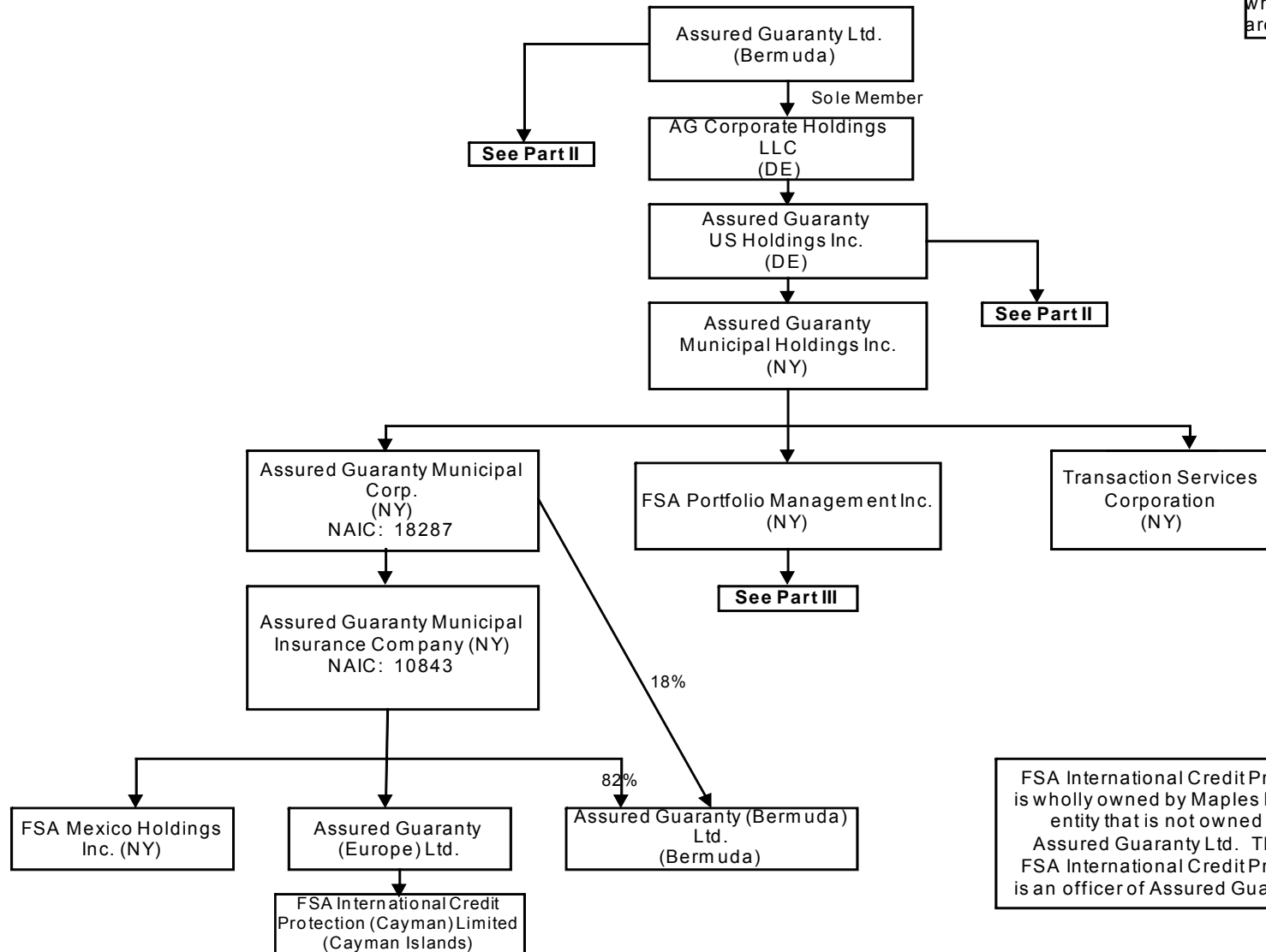
NONE

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

ORGANIZATIONAL CHART OF
ASSURED GUARANTY LTD.
Part I

Notes: Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%. Percentages shown represent voting control, except that percentages in parentheses represent economic interest where voting control and economic interest are different.



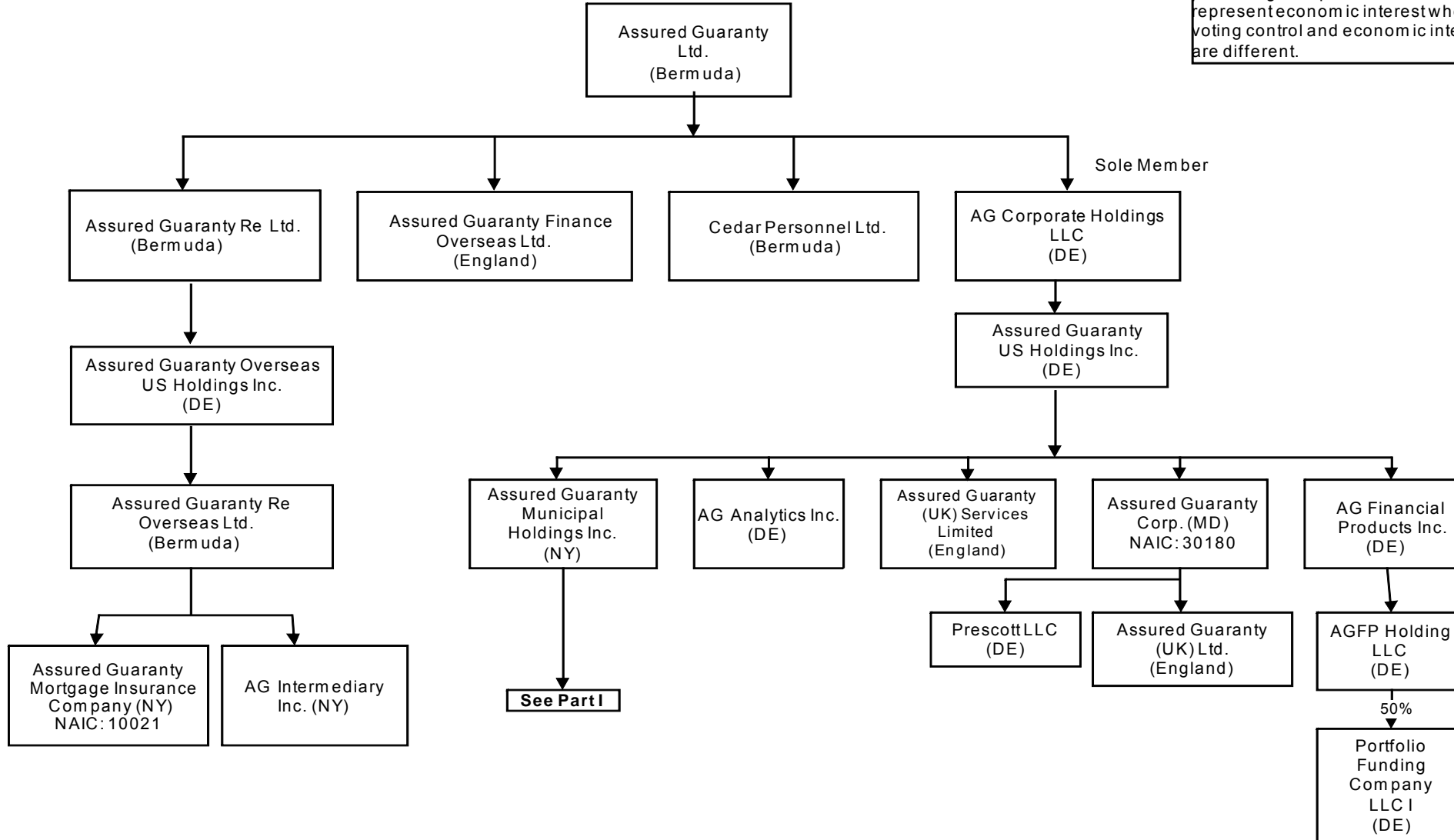
FSA International Credit Protection (Cayman) is wholly owned by Maples Finance Limited, an entity that is not owned or controlled by Assured Guaranty Ltd. The sole director of FSA International Credit Protection (Cayman) is an officer of Assured Guaranty (Europe) Ltd.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

ORGANIZATIONAL CHART OF
ASSURED GUARANTY LTD.
Part II

Notes: Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%. Percentages shown represent voting control, except that percentages in parentheses represent economic interest where voting control and economic interest are different.



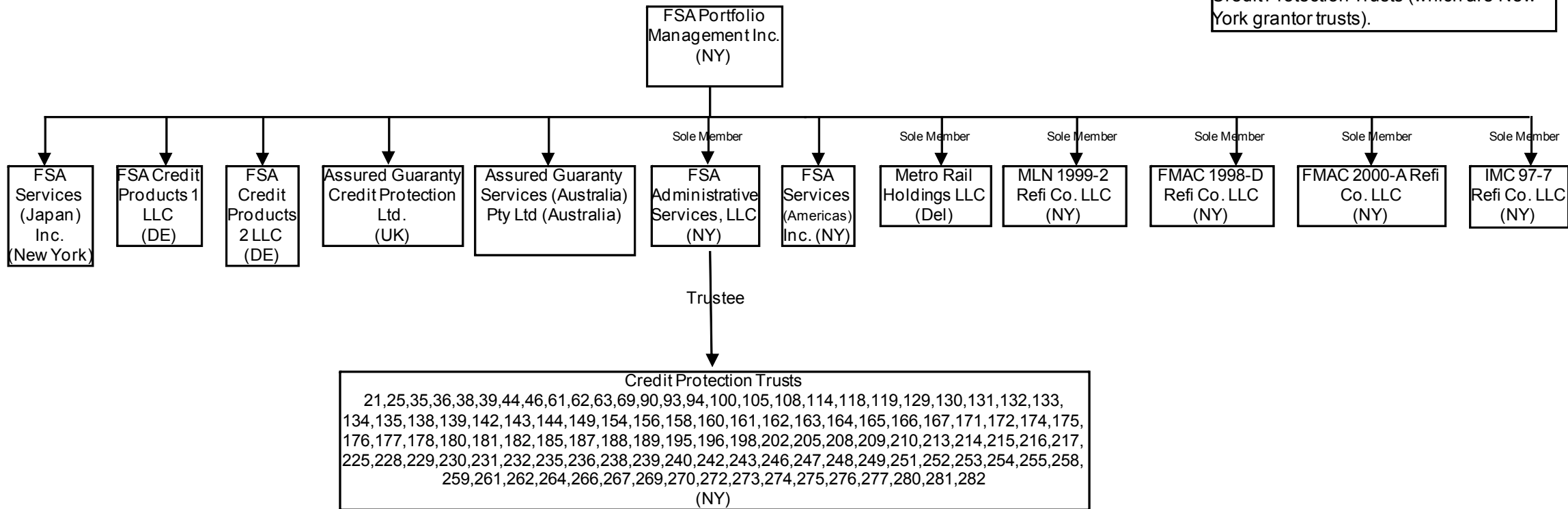
94.1

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

ORGANIZATIONAL CHART OF
ASSURED GUARANTY LTD.
Part III: FSA Portfolio Management Inc.

Notes: Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%. Percentages shown represent voting control. All companies listed are corporations, except for limited liability companies (designated as LLCs) and the Credit Protection Trusts (which are New York grantor trusts).



94.2

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE Y PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
0194	Assured Guaranty Ltd				0001273813	NYSE	Assured Guaranty Ltd	.BM	UDP					
0194	Assured Guaranty Ltd						AG Corporate Holdings LLC	.DE	DS	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		20-1082002		0001289244		Assured Guaranty US Holdings Inc	.DE	DS	AG Corporate Holdings LLC	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd	01945	13-3261323		1111913357		Assured Guaranty Municipal Holdings Inc	.NY	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd	18287	13-3250292				Assured Guaranty Municipal Corp	.NY	DS	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd						FSA Portfolio Management Inc	.NY	DS	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd						Transaction Services Corp	.NY	DS	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd	10843	13-3954813				Assured Guaranty Municipal Insurance Co	.NY	DS	Assured Guaranty Municipal Corp	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd						FSA Mexico Holdings Inc	.NY	DS	Assured Guaranty Municipal Insurance Co	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		98-0223300				Assured Guaranty (Bermuda) Ltd	.BM	DS	Assured Guaranty Municipal Insurance Co	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		AA-2510099				Assured Guaranty (Europe) Ltd	.GB	DS	Assured Guaranty Municipal Insurance Co	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		AA-3190809				Assured Guaranty Re. Ltd	.BM	DS	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd						Assured Guaranty Finance Overseas Ltd	.GB	DS	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		52-2221232				Assured Guaranty Overseas US Holdings Ltd	.DE	DS	Assured Guaranty Re Ltd	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		AA-3190538				Assured Guaranty Re Overseas Ltd	.BM	DS	Assured Guaranty Re Ltd	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd	10021	06-1384770				Assured Guaranty Mortgage Insurance Company	.NY	DS	Assured Guaranty Re Overseas Ltd	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd	30180	52-1533088				Assured Guaranty Corp	.MD	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		13-4031196				AG Financial Products Inc	.DE	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		AA-1120078				Assured Guaranty (UK) Ltd	.GB	DS	Assured Guaranty Corp	Ownership	100.0	Assured Guaranty Ltd	
0194	Assured Guaranty Ltd		03-0575850				AGFP Holdings LLC	.DE	DS	AG Financial Products Inc	Ownership	100.0	Assured Guaranty Ltd	

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

MARCH FILING	RESPONSES
1. Will an actuarial opinion be filed by March 1?	.....YES.....
2. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	.....YES.....
3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?	.....WAIVED.....
4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?	.....WAIVED.....
APRIL FILING	
5. Will the Insurance Expense Exhibit be filed with the state of domicile and the NAIC by April 1?	.....YES.....
6. Will Management's Discussion and Analysis be filed by April 1?	.....YES.....
7. Will the Supplemental Investment Risks Interrogatories be filed by April 1?	.....YES.....
MAY FILING	
8. Will this company be included in a combined annual statement that is filed with the NAIC by May 1?	.....YES.....
JUNE FILING	
9. Will an audited financial report be filed by June 1?	.....YES.....
10. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	.....YES.....
AUGUST FILING	
11. Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	.....YES.....
<p>The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.</p>	
MARCH FILING	
12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	.....SEE EXPLANATION.....
13. Will the Financial Guaranty Insurance Exhibit be filed by March 1?	.....YES.....
14. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	.....NO.....
15. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed by March 1?	.....NO.....
16. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?	.....SEE EXPLANATION.....
17. Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1?	.....NO.....
18. Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1?	.....SEE EXPLANATION.....
19. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	.....NO.....
20. Will the confidential Actuarial Opinion Summary be filed with the state of domicile, if required, by March 15 (or the date otherwise specified)?	.....YES.....
21. Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?	.....YES.....
22. Will the Exceptions to the Reinsurance Attestation Supplement be filed with the state of domicile by March 1?	.....SEE EXPLANATION.....
23. Will the Bail Bond Supplement be filed with the state of domicile and the NAIC by March 1?	.....NO.....
24. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	.....NO.....
25. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	.....NO.....
26. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	.....NO.....
27. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	.....NO.....
APRIL FILING	
28. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?	.....NO.....
29. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	.....NO.....
30. Will the Accident and Health Policy Experience Exhibit be filed by April 1?	.....NO.....
31. Will the Supplemental Health Care Exhibit be filed with the state of domicile and the NAIC by April 1?	.....NO.....
32. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?	.....NO.....
AUGUST FILING	
33. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	.....SEE EXPLANATION.....

Explanation:

12. The Company has less than 100 stockholders.

14.

15.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

16. The Company is not a US branch of a non US entity.

17.

18. The Company did not respond "Yes" to General Interrogatory #9.

19.

22. The Company does not have any exceptions to the Reinsurance Attestation Supplement in 2011.

23.

24.

25.

26.

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32.

33. The Company did not write gross premiums of \$500 million or more in 2011.

Bar Code:

3. 
1 8 2 8 7 2 0 1 1 3 9 0 0 0 0 0 0

4. 
1 8 2 8 7 2 0 1 1 3 9 0 0 0 0 0 0

14. 
1 8 2 8 7 2 0 1 1 3 6 0 5 9 0 0 0

15. 
1 8 2 8 7 2 0 1 1 4 5 5 0 0 0 0 0

17. 
1 8 2 8 7 2 0 1 1 3 8 5 0 0 0 0 0

19. 
1 8 2 8 7 2 0 1 1 3 6 5 0 0 0 0 0

23. 
1 8 2 8 7 2 0 1 1 5 0 0 0 0 0 0 0

24. 
1 8 2 8 7 2 0 1 1 5 0 5 5 9 0 0 0

25. 
1 8 2 8 7 2 0 1 1 2 2 4 0 0 0 0 0

26. 
1 8 2 8 7 2 0 1 1 2 2 5 0 0 0 0 0

27. 
1 8 2 8 7 2 0 1 1 2 2 6 0 0 0 0 0

28. 
1 8 2 8 7 2 0 1 1 2 3 0 5 9 0 0 0

29. 
1 8 2 8 7 2 0 1 1 3 0 6 0 0 0 0 0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

30. 
1 8 2 8 7 2 0 1 1 2 1 0 0 0 0 0 0

31. 
1 8 2 8 7 2 0 1 1 2 1 6 5 9 0 0 0

32. 
1 8 2 8 7 2 0 1 1 2 1 7 0 0 0 0 0

OVERFLOW PAGE FOR WRITE-INS

P004 Additional Aggregate Lines for Page 4 Line 37.

*STMTINCOME - Statement of Income

	1 Current Year	2 Prior Year
3704. Tax and Loss Bonds.....		18,028,257
3797. Summary of remaining write-ins for Line 37 from page 4		18,028,257

P011 Additional Aggregate Lines for Page 11 Line 24.

*EXEXP - Underwriting and Investment - Part 3 - Expenses

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
2404. Other Miscellaneous Corp Exp.....		2,116,753		2,116,753
2405. Realized FX (Gain)/Loss.....		9,899		9,899
2406. TSC Surveillance Fee.....		3,336,889		3,336,889
2497. Summary of remaining write-ins for Line 24 from page 11		5,463,541		5,463,541

P092 Additional Aggregate Lines for Page 92 Line 58.

*SCT - Schedule T - Exhibit of Premiums Written

	1 Is Insurer Licensed? (Yes or No)	2 Direct Premiums Written	3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
5804. Chile.....	XXX	2,635,878	4,846,865						
5805. Germany.....	XXX								
5806. France.....	XXX	14,167	134,066						
5807. United Kingdom.....	XXX	692,897	1,278,832						
5808. Jersey Islands.....	XXX	1,091,762	1,089,403						
5809. Japan.....	XXX	19,038	19,996						
5810. Cayman Islands.....	XXX	6,029,148	9,512,790		1,085,221	(397,948)	8,086,004		
5811. Mexico.....	XXX	7,189	7,189						
5812. Netherlands.....	XXX		530,048						
5813. New Zealand.....	XXX	65,727	85,980						
5814. Portugal.....	XXX		152						
5815. Sweden.....	XXX								
Summary of remaining write-ins for Line 58 from page 104	XXX	10,555,806	17,505,321		1,085,221	(397,948)	8,086,004		

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3+4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities	15,904,340	0.391	15,904,340		15,904,340	0.391
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies						
1.22 Issued by U.S. government sponsored agencies	9,336,183	0.230	9,336,183		9,336,183	0.230
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)						
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations	218,535,671	5.375	218,535,671		218,535,671	5.375
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	473,478,495	11.646	473,478,495		473,478,495	11.646
1.43 Revenue and assessment obligations	1,426,838,142	35.096	1,426,838,142		1,426,838,142	35.096
1.44 Industrial development and similar obligations						
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA						
1.512 Issued or guaranteed by FNMA and FHLMC	52,004,628	1.279	52,004,628		52,004,628	1.279
1.513 All other	264,017,630	6.494	264,017,630		264,017,630	6.494
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA						
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521						
1.523 All other	77,128,600	1.897	77,128,600		77,128,600	1.897
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	224,091,053	5.512	224,091,053		224,091,053	5.512
2.2 Unaffiliated non-U.S. securities (including Canada)	17,131,160	0.421	17,131,160		17,131,160	0.421
2.3 Affiliated securities						
3. Equity interests:						
3.1 Investments in mutual funds						
3.2 Preferred stocks:						
3.21 Affiliated						
3.22 Unaffiliated						
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated						
3.32 Unaffiliated						
3.4 Other equity securities:						
3.41 Affiliated	626,210,915	15.403	626,210,915		626,210,915	15.403
3.42 Unaffiliated	48,440	0.001	48,440		48,440	0.001
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated						
3.52 Unaffiliated						
4. Mortgage loans:						
4.1 Construction and land development						
4.2 Agricultural						
4.3 Single family residential properties						
4.4 Multifamily residential properties						
4.5 Commercial loans						
4.6 Mezzanine real estate loans						
5. Real estate investments:						
5.1 Property occupied by company						
5.2 Property held for the production of income (including \$ of property acquired in satisfaction of debt)						
5.3 Property held for sale (including \$ property acquired in satisfaction of debt)						
6. Contract loans						
7. Derivatives						
8. Receivables for securities	3,917,525	0.096	3,917,525		3,917,525	0.096
9. Securities Lending (Line 10, Asset Page reinvested collateral)				XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	319,756,872	7.865	319,756,872		319,756,872	7.865
11. Other invested assets	337,082,440	8.291	337,082,440		337,082,440	8.291
12. Total invested assets	4,065,482,094	100.000	4,065,482,094		4,065,482,094	100.000

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31 of prior year.....
2. Cost of acquired:
 - 2.1 Actual cost at time of acquisition (Part 2, Column 6).....
 - 2.2 Additional investment made after acquisition (Part 2, Column 7).....
3. Current year change in encumbrances:
 - 3.1 Totals, Part 1, Column 13.....
 - 3.2 Totals, Part 3, Column 11.....
4. Total gain (loss) on disposals, Part 3, Column 18.....
5. Deduct amounts received on disposals, Part 3, Column 15.....
6. Total foreign exchange change in book/adjusted carrying value:
 - 6.1 Totals, Part 1, Column 15.....
 - 6.2 Totals, Part 3, Column 13.....
7. Deduct current year's other than temporary impairment recognized:
 - 7.1 Totals, Part 1, Column 12.....
 - 7.2 Totals, Part 3, Column 10.....
8. Deduct current year's depreciation:
 - 8.1 Totals, Part 1, Column 11.....
 - 8.2 Totals, Part 3, Column 9.....
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....
10. Deduct total nonadmitted amounts.....
11. Statement value at end of current period (Line 9 minus Line 10).....

NONE

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....
2. Cost of acquired:
 - 2.1 Actual cost at time of acquisition (Part 2, Column 7).....
 - 2.2 Additional investment made after acquisition (Part 2, Column 8).....
3. Capitalized deferred interest and other:
 - 3.1 Totals, Part 1, Column 12.....
 - 3.2 Totals, Part 3, Column 11.....
4. Accrual of discount.....
5. Unrealized valuation increase (decrease):
 - 5.1 Totals, Part 1, Column 9.....
 - 5.2 Totals, Part 3, Column 8.....
6. Total gain (loss) on disposals, Part 3, Column 18.....
7. Deduct amounts received on disposals, Part 3, Column 15.....
8. Deduct amortization of premium and mortgage interest points and commitment fees.....
9. Total foreign exchange change in book value/recorded investment excluding accrued interest:
 - 9.1 Totals, Part 1, Column 13.....
 - 9.2 Totals, Part 3, Column 13.....
10. Deduct current year's other than temporary impairment recognized:
 - 10.1 Totals, Part 1, Column 11.....
 - 10.2 Totals, Part 3, Column 10.....
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....
12. Total valuation allowance.....
13. Subtotal (Line 11 plus Line 12).....
14. Deduct total nonadmitted amounts.....
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14).....

NONE

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year.....	318,028,257
2. Cost of acquired:	
2.1 Actual cost at time of acquisition (Part 2, Column 8).....	19,054,183
2.2 Additional investment made after acquisition (Part 2, Column 9).....	19,054,183
3. Capitalized deferred interest and other:	
3.1 Totals, Part 1, Column 16.....	
3.2 Totals, Part 3, Column 12.....	
4. Accrual of discount.....	
5. Unrealized valuation increase (decrease):	
5.1 Totals, Part 1, Column 13.....	
5.2 Totals, Part 3, Column 9.....	
6. Total gain (loss) on disposals, Part 3, Column 19.....	
7. Deduct amounts received on disposals, Part 3, Column 16.....	
8. Deduct amortization of premium and depreciation.....	
9. Total foreign exchange change in book/adjusted carrying value:	
9.1 Totals, Part 1, Column 17.....	
9.2 Totals, Part 3, Column 14.....	
10. Deduct current year's other than temporary impairment recognized:	
10.1 Totals, Part 1, Column 15.....	
10.2 Totals, Part 3, Column 11.....	
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	337,082,440
12. Deduct total nonadmitted amounts.....	
13. Statement value at end of current period (Line 11 minus Line 12).....	337,082,440

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book /adjusted carrying value, December 31 of prior year.....	3,125,235,931
2. Cost of bonds and stocks acquired, Part 3, Column 7.....	1,162,879,941
3. Accrual of discount.....	30,047,077
4. Unrealized valuation increase (decrease):	
4.1 Part 1, Column 12.....	
4.2 Part 2, Section 1, Column 15.....	
4.3 Part 2, Section 2, Column 13.....	170,508,821
4.4 Part 4, Column 11.....	170,508,821
5. Total gain (loss) on disposals, Part 4, Column 19.....	2,969,781
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7.....	1,027,948,345
7. Deduct amortization of premium.....	7,519,620
8. Total foreign exchange change in book/adjusted carrying value:	
8.1 Part 1, Column 15.....	
8.2 Part 2, Section 1, Column 19.....	
8.3 Part 2, Section 2, Column 16.....	(3,138)
8.4 Part 4, Column 15.....	(3,138)
9. Deduct current year's other than temporary impairment recognized:	
9.1 Part 1, Column 14.....	48,472,436
9.2 Part 2, Section 1, Column 17.....	
9.3 Part 2, Section 2, Column 14.....	
9.4 Part 4, Column 13.....	2,972,756
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	3,404,725,256
11. Deduct total nonadmitted amounts.....	
12. Statement value at end of current period (Line 10 minus Line 11).....	3,404,725,256

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	25,240,523	29,894,864	25,703,500	23,240,000
	2. Canada				
	3. Other Countries				
	4. Totals	25,240,523	29,894,864	25,703,500	23,240,000
U. S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	218,535,669	237,888,534	222,765,472	208,020,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	473,478,492	514,040,510	476,091,652	474,260,000
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals	1,478,842,765	1,575,574,160	1,490,466,864	1,460,887,383
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States.....	565,237,295	484,749,437	556,559,768	819,331,627
	9. Canada.....				
	10. Other Countries	17,131,160	17,504,270	17,503,363	16,085,000
	11. Totals	582,368,455	502,253,707	574,063,131	835,416,627
Parent, Subsidiaries and Affiliates	12. Totals				
	13. Total Bonds	2,778,465,904	2,859,651,775	2,789,090,619	3,001,824,010
PREFERRED STOCKS					
Industrial and Miscellaneous (unaffiliated)	14. United States				
	15. Canada				
	16. Other Countries				
	17. Totals				
Parent, Subsidiaries and Affiliates	18. Totals				
	19. Total Preferred Stocks				
COMMON STOCKS					
Industrial and Miscellaneous (unaffiliated)	20. United States				
	21. Canada				
	22. Other Countries	48,440	48,440	495,691	
	23. Totals	48,440	48,440	495,691	
Parent, Subsidiaries and Affiliates	24. Totals	626,210,915	626,210,915	916,568,859	
	25. Total Common Stocks	626,259,355	626,259,355	917,064,550	
	26. Total Stocks	626,259,355	626,259,355	917,064,550	
	27. Total Bonds and Stocks	3,404,725,259	3,485,911,130	3,706,155,169	

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments											
1.1 Class 1	133,002,688	10,267,692	2,437,384	9,948,256	1,937,272	157,593,292	5.2	263,370,532	8.3	157,593,292	
1.2 Class 2											
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 Totals	133,002,688	10,267,692	2,437,384	9,948,256	1,937,272	157,593,292	5.2	263,370,532	8.3	157,593,292	
2. All Other Governments											
2.1 Class 1								9,859,224	0.3		
2.2 Class 2											
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 Totals								9,859,224	0.3		
3. U.S. States, Territories and Possessions, etc., Guaranteed											
3.1 Class 1	414,730	101,848,773	94,544,753	5,943,811		202,752,067	6.6	193,206,825	6.1	202,752,067	
3.2 Class 2		9,502,801				9,502,801	0.3	6,305,770	0.2	9,502,801	
3.3 Class 3											
3.4 Class 4		6,280,803				6,280,803	0.2			6,280,803	
3.5 Class 5											
3.6 Class 6											
3.7 Totals	414,730	117,632,377	94,544,753	5,943,811		218,535,671	7.2	199,512,595	6.3	218,535,671	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Class 1	15,781,955	270,774,470	136,310,218	46,358,488		469,225,131	15.4	322,826,049	10.1	469,225,131	
4.2 Class 2		4,253,364				4,253,364	0.1	25,077,449	0.8	4,253,364	
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 Totals	15,781,955	275,027,834	136,310,218	46,358,488		473,478,495	15.5	347,903,498	10.9	473,478,495	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Class 1	171,073,697	521,039,051	469,081,358	152,189,973	160,259,510	1,473,643,589	48.3	1,598,399,865	50.1	1,473,643,589	
5.2 Class 2	1,000,995	4,198,188				5,199,183	0.2	117,606,598	3.7	5,199,183	
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6								8,610,485	0.3		
5.7 Totals	172,074,692	525,237,239	469,081,358	152,189,973	160,259,510	1,478,842,772	48.4	1,724,616,948	54.1	1,478,842,772	

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)											
6.1 Class 1	176,610,056	169,480,459	91,517,756	42,377,980	5,950,359	485,936,610	15.9	480,559,923	15.1	409,944,362	75,992,248
6.2 Class 2	1,487,160	5,584,974	5,625,820			12,697,954	0.4				12,697,955
6.3 Class 3		33,754,780				33,754,780	1.1			33,754,780	
6.4 Class 4		11,541,873				11,541,873	0.4			11,541,873	
6.5 Class 5											
6.6 Class 6	15,856,918	142,404,556	5,789,065	7,347,439	8,577,311	179,975,289	5.9	164,752,223	5.2	27,470,314	152,504,975
6.7 Totals	193,954,134	362,766,642	102,932,641	49,725,419	14,527,670	723,906,506	23.7	645,312,146	20.2	482,711,329	241,195,178
7. Hybrid Securities											
7.1 Class 1											
7.2 Class 2											
7.3 Class 3											
7.4 Class 4											
7.5 Class 5											
7.6 Class 6											
7.7 Totals											
8. Parent, Subsidiaries and Affiliates											
8.1 Class 1											
8.2 Class 2											
8.3 Class 3											
8.4 Class 4											
8.5 Class 5											
8.6 Class 6											
8.7 Totals											

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
9. Total Bonds Current Year											
9.1 Class 1	(d) 496,883,126	1,073,410,445	793,891,469	256,818,508	168,147,141	2,789,150,689	91.4	XXX	XXX	2,713,158,441	75,992,248
9.2 Class 2	(d) 2,488,155	23,539,327	5,625,820			31,653,302	1.0	XXX	XXX	18,955,348	12,697,955
9.3 Class 3	(d)	33,754,780				33,754,780	1.1	XXX	XXX	33,754,780	
9.4 Class 4	(d)	17,822,676				17,822,676	0.6	XXX	XXX	17,822,676	
9.5 Class 5	(d)					(c) 5,789,065		XXX	XXX		
9.6 Class 6	(d) 15,856,918	142,404,556	5,789,065	7,347,439	8,577,311	(c) 179,975,289	5.9	XXX	XXX	27,470,314	152,504,975
9.7 Totals	515,228,199	1,290,931,784	805,306,354	264,165,947	176,724,452	(b) 3,052,356,736	100.0	XXX	XXX	2,811,161,559	241,195,178
9.8 Line 9.7 as a % of Col. 6	16.9	42.3	26.4	8.7	5.8	100.0	XXX	XXX	XXX	92.1	7.9
10. Total Bonds Prior Year											
10.1 Class 1	606,736,448	1,001,956,757	797,054,678	269,138,083	193,336,451	XXX	XXX	2,868,222,418	89.9	2,837,153,949	31,068,469
10.2 Class 2	13,756,989	69,251,835	21,989,410	37,248,741	6,742,842	XXX	XXX	148,989,817	4.7	148,989,817	
10.3 Class 3						XXX	XXX				
10.4 Class 4						XXX	XXX				
10.5 Class 5						XXX	XXX	(c) 173,362,708			
10.6 Class 6	266,846	5,348,402	165,995,136	1,752,324		XXX	XXX		5.4	8,610,485	164,752,223
10.7 Totals	620,760,284	1,076,556,993	985,039,225	308,139,148	200,079,293	XXX	XXX	(b) 3,190,574,943	100.0	2,994,754,251	195,820,693
10.8 Line 10.7 as a % of Col. 8	19.5	33.7	30.9	9.7	6.3	XXX	XXX	100.0	XXX	93.9	6.1
11. Total Publicly Traded Bonds											
11.1 Class 1	484,611,804	1,039,428,504	770,412,084	251,267,342	167,438,705	2,713,158,439	88.9	2,837,153,950	88.9	2,713,158,439	XXX
11.2 Class 2	1,000,995	17,954,354				18,955,349	0.6	148,989,818	4.7	18,955,349	XXX
11.3 Class 3		33,754,780				33,754,780	1.1			33,754,780	XXX
11.4 Class 4		17,822,675				17,822,675	0.6			17,822,675	XXX
11.5 Class 5											XXX
11.6 Class 6	67,908	5,703,724	5,773,932	7,347,439	8,577,311	27,470,314	0.9	8,610,485	0.3	27,470,314	XXX
11.7 Totals	485,680,707	1,114,664,037	776,186,016	258,614,781	176,016,016	2,811,161,557	92.1	2,994,754,252	93.9	2,811,161,557	XXX
11.8 Line 11.7 as a % of Col. 6	17.3	39.7	27.6	9.2	6.3	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	15.9	36.5	25.4	8.5	5.8	92.1	XXX	XXX	XXX	92.1	XXX
12. Total Privately Placed Bonds											
12.1 Class 1	12,271,321	33,981,942	23,479,384	5,551,165	708,435	75,992,247	2.5	31,068,469	1.0	XXX	75,992,247
12.2 Class 2	1,487,160	5,584,974	5,625,820			12,697,954	0.4			XXX	12,697,954
12.3 Class 3										XXX	
12.4 Class 4										XXX	
12.5 Class 5										XXX	
12.6 Class 6	15,789,010	136,700,832	15,133			152,504,975	5.0	164,752,223	5.2	XXX	152,504,975
12.7 Totals	29,547,491	176,267,748	29,120,337	5,551,165	708,435	241,195,176	7.9	195,820,693	6.1	XXX	241,195,176
12.8 Line 12.7 as a % of Col. 6	12.3	73.1	12.1	2.3	0.3	100.0	XXX	XXX	XXX	XXX	100.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	1.0	5.8	1.0	0.2	0.0	7.9	XXX	XXX	XXX	XXX	7.9

(a) Includes \$ 241,195,176 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ _____, current year, _____ prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.

(c) Includes \$ _____, current year, _____ prior year of bonds with 5* designations and _____, current year, _____ prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 141,538,063 ; NAIC 2 \$ _____ ; NAIC 3 \$ _____ ; NAIC 4 \$ _____ ; NAIC 5 \$ _____ ; NAIC 6 \$ _____ .

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total from Col 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1. U.S. Governments											
1.1 Issuer Obligations	133,002,688	10,267,692	2,437,384	9,948,256	1,937,272	157,593,292	5.2	263,370,532	8.3	157,593,292	
1.2 Residential Mortgage-Backed Securities											
1.3 Commercial Mortgage-Backed Securities											
1.4 Other Loan-Backed and Structured Securities											
1.5 Totals	133,002,688	10,267,692	2,437,384	9,948,256	1,937,272	157,593,292	5.2	263,370,532	8.3	157,593,292	
2. All Other Governments											
2.1 Issuer Obligations								9,859,224	0.3		
2.2 Residential Mortgage-Backed Securities											
2.3 Commercial Mortgage-Backed Securities											
2.4 Other Loan-Backed and Structured Securities											
2.5 Totals								9,859,224	0.3		
3. U.S. States, Territories and Possessions, etc., Guaranteed											
3.1 Issuer Obligations	414,730	106,191,783	94,544,753	5,943,811		207,095,077	6.8	199,512,595	6.3	207,095,077	
3.2 Residential Mortgage-Backed Securities											
3.3 Commercial Mortgage-Backed Securities											
3.4 Other Loan-Backed and Structured Securities		11,440,594				11,440,594	0.4			11,440,594	
3.5 Totals	414,730	117,632,377	94,544,753	5,943,811		218,535,671	7.2	199,512,595	6.3	218,535,671	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Issuer Obligations	15,781,955	268,760,256	134,284,882	45,303,523		464,130,616	15.2	347,903,500	10.9	464,130,616	
4.2 Residential Mortgage-Backed Securities											
4.3 Commercial Mortgage-Backed Securities											
4.4 Other Loan-Backed and Structured Securities		6,267,579	2,025,337	1,054,964		9,347,880	0.3			9,347,880	
4.5 Totals	15,781,955	275,027,835	136,310,219	46,358,487		473,478,496	15.5	347,903,500	10.9	473,478,496	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Issuer Obligations	165,100,243	469,903,848	450,667,799	140,885,730	157,021,828	1,383,579,448	45.3	1,639,535,887	51.4	1,383,579,448	
5.2 Residential Mortgage-Backed Securities	6,974,448	20,469,151	14,937,385	9,234,758	388,886	52,004,628	1.7	85,081,062	2.7	52,004,628	
5.3 Commercial Mortgage-Backed Securities											
5.4 Other Loan-Backed Structured Securities		34,864,240	3,476,173	2,069,484	2,848,796	43,258,693	1.4			43,258,693	
5.5 Totals	172,074,691	525,237,239	469,081,357	152,189,972	160,259,510	1,478,842,769	48.4	1,724,616,949	54.1	1,478,842,769	
6. Industrial and Miscellaneous											
6.1 Issuer Obligations	141,553,063	50,176,358	1,065,144			192,794,565	6.3	367,545,895	11.5	186,849,826	5,944,737
6.2 Residential Mortgage-Backed Securities	35,056,993	114,654,134	85,112,157	42,377,980	5,950,359	283,151,623	9.3	107,774,463	3.4	213,104,113	70,047,511
6.3 Commercial Mortgage-Backed Securities	1,487,160	50,881,627	5,625,820			57,994,607	1.9			45,296,652	12,697,955
6.4 Other Loan-Backed Structured Securities	15,856,918	147,054,525	11,129,519	7,347,439	8,577,311	189,965,712	6.2	169,991,788	5.3	37,460,737	152,504,975
6.5 Totals	193,954,134	362,766,644	102,932,640	49,725,419	14,527,670	723,906,507	23.7	645,312,146	20.2	482,711,328	241,195,178
7. Hybrid Securities											
7.1 Issuer Obligations											
7.2 Residential Mortgage-Backed Securities											
7.3 Commercial Mortgage-Backed Securities											
7.4 Other Loan-Backed Structured Securities											
7.5 Totals											
8. Parent, Subsidiaries and Affiliates											
8.1 Issuer Obligations											
8.2 Residential Mortgage-Backed Securities											
8.3 Commercial Mortgage-Backed Securities											
8.4 Other Loan-Backed Structured Securities											
8.5 Totals											

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total From Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
9. Total Bonds Current Year											
9.1 Issuer Obligations	455,852,679	905,299,937	682,999,962	202,081,320	158,959,100	2,405,192,998	78.8	XXX	XXX	2,399,248,259	5,944,737
9.2 Residential Mortgage-Backed Securities	42,031,441	135,123,285	100,049,542	51,612,738	6,339,245	335,156,251	11.0	XXX	XXX	265,108,741	70,047,511
9.3 Commercial Mortgage-Backed Securities	1,487,160	50,881,627	5,625,820			57,994,607	1.9	XXX	XXX	45,296,652	12,697,955
9.4 Other Loan-Backed and Structured Securities	15,856,918	199,626,938	16,631,029	10,471,887	11,426,107	254,012,879	8.3	XXX	XXX	101,507,904	152,504,975
9.5 Totals	515,228,198	1,290,931,787	805,306,353	264,165,945	176,724,452	3,052,356,735	100.0	XXX	XXX	2,811,161,556	241,195,178
9.6 Lines 9.5 as a % of Col. 6	16.9	42.3	26.4	8.7	5.8	100.0		XXX	XXX	92.1	7.9
10. Total Bonds Prior Year											
10.1 Issuer Obligations	599,256,809	1,000,030,676	768,787,007	265,466,368	194,186,774	XXX	XXX	2,827,727,633	88.6	2,823,626,561	4,101,072
10.2 Residential Mortgage-Backed Securities	21,459,131	71,372,823	51,458,269	42,672,782	5,892,519	XXX	XXX	192,855,525	6.0	166,127,779	26,727,746
10.3 Commercial Mortgage-Backed Securities						XXX	XXX				
10.4 Other Loan-Backed and Structured Securities	44,344	5,153,494	164,793,949			XXX	XXX	169,991,788	5.4	4,999,913	164,991,875
10.5 Totals	620,760,284	1,076,556,993	985,039,225	308,139,150	200,079,293	XXX	XXX	3,190,574,946	100.0	2,994,754,253	195,820,693
10.6 Line 10.5 as a % of Col. 8	19.5	33.7	30.9	9.7	6.3	XXX	XXX	100.0		93.9	6.1
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations	455,852,678	899,355,199	682,999,962	202,081,320	158,959,100	2,399,248,259	78.6	2,823,626,560	88.5	2,399,248,259	XXX
11.2 Residential Mortgage-Backed Securities	29,760,121	107,086,080	76,570,158	46,061,573	5,630,810	265,108,742	8.7	166,127,779	5.2	265,108,742	XXX
11.3 Commercial Mortgage-Backed Securities		45,296,652				45,296,652	1.5			45,296,652	XXX
11.4 Other Loan-Backed and Structured Securities	67,908	62,926,106	16,615,896	10,471,888	11,426,107	101,507,905	3.3	4,999,913	0.2	101,507,905	XXX
11.5 Totals	485,680,707	1,114,664,037	776,186,016	258,614,781	176,016,017	2,811,161,558	92.1	2,994,754,252	93.9	2,811,161,558	XXX
11.6 Line 11.5 as a % of Col. 6	17.3	39.7	27.6	9.2	6.3	100.0				100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	15.9	36.5	25.4	8.5	5.8	92.1				92.1	XXX
12. Total Privately Placed Bonds											
12.1 Issuer Obligations		5,944,737				5,944,737	0.2	4,101,072	0.1	XXX	5,944,737
12.2 Residential Mortgage-Backed Securities	12,271,321	28,037,205	23,479,384	5,551,165	708,435	70,047,510	2.3	26,727,746	0.8	XXX	70,047,510
12.3 Commercial Mortgage-Backed Securities	1,487,160	5,584,974	5,625,820			12,697,954	0.4			XXX	12,697,954
12.4 Other Loan-Backed and Structured Securities	15,789,010	136,700,832	15,133			152,504,975	5.0	164,991,875	5.2	XXX	152,504,975
12.5 Totals	29,547,491	176,267,748	29,120,337	5,551,165	708,435	241,195,176	7.9	195,820,693	6.1	XXX	241,195,176
12.6 Line 12.5 as a % of Col. 6	12.3	73.1	12.1	2.3	0.3	100.0				XXX	100.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	1.0	5.8	1.0	0.2	0.0	7.9				XXX	7.9

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year.....	80,543,081	80,543,081			
2. Cost of short-term investments acquired	260,148,704	260,148,704			
3. Accrual of discount.....	29,109	29,109			
4. Unrealized valuation increase (decrease).....					
5. Total gain (loss) on disposals.....	361,626	361,626			
6. Deduct consideration received on disposals.....	207,895,463	207,895,463			
7. Deduct amortization of premium.....	126,933	126,933			
8. Total foreign exchange change in book/adjusted carrying value.....	(332,355)	(332,355)			
9. Deduct current year's other than temporary impairment recognized.....					
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	132,727,769	132,727,769			
11. Deduct total nonadmitted amounts.....					
12. Statement value at end of current period (Line 10 minus Line 11)	132,727,769	132,727,769			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

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Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E - VERIFICATION BETWEEN YEARS

(Cash Equivalents)

	1	2	3
	Total	Bonds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year.....	440,348,970	440,348,970	
2. Cost of cash equivalents acquired.....	1,213,209,307	1,213,209,307	
3. Accrual of discount.....	51,223	51,223	
4. Unrealized valuation increase (decrease).....			
5. Total gain (loss) on disposals.....	95	95	
6. Deduct consideration received on disposals.....	1,512,446,532	1,512,446,532	
7. Deduct amortization of premium.....			
8. Total foreign exchange change in book/adjusted carrying value.....			
9. Deduct current year's other than temporary impairment recognized.....			
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	141,163,063	141,163,063	
11. Deduct total nonadmitted amounts.....			
12. Statement value at end of current period (Line 10 minus Line 11)	141,163,063	141,163,063	

(a) Indicate the category of such investments, for example, joint ventures, transportation equipment

Schedule A - Part 1

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

1 CUSIP Identification	2 Name or Description	3 Code	4 Location		6 Name of Vendor or General Partner	7 NAIC Designation	8 Date Originally Acquired	9 Type and Strategy	10 Actual Cost	11 Fair Value	12 Book/ Adjusted Carrying Value Less Encumbrances	Change in Book/Adjusted Carrying Value					18 Investment Income	19 Commitment for Additional Investment	20 Percentage of Ownership		
			4 City	5 State								13 Unrealized Valuation Increase (Decrease)	14 Current Year's (Depreciation) or (Amortization)/ Accretion	15 Current Year's Other than Temporary Impairment Recognized	16 Capitalized Deferred Interest and Other	17 Total Foreign Exchange Change in B. / A.C.V.					
2299999	ASSURED GUARANTY CORP 590		NEW YORK	NY	DIRECT		12/18/2009		300,000,000	300,000,000	300,000,000							15,000,000		100.000	
2299999 - Surplus Debentures, etc. - Affiliated									300,000,000	300,000,000	300,000,000							15,000,000		XXX	
	US MTG INS CO TAX & LOSS BONDS		NEW YORK	NY	DIRECT		03/15/2010		18,028,257	18,028,257	18,028,257									100.000	
	US MTG INS CO TAX & LOSS BONDS		NEW YORK	NY	DIRECT		03/15/2011		19,054,183	19,054,183	19,054,183									100.000	
3799999 - Any Other Class of Assets - Unaffiliated									37,082,440	37,082,440	37,082,440										XXX
3999999 - Subtotal Unaffiliated									37,082,440	37,082,440	37,082,440										XXX
4099999 - Subtotal Affiliated									300,000,000	300,000,000	300,000,000							15,000,000		XXX	
4199999 Totals									337,082,440	337,082,440	337,082,440							15,000,000		XXX	

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE December 31 of Current Year

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 Date Originally Acquired	7 Type and Strategy	8 Actual Cost at Time of Acquisition	9 Additional Investment Made After Acquisition	10 Amount of Encumbrances	11 Percentage of Ownership
		3 City	4 State							
	US MTG INS CO TAX & LOSS BONDS	NEW YORK	NY	DIRECT	03/15/2011		19,054,183			100.000
	3799999 - Any Other Class of Assets - Unaffiliated						19,054,183			XXX
	3999999 - Subtotal Unaffiliated						19,054,183			XXX
	4099999 - Subtotal Affiliated									XXX
	4199999 Totals						19,054,183			XXX

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Year

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value					15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)							14 Total Foreign Exchange Change in B./A.C.V.
NONE																		
3999999 – Subtotal Unaffiliated																		
4099999 – Subtotal Affiliated																		
4199999 Totals																		

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
3137EA-CT-4	FREDDIE MAC				1FE	5,131,205	105.9080	5,295,375	5,000,000	5,118,330		(12,875)			2.500	1.946	MN	11,806	79,514	06/30/2011	05/27/2016
31359M-TG-8	FNMA BENCHMARK NOTES				1FE	4,147,235	107.5400	4,570,429	4,250,000	4,217,853		16,739			4.625	5.137	AO	41,497	196,563	05/22/2007	10/15/2013
912810-PW-2	TREASURY BOND				1	1,932,813	129.2810	2,585,624	2,000,000	1,937,272		1,226			4.375	4.635	FA	33,050	87,500	02/15/2008	02/15/2038
912828-G0-7	TREASURY NOTE	SD			1	648,908	101.4410	659,369	650,000	649,920		236			4.500	4.590	AO	4,982	27,500	05/08/2007	04/30/2012
912810-FB-9	U S TREASURY BOND				1	8,122,747	148.6250	10,076,775	6,780,000	7,998,410		(51,505)			6.125	4.577	MN	53,621	415,275	07/04/2009	11/15/2027
912810-DP-0	US TREASURY BOND	SD			1	140,453	133.4380	133,438	100,000	112,045		(3,347)			11.250	7.017	FA	4,249	11,250	01/05/2000	02/15/2015
912810-DX-3	US TREASURY BOND	SD			1	686,213	131.8670	725,270	550,000	619,242		(12,408)			7.500	4.640	MN	5,326	50,625	12/22/2005	11/15/2016
912810-ED-6	US TREASURY BOND	SD			1	2,689,060	148.7190	2,974,376	2,000,000	2,437,384		(46,759)			8.125	4.736	FA	61,379	162,500	12/22/2005	08/15/2019
912810-EX-2	US TREASURY BOND	SD			1	165,516	154.4220	231,633	150,000	161,425		(479)			6.750	6.051	FA	3,824	10,125	08/17/2000	08/15/2026
912810-FM-5	US TREASURY N/B	SD			1	1,838,850	154.6560	2,412,637	1,560,000	1,788,420		(7,431)			6.250	5.084	MN	12,458	104,063	12/22/2003	05/15/2030
912828-EN-6	US TREASURY NOTE	SD			1	200,500	114.9690	229,938	200,000	200,222		(51)			4.500	4.518	MN	1,162	9,000	12/22/2005	11/15/2015
0199999	U.S. Governments - Issuer Obligations					25,703,500	XXX	29,894,864	23,240,000	25,240,523		(116,654)			XXX	XXX	XXX	233,354	1,153,915	XXX	XXX
0599999	Subtotals - U.S. Governments					25,703,500	XXX	29,894,864	23,240,000	25,240,523		(116,654)			XXX	XXX	XXX	233,354	1,153,915	XXX	XXX
13063A-2R-4	CALIFORNIA ST			1	1FE	17,314,307	115.9080	19,119,025	16,495,000	17,073,173		(73,546)			5.500	4.931	FA	378,010	907,225	06/26/2008	08/01/2024
373383-K9-8	GEORGIA ST			1	1FE	1,062,080	115.2960	1,152,960	1,000,000	1,030,285		(7,504)			5.000	4.144	MS	16,667	50,000	06/14/2007	09/01/2015
373383-N7-9	GEORGIA ST			1	1FE	10,517,100	114.7580	11,475,800	10,000,000	10,224,836		(58,394)			5.000	4.347	JJ	250,000	500,000	06/30/2006	07/01/2018
419780-6C-0	HAWAII ST			1	1FE	12,526,741	115.4940	14,384,778	12,455,000	12,500,299		(7,391)			5.000	4.981	AO	155,688	622,750	03/03/2008	04/01/2022
419791-H9-2	HAWAII ST SER DA			1	2FE	2,018,625	107.9940	2,122,082	1,965,000	1,975,875		(6,111)			5.250	4.960	MS	34,388	103,163	08/22/2003	09/01/2022
419791-J9-0	HAWAII ST SER DA			1	2FE	3,875,697	107.9940	4,033,576	3,735,000	3,763,262		(15,902)			5.250	4.830	MS	65,363	196,088	08/22/2003	09/01/2020
419791-K5-6	HAWAII ST SER DA			1	1FE	2,090,535	107.2690	2,182,924	2,035,000	2,046,263		(6,329)			5.250	4.960	MS	35,613	106,838	08/22/2003	09/01/2022
419791-L5-5	HAWAII ST SER DA			1	1FE	3,943,146	107.8730	4,099,174	3,800,000	3,828,744		(16,179)			5.250	4.830	MS	66,500	199,500	08/22/2003	09/01/2020
419791-L7-1	HAWAII ST SER DA			1	1FE	3,867,263	107.4930	4,030,988	3,750,000	3,773,737		(13,347)			5.250	4.909	MS	65,625	196,875	08/22/2003	09/01/2021
419791-KZ-6	HI GO NC S10			1	1FE	9,045,270	119.0250	9,283,950	7,800,000	8,906,698		(138,572)			5.000	2.058	FA	162,500	195,000	04/28/2011	02/01/2017
419791-K3-1	HAWAII ST SER DA			1	2FE	3,856,950	107.9940	4,038,976	3,763,000	3,763,674		(13,312)			5.250	4.909	MS	65,450	196,350	08/22/2003	09/01/2021
546415-ZP-8	LOUISIANA ST			1	1FE	1,180,650	123.7720	1,237,720	1,000,000	1,160,957		(16,815)			5.000	2.848	MN	6,389	54,444	10/28/2010	11/15/2020
546415-VW-7	LOUISIANA ST			1	1FE	1,042,320	116.8900	1,168,900	1,000,000	1,021,526		(4,222)			5.000	4.521	JJ	23,056	50,000	07/13/2006	07/15/2019
546415-WE-6	LOUISIANA ST			1	1FE	2,584,296	115.5980	2,884,170	2,495,000	2,540,508		(8,906)			5.000	4.602	JJ	57,524	124,750	07/13/2006	07/15/2021
57582N-J2-2	MASSACHUSETTS ST			1	1FE	572,514	130.8480	654,240	500,000	563,703		(3,646)			5.500	4.255	JD	2,292	27,500	07/04/2009	12/01/2024
57582P-BG-3	MASSACHUSETTS ST			1	1FE	436,029	124.2870	497,148	400,000	431,990		(1,672)			5.000	4.275	MN	3,333	20,000	07/04/2009	11/01/2025
57582N-Q2-4	MASSACHUSETTS STATE GO			1	1FE	411,888	102.6670	426,068	415,000	414,730		444			5.000	5.180	FA	8,646	20,750	08/22/2002	08/01/2012
604129-AP-1	MINNESOTA ST			1	1FE	17,634,688	114.7210	19,313,280	16,835,000	17,198,004		(87,232)			5.000	4.418	AO	210,438	841,750	06/29/2006	10/01/2019
604129-VD-5	MN GO C20 S10A			1	1FE	8,316,420	121.2560	8,487,920	7,000,000	8,166,071		(118,603)			5.000	2.823	FA	145,833	332,500	09/23/2010	08/01/2025
658256-VE-9	NC GO NC S05B			1	1FE	8,028,981	117.5150	8,014,523	6,820,000	7,882,708		(146,273)			5.000	1.230	AO	85,250	170,500	05/24/2011	04/01/2016
679077-QX-8	OKLAHOMA ST			1	1FE	13,412,521	108.0740	13,719,994	12,695,000	12,963,499		(87,220)			5.000	4.246	JJ	292,690	634,750	05/04/2006	07/15/2016
68608K-6S-2	OR GO NC S11J			1	1FE	1,761,855	117.1560	1,757,340	1,500,000	1,730,184		(31,671)			5.000	1.348	MN	12,500	32,292	05/19/2011	05/01/2016
880541-PA-9	TENNESSEE ST			1	1FE	1,621,851	114.1810	1,758,387	1,540,000	1,614,240		(7,611)			4.000	3.361	MN	10,267	62,284	10/21/2010	05/01/2020
880541-PB-7	TENNESSEE ST			1	1FE	1,305,625	113.3450	1,416,813	1,250,000	1,301,068		(4,557)			4.000	3.514	MN	8,333	50,556	10/14/2010	05/01/2021
882720-6W-0	TEXAS ST			1	1FE	4,941,450	107.0150	5,350,750	5,000,000	4,948,117		1,869			5.000	5.156	FA	104,167	250,000	03/04/2008	08/01/2029
882721-R4-7	TEXAS ST			1	1FE	5,211,617	119.7810	5,989,050	5,000,000	5,159,289		(21,687)			5.000	4.260	AO	62,500	250,000	07/04/2009	04/01/2021
882721-VB-6	TEXAS ST			1	1FE	5,313,600	118.7900	5,939,500	5,000,000	5,183,574		(31,307)			5.000	4.458	AO	62,500	250,000	06/07/2007	04/01/2018
882721-VC-4	TEXAS ST			1	1FE	4,460,200	118.3440	4,982,282	4,210,000	4,356,578		(24,966)			5.000	4.298	AO	52,625	210,500	06/07/2007	04/01/2019
928109-NP-8	VIRGINIA ST			1	1FE	5,445,245	118.1920	6,098,707	5,160,000	5,314,172		(31,100)			5.000	4.296	JD	21,500	258,000	06/19/2007	06/01/2019
93974B-WJ-7	WASHINGTON ST 5.00%			1	1FE	629,469	113.5150	681,090	600,000	620,673		(3,640)			5.000	4.273	JJ	15,000	30,000	07/04/2009	01/01/2024
93974B-FG-2	WASHINGTON ST FOR ISSUES DTD P			1	1FE	5,200,250	113.5340	5,676,700	5,000,000	5,087,354		(22,582)			5.000	4.505	JJ	125,000	250,000	06/28/2006	07/01/2018
97705L-B7-1	WI GO NC S11A			1	1FE	12,003,392	117.0170	12,187,321	10,415,000	11,796,263		(207,129)			5.000	1.813	MN	86,792	389,116	04/26/2011	05/01/2016
977056-R5-1	WISCONSIN ST GO REF-SER 1			1	1FE	5,439,100	115.1990	5,759,950	5,000,000	5,134,103		(36,908)			5.500	4.676	MN	45,833	275,000	09/26/2001	05/01/2015
882721-S4-6	TEXAS ST			1	1FE	7,213,050	112.3870	7,586,123	6,750,000	7,184,403		(28,647)			5.000	3.869	AO	84,375	168,750	07/12/2011	04/01/2029
882721-LT-8	TEXAS ST 5.00%			1	1FE	5,240,750	116.3780	5,818,900	5,000,000	5,116,795		(24,478)			5.000	4.440	AO	62,500	250,000	06/02/2006	04/01/2020

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
646133-HD-3	NEW JERSEY ST TRAN CORP CTF			1	1AM	5,383,750	107.5940	5,379,700	5,000,000	5,159,791		(39,701)			5.000	4.104	MS	73,611	250,000	08/25/2005	09/15/2018
1499999	- U.S. States/Terr./ Poss. - Other Loan-Backed and Structured Securities					11,798,826	XXX	11,833,844	11,175,000	11,440,594		(64,668)			XXX	XXX	XXX	125,070	558,750	XXX	XXX
1799999	- Subtotals - U.S. States, Territories and Possessions (Direct and Guaranteed)					222,765,472	XXX	237,888,534	208,020,000	218,535,669		(1,490,426)			XXX	XXX	XXX	3,420,239	9,320,231	XXX	XXX
035519-QT-7	ANN ARBOR MICH SCH DIST PUB SCHS.			1	JFE	2,633,670	104.6790	2,721,654	2,600,000	2,609,552		(3,835)			5.000	4.890	MN	21,667	130,000	08/04/2004	05/01/2025
035519-QU-4	ANN ARBOR MICH SCH DIST PUB SCHS.			1	JFE	3,020,400	104.3360	3,130,080	3,000,000	3,005,802		(2,327)			5.000	4.972	MN	25,000	150,000	08/04/2004	05/01/2026
035519-QV-2	ANN ARBOR MICH SCH DIST PUB SCHS.			1	JFE	2,005,940	103.8790	2,077,580	2,000,000	2,001,692		(678)			5.000	5.023	MN	16,667	100,000	08/04/2004	05/01/2027
041826-UE-6	ARLINGTON TEX INDPT SCH DIST			1	JFE	11,324,630	113.1100	12,063,182	10,665,000	10,918,120		(74,371)			5.000	4.225	FA	201,450	533,250	12/12/2005	02/15/2017
041826-YS-1	ARLINGTON TEX INDPT SCH DIST			1	JFE	1,794,503	109.6210	1,918,368	1,750,000	1,791,772		(2,730)			5.000	4.698	FA	33,056	16,528	05/06/2011	02/15/2036
052430-CN-3	AUSTIN TEX INDPT SCH DIST			1	JFE	8,078,921	110.7860	9,145,384	8,255,000	8,099,630		5,806			5.000	5.237	FA	171,979	412,750	03/03/2008	08/01/2028
052430-CP-8	AUSTIN TEX INDPT SCH DIST			1	JFE	8,425,159	110.2440	9,508,545	8,625,000	8,446,881		6,091			5.000	5.247	FA	179,688	431,250	03/03/2008	08/01/2029
052430-CQ-6	AUSTIN TEX INDPT SCH DIST			1	JFE	974,960	109.7060	1,097,060	1,000,000	977,480		707			5.000	5.258	FA	20,833	50,000	03/03/2008	08/01/2030
052430-CR-4	AUSTIN TEX INDPT SCH DIST			1	JFE	4,320,386	109.1710	4,847,192	4,440,000	4,331,551		3,132			5.000	5.268	FA	92,500	222,000	03/03/2008	08/01/2031
099032-EF-7	BOONE MOHENRY & DEKALB CNTYS ILL C.	@			JFE	1,180,830	59.2840	1,778,520	3,000,000	1,650,608		80,711				5.141	N/A			04/26/2005	12/01/2023
165573-QL-3	CHESTER CNTY PA			1	JFE	4,629,909	113.8450	4,912,412	4,440,587	4,440,587		(32,311)			5.000	4.269	FA	81,506	215,750	04/07/2005	08/15/2017
165573-QO-2	CHESTER CNTY PA			17	JFE	1,915,668	111.3970	2,016,286	1,810,000	1,852,354		(10,854)			5.000	4.342	FA	34,189	90,500	04/07/2005	08/15/2021
167560-QV-6	CHICAGO ILL MET WTR RECLAMATIO			1	JFE	2,857,756	111.7520	3,011,716	2,695,000	2,852,313		(5,442)			5.000	4.317	JD	57,643		07/26/2011	12/01/2031
167615-EW-9	CHICAGO ILL PK DIST			1	JFE	1,439,307	112.5380	1,508,009	1,340,000	1,376,969		(11,604)			5.000	4.055	JJ	33,500	67,000	12/15/2005	01/01/2015
167484-YU-2	CHICAGO ILL INOIS G.O.			1	JFE	595,670	113.9030	1,139,030	1,000,000	1,000,024		(4)			5.380	5.452	JJ	26,900	26,900	03/19/2001	01/01/2017
167485-J6-9	CHICAGO ILL INOIS G.O.			1	JFE	763,468	108.1570	1,416,857	1,310,000	1,310,000					5.610	5.689	JJ	36,746	36,746	03/19/2001	01/01/2025
179093-FF-1	CLACKAMAS CNTY ORE SCH DIST NO 12			1	JFE	8,699,500	109.2400	10,924,000	10,000,000	10,000,000		1,093,550			5.000	5.063	JD	272,222		03/09/2007	06/15/2028
180847-U7-8	CLARK CNTY NEV			1	JFE	1,059,579	109.8080	1,098,080	1,000,000	1,041,246		(7,578)			5.000	4.093	MN	8,333	50,000	07/04/2009	01/01/2023
199491-3H-2	COLUMBUS OHIO			1	JFE	8,459,846	119.8800	8,973,018	7,485,000	8,424,471		(35,375)			5.000	3.470	JJ	130,988		07/28/2011	07/01/2024
213183-6L-5	COOK CNTY ILL			1	JFE	2,557,525	105.8670	2,646,675	2,500,000	2,519,074		(6,095)			5.250	5.023	MN	16,771	131,250	07/30/2004	11/15/2027
213183-6M-3	COOK CNTY ILL			1	JFE	1,021,400	105.5860	1,055,860	1,000,000	1,007,100		(2,268)			5.250	5.044	MN	6,708		07/30/2004	11/15/2028
213183-26-6	COOK CNTY ILL			1	JFE	6,111,780	103.6420	6,218,520	6,000,000	6,022,646		(24,803)			5.250	4.861	MN	40,250	315,000	02/29/2008	11/15/2020
216129-CZ-7	COOK CNTY ILL CMNTY COLLEGE DIST N.			1	JFE	1,076,990	118.3560	1,183,560	1,000,000	1,048,786		(7,389)			5.000	4.105	JD	4,167	50,000	10/19/2007	12/01/2018
216129-DA-1	COOK CNTY ILL CMNTY COLLEGE DIST N.			1	JFE	1,071,870	117.7280	1,177,280	1,000,000	1,045,592		(6,890)			5.000	4.166	JD	4,167	50,000	10/19/2007	12/01/2019
220435-JY-8	CORSICANA TEX INDPT SCH DIST			1	JFE	2,356,877	105.9140	2,409,544	2,275,000	2,296,855		(9,578)			5.125	4.699	FA	44,047	116,594	10/22/2004	02/15/2032
23223P-AN-7	CUYAHOGA CNTY OHIO			1	JFE	6,802,725	120.4610	7,546,882	6,265,000	6,551,121		(42,635)			5.000	4.165	JD	26,104	313,250	04/07/2005	12/01/2017
23223P-AQ-0	CUYAHOGA CNTY OHIO			1	JFE	4,494,714	123.3970	5,114,806	4,145,000	4,360,179		(22,902)			5.000	4.266	JD	17,271	207,250	04/07/2005	12/01/2019
235308-HN-6	DALLAS TEX INDPT SCH DIST			1	JFE	3,600,345	108.1250	3,784,375	3,500,000	3,531,424		(11,038)			5.000	4.686	FA	66,111	175,000	10/29/2004	08/15/2029
235308-NH-2	DALLAS TEX INDPT SCH DIST			1	JFE	36,045	100.5830	35,204	35,000	35,000		(130)			5.500	5.177	FA	727	1,925	03/21/2002	08/15/2017
235308-NT-6	DALLAS TEX INDPT SCH DIST			1	JFE	355,298	100.5940	347,049	345,000	345,163		(1,282)			5.500	5.177	FA	7,168	18,975	03/21/2002	02/15/2017
235218-2U-7	DALLAS TEXAS			1	JFE	6,870,662	116.4220	7,613,999	6,540,000	6,712,497		(37,475)			5.000	4.341	FA	123,533	327,000	06/14/2007	02/15/2016
257849-KN-8	DONNA TEX INDPT SCH DIST			1	JFE	2,296,320	110.1410	2,456,144	2,230,000	2,247,615		(7,695)			5.250	4.913	FA	44,228	117,075	09/02/2004	02/15/2034
258885-VN-9	DOUGLAS CNTY COLO SCH DIST NO RE 1			1	JFE	1,085,230	114.7550	1,147,550	1,000,000	1,028,347		(8,740)			5.750	4.767	JD	2,556	57,500	06/16/2004	12/15/2022
262615-HT-7	DU PAGE COOK & WILL CNTYS IL CMNTY			1	JFE	2,802,071	106.5870	2,739,286	2,570,000	2,607,757		(25,416)			5.000	3.963	JD	10,708	128,500	02/20/2003	06/01/2013
262615-HU-4	DU PAGE COOK & WILL CNTYS IL CMNTY			1	JFE	3,516,218	106.4110	3,431,755	3,225,000	3,272,380		(31,893)			5.000	3.963	JD	13,438	161,250	02/20/2003	06/01/2013
341426-SZ-8	FL ST BRD OF ED.			1	JFE	17,154,927	111.6400	18,336,870	16,425,000	16,738,399		(83,245)			5.000	4.441	JD	68,438	821,250	06/29/2006	06/01/2019
341535-E6-5	FLORIDA ST BRD 5.00%			1	JFE	404,836	112.1710	431,858	385,000	398,565		(2,594)			5.000	4.202	JD	1,604	19,250	07/04/2009	06/01/2021
341535-J4-5	FLORIDA ST BRD ED PUB ED.			1	JFE	14,436,096	110.9080	15,399,576	13,885,000	14,214,986		(52,682)			5.000	4.551	JD	57,854	694,250	06/19/2007	06/01/2024
341426-TD-6	FLORIDA ST BRD OF ED.			1	JFE	14,219,205	111.8170	15,883,605	14,205,000	14,213,312		(1,644)			5.000	5.047	JD	59,188	710,250	02/29/2008	08/01/2023
341535-PJ-5	FLORIDA STATE BRD ED PUB ED.			1	JFE	6,251,340	102.1010	6,126,060	6,000,000	6,012,512		(30,051)			5.375	4.924	JD	26,875	322,500	10/26/2001	06/01/2017
346838-8J-7	FORT BEND TEX INDPT SCH DIST			1	JFE	2,495,407	108.3860	2,622,941	2,445,000	2,443,355		(8,217)			5.250	4.913	FA	47,997	127,050	08/06/2004	08/15/2027
354771-LR-6	FRANKLIN TENN SPL SCH			1	JFE	905,920	92.2080	2,162,278	2,345,000	1,830,277		39,847			5.000	5.770	N/A			06/18/1999	06/01/2016
388622-W9-9	GRAPEVINE TEX			1	JFE	2,049,759	108.8140	2,094,670	1,925,000	1,970,943		(13,500)			5.000	4.221	FA	36,361	96,250	06/22/2005	08/15/2020
388622-X2-3	GRAPEVINE TEX			1	JFE	1,060,760	108.4360	1,084,360	1,000,000	1,022,408		(6,578)			5.000	4.271	FA	18,889	50,000	06/22/2005	08/15/2021
403755-VP-3	GWINNETT CNTY GA SCH DIST			1	JFE	10,714,500	105.0050	10,500,500	10,000,000	10,144,035		(127,984)			5.000</						

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
545896-J9-4	LOUDOUN COUNTY VA			1	1FE	182,446	101.3390	177,343	175,000	175,314		(911)			5.250	4.758	MN	1,531	9,188	07/17/2002	05/01/2020
545896-J8-6	LOUDOUN COUNTY VA			1	1FE	183,845	101.3880	177,429	175,000	175,422		(1,224)			5.250	4.567	MN	1,531	9,188	07/17/2002	05/01/2019
564385-4T-6	MANSFIELD TEX INDPT SCH DIST			1	1FE	3,087,150	112.9210	3,387,630	3,000,000	3,042,046		(9,092)			5.000	4.676	FA	56,667	150,000	06/28/2006	02/15/2021
567373-TP-0	MARICOPA CNTY ARZ SCH DIST NO 69				1FE	536,550	109.7200	548,600	500,000	509,086		(3,381)			5.250	4.524	JJ	13,125	26,250	02/22/2002	07/01/2014
355694-T4-2	MD Frederick Co GO NC S10C				1FE	2,545,856	122.2390	2,597,579	2,125,000	2,508,189		(37,667)			5.000	1.784	JD	8,854	106,250	05/19/2011	12/01/2017
442255-03-4	MD Howard Co GO NC S09B				1FE	3,598,661	118.5770	3,586,954	3,025,000	3,533,057		(65,604)			5.000	1.253	FA	57,139	75,625	05/19/2011	08/15/2016
590759-N5-1	MESQUITE TEX INDPT SCH DIST			1	1FE	1,584,405	107.6820	1,615,230	1,500,000	1,534,805		(8,698)			5.000	4.348	FA	28,333	75,000	08/16/2005	08/15/2026
597854-CL-0	MIDLTHIAN TX WATER DIST	@			1FE	798,125	107.1480	1,978,846	2,565,000	1,547,483		87,681			5.000	6.006	N/A			08/25/2000	09/01/2020
607114-P6-6	MOBILE ALA			1	1FE	3,103,560	111.2380	3,337,140	3,000,000	3,050,016		(10,795)			5.000	4.604	FA	56,667	150,000	07/11/2006	02/15/2021
64763F-DG-1	NEW ORLEANS LA			1	1FE	8,820,020	101.7560	9,565,064	9,400,000	8,914,023		35,998			5.375	6.183	MS	168,417	505,250	03/13/2002	09/01/2021
64966E-E3-7	NEW YORK N Y			1	1FE	10,868,900	113.5030	11,350,300	10,000,000	10,334,937		(90,969)			5.000	3.982	JD	41,667	500,000	05/20/2005	06/01/2016
64966F-SN-5	NEW YORK N Y			1	1FE	4,876,830	118.3570	5,326,065	4,500,000	4,683,402		(35,780)			5.250	4.307	FA	98,438	236,250	12/16/2005	08/01/2016
64966H-4Y-3	NEW YORK N Y			1	1FE	59,021	103.1550	56,735	55,000	55,291		480			5.750	4.878	FA	3,163	3,163	07/18/2002	08/01/2016
64966H-5L-0	NEW YORK NY			1	1FE	3,160,280	102.9900	3,033,056	2,945,000	2,960,590		(25,701)			5.750	4.878	FA	70,557	169,338	07/18/2002	08/01/2016
64966H-5Z-9	NEW YORK NY			1	1FE	673,665	107.8410	684,790	635,000	642,298		(4,349)			5.250	4.541	FA	13,891	33,338	07/03/2003	08/01/2016
64966H-6S-4	NEW YORK NY			1	1FE	4,630,785	107.2320	4,680,677	4,365,000	4,415,164		(29,897)			5.250	4.541	FA	95,484	229,163	07/03/2003	08/01/2016
660266-AP-2	NORTH KANSAS CITY MO SCH DIST NO 7			1	1FE	5,009,464	111.1390	5,184,634	4,665,000	4,793,517		(38,008)			5.000	4.106	MS	77,750	233,250	07/20/2005	03/01/2019
660266-A0-0	NORTH KANSAS CITY MO SCH DIST NO 7			1	1FE	5,081,313	110.3220	5,240,295	4,750,000	4,873,789		(36,571)			5.000	4.156	MS	79,167	237,500	07/20/2005	03/01/2020
667027-SM-9	NORTHSIDE TEX INDPT SCH DIST			1	1FE	3,420,410	107.4180	3,759,630	3,500,000	3,434,782		2,316			5.125	5.360	JD	7,972	179,375	05/21/2004	06/15/2029
667825-XN-8	NORTHWEST TEX SCH DIST			1	1FE	2,620,644	114.2060	2,661,000	2,330,000	2,601,655		(15,138)			5.000	3.956	FA	44,011	104,850	08/25/2010	02/15/2026
703600-EH-5	PAULDING CNTY GA SCH DIST			1	1FE	8,899,466	105.7220	8,922,937	8,440,000	8,704,555		(46,275)			5.000	4.422	FA	175,833	422,000	05/25/2007	02/01/2033
717883-ER-9	PHILADELPHIA PA SCH DIST			1	1FE	5,502,050	108.9910	5,449,550	5,000,000	5,405,935		(23,298)			5.000	4.246	JD	20,833	250,000	04/25/2007	06/01/2025
717883-ES-7	PHILADELPHIA PA SCH DIST			1	1FE	2,602,348	108.6900	2,565,084	2,360,000	2,559,435		(10,411)			5.000	4.256	JD	9,833	118,000	04/25/2007	06/01/2026
727199-CB-5	PLANO TEX INDPT SCH DIST			1	1FE	11,406,024	112.8790	12,061,121	10,685,000	10,960,466		(81,053)			5.000	4.154	FA	201,828	534,250	12/02/2005	02/15/2016
734260-R2-0	PORT HOUSTON AUTH TEX HARRIS CNTY			1	1FE	11,446,994	116.1800	12,483,541	10,745,000	11,248,930		(63,290)			6.250	5.485	AO	167,891	671,563	07/02/2008	10/01/2029
734260-R3-8	PORT HOUSTON AUTH TEX HARRIS CNTY			1	1FE	6,208,440	113.0040	6,780,240	6,000,000	6,150,189		(18,693)			6.125	5.754	AO	91,875	367,500	06/27/2008	10/01/2033
741701-WH-5	PRINCE GEORGES CNTY MD			1	1FE	5,812,768	116.5360	6,461,921	5,545,000	5,706,709		(25,261)			5.000	4.449	JJ	127,843	277,250	06/21/2007	07/15/2022
780427-JV-3	ROYAL OAK CITY MICH SCH DIST			1	1FE	5,262,650	108.1000	5,405,000	5,000,000	5,097,867		(39,160)			5.000	4.154	MN	41,667	250,000	06/26/2007	05/01/2014
780427-JX-9	ROYAL OAK CITY MICH SCH DIST			1	1FE	7,393,525	113.3510	7,792,881	6,875,000	7,100,441		(54,497)			5.000	4.109	MN	57,292	343,750	12/01/2005	05/01/2016
780427-JY-7	ROYAL OAK CITY MICH SCH DIST			1	1FE	7,634,580	113.1110	8,059,159	7,125,000	7,346,822		(53,576)			5.000	4.156	MN	59,375	356,250	11/30/2005	05/01/2017
780427-JZ-4	ROYAL OAK CITY MICH SCH DIST			1	1FE	7,610,783	112.7540	8,033,723	7,125,000	7,336,692		(51,079)			5.000	4.197	MN	59,375	356,250	11/30/2005	05/01/2018
796237-WZ-4	SAN ANTONIO TEX			1	1FE	1,624,935	114.5610	1,718,415	1,500,000	1,620,177		(4,758)			5.000	4.026	FA	29,375		07/13/2011	08/01/2030
799017-CB-2	SAN MATEO CAL HIGH SCH DIST G.O.	@			1FE	1,317,610	107.3770	2,533,195	3,500,000	2,194,466		115,057			5.000	5.533	N/A			07/11/2002	09/01/2020
806347-FS-4	SCHAUMBURG ILL			1	1FE	3,059,400	106.5000	3,195,000	3,000,000	3,019,953		(6,322)			5.250	5.065	JD	13,125	157,500	08/04/2004	10/01/2034
806640-QU-5	SCHERTZ CIBOLO UNVL CITY TEX ISD	@			1FE	2,262,718	108.9140	3,066,474	5,205,000	2,903,614		136,024			5.000	4.915	N/A			10/20/2006	02/01/2024
806640-RC-4	SCHERTZ CIBOLO UNVL CITY TEX ISD	@			1FE	2,034,332	107.6020	2,709,224	2,705,000	2,634,269		127,773			5.000	5.098	N/A			10/20/2006	02/01/2032
812626-UK-3	SEATTLE WASH			1	1FE	6,319,061	117.6690	6,989,539	5,940,000	6,217,472		(42,004)			5.000	4.122	AO	74,250	297,000	07/04/2009	10/01/2020
824178-SU-2	SHERMAN TEX INDPT SCH DIST			1	1FE	4,604,593	106.6930	4,758,508	4,460,000	4,516,093		(16,352)			5.000	4.615	FA	84,244	223,000	12/13/2005	02/15/2020
824178-SV-0	SHERMAN TEX INDPT SCH DIST			1	1FE	4,838,485	105.9870	4,970,790	4,690,000	4,747,619		(16,794)			5.000	4.625	FA	88,589	234,500	12/13/2005	02/15/2030
833153-RG-6	SNOHOMISH CNTY WASH SCH DIST NO 01			1	1FE	5,236,450	114.3140	5,715,700	5,000,000	5,116,697		(24,073)			5.000	4.461	JD	20,833	250,000	05/10/2006	12/01/2019
833714-M8-8	SOCORRO TEX INDPT SCH DIST			1	1FE	2,112,540	109.9220	2,198,440	2,000,000	2,046,417		(11,600)			5.000	4.348	FA	37,778	100,000	08/17/2005	08/15/2026
833714-M9-6	SOCORRO TEX INDPT SCH DIST			1	1FE	2,427,489	109.5940	2,520,662	2,300,000	2,352,598		(13,142)			5.000	4.358	FA	43,444	115,000	08/17/2005	08/15/2027
839856-N3-1	SOUTH SAN ANTONIO TEX INDPT SCH			1	1FE	6,439,335	109.7200	6,720,350	6,125,000	6,254,503		(32,985)			5.000	4.410	FA	115,694	306,250	08/04/2005	08/15/2026
848712-MP-7	SPOKANE CNTY WASH SCH DIST NO 081			1	1FE	1,294,343	112.7010	1,673,610	1,485,000	1,485,000		(8,213)			5.125	5.191	JD	6,342	76,106	02/14/2007	06/01/2018
848712-MN-2	SPOKANE CNTY WASH SCH DIST NO 081			1	1FE	2,197,760	109.5100	2,852,736	2,605,000	2,605,000		9,803			5.125	5.191	JD	11,126	133,506	03/31/2005	06/01/2023
848712-MX-0	SPOKANE CNTY WASH SCH DIST NO 081			1	1FE	2,109,175	109.5100	2,737,750	2,500,000	2,500,000		9,505			5.125	5.191	JD	10,677	128,125	03/31/2005	12/01/2023
864855-T3-5	SUGAR LAND TEX			1	1FE	5,574,635	108.0870	5,944,785	5,500,000	5,569,964		(4,671)			5.000	4.867	FA	103,889	79,444	04/29/2011	02/15/2041
866050-60-5	SUMMIT CNTY OHIO			1	1FE	1,686,021	107.3900	1,680,654	1,565,000	1,591											

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
796237-WZ-4	SAN ANTONIO TEX			1	IFE	1,440,776	.114	561,661	1,330,000	1,436,557		(4,219)			5.000	4.026	FA	26,046		07/13/2011	08/01/2030
796237-XW-0	SAN ANTONIO TEX				IFE	1,076,460	.113	414,140	1,000,000	1,075,340		(1,120)			5.000	4.470	FA	19,583		07/13/2011	08/01/2031
864855-T3-5	SUGAR LAND TEX			1	IFE	6,816,258	.108	870,080	7,268,851	6,810,547		(5,712)			5.000	4.867	FA	127,028	97,139	04/29/2011	02/15/2041
544644-L8-8	LOS ANGELES CALIF UNI SCH DIST			1	IFE	4,199,480	.111	970,880	4,000,000	4,158,278		(41,202)			5.000	3.818	JJ	100,000	100,000	01/04/2011	07/01/2020
703023-LV-1	PATCHOQUE-MEDFORD NY UNION FRE				IFE	982,130	.99	615,000	1,000,000	982,178		48			3.375	3.571	AO			12/14/2011	10/01/2025
703023-LW-9	PATCHOQUE-MEDFORD NY UNION FRE			1	IFE	932,758	.100	071,000	950,000	932,799		42			3.500	3.693	AO			12/14/2011	10/01/2026
703023-LX-7	PATCHOQUE-MEDFORD NY UNION FRE			1	IFE	1,970,380	.100	257,000	2,000,000	1,970,445		65			3.625	3.785	AO			12/14/2011	10/01/2027
1899999 - U.S. Political Subdivisions - Issuer Obligations						466,643,439	.XXX	504,422,698	465,090,000	464,130,612		(341,110)			XXX	XXX	XXX	6,304,135	20,130,220	XXX	XXX
59333M-RY-3	MIAMI-DADE CNTY FLA SCH BRD CTFS			1	1AM	1,044,737	.102	480,800	1,000,000	1,032,081		(5,242)			5.000	4.367	MN	8,333	50,000	07/04/2009	05/01/2032
161037-NM-4	CHARLOTTE N C CTFS PARTN			1	1AM	4,583,430	.102	690,900	4,500,000	4,514,757		(9,897)			5.375	5.198	JD	20,156	241,875	08/08/2003	06/01/2026
237200-CR-1	DARE CNTY NC COP				1AM	985,980	.102	251,000	1,000,000	993,256		863			5.125	5.319	JD	4,271	51,250	04/18/2001	06/01/2018
74176F-BR-9	PRINCE WILLIAMS CNTY CTFS			1	1AM	1,778,699	.109	308,000	1,725,000	1,752,822		(5,361)			5.000	4.665	MS	28,750	86,250	07/12/2006	09/01/2033
792075-LU-5	SAINT LUCIE CNTY FL SCH BRD			1	1AM	1,055,367	.112	538,000	945,000	1,054,964		(402)			5.000	3.689	JJ			12/14/2011	07/01/2022
2199999 - U.S. Political Subdivisions - Other Loan-Backed and Structured Securities						9,448,213	.XXX	9,617,812	9,170,000	9,347,880		(20,039)			XXX	XXX	XXX	61,510	429,375	XXX	XXX
2499999 - Subtotals - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						476,091,652	.XXX	514,040,510	474,260,000	473,478,492		(361,149)			XXX	XXX	XXX	6,365,645	20,559,595	XXX	XXX
040507-JR-7	ARIZONA HEALTH FACS AUTH REV			1	IFE	7,595,850	.104	807,000	7,500,000	7,564,712		(9,130)			5.250	5.146	JJ	196,875	393,750	04/23/2008	01/01/2031
040654-WZ-5	ARIZONA ST TRANSN BRD HWY REV			1	IFE	10,725,960	.113	644,000	10,070,000	10,348,960		(72,623)			5.000	4.184	JJ	251,750	503,500	04/18/2006	07/01/2016
040688-GU-1	ARIZONA WTR INFRASTRUCTURE FIN AUT			1	IFE	5,416,500	.118	090,000	5,900,450	5,209,401		(39,966)			5.000	4.063	AO	62,500	250,000	03/15/2006	10/01/2017
047103-AT-3	ATHENS GA HSG AUTH STUDENT HSGLEAS			1	IFE	1,036,850	.104	426,000	1,000,000	1,004,162		(4,346)			5.250	4.838	JD	4,375	52,500	12/12/2002	12/01/2022
047103-AU-0	ATHENS GA HSG AUTH STUDENT HSGLEAS			1	IFE	1,497,633	.104	426,000	1,450,000	1,455,390		(5,626)			5.250	4.889	JD	6,344	76,125	12/12/2002	06/01/2023
050589-JD-3	AUBURN UNIV ALA GEN FEE REV			1	IFE	2,042,740	.109	578,000	2,000,000	2,040,534		(2,206)			5.000	4.787	JD	8,333	58,333	05/05/2011	06/01/2036
05159P-AY-8	AURORA COLO WTR IMPT REV 5.00%			1	IFE	779,241	.111	823,000	750,000	771,294		(3,294)			5.000	4.470	FA	15,625	37,500	07/04/2009	08/01/2024
052476-YD-4	AUSTIN TX WTR & WSTWTR SYS REV			1	IFE	2,915,688	.108	588,000	2,986,170	2,914,613		(1,074)			5.000	4.296	MN	22,917		12/02/2011	11/15/2041
072024-JJ-2	BAY AREA TOLL AUTH CALIF TOLL			1	IFE	4,647,675	.105	411,000	4,650,000	4,647,740		59			5.000	5.066	AO	58,125	232,500	11/23/2010	04/01/2034
084219-EY-6	BERKELEY CNTY SC WTR & SWR REV			1	IFE	322,128	.104	751,000	300,000	303,694		(2,474)			5.250	4.392	JD	1,313	15,750	03/27/2003	06/01/2018
084219-FB-5	BERKELEY CNTY SC WTR & SWR REV			1	IFE	163,317	.104	168,000	155,000	156,402		(936)			5.250	4.636	JD	678	8,138	03/27/2003	06/01/2021
084219-FD-1	BERKLEY CNTY SC WTR & SWR REV			1	IFE	161,533	.104	126,000	155,000	156,107		(738)			5.250	4.779	JD	678	8,138	03/27/2003	06/01/2023
114894-FZ-6	BROWARD CNTY FLA ARPT SYS REV			1	IFE	2,853,950	.101	194,000	2,782,835	2,758,950		(11,400)			5.750	5.373	AO	39,531	158,125	05/24/2001	10/01/2018
13066Y-RP-6	CALIFORNIA ST DEPT WTR RES			1	IFE	1,345,546	.123	402,000	1,150,000	1,320,165		(21,375)			5.000	2.777	MN	9,583	59,257	10/07/2010	05/01/2019
13066Y-NL-9	CALIFORNIA ST DEPT WTR RES PHR SUP			1	IFE	23,608,200	.121	842,000	22,000,000	23,092,667		(150,430)			5.000	4.144	MN	183,333	1,100,000	04/30/2008	05/01/2018
13066K-WA-3	CALIFORNIA ST DEPT WTR RES SER Y			1	IFE	8,371,240	.104	949,000	8,889,180	8,385,781		4,073			5.000	5.166	JD	35,292	423,500	03/03/2008	12/01/2025
139532-FA-8	CAPE MAY CNTY N J MUN UTILS AUTH			1	IFE	3,056,670	.100	000,000	2,985,000	2,985,000		(9,441)			5.250	4.983	JJ	78,356	156,713	10/24/2002	01/01/2020
15504R-AX-7	CENTRAL PUGET SOUND WASH REGL TRAN			1	IFE	6,640,290	.111	403,000	6,675,000	6,647,079		1,895			5.000	5.114	MN	55,625	333,750	02/29/2008	11/01/2022
161045-GB-9	CHARLOTTE N C WTR & SWR SYS REV			1	IFE	1,048,640	.113	925,000	1,000,000	1,024,603		(4,896)			5.000	4.440	JJ	25,000	50,000	07/18/2006	07/01/2021
160853-KW-6	CHARLOTTE-MECKLENBERG HOSP AUTH N			1	IFE	10,044,000	.109	850,000	10,985,000	10,026,006		(4,569)			5.000	5.002	JJ	230,556	500,000	08/10/2007	01/15/2022
160853-KZ-9	CHARLOTTE-MECKLENBERG HOSP AUTH N			1	IFE	1,160,571	.110	774,000	1,175,000	1,162,157		407			5.000	5.155	JJ	27,090	58,750	08/10/2007	01/15/2031
167592-WD-2	CHICAGO IL OHARE INTL ARPT REV			1	IFE	3,068,670	.100	319,000	3,000,000	3,000,000		(8,785)			5.750	5.519	JJ	86,250	172,500	03/19/2002	01/01/2017
167592-WE-0	CHICAGO IL OHARE INTL ARPT REV			1	IFE	3,057,120	.100	325,000	3,000,000	3,000,000		(7,322)			5.750	5.571	JJ	86,250	172,500	03/19/2002	01/01/2018
167685-LU-8	CHICAGO IL SINGLE FAMIL MTG REV			1	IFE	178,943	.104	012,000	165,000	165,000					6.550	6.659	AO	2,702	10,808	08/13/2001	04/01/2033
167592-RK-2	CHICAGO ILL O HARE INTL ARPT R			1	IFE	3,608,391	.100	198,000	3,575,000	3,575,000		(8,445)			5.625	5.704	JJ	100,547	201,094	04/18/2008	01/01/2020
167592-RL-0	CHICAGO ILL O HARE INTL ARPT R			1	IFE	4,185,002	.100	167,000	4,166,947	4,165,070		(5,779)			5.625	5.549	JJ	117,000	234,000	04/18/2008	01/01/2021
167592-NG-7	CHICAGO ILL O HARE INTL ARPT REV			1	IFE	6,354,840	.106	118,000	6,000,000	6,160,579		(36,157)			5.250	4.562	JJ	157,500	315,000	12/15/2005	01/01/2026
167592-NB-3	CHICAGO ILL O HARE INTL ARPT REV			1	IFE	7,171,850	.101	224,000	7,000,000	7,078,138		(17,516)			5.000	4.746	JJ	175,000	350,000	12/15/2005	01/01/2033
161045-GA-1	CHROLOTTE N C WTR & SWR SYS REV			1	IFE	1,273,828	.114	904,000	1,210,000	1,242,247		(6,426)			5.000	4.389	JJ	30,250	60,500	07/18/2006	07/01/2020
186398-FY-4	CLEVELAND OHIO PUB PHR SYS REV			1	IFE	7,119,355	.110	553,000	6,880,000	7,006,359		(24,194)			5.000	4.628	MN	43,956	344,000	06/28/2006	11/15/2020
186406-DX-9	CLEVELAND OHIO ST UNIV GEN RCP			1	IFE	2,085,600	.104	825,000	2,096,500	2,024,747		(9,548)			5.250	4.758	JD	8,750	105,000	07/22/2004	06/01/2024
187154-AN-9	CLIFTON TEX HIGHER ED FIN CORP			1	IFE	2,764,400	.117	980,000	2,500,000	2,749,620		(14,780)			5.250	3.981	MS	43,750	49,948	05/03/2011	03/01/2024
223663-DG-7	COMETA CNTY GA WTR & SWR			1	IFE	381,137	.102	287,000	370,000	371,697		(1,125)			5.500	5.227	JD	1,696	20,350	05/24/2001	06/01/2018
235036-CW-8	DALLAS FORT WORTH TX INTL			1	IFE	1,252,024	.100	303,000	1,220,712	1,227,769		(128)			5.875	5.672	MN	11,995	71,969	12/14/2001	11/01/2019
235036-FS-4	DALLAS FORT WORTH TEX INTL ARPT RE			1	IFE																

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
240523-RP-7	DE KALB CNTY GA WTR &			1	JFE	4,772,716	100.2230	4,956,027	4,945,000	4,787,295		4,093			5.000	5.323	AO	61,813	247,250	03/03/2008	10/01/2035
249181-3R-7	DENVER ARPT SYS 5.00%			1	JFE	1,044,334	109.1700	1,091,700	1,000,000	1,030,858		(5,580)			5.000	4.338	MN	6,389	50,000	07/04/2009	11/15/2023
29270C-CR-4	ENERGY NORTHWEST WASH ELECT REV			1	JFE	7,175,692	102.6550	6,852,221	6,675,000	6,705,238		(58,464)			5.750	4.880	JJ	191,906	383,813	02/19/2002	07/01/2016
299578-AQ-7	EVANSVILLE-VANDERBURGH CNTY IND			1	JFE	6,694,327	106.9930	6,601,468	6,170,000	6,265,147		(58,823)			5.250	4.249	JJ	149,365	323,925	06/25/2003	07/15/2020
373377-AP-5	FEDERAL HWY GA RD TWY AUTH			1	JFE	4,245,040	114.5440	4,581,760	4,000,000	4,122,511		(25,057)			5.000	4.277	JD	16,667	200,000	07/28/2006	06/01/2018
348815-KP-5	FORT SMITH ARK WTR & SWR REV			1	JFE	4,944,350	109.4960	5,474,800	5,000,000	4,949,346		1,619			5.000	5.148	AO	62,500	250,000	07/02/2008	10/01/2032
349515-NQ-5	FORT WORTH TEX WTR & SWR REV			1	JFE	1,207,610	123.0250	1,230,250	1,000,000	1,179,417		(22,969)			5.000	2.272	FA	18,889	47,778	10/08/2010	02/15/2019
35483L-FC-4	FRANKLIN TWP IND SCH BLDG CORPMARI			1	2FE	1,379,859	106.6120	1,385,956	1,300,000	1,332,008		(8,398)			5.000	4.288	JJ	29,972	65,000	06/23/2005	07/15/2024
35483L-FD-2	FRANKLIN TWP IND SCH BLDG CORPMARI			1	2FE	2,964,976	105.8560	2,963,968	2,800,000	2,866,180		(17,351)			5.000	4.319	JJ	64,556	140,000	06/23/2005	07/15/2025
360066-LP-7	FULTON CNTY GA WTR & SEW REV			1	JFE	3,037,530	105.1990	3,155,970	3,000,000	3,009,493		(4,506)			5.000	4.890	JJ	75,000	150,000	08/26/2004	01/01/2030
377446-AY-5	GLEN COVE NEW YORK IDA ETM			1	JFE	457,081	88.0700	1,919,926	2,180,000	1,375,658		79,005			5.000	6.093	N/A			05/13/1993	10/15/2019
414018-4T-5	HARRIS CNTY TEX FLOOD CTL DIST			1	JFE	4,507,440	113.6230	4,544,920	4,000,000	4,483,416		(19,933)			5.000	4.043	AO	50,000	204,444	10/15/2010	10/01/2028
41422E-DM-2	HARRIS CNTY TEX MET TRAN AUTH			1	JFE	2,018,807	108.9840	2,070,696	1,900,000	2,018,110		(697)			5.000	4.266	MN	15,833		12/05/2011	11/01/2036
426357-DR-7	HENRY CNTY GA HOSP AUTH REV			1	JFE	9,158,732	101.1790	9,465,295	9,355,000	9,220,886		7,018			5.875	6.131	JJ	274,803	549,606	12/15/1999	07/01/2024
432308-VJ-7	HILLSBOROUGH CNTY FLA AVIATION AUT			1	JFE	4,941,650	104.2040	5,210,200	5,000,000	4,946,703		1,527			5.375	5.538	AO	67,188	268,750	04/18/2008	10/01/2033
432308-YK-4	HILLSBOROUGH CNTY FLA AVIATION AUT			1	JFE	7,500,000	104.0990	7,807,425	7,500,000	7,500,000					5.500	5.576	AO	103,125	412,500	04/18/2008	10/01/2038
432308-YZ-1	HILLSBOROUGH CNTY FLA AVIATION AUT			1	JFE	4,903,568	108.4590	5,151,803	4,750,000	4,858,852		(13,196)			5.750	5.413	AO	68,281	273,125	05/02/2008	10/01/2026
442435-AQ-6	HOUSTON TEX UTIL SYS REV			1	JFE	3,716,860	109.9660	3,848,810	3,500,000	3,560,526		(24,023)			5.250	4.524	MN	23,479	183,750	05/20/2004	05/15/2015
442435-BE-2	HOUSTON TEX UTIL SYS REV			1	JFE	5,011,300	107.1930	5,359,650	5,000,000	5,003,234		(1,267)			5.250	5.289	MN	33,542	262,500	05/20/2004	05/15/2026
442435-YV-9	HOUSTON TEX UTIL SYS REV			1	JFE	1,157,834	108.3260	1,213,251	1,120,000	1,156,348		(1,485)			5.000	4.603	MN	7,156	28,000	07/19/2011	11/15/2033
442435-BG-7	HOUSTON TEX WTR & SWR SYS REV			1	JFE	4,152,438	106.4290	4,257,160	4,000,000	4,078,258		(30,707)			5.125	4.295	MN	26,194	205,000	07/04/2009	05/15/2028
442435-GS-6	HOUSTON TX UTILITY SYS REVENUE			1	JFE	2,032,829	107.2350	2,080,359	1,940,000	2,032,232		(597)			5.000	4.450	MN	12,394		12/02/2011	11/15/2040
45129Y-JN-4	IDAHO HSG & FIN ASSN FORMERLY IDAH			1	JFE	570,000	102.8180	586,063	570,000	570,000					5.625	5.704	JJ	16,031	41,766	04/10/2008	07/01/2028
45129Y-UQ-7	IDAHO HSG & FIN ASSN FORMERLY IDAH			1	JFE	900,000	103.7660	933,894	900,000	900,000					5.750	5.833	JJ	25,875	67,419	04/10/2008	07/01/2039
45200B-6F-0	ILLINOIS FA - UNIV OF CHICAGO			1	JFE	5,081,972	104.9850	5,249,250	5,000,000	5,059,628		(9,282)			5.000	4.807	JJ	125,000	250,000	07/04/2009	07/01/2046
45200B-CQ-9	ILLINOIS FIN AUTH REV			1	JFE	4,422,038	100.7030	4,214,421	4,185,000	4,190,943		(34,649)			5.000	4.185	MS	69,750	209,250	05/14/2004	03/01/2012
45200P-MU-8	ILLINOIS HEALTH FACs AUTH REV			1	JFE	9,871,914	103.2200	10,084,594	9,770,000	9,770,000					5.500	5.576	FA	223,896	537,350	05/21/2002	08/01/2020
452024-DP-4	ILLINOIS MUN ELEC AGY PWR SUPP			1	JFE	24,011,030	102.8810	25,072,100	24,370,000	24,040,533		7,550			5.000	5.165	FA	507,708	1,218,500	08/24/2007	02/01/2035
45505M-AS-5	INDIANA FIN AUTH IN WSTWTR			1	JFE	1,590,825	107.4050	1,611,075	1,500,000	1,590,231		(594)			5.250	4.532	AO	27,344		12/02/2011	10/01/2038
454795-DW-2	INDIANA HEALTH & EDL FAC FING AUTH			1	JFE	2,000,000	103.5800	2,071,600	2,000,000	2,000,000					5.250	5.319	MN	17,500	105,000	04/10/2008	05/15/2041
45479R-AY-3	INDIANA HEALTH & EDL FAC FING AUTH			1	JFE	1,053,710	110.0770	1,100,770	1,000,000	1,026,056		(5,801)			5.000	4.350	FA	18,889	50,000	08/25/2006	02/15/2017
45479R-AZ-0	INDIANA HEALTH & EDL FAC FING AUTH			1	JFE	1,049,760	109.7480	1,097,480	1,000,000	1,024,168		(5,373)			5.000	4.401	FA	18,889	50,000	08/25/2006	02/15/2018
454898-NT-0	INDIANA MUN PWR AGY PWR SUPPLY SYS			1	JFE	514,106	103.2030	516,015	500,000	509,931		(1,732)			5.000	4.603	JJ	12,500	25,000	07/04/2009	01/01/2042
454898-HW-0	INDIANA MUNI POWER AGENCY REV			1	JFE	873,632	105.9400	847,520	800,000	847,520		(10,781)			5.500	3.920	JJ	22,000	44,000	07/04/2009	01/01/2016
455057-CT-4	INDIANA ST FIN AUTH 5.00%			1	JFE	26,360	115.1010	28,775	25,000	25,886		(196)			5.000	4.090	FA	521	1,250	07/04/2009	02/01/2020
455167-Z7-4	INDIANA UNIV REV			1	JFE	1,721,728	124.8390	1,847,617	1,480,000	1,703,963		(17,765)			5.250	2.984	JD	6,475	77,700	05/02/2011	06/01/2020
467520-PQ-9	JACKSON CNTY MO REORG SCH DIST NO			1	JFE	2,059,520	100.7590	2,015,180	2,000,000	2,001,283		(7,428)			5.250	4.921	MS	35,000	105,000	06/14/2002	03/01/2019
467520-PR-7	JACKSON CNTY MO REORG SCH DIST NO			1	JFE	2,045,560	100.7590	2,015,180	2,000,000	2,000,986		(5,705)			5.250	5.013	MS	35,000	105,000	06/14/2002	03/01/2020
47938R-BC-1	JOHNSTON CNTY N C			1	JFE	7,199,360	106.4380	7,450,660	7,000,000	7,137,218		(18,994)			5.250	4.942	AO	91,875	367,500	05/22/2008	10/01/2036
481304-3H-4	JUDSON TEX INDPT SCH DIST			1	JFE	2,872,142	117.0850	3,155,441	2,695,000	2,795,927		(17,476)			5.000	4.218	FA	56,146	134,750	04/19/2007	02/01/2020
485428-RV-0	KANSAS DEV FIN AUTH REV			1	JFE	1,067,140	104.3260	1,043,260	1,000,000	1,006,857		(7,879)			5.500	4.707	MN	9,167	55,000	10/30/2002	11/01/2020
485428-RW-8	KANSAS ST DEV FIN AUTH REV			1	JFE	1,589,670	104.3260	1,564,890	1,500,000	1,509,192		(10,554)			5.500	4.799	MN	13,750	82,500	10/30/2002	11/01/2021
49118N-BL-8	KENTUCKY ASSET / LIABILITY COMM			1	JFE	7,956,110	112.0610	8,320,529	7,425,000	7,634,459		(60,794)			5.000	4.083	MS	123,750	371,250	03/08/2006	09/01/2016
49118N-BM-6	KENTUCKY ASSET / LIABILITY COMM			1	JFE	7,607,222	111.0400	7,906,048	7,120,000	7,312,352		(55,783)			5.000	4.124	MS	118,667	356,000	03/08/2006	09/01/2017
49130T-FC-5	KENTUCKY HSG CORP HSG REV			1	JFE	2,745,000	103.6460	2,845,083	2,745,000	2,745,000					5.375	5.447	JJ	73,772	147,544	09/11/2008	07/01/2033
49130T-FD-3	KENTUCKY HSG CORP HSG REV			1	JFE	3,380,000	103.1380	3,486,064	3,380,000	3,380,000					5.450	5.524	JJ	92,105	199,785	09/11/2008	07/01/2038
495289-SX-9	KING CNTY WASH SWR REV			1	JFE	1,639,414	105.9340	1,721,428	1,625,000	1,637,463		(1,750)			5.000	4.910	JJ	40,625	81,250	11/19/2010	09/01/2038
495289-WL-0	KING CNTY WASH SWR REV			1	JFE	5															

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
54810C-6R-6	LOWER COLO RIV AUTH TEX REV.				JFE	1,707,435	.119,0870	1,786,305	1,500,000	1,687,609		(17,868)			5.000	3.458	MN	9,583	73,542	10/22/2010	05/15/2021
54810C-6Z-8	LOWER COLO RIV AUTH TEX REV.				JFE	1,662,577	.120,5970	1,730,567	1,435,000	1,637,732		(22,384)			5.000	3.097	MN	9,168	70,355	10/22/2010	05/15/2020
57583R-4E-2	MA Dev Fin Agy C20 S10				JFE	2,780,325	.116,0280	2,900,700	2,900,700	2,763,532		(14,496)			5.000	4.023	JJ	62,500	78,125	11/03/2010	07/01/2025
57583R-5C-5	MA St Dev Fin C20 S10				JFE	2,724,719	.116,0280	2,842,686	2,450,000	2,708,261		(14,206)			5.000	4.023	JJ	61,250	76,563	11/03/2010	07/01/2025
574300-HJ-1	MARYLAND ST TRANSN AUTH TRANSN FAC.			1	JFE	9,954,200	.106,6060	10,660,600	10,000,000	9,957,289		894			5.000	5.094	JJ	250,000	500,000	03/14/2008	07/01/2036
57563C-BC-5	MASSACHUSETTS ST DEPT TRANS M.			1	JFE	1,530,615	.107,4170	1,611,255	1,500,000	1,527,640		(2,785)			5.000	4.776	JJ	37,500	75,000	12/06/2010	01/01/2035
57583R-4M-4	MASSACHUSETTS ST DEV FIN AGY			1	JFE	1,106,193	.106,3970	1,170,367	1,100,000	1,105,613		(520)			5.000	4.986	JJ	27,500	34,375	11/18/2010	07/01/2040
57583R-PC-3	MASSACHUSETTS ST DEV FIN AGY			1	JFE	971,915	.105,0850	998,308	950,000	965,924		(2,487)			5.000	4.705	JJ	23,750	47,500	07/04/2009	07/01/2042
57586C-KT-1	MASSACHUSETTS ST HEALTH & EDL FACS.			1	JFE	5,258,111	.103,2930	5,066,522	4,905,000	5,048,382		(36,559)			5.000	4.166	FA	92,650	245,250	06/29/2005	08/15/2023
576000-FH-1	MASSACHUSETTS ST SCH BLDG.			1	JFE	523,361	.106,3200	531,600	500,000	517,027		(2,623)			5.000	4.358	FA	9,444	25,000	07/04/2009	08/15/2037
576049-F4-7	MASSACHUSETTS ST WTR RES AUTH.			1	JFE	5,019,450	.106,3170	5,315,850	5,000,000	5,005,972		(2,116)			5.000	5.011	FA	104,167	250,000	08/03/2004	08/01/2028
576049-R7-7	MASSACHUSETTS ST WTR RES AUTH.			1	JFE	5,498,555	.106,5020	5,740,458	5,390,000	5,488,849		(9,705)			5.000	4.604	FA	112,292	134,750	06/29/2011	08/01/2036
592247-H9-4	METROPOLITAN PIER & EXPO AUTH.			1	JFE	856,820	.102,5780	1,651,560	2,000,000	1,346,649		127,778			5.750	9.091	JD			06/14/2002	06/15/2026
592247-M2-3	METROPOLITAN PIER & EXPO AUTH.			1	JFE	863,080	.084,8320	1,696,640	2,000,000	1,352,254		122,101				8.973	JD			06/14/2002	06/15/2024
592247-M6-4	METROPOLITAN PIER & EXPOSITION AUT.			1	JFE	2,121,800	.103,3110	2,066,220	2,000,000	2,020,178		(13,147)			5.750	5.086	JD	5,111	115,000	06/14/2002	06/15/2020
592247-N2-2	METROPOLITAN PIER & EXPOSITION AUT.			1	JFE	582,740	.108,6770	1,086,770	1,000,000	968,420		99,156				7.286	JD			06/14/2002	06/15/2020
592247-N3-0	METROPOLITAN PIER & EXPOSITION AUT.			1	JFE	869,880	.107,7520	1,616,280	1,500,000	1,452,095		152,884				7.373	JD			06/14/2002	06/15/2021
592247-N4-8	METROPOLITAN PIER & EXPOSITION AUT.			1	JFE	1,086,725	.087,7610	2,194,025	2,500,000	1,697,326		143,222				8.856	JD			06/14/2002	06/15/2022
59259R-RE-6	METROPOLITAN TRANSN AUTH N Y			1	JFE	4,873,600	.103,2420	5,162,100	5,000,000	4,899,312		3,737			5.000	5.248	MN	31,944	250,000	07/30/2003	11/15/2028
59259R-W7-9	METROPOLITAN TRANSN AUTH N Y SVC C.			1	JFE	8,440,960	.102,5940	8,207,520	8,000,000	8,027,258		(52,852)			5.500	4.860	JJ	220,000	440,000	06/13/2002	07/01/2019
59259R-W9-5	METROPOLITAN TRANSN AUTH N Y SVC C.			1	JFE	5,243,150	.102,5430	5,127,150	5,000,000	5,015,083		(29,225)			5.500	4.942	JJ	137,500	275,000	06/13/2002	07/01/2020
59259R-X4-5	METROPOLITAN TRANSN AUTH N Y SVC C.			1	JFE	3,684,825	.102,0350	3,826,313	3,750,000	3,707,861		3,041			5.000	5.206	JJ	93,750	187,500	06/05/2002	07/01/2022
59259R-AV-6	METROPOLITAN TRANSN AUTH NY REV.			1	JFE	10,603,800	.104,2900	10,429,000	10,000,000	10,062,285		(68,785)			5.500	4.820	MN	70,278	550,000	05/09/2002	11/15/2018
59259R-AW-4	METROPOLITAN TRANSN AUTH NY REV.			1	JFE	5,280,800	.104,2900	5,214,500	5,000,000	5,029,028		(32,042)			5.500	4.871	MN	35,139	275,000	05/09/2002	11/15/2018
59259R-BD-5	METROPOLITAN TRANSN AUTH NY REV.			1	JFE	11,550,720	.103,2350	12,388,200	12,000,000	11,672,640		16,106			5.000	5.350	MN	76,667	600,000	05/09/2002	11/15/2025
592663-K7-8	METROPOLITAN WTR DIST SOUTHN CALIF.			1	JFE	3,635,660	.107,4270	3,759,945	3,500,000	3,543,743		(14,767)			5.000	4.563	AO	43,750	175,000	10/22/2004	10/01/2029
59333P-JX-7	MIAMI-DADE CNTY FLA AVIATION REV.			1	JFE	20,351,049	.097,4020	20,045,332	20,580,000	20,365,668		3,674			5.000	5.136	AO	257,250	1,029,000	09/05/2007	10/01/2038
59333A-FK-2	MIAMI-DADE CNTY FLA EDL FACS AUTH.			1	JFE	2,596,128	.114,2790	2,765,552	2,420,000	2,521,732		(17,244)			5.000	4.144	AO	30,250	121,000	04/18/2007	04/01/2018
59333A-GE-5	MIAMI-DADE CNTY FLA EDL FACS AUTH.			1	JFE	3,231,030	.114,2060	3,426,180	3,000,000	3,133,306		(22,631)			5.000	4.093	AO	37,500	150,000	04/18/2007	04/01/2017
59333A-GF-2	MIAMI-DADE CNTY FLA EDL FACS AUTH.			1	JFE	2,602,588	.116,0410	2,744,370	2,365,000	2,513,355		(20,695)			5.250	4.144	AO	31,041	124,163	04/18/2007	04/01/2018
59333A-GK-1	MIAMI-DADE CNTY FLA EDL FACS AUTH.			1	JFE	2,426,776	.116,4430	2,538,457	2,180,000	2,365,044		(14,372)			5.250	4.266	AO	28,613	114,450	04/18/2007	04/01/2022
59333N-KK-8	MIAMI-DADE CNTY FLA SPL OBLIG.			1	JFE	687,670	.089,9950	899,950	1,000,000	924,137		34,576				4.608	AO			06/09/2005	10/01/2030
59333N-KL-6	MIAMI-DADE CNTY FLA SPL OBLIG.			1	JFE	861,920	.100,9760	1,009,760	1,000,000	1,008,648		(1,735)			5.000	4.802	AO	12,500	50,000	06/09/2005	10/01/2035
59333P-JW-9	MIAMI-DADE CO FLA AVIATION MAIAMI			1	JFE	3,009,150	.098,2860	2,948,580	3,000,000	3,003,983		(956)			5.000	5.022	AO	37,500	150,000	10/20/2005	10/01/2037
59447P-FX-4	MICHIGAN FIN AUTH REV.			1	JFE	9,850,900	.101,8740	10,187,400	10,000,000	9,851,514		614			5.000	5.167	JD	41,667	56,944	10/05/2011	12/01/2039
594570-HV-8	MICHIGAN PUB PWR AGY REV.			1	JFE	12,409,807	.112,7690	13,086,842	11,605,000	12,017,758		(92,735)			5.250	4.319	JJ	304,631	609,263	06/13/2007	01/01/2016
594614-A5-8	MICHIGAN ST BLDG AUTH REV.			1	JFE	5,705,899	.111,3620	5,907,754	5,305,000	5,476,362		(41,342)			5.000	4.113	AO	55,997	265,250	10/19/2005	10/15/2016
59465E-7N-7	MICHIGAN ST HOSP FIN AUTH REV.			1	JFE	2,163,780	.101,4360	2,028,720	2,000,000	2,008,521		(24,999)			5.000	3.740	MN	16,667	100,000	01/21/2005	05/01/2012
59465E-7P-2	MICHIGAN ST HOSP FIN AUTH REV.			1	JFE	3,249,840	.103,7460	3,112,380	3,000,000	3,030,388		(35,435)			5.000	3.791	MN	25,000	150,000	01/21/2005	11/01/2012
604114-QN-1	MINNESOTA PUB FACS AUTH WTR PO.			1	JFE	5,345,000	.116,5070	5,825,350	5,000,000	5,162,824		(35,101)			5.000	4.184	MS	83,333	250,000	04/18/2006	03/01/2016
60534Q-VJ-7	MISSISSIPPI DEV BANK SPL OBLG.			1	JFE	10,831,900	.115,7970	11,579,700	10,000,000	10,529,878		(71,474)			5.000	4.105	JJ	250,000	500,000	05/18/2007	07/01/2018
606092-BS-2	MISSOURI JT MUN ELEC UTIL COMMN PW.			1	JFE	262,546	.103,3550	258,388	250,000	258,118		(1,831)			5.000	4.154	JJ	6,250	12,500	07/04/2009	01/01/2034
60636P-NR-7	MISSOURI ST ENVIRON UNREFUNDED			1	JFE	49,699	.100,2770	50,139	50,000	49,833		15			5.750	5.885	JJ	1,438	2,875	11/19/1999	07/01/2020
60636A-AT-0	MISSOURI ST HEALTH & EDL FACS.			1	JFE	2,167,920	.115,2070	2,304,140	2,000,000	2,161,519		(6,401)			5.000	4.778	MN	12,778	37,778	07/07/2011	11/15/2030
60636W-GU-3	MISSOURI ST HWYS & TRANS COMM.			1	JFE	2,291,687	.111,7440	2,430,432	2,175,000	2,252,780		(16,088)			5.000	4.133	MN	18,125	108,750	07/04/2009	05/01/2025
60636W-GM-1	MISSOURI ST HWYS & TRANS COMMN ST.			1	JFE	10,591,900	.116,3710	11,637,100	10,000,000	10,292,876		(61,280)			5.000	4.298	MN	83,333	500,000	07/26/2006	05/01/2018
641496-AZ-7	NEVADA SYS HIGHER ED UNIVS REV.			1	JFE	5,207,375	.103,5040	5,175,200	5,000,000	5,134,410		(30,207)			5.000	4.307	JJ	125,000	250,000	07/04/2009	07/01/2030
646107-D5-8	NEW JERSEY HOUSING SER B.			1	J																

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
64970K-3P-0.	NEW YORK N Y CITY MUN WTR FIN.				JFE	2,052,380		109,8310	2,000,000	2,050,850		(1,530)			5.000	4.822	JD	4,444	100,000	04/21/2011	06/15/2027
64971K-3W-4.	NEW YORK N Y CITY TRANSITIONAL FIN.				JFE	5,358,050		115,9420	5,000,000	5,156,165		(36,876)			5.000	4.154	MN	41,667	250,000	12/12/2005	11/01/2016
64971M-LL-4.	NEW YORK N Y CITY TRANSITIONAL FIN.				JFE	5,037,700		113,0590	5,000,000	5,024,843		(3,597)			5.000	4.961	MN	41,667	250,000	03/05/2008	11/01/2027
64972F-AU-7.	NEW YORK NY CITY MUNI WTR.				JFE	6,697,188		107,4730	6,250,000	6,685,881		(11,306)			5.000	4.145	JD	13,889	72,049	09/13/2011	06/15/2044
64982P-W6-6.	NEW YORK ST DORM AUTH LEASE REV.				JFE	5,420,543		108,4020	5,305,000	5,387,677		(10,525)			5.250	5.033	FA	105,216	278,513	08/15/2008	08/15/2028
64983M-UZ-9.	NEW YORK ST DORM AUTH REVS ST SUPP.				JFE	1,083,800		115,8030	1,000,000	1,051,524		(7,350)			5.000	4.083	FA	18,889	50,000	03/22/2007	11/15/2018
64983M-VA-3.	NEW YORK ST DORM AUTH REVS ST SUPP.				JFE	1,193,401		116,3340	1,100,000	1,161,214		(7,339)			5.000	4.133	FA	20,778	55,000	03/22/2007	02/15/2019
649902-LN-1.	NEW YORK ST DORM AUTH ST PERS INCO.				JFE	5,246,100		116,9340	5,000,000	5,144,680		(24,711)			5.000	4.420	MS	73,611	250,000	06/29/2007	03/15/2021
64986A-RC-7.	NEW YORK ST ENVIRONMENTAL FACS COR.				JFE	2,761,777		115,9260	2,650,000	2,708,360		(11,107)			5.000	4.534	AO	27,972	132,500	06/29/2006	10/15/2020
650013-T4-7.	NEW YORK ST TWY AUTH HWY & BRDG.				JFE	14,004,495		111,9800	13,500,000	13,729,797		(55,049)			5.000	4.552	AO	168,750	675,000	06/30/2006	04/01/2021
64986A-RA-1.	NEW YORK STATE ENVIRONMENTAL FACS.				JFE	4,719,960		116,5790	4,500,000	4,614,624		(21,866)			5.000	4.453	AO	47,500	225,000	06/29/2006	10/15/2018
646107-D3-3.	NJ ST HSG & MTG FIN.				JFE	430,000		100,0990	430,000	430,000					6.050	6.142	MN	4,336	26,015	02/14/2000	11/01/2017
646135-3S-0.	NJ ST TRAINS TRUST FUND.				JFE	8,571,640		114,8910	7,700,000	8,084,775		(88,565)			5.500	4.151	JD	18,822	423,500	12/02/2005	12/15/2015
646135-RC-9.	NJ TRANS TR FD.				JFE	2,086,400		122,8910	2,000,000	2,045,047		(4,726)			5.750	5.471	JD	5,111	115,000	07/12/1999	06/15/2020
658562-AG-8.	NORTH CHARLESTON S C HSG AUTH MULT.				JFE	1,535,000		100,5120	1,535,000	1,535,000					5.000	5.063	FA	27,928	76,750	01/26/2006	02/20/2038
663903-BZ-4.	NORTHEAST OHIO REGL SWR DIST WASTE.				JFE	4,326,241		115,0710	4,005,000	4,145,502		(33,322)			5.000	4.053	MN	25,588	200,250	12/09/2005	11/15/2018
663903-CA-8.	NORTHEAST OHIO REGL SWR DIST WASTE.				JFE	1,486,636		118,2020	1,375,000	1,430,858		(10,310)			5.000	4.114	MN	8,785	68,750	12/09/2005	11/15/2016
667737-BU-3.	NORTHWEST PKWY.				JFE	6,788,400		120,3790	12,000,000	12,000,000					5.800	5.884	JD	30,933	348,000	06/15/2001	06/15/2025
794665-AF-6.	NY ST STAR.				JFE	5,302,500		112,3760	5,000,000	5,114,065		(37,643)			5.250	4.820	AO	55,417	262,500	06/29/2006	10/15/2019
67760H-JE-2.	OH Tpk Comm C20 S10A.				JFE	8,882,214		112,4620	8,165,000	8,842,294		(34,486)			5.000	4.259	FA	154,228	302,785	11/03/2010	02/15/2026
67886M-JG-5.	OKLAHOMA HSG FIN AGY SINGLE FAMILY.				JFE	415,000		105,6360	438,389	415,000					5.350	5.422	MS	7,401	22,642	09/10/2008	09/01/2034
67886M-JJ-9.	OKLAHOMA HSG FIN AGY SINGLE FAMILY.				JFE	2,245,000		104,9460	2,245,000	2,245,000					5.450	5.524	MS	40,784	125,322	09/10/2008	03/01/2039
67908N-LE-9.	OKLAHOMA ST CAPITOL IMPT AUTH ST F.				JFE	2,165,742		113,0930	2,015,000	2,076,672		(16,319)			5.000	4.094	JJ	50,375	100,750	11/17/2005	07/01/2015
67908N-LH-2.	OKLAHOMA ST CAPITOL IMPT AUTH ST F.				JFE	1,595,055		114,5710	1,500,000	1,539,038		(10,297)			5.000	4.237	JJ	37,500	75,000	11/17/2005	07/01/2017
681793-5D-3.	OMAHA PUB PWR DIST NEB ELEC.				JFE	1,768,035		123,8250	1,500,000	1,753,376		(14,659)			5.000	2.681	FA	31,250	9,583	06/22/2011	02/01/2020
681793-2V-6.	OMAHA PUB PWR DIST NEB ELEC REV.				JFE	3,175,110		114,8690	3,000,000	3,104,044		(18,575)			5.000	4.279	FA	62,500	150,000	10/11/2007	02/01/2021
684499-BV-7.	ORANGE CNTY FLA EDL FACS AUTH.				JFE	1,340,971		103,6900	1,315,000	1,331,560		(2,382)			5.250	5.064	JD	5,753	69,038	08/29/2007	12/01/2037
68802K-AS-1.	OSCEOLA CNTY FLA SALES TAX REV.				JFE	3,491,516		103,7960	3,451,217	3,340,080		(19,330)			5.375	4.810	AO	44,680	178,719	06/21/2002	10/01/2019
68802K-AT-9.	OSCEOLA CNTY FLA SALES TAX REV.				JFE	3,649,345		103,7960	3,632,860	3,513,577		(17,390)			5.375	4.902	AO	47,031	188,125	06/21/2002	10/01/2020
68802K-AU-6.	OSCEOLA CNTY FLORIDA SALES TAX REV.				JFE	2,791,574		103,7960	2,690,000	2,699,258		(11,851)			5.375	4.963	AO	36,147	144,588	06/21/2002	10/01/2021
709223-Z0-7.	PENNSYLVANIA ST TPK COMM TPK.				JFE	4,839,850		105,5370	5,000,000	4,841,859		(2,009)			5.000	5.294	JD	20,833	250,000	04/26/2011	12/01/2038
709223-OS-3.	PENNSYLVANIA ST TPK COMM TPK REV.				JFE	7,044,730		105,0170	7,000,000	7,014,903		(4,637)			5.250	5.237	JD	30,625	367,500	05/26/2004	12/01/2032
709223-OZ-7.	PENNSYLVANIA ST TPK COMM TPK REV.				JFE	5,259,900		109,6650	5,483,250	5,128,868		(26,398)			5.000	4.400	JD	20,833	250,000	06/08/2006	12/01/2022
709235-PH-2.	PENNSYLVANIA ST UNIV.				JFE	2,076,700		107,4100	2,000,000	2,030,683		(7,533)			5.000	4.593	MS	33,333	100,000	01/14/2005	09/01/2029
71883R-ET-6.	PHOENIX AR CIVIC IMP WTR SYS.				JFE	3,226,971		102,5730	3,095,000	3,103,072		(15,615)			5.500	5.027	JJ	85,113	170,225	03/20/2002	07/01/2017
71884A-OT-9.	PHOENIX ARIZ CIVIC IMPT CORP EXCI.				JFE	7,477,775		113,4610	7,095,000	7,324,403		(36,204)			5.000	4.380	JJ	177,375	354,750	06/07/2007	07/01/2022
71883R-GS-6.	PHOENIX AZ CIVIC IMPT CORP REV.				JFE	1,364,700		111,4560	1,250,000	1,350,006		(14,694)			5.000	2.611	JJ	31,250	31,250	06/16/2011	07/01/2020
735352-KW-5.	PORT ST LUCIE FLA UTIL REV.				JFE	973,769		33,0070	3,870,000	1,069,065		64,514			6.422	N/A				12/01/2006	09/01/2032
751073-FP-7.	RALEIGH DURHAM N C ARPT AUTH ARPT.				JFE	2,651,806		104,9410	2,649,760	2,599,438		(12,450)			5.000	4.422	MN	21,042	126,250	05/16/2007	05/01/2025
751073-F0-5.	RALEIGH DURHAM N C ARPT AUTH ARPT.				JFE	2,948,814		104,3070	2,810,000	2,891,499		(13,627)			5.000	4.432	MN	23,417	140,500	05/16/2007	05/01/2026
756872-FJ-1.	RED RIVER TEX ED FIN REV.				JFE	1,022,100		105,1700	1,000,000	1,020,550		(1,550)			5.000	4.604	MS	14,722	25,000	07/20/2011	03/15/2032
759136-LN-2.	REGIONAL TRANSN DIST COLO SALES TA.				JFE	1,430,144		119,6180	1,305,000	1,391,102		(16,076)			5.000	3.535	MN	10,875	65,250	07/04/2009	11/01/2036
794665-AU-3.	SALES TAX ASSET RECEIVABLE CORP.				JFE	5,255,450		107,4460	5,112,500	5,192,097		(26,254)			5.000	4.449	AO	53,965	255,625	07/04/2009	10/15/2032
795583-EV-1.	SALT LAKE CITY INTRM TN HEALTHCARE.				JZ	2,985,000		100,6170	3,018,510	2,999,813					6.150	6.297	FA	69,700	184,500	08/29/1995	02/15/2012
79575D-B7-4.	SALT RIVER PROJ ARIZ AGRIC IMP.				JFE	5,590,475		107,0510	5,500,000	5,583,897		(6,578)			5.000	4.798	JJ	137,500	137,500	05/04/2011	01/01/2039
79575D-XF-2.	SALT RIVER PROJ AZ.				JFE	15,218,502		105,9340	14,970,000	15,162,454		(27,127)			5.000	4.808	JJ	374,250	748,500	11/18/2009	01/01/2038
796253-C8-3.	SAN ANTONIO TEX ELEC & GAS.				JFE	10,561,100		114,5560	10,000,000	10,323,020		(57,585)			5.000	4.332	FA	208,333	500,000	05/24/2007	02/01/2022
796422-3W-1.	SAN ANTONIO TEX WTR REV.				JFE	1,469,445		105,1300	1,500,000	1,477,001		1,170			5.000	5.227	MN	9,583	75,000	05/27/2004	05/15/2025
796422-3X-9.	SAN ANTONIO TEX WTR REV.				JFE	2,460,647		104,9220	2,607,312	2,466,206		862			5.125	5.268	MN	16,273	127,356	05/27/2004	05/15/2026
796242-HM-0.	SAN ANTONIO TX ARPT SYS REV.				JFE	1,053,040		101,9140	1,000,000	1,003,252											

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
816705-GV-3	SEMINOLE CNTY FLA WTR & SWR REV.			1	JFE	14,715,000	106.1780	15,926,700	15,000,000	14,745,395		8,578			5.000	5.213	AO	187,500	750,000	03/13/2008	10/01/2031
821697-KZ-7	SHELBY CNTY TENN HEALTH EDL & HSG				JFE	4,806,646	101.7210	4,674,080	4,595,000	4,618,432	(55,730)				5.000	3.792	JD	19,146	229,750	05/21/2008	06/01/2012
837152-FR-3	SOUTH CAROLINA TRANS INFRASTRUCTU			1	JFE	1,529,699	100.7880	1,511,820	1,500,000	1,507,253	(9,298)				5.000	4.386	AO	75,000		07/04/2009	10/01/2033
83703F-BG-6	SOUTH CAROLINA JOBS-ECONOMIC DEV A				JFE	5,881,335	101.7680	5,648,124	5,550,000	5,601,862	(82,649)				5.000	3.501	FA	104,833	277,500	05/22/2008	08/15/2012
83703F-BH-4	SOUTH CAROLINA JOBS-ECONOMIC DEV A				JFE	5,921,517	104.5200	5,800,860	5,550,000	5,672,730	(74,138)				5.000	3.617	FA	104,833	277,500	05/22/2008	08/15/2012
83703F-BL-5	SOUTH CAROLINA JOBS-ECONOMIC DEV A				JFE	3,807,979	111.4220	3,955,481	3,550,000	3,705,040	(29,998)				5.000	3.996	FA	67,056	177,500	05/22/2008	08/15/2016
83703F-BM-3	SOUTH CAROLINA JOBS-ECONOMIC DEV A				JFE	3,072,450	114.0480	3,273,178	2,870,000	3,002,145	(21,313)				5.000	4.117	FA	54,211	143,500	05/22/2008	08/15/2017
837147-8M-2	SOUTH CAROLINA ST PUB SVC AUTH				JFE	1,476,196	121.8800	1,505,218	1,235,000	1,443,468	(28,895)				5.000	2.383	JJ	39,623		10/15/2010	01/01/2019
837227-D5-3	SOUTH CENT CONN REGL WTR AUTH WTR			1	JFE	1,016,330	108.9660	1,089,660	1,000,000	1,011,124	(1,493)				5.250	5.104	FA	21,875	52,500	03/26/2008	08/01/2031
837227-D6-1	SOUTH CENT CONN REGL WTR AUTH WTR			1	JFE	1,013,980	108.3850	1,083,850	1,000,000	1,009,528	(1,277)				5.250	5.135	FA	21,875	52,500	03/26/2008	08/01/2032
843146-Q2-0	SOUTHERN ILL UNIV REVS			1	JFE	5,170,944	100.6660	5,103,766	5,070,000	5,098,765	(11,836)				5.000	4.787	AO	63,375	253,500	01/07/2005	04/01/2035
850578-RG-2	SPRINGFIELD ILL ELEC REV			1	JFE	6,468,180	112.9490	6,776,940	6,000,000	6,268,055	(46,705)				5.000	4.074	MS	100,000	300,000	04/19/2007	03/01/2018
850578-RH-0	SPRINGFIELD ILL ELEC REV			1	JFE	6,345,509	112.4310	6,633,429	5,900,000	6,155,233	(44,429)				5.000	4.105	MS	98,333	295,000	04/19/2007	03/01/2019
850578-RK-3	SPRINGFIELD ILL ELEC REV			1	JFE	7,932,257	109.9850	8,149,889	7,410,000	7,709,573	(52,050)				5.000	4.166	MS	123,500	370,500	04/19/2007	03/01/2021
851010-LV-8	SPRINGFIELD MO PUB BLDG CORP LEASE			1	JFE	2,475,100	105.1140	2,627,850	2,500,000	2,484,964	1,613				5.000	5.159	MS	41,667	125,000	06/10/2004	03/01/2024
793323-JS-6	ST PETERSBURG FLA PUB UTIL REV			1	JFE	4,762,374	112.1730	5,025,350	4,480,000	4,635,662	(29,038)				5.000	4.230	AO	56,000	224,000	04/17/2007	10/01/2022
880459-6V-9	TENNESSEE HSG DEV AGY			1	JFE	950,000	100.0350	950,333	950,000	950,000					5.150	5.216	JJ	24,463	50,341	07/14/2006	01/01/2037
880459-HR-6	TENNESSEE HSG DEV AGY			1	JFE	3,250,000	103.9320	3,377,790	3,250,000	3,250,000					5.400	5.473	JJ	87,750	182,808	09/11/2008	07/01/2035
882756-XR-5	TEXAS ST PUB FIN AUTH REV			1	JFE	3,323,657	111.0530	3,453,748	3,110,000	3,201,571	(22,149)				5.000	4.195	AO	32,828	155,500	10/21/2005	10/15/2017
88283L-CN-4	TEXAS ST TRANSN COMMN REV			1	JFE	14,444,190	116.9220	15,784,470	13,500,000	13,990,099	(103,614)				5.000	4.103	AO	168,750	675,000	04/13/2007	04/01/2018
88283L-BC-9	TEXAS TRANSN COMMN ST HWY FD R			1	JFE	333,948	112.1310	364,426	325,000	330,951	(1,243)				5.000	4.573	AO	4,063	16,250	07/04/2009	04/01/2024
592098-J7-3	TN Nashville Co W&S C20 S10			1	JFE	5,407,819	116.4370	5,909,178	5,075,000	5,377,028	(29,616)				5.000	4.205	JJ	126,875	137,448	12/09/2010	07/01/2024
592098-J4-0	TN Nashville W&S C20 S10			1	JFE	2,462,200	113.4470	2,671,677	2,355,000	2,452,393	(9,434)				5.000	4.460	JJ	58,875	63,781	12/09/2010	07/01/2026
89602N-MT-8	TRIBOROUGH BRDG & TUNL AUTH N Y RE			1	JFE	14,278,585	107.2450	15,550,525	14,500,000	14,293,370	4,283				5.000	5.168	MN	92,639	725,000	03/14/2008	11/15/2037
89602N-MX-9	TRIBOROUGH BRDG & TUNL AUTH N Y RE			1	JFE	14,387,490	113.2010	15,270,815	13,490,000	13,977,021	(116,419)				5.000	4.024	MN	87,092	674,500	03/14/2008	11/15/2038
898796-R9-0	TUCSON AZ WTR REV			1	JFE	1,710,304	104.3270	1,669,232	1,600,000	1,636,620	(9,348)				5.000	4.870	JJ	44,000	88,000	10/25/2001	07/01/2016
91417K-FH-9	UNIVERSITY COLO ENTERPRISE			1	JFE	3,336,416	107.9750	3,455,200	3,200,000	3,252,986	(14,263)				5.000	4.522	JD	13,333	160,000	04/13/2005	06/01/2026
91417K-FG-1	UNIVERSITY COLO ENTERPRISE SYSREV			1	JFE	1,570,155	109.1020	1,636,530	1,500,000	1,527,209	(7,332)				5.000	4.471	JD	6,250	75,000	04/13/2005	06/01/2025
914437-PK-8	UNIVERSITY MASS BLDG AUTH REV			1	JFE	1,081,560	109.7450	1,097,450	1,000,000	1,034,232	(8,399)				5.000	4.068	MN	8,333	50,000	06/30/2005	10/01/2023
914713-F5-6	UNIVERSITY N C CHAPEL HILL REV			1	JFE	2,747,231	118.0660	2,792,261	2,365,000	2,699,154	(36,903)				5.000	3.005	JD	9,854	118,250	09/10/2010	12/01/2025
914720-HM-2	UNIVERSITY N C SYS POOL REV			1	JFE	574,028	104.7160	586,410	560,000	563,893	(1,621)				5.000	4.726	AO	7,000	28,000	09/22/2004	04/01/2029
914692-D2-1	UNIVERSITY N M UNIV REVS			1	JFE	2,349,033	101.9660	2,380,906	2,335,000	2,335,000					5.000	5.063	JJ	58,375	116,750	10/14/2004	07/01/2032
914692-F6-0	UNIVERSITY N M UNIV REVS			1	JFE	2,731,085	106.4600	2,746,668	2,580,000	2,639,788	(16,250)				5.000	4.310	JD	10,750	129,000	08/05/2005	06/01/2026
914692-F8-6	UNIVERSITY N M UNIV REVS			1	JFE	6,854,191	105.4640	6,839,340	6,485,000	6,631,182	(39,713)				5.000	4.330	JD	27,021	324,250	08/05/2005	06/01/2028
91755N-LU-7	UT ST HSG FIN AGENCY				JFE	29,475	100.0590	30,018	30,000	29,769	39				5.450	5.709	JJ	818	1,771	06/17/1999	07/01/2020
917565-HP-1	UTAH TRAN AUTH SALES TAX REV				JFE	5,062,550	109.2320	5,461,600	5,000,000	5,058,951	(1,056)				5.250	5.235	JD	11,667	262,500	03/27/2008	06/15/2038
924166-DH-1	VERMONT EDL & HEALTH BLDGS			1	JFE	2,590,000	108.2940	2,707,350	2,500,000	2,500,000	(90,000)				5.000	5.063	MN	20,833	62,500	07/13/2011	11/01/2040
927749-CX-7	VIRGINIA BEACH VA WTR & SWR REV			1	JFE	2,017,311	103.5190	2,075,556	2,005,000	2,006,154	(1,472)				5.000	4.982	AO	25,063	100,250	10/29/2002	10/01/2022
927749-CY-5	VIRGINIA BEACH VA WTR & SWR REV			1	JFE	2,114,662	103.5190	2,179,075	2,105,000	2,105,960	(1,156)				5.000	5.002	AO	26,313	105,250	10/29/2002	10/01/2023
927749-GN-5	VIRGINIA BEACH VA WTR & SWR REV			1	JFE	2,430,320	114.5230	2,611,124	2,280,000	2,344,210	(15,500)				5.000	4.225	AO	28,500	114,000	11/01/2005	10/01/2018
928120-NT-0	VIRGINIA ST HSG DEV AUTH			1	JFE	2,719,820	101.9260	2,899,795	2,845,000	2,745,138	7,686				4.850	5.388	JJ	68,991	137,983	06/26/2008	01/01/2025
92817L-G6-2	VIRGINIA ST RES AUTH CLEAN WTR REV			1	JFE	6,458,880	118.3890	7,103,340	6,000,000	6,276,265	(42,804)				5.000	4.135	AO	75,000	300,000	04/18/2007	10/01/2020
29270C-RB-3	WA EGY NW ELEC NC S08A				JFE	1,185,550	118.2240	1,182,240	1,000,000	1,164,420	(21,130)				5.250	1.467	JJ	26,250	26,250	05/25/2011	07/01/2016
93978H-CV-5	WASHINGTON ST HEALTH				JFE	1,229,429	119.0800	1,286,064	1,080,000	1,222,151	(7,278)				5.000	3.286	AO	13,500	11,700	06/23/2011	10/01/2020
93978H-DA-0	WASHINGTON ST HEALTH				JFE	1,134,290	119.6720	1,196,720	1,000,000	1,128,538	(5,752)				5.000	3.467	AO	12,500	10,833	06/23/2011	10/01/2021
93978E-Q4-7	WASHINGTON ST HEALTH CARE FACs AUT			1	JFE	16,491,040	104.9010	16,784,160	16,000,000	16,344,862	(43,878)				5.500	5.178	FA	332,444	880,000	05/07/2008	08/15/2038
95639R-BV-0	WEST VA HIGHER ED POL COMMN RE			1	JFE	4,712,352	104.4720	4,819,293	4,613,000	4,662,769	(20,561)				5.000	4.541	AO	57,663	230,625	12/12/2011	10/01/2029
956695-RV-4	WEST VIRGINIA ST WTR DEV AUTH WTR	</																			

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
052476-UH-9	AUSTIN TEX WTR & WASTEWATER			1	IFE	3,090,690	108.9350	3,268,050	3,000,000	3,086,159		(4,531)			5.000	4.614	MN	19,167	75,000	06/30/2011	11/15/2034
072024-JJ-2	BAY AREA TOLL AUTH CALIF TOLL			1	IFE	4,247,875	105.4110	4,479,968	4,250,000	4,247,934		54			5.000	5.066	AO	53,125	212,500	11/23/2010	04/01/2034
117569-EH-2	BRYAN ELEC SYS			1	IFE	4,886,450	106.5590	5,327,950	5,000,000	4,894,526		2,707			5.125	5.360	JJ	128,125	256,250	09/10/2008	07/01/2033
130178-VU-7	CALIFORNIA EDL FACS AUTH REV			1	IFE	6,967,285	134.0700	8,714,550	6,500,000	6,959,719		(7,566)			5.250	4.848	AO	85,313	341,250	11/18/2010	04/01/2040
16772P-BC-9	CHICAGO IL TRANSIT AUTH SALES			1	IFE	1,041,510	106.8440	1,068,440	1,000,000	1,041,232		(278)			5.250	4.780	JD	8,313		11/30/2011	12/01/2036
187154-AN-9	CLIFTON TEX HIGHER ED FIN CORP			1	IFE	3,223,290	117.9800	3,439,117	2,915,000	3,206,056		(17,234)			5.250	3.981	MS	51,013	58,239	05/03/2011	03/01/2024
196707-DZ-3	COLORADO ST. BOARD			1	IFE	1,000,000	104.5170	1,045,170	1,000,000	1,000,000					5.000	5.063	MS	16,667	50,000	08/24/2007	03/01/2037
231266-DM-6	CURATORS UNIV MO SYS FACS REV			1	IFE	1,092,040	112.5950	1,125,950	1,000,000	1,079,274		(12,766)			5.000	2.824	MN	8,333	25,000	05/04/2011	11/01/2021
235416-3C-6	DALLAS TEX WTRWKS & SWR SYS RE			1	IFE	1,355,800	113.4320	1,417,900	1,250,000	1,351,998		(3,802)			5.000	4.022	AO	15,625	11,285	07/20/2011	10/01/2030
254764-HA-4	DC HOSP-CHILDRENS HOSP REV			1	IFE	13,343,275	102.4380	14,085,225	13,750,000	13,365,610		6,639			5.250	5.525	JJ	332,865	721,875	03/20/2008	07/15/2038
246395-TY-3	DE HSG-SR-SFM-B			1	IFE	3,820,000	100.6920	3,846,434	3,820,000	3,820,000					5.450	5.524	JJ	104,095	215,827	09/05/2008	07/01/2039
249181-3R-7	DENVER ARPT SYS 5.00%			1	IFE	10,661,400	109.1700	10,917,000	10,000,000	10,353,179		(64,058)			5.000	4.235	MN	63,889	500,000	10/03/2006	11/15/2023
34073N-7G-9	FL HSG FIN-HMOWNER-3			1	IFE	5,120,000	105.4960	5,401,395	5,120,000	5,120,000					5.000	5.063	JJ	128,000	263,375	09/10/2008	07/01/2023
34073N-8N-3	FL HSG-4-HOMEOWNER			1	IFE	3,000,000	106.2310	3,186,930	3,000,000	3,000,000					6.375	6.477	JJ	95,625	205,031	11/14/2008	07/01/2038
414005-EL-8	HARRIS CNTY TEX			1	IFE	3,032,788	106.7720	3,235,192	3,030,000	3,032,599		(188)			5.000	5.048	FA	57,233	75,750	04/26/2011	08/15/2021
45129W-KU-3	IDAHO HSG & FIN ASSN			1	IFE	2,319,413	108.7660	2,447,235	2,250,000	2,316,887		(2,525)			5.000	4.664	JJ	47,813		07/13/2011	07/15/2029
45222L-AQ-3	ILLINOIS ST CIVIC CTR ST OBLIG			1	IFE	2,304,149	100.2900	2,386,902	2,380,000	2,356,470		5,219			5.000	5.350	JD	5,289	119,000	05/06/1998	12/15/2015
455393-BX-5	INDIANAPOLIS IND THERMAL			1	IFE	5,925,000	109.7480	6,584,880	6,000,000	5,936,043		3,142			5.000	5.174	AO	75,000	300,000	03/26/2008	10/01/2025
46613C-NZ-4	JEA FLA ELEC SYS REV			1	IFE	3,097,641	102.9310	3,232,033	3,140,000	3,102,922		1,567			5.000	5.175	AO	39,250	157,000	03/26/2008	10/01/2027
495289-YN-4	KING CNTY WASH SWR REV			1	IFE	4,662,450	109.4510	4,925,295	4,500,000	4,655,481		(6,969)			5.125	4.705	JJ	115,313		06/29/2011	01/01/2037
54810C-6A-3	LOWER COLO RIV AUTH TEX REV			1	IFE	1,740,165	105.8030	1,851,553	1,750,000	1,740,426		241			5.000	5.105	MN	11,181	85,799	11/30/2010	10/15/2035
54810C-6R-6	LOWER COLO RIV AUTH TEX REV			1	IFE	1,094,070	119.0870	1,190,870	1,000,000	1,088,662		(5,408)			5.000	3.901	MN	6,389	49,028	04/20/2011	05/15/2021
57583R-US-2	MA DEV-MOUNT HOLYOKE			1	IFE	5,901,360	106.5470	6,392,820	6,000,000	5,909,603		2,371			5.000	5.183	JJ	150,000	300,000	03/20/2008	07/01/2036
562362-AP-8	MANCHESTER N H			1	IFE	1,550,000	108.7030	1,684,897	1,550,000	1,550,000					5.000	5.063	JD	6,458	77,500	08/06/2003	12/01/2022
57563C-BC-5	MASSACHUSETTS ST DEPT TRANS M			1	IFE	1,785,718	107.4170	1,879,798	1,750,000	1,782,246		(3,249)			5.000	4.776	JJ	43,750	87,500	12/06/2010	01/01/2035
576000-LP-6	MASSACHUSETTS ST SCH BLDG AUTH			1	IFE	1,062,380	108.4420	1,084,420	1,000,000	1,061,927		(453)			5.000	4.266	AO	8,056		11/29/2011	10/15/2041
576049-7Y-0	MASSACHUSETTS WATER RES AUTH			1	IFE	1,003,420	107.5570	1,075,570	1,000,000	1,003,057		(325)			5.000	5.012	FA	20,833	50,000	11/18/2010	08/01/2039
592597-X4-5	METROPOLITAN TRANSN AUTH N Y SVC C			1	IFE	7,369,650	102.0350	7,652,625	7,500,000	7,415,727		6,082			5.000	5.206	JJ	187,500	375,000	06/05/2002	07/01/2022
594614-2K-4	MI BLDG			1	IFE	4,844,500	111.2000	5,560,000	5,000,000	4,851,124		2,310			6.000	6.330	AO	63,333	300,000	11/07/2008	10/15/2038
59465M-TC-9	MI RENTAL HSG-B			1	IFE	1,500,000	103.8180	1,557,270	1,500,000	1,500,000					5.000	5.063	AO	18,750	75,000	09/17/2008	04/01/2016
59324P-AS-8	MIAMI BEACH FL STORMWATER REV			1	2FE	1,013,300	100.1150	1,001,150	1,000,000	1,000,995		(67)			5.375	5.290	MS	17,917	53,750	12/22/2000	09/01/2030
59333P-UA-4	MIAMI-DADE CNTY-A			1	IFE	5,487,000	101.5220	7,614,150	7,500,000	5,487,000					5.250	7.733	AO	98,438	393,750	06/05/2008	10/01/2038
60636A-AT-0	MISSOURI ST HEALTH & EDL FACS			1	IFE	2,980,890	115.2070	3,168,193	2,750,000	2,972,089		(8,801)			5.000	4.042	MN	17,569	51,944	07/07/2011	11/15/2030
646136-EJ-6	NEW JERSEY TRANSN TR FD			1	IFE	3,236,670	118.3590	3,550,770	3,000,000	3,180,450		(11,248)			5.250	4.643	JD	7,000	157,500	05/24/2006	12/15/2023
649710-RM-7	NEW YORK CITY NY TRANSITIONALF			1	IFE	2,901,525	108.7290	2,990,048	2,750,000	2,900,506		(1,019)			5.000	4.358	MN	16,806		12/01/2011	11/01/2038
649905-S2-3	NEW YORK ST DORM AUTH REV			1	IFE	3,467,198	111.4780	3,623,035	3,250,000	3,464,258		(2,939)			5.000	4.555	JJ	81,250		07/14/2011	07/01/2032
650013-T4-7	NEW YORK ST TWY AUTH HWY & BRDG			1	IFE	5,253,850	111.9800	5,599,000	5,000,000	5,112,986		(27,170)			5.000	4.388	AO	62,500	250,000	04/10/2006	04/01/2021
647200-YP-3	NM MTG-SFM-M2			1	IFE	4,525,000	105.3260	4,766,002	4,525,000	4,525,000					5.500	5.576	JJ	124,438	251,027	09/11/2008	07/01/2039
65820H-NH-2	NO CAROLINA MED CARE WAYNE HOSP			1	IFE	1,031,470	100.8050	1,008,050	1,000,000	1,000,000					5.250	5.319	AO	13,125	52,500	09/18/1998	10/01/2013
641279-EC-4	NV HSG SF-SR-ISSUE B			1	IFE	1,300,000	104.1650	1,354,145	1,300,000	1,300,000					5.500	5.576	AO	17,875	71,500	09/05/2008	04/01/2039
67756Q-LD-7	OHIO ST HSG FIN AGY RESIDENTIAL INT			1	IFE	770,000	104.8110	807,045	770,000	770,000					5.500	5.576	MS	14,194	43,358	06/26/2009	03/01/2040
681663-BF-6	OMAHA HOTEL 5.00%			1	IFE	2,083,609	114.5560	2,210,931	1,930,000	2,017,788		(15,469)			5.000	4.042	FA	40,208	96,500	05/16/2007	02/01/2018
71883R-EX-7	PHOENIX ARIZ CIVIC IMPMT CORP WTR			1	IFE	2,932,680	102.3290	3,069,870	3,000,000	2,995,825		42,231			5.000	5.356	JJ	75,000	150,000	03/20/2002	07/01/2022
71883M-CL-6	PHOENIX ARIZ CIVIC IMPMT CORP ARPT			1	IFE	2,953,500	100.9180	3,027,540	3,000,000	2,971,186		2,305			5.250	5.453	JJ	78,750	157,500	04/18/2002	07/01/2021
72770L-BB-5	PLATTE IDA REF-ZONA			1	IFE	3,040,350	107.4950	3,224,850	3,000,000	3,025,762		(3,767)			5.000	4.890	JD	12,500	150,000	09/20/2007	12/01/2032
756872-FJ-1	RED RIVER TEX ED FIN REV			1	IFE	1,277,625	105.1700	1,314,625	1,250,000	1,275,687		(1,938)			5.000	4.604	MS	18,403	31,250	07/20/2011	03/15/2032
76128P-AW-1	RETAMA TEX DEV CORP SPL FACS			1	IFE	7,281,813	153.8090	6,813,739	4,430,000	5,717,832		(151,384)			10.000	5.063	JD	19,689	443,000	01/20/1998	12/15/2018
79575D-J4-3	SALT RIVER PROJ ARIZ AGRIC IMPMT&PW			1	IFZ	291,593	101.0000	297,950	295,000	297,950		2,813</									

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest				Dates		
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
914468-AW-3	UNIVERSITY MINN SPL PURP REV			1	IFE	1,444,638	.118,2260	1,477,825	1,250,000	1,407,796		(32,466)			5.000	2.108	FA	26,042	62,500	11/12/2010	08/01/2017
914720-ZN-0	UNIVERSITY N C SYS POOL REV			1	IZ	465,652	.103,7580	472,099	455,000	456,008	(1,284)				5.375	5.135	AO	6,114	24,456	10/25/2002	04/01/2022
914720-ZZ-3	UNIVERSITY N C SYS POOL REV			1	IFE	122,809	.103,7960	124,555	120,000	120,266	(339)				5.375	5.135	AO	1,613	6,450	10/25/2002	04/01/2022
924166-DG-3	VERMONT EDL & HEALTH BLDGS			1	IFE	1,275,491	.107,6290	1,383,033	1,285,000	1,275,605	114				5.000	5.114	MN	10,708	64,250	04/20/2011	11/01/2038
924166-DH-1	VERMONT EDL & HEALTH BLDGS			1	IFE	2,590,000	.108,2940	2,707,350	2,500,000	2,586,320	(3,680)				5.000	4.573	MN	20,833	62,500	07/13/2011	11/01/2040
928175-CE-6	VIRGINIA ST PUB SCH AUTH SER A			1	IFE	6,234,411	.115,6490	6,846,421	5,920,000	6,077,713	(30,656)				5.000	4.400	FA	123,333	296,000	04/26/2006	08/01/2019
977092-UC-7	WISCONSIN ST CLEAN WTR REV			1	IFE	2,595,302	.112,1530	2,792,610	2,490,000	2,585,138	(9,135)				5.000	4.500	JD	10,375	128,996	11/19/2010	06/01/2030
226706-AA-7	CRISP CNTY GA SOL WST MGMT AUTH			1	IFE	9,045,059	.080,2230	9,489,820	11,829,229	9,081,819	36,760				2.432	2.432	JAN	26,234		11/01/2011	01/01/2023
04780M-PD-5	Atlanta GA Air AMT			1	IFE	5,105,150	.107,8790	5,393,950	5,000,000	5,101,166	(3,984)				5.000	4.777	JJ	102,083		07/21/2011	01/01/2024
04780M-PE-3	Atlanta GA Air AMT			1	IFE	5,515,019	.107,0200	5,832,590	5,450,000	5,512,569	(2,449)				5.000	4.900	JJ	111,271		07/21/2011	01/01/2025
130795-SC-2	CA Stwide St Joseph			1	IFE	7,236,250	.107,6750	7,537,250	7,000,000	7,223,679	(12,571)				5.125	4.603	JJ	179,375		07/27/2011	01/01/2024
73358T-Z7-9	CONS-ONE HUNDRED FIFTY-SECOND			1	IFE	6,115,011	.108,7910	6,494,823	5,970,000	6,105,810	(9,201)				5.000	4.635	MN	49,750	149,250	06/30/2011	11/01/2024
235036-FP-0	DALLAS FORT WORTH TEX INTL ARPT			1	IFE	7,371,810	.104,3060	7,431,803	7,125,000	7,286,407	(82,933)				5.000	4.248	MN	391,875		12/20/2010	11/01/2020
307479-CF-0	Fargo ND HlthSanford			1	IFE	7,216,041	.115,5040	8,050,629	6,970,000	7,194,172	(21,869)				5.250	4.810	MN	60,988	266,312	01/21/2011	11/01/2019
307479-CG-8	Fargo ND HlthSanford			1	IFE	2,076,120	.116,9660	2,339,320	2,000,000	2,070,266	(5,854)				5.500	5.066	MN	18,333	80,056	01/21/2011	11/01/2020
546589-OS-4	Louisville KY Swr			1	IFE	5,672,100	.121,0730	6,053,650	5,000,000	5,640,050	(32,050)				5.000	3.176	MN	31,944	125,000	07/19/2011	05/15/2021
549208-EE-2	Lubbock TX St. Joes			1	IFE	5,434,205	.112,2700	5,461,936	4,865,000	5,382,010	(52,195)				5.000	2.505	JJ	112,841		07/07/2011	07/01/2016
57583R-6J-9	MA H&E- Partners			1	IFE	8,059,280	.105,9580	8,476,640	8,000,000	8,056,897	(2,383)				3.000	2.970	JJ	120,000	112,000	01/07/2011	07/01/2035
57583R-6K-6	MA H&E- Partners			1	IFE	3,300,210	.113,7470	3,412,410	3,000,000	3,289,412	(10,798)				5.000	4.260	JJ	75,000	70,000	01/07/2011	07/01/2035
60636X-XM-0	MO HSG SF PAC			1	IFE	2,843,760	.106,3590	2,892,965	2,720,000	2,821,212	(22,548)				6.250	4.950	MS	54,853	164,560	01/19/2011	03/01/2037
662858-FT-1	NTTA			1	IFE	13,773,308	.119,3100	14,329,131	12,010,000	13,666,458	(106,851)				6.050	4.013	JJ	375,313		06/22/2011	01/01/2022
649902-5J-8	NY Dorm PIT			1	IFE	5,609,450	.119,3310	5,966,550	5,000,000	5,584,655	(24,795)				5.000	3.534	MS	73,611	37,500	07/14/2011	03/15/2024
649902-JH-7	NY Dorm PIT			1	IFE	10,900,400	.117,1940	11,719,400	10,000,000	10,760,413	(139,987)				5.000	3.271	MS	147,222	500,000	01/19/2011	03/15/2024
686053-AN-9	ORSEDU 0% 6/30/15			1	IFE	4,231,687	.092,7200	4,705,540	5,075,000	4,395,728	164,041				5.000	4.194	N/A			01/28/2011	06/30/2015
875124-CP-2	Tampa Bay Water			1	IFE	5,024,980	.121,6360	5,230,348	4,300,000	4,983,280	(41,700)				5.000	2.448	AO	53,750	26,875	07/19/2011	10/01/2018
95648M-KF-5	WV ST EDA			1	IFE	3,427,050	.114,6820	3,440,460	3,000,000	3,388,154	(38,896)				5.000	1.939	JD	12,500	54,583	07/14/2011	06/01/2016
985900-CS-6	Yavapi IDA N AZ Hlth			1	IFE	5,777,930	.115,4980	5,953,922	5,155,000	5,764,660	(13,270)				5.000	3.586	AO	56,562		09/29/2011	10/01/2021
454624-Y4-3	INDIANA ST BOND BANK REVENUE			1	IFE	1,356,002	.115,0000	1,374,250	1,195,000	1,355,159	(843)				5.000	3.457	MS	332		12/08/2011	09/01/2023
454624-Y6-8	INDIANA ST BOND BANK REVENUE			1	IFE	705,109	.113,4550	714,767	630,000	704,719	(390)				5.000	3.629	MS	175		12/08/2011	09/01/2024
944514-MP-0	WAYNE CNTY MICH ARPT AU 4.0			1	IFE	4,140,933	.101,4960	4,227,308	4,165,000	4,140,364	271				4.000	4.121	JD	14,346		11/18/2011	12/01/2020
2599999 - U.S. Special Revenue - Issuer Obligations						1,393,334,923	.XXX	1,473,909,675	1,366,520,729	1,383,579,443	(3,350,900)				XXX	XXX	XXX	20,342,572	60,319,466	XXX	XXX
3128PU-EW-8	FG J14649			1	IFE	8,758,787	.104,3230	9,181,871	8,801,419	8,759,071	284				3.500	3.656	MON	25,671	231,037	02/22/2011	04/01/2026
3138A8-SL-1	FN AH8822			1	IFE	9,287,233	.104,6670	9,642,350	9,212,382	9,285,229	(2,004)				4.000	3.396	MON	26,869	215,284	03/17/2011	03/01/2026
3128PV-BS-8	FEDERAL HOME LN MTG CORP #J15449			1	IFE	4,510,097	.105,1070	4,531,535	4,311,370	4,521,391	11,295				4.000	3.109	MON	14,371	57,485	07/18/2011	05/01/2026
3128LO-DE-9	FGOLD 30YR			1	IFE	591,760	.111,3940	651,954	585,268	590,881	(16)				6.000	5.895	MON	2,926	35,116	12/14/2007	11/01/2037
3128M5-HJ-2	FGOLD 30YR GIANT			1	IFE	353,457	.110,6440	387,327	350,065	354,125	288				6.000	5.862	MON	1,750	21,076	12/14/2007	06/01/2036
3128M6-EF-1	FGOLD 30YR GIANT			1	IFE	670,291	.108,5660	768,030	707,431	663,082	(3,696)				5.000	6.349	MON	2,948	35,372	06/12/2008	04/01/2038
3128M5-ME-7	FGOLD 30YR GIANT POOL # G03657			1	IFE	2,093,822	.112,3630	2,272,091	2,022,101	2,082,942	(1,480)				6.500	5.520	MON	10,953	131,437	05/28/2008	12/01/2037
31403D-T8-2	FNMA 30YR POOL # 745875			1	IFE	777,987	.112,3160	851,973	758,549	779,509	343				6.500	5.797	MON	4,109	49,578	06/18/2008	09/01/2036
31414U-GM-5	FNMA 30YR POOL # 977076			1	IFE	1,145,900	.108,1440	1,287,924	1,190,932	1,125,272	(4,375)				5.000	6.241	MON	4,962	59,857	06/05/2008	01/01/2038
31405R-AK-2	FNMA 30YR POOL #796610			1	IFE	8,371,300	.109,8160	9,303,508	8,471,904	8,374,581	314				5.500	5.902	MON	38,830	466,678	02/19/2008	10/01/2034
31406M-4A-1	FNMA 30YR POOL #814517			1	IFE	2,839,997	.109,4410	3,145,475	2,874,128	2,844,046	1,271				5.500	5.878	MON	13,173	158,127	02/19/2008	03/01/2035
31385X-O9-1	FNMA 30YR POOL#555880			1	IFE	682,498	.109,3160	750,713	686,737	681,688	(344)				5.500	5.812	MON	3,148	38,090	02/27/2008	11/01/2033
31402D-P7-9	FNMA 30YR POOL#725946			1	IFE	3,890,967	.109,2540	4,302,106	3,937,727	3,882,028	(3,114)				5.500	5.966	MON	18,048	217,460	02/19/2008	11/01/2034
31402D-SZ-5	FNMA 30YR POOL#735036			1	IFE	4,149,618	.109,2540	4,588,087	4,199,487	4,142,211	(2,821)				5.500	5.953	MON	19,248	231,863	02/19/2008	12/01/2034
31407N-ZJ-5	FNMA 15 YR MBS/POOL			1	IFE	1,139,688	.109,5400	1,249,395	1,140,579	1,139,847	49				5.500	5.664	MON	5,228	63,158	05/16/2007	10/01/2020
31409G-MP-8	FNMA 30 YR POOL			1	IFE	879,279	.110,3160	969,644	878,970	879,310	10				6.000	6.157	MON	4,395	53,128	10/11/2006	07/01/2036
31402C-VP-4	FNMA 30YR			1	IFE	98,426	.109,3160	107,891	98,696	98,404	(9)				5.500	5.709	MON	452	5,470	12/07/2006	02/01/2034

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest				Dates			
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22	
CUSIP Identification	Description	Code	Foreign	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity	
45528S-PS-9	INDIANAPOLIS IND LOC PUB IMPT BD B			1	JAM	3,998,792	.110.1940	4,181,862	3,795,000	3,888,567		(21,274)			5.000	4.369	JJ	94,875	189,750	03/10/2006	01/01/2022	
45528S-PT-7	INDIANAPOLIS IND LOC PUB IMPT BD B			1	JAM	4,192,459	.109.3950	4,359,391	3,985,000	4,080,300		(21,657)			5.000	4.389	JJ	99,625	199,250	03/10/2006	01/01/2023	
88880T-B0-8	TOBACCO SETTLEMENT FING CORP NY			1	JAM	16,513,350	.106.4980	15,974,700	15,000,000	15,253,537		(170,485)			5.250	4.052	JD	65,625	787,500	06/12/2003	06/01/2020	
88880T-GF-7	TOBACCO SETTLEMENT FING CORP NY			1	JAM	5,311,100	.107.4060	5,370,300	5,000,000	5,081,439		(54,570)			5.500	4.349	JD	22,917	275,000	06/20/2007	06/01/2019	
88880T-GH-3	TOBACCO SETTLEMENT FING CORP NY			1	JAM	1,472,261	.107.1410	1,499,974	1,400,000	1,427,521		(18,495)			5.500	4.100	JD	6,417	77,000	07/04/2009	06/01/2020	
914060-CX-4	UNIVERSITY AZ CTFS PARTN			1	JAM	1,981,880	.102.5750	2,051,500	2,000,000	1,985,198		522			5.125	5.257	JD	8,542	102,500	05/20/2004	06/01/2029	
914059-KG-4	UNIVERSITY ARIZ CTFS PARTN			1	JAM	79,273	.101.1760	80,941	80,000	79,554		36			5.125	5.268	JD	342	4,100	04/08/2002	06/01/2021	
914059-KH-2	UNIVERSITY ARIZONA CTFS PARTN			1	JAM	83,892	.101.1020	85,937	85,000	84,287		50			5.125	5.299	JD	363	4,356	04/08/2002	06/01/2022	
88880T-MS-2	TOBACCO SETTLEMENT FING CORP NY			1	JAM	3,429,810	.116.9730	3,509,190	3,000,000	3,396,619		(33,191)			5.000	2.398	JD	12,500	60,000	07/19/2011	06/01/2017	
88880T-MR-4	TOBACCO SETTLEMENT FING CORP NY			1	JAM	1,136,840	.114.7740	1,147,740	1,000,000	1,123,415		(13,425)			5.000	2.073	JD	4,167	20,000	06/29/2011	06/01/2016	
2899999	Special Revenue - Other Loan-Backed and Structured Securities					45,075,723	.XXX	45,613,680	42,245,000	43,258,694		(334,679)			.XXX	.XXX	.XXX	475,373	2,074,456	.XXX	.XXX	
3199999	Subtotals - U.S. Special Revenue and Special Assessment Obligations and all Non Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					1,490,466,864	.XXX	1,575,574,160	1,460,887,383	1,478,842,765		(3,692,929)			.XXX	.XXX	.XXX	21,023,348	64,564,445	.XXX	.XXX	
166751-AH-0	CHEVRON CORP				IFE	5,250,900	.106.9400	5,346,995	5,000,000	5,134,701		(59,433)			3.950	2.683	MS	64,736	197,500	01/08/2010	03/03/2014	
369604-AY-9	GENERAL ELECTRIC COMPANY				IFE	2,672,450	.104.2100	2,605,238	2,500,000	2,561,328		(55,034)			5.000	2.706	FA	52,083	125,000	12/14/2009	02/01/2013	
377372-AC-1	GLAXOSMITHKLINE CAP INC				IFE	2,711,350	.105.8330	2,645,818	2,500,000	2,585,505		(60,615)			4.850	2.318	MN	15,493	121,250	11/24/2009	05/15/2013	
713448-BM-9	PEPSICO INC				IFE	4,495,455	.105.9820	4,769,181	4,500,000	4,497,600		883			3.100	3.146	JJ	64,325	139,500	01/11/2010	01/15/2015	
717081-DA-8	PFIZER INC				IFE	5,549,100	.113.1190	5,670,980	5,000,000	5,360,566		(101,030)			5.350	3.094	MS	78,764	267,500	12/14/2009	03/15/2015	
94974B-ET-3	WELLS FARGO & COMPANY				IFE	5,059,650	.105.5720	5,278,580	5,000,000	5,035,439		(12,071)			3.750	3.508	AO	46,875	187,500	12/16/2009	10/01/2014	
056650-BF-4	BP CAPITAL MARKETS PLC		R		IFE	5,524,950	.107.2560	5,362,820	5,000,000	5,255,365		(133,345)			5.250	2.426	MN	39,375	262,500	12/14/2009	11/07/2013	
25243Y-AJ-8	DIAGEO CAPITAL PLC		R		IFE	2,253,280	.114.9740	2,299,484	2,000,000	2,223,923		(29,357)			5.500	2.977	MS	27,806	55,000	04/28/2011	09/30/2016	
44328M-AB-0	HSCB BANK PLC		R		IFE	1,008,074	.100.8070	1,008,074	1,000,000	1,008,074		(4,255)	10,961		3.500	3.280	JD	292	35,000	03/02/2011	06/28/2015	
20825C-AS-3	CONOCOPHILLIPS				IFE	2,499,218	.108.0020	2,492,684	2,308,000	2,405,559		(44,950)			4.750	2.669	FA	45,679	109,630	11/20/2009	02/01/2014	
377372-AC-1	GLAXOSMITHKLINE CAP INC				IFE	3,813,425	.105.8330	3,704,145	3,500,000	3,627,278		(90,397)			4.850	2.159	MN	21,690	169,750	12/01/2009	05/15/2013	
771196-AQ-5	ROCHE HLDGS INC				IFE	1,887,378	.108.1800	1,858,538	1,718,000	1,852,673		6,756			5.000	1.323	MS	89,197	28,633	12/01/2009	03/01/2014	
25243Y-AJ-8	DIAGEO CAPITAL PLC		R		IFE	5,633,200	.114.9740	5,748,710	5,000,000	5,559,808		(73,392)			5.500	2.977	MS	69,514	137,500	04/28/2011	09/30/2016	
44328M-AL-8	HSCB Bank PLC 144A		R		IFE	3,083,859	.100.0060	3,085,182	3,085,000	3,083,900		132			3.100	3.132	MN	9,829	47,818	05/17/2011	05/24/2016	
	ADVANTAGE CAPITAL II				IFE	1,065,144	.100.0000	1,065,144	198,097	1,065,144		88,113								12/10/2004	12/01/2020	
3299999	Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations					52,507,433	.XXX	52,941,573	48,309,097	51,256,513		(567,995)	10,961		.XXX	.XXX	.XXX	565,094	1,944,645	.XXX	.XXX	
12627H-AF-7	CSAB 2006-2 A3A				IFM	7,707,584	.07.062740	7,062,740	12,049,679	8,032,277		122,350						9,238	30,147	11/10/2010	09/25/2036	
12628L-AG-5	CSAB 2006-4 A4				IFM	10,458,797	.05.56770	9,022,907	15,947,943	10,610,120		84,571						9,403	60,583	02/09/2010	12/25/2036	
23242L-AB-9	CWHEL 2006-F 2A1A				IFM	61,219,021	.04.463810	42,630,045	91,912,120	60,332,506		557,928	4,177,282					10,247	23,037	10/04/2011	07/15/2036	
126686-AH-7	CWHEL 2006-HW 2A11B				IFM	13,264,486	.06.227971	6,227,971	17,100,486	13,338,391		99,711	220,170					4,383	4,383	10/26/2011	11/15/2036	
126682-AA-1	CWHEL 2007-A A				IFM	12,174,790	.20.3920	3,914,885	19,198,525	12,174,790		310,929	1,246,765					8,895	4,616	03/30/2011	04/15/2037	
576431-AC-4	MARM 2007-1 12A2				IFM	333,815	.03.0110	196,000	1,276	333,815		1,276	500,850					16,688	69	09/08/2010	01/25/2047	
57645N-AD-2	MARM 2007-3 12A2				IFM	9,876,157	.08.591870	8,899,655	15,036,394	9,876,157		(395,586)	466,128					11,564	12,348	12/09/2011	05/25/2047	
65538P-AD-0	NOMURA ASSET ACCEPTANCE CORP				IFM	589,400	.07.8170	400,885	838,380	590,060		1,296						8,559	6,839	06/29/2010	03/25/2047	
75971F-AX-1	RENAISSANCE HOME EQUITY LOAN TRUST				IFM	40,235,020	.31.4740	25,212,167	80,105,833	42,926,390		2,691,370						18,927	18,927	01/31/2011	11/26/2037	
88156V-AB-4	TMTS 2006-10SL A2				IFM	2,403,695	.03.394610	1,703,588	4,317,092	2,414,801		87,082	202,331					20,033	27,562	11/18/2011	10/25/2037	
88157D-AA-5	TMTS 2006-12SL A1 35125%				IFM	43,803,721	.28.4150	19,783,850	69,624,113	45,230,875		2,080,365	7,263,960					10,280	8,442	02/10/2011	11/25/2037	
88157D-AB-3	TMTS 2006-12SL A2				IFM	4,078,796	.42.0670	2,543,509	6,046,323	4,120,063		68,158	1,116,091					17,902	17,902	02/10/2011	11/25/2037	
88157G-AB-6	TMTS 2007 1SL A2				IFM	2,753,264	.42.6010	1,444,483	3,390,735	2,764,514		18,007	470,491					3,579	9,922	11/18/2011	01/25/2038	
88157V-AB-3	TMTS 2007-6 ALT A2				IFM	10,713,593	.58.1820	11,555,196	19,860,346	13,177,104		1,652,284						1,719	14,624	06/24/2011	08/25/2038	
88157V-AC-1	TMTS 2007-6 ALT A3				IFM	538,165	.63.6540	718,831	1,129,269	538,165		24,380	393,851					14,647	118	08/16/2010	08/25/2038	
88156V-AA-6	TMTS.06-10SL A1				IFM	17,517,909	.33.1760	11,924,618	35,943,340	18,228,919		551,639	1,961,336					18,570	51,210	11/29/2011	10/25/2037	
88157G-AA-8	TMTS2007-1SLA1				IFM	32,438,995	.23.6910	12,469,939	52,636,138	32,924,007		1,545,740	8,134,936					14,970	14,970	02/10/2011	11/25/2038	
07401W-AP-4	BEAR STEARNS SECOND LIEN 2007-1 2A				IFM	5,538,670	.10.3820	846,274	8,151,578	5,538,670		94,665	2,736,322					731	731	04/28/2010	08/25/2037	
3399999	Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities					275,645,878	.XXX	166,557,543	453,817,866	283,151,624		9,596,165	28,890,513		.XXX	.XXX	.XXX		293,525		.XXX	.XXX
225458-DM-7	CSFB 2005-C1 A4				3FM	12,267,266	.107.6630	12,381,199	11,500,000	12,119,335		(147,930)			5.014	3.070	MON	48,051	384,033	04/14/2011	02/15/2038	
233050-AN-3	DBUBS 11-LC1AA1 144A</																					

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
617459-AD-4	MORGAN STANLEY CAPITAL I 11-C2 A4				2AM	5,049,811	109.9570	5,497,855	5,000,000	5,047,492		(2,318)			4.661	4.629	MON	19,421	116,525	06/10/2011	06/15/2044
3499999	Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities					58,586,886	XXX	59,877,901	55,371,975	57,994,606		(592,278)			XXX	XXX	XXX	222,121	1,785,688	XXX	XXX
17305E-DY-8	CITIBANK CREDIT CARD ISSUANCE 07-A				1AM	5,405,723	120.0110	5,700,526	4,750,000	5,340,454		(65,290)			5.650	3.278	MS	75,294	134,162	04/18/2011	09/20/2019
19035R-AL-3	COAST 2002-1A1 A				6AM	182,285	57.6100	274,927	477,221	182,285					0.879	78.752	FA	1,782	4,937	12/18/2009	07/30/2017
53957D-AC-7	LIMAA 2007-1W A2-1				6AM	26,782,784	47.3690	26,782,782	56,540,356	26,782,784		.91,658	19,219,439			6.743	JAJ0	560,441	606	06/09/2011	10/23/2037
65538B-AH-2	NOMURA ASSET ACCEPTANCE 2007-S2W A				6AM	687,530	41.6660	687,530	1,650,109	687,530		(34,088)	351,523			7.061	MON			09/30/2011	07/25/2037
62938R-AA-5	NRG PEAKER FINANCE LLC				6	149,614,657	88.0300	184,730,956	209,850,001	152,322,689		2,708,033			1.610	14.340	MJSD	194,716	2,929,364	06/08/2009	06/10/2019
02005A-BG-1	AMOT 2011-1 A2				1AM	4,649,955	101.0750	4,699,970	4,650,000	4,649,969		14			2.150	2.172	MON	4,443	90,255	01/13/2011	01/15/2016
3599999	Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities					187,322,934	XXX	222,876,691	277,917,687	189,965,711		2,700,327	19,570,962		XXX	XXX	XXX	276,235	3,719,765	XXX	XXX
3899999	Subtotals - Industrial and Miscellaneous (Unaffiliated)					574,063,131	XXX	502,253,708	835,416,625	582,368,454		11,136,219	48,472,436		XXX	XXX	XXX	1,063,450	7,743,623	XXX	XXX
7799999	Subtotals - Issuer Obligations					2,149,155,941	XXX	2,287,223,500	2,100,004,826	2,131,302,166		(5,802,417)	10,961		XXX	XXX	XXX	30,740,324	92,309,727	XXX	XXX
7899999	Subtotals - Residential Mortgage-Backed Securities					327,702,096	XXX	222,608,348	505,939,520	335,156,252		9,588,815	28,890,513		XXX	XXX	XXX	205,403	2,464,048	XXX	XXX
7999999	Subtotals - Commercial Mortgage-Backed Securities					58,586,886	XXX	59,877,901	55,371,975	57,994,606		(592,278)			XXX	XXX	XXX	222,121	1,785,688	XXX	XXX
8099999	Subtotals - Other Loan-Backed and Structured Securities					253,645,696	XXX	289,942,027	340,507,687	254,012,879		2,280,941	19,570,962		XXX	XXX	XXX	938,188	6,782,346	XXX	XXX
8399999	Totals					2,789,090,619	XXX	2,859,651,776	3,001,824,008	2,778,465,903		5,475,061	48,472,436		XXX	XXX	XXX	32,106,036	103,341,809	XXX	XXX

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 2 - SECTION 1

Showing ALL PREFERRED STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Par Value Per Share	7 Rate Per Share	8 Book/ Adjusted Carrying Value	Fair Value		11 Actual Cost	Dividends			Change in Book/ Adjusted Carrying Value				20 NAIC Desig- nation	21 Date Acquired	
		3 Code	4 Foreign					9 Rate Per Share Used to Obtain Fair Value	10 Fair Value		12 Declared But Unpaid	13 Amount Received During Year	14 Nonadmitted Declared But Unpaid	15 Unrealized Valuation Increase/ (Decrease)	16 Current Year's (Amortization) Accretion	17 Current Year's Other Than Temporary Impairment Recognized	18 Total Change In B./A.C.V. (15 + 16 - 17)			19 Total Foreign Exchange Change In B./A.C.V.
NONE																				
9999999	Total Preferred Stocks							XXX											XXX	XXX

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
3137EA-CT-4	FREDDIE MAC		06/30/2011	Morgan Stanley Co		5,131,205	5,000,000	28,819
0599999 - Bonds	U.S. Governments					5,131,205	5,000,000	28,819
419791-XZ-6	HI GO NC S10		04/28/2011	JEFFRIES		9,045,270	7,800,000	99,667
658256-VE-9	NC GO NC S05B		05/24/2011	BARCLAYS CAPITAL		8,028,981	6,820,000	53,044
68608K-6S-2	OR GO NC S11J		05/19/2011	CITIGROUP GLOBAL MARKETS		1,761,855	1,500,000	
97705L-B7-1	WI GO NC S11A		04/26/2011	Added by SunGard		12,003,392	10,415,000	125,848
882721-S4-6	TEXAS ST		07/12/2011	Added by SunGard		7,213,050	6,750,000	97,500
677521-LW-4	OH GO		07/20/2011	Morgan Stanley Co		4,805,576	4,110,000	
677521-NA-0	OH GO		07/20/2011	Morgan Stanley Co		6,679,093	5,690,000	
1799999 - Bonds	U.S. States, Territories and Possessions (Direct and Guaranteed)					49,537,217	43,085,000	376,059
041826-YS-1	ARLINGTON TEX INDPT SCH DIST		05/06/2011	Added by SunGard		1,794,503	1,750,000	
167560-QV-6	CHICAGO ILL MET WTR RECLAMATIO		07/26/2011	Added by SunGard		2,857,756	2,695,000	401
199491-3H-2	COLUMBUS OHIO		07/28/2011	STIFEL NICOLAUS & CO INC		8,459,846	7,485,000	
355694-T4-2	MD Frederick Co GO NC S10C		05/19/2011	WACHOVIA SECURITIES INC		2,545,856	2,125,000	51,059
442565-Q3-4	MD Howard Co GO NC S09B		05/19/2011	CITIGROUP GLOBAL MARKETS		3,598,661	3,025,000	41,594
796237-WZ-4	SAN ANTONIO TEX		07/13/2011	MURIEL SIEBURT & CO		1,624,935	1,500,000	
864855-T3-5	SUGAR LAND TEX		04/29/2011	UBS Securities		5,574,635	5,500,000	12,222
041826-YS-1	ARLINGTON TEX INDPT SCH DIST		05/06/2011	Added by SunGard		1,794,503	1,750,000	
167560-QV-6	CHICAGO ILL MET WTR RECLAMATIO		07/21/2011	Added by SunGard		1,326,663	1,250,000	
796237-WZ-4	SAN ANTONIO TEX		07/13/2011	MURIEL SIEBURT & CO		1,440,776	1,330,000	
796237-XW-0	SAN ANTONIO TEX		07/13/2011	MURIEL SIEBURT & CO		1,076,460	1,000,000	
864855-T3-5	SUGAR LAND TEX		04/29/2011	UBS Securities		6,816,258	6,725,000	14,944
544644-L8-8	LOS ANGELES CALIF UNI SCH DIST		01/04/2011	Added by SunGard		4,199,480	4,000,000	3,333
703023-LV-1	PATCHOGUE-MEDFORD NY UNION FRE		12/14/2011	Goldman Sachs		982,130	1,000,000	
703023-LW-9	PATCHOGUE-MEDFORD NY UNION FRE		12/14/2011	Goldman Sachs		981,850	1,000,000	
703023-LX-7	PATCHOGUE-MEDFORD NY UNION FRE		12/14/2011	Goldman Sachs		1,970,380	2,000,000	
792075-LU-5	SAINT LUCIE CNTY FL SCH BRD		12/14/2011	Goldman Sachs		2,200,076	1,970,000	
2499999 - Bonds	U.S. Political Subdivisions, Territories and Possessions (Direct and Guaranteed)					49,244,768	46,105,000	123,553
050589-JD-3	AUBURN UNIV ALA GEN FEE REV		05/05/2011	Added by SunGard		2,042,740	2,000,000	3,056
052476-YD-4	AUSTIN TX WTR & WSTWTR SYS REV		12/02/2011	Added by SunGard		2,915,688	2,750,000	13,750
187154-AN-9	CLIFTON TEX HIGHER ED FIN CORP		05/03/2011	Added by SunGard		2,764,400	2,500,000	8,021
235416-3C-6	DALLAS TEX WTRWKS & SWR SYS RE		07/20/2011	PIPEN JOFFERY		1,355,800	1,250,000	
235416-3E-2	DALLAS TEX WTRWKS & SWR SYS RE		07/28/2011	Added by SunGard		4,949,595	4,750,000	3,958
235241-JY-3	DALLAS TX AREA RAPID TRANSIT S		11/29/2011	BARCLAYS CAPITAL		1,063,080	1,000,000	146
3128PU-EW-8	FG J14649		02/22/2011	JEFFRIES		9,951,563	10,000,000	14,583
3138A8-SL-1	FN AH6822		03/17/2011	BARCLAYS CAPITAL		10,081,250	10,000,000	16,528
41422E-DW-2	HARRIS CNTY TEX MET TRAN AUTH		12/05/2011	JEFFRIES		2,018,807	1,900,000	9,764
442435-YV-9	HOUSTON TEX UTIL SYS REV		07/19/2011	RBC		1,157,834	1,120,000	10,422
442435-G5-6	HOUSTON TX UTILITY SYS REVENUE		12/02/2011	WELLS FARGO BROK SER LLC		2,032,829	1,940,000	5,928
45505M-AS-5	INDIANA FIN AUTH IN WSTWTR		12/02/2011	Added by SunGard		1,590,825	1,500,000	22,094
455167-Z7-4	INDIANA UNIV REVS		05/02/2011	WELLS FARGO BROK SER LLC		1,721,728	1,480,000	33,238
576049-R7-7	MASSACHUSETTS ST WTR RES AUTH		06/29/2011	Smith Barney		5,498,555	5,390,000	115,286
59447P-FX-4	MICHIGAN FIN AUTH REV		10/05/2011	Goldman Sachs		9,850,900	10,000,000	
60636A-AT-0	MISSOURI ST HEALTH & EDL FACS		07/07/2011	Added by SunGard		2,167,920	2,000,000	3,611
64971Q-RM-7	NEW YORK CITY NY TRANSITIONALF		12/02/2011	VARIOUS		6,342,900	6,000,000	16,528
64970K-3P-0	NEW YORK N Y CITY MUN WTR FIN		04/21/2011	Added by SunGard		2,052,380	2,000,000	36,667
64972F-4U-7	NEW YORK NY CITY MUNI WTR		09/13/2011	CITIGROUP GLOBAL MARKETS		6,697,188	6,250,000	
681793-5D-3	OMAHA PUB PWR DIST NEB ELEC		06/22/2011	JEFFRIES		1,768,035	1,500,000	2,500
709223-ZQ-7	PENNSYLVANIA ST TPK COMMN TPK		04/26/2011	Added by SunGard		4,839,850	5,000,000	102,778
71883R-GS-6	PHOENIX AZ CIVIC IMPT CORP REV		06/16/2011	Added by SunGard		1,364,700	1,250,000	29,340
756872-FJ-1	RED RIVER TEX ED FIN REV		07/20/2011	UBS Securities		1,022,100	1,000,000	18,056
79575D-B7-4	SALT RIVER PROJ ARIZ AGRIC IMP		05/04/2011	RBC		5,590,475	5,500,000	97,778
924166-DH-1	VERMONT EDL & HEALTH BLDGS		07/13/2011	Added by SunGard		2,590,000	2,500,000	26,736
29270C-RB-3	WA Egy NW Elec NC S08A		05/25/2011	JEFFRIES		1,185,550	1,000,000	21,875
93978H-CV-5	WASHINGTON ST HEALTH		06/23/2011	Added by SunGard		1,229,429	1,080,000	
93978H-DA-0	WASHINGTON ST HEALTH		06/23/2011	Added by SunGard		1,134,290	1,000,000	
95639R-BV-0	WEST VA HIGHER ED POL COMMN RE		12/12/2011	AGC TRANSFERS		495	500	
050589-JD-3	AUBURN UNIV ALA GEN FEE REV		05/05/2011	Added by SunGard		2,042,740	2,000,000	3,056
052476-UH-9	AUSTIN TEX WTR & WASTEWATER		06/30/2011	Morgan Stanley Co		3,090,690	3,000,000	21,250
16772P-BC-9	CHICAGO IL TRANSIT AUTH SALES		11/30/2011	WELLS FARGO BROK SER LLC		1,041,510	1,000,000	4,521

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ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
187154-AN-9	CLIFTON TEX HIGHER ED FIN CORP		05/03/2011	Added by SunGard		3,223,290	2,915,000	9,352
231266-DM-6	CURATORS UNIV MO SYS FACS REV		05/04/2011	BARCLAYS CAPITAL		1,092,040	1,000,000	1,111
235416-3C-6	DALLAS TEX WTRWKS & SWR SYS RE		07/20/2011	PIPEN JOFFERY		1,355,800	1,250,000	
3128PV-BS-8	FEDERAL HOME LN MTG CORP #J15449		07/18/2011	Added by SunGard		5,097,836	4,873,211	8,122
414005-EL-8	HARRIS CNTY TEX		04/26/2011	PIPEN JOFFERY		3,032,788	3,030,000	31,142
45129W-KU-3	IDAHO HSG & FIN ASSN		07/13/2011	Added by SunGard		2,319,413	2,250,000	
495289-YN-4	KING CNTY WASH SWR REV		06/29/2011	Smith Mitchell		4,662,450	4,500,000	2,563
54810C-6R-6	LOWER COLO RIV AUTH TEX REV		04/20/2011	Added by SunGard		1,094,070	1,000,000	21,389
576000-LP-6	MASSACHUSETTS ST SCH BLDG AUTH		11/29/2011	Added by SunGard		1,062,380	1,000,000	4,028
60636A-AT-0	MISSOURI ST HEALTH & EDL FACS		07/07/2011	Added by SunGard		2,980,890	2,750,000	4,965
64971Q-RM-7	NEW YORK CITY NY TRANSITIONALF		12/01/2011	VARIOUS		2,901,525	2,750,000	7,257
649905-S2-3	NEW YORK ST DORM AUTH REV		07/14/2011	Added by SunGard		3,467,198	3,250,000	8,125
756872-FJ-1	RED RIVER TEX ED FIN REV		07/20/2011	JBS Securities		1,277,625	1,250,000	22,569
837147-G3-5	SOUTH CAROLINA ST PUB SVC AUTH		04/28/2011	BARCLAYS CAPITAL		5,447,650	5,000,000	84,722
91412G-FV-2	UNIVERSITY CALIF REVS		11/29/2011	BARCLAYS CAPITAL		2,358,743	2,250,000	5,313
924166-DG-3	VERMONT EDL & HEALTH BLDGS		04/20/2011	WELLS FARGO BROK SER LLC		1,275,491	1,285,000	31,233
924166-DH-1	VERMONT EDL & HEALTH BLDGS		07/13/2011	Added by SunGard		2,590,000	2,500,000	26,736
226706-AA-7	CRISP CNTY GA SOL WST MGMT AUTH		11/01/2011	BANK OF NEW YORK		9,045,059	11,829,229	26,234
04780M-PD-5	Atlanta GA Air AMT		07/21/2011	VENDOR CODE MUR NOT IN TA		5,105,150	5,000,000	
04780M-PE-3	Atlanta GA Air AMT		07/21/2011	MURIEL SIEBURT & CO		5,515,019	5,450,000	
130795-SC-2	CA Stwde St Joseph		07/27/2011	R.W.BAIRD		7,236,250	7,000,000	29,896
73358T-Z7-9	CONS-ONE HUNDRED FIFTY-SECOND		06/30/2011	JS BANCORP PIPER JAFFRAY		6,115,011	5,970,000	53,896
307479-CF-0	Fargo ND HlthSanford		01/21/2011	CAIN BROTHERS		7,216,041	6,970,000	
307479-CG-8	Fargo ND HlthSanford		01/21/2011	CAIN BROTHERS		2,076,120	2,000,000	
546589-QS-4	Louisville KY Swr		07/19/2011	FIRST SOUTHWEST		5,672,100	5,000,000	45,139
549208-EE-2	Lubbock TX St. Joes		07/07/2011	Morgan Stanley Co.		5,434,205	4,865,000	
57583R-6J-9	MA H&E- Partners		01/07/2011	JP Morgan Securities		8,059,280	8,000,000	
57583R-6K-6	MA H&E- Partners		01/07/2011	JP Morgan Securities		3,300,210	3,000,000	
60636X-XM-0	MO HSG SF PAC		01/19/2011	RBC		3,606,975	3,450,000	82,910
662858-FT-1	NTTA		06/22/2011	Morgan Stanley Co.		13,773,308	12,010,000	366,972
649902-5J-8	NY Dorm PIT		07/14/2011	WACHOVIA CAPITAL MARKETS		5,609,450	5,000,000	
649902-JH-7	NY Dorm PIT		01/19/2011	RBC		10,900,400	10,000,000	179,167
686053-AN-9	ORSEDU 0% 6/30/15		01/28/2011	Morgan Stanley Co.		4,231,687	5,075,000	
875124-CP-2	Tampa Bay Water		07/19/2011	RAYMOND JAMES & ASSOC		5,024,980	4,300,000	
88880T-MS-2	TOBACCO SETTLEMENT FIND CORP NY		07/19/2011	VARIOUS		3,429,810	3,000,000	2,083
88880T-MR-4	TOBACCO SETTLEMENT FING CORP NY		06/29/2011	BARCLAYS CAPITAL		1,136,840	1,000,000	
95648M-KF-5	WV ST EDA		07/14/2011	Merrill Lynch		3,427,050	3,000,000	
985900-CS-6	Yavapi IDA N AZ Hlth		09/29/2011	Merrill Lynch		5,777,930	5,155,000	
454624-Y4-3	INDIANA ST BOND BANK REVENUE		12/08/2011	Added by SunGard		2,008,472	1,770,000	
454624-Y6-8	INDIANA ST BOND BANK REVENUE		12/08/2011	Added by SunGard		1,063,259	950,000	
944514-MP-0	WAYNE CNTY MICH ARPT AU 4.0		11/18/2011	JP Morgan Securities		14,910,300	15,000,000	
3199999	Bonds - U.S. Special Revenue					288,069,941	277,307,941	1,696,394
225458-DM-7	CSFB 2005-C1 A4		04/14/2011	BARCLAYS CAPITAL		12,267,266	11,500,000	28,831
36228C-VU-4	GSMS 2005-G64 A4A		04/14/2011	JBS Securities		9,544,922	9,000,000	21,380
59022H-NC-2	MLMT 2005-LC1 A4		04/15/2011	RBS GREENWICH CAPITAL MKT		11,726,619	10,780,000	30,103
61745M-6G-3	MSC 2005-H06 A4A		04/14/2011	JBS Securities		12,330,605	11,500,000	28,687
25243Y-AJ-8	DIAGEO CAPITAL PLC	R	04/28/2011	Added by SunGard		2,253,280	2,000,000	10,083
44328M-AB-0	HSBC BANK PLC	R	03/02/2011	JBS Securities		1,023,290	1,000,000	6,708
17305E-DY-8	CITIBANK CREDIT CARD ISSUANCE 07-A		04/18/2011	Added by SunGard		5,405,723	4,750,000	23,110
617459-AD-4	MORGAN STANLEY CAPITAL I 11-C2 A4		06/10/2011	Added by SunGard		5,049,811	5,000,000	13,595
25243Y-AJ-8	DIAGEO CAPITAL PLC	R	04/28/2011	Added by SunGard		5,633,200	5,000,000	25,208
23242L-AB-9	CWHEL 2006-F 2A1A		10/04/2011	FSA		45,849,682	69,750,387	18,604
126686-AH-7	CWHEL 2006-HW 2A11B		10/26/2011	FSA		5,133,427	7,705,525	2,551
126682-AA-1	CWHEL 2007-A A		03/30/2011	FSA		14,419,447	21,113,656	5,009
53957D-AC-7	LIMAA 2007-1W A2-1		06/09/2011	FSA		47,087,775	57,990,066	570,418
57645N-AD-2	MARM 2007-3 12A2		12/09/2011	FSA		11,983,593	16,804,578	12,896
65538B-AH-2	NOMURA ASSET ACCEPTANCE 2007-S2W A		09/30/2011	FSA		1,186,663	1,824,664	650
75971F-AX-1	RENAISSANCE HOME EQUITY LOAN TRUST		01/31/2011	FSA		41,587,105	82,797,764	19,497
88156V-AB-4	TMTS 2006-10SL A2		11/18/2011	VARIOUS		2,772,977	4,748,767	28,625
88157D-AA-5	TMTS 2006-12SL A1 .35125%		02/10/2011	FSA		37,687,822	50,293,300	7,096

E13.1

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
88157D-AB-3	TMTS 2006-12SL A2		02/10/2011	Goldman Sachs		3,935,349	5,083,668	18,481
88157G-AB-6	TMTS 2007 1SL A2		11/18/2011	FSA		1,303,762	1,758,014	10,048
88157V-AB-3	TMTS 2007-6 ALT A2		06/24/2011	Goldman Sachs		982,804	2,100,972	66
88156V-AA-6	TMTS.06-10SL A1		11/29/2011	FSA		14,639,395	21,700,125	36,592
88157G-AA-8	TMTS2007-1SLA1		02/10/2011	FSA		36,348,158	47,251,814	15,198
02005A-BC-1	AMOT 2011-1 A2		01/13/2011	CREDIT SWISSE FIRST BOSTN		4,649,955	4,650,000	
233050-AN-3	DBUBS 11-LC1AA1 144A		02/08/2011	Drexel Burnham Lambert		7,803,024	7,726,000	19,274
44328M-AL-8	HSBC Bank PLC 144A	R	05/17/2011	HSBC SECURITIES, INC		3,083,859	3,085,000	
3899999	- Bonds - Industrial and Miscellaneous (Unaffiliated)					345,689,513	466,914,299	952,710
8399997	- Subtotals - Bonds - Part 3					737,672,644	838,412,240	3,177,535
8399998	- Summary item from Part 5 for Bonds					425,006,668	413,601,000	807,819
8399999	- Subtotals - Bonds					1,162,679,312	1,252,013,240	3,985,354
8999998	- Summary item from Part 5 for Preferred Stocks						XXX	
8999999	- Subtotals - Preferred Stocks						XXX	
DEXB07-05-0	DEXIA RESTRICTED STOCK	D	11/01/2011	BANK OF NEW YORK	59,398,000	200,629		
9099999	- Common Stocks - Industrial and Miscellaneous (Unaffiliated)					200,629	XXX	
9799997	- Subtotals - Common Stocks - Part 3					200,629	XXX	
9799998	- Summary item from Part 5 for Common Stocks						XXX	
9799999	- Subtotals - Common Stocks					200,629	XXX	
9899999	- Subtotals - Preferred and Common Stocks					200,629	XXX	
9999999	Totals					1,162,879,941	XXX	3,985,354

E13.2

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
31359M-NJ-3	FEDERAL NATIONAL MORTGAGE ASSOCIAT		06/28/2011	VARIOUS		18,527,585	17,500,000	18,978,400	18,425,210		(192,337)		(192,337)		18,232,873		294,712	294,712	694,167	08/01/2012
313461-SZ-8	FREDDIE MAC		09/23/2011	Sink PMT @ 100.0000000		3,500,000	3,500,000	3,500,000	3,500,000						3,500,000				38,500	09/23/2015
31359M-JH-7	FAWVIE MAE		05/15/2011	MATURITY		1,000,000	1,000,000	1,048,313	1,009,847		(9,847)		(9,847)		1,000,000				30,000	05/15/2011
31359M-Z3-0	FINMA BENCHMARK NOTES		10/15/2011	VARIOUS		7,080,160	7,000,000	7,061,516	7,011,535		(8,020)		(8,020)		7,003,515		76,645	76,645	266,667	10/15/2011
912828-HO-6	TREASURY NOTE		06/28/2011	Added by SunGard		5,195,100	5,000,000	5,029,297	5,012,784		(2,946)		(2,946)		5,009,839		185,262	185,262	131,043	01/31/2013
912828-HY-9	TREASURY NOTE		07/18/2011	BARCLAYS CAPITAL		2,624,308	2,500,000	2,476,465	2,467,617		6,280		6,280		2,493,897		130,411	130,411	56,046	04/30/2013
0599999 - Bonds - U.S. Governments						37,927,153	36,500,000	38,093,991	37,446,993		(206,870)		(206,870)		37,240,124		687,030	687,030	1,216,423	XXX
042325-GO-7	ARMSTRONG CNTY PA		04/28/2011	WELLS FARGO BROK SER LLC		2,394,325	2,385,000	2,390,963	2,385,317		(246)		(246)		2,385,071		9,254	9,254	55,385	06/01/2024
373383-K9-8	GEORGIA ST		09/13/2011	WELLS FARGO BROK SER LLC		7,038,840	6,000,000	6,372,480	6,226,735		(31,361)		(31,361)		6,195,373		843,467	843,467	312,500	09/01/2015
419780-6H-9	HAWAII ST		03/03/2011	MORGAN KEEGAN		6,754,800	6,500,000	6,840,080	6,782,787		(6,871)		(6,871)		6,775,916		(21,116)	(21,116)	141,736	04/01/2027
452151-M5-9	ILLINOIS ST		03/02/2011	Merrill Lynch		5,545,260	6,000,000	5,994,000	5,994,523		34		34		5,994,572		(449,297)	(449,297)	130,000	04/01/2028
709141-ZJ-7	PENNSYLVANIA ST		03/18/2011	INTERFUND TRANSFER		5,391,600	5,000,000	5,297,600	5,070,051		(7,169)		(7,169)		5,062,882		328,718	328,718	181,944	01/01/2016
93974A-SV-7	WASHINGTON ST		08/16/2011	WELLS FARGO BROK SER LLC		5,301,550	5,000,000	5,480,950	5,108,911		(34,613)		(34,613)		5,074,299		227,251	227,251	179,167	12/01/2012
93974B-FH-0	WASHINGTON ST FOR ISSUES DTD P		03/03/2011	Added by SunGard		19,503,709	17,730,000	18,386,897	18,090,917		(12,434)		(12,434)		18,078,483		1,425,226	1,425,226	608,238	07/01/2019
1799999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)						51,930,084	48,615,000	50,762,970	49,659,241		(92,660)		(92,660)		49,566,581		2,363,503	2,363,503	1,608,970	XXX
010033-TP-3	AKRON OHIO		08/11/2011	Added by SunGard		2,054,152	1,965,000	2,043,698	1,983,120		(5,594)		(5,594)		1,977,526		76,626	76,626	73,073	12/01/2021
010033-VM-7	AKRON OHIO		08/11/2011	CITIGROUP GLOBAL MARKETS		2,798,375	2,500,000	2,658,675	2,585,665		(9,705)		(9,705)		2,575,960		222,415	222,415	88,542	12/01/2018
042325-HC-7	ARMSTRONG CNTY PA		04/13/2011	MORGAN KEEGAN		1,567,125	1,575,000	1,578,938	1,575,209		(141)		(141)		1,575,068		(7,943)	(7,943)	32,966	06/01/2024
167485-2N-0	CHICAGO ILL		03/15/2011	Morgan Stanley Co		2,173,095	2,495,000	2,467,805	2,469,809		134		134		2,469,943		(296,848)	(296,848)	89,058	01/01/2034
167485-H2-0	CHICAGO ILL INDOIS G.O.		04/12/2011	JP Morgan Securities		4,397,463	3,710,000	2,162,188	3,710,000		1,802		1,802		3,711,802		685,661	685,661	60,127	01/01/2025
235219-CR-1	DALLAS TEX		08/25/2011	TORONTO DOMINION		1,471,250	1,250,000	1,466,950	1,462,194		(26,766)		(26,766)		1,435,428		35,822	35,822	48,958	02/15/2016
240505-PX-9	DE KALB CNTY GA SCH DIST		07/28/2011	Merrill Lynch		10,655,000	10,000,000	10,632,500	10,246,797		(66,260)		(66,260)		10,180,537		474,463	474,463	501,389	02/01/2013
386154-O4-3	GRAND PRAIRIE TEX INDP SCH DIST		12/07/2011	CALLED @ 100.0000000		30,000	30,000	29,038	30,000		584		584		30,000				2,222	02/15/2018
386154-O6-8	GRAND PRAIRIE TEX INDP SCH DIST		12/07/2011	CALLED @ 100.0000000		85,000	85,000	82,169	83,076		1,924		1,924		85,000				6,408	02/15/2020
416414-3K-4	HARTFORD CONN		08/11/2011	JEFFRIES		1,121,290	1,000,000	1,067,620	1,046,610		(4,112)		(4,112)		1,036,548		84,742	84,742	54,306	07/15/2018
569475-HT-6	MARION ILLINOIS G.O.		03/03/2011	UBS Securities		3,727,476	3,595,000	3,719,279	3,637,679		(1,627)		(1,627)		3,636,052		91,424	91,424	95,018	09/15/2018
944314-KY-8	WAYNE CHARTER CNTY MICH		04/27/2011	VARIOUS		6,131,951	6,060,000	6,351,971	6,125,671		(10,286)		(10,286)		6,115,385		16,567	16,567	136,562	12/01/2018
235219-CP-5	DALLAS TEX		07/25/2011	TD SECURITIES		1,175,130	1,000,000	1,185,490	1,182,132		(16,017)		(16,017)		1,166,115		9,015	9,015	34,722	02/15/2017
235219-CR-1	DALLAS TEX		08/25/2011	TORONTO DOMINION		1,177,000	1,000,000	1,173,560	1,169,755		(21,413)		(21,413)		1,148,342		28,658	28,658	39,167	02/15/2016
603415-BT-6	MINERVA OHIO LOCAL SCH DIST		04/14/2011	STONE & YOUNGBERG		1,397,734	1,300,000	1,294,384	1,298,729		181		181		1,298,910		98,824	98,824	26,412	12/01/2029
669878-AV-2	NOVATO CA UST GO		10/25/2011	CALLED @ 101.0000000		2,020,000	2,000,000	1,985,940	1,989,210		30,790		30,790		2,020,000				123,333	08/01/2026
717880-7C-6	PHILADELPHIA PA SCH DIST GO		08/16/2011	SEATTLE NORTHWEST SECURIT		3,071,970	3,000,000	3,055,410	3,007,457		(4,250)		(4,250)		3,003,207		68,763	68,763	173,250	02/01/2012
726158-ED-6	PLAIN OH LOC SCH DIST		06/01/2011	Sink PMT @ 100.0000000		225,000	225,000	222,392	223,031		1,969		1,969		225,000				6,750	12/01/2025
726158-EB-0	PLAIN OH LOCAL SCH DIST GO		06/01/2011	MATURITY		775,000	775,000	766,018	774,420		580		580		775,000				23,250	06/01/2011
736627-HC-7	PORTLAND MI PUB SCH GO		11/01/2011	CALLED @ 100.0000000		2,785,000	2,785,000	2,746,316	2,758,823		26,177		26,177		2,775,000				139,250	05/01/2022
938234-KE-0	WASHINGTON CNTY OR GO		06/01/2011	CALLED @ 100.0000000		3,970,000	3,970,000	3,828,152	3,962,467		7,533		7,533		3,970,000				99,250	06/01/2020
649669-YP-7	NEW YORK STATE		10/01/2011	Sink PMT @ 100.0000000		150,000	150,000	151,563	150,378		(378)		(378)		150,000					08/01/2013
703023-LW-9	PATCHOGUE-MEDFORD NY UNION FRE		12/22/2011	Goldman Sachs		49,688	50,000	49,093	49,093		1		1		49,094		594	594		10/01/2026
792075-LU-5	SAINT LUCIE CNTY FL SCH BRD		12/30/2011	VARIOUS		1,154,062	1,025,000	1,144,710	1,071,335		(365)		(365)		1,144,344		9,717	9,717		07/01/2022
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						54,162,761	51,545,000	51,863,859	51,465,698		(95,239)		(95,239)		52,564,261		1,598,500	1,598,500	1,854,013	XXX
010086-FE-1	AKRON OHIO SWR SYS REV		04/15/2011	NAT CITY INVESTMENTS INC		2,072,720	2,000,000	2,149,920	2,071,856		(4,922)		(4,922)		2,066,933		5,787	5,787	38,611	12/01/2014
010086-FF-8	AKRON OHIO SWR SYS REV		04/15/2011	WACHOVIA SECURITIES INC		2,181,623	2,115,000	2,273,456	2,200,898		(4,584)		(4,584)		2,196,314		(14,691)	(14,691)	40,831	12/01/2015
010653-MK-6	ALABAMA WTR POLLUTION CTL		02/15/2011	CALLED @ 100.0000000		7,830,000	7,830,000	7,925,448	7,831,505		(1,505)		(1,505)		7,830,000				225,113	08/15/2020
010869-EP-6	ALAMEDA CORRIDOR TRANSN AUTH CALI		04/12/2011	Merrill Lynch		3,837,700	5,000,000	4,052,050	4,473,783		83,999	490,022	(406,023)		4,067,760		(230,060)	(230,060)		01/01/2024
011832-YL-0	ALASKA ST HSG FIN CORP		11/16/2011	JANNEY		2,572,300	2,500,000	2,657,875	2,571,008		(14,821)		(14,821)		2,556,187		16,113	16,113	127,604	12/01/2034
011842-PE-5	ALASKA ST INTL ARPTS REVS		04/07/2011	JP Morgan Securities		1,579,950	1,500,000	1,594,785	1,556,845		(2,353)		(2,353)		1,554,492		25,458	25,458	39,792	10/01/2017
011842-PG-0	ALASKA ST INTL ARPTS REVS		04/07/2011	JP Morgan Securities		2,331,743	2,250,000	2,384,325	2,330,623		(3,334)		(3,334)		2,327,291		4,451	4,451	59,688	10/01/2018
011842-PH-8	ALASKA ST INTL ARPTS REVS		04/07/2011	CITIGROUP GLOBAL MARKETS		1,020,580	1,000,000	1,056,220	1,033,775		(1,395)		(1,395)		1,032,378		(11,798)	(11,798)	26,528	10/01/2019
011842-PJ-4	ALASKA ST INTL ARPTS REVS		04/07/2011	CITIGROUP GLOBAL MARKETS		2,011,360	2,000,000	2,105,520	2,063,441		(2,618)		(2,618)		2,060,823		(49,463)	(49,463)	53,056	10/01/2020
011855-CD-3	ALASKA STUDENT LN CORP ED LN REV		03/02/2																	

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
251255-3L-7	DETROIT MICH WTR SUPPLY SYS		04/12/2011	MURIEL STEUBERT & CO		3,276,310	3,215,000	3,472,230	3,371,283		(7,095)		(7,095)		3,364,188		(87,878)	(87,878)	133,155	07/01/2018
26822L-EN-0	E-470 PUB HWY AUTH COLO REV		04/19/2011	Bank Of America NT & SA		1,287,800	5,000,000	1,418,150	1,734,060		19,450		19,450		1,753,509		(465,709)	(465,709)		09/01/2028
26822L-ER-0	E-470 PUB HWY AUTH COLO REV		04/19/2011	Bank Of America NT & SA		2,056,200	7,500,000	2,223,750	2,833,119		39,580		39,580		2,872,698		(816,498)	(816,498)		09/01/2027
26822L-ES-9	E-470 PUB HWY AUTH COLO REV		04/19/2011	Bank Of America NT & SA		2,026,240	8,000,000	2,132,080	2,747,647		40,076		40,076		2,787,723		(761,483)	(761,483)		09/01/2028
26822L-FC-3	E-470 PUB HWY AUTH COLO REV		05/11/2011	Bank Of America NT & SA		4,490,505	4,500,000	3,534,075	4,374,891		64,171		64,171		4,439,062		51,443	51,443		09/01/2017
31412T-AO-6	FANNIE MAE POOL 933915		12/27/2011	VARIOUS		4,628,632	4,444,447	4,633,683	4,667,482		(57,975)		(57,975)		4,609,507		19,125	19,125	169,723	06/01/2023
3128PU-EW-8	FG J14649		12/15/2011	PRINCIPAL RECEIPT		1,198,581	1,198,581	1,192,775	5,806		5,806				1,198,581				22,986	04/01/2026
3128MC-JK-2	FHLMC POOL G13666		12/15/2011	VARIOUS		7,780,842	7,488,484	7,779,833	7,806,988		(78,658)		(78,658)		7,728,330		52,512	52,512	298,477	09/01/2024
31398J-AK-1	FHR 3558 JA		12/15/2011	VARIOUS		7,643,755	7,475,115	7,661,993	7,672,619		(87,530)		(87,530)		7,585,900		58,666	58,666	234,990	12/15/2023
3138A8-SL-1	FN AH6822		12/27/2011	PRINCIPAL RECEIPT		787,618	787,618	794,017	787,618		(6,399)		(6,399)		787,618				12,122	03/01/2026
31393V-O6-1	FREDDIE MAC -2628 OM		04/15/2011	SUNTRUST CAPITAL MARKETS		15,815,625	15,000,000	15,682,031	15,612,911		(6,924)		(6,924)		15,605,987		209,638	209,638	260,625	11/15/2031
38122N-FY-3	GOLDEN ST TOB SECURITIZATION CORP		04/12/2011	Bear Stearns & Co		6,366,347	6,580,000	6,929,003	6,607,745		(18,581)		(18,581)		6,589,164		(222,816)	(222,816)	122,461	06/01/2021
38122N-GB-2	GOLDEN ST TOB SECURITIZATION CORP		04/12/2011	Bear Stearns & Co		5,192,760	6,000,000	6,246,890	6,057,320		(11,060)		(11,060)		6,046,259		(853,499)	(853,499)	111,667	06/01/2029
38122N-GD-8	GOLDEN ST TOB SECURITIZATION CORP		04/13/2011	BRANCH BANK & TRUST		8,212,400	10,000,000	10,384,250	10,197,778		(11,540)		(11,540)		10,186,238		(1,973,838)	(1,973,838)	190,278	06/01/2035
38122N-GG-1	GOLDEN ST TOB SECURITIZATION CORP		04/28/2011	CITIGROUP GLOBAL MARKETS		6,129,525	7,500,000	7,674,900	7,588,544		(5,912)		(5,912)		7,582,629		(1,453,104)	(1,453,104)	158,333	06/01/2045
413890-BH-6	HARRIS CNTY HOUSTON TX SPORT AUTH		04/12/2011	CITIGROUP GLOBAL MARKETS		706,290	3,000,000	886,280	949,688		11,613		11,613		961,301		(255,011)	(255,011)		11/15/2026
413893-CK-2	HARRIS CNTY HOUSTON TX SPORT REV		04/06/2011	JEFFRIES		1,238,800	10,000,000	1,695,400	1,758,922		34,502		34,502		1,793,424		(554,624)	(554,624)		11/15/2034
451296-HP-5	IDAHO HOUSING FINANCE AGY SINGLE		07/01/2011	Sink PMT @ 100.000000		15,000	15,000	15,825	15,099		(99)		(99)		15,000				675	07/01/2012
45129V-UN-4	IDAHO HSG & FIN ASSN FORMERLY IDAH		07/01/2011	CALLED @ 100.000000		400,000	400,000	400,000	400,000						400,000				11,250	07/01/2028
45129V-UQ-7	IDAHO HSG & FIN ASSN FORMERLY IDAH		07/01/2011	CALLED @ 100.000000		640,000	640,000	640,000	640,000						640,000				18,400	07/01/2039
45200P-MU-8	ILLINOIS HEALTH FACs AUTH REV		08/01/2011	CALLED @ 100.000000		25,000	25,000	25,000	25,000						25,000				1,375	08/01/2020
45200L-7P-5	ILLINOIS HLTH FACs AUTH REV		04/08/2011	Added by SunGard		193,695	184,000	196,227	190,295		(1,101)		(1,101)		189,194		4,501	4,501	8,587	07/01/2012
452143-BX-7	ILLINOIS SPORTS FACs AUTH		09/07/2011	CITIGROUP GLOBAL MARKETS		8,321,600	8,000,000	7,795,760	8,000,000		2,997	204,240	(201,243)		7,798,757		522,843	522,843	326,333	06/15/2030
454798-OF-9	INDIANA HEALTH FAC FING AUTH REV		07/01/2011	CALLED @ 100.000000		2,000,000	2,000,000	2,070,860	2,011,803		(11,803)		(11,803)		2,000,000				66,389	11/01/2027
454797-7Y-1	INDIANA HLTH FAC FING AUTH		11/17/2011	WACHOVIA SECURITIES INC.		3,500,350	3,500,000	3,551,450	3,519,488		(5,086)		(5,086)		3,514,402		(14,052)	(14,052)	230,453	03/01/2034
455066-DP-2	INDIANA ST OFFICE BLDG COMMN FACs		09/01/2011	Added by SunGard		4,216,993	4,045,000	4,268,608	4,085,482		(17,631)		(17,631)		4,067,852		149,142	149,142	262,644	07/01/2017
455066-DO-0	INDIANA ST OFFICE BLDG COMMN FACs		08/16/2011	SEATTLE NORTHWEST SECURIT		3,136,650	3,000,000	3,148,740	3,027,002		(11,014)		(11,014)		3,015,988		120,662	120,662	187,000	07/01/2018
468714-CO-1	JACKSON ST UNIV EDL BLDG CORP MISS		03/01/2011	CALLED @ 100.000000		4,745,000	4,745,000	4,811,905	4,745,000						4,745,000				118,625	03/01/2034
49130T-FD-3	KENTUCKY HSG CORP HSG REV		12/01/2011	VARIOUS		970,000	970,000	970,000	970,000						970,000				42,854	07/01/2038
49150T-AT-9	KENTUCKY ST MUN PWR AGY PWR SYS		09/08/2011	Merrill Lynch		9,950,490	9,900,000	9,778,428	9,784,654		1,529		1,529		9,786,183		164,307	164,307	511,500	09/01/2037
523470-BS-0	LEE CNTY FLA ARPT REV		10/04/2011	CALLED @ 100.000000		2,500,000	2,500,000	2,576,515	2,518,895		(18,895)		(18,895)		2,500,000				144,948	10/01/2025
544435-XE-5	LOS ANGELES CALIF DEPT ARPTS ARPT		03/02/2011	Merrill Lynch		4,543,050	4,450,000	4,705,831	4,606,235		(4,398)		(4,398)		4,601,837		(58,787)	(58,787)	89,222	05/15/2019
544435-XF-2	LOS ANGELES CALIF DEPT ARPTS ARPT		03/02/2011	Merrill Lynch		4,735,411	4,685,000	4,943,050	4,842,679		(4,435)		(4,435)		4,838,244		(102,833)	(102,833)	72,878	05/15/2020
560551-FG-3	MAINE ST TPK AUTH TPK REV		11/16/2011	RBC		1,063,080	1,000,000	1,053,900	1,015,636		(5,298)		(5,298)		1,010,337		52,743	52,743	72,917	07/01/2022
586111-FK-7	MEMPHIS SHELBY CNTY TENN ARPT AUTH		03/01/2011	CALLED @ 100.000000		1,760,000	1,760,000	1,786,875	1,774,096		(14,096)		(14,096)		1,760,000				58,972	03/01/2018
586111-FM-3	MEMPHIS-SHELBY CNTY TENN ARPT		07/08/2011	VARIOUS		2,010,000	2,010,000	1,978,222	1,987,362		22,638		22,638		2,010,000				74,535	03/01/2024
592040-6S-3	MET GOVT NASH & DAVIDSON CNTY TEN		06/29/2011	Morgan Stanley Co		561,000	561,000	583,675	550,000		(4,500)		(4,500)		550,000		11,000	11,000	19,617	12/01/2012
656678-RN-1	NORTH ALLEGHENY PA SCH DIST		10/05/2011	APEX SECURITIES INC.		3,811,972	3,630,000	3,682,635	3,650,738					(4,500)	3,646,238		165,734	165,734	179,988	05/01/2025
656678-RP-6	NORTH ALLEGHENY PA SCH DIST		10/05/2011	MITSUBISHI SECURITIES USA		6,248,400	6,000,000	6,056,940	6,022,475		(4,872)		(4,872)		6,017,602		230,798	230,798	297,500	05/01/2027
64985M-N6-9	NY ST ENVIR NYC WATER		03/15/2011	CITIGROUP GLOBAL MARKETS		1,893,375	1,875,000	1,931,052	1,903,512		(3,909)		(3,909)		1,899,603		(6,228)	(6,228)	24,824	06/15/2031
67760H-HX-2	OHIO ST TPK COMMN TPK REV		02/15/2011	CALLED @ 100.000000		1,220,000	1,220,000	1,249,085	1,220,473		(473)		(473)		1,220,000				33,550	02/15/2026
67886M-JG-5	OKLAHOMA HSG FIN AGY SINGLE FAMILY		08/01/2011	Sink PMT @ 100.000000		100,000	100,000	100,000	100,000						100,000				2,681	09/01/2034
67886M-JJ-9	OKLAHOMA HSG FIN AGY SINGLE FAMILY		09/01/2011	VARIOUS		620,000	620,000	620,000	620,000						620,000				17,378	03/01/2039
709235-PJ-8	PENNSYLVANIA ST UNIV		03/15/2011	Added by SunGard		4,965,000	5,000,000	5,170,450	5,085,035		(3,392)		(3,392)		5,081,643		(116,643)	(116,643)	136,806	09/01/2035
735352-DX-1	PORT ST LUCIE FLA UTIL REV		03/30/2011	CITIGROUP GLOBAL MARKETS		575,207	1,150,000	314,318	554,403		8,181		8,181		562,584		12,623	12,623		09/01/2023
745291-RN-6	PUERTO RICO PUB FIN CORP		03/02/2011	JANNEY		5,083,050	5,000,000	5,371,650	5,060,227		(9,239)		(9,239)		5,050,987		32,063	32,063	157,500	02/01/2012
795677-AS-2	SALT LAKE CNTY UTAH HOSP REV		05/16/2011	Sink PMT @ 101.000000		4,242,000	4,200,000	4,333,140	4,202,811		21,189		21,189		4,242,000				115,500	05/15/2015
821697-XY-0	SHELBY CNTY TENN HEALTH EDL & HSG		06/01/2011	MATURITY		3,300,000	3,300,000	3,437,445	3,320,181		(20,181)		(20,181)		3,300,000				82,500	06/01/2011
833119-UB-4	SNHOMISH CNTY WASH SCH DIST NO 00		03/03/2011	Added by SunGard		5,635,550	5,000,000	5,264,050	5,189,114		(4,042)		(4,042)</							

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
246395-TY-3	DE HSG-SR-SFM-B		09/01/2011	VARIOUS		630,000	630,000	630,000	630,000						630,000				19,896	07/01/2039
31412T-A0-6	FANNIE MAE POOL 933915		12/27/2011	VARIOUS		2,314,316	2,222,223	2,316,841	2,333,741		(28,988)		(28,988)		2,304,753		9,562	9,562	84,861	06/01/2023
31414D-D6-8	FANNIE MAE POOL 962803		12/27/2011	VARIOUS		2,398,725	2,301,162	2,399,141	2,413,773		(30,476)		(30,476)		2,383,296		15,428	15,428	90,356	05/01/2023
3129PY-BS-8	FEDERAL HOME LN MTG CORP #J15449		12/15/2011	PRINCIPAL RECEIPT		561,842		561,842			(25,897)		(25,897)		561,842				4,927	05/01/2026
34073N-7G-9	FL HSG FIN-HMOWNER-3		07/01/2011	CALLED @ 100.0000000		555,000	555,000	555,000	555,000						555,000				13,875	07/01/2023
34073N-8N-3	FL HSG-4-HOMEOWNER		10/03/2011	VARIOUS		1,080,000	1,080,000	1,080,000	1,080,000						1,080,000				46,091	07/01/2038
407287-GY-1	HAMILTON CNTY OH SALES TAX REV.		12/01/2011	CALLED @ 100.0000000		610,000	610,000	592,103	599,354		10,646		10,646		610,000				32,025	12/01/2019
407287-HA-2	HAMILTON CNTY OHIO SALES TAX		12/01/2011	CALLED @ 100.0000000		390,000	390,000	382,344	383,578		6,422		6,422		390,000				20,475	12/01/2032
491313-H7-0	KENTUCKY INFRASTRUCTURE AUTH SER.		12/05/2011	CALLED @ 100.0000000		1,000,000	1,000,000	982,880	988,806		11,194		11,194		1,000,000				50,556	06/01/2021
575295-AV-2	MASON OH COP MUNI FACS PROJ		04/18/2011	Added by SunGard		1,216,509	1,185,000	1,170,460	1,183,378		517		517		1,183,895		32,614	32,614	23,042	12/01/2020
57583F-ZR-5	MASSACHUSETTS ST DEV FIN AGENCY		06/22/2011	STIFEL NICOLAUS & CO INC.		3,800,000	4,000,000	3,901,040	3,920,314		1,328		1,328		3,921,642		(121,642)	(121,642)	185,639	08/01/2028
59465M-TC-9	MI RENTAL HSG-B		10/03/2011	VARIOUS		60,000	60,000	60,000	60,000						60,000				2,750	04/01/2016
59333M-GE-9	MIAMI DADE CNTY SCH BRD SER B		05/02/2011	CALLED @ 100.0000000		1,000,000	1,000,000	1,114,000	1,005,394		(5,394)		(5,394)		1,000,000				27,500	05/01/2031
646135-WQ-2	NJ ST TRANSN TR FD AUTH		07/08/2011	Added by SunGard		1,024,620	1,000,000	1,070,250	1,008,382		(4,503)		(4,503)		1,003,880		20,740	20,740	34,667	12/15/2011
647200-YP-3	NM MTG-SFM-D2		07/01/2011	Sink PMT @ 100.0000000		475,000	475,000	475,000	475,000						475,000				21,635	07/01/2039
641279-EC-4	NV HSG SF-SR-ISSUE B		10/03/2011	VARIOUS		1,170,000	1,170,000	1,170,000	1,170,000						1,170,000				37,263	04/01/2039
677560-LD-7	OHIO ST HSG FIN AGENCY RESIDENTIAL REV.		12/02/2011	VARIOUS		140,000	140,000	140,000	140,000						140,000				5,385	03/01/2040
684545-RR-9	ORANGE CNTY L TOURIST DEV TAX REV.		07/08/2011	Added by SunGard		3,105,600	3,000,000	2,897,580	2,983,911		6,543		6,543		2,990,454		115,146	115,146	120,438	10/01/2030
709159-BZ-9	PENNSYLVANIA ST HIGHER ED		06/21/2011	STIFEL NICOLAUS & CO INC		4,021,500	4,200,000	4,077,780	4,172,089		2,388	94,788	(92,400)		4,079,689		(58,189)	(58,189)	110,250	12/15/2021
781692-AL-2	RURAL ENTERPRISES OK INC REV.		06/22/2011	STIFEL NICOLAUS & CO INC		1,470,000	1,470,000	1,485,030	1,490,084		331		331		1,490,415		(20,415)	(20,415)	49,167	11/01/2021
79765A-UU-8	SAN FRANCISCO CITY & CNTY ARPT COM.		08/01/2011	CALLED @ 100.0000000		3,000,000	3,000,000	2,935,890	2,951,377		48,623		48,623		3,000,000				115,313	05/01/2026
837036-BL-5	SO CAROLINA JOBS EDA MYRTLE BEACH		06/21/2011	Added by SunGard		1,781,540	2,000,000	1,972,540	1,979,208		424		424		1,979,632		(198,092)	(198,092)	76,708	04/01/2026
880443-EE-2	TENNESSEE ENERGY CORP 5.00%		04/26/2011	Added by SunGard		9,131,800	10,000,000	10,213,200	10,187,583		(2,587)		(2,587)		10,184,996		(1,053,196)	(1,053,196)	372,222	02/01/2027
914009-JX-9	UNIVERSITY ARIZONA CTFIS PARTN.		08/16/2011	MURIEL SIEBERT & CO		949,322	915,000	903,068	912,063		1,266		1,266		913,329		35,992	35,992	33,607	06/01/2022
914059-JW-1	UNIVERSITY ARIZONA CTFIS PARTN.		08/16/2011	MURIEL SIEBERT & CO		954,500	920,000	911,637	917,976		873		873		918,849		35,660	35,660	33,791	06/01/2021
914720-PL-5	UNIVERSITY N C SYS POOL REV.		04/26/2011	SUNTRUST CAPITAL MARKETS		453,577	425,000	434,949	427,140		(377)		(377)		426,763		26,814	26,814	13,199	04/01/2022
31398P-4B-2	FANNIE MAE 1039 TG		02/25/2011	VARIOUS		7,645,027	7,419,159	7,585,800	7,612,522		(13,934)		(13,934)		7,588,589		46,438	46,438	88,775	10/25/2037
3128LO-DE-9	FGOLD 30YR		12/15/2011	PRINCIPAL RECEIPT		140,035	140,035	141,589	141,382		(1,347)		(1,347)		140,035				4,094	11/01/2037
3128MS-HJ-2	FGOLD 30YR GIANT		12/15/2011	PRINCIPAL RECEIPT		179,389	179,389	181,127	181,322		(1,932)		(1,932)		179,389				5,165	06/01/2036
3128WE-EF-1	FGOLD 30YR GIANT		12/15/2011	PRINCIPAL RECEIPT		244,540	244,540	231,702	230,487		14,053		14,053		244,540				6,629	04/01/2038
3128MS-ME-7	FGOLD 30YR GIANT POOL # 603657		12/15/2011	PRINCIPAL RECEIPT		572,462	572,462	592,766	590,105		(17,643)		(17,643)		572,462				16,631	12/01/2037
31403D-T8-2	FNMA 30YR POOL # 745875		12/27/2011	PRINCIPAL RECEIPT		237,796	237,796	243,889	244,259		(6,463)		(6,463)		237,796				7,333	09/01/2036
31414U-6M-5	FNMA 30YR POOL # 977076		12/27/2011	PRINCIPAL RECEIPT		408,713	408,713	393,259	387,681		21,032		21,032		408,713				9,474	01/01/2038
31405R-AK-2	FNMA 30YR POOL #796610		12/27/2011	PRINCIPAL RECEIPT		1,375,816	1,375,816	1,359,478	1,359,960		15,856		15,856		1,375,816				34,681	10/01/2034
31406M-4A-1	FNMA 30YR POOL #814517		12/27/2011	PRINCIPAL RECEIPT		244,080	244,080	241,181	244,080		2,663		2,663		244,080				10,413	10/01/2035
31385X-Q9-1	FNMA 30YR POOL#555880		12/27/2011	PRINCIPAL RECEIPT		254,118	254,118	252,549	252,377		1,741		1,741		254,118				6,716	11/01/2033
31402D-P7-9	FNMA 30YR POOL#725946		12/27/2011	PRINCIPAL RECEIPT		1,313,429	1,313,429	1,297,832	1,295,890		17,540		17,540		1,313,429				35,645	11/01/2034
314020-SZ-5	FNMA 30YR POOL#735036		12/27/2011	PRINCIPAL RECEIPT		1,294,568	1,294,568	1,279,195	1,277,781		16,787		16,787		1,294,568				34,905	12/01/2034
31407N-ZJ-5	FNMA 15 YR MBS/POOL		12/27/2011	PRINCIPAL RECEIPT		290,169	290,169	289,942	290,169		199		199		290,169				8,795	10/01/2020
314096-MP-8	FNMA 30 YR POOL		12/27/2011	PRINCIPAL RECEIPT		346,769	346,769	346,891	346,899		(131)		(131)		346,769				9,652	07/01/2036
31402C-VP-4	FNMA 30YR		12/27/2011	PRINCIPAL RECEIPT		33,392	33,392	33,301	33,296		96		96		33,392				877	02/01/2034
314020-WA-5	FNMA 30YR		12/27/2011	PRINCIPAL RECEIPT		49,523	49,523	47,910	47,862		1,661		1,661		49,523				1,339	01/01/2035
31410F-T6-2	FNMA 30YR MBS/POOL		12/27/2011	PRINCIPAL RECEIPT		170,636	170,636	168,423	168,266		2,370		2,370		170,636				4,792	02/01/2035
31403D-DX-4	FNMA 30YR MBS/POOL# 13442		12/27/2011	PRINCIPAL RECEIPT		120,403	120,403	115,906	115,324		5,079		5,079		120,403				3,776	04/01/2036
314106-AE-3	FNMA 30YR POOL		12/27/2011	PRINCIPAL RECEIPT		313,038	313,038	293,106	290,039		22,999		22,999		313,038				7,769	12/01/2036
31390Y-2V-9	FNMA POOL 660588		12/27/2011	PRINCIPAL RECEIPT		10,790	10,790	10,864	10,846		(56)		(56)		10,790				271	09/01/2017
60636X-XM-0	MO HSG SF PAC		09/01/2011	Sink PMT @ 100.0000000		730,000	730,000	763,215	730,000		(33,215)		(33,215)		730,000				34,031	03/01/2037
454624-Y4-3	INDIANA ST BOND BANK REVENUE		12/29/2011	VARIOUS		662,579	575,000	652,470			(323)		(323)		652,146			10,433	299	09/01/2023
454624-Y6-8	INDIANA ST BOND BANK REVENUE		12/21/2011	Added by SunGard		362,703	320,000	358,150			(82)		(82)		358,068		4,635	4,635	299	09/01/2024
944514-MP-0	WAYNE CNTY MICH ARPT AU 4.0		12/30/2011	VARIOUS		10,834,948	10,835,000	10,770,207			527		527		10,770,734		64,214	64,214	31,351	12/01/2020
319999 - U.S. Special Revenue and Special Assessment Obligations and all Non Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						376,908,741	415,997,295	381,693,587	369,938,031		(45,866)	1,867,411	(1,913,277)		3					

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	
65538B-AH-2	NOMURA ASSET ACCEPTANCE 2007-S2W A		12/25/2011	PRINCIPAL RECEIPT		174,555	174,555	113,521			61,034		61,034		174,555					.43	07/25/2037
65538P-AD-0	NOMURA ASSET ACCEPTANCE CORP		12/25/2011	PRINCIPAL RECEIPT		83,201	83,201	58,492	58,429		24,772		24,772		83,201					.679	03/25/2047
75971F-AX-1	RENAISSANCE HOME EQUITY LOAN TRUST		12/25/2011	PRINCIPAL RECEIPT		2,691,931	2,691,931	1,352,085			1,339,846		1,339,846		2,691,931					.570	09/25/2037
88156V-AB-4	TWTS 2006-12SL A2		12/25/2011	PRINCIPAL RECEIPT		431,674	431,674	231,742			206,657		206,657		431,674					1.063	10/25/2037
88157D-AA-5	TWTS 2006-12SL A1 35125%		12/25/2011	PRINCIPAL RECEIPT		4,365,160	4,365,160	2,964,287	1,012,139		1,384,464		1,213,849		4,365,160					.470	11/25/2037
88157D-AB-3	TWTS 2006-12SL A2		12/25/2011	PRINCIPAL RECEIPT		337,708	337,708	274,420	148,347		63,298		38,680		337,708					.746	11/25/2037
88157G-AB-6	TWTS 2007 1SL A2		12/25/2011	PRINCIPAL RECEIPT		207,173	207,173	181,378	155,638		25,998		29,885	(3,887)	207,173					.348	01/25/2038
88157V-AB-3	TWTS 2007-6 ALT A2		12/25/2011	PRINCIPAL RECEIPT		105,236	105,236	57,278	59,643		43,369		43,369		105,236					.9	08/25/2038
88157Y-AC-1	TWTS 2007-6 ALT A3		11/25/2011	PRINCIPAL RECEIPT		34,717	34,717	27,241	27,903		7,568		754	6,814	34,717					.4	08/25/2038
88156V-AA-6	TWTS .06-10SL A1		12/25/2011	PRINCIPAL RECEIPT		4,104,267	4,104,267	2,060,374	817,140		1,993,792		82,001	1,911,791	4,104,267					5.630	10/25/2037
88157G-AA-8	TWTS2007-1SLA1		12/25/2011	PRINCIPAL RECEIPT		3,614,829	3,614,829	2,447,404	408,754		1,172,834		265,230	907,604	3,614,829					.918	01/25/2038
07401W-AP-4	BEAR STEARNS SECOND LIEN 2007-1 2A		12/25/2011	PRINCIPAL RECEIPT		390,765	390,765	335,251	392,155		56,019		57,409	(1,390)	390,765					.35	08/25/2037
62938R-AA-5	NRG PEAKER FINANCE LLC		12/10/2011	Sink PMT @ 100.00000000		21,232,000	21,232,000	15,137,567	15,137,567		6,094,433		6,094,433		21,232,000					296.384	06/10/2019
233050-AN-3	DBUBS 11-LC1AA1 144A		12/12/2011	PRINCIPAL RECEIPT		134,025	134,025	135,361			(1,336)		(1,336)		134,025					2.229	11/10/2046
	ADVANTAGE CAPITAL II			USE OF TAX CREDIT		169,284									169,284						12/01/2020
3899999	Bonds - Industrial and Miscellaneous (Unaffiliated)					78,193,311	76,234,888	60,199,474	47,380,671		17,604,736	1,105,345	16,499,391		77,569,308		624,003	624,003		710.855	XXX
8399997	Subtotals - Bonds - Part 4					599,122,050	628,892,183	582,613,881	555,890,634		17,164,101	2,972,756	14,191,345		600,083,593		(961,544)	(961,544)		17,099,225	XXX
8399998	Summary item from Part 5 for Bonds					428,826,295	413,601,000	425,006,668			(111,705)		(111,705)		424,894,962		3,931,325	3,931,325		1,583,298	XXX
8399999	Subtotals - Bonds					1,027,948,345	1,042,493,183	1,007,620,549	555,890,634		17,052,396	2,972,756	14,079,640		1,024,978,555		2,969,781	2,969,781		18,682,523	XXX
8999998	Summary item from Part 5 for Preferred Stocks						XXX														XXX
8999999	Subtotals - Preferred Stocks						XXX														XXX
9799998	Summary item from Part 5 for Common Stocks						XXX														XXX
9799999	Subtotals - Common Stocks						XXX														XXX
9899999	Subtotals - Preferred and Common Stocks						XXX														XXX
9999999	Totals					1,027,948,345	XXX	1,007,620,549	555,890,634		17,052,396	2,972,756	14,079,640		1,024,978,555		2,969,781	2,969,781		18,682,523	XXX

E14.3

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Disposal Date	7 Name of Purchaser	8 Par Value (Bonds) or Number of Shares (Stocks)	9 Actual Cost	10 Consideration	11 Book/ Adjusted Carrying Value at Disposal	Change in Book/Adjusted Carrying Value					17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Interest and Dividends Received During Year	21 Paid for Accrued Interest and Dividends	
											12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other than Temporary Impairment Recognized	15 Total Change In B./A. C.V. (12 + 13 - 14)	16 Total Foreign Exchange Change in B./A. C.V.						
313373-2Y-7	FEDERAL HOME LOAN BANK		06/30/2011	JP Morgan Securities	10/05/2011	Added by SunGard	20,000,000	20,066,000	21,857,800	20,064,486				(1,514)				1,793,314	1,793,314	400,764	209,444
0599999	Bonds - U.S. Governments						20,000,000	20,066,000	21,857,800	20,064,486				(1,514)				1,793,314	1,793,314	400,764	209,444
207726-PP-8	CONNECTICUT ST.		05/03/2011	BARCLAYS CAPITAL	09/01/2011	JANNEY	2,510,000	2,744,032	2,800,307	2,719,764			(24,268)		(24,268)			80,543	80,543	95,868	54,035
207726-PP-8	CONNECTICUT ST.		05/03/2011	BARCLAYS CAPITAL	09/01/2011	JANNEY	2,500,000	2,733,100	2,789,150	2,708,928			(24,172)		(24,172)			80,222	80,222	95,486	53,819
040507-MU-6	ARIZONA ST HEALTH FACS AUTH REV.		10/28/2011	Goldman Sachs	11/04/2011	VARIOUS	7,500,000	7,275,000	7,385,295	7,275,038			38		38			110,257	110,257		
11506K-DC-2	BROWARD CNTY FL PORT FACS REVE		11/10/2011	Goldman Sachs	12/06/2011	VARIOUS	4,745,000	4,934,420	4,941,472	4,933,322			(1,099)		(1,099)			8,151	8,151		11,015
11506K-DD-0	BROWARD CNTY FL PORT FACS REVE		11/10/2011	Goldman Sachs	11/29/2011	VARIOUS	10,000,000	9,753,200	9,806,875	9,753,595			395		395			53,280	53,280		6,289
139372-PD-2	CAPE CORAL FL WTR & SWR REVENU		09/08/2011	Goldman Sachs	09/13/2011	Goldman Sachs	2,500,000	2,513,675	2,547,350	2,513,661			(14)		(14)			33,689	33,689		
167393-MS-3	CHICAGO HEIGHTS IL		12/16/2011	Goldman Sachs	12/19/2011	Goldman Sachs	3,275,000	3,246,475	3,268,713	3,246,488			14		14			22,224	22,224		
167393-MT-1	CHICAGO HEIGHTS IL		12/16/2011	Goldman Sachs	12/19/2011	Goldman Sachs	3,155,000	3,119,033	3,147,113	3,119,048			15		15			28,064	28,064		
167393-MU-8	CHICAGO HEIGHTS IL		12/16/2011	Goldman Sachs	12/19/2011	Goldman Sachs	2,300,000	2,267,271	2,298,620	2,267,283			12		12			31,337	31,337		
167393-MV-6	CHICAGO HEIGHTS IL		12/16/2011	Goldman Sachs	12/20/2011	Goldman Sachs	1,350,000	1,343,331	1,364,315	1,343,334			3		3			20,981	20,981		
167393-MW-4	CHICAGO HEIGHTS IL		12/16/2011	Goldman Sachs	12/19/2011	Goldman Sachs	1,100,000	1,083,269	1,099,340	1,083,274			5		5			16,066	16,066		
167486-NG-0	CHICAGO IL		11/09/2011	Goldman Sachs	11/15/2011	Goldman Sachs	8,000,000	7,951,840	7,915,000	7,951,855			15		15			(36,855)	(36,855)		
167723-FB-6	CHICAGO IL TRANSIT AUTH CAPITA		10/27/2011	Goldman Sachs	11/07/2011	Goldman Sachs	5,000,000	4,950,300	4,991,160	4,950,342			42		42			40,817	40,817		3,765
186352-PC-7	CLEVELAND OH CRT ST SYS REVENUE		11/03/2011	Goldman Sachs	12/07/2011	VARIOUS	6,660,000	7,276,450	7,335,934	7,271,733			(4,717)		(4,717)			64,201	64,201		20,093
312810-DN-1	FAYETTEVILLE N C ST UNIV REV.		08/11/2011	WELLS FARGO BROK SER LLC	10/06/2011	VARIOUS	705,000	698,324	717,561	698,331			7		7			19,231	19,231		1,649
312810-DR-2	FAYETTEVILLE N C ST UNIV REV.		08/11/2011	WACHOVIA SECURITIES INC.	08/18/2011	VARIOUS	1,000,000	1,000,000	1,010,250	1,000,000								10,250	10,250		
406792-R7-8	HAMDEN CONN		08/17/2011	Added by SunGard	09/13/2011	VARIOUS	1,750,000	1,690,815	1,716,792	1,690,944			129		129			25,847	25,847		1,374
406792-R8-6	HAMDEN CONN		08/17/2011	Added by SunGard	10/14/2011	VARIOUS	1,500,000	1,461,735	1,491,034	1,461,883			148		148			29,151	29,151		2,964
406792-S2-8	HAMDEN CONN		08/17/2011	Added by SunGard	08/29/2011	VARIOUS	2,000,000	1,934,540	1,946,738	1,934,600			60		60			12,137	12,137		1,505
45505M-BJ-4	INDIANA ST FIN AUTH WASTEWATER		08/18/2011	Morgan Stanley Co	08/23/2011	MESIROU FINANCIAL INC.	6,045,000	5,933,953	6,026,019	5,933,983			30		30			92,036	92,036		
45505M-BL-9	INDIANA ST FIN AUTH WASTEWATER		08/26/2011	MUNICENTER	09/06/2011	VARIOUS	6,000,000	6,575,940	6,623,501	6,574,691			(1,249)		(1,249)			48,810	48,810		11,298
45505M-BW-7	INDIANA ST FIN AUTH WASTEWATER		08/26/2011	MUNICENTER	09/06/2011	VARIOUS	7,390,000	7,984,969	8,062,579	7,983,744			(1,225)		(1,225)			78,835	78,835		13,354
45505M-BN-5	INDIANA ST FIN AUTH WASTEWATER		08/26/2011	MUNICENTER	09/06/2011	VARIOUS	2,000,000	2,132,260	2,161,797	2,131,982			(278)		(278)			29,815	29,815		3,733
45528U-DG-3	INDIANAPOLIS IND LOC PUB IMPTB.		09/08/2011	Goldman Sachs	11/01/2011	VARIOUS	9,265,000	10,475,658	10,218,366	10,460,206			(15,452)		(15,452)			(241,840)	(241,840)		35,590
45528U-DL-2	INDIANAPOLIS IND LOC PUB IMPTB.		09/08/2011	Goldman Sachs	09/15/2011	Goldman Sachs	19,675,000	21,025,099	21,125,441	21,023,692			(1,406)		(1,406)			101,749	101,749		
474682-ET-4	JEFFERSON PARISH LA HOSP SVC D		09/23/2011	Goldman Sachs	10/04/2011	VARIOUS	4,750,000	4,671,605	4,805,240	4,671,680			75		75			133,560	133,560		
474682-EU-1	JEFFERSON PARISH LA HOSP SVC D		09/23/2011	Goldman Sachs	10/13/2011	Goldman Sachs	5,000,000	5,105,850	5,207,300	5,105,366			(484)		(484)			101,934	101,934		4,167
523470-FW-7	LEE CNTY FLA ARPT REV.		08/08/2011	VARIOUS	08/12/2011	VARIOUS	6,000,000	5,872,720	5,880,260	5,872,799			79		79			7,461	7,461		
542690-Y3-0	LONG ISLAND PWR AUTH N Y ELEC.		09/16/2011	Goldman Sachs	09/19/2011	Goldman Sachs	3,000,000	3,080,370	3,115,680	3,080,316			(54)		(54)			35,364	35,364		
542690-Y5-5	LONG ISLAND PWR AUTH N Y ELECS.		09/19/2011	Goldman Sachs	09/19/2011	Goldman Sachs	1,500,000	1,523,925	1,543,245	1,523,925								19,320	19,320		
58607E-BL-7	MEMPHIS TN CTR CITY REVENUE FI		09/23/2011	Goldman Sachs	11/01/2011	VARIOUS	7,095,000	7,495,287	7,452,762	7,491,901			(3,386)		(3,386)			(39,139)	(39,139)		35,063
58607E-BN-3	MEMPHIS TN CTR CITY REVENUE FI		09/22/2011	Goldman Sachs	10/04/2011	Goldman Sachs	1,000,000	982,360	994,439	982,374			14		14			12,065	12,065		594
59334C-FA-9	MIAMI-DADE CNTY FLA PUB SVC		09/22/2011	Goldman Sachs	10/19/2011	VARIOUS	3,230,000	3,483,361	3,422,109	3,481,739			(1,622)		(1,622)			(59,630)	(59,630)		11,561
59334C-FB-7	MIAMI-DADE CNTY FLA PUB SVC		09/22/2011	Goldman Sachs	10/19/2011	VARIOUS	3,400,000	3,644,460	3,578,024	3,643,105			(1,355)		(1,355)			(65,081)	(65,081)		10,458
60534R-4N-6	MISSISSIPPI DEV BK SPL OBLIG.		08/12/2011	Goldman Sachs	10/13/2011	Goldman Sachs	1,300,000	1,397,656	1,370,181	1,396,334			(1,322)		(1,322)			(26,153)	(26,153)		10,792
60534R-4P-1	MISSISSIPPI DEV BK SPL OBLIG.		08/12/2011	Goldman Sachs	09/21/2011	VARIOUS	2,700,000	2,882,196	2,897,040	2,880,639			(1,557)		(1,557)			16,401	16,401		14,111
60534R-4S-5	MISSISSIPPI DEV BK SPL OBLIG.		08/12/2011	Goldman Sachs	08/31/2011	VARIOUS	8,000,000	7,732,400	7,853,969	7,732,593			193		193			121,376	121,376		6,503
646039-CU-9	NEW JERSEY ST.		09/09/2011	Goldman Sachs	09/09/2011	Goldman Sachs	7,270,000	8,486,416	8,456,682	8,486,416								(29,734)	(29,734)		77,395
64763T-CD-9	NEW ORLEANS LA AUDUBON		08/18/2011	PERSHING & CO	10/20/2011	VARIOUS	3,105,000	3,483,748	3,404,898	3,476,827			(6,921)		(6,921)			(71,928)	(71,928)		14,006
64763T-CE-7	new orleans la audubon		08/18/2011	PERSHING & CO	10/07/2011	PERSHING & CO	3,470,000	3,872,624	3,784,568	3,867,928			(4,696)		(4,696)			(83,360)	(83,360)		8,694
64763T-CF-4	NEW ORLEANS LA AUDUBON		08/18/2011	PERSHING & CO	10/07/2011	VARIOUS	2,695,000	2,995,735	2,932,733	2,992,789			(2,946)		(2,946)			(60,056)	(60,056)		6,399
649906-PU-2	NEW YORK ST DORM AUTH REVENUES		11/17/2011	Goldman Sachs	12/05/2011	VARIOUS	4,620,000	5,117,435	5,159,191	5,115,446			(1,989)		(1,989)			43,745	43,745		
649519-BP-9	NEW YORK ST LIBERTY DEV CORP L		11/02/2011	Goldman Sachs	11/03/2011	Goldman Sachs	2,000,000	2,023,540	2,050,640	2,021,710			(1,830)		(1,830)			28,930	28,930		
649519-BQ-7	NEW YORK ST LIBERTY DEV CORP L		11/02/2011	Goldman Sachs	11/17/2011	Goldman Sachs	14,500,000	15,323,045	15,369,565	15,320,440			(2,605)		(2,605)			49,125	49,125		16,212
649519-BR-5	NEW YORK ST LIBERTY DEV CORP L		11/02/2011	Goldman Sachs	11/02/2011	Goldman Sachs	5,000,000	4,931,250	5,007,800	4,931,250								76,550	76,550		
655857-DL-1	NORFOLK VA ARPT AUTH REV.		10/04/2011	Goldman Sachs	10/17/2011	VARIOUS	2,115,000	2,283,756	2,257,517	2,283,364			(392)		(392)			(25,846)	(25,846)		1,501
655857-DN-9	NORFOLK VA ARPT AUTH REV.		10/04/2011	Goldman Sachs	10/07/2011	Goldman Sachs	1,045,000	1,118,819	1,107,782	1,118,768			(50)		(50)			(10,987)	(10,987)		
74529J-LX-1	PUERTO RICO SALES TAX FING COR		11/16/2011	Goldman Sachs	11/17/2011	Goldman Sachs	3,000,000	2,952,870	2,985,570	2,952,872			2		2			32,698	32,698		
786056-AZ-4	SACRAMENTO CA PENSN OBLG.																				

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identification	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 Foreign	4 NAIC Company Code or Alien Insurer Identification Number	5 NAIC Valuation Method (See SVO Purposes and Procedures Manual)	6 Do Insurer's Admitted Assets Include Intangible Assets Connected with Holding of Such Company's Stock?	7 Total Amount of Such Intangible Assets	8 Book / Adjusted Carrying Value	Stock of Such Company Owned by Insurer on Statement Date		
								9 Number of Shares	10 % of Outstanding	
	ASSURED GUARNTY MUNICIPAL INS. CO.			2ciB1		601,765,340	2,500,000,000	100.0		
	ASSURED GURANTY (BERMUDA) LTD.			2ciB4		24,445,575	64,000	17.6		
1099999 - Common Stock - Parent							626,210,915	XXX	XXX	
1899999 - Subtotals - Common Stocks							626,210,915	XXX	XXX	
1999999 Totals							626,210,915	XXX	XXX	

1. Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$
2. Total amount of intangible assets nonadmitted: \$

SCHEDULE D - PART 6 - SECTION 2

1 CUSIP Identification	2 Name of Lower-Tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-Tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 7, Section 1	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding
	ASSURED GUARANTY (EUROPE) LTD.	ASSURED GAURANTY MUNICIAPAL INS. CO.		55,000,000,000	100.0
	FINANCIAL SECURITY ASSURANCE INTL.	ASSURED GAURANTY MUNICIAPAL INS. CO.		300,000	82.4
	FSA MEXICO HOLDING INC.	ASSURED GAURANTY MUNICIAPAL INS. CO.		100,000	100.0
0399999 Total				XXX	XXX

Schedule DB - Part A - Section 1

NONE

Sch. DB - Pt. A - Sn. 1 - Footnote (a)

NONE

Schedule DB - Part A - Section 2

NONE

Sch. DB - Pt. A - Sn. 2 - Footnote (a)

NONE

Schedule DB - Part B - Section 1- Future

NONE

Sch. DB - Pt. B - Sn. 1 - Footnotes

NONE

Schedule DB - Part B - Section 2- Future

NONE

Sch. DB - Pt. B - Sn. 2 - Footnotes

NONE

Schedule DB - Part D

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2011 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE E PART 3 - SPECIAL DEPOSITS

States, Etc.	1 Type of Deposits	2 Purpose of Deposits	Deposits For		All Other Special Deposits	
			The Benefit of All Policyholders		5 Book/Adjusted Carrying Value	6 Fair Value
			3 Book/Adjusted Carrying Value	4 Fair Value		
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR	C	Financial Guaranty		100,000	100,000
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA	C	Financial Guaranty		25,000	25,000
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA	C	Financial Guaranty		150,000	150,000
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV					
30. New Hampshire	NH					
31. New Jersey	NJ					
32. New Mexico	NM	B	Financial Guaranty		352,794	458,216
33. New York	NY	B	Financial Guaranty	2,975,374	3,599,915	
34. North Carolina	NC	O	Financial Guaranty		211,425	281,633
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK	B	Financial Guaranty		745,175	1,005,265
38. Oregon	OR	B	Financial Guaranty		286,606	386,641
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN					
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA	B	Financial Guaranty		281,474	329,668
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY	B	Financial Guaranty		515,890	695,953
52. American Samoa	AS					
53. Guam	GU	C	Financial Guaranty		50,000	50,000
54. Puerto Rico	PR					
55. US Virgin Islands	VI	B	Financial Guaranty		649,920	659,369
56. Northern Mariana Islands	MP					
57. Canada	CN					
58. Aggregate Other Alien	OT	XXX	XXX		1,770,852	1,770,852
59. Total	XXX	XXX		2,975,374	3,599,915	5,139,136
DETAILS OF WRITE-INS						
5801. Tokyo	ST		Financial Guaranty		1,770,852	1,770,852
5802.						
5803.						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	XXX				
5899. Totals (Lines 5801 - 5803 + 5898)(Line 58 above)	XXX	XXX			1,770,852	1,770,852

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