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PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2018

OF THE CONDITION AND AFFAIRS OF THE

ASSURED GUARANTY CORP.

NAIC Group Code 0194 (Current Period), 0194 (Prior Period) NAIC Company Code 30180 Employer's ID Number 52-1533088

Organized under the Laws of Maryland, State of Domicile or Port of Entry Maryland

Country of Domicile United States

Incorporated/Organized 10/25/1985 Commenced Business 01/28/1988

Statutory Home Office 1633 Broadway (Street and Number), New York, NY, US 10019 (City or Town, State, Country and Zip Code)

Main Administrative Office 1633 Broadway (Street and Number) New York, NY, US 10019 (City or Town, State, Country and Zip Code) 212-974-0100 (Area Code) (Telephone Number)

Mail Address 1633 Broadway (Street and Number or P.O. Box), New York, NY, US 10019 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1633 Broadway (Street and Number) New York, NY, US 10019 (City or Town, State, Country and Zip Code) 212-974-0100 (Area Code) (Telephone Number)

Internet Web Site Address www.assuredguaranty.com

Statutory Statement Contact John Mahlon Ringler (Name) 212-974-0100 (Area Code) (Telephone Number) (Extension)

jringler@agltd.com (E-Mail Address) 212-581-3268 (Fax Number)

OFFICERS

Name	Title	Name	Title
Dominic John Frederico	President & Chief Executive Officer	Gon Ling Chow	General Counsel & Secretary
Donald Hal Paston	Treasurer		

OTHER OFFICERS

Howard Wayne Albert	Chief Risk Officer	Robert Adam Bailenson	Chief Financial Officer
Laura Ann Bieling	Controller	Russell Brown Brewer II	Chief Surveillance Officer
Stephen Donnarumma	Chief Credit Officer	John Mahlon Ringler	Vice President Regulatory Reporting
Benjamin Gad Rosenblum	Chief Actuary	Bruce Elliot Stern	Executive Officer

DIRECTORS OR TRUSTEES

Howard Wayne Albert	Robert Adam Bailenson	Russell Brown Brewer II	David Allan Buzen
Gon Ling Chow	Stephen Donnarumma	Dominic John Frederico	Donald Hal Paston
Benjamin Gad Rosenblum	Bruce Elliot Stern		

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.

Dominic John Frederico	Gon Ling Chow	Donald Hal Paston
President & Chief Executive Officer	General Counsel & Secretary	Treasurer

a. Is this an original filing? Yes [X] No [ ]

b. If no:
1. State the amendment number
2. Date filed
3. Number of pages attached

Subscribed and sworn to before me this 10th day of August, 2018

EILEEN M. LANZISERA
Notary Public, State of New York
No. 01LA4728044
Qualified in Nassau County
Commission Expires Jan. 31, 2019

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	2,517,328,806		2,517,328,806	2,644,906,628
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	105,192,272	5,110,383	100,081,889	99,469,709
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less $ encumbrances)	1,949,276	1,949,276	0	0
4.2 Properties held for the production of income (less $ encumbrances)	25,797,784		25,797,784	26,540,018
4.3 Properties held for sale (less $ encumbrances)			0	0
5. Cash ($ 120,999,926), cash equivalents ($ 271,665,615) and short-term investments ($ 2,471,264)	395,136,805		395,136,805	96,403,233
6. Contract loans (including $ premium notes)			0	0
7. Derivatives	0		0	0
8. Other invested assets	2,617,722		2,617,722	3,679,927
9. Receivables for securities	4,454,022		4,454,022	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	3,052,476,687	7,059,659	3,045,417,028	2,870,999,515
13. Title plants less $ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	21,948,250		21,948,250	22,769,660
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	11,623,795	3,936,054	7,687,741	5,629,544
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums ($) and contracts subject to redetermination ($)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	4,439,373		4,439,373	(439,771)
16.2 Funds held by or deposited with reinsured companies	29,314,951		29,314,951	12,404,759
16.3 Other amounts receivable under reinsurance contracts	(2,347)		(2,347)	(2,358)
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	155,469,391		155,469,391	164,864,707
18.2 Net deferred tax asset	69,586,869	51,819,321	17,767,548	26,859,887
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	389,825	120,739	269,086	411,968
21. Furniture and equipment, including health care delivery assets ($)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	6,207,437	85,065	6,122,372	14,403,697
24. Health care ($) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	19,205,790	10,448,832	8,756,958	8,808,007
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,370,660,021	73,469,670	3,297,190,351	3,126,709,615
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	3,370,660,021	73,469,670	3,297,190,351	3,126,709,615
DETAILS OF WRITE-INS				
1101.			0	0
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Other assets	6,622,520	2,763,391	3,859,129	4,395,935
2502. Miscellaneous receivable	4,948,119	50,290	4,897,829	4,412,072
2503. Prepaid expenses	7,635,151	7,635,151	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	19,205,790	10,448,832	8,756,958	8,808,007

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year $ 104,008,260)	308,697,864	127,410,882
2. Reinsurance payable on paid losses and loss adjustment expenses	793,159	1,331,489
3. Loss adjustment expenses	6,508,412	7,478,372
4. Commissions payable, contingent commissions and other similar charges	4,606	3,445
5. Other expenses (excluding taxes, licenses and fees)	3,259,070	2,883,279
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(859,398)	(811,712)
7.1 Current federal and foreign income taxes (including $ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money $ and interest thereon $		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of $ 207,635,360 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)	419,595,725	256,135,330
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	41,217,462	5,413,648
13. Funds held by company under reinsurance treaties	14,757,646	14,811,711
14. Amounts withheld or retained by company for account of others	(13,887)	(64,348)
15. Remittances and items not allocated		0
16. Provision for reinsurance (including $ certified)	165,001	2,856
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	10,324,102	15,776,799
20. Derivatives	0	0
21. Payable for securities	31,158,817	30,052,539
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes $ and interest thereon $		0
25. Aggregate write-ins for liabilities	611,985,460	593,118,972
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	1,447,594,039	1,053,543,262
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	1,447,594,039	1,053,543,262
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	15,000,480	15,000,480
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	300,000,000	300,000,000
34. Gross paid in and contributed surplus	723,287,299	923,295,595
35. Unassigned funds (surplus)	811,308,533	834,870,278
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 $)		0
36.2 shares preferred (value included in Line 31 $)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	1,849,596,312	2,073,166,353
38. Totals (Page 2, Line 28, Col. 3)	3,297,190,351	3,126,709,615
DETAILS OF WRITE-INS		
2501. Contingency reserves	561,240,656	553,940,655
2502. Deferred investment gain	19,935,024	23,975,115
2503. Miscellaneous liability	30,809,780	15,203,202
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	611,985,460	593,118,972
2901.		0
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		0
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $ 11,852,995)	53,238,165	88,394,590	197,688,757
1.2 Assumed (written $ 242,335,422)	7,656,304	5,938,114	12,461,016
1.3 Ceded (written $ 56,270,638)	27,136,722	41,215,206	86,841,953
1.4 Net (written $ 197,917,779)	33,757,747	53,117,498	123,307,820
DEDUCTIONS:			
2. Losses incurred (current accident year $ (1,811,070)):			
2.1 Direct	10,126,179	115,952,221	100,281,391
2.2 Assumed	(1,501,988)	(86,214,883)	(64,612,113)
2.3 Ceded	19,621,479	(83,710,141)	(63,226,834)
2.4 Net	(10,997,288)	113,447,479	98,896,112
3. Loss adjustment expenses incurred	3,465,296	34,232,986	40,476,348
4. Other underwriting expenses incurred	33,095,143	33,062,189	63,971,031
5. Aggregate write-ins for underwriting deductions	11,961	0	(3,155,253)
6. Total underwriting deductions (Lines 2 through 5)	25,575,112	180,742,654	200,188,238
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	8,182,635	(127,625,156)	(76,880,418)
INVESTMENT INCOME			
9. Net investment income earned	66,884,628	81,884,027	132,769,291
10. Net realized capital gains (losses) less capital gains tax of $ (209,300)	(4,299,499)	(63,008,640)	(65,941,305)
11. Net investment gain (loss) (Lines 9 + 10)	62,585,129	18,875,387	66,827,986
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $ amount charged off $)		0	0
13. Finance and service charges not included in premiums		0	0
14. Aggregate write-ins for miscellaneous income	5,173,758	9,610,896	16,854,058
15. Total other income (Lines 12 through 14)	5,173,758	9,610,896	16,854,058
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	75,941,522	(99,138,873)	6,801,626
17. Dividends to policyholders		0	0
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)	75,941,522	(99,138,873)	6,801,626
19. Federal and foreign income taxes incurred	4,741,943	(9,009,946)	(212,335,569)
20. Net income (Line 18 minus Line 19)(to Line 22)	71,199,579	(90,128,927)	219,137,195
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	2,073,166,353	1,895,577,357	1,895,577,357
22. Net income (from Line 20)	71,199,579	(90,128,927)	219,137,195
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of $	6,693,722	19,334,761	40,179,355
25. Change in net unrealized foreign exchange capital gain (loss)	699,637	(1,215,849)	(2,014,602)
26. Change in net deferred income tax	(3,916,828)	37,224,080	(233,233,713)
27. Change in nonadmitted assets	(14,775,709)	(18,891,036)	144,648,486
28. Change in provision for reinsurance	(162,145)	(605,728)	237
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in	(200,008,296)	0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders	(76,000,000)	(51,000,000)	(107,200,000)
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	(7,300,001)	(1,333,968)	116,072,038
38. Change in surplus as regards policyholders (Lines 22 through 37)	(223,570,041)	(106,616,667)	177,588,996
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	1,849,596,312	1,788,960,690	2,073,166,353
DETAILS OF WRITE-INS			
0501. Commutation losses (gains)	11,961		(3,155,253)
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	11,961	0	(3,155,253)
1401. Other income	5,173,758	9,610,896	16,854,058
1402.		0	0
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	5,173,758	9,610,896	16,854,058
3701. Change in contingency reserve	(7,300,001)	(1,258,080)	116,147,925
3702. Change in accounting		(75,888)	(75,887)
3703.		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	(7,300,001)	(1,333,968)	116,072,038

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	231,875,114	14,327,395	25,974,894
2. Net investment income	50,240,342	52,134,626	89,439,295
3. Miscellaneous income	(16,823,854)	244,189	2,813,343
4. Total (Lines 1 to 3)	265,291,602	66,706,210	118,227,532
5. Benefit and loss related payments	(183,545,034)	333,762	85,402,300
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	22,037,732	63,841,885	96,610,199
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of $ .... tax on capital gains (losses)	(4,862,672)	55,278	940,904
10. Total (Lines 5 through 9)	(166,369,974)	64,230,925	182,953,403
11. Net cash from operations (Line 4 minus Line 10)	431,661,576	2,475,285	(64,725,871)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	383,752,530	283,359,609	532,952,573
12.2 Stocks	0	138,892,971	237,142,971
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	1,000,606	1,499,342	1,938,076
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	138	13	(502)
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	384,753,274	423,751,935	772,033,118
13. Cost of investments acquired (long-term only):			
13.1 Bonds	241,672,982	313,622,386	649,963,332
13.2 Stocks	0	1,000	1,000
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	59,312	59,312
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	(23,000,000)	(23,000,000)
13.7 Total investments acquired (Lines 13.1 to 13.6)	241,672,982	290,682,698	627,023,644
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	143,080,292	133,069,237	145,009,474
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	(200,008,296)	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0	0
16.5 Dividends to stockholders	76,000,000	51,000,000	107,200,000
16.6 Other cash provided (applied)	0	0	0
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(276,008,296)	(51,000,000)	(107,200,000)
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)	298,733,572	84,544,522	(26,916,397)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	96,403,233	123,319,630	123,319,630
19.2 End of period (Line 18 plus Line 19.1)	395,136,805	207,864,152	96,403,233

1. **Summary of Significant Accounting Policies and Going Concern**

A. Accounting Practices
The financial statements of Assured Guaranty Corp. (the "Company" or "AGC") are presented on the basis of accounting practices prescribed or permitted by the Maryland Insurance Administration ("MIA"). The MIA recognizes only statutory accounting practices prescribed or permitted by the state of Maryland for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Maryland 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 Maryland. 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 Maryland Insurance Commissioner and NAIC SAP is shown below:

	SSAP #	F/S Page	F/S Line #	Six Months Ended June 30, 2018	Year Ended December 31, 2017
NET INCOME					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)				$ 71,199,579	$ 219,137,195
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:					
None				—	—
(3) State Permitted Practices that increase/(decrease) NAIC SAP:					
None				—	—
(4) NAIC SAP (1-2-3=4)				$ 71,199,579	$ 219,137,195
SURPLUS					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)				$ 1,849,596,312	$2,073,166,353
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:					
None				—	—
(7) State Permitted Practices that increase/(decrease) NAIC SAP:					
None				—	—
(8) NAIC SAP (5-6-7=8)				$ 1,849,596,312	$2,073,166,353

B. Use of Estimates in the Preparation of the Financial Statements
There has been no significant change since the 2017 Annual Statement in the estimates inherent in the preparation of the financial statements.

C. Accounting Policies
There has been no significant change since the 2017 Annual Statement.

D. Going Concern
There are currently no conditions or events to cause management to have any substantial doubt about the Company's ability to continue as a going concern.

2. **Accounting Changes and Corrections of Errors**
There has been no change since the 2017 Annual Statement.

3. **Business Combinations and Goodwill**
A. Statutory Purchase Method. There has been no change since the 2017 Annual Statement.
B. Statutory Merger. There has been no change since the 2017 Annual Statement.
C. Impairment Loss. There has been no change since the 2017 Annual Statement.

4. **Discontinued Operations**
There has been no change since the 2017 Annual Statement.

5. **Investments**
A. Mortgage Loans, including Mezzanine Real Estate Loans - The Company did not hold investments in mortgage loans at June 30, 2018.
B. Debt Restructuring - The Company has no investments in restructured debt in which the Company is a creditor at June 30, 2018.
C. Reverse Mortgages - The Company did not hold reverse mortgages as investments at June 30, 2018.
D. Loan-Backed Securities
1. Prepayment assumptions for loan backed and structured securities were obtained from publicly available sources and internal models.

2. The following table summarizes by quarter other-than-temporary-impairments ("OTTI") for loan-backed securities recorded during the year because the Company had either the intent to sell the securities or the inability or lack of intent to retain for the time sufficient to recover the amortized cost as cited in the table:

Description	(1) Amortized cost Before OTTI	(2) OTTI Recognized	(3) Fair Value 1 - 2
OTTI Recognized 1st Quarter			
a. Intent To Sell	$ 29,935,045	$ 288,048	$ 29,646,997
b. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
c. Total 1st Quarter	$ 29,935,045	$ 288,048	$ 29,646,997
OTTI Recognized 2nd Quarter			
d. Intent To Sell	$ —	$ —	$ —
e. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
f. Total 2nd Quarter	$ —	$ —	$ —
OTTI Recognized 3rd Quarter			
g. Intent To Sell	$ —	$ —	$ —
h. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
i. Total 3rd Quarter	$ —	$ —	$ —
OTTI Recognized 4th Quarter			
j. Intent To Sell	$ —	$ —	$ —
k. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
l. Total 4th Quarter	$ —	$ —	$ —
m. Annual Aggregate Total		$ 288,048	

3. The following table summarizes other-than-temporary-impairments recorded for loan-backed securities, which the Company still owns at the end of the respective quarters, 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
000292-AB-8	44,844	44,203	641	44,203	24,797	3/31/2018
02149Q-AE-0	2,808,644	2,784,568	24,077	2,784,568	2,405,623	3/31/2018
68401N-AE-1	3,299,715	3,195,005	104,711	3,195,005	2,469,117	3/31/2018
686337-AA-4	266,742,806	237,638,190	1,704,731	265,038,075	265,038,075	3/31/2018
000292-AB-8	44,418	43,278	1,140	43,278	25,245	6/30/2018
02149Q-AE-0	2,782,674	2,107,642	501,284	2,281,390	2,281,390	6/30/2018
68401N-AE-1	3,228,331	3,122,990	105,342	3,122,990	2,356,781	6/30/2018
			$ 2,441,926			

The Company also had two structured securities whose carrying values were written to market value as they had an NAIC designation of 3 through 6. The amount that was written down in 2018 was approximately $4 thousand.

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.

   a. The aggregate amount of unrealized losses:

		Less than 12 months		12 Months or More
Residential mortgage-backed securities		$ (438,238)		$ (1,902,406)
Commercial mortgage-backed securities		(631,443)		(1,129,794)
Other loan backed & structured securities		(384,752)		—
Total	1.	$ (1,454,433)	2.	$ (3,032,200)

   b. The aggregate related fair value of securities with unrealized losses:

		Less than 12 months		12 Months or More
Residential mortgage-backed securities		$ 30,902,255		$ 19,370,506
Commercial mortgage-backed securities		27,060,999		21,685,626
Other loan backed & structured securities		16,948,296		—
Total	1.	$ 74,911,550	2.	$ 41,056,132

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 at June 30, 2018, the Company has not made a decision to sell any such securities and does not intend to sell 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 an increase in interest rates since acquisition, market illiquidity and volatility in the U.S. economy and not specific to individual issuer credit.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions - The Company did not enter into dollar repurchase agreements or securities lending transactions at June 30, 2018.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - The Company did not enter into repurchase agreements accounted for as secured borrowings at June 30, 2018.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - The Company did not enter into reverse repurchase agreements accounted for as secured borrowings at June 30, 2018.

H. Repurchase Agreements Transactions Accounted for as a Sale - The Company did not enter into repurchase agreements accounted for as a sale at June 30, 2018.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - The Company did not enter into reverse repurchase agreements accounted for as a sale in the first six months of 2018.

J. Real Estate - At June 30, 2018, the Company did not have any real estate held for sale. The Company has one investment in real estate, which is an office building at 400 Main Street in Stockton, California.

1. The Company did not recognize any impairment losses in the first six months of 2018.
2. The Company did not recognize any realized gains or losses on the disposition of real estate held for sale in the first six months of 2018.
3. The Company has not changed plans for the sale of investments in real estate in the first six months of 2018.
4. The Company does not engage in any land sale operations.
5. The Company does not hold real estate investments with participating mortgage loan features.

K. Low Income Housing Tax Credits (LIHTC) - The Company did not hold investments in LIHTC at June 30, 2018.

L. Restricted Assets

(1) Restricted assets (including pledged) summarized by restricted asset category

		Gross (Admitted & Nonadmitted) Restricted									Percentage	
		Current Year										
		1	2	3	4	5	6	7	8	9	10	11
	Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
(a)	Subj to contractual oblig by which liability is not shown	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	—%	—%
(b)	Collateral held under sec. lending arrangements					—		—			—%	—%
(c)	Subject to repurchase agreements					—		—			—%	—%
(d)	Subject to reverse repurchase agreements					—		—			—%	—%
(e)	Subject to dollar repurchase agreement					—		—			—%	—%
(f)	Subject to dollar reverse repurchase agreement					—		—			—%	—%
(g)	Placed under option contracts					—		—			—%	—%
(h)	Letter stock or securities restricted as to sale - excl. FHLB capital stock					—	—	—			—%	—%
(i)	FHLB capital stock					—		—			—%	—%
(j)	On deposit with state	6,199,603				6,199,603	6,272,789	(73,186)	—	6,199,603	0.2%	0.2%
(k)	On deposit with other regulatory bodies					—		—			—%	—%
(l)	Pledged as collateral to FHLB (incl. assets backing funding agreement)					—		—			—%	—%
(m)	Pledged as collateral not captured in other categories	452,858,524				452,858,524	451,850,830	1,007,694	—	452,858,524	13.4%	13.7%
(n)	Other restricted assets					—		—			—%	—%
(o)	Total restricted assets	$ 459,058,127	$ —	$ —	$ —	$ 459,058,127	$ 458,123,619	$ 934,508	$ —	$ 459,058,127	13.5%	13.9%

(a) Subset of Column 1
(b) Subset of Column 3
(c) Column 5 divided by Asset Page, Column 1, Line 28
(d) Column 9 divided by Asset Page, Column 3, Line 28

(2) Detail of assets pledged as collateral not captured in other categories (reported on line m above)

	Gross (Admitted & Nonadmitted) Restricted								Percentage	
	Current Year									
	1	2	3	4	5	6	7	8	9	10
Collateral Agreement	Total General Account (G/A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Non-admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Collateral pledged under certain derivative contracts	$ 545,891	$ —	$ —	$ —	$ 545,891	$ 17,008,299	$ (16,462,408)	$ 545,891	—%	—%
Collateral pledged for reinsurance	452,312,633				452,312,633	434,842,531	17,470,102	452,312,633	13.3%	13.7%
Total (c)	$ 452,858,524	$ —	$ —	$ —	$ 452,858,524	$ 451,850,830	$ 1,007,694	$ 452,858,524	13.4%	13.7%

(a) Subset of Column 1
(b) Subset of Column 3
(c) Total Line for Columns 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively

Under certain agreements, the Company is required to post eligible securities as collateral. The need to post collateral under these agreements is generally based on fair value assessments in excess of contractual thresholds. The fair value of the Company's pledged securities totaled $582 thousand as of June 30, 2018, with corresponding book/adjusted carrying value of $546 thousand. The portfolio also includes securities held in trust to secure AGC's reinsurance obligations to certain of its affiliates. The fair value of the Company's pledged securities totaled $566 million as of June 30, 2018, with corresponding book/adjusted carrying value of $452 million.

(3) Detail of other restricted assets (reported on line n above)

	Gross (Admitted & Nonadmitted) Restricted								Percentage	
	Current Year									
	1	2	3	4	5	6	7	8	9	10
Other Restricted Assets	Total General Account (G/A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Non-admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
					—		—		—%	—%
				NONE	—		—		—%	—%
Total (c)	—	—	—	—	—	—	—	—	—%	—%

(a) Subset of Column 1
(b) Subset of Column 3
(c) Total Line for Columns 1 through 7 should equal 5L(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)n Columns 9 through 11 respectively

(4) The Company does not have collateral received and reflected as assets within its financial statements.

M. Working Capital Finance Investments ("WCFI") - The Company did not hold investments for WCFI at June 30, 2018.

N. Offsetting and Netting of Assets and Liabilities - The Company has no derivative, repurchase and reverse repurchase, and securities borrowing and securities lending assets and liabilities that are offset and reported net in accordance to SSAP No. 64 at June 30, 2018.

O. Structured Notes - The following table separately identifies structured notes on a CUSIP basis, with information by CUSIP for actual cost, fair value, book/adjusted carrying value, and whether the structured note is a mortgage referenced security:

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage Referenced Security (YES/NO)
	$ —	$ —	$ —	
	—	N O N E	—	
	—	—	—	
Total	$ —	$ —	$ —	

P. 5* Securities (unrated, but current on principal and interest) - The Company did not hold investments in 5* investments at June 30, 2018.

Q. Short Sales - The Company did not sell any securities short in the first six months of 2018.

R. Prepayment Penalty and Acceleration Fees - The Company had 22 securities called during the first six months of 2018 because of a callable feature,which resulted in prepayment penalties and acceleration fees of $100 thousand.

6. Joint Ventures, Partnerships and Limited Liability Companies
There has been no significant change since the 2017 Annual Statement.

7. Investment Income
A. Accrued Investment Income
Accrued investment income was $21,948,250 and $22,769,660 as of June 30, 2018 and December 31, 2017, respectively. There are no amounts due and accrued over 90 days included in these balances.
B. The Company does not admit investment income due and accrued if amounts are over 90 days past due.

8. Derivative Instruments
There has been no change since the 2017 Annual Statement.

9. Income Taxes
There has been no significant change since the 2017 Annual Statement.

10. Information Concerning Parent, Subsidiaries and Affiliates

A, C through N. There has been no significant change since the 2017 Annual Statement.

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 made dividend payments of $76 million in the first six months of 2018 to Assured Guaranty US Holdings Inc. (the "Parent" or "AGUS").

2. On December 21, 2017, the MIA approved AGC's request to repurchase certain of its shares of common stock from its direct parent, AGUS. Pursuant to such MIA approval, on January 19, 2018, AGC repurchased from AGUS 4,441 shares of its common stock, transferring approximately $200 million in cash to AGUS. The par value of the remaining 495,559 shares of AGC's authorized common stock, of which 16,393 remain issued and outstanding, increased to $915.05 per share so as to maintain the value of AGC's common capital stock at $15,000,480, as is required under the laws of various states for the Company to be licensed as a financial guaranty insurer.

11. Debt
There has been no change since the 2017 Annual Statement.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans
There has been no change since the 2017 Annual Statement.

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

2, 3, 6 through 9, and 11 through 13. There has been no significant change since the 2017 Annual Statement.

1. The Company had 495,559 shares of $915.05 par value common stock authorized and 16,393 shares issued and outstanding as of June 30, 2018. See Note 10.B.2, Transactions with Affiliates, for a description of the First Quarter 2018 share repurchase.

4. The Company paid dividends to AGUS of $52 million on March 19, 2018 and $24 million on June 22, 2018.

5. Under Maryland's insurance law, AGC may, with prior notice to the Maryland Insurance Commissioner, pay an ordinary dividend that, together with all dividends paid in the prior 12 months, does not exceed the lesser of 10% of its policyholders' surplus (as of the prior December 31) or 100% of its adjusted net investment income during that period. The maximum amount available during 2018 for AGC to distribute as ordinary dividends is approximately $133 million. Of such $133 million, $76 million was distributed by AGC to AGUS in the first six months of 2018 and approximately $16 million is available for distribution in Third Quarter 2018.

10. The portion of unassigned funds (surplus) represented by cumulative unrealized gains is $9,969,269.

14. Liabilities, Contingencies and Assessments

A through F. There has been no change since the 2017 Annual Statement.

G. All Other Contingencies:

Uncollected Premiums
As of June 30, 2018, the Company had uncollected premiums of $11,623,795. Uncollected premiums more than 90 days past due were $3,936,054.

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 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 or prevent losses in the future, including those described in the "Recovery Litigation" section below. The amounts, if any, the Company will recover in these and other 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 year could be material to the Company's results of operations in that particular quarter or year.

The Company receives subpoenas *duces tecum* and interrogatories from regulators from time to time.

Litigation

On November 28, 2011, Lehman Brothers International (Europe) (in administration) ("LBIE") sued AG Financial Products Inc. ("AGFP"), an affiliate of AGC which in the past had provided credit protection to counterparties under credit default swaps ("CDS"). AGC acts as the credit support provider of AGFP under these CDS. LBIE's complaint, which was filed in the Supreme Court of the State of New York, alleged that AGFP improperly terminated nine credit derivative transactions between LBIE and AGFP and improperly calculated the termination payment in connection with the termination of 28 other credit derivative transactions between LBIE and AGFP. Following defaults by LBIE, AGFP properly terminated the transactions in question in compliance with the agreement between AGFP and LBIE, and calculated the termination payment properly. AGFP calculated that LBIE owes AGFP approximately $29 million in connection with the termination of the credit derivative transactions, whereas LBIE asserted in the complaint that AGFP owes LBIE a termination payment of approximately $1.4 billion. On February 3, 2012, AGFP filed a motion to dismiss certain of the counts in the complaint, and on March 15, 2013, the court granted AGFP's motion to dismiss the count relating to improper termination of the nine credit derivative transactions and denied AGFP's motion to dismiss the counts relating to the remaining transactions. LBIE's administrators disclosed in an April 10, 2015 report to LBIE's unsecured creditors that LBIE's valuation expert has calculated LBIE's claim for damages in aggregate for the 28 transactions to range between a minimum of approximately $200 million and a maximum of approximately $500 million, depending on what adjustment, if any, is made for AGFP's credit risk and excluding any applicable interest. On February 22, 2016, AGFP filed a motion for summary judgment on the remaining causes of action asserted by LBIE and on AGFP's counterclaims. On July 2, 2018, the court granted in part and denied in part AGFP's motion. The court dismissed, in its entirety, LBIE's cause of action for breach of the implied covenant of good faith and fair dealing with respect to the design and execution of a market quotation auction process, and also dismissed LBIE's cause of action for breach of contract solely to the extent that it is based upon AGFP's conduct in connection with the auction. With respect to LBIE's sole remaining claim for breach of contract, the court held that there are triable issues of fact regarding whether AGFP calculated its loss reasonably and in good faith. On July 31, 2018, AGFP filed a notice of appeal seeking reversal of the portions of the ruling denying AGFP's motion for summary judgment with respect to LBIE's remaining claim for breach of contract.

Recovery Litigation

In the ordinary course of its respective business, the Company asserts claims in legal proceedings against third parties to recover losses paid in prior periods or prevent losses in the future.

Public Finance Transactions

Puerto Rico

The Company believes that a number of the actions taken by the Commonwealth of Puerto Rico ("Puerto Rico" or the "Commonwealth"), the Financial Oversight and Management Board ("Oversight Board") and others with respect to obligations it insures are illegal or unconstitutional or both, and has taken legal action, and may take additional legal action in the future, to enforce its rights with respect to these matters.

On January 7, 2016, AGC, its affiliate Assured Guaranty Municipal Corp. ("AGM"), and Ambac Assurance Corporation commenced an action for declaratory judgment and injunctive relief in the United States District Court for the District of Puerto Rico ("Federal District Court for Puerto Rico") to invalidate the executive orders issued by the Former Governor on November 30, 2015 and December 8, 2015 directing that the Secretary of the Treasury of the Commonwealth of Puerto Rico and the Puerto Rico Tourism Company claw back certain taxes and revenues pledged to secure the payment of bonds issued by the Puerto Rico Highways and Transportation Authority ("PRHTA"), the Puerto Rico Convention Center District Authority ("PRCCDA") and the Puerto Rico Infrastructure Financing Authority ("PRIFA"). The Commonwealth defendants filed a motion to dismiss the action for lack of subject matter jurisdiction, which the court denied on October 4, 2016. On October 14, 2016, the Commonwealth defendants filed a notice of automatic stay under the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA"), which had been signed into law by the President of the United States on June 30, 2016, to provide, among other things, a legal framework under which the debt of the Commonwealth and its related authorities and public corporations may be voluntarily restructured. While the PROMESA automatic stay expired on May 1, 2017, on May 17, 2017, the court stayed the action under Title III of PROMESA.

On June 3, 2017, AGC and AGM filed an adversary complaint in the Federal District Court for Puerto Rico seeking (i) a judgment declaring that the application of pledged special revenues to the payment of the PRHTA Bonds is not subject to the PROMESA Title III automatic stay and that the Commonwealth has violated the special revenue protections provided to the PRHTA Bonds under the Bankruptcy Code; (ii) an injunction enjoining the Commonwealth from taking or causing to be taken any action that would further violate the special revenue protections provided to the PRHTA Bonds under the Bankruptcy Code; and (iii) an injunction ordering the Commonwealth to remit the pledged special revenues securing the PRHTA Bonds in accordance with the terms of the special revenue provisions set forth in the Bankruptcy Code. On January 30, 2018, the district court rendered an opinion dismissing the complaint and holding, among other things, that (x) even though the special revenue provisions of the Bankruptcy Code protect a lien on pledged special revenues, those provisions do not mandate the turnover of pledged special revenues to the payment of bonds and (y) actions to enforce liens on pledged special revenues remain stayed. AGC and AGM are appealing the trial court's decision to the United States Court of Appeals for the First Circuit.

On June 26, 2017, AGM and AGC filed a complaint in the Federal District Court for Puerto Rico seeking (i) a declaratory judgment that the Puerto Rico Electric Power Authority ("PREPA") Restructuring Support Agreement ("RSA") is a "Preexisting Voluntary Agreement" under Section 104 of PROMESA and the Oversight Board's failure to certify the PREPA RSA is an unlawful application of Section 601 of PROMESA; (ii) an injunction enjoining the Oversight Board from unlawfully applying Section 601 of PROMESA and ordering it to certify the PREPA RSA; and (iii) a writ of mandamus requiring the Oversight Board to comply with its duties under PROMESA and certify the PREPA RSA. On July 21, 2017, in light of its PREPA Title III petition on July 2, 2017, the Oversight Board filed a notice of stay under PROMESA.

On July 18, 2017, AGM and AGC filed in the Federal District Court for Puerto Rico a motion for relief from the automatic stay in the PREPA Title III bankruptcy proceeding and a form of complaint seeking the appointment of a receiver for PREPA. That motion was denied on September 14, 2017. AGM and AGC appealed the district court's decision to the United States Court of Appeals for the First Circuit, where a hearing was held on June 5, 2018. On August 8, 2018, the First Circuit vacated the district court's decision and remanded the case for further proceedings consistent with its opinion.

On May 23, 2018, AGM and AGC filed an adversary complaint in the Federal District Court for Puerto Rico seeking a judgment declaring that (i) the Oversight Board lacked authority to develop or approve the new fiscal plan for Puerto Rico which it certified on April 19, 2018 ("Revised Fiscal Plan"); (ii) the Revised Fiscal Plan and the Fiscal Plan Compliance Law ("Compliance Law") enacted by the Commonwealth to implement the original Commonwealth fiscal plan violate various sections of PROMESA; (iii) the Revised Fiscal Plan, the Compliance Law and various moratorium laws and executive orders enacted by the Commonwealth to prevent the payment of debt service (a) are unconstitutional and void because they violate the Contracts, Takings and Due Process Clauses of the U.S. Constitution and (b) are preempted by various sections of PROMESA; and (iv) no Title III plan of adjustment based on the Revised Fiscal Plan can be confirmed under PROMESA.

On July 23, 2018, AGC and AGM filed an adversary complaint in the Federal District Court for Puerto Rico seeking a judgment (i) declaring the members of the Oversight Board are officers of the U.S. whose appointments were unlawful under the Appointments Clause of the U.S. Constitution; (ii) declaring void ab initio the unlawful actions taken by the Oversight Board to date, including (x) development of the Commonwealth's Fiscal Plan, (y) development of PRHTA's Fiscal Plan, and (z) filing of the Title III cases on behalf of the Commonwealth and PRHTA; and (iii) enjoining the Oversight Board from taking any further action until the Oversight Board members have been lawfully appointed in conformity with the Appointments Clause of the U.S. Constitution. The Title III court dismissed a similar lawsuit filed by another party in the Commonwealth's Title III case in July 2018. On August 3, 2018, a stipulated judgment was entered against AGC and AGM at their request based upon the court's July decision in the other Appointments Clause lawsuit and, on the same date, AGC and AGM appealed the stipulated judgment to the United States Court of Appeals for the First Circuit. AGC and AGM are seeking consolidation of their appeal with the other Appointments Clause lawsuit.

For a discussion of the Company's exposure to Puerto Rico related to the litigation described above, please see Note 21, Other Items -- Underwriting Exposure.

Other Public Finance Transactions

On November 1, 2013, Radian Asset Assurance Inc. ("Radian Asset") commenced a declaratory judgment action in the U.S. District Court for the Southern District of Mississippi against Madison County, Mississippi (the "County") and the Parkway East Public Improvement District ("District") to establish its rights under a contribution agreement from the County supporting certain special assessment bonds issued by the District and insured by Radian Asset (now AGC). As of June 30, 2018, $18 million of such bonds were outstanding. The County maintained that its payment obligation is limited to two years of annual debt service, while AGC contended the County's obligations under the contribution agreement continue so long as the bonds remain outstanding. On April 27, 2016, the district court granted AGC's motion for summary judgment, agreeing with AGC's interpretation of the County's obligations. The County appealed the district court's summary judgment ruling to the United States Court of Appeals for the Fifth Circuit, and on May 31, 2017, the appellate court reversed the district court's ruling and remanded the matter to the district court. In March 2018, the County, the District, and AGC executed a settlement agreement which formalizes the procedures related to the disposition of assessments and of the properties that have defaulted, and on May 11, 2018 the district court dismissed the case. The settlement agreement also provides for the County-owned property to be conveyed to the District, which, to the extent practicable, is obligated to lease, sell or otherwise dispose of the property to maximize pledged revenues. Any such actions will require AGC's consent.

RMBS Transactions

On November 26, 2012, CIFG Assurance North America Inc. (CIFGNA) filed a complaint in the Supreme Court of the State of New York against JP Morgan Securities LLC (JP Morgan) for material misrepresentation in the inducement of insurance and common law fraud, alleging that JP Morgan fraudulently induced CIFGNA to insure $400 million of securities issued by ACA ABS CDO 2006-2 Ltd. and $325 million of securities issued by Libertas Preferred Funding II, Ltd. On June 26, 2015, the court dismissed with prejudice CIFGNA's material misrepresentation in the inducement of insurance claim and dismissed without prejudice CIFGNA's common law fraud claim. On September 24, 2015, the court denied CIFGNA's motion to amend but allowed CIFGNA to re-plead a cause of action for common law fraud. On November 20, 2015, CIFGNA filed a motion for leave to amend its complaint to re-plead common law fraud. On April 29, 2016, CIFGNA filed an appeal to reverse the court's decision dismissing CIFGNA's material misrepresentation in the inducement of insurance claim. On November 29, 2016, the Appellate Division of the Supreme Court of the State of New York ruled that the court's decision dismissing with prejudice CIFGNA's material misrepresentation in the inducement of insurance claim should be modified to grant CIFGNA leave to re-plead such claim. On February 27, 2017, AGC (as successor to CIFGNA) filed an amended complaint which includes a claim for material misrepresentation in the inducement of insurance.

15. Leases

There has been no material changes since the 2017 Annual Statement.

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 net principal and interest exposure at June 30, 2018 was $43.8 billion ($37.9 billion for public finance and $5.9 billion for structured finance exposures).

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

A. The Company has not sold or transferred any receivables during the first six months of 2018.
B. The Company has not transferred or serviced any financial assets during the first six months of 2018.
C. The Company did not engage in any wash sale transactions during the first six months of 2018.

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

There has been no change since the 2017 Annual Statement.

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

There has been no change since the 2017 Annual Statement.

20. Fair Value

A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value

1. Items Measured and Reported at Fair Value by Levels 1, 2 and 3

The Company categorizes its assets and liabilities that are reported on the balance sheet at fair value into the three-level hierarchy. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined 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. Bonds are generally recorded at amortized cost. Stocks, excluding those for investments in subsidiaries, are reported at fair value on a recurring basis. The following fair value hierarchy table presents information about the Company's asset measured at fair value as of June 30, 2018.

Description for each class of asset or liability	Level 1	Level 2	Level 3	TOTAL
a. Assets at fair value				
Bonds				
Special Revenue	$ —	$ —	$ 3,827,330	$ 3,827,330
U.S. States, Territories and Possessions	—	—	—	—
Industrial & Miscellaneous	—	—	1,285,956	1,285,956
Total Bonds	—	—	5,113,286	5,113,286
Cash, cash equivalents and short-term investments	—	257,679,443	—	257,679,443
Total Assets at Fair Value	$ —	$ 257,679,443	$ 5,113,286	$ 262,792,729

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. Money market mutual funds are accounted for at fair value, which approximates 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 prices received from third party pricing services or alternative pricing sources with reasonable levels of price transparency. The pricing services prepare estimates of fair value measurements using their pricing models, which include available relevant market information, benchmark curves, benchmarking of like securities, and sector groupings. Additional valuation factors that can be taken into account are nominal spreads and liquidity adjustments. The pricing services evaluate each asset class based on relevant market and credit information, perceived market movements, and sector news. The market inputs used in the pricing evaluation include: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, reference data and industry and economic events. Benchmark yields have in many cases taken priority over reported trades for securities that trade less frequently or those that are distressed trades, and therefore may not be indicative of the market. The extent of the use of each input is dependent on the asset class and the market conditions. Given the asset class, the priority of the use of inputs may change or some market inputs may not be relevant. Additionally, the valuation of fixed-maturity investments is more subjective when markets are less liquid due to the lack of market based inputs, which may increase the potential that the estimated fair value of an investment is not reflective of the price at which an actual transaction would occur.

Stocks

The Company’s stocks are comprised primarily of investments in subsidiaries. Investments in subsidiaries are carried on the equity basis, to the extent admissable.

2. Rollforward of Level 3 Items
For fair value measurements categorized within Level 3 of the fair value hierarchy, the following table is a reconciliation from the opening balance to the closing balance disclosing changes year-to-date:

Description:	Beg. Balance at April 1, 2018	Transfers Into Level 3	Transfers Out of Level 3	Total Gains & Losses incl in Net Income	Total Gains & Loss incl in Surplus	Purchase	Issuance	Sales	Settle-ment	Ending Balance at June 30, 2018
Bonds - Special Revenue	$ 3,740,961	$ —	$ —	$ 86,369	$ —	$ —	$ —	$ —	$ —	$ 3,827,330
Bonds - U.S. States, Territories & Possessions	—	—	—	—	—	—	—	—	—	—
Bonds - Industrial & Miscellaneous	—	1,285,956	—	—	—	—	—	—	—	1,285,956
TOTAL	$ 3,740,961	$ 1,285,956	$ —	$ 86,369	$ —	$ —	$ —	$ —	$ —	$ 5,113,286

3. Policy on Transfers Into and Out of Level 3
Transfers in and out of Level 3 are recognized at the end of the quarter when the Company evaluates whether securities with unobservable inputs need to be carried at fair value.

   - During the three months ending June 30, 2018, two industrial & miscellaneous bonds were transferred into Level 3 of the fair value hierarchy because they have an NAIC designation of 3 through 6 and were carried at the lower of book value and fair value at June 30, 2018.

4. Inputs and Techniques Used for Level 3 Fair Values
The level 3 securities were priced with the assistance of an independent third party. The pricing is based on a discounted cash flow approach using the third party's proprietary pricing models. The models use, as applicable, inputs such as projected prepayment speeds; severity assumptions; recovery lag assumptions; estimated default rates (determined on the basis of an analysis of collateral attributes, historical collateral performance, borrower profiles and other features relevant to the evaluation of collateral credit quality); house price depreciation/appreciation rates based on macroeconomic forecasts and recent trading activity. The yield used to discount the projected cash flows is determined by reviewing various attributes of the bond, including collateral type, weighted average life, sensitivity to losses, vintage and convexity, in conjunction with market data on comparable securities. Significant changes to any of these inputs could materially change the expected timing of cash flows within these securities which is a significant factor in determining the fair value of the securities.

5. Derivative Fair Values
The Company does not own derivatives at June 30, 2018.

B. Other Fair Value Disclosures
The fair value of the Company’s financial guaranty contracts accounted for as insurance was approximately $2.2 billion at June 30, 2018 and was based on management’s estimate of what a similarly rated financial guaranty insurance company would demand to acquire the Company’s in-force book of financial guaranty insurance business. This amount was based on a variety of factors that may include pricing assumptions management has observed for portfolio transfers, commutations, and acquisitions that have occurred in the financial guaranty market and included adjustments to the carrying value of unearned premium reserve for stressed losses, ceding commissions and return on capital. The Company classified this fair value measurement as Level 3.

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method. The fair values are also categorized into the three-level fair value hierarchy as described in Note 20A.

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	$ 2,699,717,651	$ 2,517,328,806	$ —	$ 1,966,170,630	$ 733,547,021	$ —
Cash, cash equivalents and short-term investments	395,122,393	395,136,805	120,999,928	274,122,465	—	—
Total assets	$ 3,094,840,044	$ 2,912,465,611	$ 120,999,928	$ 2,240,293,095	$ 733,547,021	$ —

D. Financial Instruments for Which it is Not Practical to Estimate Fair Values

Not applicable

21. Other Items

A, B, C, D, E. There has been no change since the 2017 Annual Statement.

F. Subprime Mortgage-Related Risk Exposure

(1) through (3)

The Company purchased securities with subprime mortgage related exposures that it has insured, and for which it has loss reserves, in order to mitigate the economic effect of insured losses ("loss mitigation bonds"). These securities were purchased at a discount and are accounted for excluding the effects of the Company's insurance on the securities. The Company's investment guidelines generally do not permit its outside managers to purchase securities rated lower than A- by S&P or A3 by Moody's, excluding a minimal allocation to corporate securities not rated lower than BBB by S&P or Baa2 by Moody's.

As of June 30, 2018	Actual Cost	Book Value	Fair Value	OTTI Losses Recognized
Residential Mortgage Backed Securities	$ 4,034,218	$ 4,161,409	$ 3,779,739	$ (607,032)
Structured Securities	—	—	—	—
Total	$ 4,034,218	$ 4,161,409	$ 3,779,739	$ (607,032)

(4) Underwriting Exposure

Selected U.S. Public Finance Transactions

The Company has insured exposure to general obligation bonds of the Commonwealth of Puerto Rico ("Puerto Rico" or the "Commonwealth") and various obligations of its related authorities and public corporations aggregating $1.7 billion net par as of June 30, 2018, all of which was rated below investment grade ("BIG"). Puerto Rico experienced significant general fund budget deficits and a challenging economic environment since at least the financial crisis. Beginning on January 1, 2016, a number of Puerto Rico exposures have defaulted on bond payments, and the Company has now paid claims on all of its Puerto Rico exposures except for Puerto Rico Aqueduct and Sewer Authority ("PRASA"), Municipal Finance Agency ("MFA") and University of Puerto Rico ("U of PR").

On November 30, 2015 and December 8, 2015, the former governor of Puerto Rico ("Former Governor") issued executive orders ("Clawback Orders") directing the Puerto Rico Department of Treasury and the Puerto Rico Tourism Company to "claw back" certain taxes pledged to secure the payment of bonds issued by the Puerto Rico Highways and Transportation Authority ("PRHTA"), Puerto Rico Infrastructure Financing Authority ("PRIFA"), and Puerto Rico Convention Center District Authority ("PRCCDA").

On June 30, 2016, the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA") was signed into law by the President of the United States. PROMESA established a seven-member financial oversight board ("Oversight Board") with authority to require that balanced budgets and fiscal plans be adopted and implemented by Puerto Rico. PROMESA provides a legal framework under which the debt of the Commonwealth and its related authorities and public corporations may be voluntarily restructured, and grants the Oversight Board the sole authority to file restructuring petitions in a federal court to restructure the debt of the Commonwealth and its related authorities and public corporations if voluntary negotiations fail, provided that any such restructuring must be in accordance with an Oversight Board approved fiscal plan that respects the liens and priorities provided under Puerto Rico law.

In May and July 2017 the Oversight Board filed petitions under Title III of PROMESA with the United States District Court for the District of Puerto Rico ("Federal District Court for Puerto Rico") for the Commonwealth, the Puerto Rico Sales Tax Financing Corporation ("COFINA"), PRHTA, and PREPA. Title III of PROMESA provides for a process analogous to a voluntary bankruptcy process under chapter 9 of the United States Bankruptcy Code ("Bankruptcy Code").

Judge Laura Taylor Swain of the Southern District of New York was selected by Chief Justice John Roberts of the United States Supreme Court to preside over any legal proceedings under PROMESA. Judge Swain has selected a team of five federal judges to act as mediators for certain issues and disputes.

On September 20, 2017, Hurricane Maria made landfall in Puerto Rico as a Category 4 hurricane on the Saffir-Simpson scale, causing loss of life and widespread devastation in the Commonwealth. Damage to the Commonwealth's infrastructure, including the power grid, water system and transportation system, was extensive, and rebuilding and economic recovery are expected to take years.

In December 2017, legislation known as the 2017 Tax Cuts and Jobs Act ("Tax Act") was enacted. Many of the provisions under the Tax Act are geared toward increasing production in the U.S. and discouraging companies from having operations or intangibles off-shore. Since Puerto Rico is considered a foreign territory under the U.S. tax system, the Tax Act may have adverse consequences to Puerto Rico's economy. However, the Company is unable to predict the impact of the Tax Act on Puerto Rico.

On June 7, 2018, the court-appointed agents for the Commonwealth and COFINA filed with the Federal District Court for Puerto Rico an agreement in principle to resolve a dispute between the Commonwealth and COFINA regarding ownership of the 5.5% Sales and Use Taxes ("SUT"). The agreement in principle, which requires, among other things, that future challenges to it be barred by the court or made illegal, provides that, beginning July 1, 2018, the SUT would be paid first to COFINA until it has received 53.65% of the pledged sales tax base amount ("PSTBA") and that the remaining 46.35% of the PSTBA would be paid to the Commonwealth thereafter. The agreement in principle did not address the proportion of the amount to be paid to COFINA that would be paid to the senior versus the junior creditors, nor did it address the restructuring of COFINA. Subsequently, on August 8, 2018, the Commonwealth, the Oversight Board, senior and subordinate COFINA creditors, including the Company's affiliate AGM, agreed in principle to the terms of a restructuring support agreement which allocates the SUT between the senior and subordinate COFINA bondholders and provides for an exchange of senior and subordinate positions for new senior closed lien COFINA bonds. The Company is reserving all of its rights as a Puerto Rico general obligation bondholder with respect to both the SUT revenues allocated to the Commonwealth and other available resources of the Commonwealth. Under the Constitution of the Commonwealth, such revenues and resources must be used to pay general obligation debt before any other claim, debt or expense, including government expenses.

On July 30, 2018, the Oversight Board and the Governor announced that they had reached a tentative agreement with a certain group of PREPA bondholders regarding approximately $3 billion of PREPA's outstanding debt. Bondholders would be able to exchange their debt for new securitization debt maturing in 40 years at 67% of par, plus growth bonds tied to the recovery of Puerto Rico at 10% of par. The Company and certain other creditors of PREPA have not agreed to the terms of that tentative agreement.

On August 1, 2018, the Oversight Board certified a revised new fiscal plan for PREPA and a revised new fiscal plan for PRASA. The revised new fiscal plans supersede the ones previously certified by the Oversight Board on April 19, 2018 and incorporate the macroeconomic projections that are embedded in the revised certified Commonwealth fiscal plan certified by the Oversight Board. The Oversight Board also established a schedule by which the Commonwealth, PREPA, PRASA and certain other covered entities must develop and submit revised fiscal plans. Previously, on June 29, 2018, the Oversight Board had certified a revised version of the fiscal plan for the Commonwealth as developed by the Oversight Board. The revised certified Commonwealth fiscal plan (which the Company believes covers its general obligations as well as obligations of certain of its other authorities and public corporations) indicates a primary budget surplus of $6.7 billion that would be available for debt service over the six-year forecast period (as compared to contractual debt service of approximately $15.5 billion over the same period). The certified PRHTA fiscal plan projects very limited capacity to pay debt service over the six-year forecast period, as the Commonwealth anticipates continuing to retain approximately three-fourths of PRHTA's total revenues. The Company does not believe the certified fiscal plans for the Commonwealth, PRHTA, PREPA or PRASA comply with certain mandatory requirements of PROMESA.

The Company believes that a number of the actions taken by the Commonwealth, the Oversight Board and others with respect to obligations the Company insures are illegal or unconstitutional or both, and has taken legal action, and may take additional legal action in the future, to enforce its rights with respect to these matters. See Note 14, Liabilities, Contingencies and Assessments - Recovery Litigation - Puerto Rico.

Litigation and mediation related to the Commonwealth's debt were delayed by Hurricane Maria. The final form and timing of responses to Puerto Rico's financial distress and the devastation of Hurricane Maria eventually taken by the federal government or implemented under the auspices of PROMESA and the Oversight Board or otherwise, and the final impact, after resolution of legal challenges, of any such responses on obligations insured by the Company, are uncertain.

The Company groups its Puerto Rico exposure into three categories:

- *Constitutionally Guaranteed.* The Company includes in this category public debt benefiting from Article VI of the Constitution of the Commonwealth, which expressly provides that interest and principal payments on the public debt are to be paid before other disbursements are made.

- *Public Corporations - Certain Revenues Potentially Subject to Clawback.* The Company includes in this category the debt of public corporations for which applicable law permits the Commonwealth to claw back, subject to certain conditions and for the payment of public debt, at least a portion of the revenues supporting the bonds the Company insures. As a constitutional condition to clawback, available Commonwealth revenues for any fiscal year must be insufficient to pay Commonwealth debt service before the payment of any appropriations for that year. The Company believes that this condition has not been satisfied to date, and accordingly that the Commonwealth has not to date been entitled to claw back revenues supporting debt insured by the Company. Prior to the enactment of PROMESA, the Company sued various Puerto Rico governmental officials in the Federal District Court for Puerto Rico asserting that Puerto Rico's attempt to "claw back" pledged taxes is unconstitutional, and demanding declaratory and injunctive relief. See Note 14, Liabilities, Contingencies and Assessments - Recovery Litigation - Puerto Rico.

- *Other Public Corporations.* The Company includes in this category the debt of public corporations that are supported by revenues it does not believe are subject to clawback.

Constitutionally Guaranteed

General Obligation. As of June 30, 2018, the Company had $343 million insured net par outstanding of the general obligations of Puerto Rico, which are supported by the good faith, credit and taxing power of the Commonwealth. Despite the requirements of Article VI of its Constitution, the Commonwealth defaulted on the debt service payment due on July 1, 2016, and the Company has been making claim payments on these bonds since that date. As noted above, the Oversight Board filed a petition under Title III of PROMESA with respect to the Commonwealth.

Puerto Rico Public Buildings Authority ("PBA"). As of June 30, 2018, the Company had $141 million insured net par outstanding of PBA bonds, which are supported by a pledge of the rents due under leases of government facilities to departments, agencies, instrumentalities and municipalities of the Commonwealth, and that benefit from a Commonwealth guaranty supported by a pledge of the Commonwealth's good faith, credit and taxing power. Despite the requirements of Article VI of its Constitution, the PBA defaulted on most of the debt service payment due on July 1, 2016, and the Company has been making claim payments on these bonds since then.

Public Corporations - Certain Revenues Potentially Subject to Clawback

PRHTA. As of June 30, 2018, the Company had $513 million insured net par outstanding of PRHTA (transportation revenue) bonds and $93 million insured net par outstanding of PRHTA (highways revenue) bonds. The transportation revenue bonds are secured by a subordinate gross lien on gasoline and gas oil and diesel oil taxes, motor vehicle license fees and certain tolls, plus a first lien on up to $120 million annually of taxes on crude oil, unfinished oil and derivative products. The highways revenue bonds are secured by a gross lien on gasoline and gas oil and diesel oil taxes, motor vehicle license fees and certain tolls. The non-toll revenues consisting of excise taxes and fees collected by the Commonwealth on behalf of PRHTA and its bondholders that are statutorily allocated to PRHTA and its bondholders are potentially subject to clawback. Despite the presence of funds in relevant debt service reserve accounts that the Company believes should have been employed to fund debt service, PRHTA defaulted on the full July 1, 2017 insured debt service payment, and the Company has been making claim payments on these bonds since that date. As noted above, the Oversight Board filed a petition under Title III of PROMESA with respect to PRHTA.

PRCCDA. As of June 30, 2018, the Company had $152 million insured net par outstanding of PRCCDA bonds, which are secured by certain hotel tax revenues. These revenues are sensitive to the level of economic activity in the area and are potentially subject to clawback. There were sufficient funds in the PRCCDA bond accounts to make only partial payments on the July 1, 2017 PRCCDA bond payments guaranteed by the Company, and the Company has been making claim payments on these bonds since that date.

PRIFA. As of June 30, 2018, the Company had $17 million insured net par outstanding of PRIFA bonds, which are secured primarily by the return to Puerto Rico of federal excise taxes paid on rum. These revenues are potentially subject to the clawback. The Company has been making claim payments on the PRIFA bonds since January 2016.

Other Public Corporations

PREPA. As of June 30, 2018, the Company had $73 million insured net par outstanding of PREPA obligations, which are secured by a lien on the revenues of the electric system. On December 24, 2015, AGM and AGC entered into a Restructuring Support Agreement ("RSA") with PREPA, an ad hoc group of uninsured bondholders and a group of fuel-line lenders that subject to certain conditions, would have resulted in, among other things, modernization of the utility and a restructuring of current debt. The Oversight Board did not certify the RSA under Title VI of PROMESA as the Company believes was required by PROMESA, but rather, on July 2, 2017, commenced proceedings for PREPA under Title III of PROMESA. The Company has been making claim payments on these bonds since July 1, 2017.

PRASA. As of June 30, 2018, the Company had $284 million of insured net par outstanding of PRASA bonds, which are secured by a lien on the gross revenues of the water and sewer system. On September 15, 2015, PRASA entered into a settlement with the U.S. Department of Justice and the U.S. Environmental Protection Agency that requires it to spend $1.6 billion to upgrade and improve its sewer system island-wide. The PRASA bond accounts contained sufficient funds to make the PRASA bond payments due through the date of this filing that were guaranteed by the Company, and those payments were made in full.

MFA. As of June 30, 2018, the Company had $54 million net par outstanding of bonds issued by MFA secured by a lien on local property tax revenues. The MFA bond accounts contained sufficient funds to make the MFA bond payments due through the date of this filing that were guaranteed by the Company, and those payments were made in full.

U of PR. As of June 30, 2018, the Company had $1 million insured net par outstanding of U of PR bonds, which are general obligations of the university and are secured by a subordinate lien on the proceeds, profits and other income of the university, subject to a senior pledge and lien for the benefit of outstanding university system revenue bonds. As of the date of this filing, all debt service payments on U of PR bonds insured by the Company have been made.

Exposure to the U.S. Virgin Islands

As of June 30, 2018, the Company had $11 million insured net par outstanding to the U.S. Virgin Islands and its related authorities ("USVI"), of which it rated $9 million BIG. The $2 million USVI net par the Company rated investment grade was comprised of Public Finance Authority bonds secured by a gross receipts tax and the general obligation, full faith and credit pledge of the USVI. The $9 million BIG USVI net par comprised bonds of the Virgin Islands Water and Power Authority secured by a net revenue pledge of the electric system.

Hurricane Irma caused significant damage in St. John and St. Thomas, while Hurricane Maria made landfall on St. Croix as a Category 4 hurricane on the Saffir-Simpson scale, causing loss of life and substantial damage to St. Croix's businesses and infrastructure, including the power grid. The USVI is benefiting from the federal response to the 2017 hurricanes and has made its debt service payments to date.

Other Selected U.S. Public Finance Transactions

The Company had approximately $18 million of net par exposure as of June 30, 2018 to bonds issued by Parkway East Public Improvement District ("District"), which is located in Madison County, Mississippi (the "County"). The bonds, which are rated BIG, are payable from special assessments on properties within the District, as well as amounts paid under a contribution agreement with the County in which the County covenants that it will provide funds in the event special assessments are not sufficient to make a debt service payment. The special assessments have not been sufficient to pay debt service in full. In earlier years, the County provided funding to cover the balance of the debt service requirement, but subsequently claimed the District's failure to reimburse it within the two years stipulated in the contribution agreement means that the County is not required to provide funding until it is reimbursed. See Note 14, Liabilities, Contingencies and Assessments - Recovery Litigation for the settlement agreement reached between the County, the District and AGC with respect to the County's obligations.

U.S. Public Finance Loss and LAE

The Company had loss and LAE reserves across its troubled U.S. public finance exposures as of June 30, 2018, including those mentioned above, of $387.2 million compared to $421.8 million as of December 31, 2017. The decrease is due mainly to the decrease in Puerto Rico reserves.

U.S. RMBS Loss Projections

Based on its observation during the period of the performance of its insured transactions (including delinquencies, liquidation rates and loss severities) as well as the residential property market and economy in general, the Company chose to make the changes to the assumptions it uses to project RMBS losses shown in the tables of assumptions in the sections below. In the first six months of 2018, the economic development was $1 million for first lien U.S. RMBS and the economic benefit was $7 million for second lien U.S. RMBS.

U.S. First Lien RMBS Loss Projections: Alt-A First Lien, Option ARM, Subprime and Prime

The majority of projected losses in first lien RMBS transactions are expected to come from non-performing mortgage loans (those that are or in the past twelve months have been two or more payments behind, have been modified, are in foreclosure, or have been foreclosed upon). Changes in the amount of non-performing loans from the amount projected in the previous period are 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 non-performing categories. The Company arrived at its liquidation rates based on data purchased from a third party provider and assumptions about how delays in the foreclosure process and loan modifications may ultimately affect the rate at which loans are liquidated. Each quarter the Company reviews the most recent twelve months of this data and (if necessary) adjusts its liquidation rates based on its observations. The following table shows liquidation assumptions for various non-performing categories.

First Lien Liquidation Rates

	June 30, 2018	December 31, 2017
Delinquent/Modified in the Previous 12 Months	20%	20%
30 - 59 Days Delinquent		
Alt-A and Prime	30	30
Option ARM	35	35
Subprime	40	40
60 - 89 Days Delinquent		
Alt-A and Prime	35	40
Option ARM	45	50
Subprime	50	50
90+ Days Delinquent		
Alt-A and Prime	40	55
Option ARM	55	60
Subprime	55	55
Bankruptcy		
Alt-A and Prime	45	45
Option ARM	50	50
Subprime	40	40
Foreclosure		
Alt-A and Prime	55	65
Option ARM	65	70
Subprime	65	65
Real Estate Owned		
All	100	100

While the Company uses liquidation rates as described above to project defaults of non-performing loans (including current loans modified or delinquent within the last 12 months), it projects defaults on presently current loans by applying a conditional default rate ("CDR") trend. The start of that CDR trend is based on the defaults the Company projects will emerge from currently nonperforming, recently nonperforming and modified loans. The total amount of expected defaults from the non-performing loans is translated into a constant CDR (i.e., the CDR plateau), which, if applied for each of the next 36 months, would be sufficient to produce approximately the amount of defaults that were calculated to emerge from the various delinquency categories. The CDR thus calculated individually on the delinquent collateral pool for each RMBS is then used as the starting point for the CDR curve used to project defaults of the presently performing loans.

In the most heavily weighted scenario (the "base case"), after the initial 36-month CDR plateau period, each transaction’s CDR is projected to improve over 12 months to an intermediate CDR (calculated as 20% of its CDR plateau); that intermediate CDR is held constant for 36 months and then trails off in steps to a final CDR of 5% of the CDR plateau. In the base case, the Company assumes the final CDR will be reached 5 years after the initial 36-month CDR plateau period. Under the Company’s methodology, defaults projected to occur in the first 36 months represent defaults that can be attributed to loans that were modified or delinquent in the last 12 months or that are currently delinquent or in foreclosure, while the defaults projected to occur using the projected CDR trend after the first 36-month period represent defaults attributable to borrowers that are currently performing or are projected to re-perform.

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 historically high levels, and the Company is assuming in the base case that these high levels generally will continue for another 18 months. The Company determines its initial loss severity based on actual recent experience. Each quarter the Company reviews available data and (if necessary) adjusts its severities based on its observations. The Company then assumes that loss severities begin returning to levels consistent with underwriting assumptions beginning after the initial 18 month period, declining to 40% in the base case over 2.5 years.

The following table shows the range as well as the average, weighted by outstanding net insured par, for key assumptions used in the calculation of loss reserves for individual transactions for vintage 2004 - 2008 first lien U.S. RMBS.

Key Assumptions in Base Case Loss Reserve Estimates
First Lien RMBS

	As of June 30, 2018		As of December 31, 2017	
	Range	Weighted Average	Range	Weighted Average
Alt A and Prime				
Plateau CDR	0.7% - 9.0%	4.0%	1.3% - 9.7%	4.9%
Final CDR	0.0% - 0.4%	0.2%	0.1% - 0.5%	0.2%
Initial loss severity:				
2005 and prior	60.0%		60.0%	
2006	80.0%		80.0%	
2007+	70.0%		70.0%	
Option ARM				
Plateau CDR	2.1% - 6.9%	5.6%	2.5% - 6.9%	5.8%
Final CDR	0.1% - 0.3%	0.3%	0.1% - 0.3%	0.3%
Initial loss severity:				
2005 and prior	60.0%		60.0%	
2006	70.0%		70.0%	
2007+	75.0%		75.0%	
Subprime				
Plateau CDR	3.8% - 12.1%	6.7%	3.5% - 13.1%	7.9%
Final CDR	0.2% - 0.6%	0.3%	0.2% - 0.7%	0.4%
Initial loss severity:				
2005 and prior	80.0%		80.0%	
2006	85.0%		90.0%	
2007+	95.0%		95.0%	

The rate at which the principal amount of loans is voluntarily prepaid may impact both the amount of losses projected (since that amount is a function of the CDR, the loss severity 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 voluntary conditional prepayment rate ("CPR") follows a similar pattern to that of the CDR. The current level of voluntary prepayments is assumed to continue for the plateau period before gradually increasing over 12 months to the final CPR, which is assumed to be 15% in the base case. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant and the final CPR is not used. These CPR assumptions are the same as those the Company used for December 31, 2017.

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 CDR returned to its modeled equilibrium, which was defined as 5% of the initial CDR. The Company also stressed CPR and the speed of recovery of loss severity rates. The Company probability weighted a total of five scenarios as of June 30, 2018 and December 31, 2017.

Total loss and LAE reserves on all first lien U.S. RMBS was $98 million and $5 million as of June 30, 2018 and December 31, 2017, respectively. The reinsurance of the Syncora Guarantee Inc. ("SGI") portfolio added $91 million of net loss and LAE reserves to first lien U.S. RMBS on June 1, 2018. The Company used a similar approach to establish its pessimistic and optimistic scenarios as of June 30, 2018 as it used as of December 31, 2017, increasing and decreasing the periods of stress from those used in the base case.

In the Company's most stressful scenario where loss severities were assumed to rise and then recover over nine years and the initial ramp-down of the CDR was assumed to occur over 15 months, loss reserves would increase from current projections by approximately $13.1 million for all first lien U.S. RMBS transactions.

In the Company's least stressful scenario where the CDR plateau was six months shorter (30 months, effectively assuming that liquidation rates would improve) and the CDR recovery was more pronounced, (including an initial ramp-down of the CDR over nine months), loss reserves would decrease from current projections by approximately $3.5 million for all first lien U.S. RMBS transactions.

U.S. Second Lien RMBS Loss Projections

Second lien RMBS transactions include both home equity lines of credit ("HELOC") and closed end second lien mortgages. The Company believes the primary variable affecting its loss reserves in second lien RMBS transactions is the amount and timing of future losses in the collateral pool supporting the transactions. Loss reserves are also a function of the structure of the transaction; the voluntary prepayment rate (typically also referred to as CPR of the collateral); the interest rate environment; and assumptions about loss severity.

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. The Company estimates the amount of loans that will default over the next six months by calculating current representative liquidation rates. Similar to first liens, the Company then calculates a CDR for six months, which is the period over which the currently delinquent collateral is expected to be liquidated. That CDR is then used as the basis for the plateau CDR period that follows the embedded plateau losses.

For the base case scenario, the CDR (the “plateau CDR”) was held constant for six months. Once the plateau period has ended, the CDR is assumed to gradually trend down in uniform increments to its final long-term steady state CDR. (The long-term steady state CDR is calculated as the constant CDR that would have yielded the amount of losses originally expected at underwriting.) In the base case scenario, the time over which the CDR trends down to its final CDR is 28 months. Therefore, the total stress period for second lien transactions is 34 months, comprising six months of delinquent loan liquidations followed by 28 months of decrease to the steady state CDR, the same as of December 31, 2017.

HELOC loans generally permit the borrower to pay only interest for an initial period (often ten years) and, after that period, require the borrower to make both the monthly interest payment and a monthly principal payment. This causes the borrower's total monthly payment to increase, sometimes substantially, at the end of the initial interest-only period. In the prior periods, as the HELOC loans underlying the Company's insured HELOC transactions reached their principal amortization period, the Company incorporated an assumption that a percentage of loans reaching their principal amortization periods would default around the time of the payment increase.

Most of the HELOC loans underlying the Company's insured HELOC transactions are now past their interest only reset date, although a significant number of HELOC loans were modified to extend the interest only period for another five years. As a result, in third quarter 2017, the Company eliminated the CDR increase that was applied when such loans reached their principal amortization period. In addition, based on the average performance history, starting in third quarter 2017, the Company applied a CDR floor of 2.5% for the future steady state CDR on all its HELOC transactions.

When a second lien loan defaults, there is generally a very low recovery. The Company assumed as of June 30, 2018 that it will generally recover only 2% of future defaulting collateral at the time of charge-off, with additional amounts of post charge-off recoveries assumed to come in over time. This is the same assumption used as of December 31, 2017.

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected as well as the amount of excess spread. In the base case, an average CPR (based on experience of the past year) is assumed to continue until the end of the plateau before gradually increasing to the final CPR over the same period the CDR decreases. The final CPR is assumed to be 15% for second lien transactions (in the base case), which is lower than the historical average but reflects the Company’s continued uncertainty about the projected performance of the borrowers in these transactions. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant and the final CPR is not used. This pattern is generally consistent with how the Company modeled the CPR as of December 31, 2017. To the extent that prepayments differ from projected levels it could materially change the Company’s projected excess spread and losses.

In estimating expected losses, the Company modeled and probability weighted five scenarios, each with a different CDR curve applicable to the period preceding the return to the long-term steady state CDR. The Company believes that the level of the elevated CDR and the length of time it will persist and the ultimate prepayment rate are the primary drivers behind the likely amount of losses the collateral will suffer.

The Company continues to evaluate the assumptions affecting its modeling results. The Company believes the most important driver of its projected second lien RMBS losses is the performance of its HELOC transactions. Total loss and LAE reserves on all second lien U.S. RMBS was $13 million as of June 30, 2018 and total loss and LAE recoveries was $113 million as of December 31, 2017. This change was due primarily to cash received in 2018 from a favorable settlement of R&W litigation reached in late December 2017 and the addition of $17 million of net loss and LAE reserves on second lien U.S. RMBS from the reinsurance of the SGI portfolio on June 1, 2018.

The following table shows the range as well as the average, weighted by outstanding net insured par, for key assumptions for the calculation of expected loss to be paid for individual transactions for vintage 2004 - 2008 HELOCs.

Key Assumptions in Base Case Loss Reserve Estimates
HELOCs

	As of June 30, 2018		As of December 31, 2017	
	Range	Weighted Average	Range	Weighted Average
Plateau CDR	7.9% - 28.5%	13.5%	8.5% - 13.3%	11.4%
Final CDR trended down to	2.5% - 2.5%	2.5%	2.5% - 2.5%	2.5%
Liquidation rates:				
Delinquent/Modified in the Previous 12 Months	20%		20%	
30 - 59 Days Delinquent	40		45	
60 - 89 Days Delinquent	55		60	
90+ Days Delinquent	75		75	
Bankruptcy	55		55	
Foreclosure	65		70	
Real Estate Owned	100		100	
Loss severity	98		98	

The Company’s base case assumed a six month CDR plateau and a 28 month ramp-down (for a total stress period of 34 months). The Company also modeled a scenario with a longer period of elevated defaults and another with a shorter period of elevated defaults. Increasing the CDR plateau to eight months and increasing the ramp-down by three months to 31 months (for a total stress period of 39 months) would increase the loss reserves by approximately $3.3 million for HELOC transactions. On the other hand, reducing the CDR plateau to four months and decreasing the length of the CDR ramp-down to 25 months (for a total stress period of 29 months), and lowering the ultimate prepayment rate to 10% would decrease the loss reserves by approximately $3.6 million for HELOC transactions.

Breaches of Representations and Warranties

As of June 30, 2018, the Company had a net R&W recoverable of $27.9 million from R&W counterparties, compared to a net R&W recoverable of $138.9 million as of December 31, 2017. The decrease was due primarily to cash received in 2018 from a favorable settlement of R&W litigation reached in late December 2017.

Triple-X Life Insurance Transactions

The Company had $490 million of net par exposure to financial guaranty triple-X life insurance transactions as of June 30, 2018, of which $160 million in net par was rated BIG. The triple-X life insurance transactions are based on discrete blocks of individual life insurance business. In older vintage triple-X life insurance transactions, which include the BIG-rated transactions, the amounts raised by the sale of the bonds insured by the Company were used to capitalize a special purpose vehicle that provides reinsurance to a life insurer or reinsurer. The amounts have been invested since inception in accounts managed by third-party investment managers. In the case of the BIG-rated transactions, material amounts of their assets were invested in U.S. RMBS. Based on its analysis of the information available, including estimates of future investment performance, and projected credit impairments on the invested assets and performance of the blocks of life insurance business at June 30, 2018, the Company's loss and LAE recoveries are $87.6 million.

Underwriting exposure to subprime mortgage risk through Financial Guaranty insurance coverage.

The following table summarizes U.S. subprime loss activity at June 30, 2018:

	Losses Paid in the Current Year	Losses Incurred in the Current Year	Case Reserves at the End of Current Period	IBNR Reserves at the End of Current Period
a. Mortgage Guaranty coverage	$ —	$ —	$ —	$ —
b. Financial Guaranty coverage	(90,373,166)	(874,706)	98,144,812	—
c. Other lines (specify):	—	—	—	—
d. Total	$ (90,373,166)	$ (874,706)	$ 98,144,812	$ —

G. Insurance-Linked Securities (ILS) Contracts
The Company does not participate in any ILS contracts.

22. Events Subsequent

Subsequent events have been considered through August 10, 2018 for these statutory financial statements which are to be issued on August 10, 2018. There were no material events occurring subsequent to June 30, 2018 that have not already been disclosed in these financial statements.

23. Reinsurance

A. The Company has an unsecured reinsurance recoverable of $76,410,328 with an authorized affiliate, MAC, at June 30, 2018.
B. The Company has no reinsurance recoverable in dispute at June 30, 2018.
C. Reinsurance Assumed and Ceded
The following table summarizes ceded and assumed unearned premiums and the related commission equity at June 30, 2018:

	Assumed Reinsurance		Ceded Reinsurance		NET	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. AFFILIATES	$ 33,230,349	$ 8,773,943	$ 206,534,595	$ 42,553,702	$ (173,304,246)	$ (33,779,759)
b. ALL OTHER	255,016,754	5,828,641	1,100,765	93,577	253,915,989	5,735,064
c. TOTAL	$ 288,247,103	$ 14,602,584	$ 207,635,360	$ 42,647,279	$ 80,611,743	$ (28,044,695)
d. Direct Unearned Premium Reserve			$ 338,983,982			

D. The Company has no uncollectible reinsurance at June 30, 2018.
E. The Company had no commutations of ceded reinsurance in the six months ended June 30, 2018.
F. The Company has no retroactive reinsurance in effect at June 30, 2018.
G. The Company does not utilize the deposit method to account for any of its reinsurance transactions.
H. The Company has no run-off agreements at June 30, 2018.
I. The Company has no certified reinsurance downgraded or status subject to revocation at June 30, 2018.
J. The Company has no reinsurance agreements qualifying for reinsurer aggregation at June 30, 2018.

Syncora Guarantee Inc. Transaction

On June 1, 2018, AGC closed a reinsurance transaction with Syncora Guarantee Inc. ("SGI") ("SGI Transaction") under which AGC assumed, generally on a 100% quota share basis, substantially all of SGI's insured portfolio. The SGI Transaction also included the commutation of a book of business previously ceded to SGI by AGM, an affiliate of AGC. The net par value of exposures reinsured totaled approximately $12 billion.

The reinsured portfolio consists predominantly of public finance and infrastructure obligations that meet AGC's underwriting criteria. As consideration, SGI paid $344 million and assigned installment premiums of $79 million on a nominal basis to AGC. The assumed portfolio from SGI includes BIG contracts with loss reserves of $108 million (present value basis using 4.5%). In connection with the SGI Transaction, AGC incurred and expensed $4 million in fees to professional advisors.

The SGI Transaction was accounted for as runoff reinsurance under SSAP 62R, Property and Casualty Reinsurance. The effect of the SGI Transaction is summarized below:

Effect of SGI Transaction

(in millions)		
Cash	$	344
Premiums receivable/payable, net of commissions		3
Unearned premium reserve, net		(239)
Loss reserves		(108)
Impact to net assets (liabilities)	$	—

Subsequently, a portion ($50 million of unearned premium reserve) of the newly assumed SGI business was retroceded to AGC's affiliate, Assured Guaranty Re Ltd.

Additionally, beginning on June 1, 2018, on behalf of SGI, AGC began providing certain administrative services on the assumed portfolio, including surveillance, risk management, and claims processing.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination
There has been no change since the 2017 Annual Statement.

25. Changes in Incurred Losses and Loss Adjustment Expenses
Incurred losses and loss expenses attributable to insured events of prior years were $(5,721,195) for the first six months of 2018. 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
There has been no change since the 2017 Annual Statement.

27. Structured Settlements
There has been no change since the 2017 Annual Statement.

28. Health Care Receivables
There has been no change since the 2017 Annual Statement.

29. Participating Policies
There has been no change since the 2017 Annual Statement.

30. Premium Deficiency Reserves
There has been no change since the 2017 Annual Statement.

31. High Deductibles
There has been no change since the 2017 Annual Statement.

32. Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses
The net loss and LAE reserves of $315,206,276 are discounted at a rate of 4.5%, the approximate taxable equivalent yield on the Company's investment portfolio, amounting to a total discount of $23,194,572.

Nontabular Discount:	Case	IBNR	Defense & Cost Containment Expense	Adjusting & Other Expense
Financial Guaranty	$ 23,194,572	$ —	$ —	$ —

33. Asbestos and Environmental Reserves
There has been no change since the 2017 Annual Statement.

34. Subscriber Savings Accounts
There has been no change since the 2017 Annual Statement.

35. Multiple Peril Crop Insurance
There has been no change since the 2017 Annual Statement.

36. Financial Guaranty Insurance
A. Since the 2017 Annual Statement, the Company entered into a significant new reinsurance agreement. See Note 23 for a description of the SGI Transaction.
(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 $960,496,470 as of June 30, 2018.

b. Schedule of gross premiums (undiscounted) expected to be collected under all installment contracts:

Period		(in thousands)
1. (a) 1st Quarter 2018	$	0
(b) 2nd Quarter 2018		0
(c) 3rd Quarter 2018		7,416
(d) 4th Quarter 2018		7,987
(e) 2019		30,773
(f) 2020		29,455
(g) 2021		27,482
(h) 2022		24,111
2. (a) 2023 – 2027		90,904
(b) 2028 – 2032		56,324
(c) 2033 – 2037		36,218
(d) 2038 and thereafter		22,595
TOTAL	$	333,265

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

Expected future premiums – beginning of year	$	282,762
Less: premium payments received for existing installment contracts		12,490
Add: expected premium payments for new installment contracts		86,039
Add: adjustments to the expected future premium payments		(23,046)
Expected future premiums – June 30, 2018	$	333,265

(2) Non-installment Contracts

a. The net unearned premium reserve on non-installment contracts that was recognized as earned premium on an accelerated basis was $16,624,245 for the six months ended June 30, 2018. 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 expected gross future earned premium revenue on non-installment contracts as of June 30, 2018:

Period		(in thousands)
1. (a) 1st Quarter 2018	$	0
(b) 2nd Quarter 2018		0
(c) 3rd Quarter 2018		9,802
(d) 4th Quarter 2018		8,586
(e) 2019		32,574
(f) 2020		31,209
(g) 2021		33,318
(h) 2022		25,481
2. (a) 2023 – 2027		106,227
(b) 2028 – 2032		95,632
(c) 2033 – 2037		77,684
(d) 2038 and thereafter		81,663
TOTAL	$	502,176

(3) Claim Liability

a. The Company used a rate of 4.5% to discount the 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):

Components		Amount
(1) Accretion of discount	$	2,899
(2) Changes of timing estimates		(8,778)
(3) New reserves for defaults of insured contracts		104,008
(4) Claim recoveries/(payments) on prior year reserves		82,247
TOTAL	$	180,376

(4) Risk Management Activities

No significant changes since the 2017 Annual Statement.

B. Schedule of BIG insured financial obligations as of June 30, 2018:

	Surveillance Categories			
	BIG 1	BIG 2	BIG 3	Total
	(Dollars in Thousands)			
1. Number of risks	97	40	125	262
2. Remaining weighted-average contract period (in yrs)	7.2	16.9	10.6	11.3
Insured contractual payments outstanding:				
3a. Principal	$ 746,290	$ 953,429	$ 3,247,565	$ 4,947,284
3b. Interest	189,676	514,046	1,125,654	1,829,376
3c. Total	$ 935,966	$ 1,467,475	$ 4,373,219	$ 6,776,660
4. Gross claim liability	$ 15,168	$ 211,632	$ 1,825,717	$ 2,052,517
Less:				
5a1. Gross potential recoveries - subrogation	312,065	64,667	1,044,199	1,420,931
5a2. Ceded claim liability	(27,129)	13,457	307,487	293,815
5a. Total gross potential recoveries	$ 284,936	$ 78,124	$ 1,351,686	$ 1,714,746
5b. Discount, net	(59,567)	56,016	26,745	23,194
6. Net claim liability	$ (210,201)	$ 77,492	$ 447,286	$ 314,577
7. Unearned premium revenue	$ 7,543	$ 36,780	$ 46,864	$ 91,187
			—	
8. Reinsurance recoverables	$ (65)	$ 80	$ 4,407	$ 4,422

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

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 [X] No [ ]

2.2 If yes, date of change: 01/19/2018

3.1 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 [ ]

If yes, complete Schedule Y, Parts 1 and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No [ ]

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0001573813

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

4.2 If yes, provide the name of 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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [ ] NA [X]

If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2016

6.2 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. 12/31/2016

6.3 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). 05/30/2018

6.4 By what department or departments?

Maryland Insurance Administration

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] NA [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] NA [X]

7.1 Has this 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]

7.2 If yes, give full information:

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 below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), 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 FDIC	6 SEC

GENERAL INTERROGATORIES

9.1 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.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [X] No [ ]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

The Code of Conduct is revised annually to make ordinary course updates

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 254,657

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $

13. Amount of real estate and mortgages held in short-term investments: $

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No [ ]

14.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21	Bonds	$	$
14.22	Preferred Stock	$	$
14.23	Common Stock	$ 97,762,516	$ 98,486,253
14.24	Short-Term Investments	$	$
14.25	Mortgage Loans on Real Estate	$	$
14.26	All Other	$ (1,032,748)	$ 5,110,383
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 96,729,768	$ 103,596,636
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above	$	$

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]

If no, attach a description with this statement.

GENERAL INTERROGATORIES

16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 0

16.3 Total payable for securities lending reported on the liability page $ 0

17. 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 [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
The Bank of New York Mellon	One Wall Street, New York, NY 10286
Wilmington Trust	1800 Washington Blvd, Baltimore, MD 21230
CACEIS Bank France	Code banque18129 - Siege social 1-3 place Valhubert 75103 PARIS

17.2 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)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [ ] No [X]

17.4 If yes, give full and complete information relating thereto:

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

17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["…that have access to the investment accounts"; "…handle securities"]

1 Name of Firm or Individual	2 Affiliation
Blackrock Financial Management Inc.	U
New England Asset Managment Inc.	U
Wellington Management Company LLP	U
Goldman Sachs Asset Management, L.P.	U
Mackay Shields LLC	U
Assured Guaranty Corp.	I

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes [X] No [ ]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [X] No [ ]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107-105	Blackrock Financial Management Inc.	549300LVXYIVJKE13M84	Securities and Exchange Commission	NO
105-900	New England Asset Managment Inc.	KUR85E5PS4GQFZTFC130	Securities and Exchange Commission	NO
106-595	Wellington Management Company LLP	549300YHP12TEZNLCX41	Securities and Exchange Commission	NO
107-738	Goldman Sachs Asset Management, L.P.	CF5M58QA35CFPUX70H17	Securities and Exchange Commission	NO
107-717	Mackay Shields LLC	549300Y7LLCOFU7R8H16	Securities and Exchange Commission	NO

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No [ ]

18.2 If no, list exceptions:

19. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designated 5*GI security:

a. Documentation necessary to permit a full credit analysis of the security does not exist.
b. Issuer or obligor is current on all contracted interest and principal payments.
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities? Yes [ ] No [X]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [ ] No [ ] NA [X]

   If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting 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]

   If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [ ] No [X]

3.2 If yes, give full and complete information thereto.

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [X] No [ ]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1 Line of Business	2 Maximum Interest	3 Discount Rate	4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
Financial Guaranty		4.500	23,194,572			23,194,572	79,939,623			79,939,623
TOTAL			23,194,572	0	0	23,194,572	79,939,623	0	0	79,939,623

5. Operating Percentages:

   5.1 A&H loss percent %

   5.2 A&H cost containment percent %

   5.3 A&H expense percent excluding cost containment expenses %

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

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

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

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No [ ]

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [ ] No [ ]

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date – Allocated by States and Territories

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, etc.	Active Status (a)	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama AL	L		0		0		0
2. Alaska AK	L	103,725	105,225		0		0
3. Arizona AZ	L		0		0		0
4. Arkansas AR	L	32,977	37,850	(52,395)	89,886	5,075,497	5,642,105
5. California CA	L	133,740	140,529	110,879	286,947	3,049,181	2,949,413
6. Colorado CO	L		0		0		0
7. Connecticut CT	L		0		0		0
8. Delaware DE	L	3,258,888	2,960,920	(142,271)	(219,377)	6,834,949	8,388,220
9. Dist. Columbia DC	L		0		0		0
10. Florida FL	L		0	988,881	902,756	6,707,048	6,257,106
11. Georgia GA	L		0		0		0
12. Hawaii HI	L	100,662	101,634		0		0
13. Idaho ID	L		0		0		0
14. Illinois IL	L	63,856	64,489	52,799	(788,240)	465,829	3,104,347
15. Indiana IN	L		0		0		0
16. Iowa IA	L		0		0		0
17. Kansas KS	L		0		0		0
18. Kentucky KY	L		0		0		0
19. Louisiana LA	L		0		0		0
20. Maine ME	L	97,127	157,820		0		0
21. Maryland MD	L	420,546	522,886		306,659	970,375	508,160
22. Massachusetts MA	L	47,154	54,611	107,277	361,312	6,959,935	6,683,358
23. Michigan MI	L		0	8,040,470	1,266,001		7,998,181
24. Minnesota MN	L		312,497		0		0
25. Mississippi MS	L		0	919,947	899,918	10,910,208	11,823,603
26. Missouri MO	L	2,500,000	2,500,000		0		0
27. Montana MT	L		0		0		0
28. Nebraska NE	L		0		0		0
29. Nevada NV	L		0		0		0
30. New Hampshire NH	L		0		0		0
31. New Jersey NJ	L	76,426	90,299	12,500	12,500	22,191	0
32. New Mexico NM	L		0		0		0
33. New York NY	L	4,240,150	6,542,451	(107,476,250)	5,015,474	496,137	6,414,772
34. No. Carolina NC	L		0		0		0
35. No. Dakota ND	L		0		0		0
36. Ohio OH	L		0		0		0
37. Oklahoma OK	L		0		0		0
38. Oregon OR	L		0		0		0
39. Pennsylvania PA	L		0	266,350	102,887	3,313,701	3,515,461
40. Rhode Island RI	L		0		0		0
41. So. Carolina SC	L		0		0		0
42. So. Dakota SD	L		0		0		0
43. Tennessee TN	L		0		0		0
44. Texas TX	L	37,577	44,206		0		0
45. Utah UT	L	26,978	27,283		0		0
46. Vermont VT	L		509,833		0		0
47. Virginia VA	L		0		0		0
48. Washington WA	L		0		0		0
49. West Virginia WV	L		0		0		0
50. Wisconsin WI	L		0		0		0
51. Wyoming WY	L		0		0		0
52. American Samoa AS	N		0		0		0
53. Guam GU	N		0		0		0
54. Puerto Rico PR	L		0	18,629,235	1,621,556	291,643,700	288,218,833
55. U.S. Virgin Islands VI	N		0		0		0
56. Northern Mariana Islands MP	N		0		0		0
57. Canada CAN	N		0		0		0
58. Aggregate Other Alien OT	XXX	713,189	1,141,193	0	0	0	0
59. Totals	XXX	11,852,995	15,313,726	(78,542,578)	9,858,279	336,448,751	351,503,559
DETAILS OF WRITE-INS							
58001. CYM Cayman Islands	XXX	661,106	1,090,556		0		0
58002. GBR United Kingdom	XXX	52,083	50,637		0		0
58003.	XXX		0		0		0
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	713,189	1,141,193	0	0	0	0

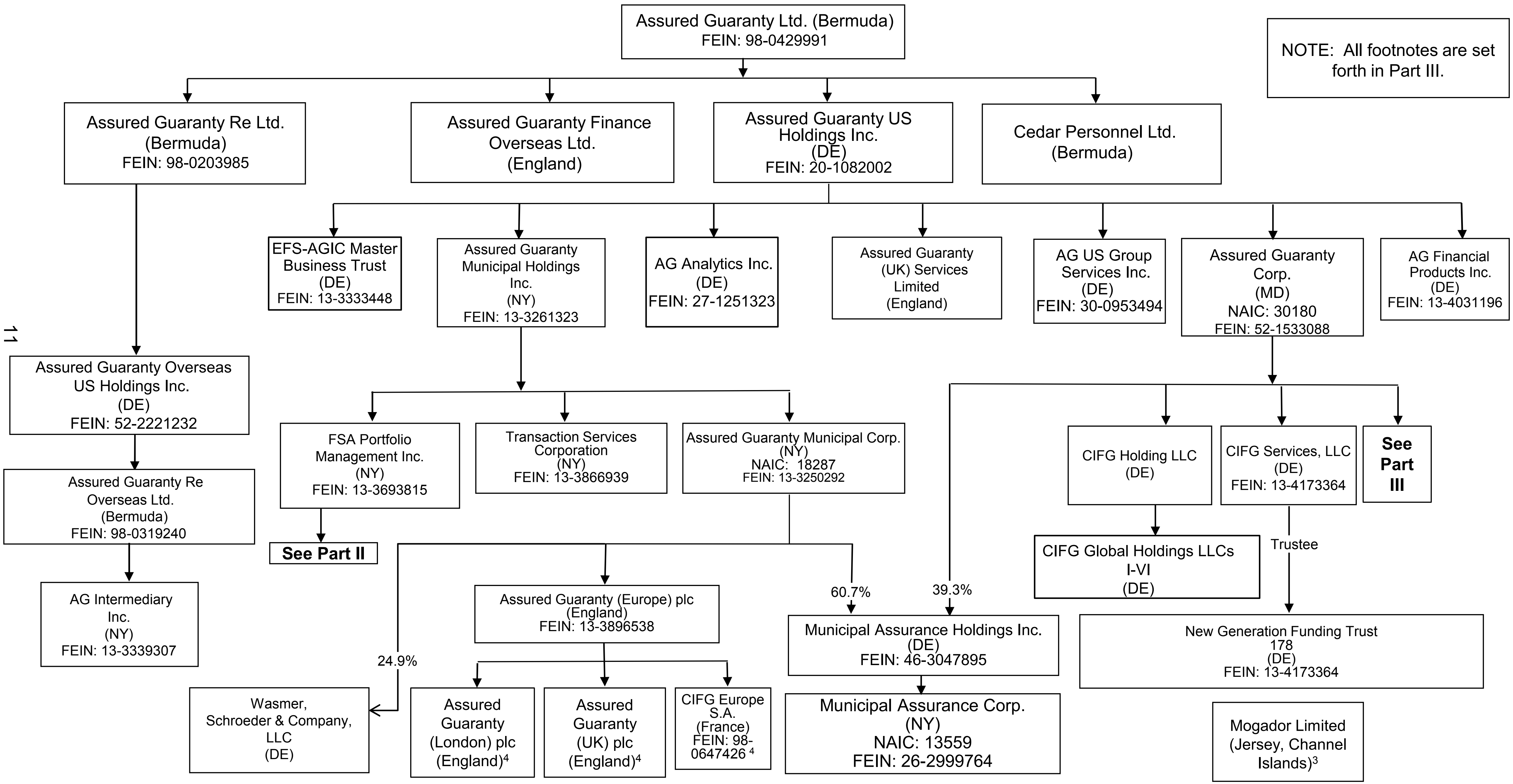
(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG 52
R – Registered – Non-domiciled RRGs 0
E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) 0
Q – Qualified – Qualified or accredited reinsurer 0
D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile 0
N – None of the above – Not allowed to write business in the state 5

STATEMENT as of JUNE 30, 2018 of the ASSURED GUARANTY CORP.

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

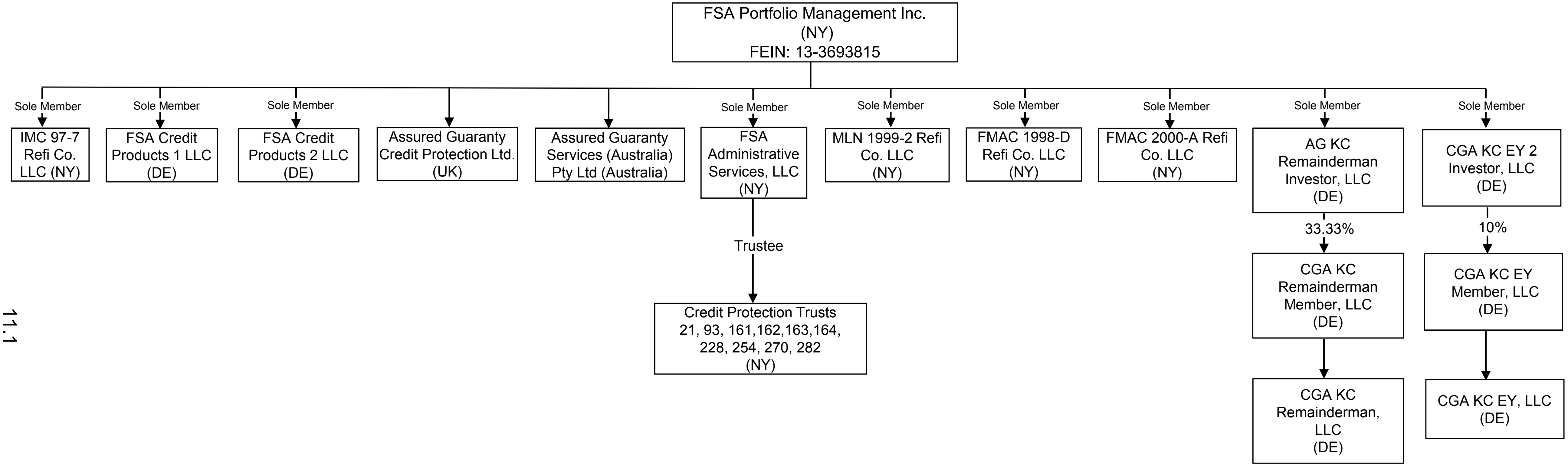
ORGANIZATIONAL CHART OF ASSUREDGUARANTY LTD.[1,2] Part I



STATEMENT as of JUNE 30, 2018 of the ASSURED GUARANTY CORP.

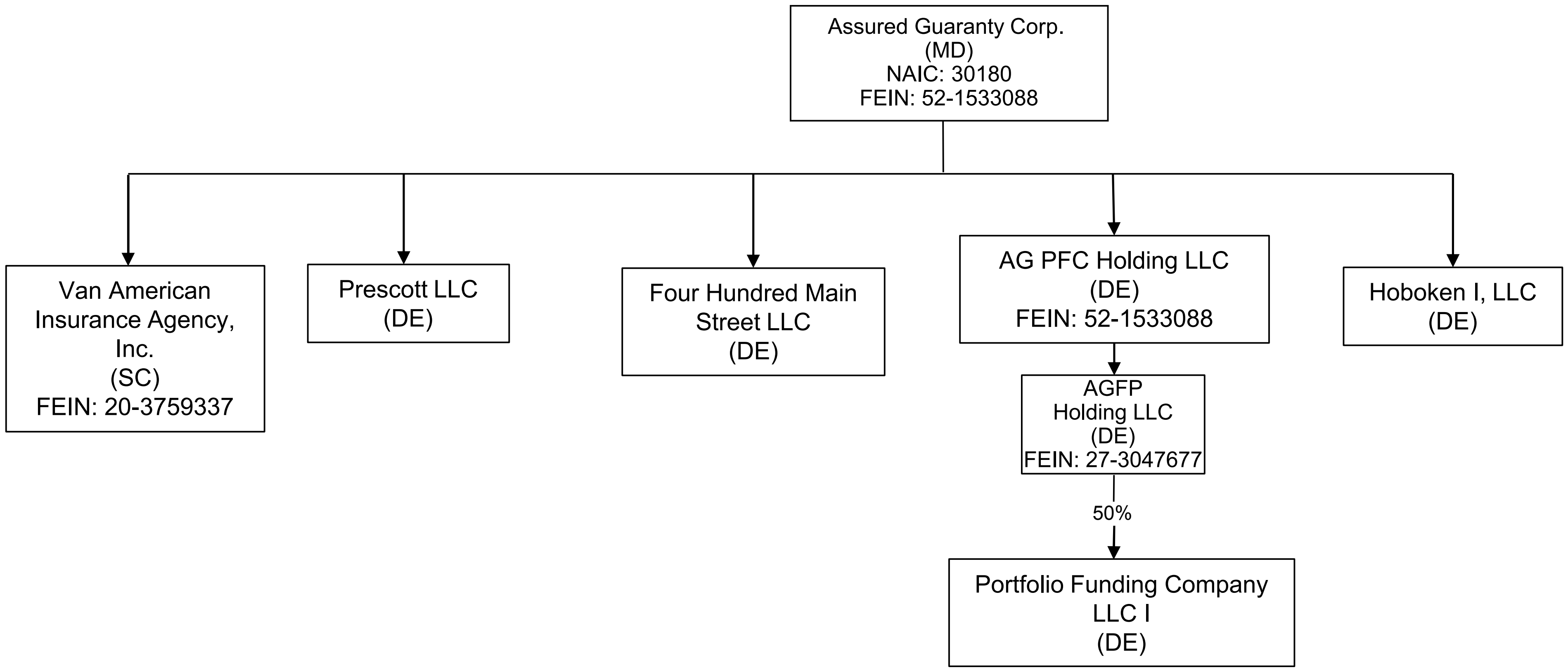
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

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



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

ORGANIZATIONAL CHART OF ASSURED GUARANTY LTD.
Part III: Assured Guaranty Corp.



Footnotes:

1. 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.
2. All companies listed are corporations, except for: (i) limited liability companies (designated as LLCs); (ii) EFS-AGIC Master Business Trust and the New Generation Funding Trusts (which are Delaware trusts); and (iii) the Credit Protection Trusts (which are New York trusts).
3. Mogador Limited is wholly owned by Sanne Nominees Limited and Sanne Nominees 2 Limited, which companies are organized under the laws of Jersey, Channel Islands and are not owned or controlled by Assured Guaranty Ltd. Mogador Limited is the depositor of the New Generation Funding Trusts and the seller of protection on derivatives guaranteed by CIFG Europe S.A.
4. AGM owns ten (10) shares of each of Assured Guaranty (London) plc, Assured Guaranty (UK) plc, and CIFG Europe S.A., representing less than 0.1% of the total issued and outstanding shares of each of such companies.

STATEMENT AS OF JUNE 30, 2018 OF THE ASSURED GUARANTY CORP.

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

1 Group Code	2 Group Name	3 NAIC Company Code	4 ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 Is an SCA Filing Required? (Y/N)	16 *
00194	Assured Guaranty Ltd.	00000	98-0429991		0001573813	NYSE	Assured Guaranty Ltd.	BMU	UIP			0.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	20-1082002		0001289244		Assured Guaranty US Holdings Inc.	DE	UDP	Assured Guaranty Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	13-3261323		1111913357		Assured Guaranty Municipal Holdings Inc.	NY	NIA	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	18287	13-3250292				Assured Guaranty Municipal Corp.	NY	IA	Assured Guaranty Municipal Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	13-3693815				FSA Portfolio Management Inc.	NY	NIA	Assured Guaranty Municipal Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	13-3866939				Transaction Services Corporation	NY	NIA	Assured Guaranty Municipal Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	46-3047895				Municipal Assurance Holdings Inc.	DE	DS	Assured Guaranty Municipal Corp.	Ownership	60.7	Assured Guaranty Ltd.	Y	(1)
00194	Assured Guaranty Ltd.	00000	13-3896538				Assured Guaranty (Europe) plc	GBR	IA	Assured Guaranty Municipal Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	98-0203985				Assured Guaranty Re Ltd.	BMU	IA	Assured Guaranty Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Assured Guaranty Finance Overseas Ltd.	GBR	NIA	Assured Guaranty Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Cedar Personnel Ltd.	BMU	NIA	Assured Guaranty Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	52-2221232				Assured Guaranty Overseas US Holdings Inc.	DE	NIA	Assured Guaranty Re Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	98-0319240				Assured Guaranty Re Overseas Ltd.	BMU	IA	Assured Guaranty Overseas US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	13-3339307				AG Intermediary Inc.	NY	NIA	Assured Guaranty Re Overseas Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	13559	26-2999764				Municipal Assurance Corp.	NY	DS	Municipal Assurance Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	27-1251323				AG Analytics Inc.	DE	NIA	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Assured Guaranty (UK) Services Limited	GBR	NIA	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	30180	52-1533088				Assured Guaranty Corp.	MD	RE	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	13-4031196				AG Financial Products Inc.	DE	NIA	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Prescott LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	52-1533088				AG PFC Holding LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Assured Guaranty (UK) plc	GBR	IA	Assured Guaranty (Europe) plc	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	27-3047677				AGFP Holding LLC	DE	DS	AG PFC Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Portfolio Funding Company LLC 1	DE	DS	AGFP Holding LLC	Ownership	50.0	Assured Guaranty Ltd.	N	0

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

1 Group Code	2 Group Name	3 NAIC Company Code	4 ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 Is an SCA Filing Required? (Y/N)	16 *
00194	Assured Guaranty Ltd.	00000					FSA Credit Products 1 LLC	DE	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					FSA Credit Products 2 LLC	DE	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Assured Guaranty Credit Protection Ltd.	GBR	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Assured Guaranty Services (Australia) Pty Ltd.	AUS	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					FSA Administrative Services, LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					MLN 1992-2 Refi Co. LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					FMAC 1998-D Refi Co. LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					FMAC 2000-A Refi Co. LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					IMC 97-7 Refi Co. LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Credit Protection Trusts	NY	NIA	FSA Portfolio Management Inc.	Other	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	13-3333448				EFS-AGIC Master Business Trust	DE	NIA	Assured Guaranty US Holdings, Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Four Hundred Main Street, LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	20-3759337				Van American Insurance Agency, Inc.	SC	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	(3)
00194	Assured Guaranty Ltd.	00000					Hoboken I, LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	13-4173364				CIFG Services, LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	98-0647426				CIFG Europe S.A.	FRA	IA	Assured Guaranty (Europe) plc	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CIFG Holding LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	13-4173364				New Generation Funding Trusts	DE	NIA	CIFG Services, LLC	Other	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Mogador Limited	JEY	OTH	Sanne Nominees Limited and Sanne Nominees 2 Limited	Ownership	100.0	Sanne Nominees Limited and Sanne Nominees 2 Limited	N	(2)
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings I, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings II, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings III, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings IV, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0

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

1 Group Code	2 Group Name	3 NAIC Company Code	4 ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity/Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 Is an SCA Filing Required? (Y/N)	16 *
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings V, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings VI, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Assured Guaranty (London) plc	GBR	IA	Assured Guaranty (Europe) plc	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000	30-0953494				AG US Group Services Inc.	DE	NIA	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					AG KC Remainderman Investor, LLC	DE	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CGA KC Remainderman Member, LLC	DE	NIA	AG KC Remainderman Investor, LLC	Ownership	33.3	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CGA KC Remainderman, LLC	DE	NIA	CGA KC Remainderman Member, LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					Wasmer, Schroeder & Company, LLC	DE	NIA	Assured Guaranty Municipal Corp.	Ownership	24.9	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CGA KC EY 2 Investor, LLC	DE	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CGA KC EY Member, LLC	DE	NIA	CGA KC EY 2 Investor, LLC	Ownership	10.0	Assured Guaranty Ltd.	N	0
00194	Assured Guaranty Ltd.	00000					CGA KC EY, LLC	DE	NIA	CGA KC EY Member, LLC	Ownership	100.0	Assured Guaranty Ltd.	N	0

Asterisk	Explanation
	(1) The remaining 39.3% of Municipal Assurance Holdings Inc. is directly owned by Assured Guaranty Corp.
	(2) Mogador Limited is wholly owned by Sanne Nominees Limited and Sanne Nominees 2 Limited, which companies are organized under the laws of Jersey, Channel Islands and are not owned or controlled by Assured Guaranty Ltd. Mogador Limited is the depositor of the New Generation Funding Trusts and the seller of protection on derivatives guaranteed by CIFG Europe S.A.
	(3) AGC does not file a SUB-2 form in respect of Van American Insurance Agency, Inc. since AGC reports such subsidiary as a non-admitted asset on its statutory financial statements.

PART 1 - LOSS EXPERIENCE

	Line of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1.	Fire			0.0	0.0
2.	Allied lines			0.0	0.0
3.	Farmowners multiple peril			0.0	0.0
4.	Homeowners multiple peril			0.0	0.0
5.	Commercial multiple peril			0.0	0.0
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine			0.0	0.0
10.	Financial guaranty	53,238,165	10,126,179	19.0	131.2
11.1	Medical professional liability -occurrence			0.0	0.0
11.2	Medical professional liability -claims made			0.0	0.0
12.	Earthquake			0.0	0.0
13.	Group accident and health			0.0	0.0
14.	Credit accident and health			0.0	0.0
15.	Other accident and health			0.0	0.0
16.	Workers' compensation			0.0	0.0
17.1	Other liability occurrence			0.0	0.0
17.2	Other liability-claims made			0.0	0.0
17.3	Excess Workers' Compensation			0.0	0.0
18.1	Products liability-occurrence			0.0	0.0
18.2	Products liability-claims made			0.0	0.0
19.1,19.2	Private passenger auto liability			0.0	0.0
19.3,19.4	Commercial auto liability			0.0	0.0
21.	Auto physical damage			0.0	0.0
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft			0.0	0.0
27.	Boiler and machinery			0.0	0.0
28.	Credit			0.0	0.0
29.	International			0.0	0.0
30.	Warranty			0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	53,238,165	10,126,179	19.0	131.2
	DETAILS OF WRITE-INS				
3401.				0.0	0.0
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

	Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0		0
2.	Allied lines	0		0
3.	Farmowners multiple peril	0		0
4.	Homeowners multiple peril	0		0
5.	Commercial multiple peril	0		0
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	0		0
10.	Financial guaranty	6,092,724	11,852,995	15,313,726
11.1	Medical professional liability-occurrence	0		0
11.2	Medical professional liability-claims made	0		0
12.	Earthquake	0		0
13.	Group accident and health	0		0
14.	Credit accident and health	0		0
15.	Other accident and health	0		0
16.	Workers' compensation	0		0
17.1	Other liability occurrence	0		0
17.2	Other liability-claims made	0		0
17.3	Excess Workers' Compensation	0		0
18.1	Products liability-occurrence	0		0
18.2	Products liability-claims made	0		0
19.1,19.2	Private passenger auto liability	0		0
19.3,19.4	Commercial auto liability	0		0
21.	Auto physical damage	0		0
22.	Aircraft (all perils)	0		0
23.	Fidelity	0		0
24.	Surety	0		0
26.	Burglary and theft	0		0
27.	Boiler and machinery	0		0
28.	Credit	0		0
29.	International	0		0
30.	Warranty	0		0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	TOTALS	6,092,724	11,852,995	15,313,726
	DETAILS OF WRITE-INS			
3401.		0		0
3402.				
3403.				
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2018 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2018 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2018 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2015 + Prior	134,662	150	134,812	(82,116)		(82,116)	211,036		150	211,186	(5,742)	0	(5,742)
2. 2016	49		49	86		86	12			12	49	0	49
3. Subtotals 2016 + prior	134,711	150	134,861	(82,030)	0	(82,030)	211,048	0	150	211,198	(5,693)	0	(5,693)
4. 2017	28		28	0		0				0	(28)	0	(28)
5. Subtotals 2017 + prior	134,739	150	134,889	(82,030)	0	(82,030)	211,048	0	150	211,198	(5,721)	0	(5,721)
6. 2018	XXX	XXX	XXX	XXX	(105,819)	(105,819)	XXX	104,008		104,008	XXX	XXX	XXX
7. Totals	134,739	150	134,889	(82,030)	(105,819)	(187,849)	211,048	104,008	150	315,206	(5,721)	0	(5,721)
8. Prior Year-End Surplus As Regards Policy-holders	2,073,166										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. (4.2)	2. 0.0	3. (4.2)
													Col. 13, Line 7 Line 8
													4. (0.3)

Line 6. Column 5 includes cash received from SGI of $107,778 in relation to the run-off reinsurance election as described in SSAP 62R.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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.

		Response
1.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2.	Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
4.	Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

1. Business not written

2. Business not written

3. Business not written

4. Business not written

Bar Code:

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

2. 3 0 1 8 0 2 0 1 8 4 5 5 0 0 0 0 2

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

4. 3 0 1 8 0 2 0 1 8 5 0 5 0 0 0 0 2

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	28,550,006	30,248,329
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		59,312
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other-than-temporary impairment recognized		0
8. Deduct current year's depreciation	802,946	1,757,635
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	27,747,060	28,550,006
10. Deduct total nonadmitted amounts	1,949,276	2,009,989
11. Statement value at end of current period (Line 9 minus Line 10)	25,797,784	26,540,017

SCHEDULE B – VERIFICATION

Mortgage Loans

NONE

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other-than-temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	3,679,927	4,981,678
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)	(61,599)	636,325
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals	1,000,606	1,938,076
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other-than-temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	2,617,722	3,679,927
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	2,617,722	3,679,927

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	2,743,343,589	2,850,765,060
2. Cost of bonds and stocks acquired	246,885,869	1,238,437,089
3. Accrual of discount	27,919,192	63,001,609
4. Unrealized valuation increase (decrease)	6,755,304	25,109,567
5. Total gain (loss) on disposals	(996,806)	(33,041,694)
6. Deduct consideration for bonds and stocks disposed of	388,306,543	1,375,083,996
7. Deduct amortization of premium	9,667,395	19,462,408
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other-than-temporary impairment recognized	3,512,132	6,381,638
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees	100,000	
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)	2,622,521,078	2,743,343,589
12. Deduct total nonadmitted amounts	5,110,383	(1,032,748)
13. Statement value at end of current period (Line 11 minus Line 12)	2,617,410,695	2,744,376,337

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	2,257,966,627	168,563,747	143,795,198	2,674,919	2,257,966,627	2,285,410,095	0	2,369,330,302
2. NAIC 2 (a)	39,900,820	11,520,931	3,250,602	27,793	39,900,820	48,198,942	0	60,077,861
3. NAIC 3 (a)	0				0	0	0	30,010,545
4. NAIC 4 (a)	0				0	0	0	0
5. NAIC 5 (a)	1,413,368		108,511	(4,218)	1,413,368	1,300,639	0	1,504,657
6. NAIC 6 (a)	195,153,317	42,212	1,391,444	5,072,480	195,153,317	198,876,565	0	185,638,634
7. Total Bonds	2,494,434,132	180,126,890	148,545,755	7,770,974	2,494,434,132	2,533,786,241	0	2,646,561,999
PREFERRED STOCK								
8. NAIC 1	0				0	0	0	0
9. NAIC 2	0				0	0	0	0
10. NAIC 3	0				0	0	0	0
11. NAIC 4	0				0	0	0	0
12. NAIC 5	0				0	0	0	0
13. NAIC 6	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	2,494,434,132	180,126,890	148,545,755	7,770,974	2,494,434,132	2,533,786,241	0	2,646,561,999

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 $ 14,007,790 ; NAIC 2 $ 2,449,645 ;
NAIC 3 $; NAIC 4 $; NAIC 5 $; NAIC 6 $

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	2,471,264	XXX	2,471,242	2,815	4,787

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,455,626	958,627
2. Cost of short-term investments acquired	2,471,242	5,119,437
3. Accrual of discount	21	4,417
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals	0	336
6. Deduct consideration received on disposals	1,451,311	4,624,649
7. Deduct amortization of premium	4,314	1,710
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other-than-temporary impairment recognized		832
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	2,471,264	1,455,626
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	2,471,264	1,455,626

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 – PART 2 – VERIFICATION

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	50,983,436	60,743,014
2. Cost of cash equivalents acquired	281,792,577	356,816,997
3. Accrual of discount	44,443	155,591
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals	138	(5)
6. Deduct consideration received on disposals	61,154,979	366,732,161
7. Deduct amortization of premium		0
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	271,665,615	50,983,436
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	271,665,615	50,983,436

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
4499999 – Subtotals - Unaffiliated								0	0	0	0	XXX
4599999 – Subtotals - Affiliated								0	0	0	0	XXX
4699999 Totals								0	0	0	0	XXX

E03

SCHEDULE BA - PART 3

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

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/ Adjusted Carrying Value Less Encumbrances Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
4499999 – Subtotals - Unaffiliated							0	0	0	0	0	0	0	0	0	0	0	0	0
4599999 – Subtotals - Affiliated							0	0	0	0	0	0	0	0	0	0	0	0	0
4699999 Totals							0	0	0	0	0	0	0	0	0	0	0	0	0

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
3620AC-5Y-6	GNMA 30 YR		06/18/2018	STOCK CONVERSION	XXX	979,117	933,133	2,203	1
36179T-Z5-7	GOVERNMENT NATL MTG ASSOC II #MA52		06/07/2018	NOMURA SECURITIES INT'L INC	XXX	4,606,348	4,500,000	9,500	1
0599999 - Bonds - U.S. Governments						5,585,465	5,433,133	11,703	XXX
Bonds - U.S. States, Territories and Possessions									
13063B-CH-3	CA CA FLTG-A3-RMKT-12/01		06/15/2018	PIPER JAFFRAY INC	XXX	1,500,000	1,500,000	339	1FE
57582P-WH-9	COMMONWEALTH OF MASSACHUSETTS 4.5%		06/26/2018	CITIGROUP GLOBAL MARKETS	XXX	2,549,824	2,375,000	43,641	1FE
574193-NV-6	MARYLAND ST		06/12/2018	MORGAN STANLEY CO	XXX	3,996,615	3,500,000	64,653	1FE
13063D-GC-6	STATE OF CALIFORNIA 3.5% 01 APR 20		06/26/2018	CITIGROUP GLOBAL MARKETS	XXX	2,470,025	2,475,000	15,400	1FE
1799999 - Bonds - U.S. States, Territories and Possessions						10,516,464	9,850,000	124,033	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
544351-MS-5	CA LOS ANGELES-A-TXBL		06/27/2018	MORGAN STANLEY CO	XXX	2,500,000	2,500,000		1FE
952347-Z2-1	CA W CONTRA COSTA UNIF		06/14/2018	STIFEL NICOLAUS & CO INC	XXX	1,655,367	1,640,000	7,122	1FE
64763F-RC-5	LA NEW ORLEANS-A-TXBL		06/14/2018	STIFEL NICOLAUS & CO INC	XXX	1,137,779	1,115,000	2,106	1FE
594612-BA-0	MI MICHIGAN-A-TXBL		06/25/2018	GOLDMAN SACHS	XXX	2,649,436	2,725,000	8,425	1FE
812627-FU-6	WA SEATTLE-B-TXBL-IMPT		06/15/2018	GOLDMAN SACHS	XXX	403,936	415,000	1,121	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						8,346,518	8,395,000	18,774	XXX
Bonds - U.S. Special Revenue									
463632-4K-2	CA IRVINE RANCH-VAR-B		06/18/2018	GOLDMAN SACHS	XXX	2,000,000	2,000,000	717	1FE
544525-DB-1	CA LOS ANGELES WTR-B2		06/15/2018	GOLDMAN SACHS	XXX	2,000,000	2,000,000	527	1FE
91412G-2W-4	CA UNIV OF CALIFORNIA-N		06/12/2018	STIFEL NICOLAUS & CO INC	XXX	789,484	825,000	1,920	1FE
114894-RF-7	FL BROWARD-Q1-ARPT		06/13/2018	VARIOUS	XXX	281,337	275,000	2,219	1FE
75845H-LH-4	FL REEDY CREEK FL IMPT D		06/28/2018	JP MORGAN SECURITIES.	XXX	1,445,000	1,445,000		1FE
75845H-LJ-0	FL REEDY CREEK FL IMPT D		06/28/2018	JP MORGAN SECURITIES.	XXX	1,100,000	1,100,000		1FE
75845H-LK-7	FL REEDY CREEK FL IMPT D		06/28/2018	JP MORGAN SECURITIES.	XXX	850,000	850,000		1FE
31418C-XN-9	FNCL PL#MA3384		06/13/2018	RBC DOMINION	XXX	1,010,279	996,115	1,217	1
31418C-YN-8	FNCL PL#MA3416		06/13/2018	RBC DOMINION	XXX	1,037,500	1,000,000	1,375	1
3140Q7-2S-5	FNMA 15YR		06/26/2018	MORGAN STANLEY CO	XXX	2,034,299	2,046,129	4,433	1
3140Q8-AB-1	FNMA 15YR		06/26/2018	MORGAN STANLEY CO	XXX	2,936,393	2,953,468	6,399	1
3140J7-6B-6	FNMA 30YR		04/19/2018	RBC CAPITAL MARKETS	XXX	3,224,454	3,325,116	5,265	1
38611T-BP-1	GRAND PARKWAY TRANSN CORP TEX		05/17/2018	GOLDMAN SACHS	XXX	4,079,261	3,570,000		1FE
167510-AD-8	IL CHICAGO IL BRD OF EDU		06/27/2018	UBS WARBURG STAMFORD LLC	XXX	193,397	170,000	2,389	2FE
64990C-7K-1	NEW YORK ST DORM AUTH REVENUES		05/04/2018	WELLS FARGO BROKER SERVICES LLC	XXX	1,051,330	1,000,000		1FE
59261E-AM-1	NY MET TRANS AUTH-REF		06/13/2018	BAIRD	XXX	992,000	1,000,000	14,660	1FE
59259Y-AE-9	NY MET TRN-SUBSER D2		06/18/2018	MORGAN STANLEY CO	XXX	2,000,000	2,000,000	1,038	1FE
64971M-T4-4	NY NYC TRANSL FIN-QSCB		06/12/2018	STIFEL NICOLAUS & CO INC	XXX	1,352,828	1,210,000	7,612	1FE
786107-RL-8	SACRAMENTO CNTY CA ART SYS		06/21/2018	STIFEL NICOLAUS & CO INC	XXX	2,356,300	2,000,000	14,444	1FE
79467B-AN-5	SALES TAX SECURITIZATION CORP		06/28/2018	RBC CAPITAL MARKETS	XXX	4,446,712	4,660,000	86,377	1FE
79766D-KG-3	SAN FRANCISCO CALIF CITY & CNT		06/19/2018	MORGAN STANLEY CO	XXX	3,973,935	3,500,000	24,306	1FE
798136-VQ-7	SAN JOSE CALIF ARPT REV		06/04/2018	MORGAN STANLEY CO	XXX	2,145,849	1,890,000	24,938	1FE
80168N-EP-0	SANTA CLARA VALLEY TRANSPORTATI 5		06/28/2018	RAYMOND JAMES & ASSOC.	XXX	3,432,879	2,915,000	41,870	1FE
83703F-KG-6	SC SOUTH CAROLINA ST JOB-MCLEOD HE		06/13/2018	JP MORGAN SECURITIES.	XXX	350,727	300,000		1FE
44237N-GX-4	TX HOUSTON-REF-HOTEL TAX		06/28/2018	STIFEL NICOLAUS & CO INC	XXX	1,559,050	1,425,000	23,948	1FE
91335V-KJ-4	UNIV OF PITTSBURGH PA OF THE		06/28/2018	HILLTOP SECURITIES INC.	XXX	2,687,256	2,700,000	27,269	1FE
480780-EN-1	UT JORDAN VLY WTR-A-REF		06/11/2018	PIPER JAFFRAY INC	XXX	1,286,689	1,150,000	11,500	1FE
961017-PH-7	WESTMORELAND COUNTY PA MUNICIPAL A		06/13/2018	BARCLAYS CAPITAL	XXX	1,883,937	1,650,000	27,500	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						52,500,896	49,955,827	331,923	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
02364W-BD-6	AMERICA MOVIL SAB DE CV	C	06/28/2018	JP MORGAN SECURITIES.	XXX	885,375	900,000	12,969	1FE
092650-AF-7	BLADE 2006-1AWA A1	C	06/28/2018	INTERCOMPANY TRANSFER FSA	XXX	368,518	630,103	596	1AM
12563X-AA-9	CK HUTCH INTL 17 II LTD 144A		06/14/2018	TD SECURITIES	XXX	1,221,938	1,250,000	6,328	1FE
375558-BM-4	GILEAD SCIENCES, INC. 2.95% 01 MAR		06/08/2018	WELLS FARGO BROKER SERVICES LLC	XXX	793,076	850,000	7,035	1FE
38141G-XD-1	GOLDMAN SACHS GROUP INC REG		06/28/2018	GOLDMAN SACHS	XXX	1,288,278	1,300,000	5,798	1FE
84265V-AA-3	SOUTHERN COPPER CORP REG		06/28/2018	CITIGROUP GLOBAL MARKETS	XXX	917,250	750,000	24,219	2FE
961214-BK-8	WESTPAC BANKING CORP	C	06/14/2018	MARKET TAXESS	XXX	1,694,748	1,650,000	6,480	1FE
00138C-AH-1	AIG GLOBAL FUNDING 144A		06/20/2018	DEUTSCHE BANC ALEX BROWN	XXX	1,100,000	1,100,000		1FE
02005A-GU-6	AMOT 2018-2 A		06/13/2018	CITIGROUP GLOBAL MARKETS	XXX	200,188	200,000		1FE
03765P-AJ-2	APIDOS CLO 15-21A A1R		06/22/2018	MORGAN STANLEY CO	XXX	2,500,000	2,500,000		1FE
06051G-HC-6	BANK OF AMERICA CORP REG		06/28/2018	BNP PARISBAS SEC CORP	XXX	1,310,931	1,350,000	1,352	1FE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
06406R-AF-4	BANK OF NEW YORK MELLON CORP/THE		06/08/2018	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	1,656,072	1,700,000	21,354	1FE
08763Q-AA-0	BETONY CLO 2 LTD 18-1A A1		06/05/2018	MORGAN STANLEY CO	XXX	4,000,000	4,000,000		1FE
09659W-2C-7	BNP PARIBAS 3.5% 16 NOV 2027 144A		06/26/2018	BNP PARISBAS SEC CORP	XXX	5,099,985	5,500,000	22,458	1FE
12189L-BA-8	BURLINGTON NORTHERN SANTA FE LLC		06/25/2018	CITIGROUP GLOBAL MARKETS	XXX	1,647,368	1,700,000	1,842	1FE
172967-MB-4	CITIGROUP INC REG		06/20/2018	VARIOUS	XXX	2,500,044	2,500,000	2,484	2FE
1248MK-AB-1	CREDIT-BASED ASSET SERVICNG		06/01/2018	SYNCORA	XXX	42,212	463,813	218	6FE
22822R-BF-6	CROWN CASTLE TOWERS LLC 144A		06/26/2018	MORGAN STANLEY CO	XXX	850,000	850,000		1FE
126673-MY-5	CWHEL 2004-Q 2A		06/01/2018	SYNCORA	XXX	263,607	341,770	358	1FM
126673-QB-1	CWHEL 2004-R 2A		06/01/2018	SYNCORA	XXX	1,010,481	1,367,363	1,400	1AM
126685-DT-0	CWHEL 2006-D 2A		06/01/2018	SYNCORA	XXX	293,292	367,120	367	1AM
34531B-AA-0	FORD CREDIT AUTO OWNER TRUST		06/22/2018	VARIOUS	XXX	1,232,756	1,275,000	403	1FE
36321J-AC-8	GALAXY CLO LTD 18-28A A1		06/29/2018	GOLDMAN SACHS	XXX	4,000,000	4,000,000		1FE
43730W-AA-4	HOME PARTNERS OF AMERICA TRUST 18-		05/24/2018	CITIGROUP GLOBAL MARKETS	XXX	2,000,000	2,000,000		1FE
46187V-AA-7	INVITATION HOMES TRUST 18-SFR3 A		06/15/2018	DEUTSCHE BANK	XXX	4,000,000	4,000,000		1FE
24422E-UG-2	JOHN DEERE CAPITAL CORP REG		06/14/2018	CANTOR FITZGERALD & COMPANY	XXX	2,552,448	2,550,000	2,236	1FE
46591A-AZ-8	JPMDB COMMERCIAL MORTGAGE SECU 18-		05/23/2018	JP MORGAN SECURITIES.	XXX	2,524,991	2,500,000	3,835	1FE
46625H-RY-8	JPMORGAN CHASE & CO		06/08/2018	CREDIT SUISSE SECURITIES (USA)	XXX	1,463,070	1,500,000	20,643	1FE
59217G-BX-6	MET LIFE GLOB FUNDING I 144A		06/28/2018	MORGAN STANLEY CO	XXX	1,294,569	1,350,000	7,824	1FE
61746B-CY-0	Morgan Stanley		06/28/2018	SUMRIDGE PARTNERS, LLC	XXX	1,304,951	1,150,000	28,550	1FE
69353R-EQ-7	PNC Bank NA		06/25/2018	AMHERST PIERPONT SEC	XXX	1,649,340	1,700,000	3,990	1FE
747525-AU-7	QUALCOMM INCORPORATED		06/08/2018	MORGAN STANLEY CO	XXX	889,514	950,000	1,887	1FE
78349A-AA-1	RWJ BARNABAS HEALTH		06/26/2018	JP MORGAN SECURITIES.	XXX	829,115	875,000	12,708	1FE
80283L-AP-8	SANTANDER UK PLC REG		06/14/2018	HSBC SECURITIES, INC	XXX	1,698,848	1,750,000	4,648	1FE
822582-BX-9	SHELL INTERNATIONAL FINANCE B.V. 2		06/26/2018	DAIWA CAPITAL MARKETS EUROPE LTD	XXX	2,768,070	3,000,000	22,083	1FE
857477-AT-0	STATE STREET CORP		06/25/2018	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	1,697,824	1,700,000	21,625	1FE
88032W-AD-8	TENCENT HOLDINGS LTD 144A		06/14/2018	BARCLAYS CAPITAL	XXX	1,394,638	1,400,000	18,768	1FE
89114Q-C3-0	TORONTO-DOMINION BANK REG		06/14/2018	MARKET TAXESS	XXX	1,701,831	1,700,000	781	1FE
91159H-HS-2	US BANCORP		06/25/2018	GOLDMAN SACHS	XXX	1,722,831	1,700,000	11,234	1FE
92868L-AD-3	VALET 2018-1 A3		06/27/2018	JP MORGAN SECURITIES.	XXX	1,299,812	1,300,000		1FE
92343V-DD-3	Verizon Communctns		06/26/2018	WELLS FARGO BROKER SERVICES LLC	XXX	5,460,594	6,160,000	59,739	2FE
92349F-AA-1	VZOT 2018-1A A1A		06/13/2018	TD SECURITIES	XXX	621,973	625,000	1,371	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						71,750,538	74,455,169	337,583	XXX
8399997 - Subtotals - Bonds - Part 3						148,699,881	148,089,130	824,016	XXX
8399999 - Subtotals - Bonds						148,699,881	148,089,130	824,016	XXX
9999999 Totals						148,699,881	XXX	824,016	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues ....

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
										Change in Book/Adjusted Carrying Value											
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's (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	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
36202F-SE-7	G2 5017		06/20/2018	PRINCIPAL RECEIPT	XXX	129,215	129,215	143,591	144,733		(15,517)		(15,517)		129,215			0	2,121	04/20/2041	1
3620AC-5Y-6	GNMA 30 YR		06/18/2018	VARIOUS	XXX	1,005,563	959,579	998,300	998,300	0	0		0		998,300		7,263	7,263	26,268	10/15/2039	1
36295N-NT-0	GNMA PASST 675502		06/15/2018	PRINCIPAL RECEIPT	XXX	1,268	1,268	1,323	1,324		(56)		(56)		1,268			0	22	06/15/2023	1
3620A5-MN-6	GNMA PASST 719565		06/15/2018	PRINCIPAL RECEIPT	XXX	15,643	15,643	16,228	16,127		(484)		(484)		15,643			0	258	09/15/2024	1
36202E-Q2-8	GNMA PASSTHRU 004073		06/20/2018	PRINCIPAL RECEIPT	XXX	1,856	1,856	2,035	2,030		(174)		(174)		1,856			0	41	01/20/2038	1
36202E-RE-1	GNMA PASSTHRU 004085		06/20/2018	PRINCIPAL RECEIPT	XXX	3,023	3,023	3,314	3,308		(285)		(285)		3,023			0	62	02/20/2038	1
36202E-TA-7	GNMA PASSTHRU 004145		06/20/2018	PRINCIPAL RECEIPT	XXX	2,898	2,898	3,178	3,225		(327)		(327)		2,898			0	63	05/20/2038	1
36202E-WE-5	GNMA PASSTHRU 004245		06/20/2018	PRINCIPAL RECEIPT	XXX	1,600	1,600	1,753	1,760		(161)		(161)		1,600			0	36	09/20/2038	1
36295B-5R-0	GNMA PASSTHRU 666056		06/15/2018	PRINCIPAL RECEIPT	XXX	4,906	4,906	5,219	5,152		(245)		(245)		4,906			0	80	03/15/2023	1
36296A-WC-4	GNMA PASSTHRU 685643		06/15/2018	PRINCIPAL RECEIPT	XXX	2,801	2,801	2,929	2,941		(140)		(140)		2,801			0	49	04/15/2023	1
36296J-M3-6	GNMA PASSTHRU 692578		06/15/2018	PRINCIPAL RECEIPT	XXX	778	778	848	861		(83)		(83)		778			0	17	05/15/2039	1
36296K-P4-8	GNMA PASSTHRU 693543		06/15/2018	PRINCIPAL RECEIPT	XXX	1,781	1,781	1,858	1,864		(82)		(82)		1,781			0	31	07/15/2023	1
36296N-ZS-8	GNMA PASSTHRU 696553		06/15/2018	PRINCIPAL RECEIPT	XXX	199	199	206	204		(5)		(5)		199			0	3	08/15/2023	1
36296U-ZS-2	GNMA PASSTHRU 701953		06/15/2018	PRINCIPAL RECEIPT	XXX	692	692	720	714		(22)		(22)		692			0	11	06/15/2024	1
36296X-X9-0	GNMA PASSTHRU 704604		06/15/2018	PRINCIPAL RECEIPT	XXX	9,824	9,824	10,189	10,129		(305)		(305)		9,824			0	175	07/15/2024	1
3620A2-EJ-1	GNMA PASSTHRU 716637		06/15/2018	PRINCIPAL RECEIPT	XXX	6,648	6,648	6,832	6,808		(160)		(160)		6,648			0	117	08/15/2024	1
3620A3-SN-5	GNMA PASSTHRU 717925		06/15/2018	PRINCIPAL RECEIPT	XXX	2,573	2,573	2,573	2,573				0		2,573			0	49	09/15/2024	1
3620A3-XL-3	GNMA PASSTHRU 718083		06/15/2018	PRINCIPAL RECEIPT	XXX	39,805	39,805	40,751	40,650		(845)		(845)		39,805			0	850	12/15/2024	1
3620AA-R6-7	GNMA PASSTHRU 724209		06/15/2018	PRINCIPAL RECEIPT	XXX	580	580	599	598		(18)		(18)		580			0	10	08/15/2024	1
3620AC-U9-3	GNMA PASSTHRU 726108		06/15/2018	PRINCIPAL RECEIPT	XXX	8,189	8,189	8,438	8,511		(322)		(322)		8,189			0	126	12/15/2024	1
3620AC-2Q-6	GNMA PASSTHRU 726283		06/15/2018	PRINCIPAL RECEIPT	XXX	1,329	1,329	1,396	1,388		(59)		(59)		1,329			0	22	09/15/2024	1
3620AD-AL-6	GNMA PASSTHRU 726411		06/15/2018	PRINCIPAL RECEIPT	XXX	4,631	4,631	4,767	4,747		(116)		(116)		4,631			0	70	10/15/2024	1
3620AF-Y3-5	GNMA PASSTHRU 728930		06/15/2018	PRINCIPAL RECEIPT	XXX	1,096	1,096	1,126	1,128		(32)		(32)		1,096			0	18	12/15/2024	1
36179M-E4-8	GNMA PASSTHRU MA0155		06/20/2018	PRINCIPAL RECEIPT	XXX	293,354	293,354	323,068	309,185		(15,831)		(15,831)		293,354			0	4,251	06/20/2042	1
0599999 - Bonds - U.S. Governments						1,540,252	1,494,269	1,581,241	1,568,260	0	(35,269)	0	(35,269)	0	1,532,989	0	7,263	7,263	34,750	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
34153P-JS-8	FLORIDA ST BRD ED PUB ED CAP		06/01/2018	CALLED @ 101.0000000	XXX	10,100,000	10,000,000	9,822,744	9,848,210		1,792		1,792		9,850,002		149,998	149,998	350,000	06/01/2038	1FE
452151-LD-3	ILLINOIS ST		06/01/2018	Sink PMT @ 100.0000000	XXX	800,000	800,000	745,832	797,338		2,662		2,662		800,000			0	17,400	06/01/2018	2FE
882723-LC-1	TEXAS ST PREREFUNDED-TRANSPTRN		04/01/2018	CALLED @ 100.0000000	XXX	140,000	140,000	149,604	140,405		(405)		(405)		140,000			0	3,500	04/01/2029	1
882723-LW-7	TEXAS ST UNREFUNDED-TRANSPTRN COMM		04/01/2018	CALLED @ 100.0000000	XXX	1,860,000	1,860,000	1,987,596	1,865,377		(5,377)		(5,377)		1,860,000			0	46,500	04/01/2029	1FE
93974D-XC-7	WASHINGTON ST FOR ISSUES DTD		05/23/2018	BOK FINANCIAL SECURITIES	XXX	2,322,660	2,000,000	2,514,960	2,454,727		(19,151)		(19,151)		2,435,576		(112,916)	(112,916)	81,667	08/01/2030	1FE
1799999 - Bonds - U.S. States, Territories and Possessions						15,222,660	14,800,000	15,220,736	15,106,057	0	(20,479)	0	(20,479)	0	15,085,578	0	37,082	37,082	499,067	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
930863-Z5-7	NC WAKE CO GO NC S11		04/01/2018	MATURITY	XXX	3,000,000	3,000,000	3,497,935	3,020,557		(20,557)		(20,557)		3,000,000			0	75,000	04/01/2018	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						3,000,000	3,000,000	3,497,935	3,020,557	0	(20,557)	0	(20,557)	0	3,000,000	0	0	0	75,000	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
13067W-PE-6	CALIFORNIA ST DEPT WTR RESOURCES		05/29/2018	WELLS FARGO BROKER SERVICES LL	XXX	3,682,013	3,750,000	3,704,250	3,750,000		1,489	45,750	(44,261)		3,705,739		(23,727)	(23,727)	42,491	12/01/2022	1FE
20775C-MH-4	CONNECTICUT ST HSG FIN AUTH		05/29/2018	JP MORGAN SECURITIES	XXX	1,532,292	1,565,000	1,532,714	1,565,000		1,204	32,286	(31,082)		1,533,918		(1,626)	(1,626)	16,615	05/15/2022	1FE
20775C-MJ-0	CONNECTICUT ST HSG FIN AUTH		05/29/2018	JP MORGAN SECURITIES	XXX	879,714	900,000	875,106	900,000		820	24,894	(24,074)		875,926		3,788	3,788	9,800	11/15/2022	1FE
20775C-QB-3	CONNECTICUT ST HSG FIN AUTH HS		06/14/2018	CALLED @ 100.0000000	XXX	90,000	90,000	96,651	96,134		(190)		(190)		95,944		(5,944)	(5,944)	512	11/15/2047	1FE
3138WH-SW-3	FEDERAL NATIONAL MTG ASSOC #AS7732		06/25/2018	PRINCIPAL RECEIPT	XXX	192,743	192,743	200,970	200,750		(8,007)		(8,007)		192,743			0	2,423	08/01/2041	1
3128MC-KA-2	FGLMC 15 YR		04/15/2018	PRINCIPAL RECEIPT	XXX	13,316	13,316	13,949	13,787		(471)		(471)		13,316			0	1,691	10/01/2024	1
312964-B3-2	FGLMC 15 YR		06/18/2018	VARIOUS	XXX	32,430	32,291	34,533	32,696		(266)		(266)		32,430			0	847	01/01/2019	1
31306X-QS-5	FGLMC 15 YR		06/15/2018	PRINCIPAL RECEIPT	XXX	107,442	107,442	112,747	111,747	0	0		0		111,747		(4,304)	(4,304)	1,025	09/01/2027	1
3128MF-AK-4	FGOLD 15YR GIANT		06/15/2018	PRINCIPAL RECEIPT	XXX	324,035	324,035	324,744			(709)		(709)		324,035			0	2,552	03/01/2032	1
3132QP-X5-8	FHLMC GOLD 30YR		06/26/2018	VARIOUS	XXX	2,132,679	2,196,742	2,194,886	2,194,767		32		32		2,194,798		(62,119)	(62,119)	37,473	05/01/2045	1
3132QP-X8-2	FHLMC GOLD 30YR		06/26/2018	VARIOUS	XXX	2,268,814	2,337,864	2,333,911	2,334,005		85		85		2,334,090		(65,276)	(65,276)	39,892	05/01/2045	1
3128P8-EW-7	FHLMC POOL C91949		06/15/2018	PRINCIPAL RECEIPT	XXX	34,071	34,071	34,853	34,839		(768)		(768)		34,071			0	377	09/01/2037	1
3137B4-WA-0	FHLMC REMIC SERIES K-033		06/25/2018	PRINCIPAL RECEIPT	XXX	155,956	155,956	159,074	157,967	0	0		0		157,967		(2,010)	(2,010)	1,508	02/25/2023	1
3138EH-R6-1	FNMA 15 YR		06/25/2018	VARIOUS	XXX	101,049	101,050	105,419	105,100		(4,051)		(4,051)		101,049			0	6,622	01/01/2027	1
31410G-W6-6	FNMA 15 YR		06/25/2018	VARIOUS	XXX	5,635	5,636	6,069	5,715		80		80		5,635			0	177	01/01/2021	1
31416W-H6-2	FNMA 15 YR		04/25/2018	PRINCIPAL RECEIPT	XXX	13,257	13,257	13,643	13,542		(286)		(286)		13,257			0	1,806	06/01/2025	1
3140J7-6B-6	FNMA 30YR		06/25/2018	PRINCIPAL RECEIPT	XXX	50,405	50,405	48,879			1,526		1,526		50,405			0	64	03/01/2048	1
3136B1-FP-4	FNMA..18-14		06/25/2018	PRINCIPAL RECEIPT	XXX	132,663	132,663	134,529			(1,866)		(1,866)		132,663			0	928	04/25/2047	1
59334D-HY-3	MIAMI-DADE CNTY FLA WTR & SWR		04/03/2018	BOK FINANCIAL SECURITIES	XXX	3,395,900	2,900,000	3,437,581	3,395,297		(14,878)		(14,878)		3,380,419		15,481	15,481	74,111	10/01/2025	1FE

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	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's (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	Stated Contractual Maturity Date	NAIC Desig-nation or Market Indicator (a)
59447T-MA-8	MICHIGAN FIN AUTH REV		05/23/2018	FIRST TENNESSEE	XXX	5,115,720	4,450,000	5,508,655	5,371,082		(42,626)		(42,626)		5,328,456		(212,736)	(212,736)	117,431	11/15/2025	1FE
59447P-4G-3	MICHIGAN FIN AUTH REV 4.0 01APR18		04/01/2018	MATURITY	XXX	79,800	79,800	86,616	80,327		(527)		(527)		79,800			0	1,596	04/01/2018	1FE
59447P-4W-8	MICHIGAN FIN AUTH REV 5.0 01APR18		04/01/2018	MATURITY	XXX	90,960	90,960	101,634	91,785		(825)		(825)		90,960			0	2,274	04/01/2018	1FE
59447P-4H-1	MICHIGAN FIN AUTH REV 5.0 01APR19		04/01/2018	CALLED @ 100.0000000	XXX	83,040	83,040	92,280	83,756		(716)		(716)		83,040			0	2,076	04/01/2019	1FE
59447P-4J-7	MICHIGAN FIN AUTH REV 5.0 01APR20		04/01/2018	CALLED @ 100.0000000	XXX	87,120	87,120	96,703	87,863		(743)		(743)		87,120			0	2,178	04/01/2020	1FE
59447P-4K-4	MICHIGAN FIN AUTH REV 5.0 01APR21		04/01/2018	CALLED @ 100.0000000	XXX	91,560	91,560	102,081	92,374		(814)		(814)		91,560			0	2,289	04/01/2021	1FE
59447P-4L-2	MICHIGAN FIN AUTH REV 5.0 01APR22		04/01/2018	CALLED @ 100.0000000	XXX	96,120	96,120	106,911	96,956		(836)		(836)		96,120			0	2,403	04/01/2022	1FE
59447P-4M-0	MICHIGAN FIN AUTH REV 5.0 01APR24		04/01/2018	CALLED @ 100.0000000	XXX	206,880	206,880	228,524	208,562		(1,682)		(1,682)		206,880			0	5,172	04/01/2024	1FE
59447P-4N-8	MICHIGAN FIN AUTH REV 5.0 01APR28		04/01/2018	CALLED @ 100.0000000	XXX	479,520	479,520	523,569	482,965		(3,445)		(3,445)		479,520			0	11,988	04/01/2028	1FE
60416Q-GW-8	MINNESOTA ST HSG FIN AGY		06/01/2018	CALLED @ 100.0000000	XXX	12,757	12,757	12,598	12,598		1		1		12,599		158	158	141	10/01/2047	1FE
60636X-8E-6	MO HSG SF PAC		06/01/2018	CALLED @ 100.0000000	XXX	90,000	90,000	96,935	90,000				0		90,000			0	1,519	11/01/2027	1FE
60535G-AX-0	MS HSG PAC		06/01/2018	VARIOUS	XXX	90,000	90,000	95,181	91,594		(1,230)		(1,230)		90,364		(364)	(364)	1,830	12/01/2031	1FE
64972G-NC-4	NEW YORK N Y CITY MUN WTR		06/04/2018	CITIGROUP GLOBAL MARKETS	XXX	2,536,313	2,230,000	2,624,732	2,604,213		(15,692)		(15,692)		2,588,521		(52,208)	(52,208)	52,963	06/15/2047	1FE
71883P-KK-2	PHOENIX AZ CIVIC IMPT CORP WTR REV		05/29/2018	BOSC	XXX	1,478,938	1,250,000	1,481,475	1,529,842		(11,607)	40,848	(52,455)		1,477,387		1,551	1,551	57,292	07/01/2027	1FE
73358W-GX-6	PORT AUTH OF NY AND NJ		04/20/2018	JANNEY MONTGOMERY SCOTT LLC	XXX	1,098,850	1,000,000	1,099,270	1,116,280		(7,814)	10,439	(18,253)		1,098,027		823	823	28,194	10/01/2027	1FE
735389-SG-4	PORT OF SEATTLE WA REVENUE		05/29/2018	MORGAN STANLEY CO	XXX	1,107,920	1,000,000	1,110,150	1,121,738		(10,226)	5,263	(15,489)		1,106,249		1,671	1,671	41,667	08/01/2022	1FE
79467B-AN-5	SALES TAX SECURITIZATION CORP		06/29/2018	RBC CAPITAL MARKETS	XXX	4,425,136	4,660,000	4,446,712			34		34		4,446,746		(21,610)	(21,610)	886	01/01/2032	1FE
851018-KL-4	SPRINGFIELD MO PUB UTIL REV		04/03/2018	GOLDMAN SACHS	XXX	2,276,720	2,000,000	2,329,116	2,271,311		(11,635)		(11,635)		2,259,676		17,044	17,044	67,778	08/01/2023	1FE
89602N-MT-8	TRIBOROUGH BRDG & TUNL AUTH N Y RE		05/15/2018	CALLED @ 100.0000000	XXX	5,000,000	5,000,000	5,147,400	5,007,614		(7,614)		(7,614)		5,000,000			0	125,000	11/15/2037	1FE
917565-HM-8	UTAH TRAN AUTH SALES TAX REV SAL		06/15/2018	CALLED @ 100.0000000	XXX	19,500,000	19,500,000	19,778,601	19,518,733		(18,733)		(18,733)		19,500,000			0	487,500	06/15/2032	1FE
977092-RD-9	WI Wtr C18 S08 1		06/01/2018	CALLED @ 100.0000000	XXX	3,705,000	3,705,000	4,090,172	3,727,801		(22,801)		(22,801)		3,705,000			0	92,625	06/01/2025	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						62,796,768	61,105,229	64,523,823	58,598,740	0	(185,787)	159,480	(345,267)	0	63,208,177	0	(411,408)	(411,408)	1,345,716	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
01449T-AA-1	ALESCO PREF FDG IX	D	06/23/2018	PRINCIPAL RECEIPT	XXX	9,858	9,858	5,532	6,560		3,298		3,298		9,858			0	159	06/23/2036	1FE
01449C-AB-6	ALESCO PREF FDG VIII	D	06/25/2018	PRINCIPAL RECEIPT	XXX	7,645	7,645	4,290	4,466		3,179		3,179		7,645			0	125	12/23/2035	1FE
01450D-AB-0	ALESCO PREF FDG XII	D	04/15/2018	PRINCIPAL RECEIPT	XXX	747	747	419	463		284		284		747			0	7	07/15/2037	2FE
G0159X-AA-7	ALESCO PREFERRED FUNDING LTD	C	06/23/2018	PRINCIPAL RECEIPT	XXX	1,266	1,266	711	783		483		483		1,266			0	19	12/23/2037	1FE
058521-AC-9	BALLANTYNE RE PLC 2006-1A A2B		06/02/2018	PRINCIPAL RECEIPT	XXX	1,391,444	1,391,444	494,172	574,800		816,644		816,644		1,391,444			0		05/02/2036	6FE
092650-AF-7	BLADE 2006-1AWA A1	C	06/15/2018	PRINCIPAL RECEIPT	XXX	1,893,779	1,893,779	969,352	957,431		936,348		936,348		1,893,779			0		09/15/2041	1AM
292480-AG-5	CENTERPOINT ENERGY INC		06/14/2018	VARIOUS	XXX	2,449,646	2,450,000	2,448,736	2,449,474		172		172		2,449,646			0	34,137	05/15/2019	2FE
89708B-AB-9	TROPIC CDO CORP OTHE	C	04/16/2018	PRINCIPAL RECEIPT	XXX	209	209	115	120		90		90		209			0	2	07/15/2036	2FE
G9301N-AA-7	US CAPITAL FUNDING LTD	C	04/10/2018	PRINCIPAL RECEIPT	XXX	453	453	249	287		166		166		453			0	4	10/10/2040	1FE
000292-AB-8	AAA 2007-2 A2		06/25/2018	PRINCIPAL RECEIPT	XXX	604	604	437	437		173	6	167		604			0		01/27/2046	1FM
000759-DG-2	ABFS 2003-1 M		06/15/2018	PRINCIPAL RECEIPT	XXX	65,638	65,638	56,191	57,242		8,396		8,396		65,638			0		08/15/2033	1FM
000759-DM-9	ABFS MORTGAGE LOAN TRUST 2003-2		06/25/2018	PRINCIPAL RECEIPT	XXX	20,703	20,703	16,739	17,975		2,728		2,728		20,703			0		04/25/2034	1FM
02660Y-AA-0	AHM 2006-2 5A MTGE		06/25/2018	PRINCIPAL RECEIPT	XXX	102,007	102,007	81,797	79,197		22,810		22,810		102,007			0		05/25/2031	1FM
05950C-AA-0	BANC OF AMERICA FUNDING CORPORATIO		06/27/2018	PRINCIPAL RECEIPT	XXX	5,025	5,025	5,061	5,061		(36)		(36)		5,025			0		02/27/2036	5FM
05950C-AB-8	BANC OF AMERICA FUNDING CORPORATIO		06/27/2018	PRINCIPAL RECEIPT	XXX	103,486	103,486	104,218	104,218		(732)		(732)		103,486			0		02/27/2036	5FM
092650-AD-2	BLADE 2006-1AW A1		06/15/2018	PRINCIPAL RECEIPT	XXX	4,519,245	4,519,245	2,290,398	2,243,456		2,275,789		2,275,789		4,519,245			0		09/15/2041	1AM
1248MK-AB-1	CREDIT-BASED ASSET SERVICNG		06/25/2018	PRINCIPAL RECEIPT	XXX	1,034	1,034	94			940		940		1,034			0	2	02/25/2037	1FE
22541N-EP-0	CSFB MTG PTC 2002-AR25		06/25/2018	PRINCIPAL RECEIPT	XXX	5,799	5,799	647	1,123		4,676		4,676		5,799			0		09/25/2032	1FM
02149Q-AE-0	CWALT INC 2007 OA10		06/25/2018	PRINCIPAL RECEIPT	XXX	44,524	44,524	36,600	36,466		8,375	316	8,059		44,524			0		09/25/2047	1FM

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	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's (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	Stated Contractual Maturity Date	NAIC Desig-nation or Market Indicator (a)
126673-MY-5	CWHEL 2004-Q 2A		06/15/2018	PRINCIPAL RECEIPT	XXX	9,050	9,050	6,980			2,070		2,070		9,050			0	17	12/15/2033	1FE
126673-QB-1	CWHEL 2004-R 2A		06/15/2018	PRINCIPAL RECEIPT	XXX	28,712	28,712	21,218			7,494		7,494		28,712			0	54	03/15/2030	1FE
126685-DT-0	CWHEL 2006-D 2A		06/15/2018	PRINCIPAL RECEIPT	XXX	6,957	6,957	5,558			1,399		1,399		6,957			0	13	05/15/2036	1FE
31393X-4A-2	FNMA REMIC TRUST 2004-W4		06/25/2018	PRINCIPAL RECEIPT	XXX	16,818	16,818	2,364	2,626		14,192		14,192		16,818			0		06/25/2034	1AM
36185H-EC-3	GMACM MTG LN TR 2004-GH1		06/25/2018	PRINCIPAL RECEIPT	XXX	17,700	17,700	7,922	8,686		9,014		9,014		17,700			0		07/25/2035	1AM
36248G-AB-6	GS MTG SECS TR 2013-GCJ16		06/12/2018	PRINCIPAL RECEIPT	XXX	1,334,543	1,334,543	1,389,728	1,363,718	0	0		0		1,363,718		(29,175)	(29,175)	21,605	11/13/2046	1FM
362246-AA-8	GSAA HOME EQUITY TRUST		06/25/2018	PRINCIPAL RECEIPT	XXX	245,429	245,429	191,356	193,976		51,453		51,453		245,429			0		02/25/2037	1FM
46257@-AC-5	IA AGENCY OBLIGATION		06/25/2018	MATURITY	XXX	28,000	28,000	6,024	28,000				0		28,000			0		06/25/2018	1
59066R-AE-7	MESA 2002-1 B1		06/18/2018	PRINCIPAL RECEIPT	XXX	25,668	25,668	21,205	21,205				0		21,205		4,463	4,463	675	02/18/2033	1FM
68401N-AE-1	OPTION ONE OOWLT 2004-1 M		06/25/2018	PRINCIPAL RECEIPT	XXX	24,538	24,538	17,479	17,798		7,313	573	6,740		24,538			0		02/25/2034	1FM
872227-AH-6	TBW MTG BKD TR 2007-2		06/25/2018	PRINCIPAL RECEIPT	XXX	460,049	460,049	293,876	331,734		128,315		128,315		460,049			0		07/25/2037	1FM
88158A-AJ-1	TERWIN MORTGAGE TRUST 07-09 SL		06/25/2018	PRINCIPAL RECEIPT	XXX	119,555	119,555	64,250	77,728		41,827		41,827		119,555			0		06/25/2038	1FM
88158A-AA-0	TERWIN MTG TR 2007-SL9		06/25/2018	PRINCIPAL RECEIPT	XXX	94,452	94,452	81,965	82,198		12,254		12,254		94,452			0		06/25/2038	1FM
95058X-AF-5	WENDY'S FUNDING LLC		06/22/2018	VARIOUS	XXX	28,999,650	29,925,000	29,646,997			12,403	288,048	(275,645)		29,659,716		(660,066)	(660,066)	508,636	03/15/2048	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						42,034,233	42,959,937	38,272,680	8,667,228	0	4,371,517	288,943	4,082,574	0	42,719,011	0	(684,778)	(684,778)	565,455	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						124,593,913	123,359,436	123,096,415	86,960,842	0	4,109,425	448,423	3,661,002	0	125,545,755	0	(1,051,841)	(1,051,841)	2,519,988	XXX	XXX
8399999 - Subtotals - Bonds						124,593,913	123,359,436	123,096,415	86,960,842	0	4,109,425	448,423	3,661,002	0	125,545,755	0	(1,051,841)	(1,051,841)	2,519,988	XXX	XXX
9999999 Totals						124,593,913	XXX	123,096,415	86,960,842	0	4,109,425	448,423	3,661,002	0	125,545,755	0	(1,051,841)	(1,051,841)	2,519,988	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues ....

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
						6	7	8	
Depository		Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories									
JP MORGAN CHASE	NEW YORK, NY					6,164,742	25,084,425	118,514,792	XXX
JP MORGAN CHASE	LONDON, UK					172,240	270,970	224,180	XXX
NATIONAL AUSTRALIA BANK	SYDNEY, AUSTRALIA					94,375	92,491	74,779	XXX
BNY MELLON	NEW YORK, NY					135,764	4,844	20,264	XXX
WELLS FARGO BANK	SAN FRANCISCO, CA					1,788,965	1,984,823	2,164,077	XXX
CACEIS	PARIS, FRANCE					0	(525)	3	XXX
0199998 Deposits in .... depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories		XXX	XXX						XXX
0199999 Total Open Depositories		XXX	XXX	0	0	8,356,086	27,437,028	120,998,095	XXX
0399999 Total Cash on Deposit		XXX	XXX	0	0	8,356,086	27,437,028	120,998,095	XXX
0499999 Cash in Company's Office		XXX	XXX	XXX	XXX	1,871	1,831	1,831	XXX
0599999 Total		XXX	XXX	0	0	8,357,957	27,438,859	120,999,926	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 CUSIP	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Amount Received During Year
Bonds: U.S. Governments - Issuer Obligations								
XXX	TREASURY BILL		06/07/2018		07/12/2018	7,995,673		9,424
XXX	TREASURY BILL		06/28/2018		08/02/2018	5,990,497		889
0199999 - Bonds: U.S. Governments - Issuer Obligations						13,986,170	0	10,313
0599999 - Bonds: U.S. Governments - Subtotals						13,986,170	0	10,313
7799999 - Total Bonds - Subtotals - Issuer Obligations						13,986,170	0	10,313
8399999 - Total Bonds - Subtotals - Bonds						13,986,170	0	10,313
Exempt Money Market Mutual Funds - as Identified by SVO								
61747C-52-5	MORGAN STANLEY INSITUTIONAL LIQUIDITY		06/30/2018		XXX	7		
26200X-10-0	DREYFUS INSTITUTIONAL PREFERRED GOVERNME		06/30/2018		XXX	251,816,931		470,190
97181C-70-4	WILMINGTON US GOVT MMK-SE		06/30/2018		XXX	365,621		
8599999 - Exempt Money Market Mutual Funds - as Identified by SVO						252,182,559	0	470,190
All Other Money Market Mutual Funds								
000000-00-0	STATE STREET ILR TRUST				XXX	43,864		
000000-00-0	CASH RESERVE FUND		06/30/2018		XXX	5,453,022		
8699999 - All Other Money Market Mutual Funds						5,496,886	0	0
8899999 Total Cash Equivalents						271,665,615	0	480,503