PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

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QUARTERLY STATEMENT

AS OF JUNE 30, 2019

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
Alfonso John Pisani #	Treasurer		

OTHER OFFICERS

Howard Wayne Albert	Chief Risk Officer	Robert Adam Bailenson	Chief Financial Officer
Laura Ann Bieling	Chief Accounting Officer and 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	Alfonso John Pisani #
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 President & Chief Executive Officer	Gon Ling Chow General Counsel & Secretary	Alfonso John Pisani Treasurer

Subscribed and sworn to before me this 14th day of August, 2019

EILEEN M. LANZISERA
Notary Public, State of New York
No. 01LA4728044
Qualified in Nassau County
Commission Expires Jan. 31, 2023

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

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	2,476,701,998		2,476,701,998	2,659,415,250
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	86,100,003	16,848	86,083,155	121,848,105
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less $ .... encumbrances)	1,827,851	1,827,851		
4.2 Properties held for the production of income (less $ .... encumbrances)	25,643,863		25,643,863	25,269,794
4.3 Properties held for sale (less $ .... encumbrances)				
5. Cash ($ 110,722,443), cash equivalents ($ 164,181,705) and short-term investments ($ 9,704,710)	284,608,858		284,608,858	151,553,994
6. Contract loans (including $ .... premium notes)				
7. Derivatives				
8. Other invested assets	(588,536)	(4,614,517)	4,025,981	2,950,449
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	2,874,294,037	(2,769,818)	2,877,063,855	2,961,037,592
13. Title plants less $ .... charged off (for Title insurers only)				
14. Investment income due and accrued	23,527,111		23,527,111	23,378,413
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	12,302,391	4,376,235	7,926,156	10,652,915
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premiums)				
15.3 Accrued retrospective premiums ($ ....) and contracts subject to redetermination ($ ....)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	55,551,197		55,551,197	(122,925)
16.2 Funds held by or deposited with reinsured companies	9,508,700		9,508,700	14,969,438
16.3 Other amounts receivable under reinsurance contracts	(2,348)		(2,348)	(2,347)
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	113,689,614	50,821,322	62,868,292	61,362,875
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	21,624	10,000	11,624	126,204
21. Furniture and equipment, including health care delivery assets ($ ....)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	2,896,798	19,533	2,877,265	2,827,122
24. Health care ($ ....) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	13,178,245	6,538,493	6,639,752	7,252,305
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,104,967,369	58,995,765	3,045,971,604	3,081,481,592
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	3,104,967,369	58,995,765	3,045,971,604	3,081,481,592
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Other Assets	4,001,510	2,835,461	1,166,049	2,742,211
2502. Miscellaneous Receivable	5,473,703		5,473,703	4,510,094
2503. Prepaid expenses	3,703,032	3,703,032		
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	13,178,245	6,538,493	6,639,752	7,252,305

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year $)	276,299,823	223,631,847
2. Reinsurance payable on paid losses and loss adjustment expenses	756,685	(139,278)
3. Loss adjustment expenses	8,125,811	12,847,928
4. Commissions payable, contingent commissions and other similar charges	299	4,367
5. Other expenses (excluding taxes, licenses and fees)	7,818,997	3,396,435
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(668,169)	(491,752)
7.1 Current federal and foreign income taxes (including $ on realized capital gains (losses))	9,922,601	8,911,843
7.2 Net deferred tax liability		
8. Borrowed money $ and interest thereon $		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of $ 161,036,510 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)	367,801,141	390,891,573
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	6,801,978	6,372,275
13. Funds held by company under reinsurance treaties	27,782,775	14,525,395
14. Amounts withheld or retained by company for account of others	(6,267)	(1,681)
15. Remittances and items not allocated		
16. Provision for reinsurance (including $ certified)	161,773	
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	11,661,733	19,963,209
20. Derivatives		
21. Payable for securities	6,497,055	2,025,209
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes $ and interest thereon $		
25. Aggregate write-ins for liabilities	594,381,780	606,583,650
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	1,317,338,015	1,288,521,020
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	1,317,338,015	1,288,521,020
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	15,000,480	15,000,480
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	300,000,000	300,000,000
34. Gross paid in and contributed surplus	623,305,670	723,287,299
35. Unassigned funds (surplus)	790,327,439	754,672,793
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 $)		
36.2 shares preferred (value included in Line 31 $)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	1,728,633,589	1,792,960,572
38. Totals (Page 2, Line 28, Col. 3)	3,045,971,604	3,081,481,592
DETAILS OF WRITE-INS		
2501. Contingency reserves	550,419,836	550,189,614
2502. Deferred Investment Gain	12,034,887	18,244,949
2503. Miscellaneous Liability	31,927,057	38,149,087
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	594,381,780	606,583,650
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $ 13,627,042)	43,222,177	53,238,165	110,929,410
1.2 Assumed (written $ 4,486,099)	17,803,444	7,656,304	32,541,567
1.3 Ceded (written $ 7,500,247)	27,422,746	27,136,722	62,462,343
1.4 Net (written $ 10,612,894)	33,602,875	33,757,747	81,008,634
DEDUCTIONS:			
2. Losses incurred (current accident year $ 6,604):			
2.1 Direct	20,019,716	10,126,179	6,115,837
2.2 Assumed	(1,523,025)	(1,501,988)	(1,044,893)
2.3 Ceded	13,145,936	19,621,479	6,789,136
2.4 Net	5,350,755	(10,997,288)	(1,718,192)
3. Loss adjustment expenses incurred	1,698,991	3,465,296	16,987,744
4. Other underwriting expenses incurred	29,613,303	33,095,143	62,510,666
5. Aggregate write-ins for underwriting deductions		11,961	11,961
6. Total underwriting deductions (Lines 2 through 5)	36,663,049	25,575,112	77,792,179
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(3,060,174)	8,182,635	3,216,455
INVESTMENT INCOME			
9. Net investment income earned	123,946,789	66,884,628	122,579,785
10. Net realized capital gains (losses) less capital gains tax of $ 449,888	799,166	(4,299,499)	(29,469,276)
11. Net investment gain (loss) (Lines 9 + 10)	124,745,955	62,585,129	93,110,509
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $ amount charged off $)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	8,129,317	5,173,758	6,104,253
15. Total other income (Lines 12 through 14)	8,129,317	5,173,758	6,104,253
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	129,815,098	75,941,522	102,431,217
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	129,815,098	75,941,522	102,431,217
19. Federal and foreign income taxes incurred	747,370	4,741,943	107,357,980
20. Net income (Line 18 minus Line 19)(to Line 22)	129,067,728	71,199,579	(4,926,763)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	1,792,960,572	2,073,166,353	2,073,166,353
22. Net income (from Line 20)	129,067,728	71,199,579	(4,926,763)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of $	(36,406,985)	6,693,722	21,216,006
25. Change in net unrealized foreign exchange capital gain (loss)	100,450	699,637	1,860,712
26. Change in net deferred income tax	(15,012,766)	(3,916,828)	55,198,683
27. Change in nonadmitted assets	24,298,216	(14,775,709)	(24,600,020)
28. Change in provision for reinsurance	(161,773)	(162,145)	2,856
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in	(99,981,631)	(200,008,296)	(200,008,296)
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders	(66,000,000)	(76,000,000)	(132,700,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	(230,222)	(7,300,001)	3,751,041
38. Change in surplus as regards policyholders (Lines 22 through 37)	(64,326,983)	(223,570,041)	(280,205,781)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	1,728,633,589	1,849,596,312	1,792,960,572
DETAILS OF WRITE-INS			
0501. Commutation losses		11,961	11,961
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)		11,961	11,961
1401. Other income	8,129,317	5,173,758	6,104,253
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	8,129,317	5,173,758	6,104,253
3701. Change in contingency reserve	(230,222)	(7,300,001)	3,751,041
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	(230,222)	(7,300,001)	3,751,041

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	13,548,861	231,875,114	213,925,261
2. Net investment income	89,184,779	50,240,342	88,536,210
3. Miscellaneous income	5,684,266	(16,823,854)	(2,435,272)
4. Total (Lines 1 to 3)	108,417,906	265,291,602	300,026,199
5. Benefit and loss related payments	(9,586,908)	(183,545,034)	(93,499,865)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	42,562,935	22,037,732	39,205,378
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of $ .... tax on capital gains (losses)	186,500	(4,862,672)	(66,846,361)
10. Total (Lines 5 through 9)	33,162,527	(166,369,974)	(121,140,848)
11. Net cash from operations (Line 4 minus Line 10)	75,255,379	431,661,576	421,167,047
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	414,939,129	383,752,530	552,967,121
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets	1,199,826	1,000,606	1,000,606
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	140	138	753
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	416,139,095	384,753,274	553,968,480
13. Cost of investments acquired (long-term only):			
13.1 Bonds	191,265,094	241,672,982	586,348,729
13.2 Stocks			786,000
13.3 Mortgage loans			
13.4 Real estate	1,092,888		141,741
13.5 Other invested assets			
13.6 Miscellaneous applications			
13.7 Total investments acquired (Lines 13.1 to 13.6)	192,357,982	241,672,982	587,276,470
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	223,781,113	143,080,292	(33,307,990)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock	(99,981,629)	(200,008,296)	(200,008,296)
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders	66,000,000	76,000,000	132,700,000
16.6 Other cash provided (applied)			
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(165,981,629)	(276,008,296)	(332,708,296)
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)	133,054,863	298,733,572	55,150,761
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	151,553,994	96,403,233	96,403,233
19.2 End of period (Line 18 plus Line 19.1)	284,608,857	395,136,805	151,553,994

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, 2019	Year Ended December 31, 2018
NET INCOME					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)				$ 129,067,728	$ (4,926,763)
(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)				$ 129,067,728	$ (4,926,763)
SURPLUS					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)				$ 1,728,633,589	$1,792,960,572
(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)				$ 1,728,633,589	$1,792,960,572

B. Use of Estimates in the Preparation of the Financial Statements
There has been no significant change since the 2018 Annual Statement in the types of estimates and assumptions and estimation process inherent in the preparation of the financial statements.

C. Accounting Policies
There has been no significant change since the 2018 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 2018 Annual Statement.

3. **Business Combinations and Goodwill**
A. Statutory Purchase Method. There has been no change since the 2018 Annual Statement.
B. Statutory Merger. There has been no change since the 2018 Annual Statement.
C. Impairment Loss. There has been no change since the 2018 Annual Statement.

4. **Discontinued Operations**
There has been no change since the 2018 Annual Statement.

5. **Investments**
A. Mortgage Loans, including Mezzanine Real Estate Loans - The Company did not hold investments in mortgage loans at June 30, 2019.
B. Debt Restructuring - The Company has no investments in restructured debt in which the Company is a creditor at June 30, 2019.
C. Reverse Mortgages - The Company did not hold reverse mortgages as investments at June 30, 2019.
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	$ 8,442,562	$ 81,834	$ 8,360,728
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	$ 8,442,562	$ 81,834	$ 8,360,728
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		$ 81,834	

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
02149Q-AE-0	$ 1,101,721	$ 628,262	$ 268,527	$ 833,194	$ 833,194	3/31/2019
68401N-AE-1	2,836,982	2,716,719	120,263	2,716,719	2,171,661	3/31/2019
			$ 388,790			

The Company also had one structured security whose carrying value was written to market value as it had an NAIC designation of 3 through 6. The amount that was written down in 2019 was approximately $158 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	$ (242,393)	$ (930,612)
Commercial mortgage-backed securities	—	(52,184)
Other loan backed & structured securities	(146,441)	(17,639)
Total	1. $ (388,834)	2. $ (1,000,435)

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

	Less than 12 months	12 Months or More
Residential mortgage-backed securities	$ 1,584,287	$ 14,580,384
Commercial mortgage-backed securities	—	12,213,982
Other loan backed & structured securities	35,692,845	4,720,415
Total	1. $ 37,277,132	2. $ 31,514,781

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, 2019, 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, 2019.

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, 2019.

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, 2019.

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, 2019.

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 2019.

J. Real Estate - At June 30, 2019, 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 2019.
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 2019.
3. The Company has not changed plans for the sale of investments in real estate in the first six months of 2019.
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, 2019.

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	6,115,428				6,115,428	6,192,915	(77,487)	—	6,115,428	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	318,554,658				318,554,658	474,787,605	(156,232,947)	—	318,554,658	10.3%	10.5%
(n)	Other restricted assets					—		—			—%	—%
(o)	Total restricted assets	$ 324,670,086	$ —	$ —	$ —	$ 324,670,086	$ 480,980,520	$(156,310,434)	$ —	$ 324,670,086	10.5%	10.7%

(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	$ 531,960	$ —	$ —	$ —	$ 531,960	$ 538,982	$ (7,022)	$ 531,960	—%	—%
Collateral pledged for reinsurance	318,022,698				318,022,698	474,248,623	(156,225,925)	318,022,698	10.2%	10.4%
Total (c)	$ 318,554,658	$ —	$ —	$ —	$ 318,554,658	$ 474,787,605	$ (156,232,947)	$ 318,554,658	10.3%	10.5%

(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 $566 thousand as of June 30, 2019, with corresponding book/adjusted carrying value of $532 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 $320 million as of June 30, 2019, with corresponding book/adjusted carrying value of $318 million.

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

Other Restricted Assets	Gross (Admitted & Nonadmitted) Restricted								Percentage	
	Current Year									
	1	2	3	4	5	6	7	8	9	10
	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, 2019.

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, 2019.

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. 5GI Securities (unrated, but current on principal and interest) - The Company did not hold investments in 5GI securities at June 30, 2019.

Q. Short Sales - The Company did not sell any securities short in the first six months of 2019.

R. Prepayment Penalty and Acceleration Fees - The Company had ten securities called during the first six months of 2019 because of a callable feature. Of the ten securities called, none had a call price above 100, which generated no prepayment penalties and acceleration fee income.

6. **Joint Ventures, Partnerships and Limited Liability Companies**
There has been no significant change since the 2018 Annual Statement.

7. **Investment Income**
A. Accrued Investment Income
Accrued investment income was $23,527,111 and $23,378,413 as of June 30, 2019 and December 31, 2018, 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 2018 Annual Statement.

9. **Income Taxes**
There has been no significant change since the 2018 Annual Statement.

10. **Information Concerning Parent, Subsidiaries and Affiliates**

A, C through O. There has been no significant change since the 2018 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 $66 million in the first six months of 2019 to Assured Guaranty US Holdings Inc. (the "Parent" or "AGUS").

2. The Company received dividends of $64 million in the first six months of 2019 from Municipal Assurance Holdings Inc.

3. On May 10, 2019, 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 June 14, 2019, AGC repurchased from AGUS 2,220 shares of its common stock, transferring approximately $100 million in cash to AGUS. The par value of the remaining 493,339 shares of AGC's authorized common stock, of which 14,173 remain issued and outstanding, increased to $1,058.38 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.

4. On August 7, 2019, AGUS and Assured Guaranty Ltd. ("AGL") entered into a purchase agreement ("Purchase Agreement") pursuant to which AGUS will purchase all of the outstanding equity interests of BlueMountain and its associated entities for a purchase price of approximately $160 million, subject to certain pre- and post-closing adjustments (the "BlueMountain Acquisition"). BlueMountain manages $19.3 billion in assets across collateralized loan obligations ("CLOs"); long-duration opportunity funds that build on the firm's corporate credit, asset-backed finance, infrastructure and healthcare

experience; and hedge funds employing relative value approaches. Completion of the BlueMountain Acquisition is subject to certain customary closing conditions, including the receipt of certain consents and regulatory approvals.

Not less than $114.8 million of the purchase price will be payable in cash. The remainder of the purchase price will be payable, at AGUS' election, in cash, in AGL common shares, in a one-year promissory note or in a combination of the foregoing. In addition, AGUS will contribute $60 million of cash to BlueMountain at closing and intends to contribute an additional $30 million in cash within a year from closing. AGUS intends to fund the cash portion of the purchase price and the cash contributions to BlueMountain with available cash and intercompany borrowings from Assured Guaranty Municipal Corp. ("AGM"), Municipal Assurance Corp. ("MAC") or, subject to regulatory approval, AGC, or a combination of them. In connection with the BlueMountain Acquisition, AGL expects to invest $500 million in BlueMountain-managed funds, CLOs and separately-managed accounts within three years of the closing.

11. Debt

There has been no change since the 2018 Annual Statement.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

There has been no significant change since the 2018 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 2018 Annual Statement.

1. The Company repurchased shares of its common stock in Second Quarter 2019. See Note 10.B.3.

4. The Company paid dividends to AGUS of $42 million on March 19, 2019 and $24 million on June 26, 2019.

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 2019 for AGC to distribute as ordinary dividends is approximately $123 million. Of such $123 million, $66 million was distributed by AGC to AGUS in the first six months of 2019 and approximately $15 million is available for distribution in Third Quarter 2019.

10. The portion of unassigned funds (surplus) represented by cumulative unrealized losses is $(4,721,958).

14. Liabilities, Contingencies and Assessments

A through F. There has been no change since the 2018 Annual Statement.

G. All Other Contingencies:

Uncollected Premiums

As of June 30, 2019, the Company had uncollected premiums of $12,302,391. Uncollected premiums more than 90 days past due were $4,376,235.

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 also 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 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, asserted a claim for breach of the implied covenant of good faith and fair dealing based on AGFP's termination of nine credit derivative transactions between LBIE and AGFP and asserted claims for breach of contract and breach of the implied covenant of good faith and fair dealing based on AGFP's termination of 28 other credit derivative transactions between LBIE and AGFP and AGFP's calculation of the termination payment in connection with those 28 other credit derivative transactions. 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 $4 million for the claims which were dismissed and $25 million in connection with the termination of the other credit derivative transactions, whereas LBIE asserted in the complaint that AGFP owes LBIE a termination payment of approximately $1.4 billion. AGFP filed a motion to dismiss the claims for breach of the implied covenant of good faith in LBIE's complaint, and on March 15, 2013, the court granted AGFP's motion to dismiss in respect of the count relating to the nine credit derivative transactions and narrowed LBIE's claim with respect to the 28 other credit derivative 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. AGFP filed a motion for summary judgment on the remaining causes of action asserted by LBIE and on AGFP's counterclaims, and on July 2, 2018, the court granted in part and denied in part AGFP's motion. The court dismissed, in its entirety, LBIE's remaining claim for breach of the implied covenant of good faith and fair dealing and also dismissed LBIE's claim 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 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 October 1, 2018, AGFP filed an appeal with the Appellate Division of the Supreme Court of the State of New York, First Judicial Department, seeking reversal of the portions of the lower court's ruling denying AGFP's motion for summary judgment with respect to LBIE's sole remaining claim for breach of contract. On January 17, 2019, the Appellate Division affirmed the Supreme Court's decision, holding that the lower court correctly determined that there are triable issues of fact regarding whether AGFP calculated its loss reasonably and in good faith.

On May 2, 2019, the federal financial oversight board ("Oversight Board") and the Official Committee of Unsecured Creditors filed an adversary complaint in the United States District Court for the District of Puerto Rico ("Federal District Court for Puerto Rico") against various Commonwealth of Puerto Rico ("Puerto Rico" or the "Commonwealth") general obligation bondholders and bond insurers, including AGC and its affiliate Assured Guaranty Municipal Corp. ("AGM"), that had asserted in their proofs of claim that their bonds are secured. The complaint seeks a judgment declaring that defendants do not hold consensual or statutory liens and are unsecured claimholders to the extent they hold allowed claims. The complaint also asserts that even if Commonwealth law granted statutory liens, such liens are avoidable under Section 545 of the United States Bankruptcy Code ("Bankruptcy Code"). On July 24, 2019, Judge Swain of the Federal District Court for Puerto Rico announced a court-imposed stay of a series of adversary proceedings and contested matters, which include this proceeding, through November 30, 2019, with a mandatory mediation element.

On May 20, 2019, the Oversight Board and the Official Committee of Unsecured Creditors filed an adversary complaint in the Federal District Court for Puerto Rico against the fiscal agent and holders and/or insurers, including AGC and AGM, that have asserted their Puerto Rico Highways and Transportation Authority ("PRHTA") bond claims are entitled to secured status in PRHTA's Title III case. Plaintiffs are seeking to avoid the PRHTA bondholders' liens and contend that (i) the scope of any lien only applies to revenues that have been both received by PRHTA and deposited in certain accounts held by the fiscal agent and does not include PRHTA's right to receive such revenues; (ii) any lien on revenues was not perfected because the fiscal agent does not have "control" of all accounts holding such revenues; (iii) any lien on the excise tax revenues is no longer enforceable because any rights PRHTA had to receive such revenues is preempted by PROMESA; and (iv) even if PRHTA held perfected liens on PRHTA's revenues and the right to receive such revenues, such liens were terminated by Section 552(a) of the Bankruptcy Code as of the petition date. On July 24, 2019, Judge Swain announced a court-imposed stay of a series of adversary proceedings and contested matters, which include this proceeding, through November 30, 2019, with a mandatory mediation element.

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, the 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. In addition, the Commonwealth, the Oversight Board and others have taken legal action naming the Company as party.

Currently there are numerous legal actions relating to the default by the Commonwealth and certain of its entities on debt service payments, and related matters, and the Company is a party to a number of them. On July 24, 2019, Judge Laura Taylor Swain of the Federal District Court for Puerto Rico held an omnibus hearing on litigation matters relating to the Commonwealth. At that hearing, she imposed a stay through November 30, 2019, on a series of adversary proceedings and contested matters amongst the stakeholders and imposed mandatory mediation on all parties through that date. Among the goals of the mediation is to reach an agreed-upon schedule for addressing the resolution of numerous issues, including, among others: (a) issues related to the validity, secured status and priority regarding bonds issued by the Commonwealth and certain of its entities; (b) the validity and impact of the Clawback Orders and other diversion of collateral securing certain bonds; (c) classification of claims; (d) constitutional issues; and (e) identification of essential services. The Company believes a number of the legal actions in which it is involved are covered by the stay and mandatory mediation order.

On January 7, 2016, AGC, AGM, and Ambac Assurance Corporation commenced an action for declaratory judgment and injunctive relief in the 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 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"). 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 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. A hearing on AGM and AGC's appeal of the trial court's decision to the United States Court of Appeals for the First Circuit ("First Circuit") was held on November 5, 2018. On March 26, 2019, the First Circuit issued its opinion affirming the trial court's decision and held that Sections 928(a) and 922(d) of the Bankruptcy Code permit, but do not require, continued payments during the pendency of the Title III proceedings. The First Circuit agreed with the trial court that (i) Section 928(a) of the Bankruptcy Code does not mandate the turnover of special revenues or require continuity of payments to the PRHTA bonds during the pendency of the Title III proceedings, and (ii) Section 922(d) of the Bankruptcy Code is not an exception to the automatic stay that would compel PRHTA, or third parties holding special revenues, to apply special revenues to outstanding obligations. On April 9, 2019, AGM, AGC and other petitioners filed a petition with the First Circuit seeking a rehearing by the full court; the petition was denied by the First Circuit on July 31, 2019.

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 executed in December 2015 ("2015 PREPA RSA") is a "Preexisting Voluntary Agreement" under Section 104 of PROMESA and the Oversight Board's failure to certify the 2015 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 2015 PREPA RSA; and (iii) a writ of mandamus requiring the Oversight Board to comply with its duties under PROMESA and certify the 2015 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. The court denied the motion on September 14, 2017, but on August 8, 2018, the First Circuit vacated and remanded the court's decision. On October 3, 2018, AGM and AGC, together with other bond insurers, filed a motion with the court to lift the automatic stay to commence an action against PREPA for the appointment of a receiver, and a hearing was scheduled for May 2019. On May 3, 2019, AGC and AGM entered into a restructuring support agreement ("PREPA RSA") with PREPA and other stakeholders, including a group of uninsured PREPA bondholders, the Commonwealth of Puerto Rico, and the Oversight Board. Under the PREPA RSA, AGM and AGC have agreed to withdraw from the lift stay motion upon the Title III Court's approval of the settlement of claims embodied in the PREPA RSA.

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 August 13, 2018, the court-appointed magistrate judge granted the Commonwealth's and the Oversight Board's motion to stay this adversary proceeding pending a decision by the First Circuit in an appeal by Ambac Assurance Corporation of an unrelated adversary proceeding decision, which the First Circuit rendered on June 24, 2019. On July 24, 2019, Judge Swain announced a court-imposed stay of a series of adversary proceedings and contested matters, which likely includes this proceeding, through November 30, 2019, with a mandatory mediation element.

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 from the beginning 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 AGM and AGC at their request based upon the court's July decision in the other Appointments Clause lawsuit and, on the same date, AGM and AGC appealed the stipulated judgment to the First Circuit. On August 15, 2018, the court consolidated, for purposes of briefing and oral argument, AGM and AGC's appeal with the other Appointments Clause lawsuit. The First Circuit consolidated AGM and AGC's appeal with a third Appointments Clause lawsuit on September 7, 2018 and held a hearing on December 3, 2018. On February 15, 2019, the First Circuit issued its ruling on the appeal and held that members of the Oversight Board were not appointed in compliance with the Appointments Clause of the U.S. Constitution but declined to dismiss the Title III petitions citing the (i) de facto officer doctrine and (ii) negative consequences to the many innocent third parties who relied on the Oversight Board's actions to date, as well as the further delay which would result from a dismissal of the Title III petitions. The case was remanded back to the Federal District Court for Puerto Rico for the appellants' requested declaratory relief that the appointment of the board members of the Oversight Board is unconstitutional. The First Circuit delayed the effectiveness of its ruling for 90 days so as to allow the President and the Senate to validate the currently defective appointments or reconstitute the Oversight Board in accordance with the Appointments Clause. On April 23, 2019, the Oversight Board filed a petition for a review by the U.S. Supreme Court of the First Circuit's holding that its members were not appointed in compliance with the Appointments Clause and on the following day filed a motion in the First Circuit to further stay the effectiveness of the First Circuit's February 15, 2019 ruling pending final disposition by the U.S. Supreme Court. On May 24, 2019, AGC and AGM filed a petition for a review by the U.S. Supreme Court of the First Circuit's holding that the de facto officer doctrine allows courts to deny meaningful relief to successful challengers suffering ongoing injury at the hands of unconstitutionally appointed officers. On June 20, 2019, the U.S. Supreme Court agreed to review the First Circuit's holdings in this case. On July 2, 2019, the First Circuit granted the Oversight Board's motion to stay the effectiveness of the First Circuit's February 15, 2019 ruling pending final disposition by the U.S. Supreme Court.

On December 21, 2018, the Oversight Board and the Official Committee of Unsecured Creditors of all Title III Debtors (other than the Puerto Rico Sales Tax Financing Corporation ("COFINA")) filed an adversary complaint in the Federal District Court for Puerto Rico seeking a judgment declaring that (i) the leases to public occupants entered into by the Puerto Rico Public Buildings Authority ("PBA") are not "true leases" for purposes of Section 365(d)(3) of the Bankruptcy Code and therefore the Commonwealth has no obligation to make payments to the PBA under the leases or Section 365(d)(3) of the Bankruptcy Code, (ii) the PBA is not entitled to a priority administrative expense claim under the leases pursuant to Sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code, and (iii) any such claims filed or asserted against the Commonwealth are disallowed. On January 28, 2019, the PBA filed an answer to the complaint. On March 12, 2019, the Federal District Court for Puerto Rico granted, with certain limitations, AGM's and AGC's motion to intervene. On March 21, 2019, AGM and AGC, together with certain other intervenors, filed a motion for judgment on the pleadings. On July 24, 2019, Judge Swain announced a court-imposed stay of a series of adversary proceedings and contested matters, which include this proceeding, through November 30, 2019, with a mandatory mediation element.

In addition, AGM and AGC are named in litigation regarding Puerto Rico described above under Litigation.

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.

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. On July 31, 2019, the parties entered into a confidential settlement.

15. Leases
There has been no material changes since the 2018 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, 2019 was $36.5 billion ($31.2 billion for public finance and $5.3 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 2019.
B. The Company has not transferred or serviced any financial assets during the first six months of 2019.
C. The Company did not engage in any wash sale transactions during the first six months of 2019.

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 2018 Annual Statement.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
There has been no change since the 2018 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, 2019.

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value	TOTAL
a. Assets at fair value					
Bonds					
Industrial & Miscellaneous	$ —	$ —	$ 33,574,500	$ —	$ 33,574,500
Total Bonds	—	—	33,574,500	—	33,574,500
Money market mutual funds	—	149,618,490	—	—	149,618,490
Total Assets at Fair Value	$ —	$ 149,618,490	$ 33,574,500	$ —	$ 183,192,990

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 using their pricing models, which take into account: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, reference data, industry and economic events, 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.

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. The valuation of fixed-maturity investments is more subjective when markets are less liquid due to the lack of market based inputs.

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.

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.

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, 2019	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, 2019
Bonds - Special Revenue	$ 3,866,808	$ —	$ 3,918,537	$ 308,484	$ —	$ —	$ —	$ —	$ 256,755	$ —
Bonds - Industrial & Miscellaneous	33,072,300	—	—	502,200	—	—	—	—	—	33,574,500
TOTAL	$ 36,939,108	$ —	$ 3,918,537	$ 810,684	$ —	$ —	$ —	$ —	$ 256,755	$ 33,574,500

3. Policy on Transfers Into and Out of Level 3
If applicable, 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 ended June 30, 2019, seven special revenue bonds were transferred out of Level 3 of the fair value hierarchy and are not recorded at fair value due to an increase in market value to a level greater than book value.

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); home 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, 2019.

B. Other Fair Value Disclosures
The fair value of the Company's financial guaranty contracts accounted for as insurance was approximately $1.9 billion at June 30, 2019 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	Net Asset Value	Not Practicable (Carrying Value)
Bonds	$ 2,648,515,461	$2,476,701,998	$ —	$2,153,722,169	$ 494,793,292	$ —	$ —
Cash, cash equivalents and short-term investments	284,621,236	284,608,857	120,287,619	164,333,617	—	—	—
Total assets	$ 2,933,136,697	$2,761,310,855	$ 120,287,619	$2,318,055,786	$ 494,793,292	$ —	$ —

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

E. Instruments Measured Using NAV Practical Expedient
Not applicable

21. Other Items

A, B, C, D, E. There has been no change since the 2018 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 permit its outside managers to purchase only a small amount of securities rated lower than BBB- by S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC ("S&P") or Baa3 by Moody’s Investors Service, Inc. ("Moody’s"), and then only those securities rated no lower than B by S&P or B2 by Moody’s and subject to certain other specific requirements. Additionally, the managed portfolio must maintain a minimum average rating of A+ by S&P or A1 by Moody's.

As of June 30, 2019	Actual Cost	Book Value	Fair Value	OTTI Losses Recognized
Residential Mortgage-Backed Securities	$ 6,142,519	$ 6,438,765	$ 6,455,406	$ 1,071,621
Structured Securities	—	—	—	—
Total	$ 6,142,519	$ 6,438,765	$ 6,455,406	$ 1,071,621

(4) Underwriting Exposure

Selected U.S. Public Finance Transactions

The Company had 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 $1.6 billion net par as of June 30, 2019, all of which was rated below investment grade ("BIG"). 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 then 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. 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.

On July 24, 2019, and effective August 2, 2019, the then governor of the Commonwealth resigned as governor under intense political and public pressure related to corruption within his administration and the public disclosure of a series of inappropriate electronic messages. Before resigning, he appointed another individual secretary of state, the next in line of succession for governor, and that individual was sworn in as governor on August 2. While the Commonwealth's House of Representatives ratified that individual's appointment as secretary of state on August 2 (after he was sworn in), the Commonwealth's Senate did not do so. On August 7 the Puerto Rico Supreme Court held that his swearing-in as governor was unconstitutional. The impact of these developments on obligations insured by the Company is uncertain.

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. In addition, the Commonwealth, the Oversight Board and others have taken legal action naming the Company as party. In addition, the Commonwealth, the Oversight Board and others have taken legal action naming the Company as party. Currently there are numerous legal actions relating to the default by the Commonwealth and certain of its entities on debt service payments, and related matters, and the Company is a party to a number of them. On July 24, 2019, Judge Laura Taylor Swain of the United States District Court for the District of Puerto Rico ("Federal District Court for Puerto Rico") held an omnibus hearing on litigation matters relating to the Commonwealth. At that hearing, she imposed a stay through November 30, 2019, on a series of adversary proceedings and contested matters amongst the stakeholders and imposed mandatory mediation on all parties through that date. Among the goals of the mediation is to reach an agreed-upon schedule for addressing the resolution of numerous issues, including, among others: (a) issues related to the validity, secured status and priority regarding bonds issued by the Commonwealth and certain of its entities; (b) the validity and impact of the Clawback Orders and other diversion of collateral securing certain bonds; (c) classification of claims; (d) constitutional issues; and (e) identification of essential services. The Company believes a number of the legal actions in which it is involved are covered by the stay and mandatory mediation order. See Note 14, Liabilities, Contingencies and Assessments.

The Company also participates in mediation and negotiations relating to its Puerto Rico exposure.

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.

- *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, 2019, the Company had $301 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. The Oversight Board has filed a petition under Title III of PROMESA with respect to the Commonwealth.

On May 9, 2019, the Oversight Board certified a revised fiscal plan for the Commonwealth. The revised certified Commonwealth fiscal plan indicates an expected primary budget surplus, if fiscal plan reforms are enacted, of $13.7 billion that would be available for debt service over the six-year forecast period ending 2024. The Company believes the available surplus set forth in the Oversight Board's revised certified fiscal plan (which assumes certain fiscal reforms are implemented by the Commonwealth) should be sufficient to cover contractual debt service of Commonwealth general obligation issuances and of authorities and public corporations directly implicated by the Commonwealth's general fund during the forecast period. However, the revised certified Commonwealth fiscal plan indicates a net cumulative primary budget deficit through 2049, and there can be no assurance that the fiscal reforms will be enacted or, if they are, that the forecasted primary budget surplus will occur or, if it does, that such funds will be used to cover contractual debt service.

On June 16, 2019, the Oversight Board announced it had entered into a general obligation Plan Support Agreement ("GO PSA") with certain general obligation and Puerto Rico Public Buildings Authority ("PBA") bondholders representing approximately $3 billion of claims. The GO PSA purports to provide a framework to address approximately $35 billion of claims against the Commonwealth. The Company is not a party to that agreement and does not support it.

The GO PSA provides for different recoveries for bonds issued before 2012 ("Vintage") and bonds issued in 2012 and 2014 ("New") based on the Oversight Board's attempt to invalidate the New general obligation and PBA bonds and the proposed recovery varies depending on the outcome of that litigation. Under the GO PSA:

- Vintage general obligation bondholders generally would receive newly issued Commonwealth bonds and cash equal to 64.3% of their outstanding claims, plus up to approximately 25.1% of their outstanding claims to a cap of 89.4% from settlement and litigation savings from the invalidation lawsuit, as well as a share of excess revenues if the Commonwealth outperforms its fiscal plan in the near term.

- If the Oversight Board loses its invalidation lawsuit, holders of New general obligation bonds generally would receive the same treatment as the holders of Vintage general obligation bonds but would not share in the upside if the Commonwealth outperforms its fiscal plan.

- If the Oversight Board wins its invalidation lawsuit, holders of New general obligation bonds would not receive any recovery.

- In all cases, holders of general obligation bonds supporting the GO PSA are also entitled to certain fees.

PBA. As of June 30, 2019, the Company had $142 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.

Under the GO PSA (which does not include the Company as a party and which the Company does not support):

- Holders of Vintage PBA bonds generally would receive newly issued Commonwealth bonds and cash equal to 72.6% of their outstanding claims, plus up to approximately 16.8% of their outstanding claims to a cap of 89.4% from settlement and litigation savings from the invalidation lawsuit, as well as a share of excess revenues if the Commonwealth outperforms its fiscal plan in the near term.

- If the Oversight Board loses its invalidation lawsuit, holders of New PBA bonds generally would receive the same treatment as the holders of Vintage PBA bonds but would not share in the upside if the Commonwealth outperforms its fiscal plan.

- If the Oversight Board wins its invalidation lawsuit, holders of New PBA bonds would not receive any recovery.

- In all cases, holders of PBA bonds supporting the GO PSA are also entitled to certain fees.

Public Corporations - Certain Revenues Potentially Subject to Clawback

PRHTA. As of June 30, 2019, the Company had $497 million insured net par outstanding of PRHTA (transportation revenue) bonds and $84 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. The Oversight Board has filed a petition under Title III of PROMESA with respect to PRHTA.

On June 5, 2019, the Oversight Board certified a revised fiscal plan for PRHTA. The revised certified PRHTA fiscal plan projects very limited capacity to pay debt service over the six-year forecast period.

PRCCDA. As of June 30, 2019, 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, 2019, the Company had $15 million insured net par outstanding of PRIFA bonds, which are secured primarily by the return to PRIFA and its bondholders of a portion 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, 2019, the Company had $72 million insured net par outstanding of PREPA obligations, which are secured by a lien on the revenues of the electric system. The Company has been making claim payments on these bonds since July 1, 2017. On July 2, 2017, the Oversight Board commenced proceedings for PREPA under Title III of PROMESA. On June 27, 2019, the Oversight Board certified a revised fiscal plan for PREPA.

On May 3, 2019, AGM and AGC entered into a restructuring support agreement with PREPA ("PREPA RSA") and other stakeholders, including a group of uninsured PREPA bondholders, the Commonwealth of Puerto Rico, and the Oversight Board, that is intended to, among other things, provide a framework for the consensual resolution of the treatment of the Company's insured PREPA revenue bonds in PREPA's recovery plan. Upon consummation of the restructuring transaction, PREPA's revenue bonds will be exchanged into new securitization bonds issued by a special purpose corporation and secured by a segregated transition charge assessed on electricity bills. The revised fiscal plan of PREPA certified by the Oversight Board on June 27, 2019 reflects the relevant terms of the PREPA RSA.

The closing of the restructuring transaction is subject to a number of conditions, including approval by the Title III Court of the PREPA RSA and settlement described therein, a minimum of 67% support of voting bondholders for a plan of adjustment that includes this proposed treatment of PREPA revenue bonds and confirmation of such plan by the Title III court, and execution of acceptable documentation and legal opinions. Under the PREPA RSA, the Company has the option to guarantee its allocated share of the securitization exchange bonds, which may then be offered and sold in the capital markets. The Company believes that the additive value created by attaching its guarantee to the securitization exchange bonds would materially improve its overall recovery under the transaction, as well as generate new insurance premiums; and therefore that its economic results could differ from those reflected in the PREPA RSA.

PRASA. As of June 30, 2019, the Company had $284 million 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. On June 29, 2019, the Oversight Board certified a revised fiscal plan for PRASA.

MFA. As of June 30, 2019, the Company had $40 million insured 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, 2019, 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, 2019, 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 consisted 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 consisted of 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 $17 million of net par exposure as of June 30, 2019 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.

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, 2019, including those mentioned above, of $336.9 million compared to $304.1 million as of December 31, 2018. The Company's loss and LAE reserves incorporate management's probability weighted estimates of possible scenarios. Each quarter, the Company revises its scenarios, updates assumptions and/or shifts probability weightings of its scenarios based on public information as well as nonpublic information obtained through its surveillance and loss mitigation activities. Management assesses the possible implications of such information on each insured obligation, considering the unique characteristics of each transaction.

The increase in reserves is due mainly to the increase in Puerto Rico reserves. The loss development attributable to the Company's Puerto Rico exposures reflects adjustments the Company made to the assumptions and weightings it uses in its scenarios based on the public information summarized in Note 14, Liabilities, Contingencies and Assessments - Recovery Litigation, as well as nonpublic information related to its loss mitigation activities during the quarter.

U.S. RMBS Loss Projections

The Company projects losses on its insured U.S. RMBS on a transaction-by-transaction basis by projecting the performance of the underlying pool of mortgages over time and then applying the structural features (i.e., payment priorities and tranching) of the RMBS and any expected representation and warranty ("R&W") recoveries/payables to the projected performance of the collateral over time. The resulting projected claim payments or reimbursements are then discounted using a rate of 5.0%, the approximate taxable equivalent yield on the Company's investment portfolio.

The further behind a mortgage borrower falls in making payments, the more likely it is that he or she will default. The rate at which borrowers from a particular delinquency category (number of monthly payments behind) eventually default is referred to as the "liquidation rate." The Company derives its liquidation rate assumptions from observed roll rates, which are the rates at which loans progress from one delinquency category to the next and eventually to default and liquidation. The Company applies liquidation rates to the mortgage loan collateral in each delinquency category and makes certain timing assumptions to project near-term mortgage collateral defaults from loans that are currently delinquent.

Mortgage borrowers that are not more than one payment behind (generally considered performing borrowers) have demonstrated an ability and willingness to pay through the recession and mortgage crisis, and as a result are viewed as less likely to default than delinquent borrowers. Performing borrowers that eventually default will also need to progress through delinquency categories before any defaults occur. The Company projects how many of the currently performing loans will default and when they will default, by first converting the projected near term defaults of delinquent borrowers derived from liquidation rates into a vector of conditional default rates ("CDR"), then projecting how the CDR will develop over time. Loans that are defaulted pursuant to the CDR after the near-term liquidation of currently delinquent loans represent defaults of currently performing loans and projected re-performing loans. A CDR is the outstanding principal amount of defaulted loans liquidated in the current month divided by the remaining outstanding amount of the whole pool of loans (or "collateral pool balance"). The collateral pool balance decreases over time as a result of scheduled principal payments, partial and whole principal prepayments, and defaults.

In order to derive collateral pool losses from the collateral pool defaults it has projected, the Company applies a loss severity. The loss severity is the amount of loss the transaction experiences on a defaulted loan after the application of net proceeds from the disposal of the underlying property. The Company projects loss severities by sector and vintage based on its experience to date. The Company continues to update its evaluation of these loss severities as new information becomes available.

As of June 30, 2019, the Company had a net R&W recoverable of $16.6 million from R&W counterparties, compared to a net R&W recoverable of $23.4 million as of December 31, 2018. The Company's agreements with providers of R&W generally provide for reimbursement to the Company as claim payments are made and, to the extent the Company later receives reimbursements of such claims from excess spread or other sources, for the Company to provide reimbursement to the R&W providers. When the Company projects receiving more reimbursements in the future than it projects to pay in claims on transactions covered by R&W settlement agreements, the Company will have a net R&W payable.

The Company projects the overall future cash flow from a collateral pool by adjusting the payment stream from the principal and interest contractually due on the underlying mortgages for the collateral losses it projects as described above; assumed voluntary prepayments; and servicer advances. The Company then applies an individual model of the structure of the transaction to the projected future cash flow from that transaction's collateral pool to project the Company's future claims and claim reimbursements for that individual transaction. Finally, the projected claims and reimbursements are discounted using a rate that approximates the taxable equivalent yield on the Company's investment portfolio. The Company runs several sets of assumptions regarding mortgage collateral performance, or scenarios, and probability weights them.

The Company's RMBS loss projection methodology assumes that the housing and mortgage markets will continue improving. Each period the Company makes a judgment as to whether to change the assumptions it uses to make RMBS loss projections based on its observation during the period of the performance of its insured transactions (including early stage delinquencies, late stage delinquencies and loss severity) as well as the residential property market and economy in general, and, to the extent it observes changes, it makes a judgment as to whether those changes are normal fluctuations or part of a trend. In Second Quarter 2019, the economic benefit was $5 million for first lien U.S. RMBS and the economic benefit was $33 million for second lien U.S. RMBS. The assumptions that the Company uses to project RMBS losses are shown in the sections below.

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, 2019	December 31, 2018
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	40	40
Option ARM	45	45
Subprime	45	45
90+ Days Delinquent		
Alt-A and Prime	50	50
Option ARM	55	55
Subprime	55	50
Bankruptcy		
Alt-A and Prime	45	45
Option ARM	50	50
Subprime	40	40
Foreclosure		
Alt-A and Prime	60	60
Option ARM	65	65
Subprime	60	60
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 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 4.0 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 reperform.

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 had reached historically high levels, and the Company is assuming in the base case that the still elevated 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, 2019		As of December 31, 2018	
	Range	Weighted Average	Range	Weighted Average
Alt A and Prime				
Plateau CDR	0.0% - 7.5%	3.6%	1.2% - 10.3%	3.9%
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	70.0%		70.0%	
2007+	70.0%		70.0%	
Option ARM				
Plateau CDR	2.4% - 6.7%	5.3%	1.8% - 6.8%	5.2%
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	60.0%		60.0%	
2007+	70.0%		70.0%	
Subprime				
Plateau CDR	2.9% - 11.4%	6.4%	3.2% - 11.5%	6.3%
Final CDR	0.1% - 0.6%	0.3%	0.2% - 0.6%	0.3%
Initial loss severity:				
2005 and prior	80.0%		80.0%	
2006	75.0%		75.0%	
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, 2018.

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, 2019 and December 31, 2018.

Total loss and LAE reserves on all first lien U.S. RMBS was $76 million and $92 million as of June 30, 2019 and December 31, 2018, respectively. The decrease was primarily attributable to higher excess spread on certain transactions supported by large portions of fixed rate assets (either originally fixed or modified to be fixed) and with insured floating rate debt linked to London Interbank Offered Rate ("LIBOR"), which decreased in Six Months 2019. The Company used a similar approach to establish its pessimistic and optimistic scenarios as of June 30, 2019 as it used as of December 31, 2018, increasing and decreasing the periods of stress from those used in the base case. LIBOR may be discontinued, and it is not yet clear how this will impact the calculation of the various interest rates in this portfolio referencing LIBOR.

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 $10.6 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 $3.6 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 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, representing six months of delinquent loan liquidations followed by 28 months of decrease to the steady state CDR, the same as of December 31, 2018.

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 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.

The HELOC loans underlying the Company's insured HELOC transactions are now past their original interest-only reset date, although a significant number of HELOC loans were modified to extend the original interest-only period for another five years. As a result, the Company does not apply a CDR increase when such loans reach their principal amortization period. In addition, based on the average performance history, the Company applies 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 low recovery. The Company assumed, as of June 30, 2019 and December 31, 2018, that it will generally recover 2% of future defaulting collateral at the time of charge-off, with additional amounts of post charge-off recoveries projected to come in over time. A second lien on the borrower’s home may be retained in the Company's second lien transactions after the loan is charged off and the loss applied to the transaction, particularly in cases where the holder of the first lien has not foreclosed. If the second lien is retained and the value of the home increases, the servicer may be able to use the second lien to increase recoveries, either by arranging for the borrower to resume payments or by realizing value upon the sale of the underlying real estate. The Company evaluates its assumptions periodically based on actual recoveries of charged-off loans observed from period to period. In instances where the Company is able to obtain information on the lien status of charged-off loans, it assumes there will a certain level of future recoveries of the balance of the charged-off loans where the second lien is still intact. The Company projected future recoveries of 20% as of June 30, 2019 and 10% as of December 31, 2018, with such recoveries to be received evenly over the next five years. The increase in recovery assumptions is attributable to the higher actual recovery rates observed in certain transactions during the period. Increasing the recovery rate to 30% would result in an economic benefit of $12 million, while decreasing the recovery rate back to 10% would result in an economic loss of $12 million.

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 consistent with how the Company modeled the CPR as of December 31, 2018. 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 amount of losses the collateral will likely 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 recoveries on all second lien U.S. RMBS was $17 million as of June 30, 2019 and total loss and LAE reserves on all second lien U.S. RMBS was $3 million as of December 31, 2018.

The following table shows the range as well as the average, weighted by net par outstanding, for key assumptions used in 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, 2019		As of December 31, 2018	
	Range	Weighted Average	Range	Weighted Average
Plateau CDR	6.0% - 23.5%	10.6%	7.2% - 26.8%	12.8%
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	30		35	
60 - 89 Days Delinquent	45		50	
90+ Days Delinquent	65		70	
Bankruptcy	55		55	
Foreclosure	60		65	
Real Estate Owned	100		100	
Loss severity (1)	98		98	

(1) Loss severities on future defaults.

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. In the Company's most stressful scenario, 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 $1.4 million for HELOC transactions. On the other hand, in the Company's least stressful scenario, 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 $1.5 million for HELOC transactions.

Life Insurance Transactions

The Company also had exposure to troubled life insurance transactions. As of June 30, 2019, the Company's BIG net par in these transactions was $86 million, which was lower than the $160 million as of December 31, 2018 because of the settlement of a transaction.

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

The following table summarizes U.S. subprime loss activity at June 30, 2019:

	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	1,943,769	(11,110,154)	77,211,818	—
c. Other lines (specify):	—	—	—	—
d. Total	$ 1,943,769	$ (11,110,154)	$ 77,211,818	$ —

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

22. Events Subsequent

Subsequent events have been considered through May 14, 2019 for these statutory financial statements which are to be issued on May 14, 2019. There were no material events occurring subsequent to June 30, 2019 that have not already been disclosed in these financial statements.

23. Reinsurance

A. The Company has an unsecured reinsurance recoverable of $54,435,832 with an authorized affiliate, MAC, at June 30, 2019.
B. The Company has no reinsurance recoverable in dispute at June 30, 2019.
C. Reinsurance Assumed and Ceded
The following table summarizes ceded and assumed unearned premiums and the related commission equity at June 30, 2019:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	$ 33,088,873	$ 8,857,852	$ 157,826,415	$ 29,970,981	$ (124,737,542)	$ (21,113,129)
b. All Other	226,804,155	4,933,875	3,210,095	411,688	223,594,060	4,522,187
c. Total	$ 259,893,028	$ 13,791,727	$ 161,036,510	$ 30,382,669	$ 98,856,518	$ (16,590,942)
d. Direct Unearned Premium Reserve			$ 268,944,623			

D. The Company has no uncollectible reinsurance at June 30, 2019.
E. There is no effect from commutation and reassumption of ceded and assumed business for the six months ended June 30, 2019.
F. The Company has no retroactive reinsurance in effect at June 30, 2019.
G. The Company does not utilize the deposit method to account for any of its reinsurance transactions.
H. There has been no significant change since the 2018 Annual Statement in the Company's one run-off agreement.
I. The Company has no certified reinsurance downgraded or status subject to revocation at June 30, 2019.
J. The Company has no reinsurance agreements qualifying for reinsurer aggregation at June 30, 2019.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

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

25. Changes in Incurred Losses and Loss Adjustment Expenses

Incurred losses and loss expenses attributable to insured events of prior years were $7,043,077 for the first six months of 2019. The current year increase is a result of ongoing analysis of recent loss development trends. Original estimates are adjusted as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

There has been no change since the 2018 Annual Statement.

27. Structured Settlements

There has been no change since the 2018 Annual Statement.

28. Health Care Receivables

There has been no change since the 2018 Annual Statement.

29. Participating Policies

There has been no change since the 2018 Annual Statement.

30. Premium Deficiency Reserves

There has been no change since the 2018 Annual Statement.

31. High Deductibles
There has been no change since the 2018 Annual Statement.

32. Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses
The net loss and LAE reserves of $284,425,634 are discounted at a rate of 5.0%, the approximate taxable equivalent yield on the Company's investment portfolio, amounting to a total discount of $56,993,844.

Nontabular Discount:	Case	IBNR	Defense & Cost Containment Expense	Adjusting & Other Expense
Financial Guaranty	$ 56,993,844	$ —	$ —	$ —

33. Asbestos and Environmental Reserves
There has been no change since the 2018 Annual Statement.

34. Subscriber Savings Accounts
There has been no change since the 2018 Annual Statement.

35. Multiple Peril Crop Insurance
There has been no change since the 2018 Annual Statement.

36. Financial Guaranty Insurance
A. There has been no significant change since the 2018 Annual Statement.

B. Schedule of BIG insured financial obligations as of June 30, 2019:

	Surveillance Categories			
	BIG 1	BIG 2	BIG 3	Total
	(dollars in thousands)			
1. Number of risks	77	24	116	217
2. Remaining weighted-average contract period (in yrs)	7.9	17.8	11.1	11.6
Insured contractual payments outstanding:				
3a. Principal	$ 539,501	$ 530,368	$ 2,814,840	$ 3,884,709
3b. Interest	183,486	434,450	1,019,840	1,637,776
3c. Total	$ 722,987	$ 964,818	$ 3,834,680	$ 5,522,485
4. Gross claim liability	$ 13,956	$ 109,556	$ 1,745,463	$ 1,868,975
Less:				
5a1. Gross potential recoveries - subrogation	352,897	46,810	995,353	1,395,060
5a2. Ceded claim liability	(31,618)	13,584	151,059	133,025
5a. Total gross potential recoveries	$ 321,279	$ 60,394	$ 1,146,412	$ 1,528,085
5b. Discount, net	(75,123)	15,201	116,916	56,994
6. Net claim liability	$ (232,200)	$ 33,961	$ 482,135	$ 283,896
7. Unearned premium revenue	$ 6,394	$ 14,647	$ 64,241	$ 85,282
8. Reinsurance recoverables	$ 174	$ 92	$ 55,285	$ 55,551

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: 06/14/2019

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. 0001273813

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

If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.

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 [ ] No [X]

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

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: $ 27,589

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	$ 120,312,926	$ 84,597,873
14.24 Short-Term Investments	$	$
14.25 Mortgage Loans on Real Estate	$	$
14.26 All Other	$ (1,697,335)	$ (4,614,517)
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 118,615,591	$ 79,983,356
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.

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 $

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

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

GENERAL INTERROGATORIES

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

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
Wasmer, Schroeder & Company, LLC	A
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
105-323	Wasmer, Schroeder & Company, LLC	N/A	Securities and Exchange Commission	DS

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 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
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 5GI securities? Yes [ ] No [X]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

a. The security was purchased prior to January 1, 2018.
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI 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		5.000	56,993,844			56,993,844	(7,455,527)			(7,455,527)
		TOTAL	56,993,844			56,993,844	(7,455,527)			(7,455,527)

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

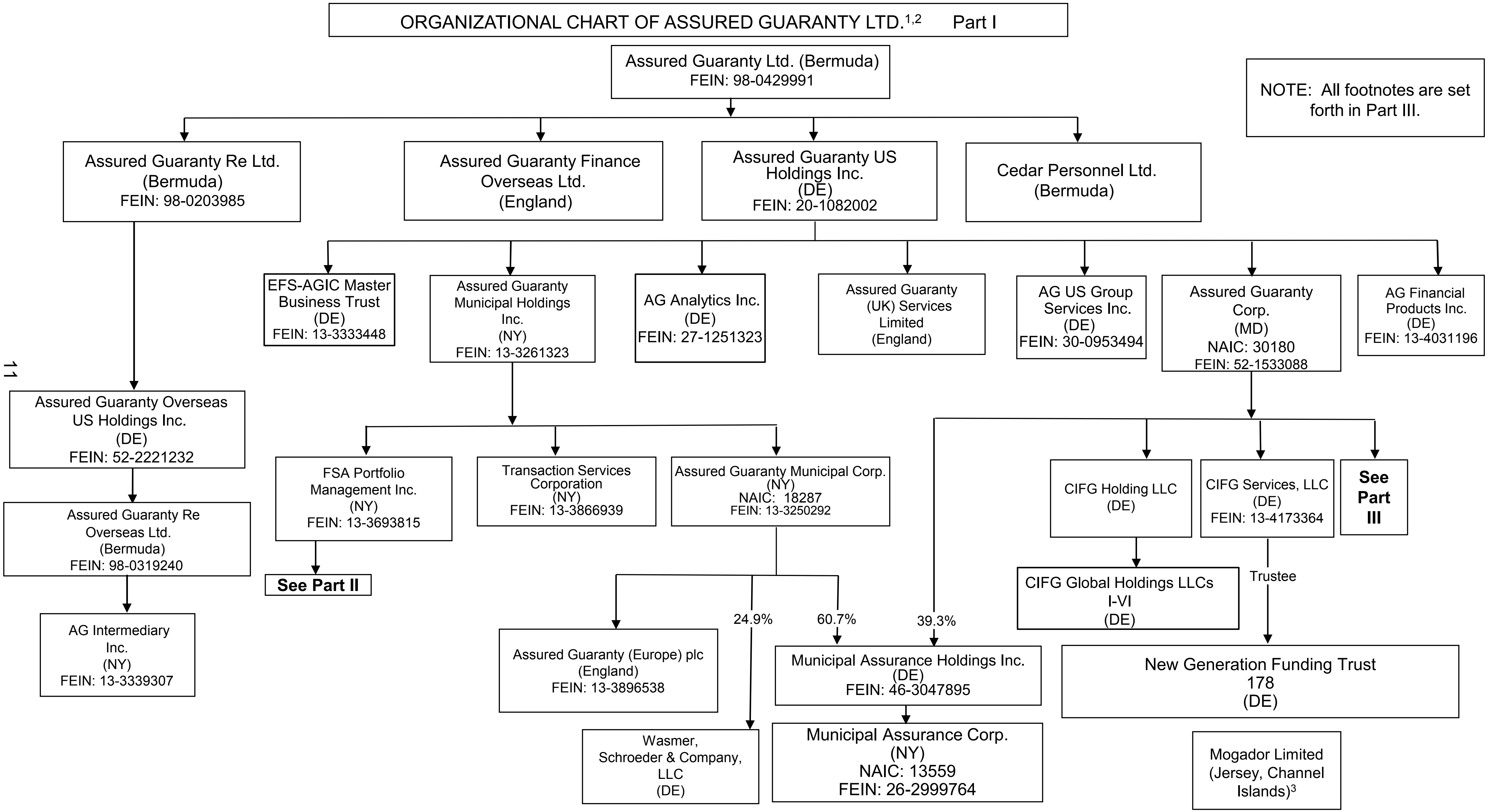
States, etc.	1 Active Status (a)	Direct Premiums Written 2 Current Year To Date	Direct Premiums Written 3 Prior Year To Date	Direct Losses Paid (Deducting Salvage) 4 Current Year To Date	Direct Losses Paid (Deducting Salvage) 5 Prior Year To Date	Direct Losses Unpaid 6 Current Year To Date	Direct Losses Unpaid 7 Prior Year To Date
1. Alabama AL	L						
2. Alaska AK	L	102,131	103,725				
3. Arizona AZ	L						
4. Arkansas AR	L	23,556	32,977	(107,461)	(52,395)	2,434,857	5,075,497
5. California CA	L	130,583	133,740	3,738	110,879	2,955,737	3,049,181
6. Colorado CO	L						
7. Connecticut CT	L						
8. Delaware DE	L	3,494,711	3,258,888	(153,854)	(142,271)	(1,028,799)	6,834,949
9. Dist. Columbia DC	L						
10. Florida FL	L			751,381	988,881	(2,879,940)	6,707,048
11. Georgia GA	L						
12. Hawaii HI	L	99,687	100,662				
13. Idaho ID	L						
14. Illinois IL	L	63,184	63,856	44,638	52,799	427,748	465,829
15. Indiana IN	L						
16. Iowa IA	L						
17. Kansas KS	L						
18. Kentucky KY	L						
19. Louisiana LA	L						
20. Maine ME	L	168,729	97,127				
21. Maryland MD	L	159,361	420,546			1,229,291	970,375
22. Massachusetts MA	L	10,058	47,154	689	107,277	7,543,042	6,959,935
23. Michigan MI	L				8,040,470		
24. Minnesota MN	L						
25. Mississippi MS	L	710,322		934,897	919,947	11,396,651	10,910,208
26. Missouri MO	L	1,500,000	2,500,000				
27. Montana MT	L						
28. Nebraska NE	L						
29. Nevada NV	L						
30. New Hampshire NH	L						
31. New Jersey NJ	L		76,426	12,500	12,500	50,475	22,191
32. New Mexico NM	L						
33. New York NY	L	6,330,645	4,240,150	(7,474,969)	(107,476,250)	(22,410,062)	496,137
34. No. Carolina NC	L						
35. No. Dakota ND	L						
36. Ohio OH	L						
37. Oklahoma OK	L						
38. Oregon OR	L						
39. Pennsylvania PA	L			266,350	266,350	3,125,007	3,313,701
40. Rhode Island RI	L						
41. So. Carolina SC	L						
42. So. Dakota SD	L						
43. Tennessee TN	L						
44. Texas TX	L	32,818	37,577				
45. Utah UT	L	26,656	26,978				
46. Vermont VT	L						
47. Virginia VA	L						
48. Washington WA	L					591,652	
49. West Virginia WV	L						
50. Wisconsin WI	L						
51. Wyoming WY	L						
52. American Samoa AS	N						
53. Guam GU	N						
54. Puerto Rico PR	L			17,935,234	18,629,235	244,626,158	291,643,700
55. U.S. Virgin Islands VI	N						
56. Northern Mariana Islands MP	N						
57. Canada CAN	N						
58. Aggregate Other Alien OT	XXX	774,601	713,189				
59. Totals	XXX	13,627,042	11,852,995	12,213,143	(78,542,578)	248,061,817	336,448,751
DETAILS OF WRITE-INS							
58001. CYM Cayman Islands	XXX	722,518	661,106				
58002. GBR United Kingdom	XXX	52,083	52,083				
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX						
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	774,601	713,189				

(a) Active Status Counts

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

STATEMENT as of JUNE 30, 2019 of the ASSURED GUARANTY CORP.

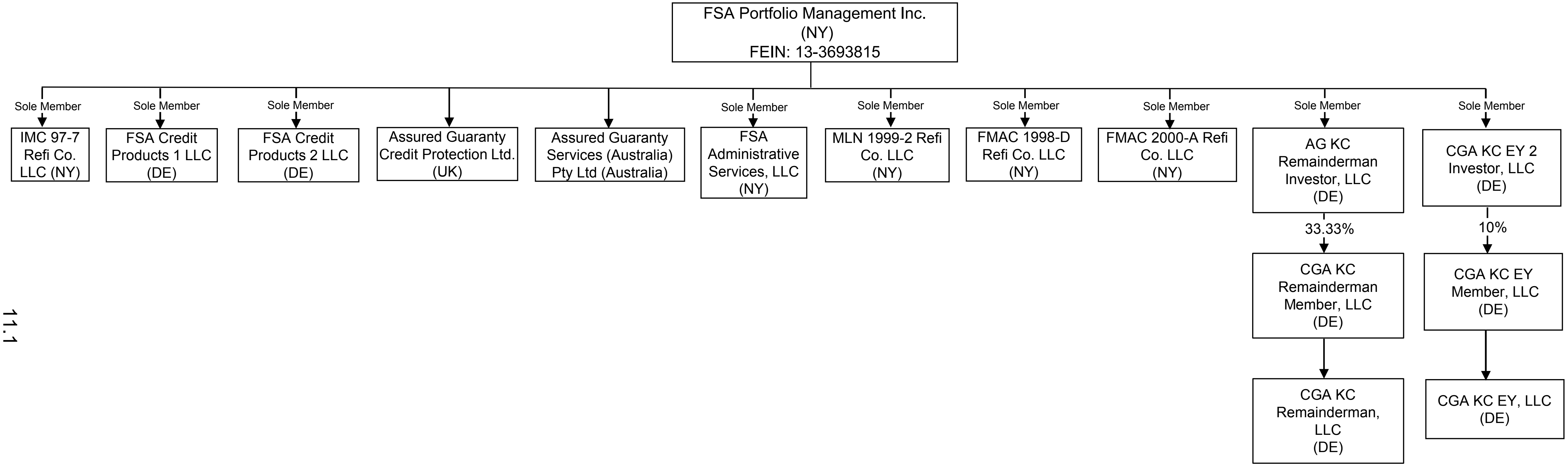
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



STATEMENT as of JUNE 30, 2019 of the ASSURED GUARANTY CORP.

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

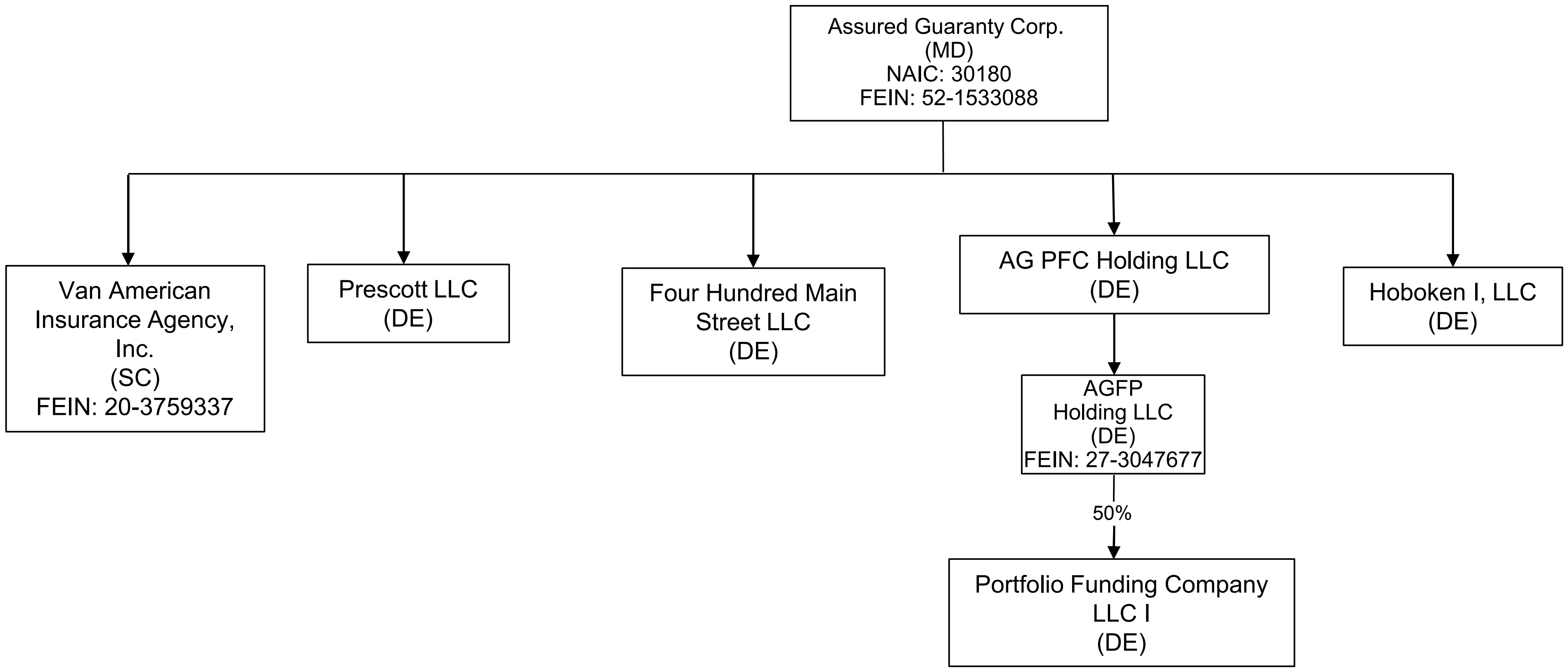
ORGANIZATIONAL CHART OF ASSURED GUARANTY LTD.
Part II: FSA Portfolio Management Inc.



STATEMENT as of JUNE 30, 2019 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 III: Assured Guaranty Corp.



Footnotes:

1. Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%.
2. All companies listed are corporations, except for: (i) limited liability companies (designated as LLCs), and (ii) EFS-AGIC Master Business Trust and New Generation Funding Trust 178 (which are both Delaware 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 (i) the depositor of New Generation Funding Trust 178, and (ii) the seller of protection on derivatives guaranteed by Assured Guaranty (Europe) plc (as successor to CIFG Europe S.A.) and Assured Guaranty Corp. (as successor to CIFG Assurance North America, Inc.).

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		0001273813	NYSE	Assured Guaranty Ltd.	BMU	UIP					N	
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	
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	
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	
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	
00194	Assured Guaranty Ltd.	00000	13-3866939				Transaction Services Corporation	NY	NIA	Assured Guaranty Municipal Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
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	
00194	Assured Guaranty Ltd.	00000	98-0203985				Assured Guaranty Re Ltd.	BMU	IA	Assured Guaranty Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					Assured Guaranty Finance Overseas Ltd.	GBR	NIA	Assured Guaranty Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					Cedar Personnel Ltd.	BMU	NIA	Assured Guaranty Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	
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	
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	
00194	Assured Guaranty Ltd.	00000	13-3339307				AG Intermediary Inc.	NY	NIA	Assured Guaranty Re Overseas Ltd.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	13559	26-2999764				Municipal Assurance Corp.	NY	DS	Municipal Assurance Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000	27-1251323				AG Analytics Inc.	DE	NIA	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					Assured Guaranty (UK) Services Limited	GBR	NIA	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	30180	52-1533088				Assured Guaranty Corp.	MD	RE	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
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	
00194	Assured Guaranty Ltd.	00000					Prescott LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					AG PFC Holding LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000	27-3047677				AGFP Holding LLC	DE	DS	AG PFC Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					Portfolio Funding Company LLC 1	DE	DS	AGFP Holding LLC	Ownership	50.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					FSA Credit Products 1 LLC	DE	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	

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 2 LLC	DE	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					Assured Guaranty Credit Protection Ltd.	GBR	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					Assured Guaranty Services (Australia) Pty Ltd.	AUS	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					FSA Administrative Services, LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					MLN 1999-2 Refi Co. LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					FMAC 1998-D Refi Co. LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					FMAC 2000-A Refi Co. LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					IMC 97-7 Refi Co. LLC	NY	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
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	
00194	Assured Guaranty Ltd.	00000					Four Hundred Main Street LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	
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	
00194	Assured Guaranty Ltd.	00000	13-4173364				CIFG Services, LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					CIFG Holding LLC	DE	DS	Assured Guaranty Corp.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					New Generation Funding Trust	DE	NIA	CIFG Services, LLC	Other		Assured Guaranty Ltd.	N	
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	
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings II, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings III, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings IV, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings V, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					CIFG Global Holdings VI, LLC	DE	DS	CIFG Holding LLC	Ownership	100.0	Assured Guaranty Ltd.	N	

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	30-0953494				AG US Group Services Inc.	DE	NIA	Assured Guaranty US Holdings Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					AG KC Remainderman Investor, LLC	DE	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					CGA KC Remainderman Member, LLC	DE	NIA	AG KC Remainderman Investor, LLC	Ownership	33.3	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					CGA KC Remainderman, LLC	DE	NIA	CGA KC Remainderman Member, LLC	Ownership	100.0	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					Wasmer, Schroeder & Company, LLC	DE	NIA	Assured Guaranty Municipal Corp.	Ownership	24.9	Assured Guaranty Ltd.	N	
00194	Assured Guaranty Ltd.	00000					CGA KC EY 2 Investor, LLC	DE	NIA	FSA Portfolio Management Inc.	Ownership	100.0	Assured Guaranty Ltd.	N	
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	
00194	Assured Guaranty Ltd.	00000					CGA KC EY, LLC	DE	NIA	CGA KC EY Member, LLC	Ownership	100.0	Assured Guaranty Ltd.	N	

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 (1) the depositor of New Generation Funding Trust 178 and (ii) the seller of protection on derivatives guaranteed by Assured Guaranty (Europe) plc (as successor to CIFG Europe S.A.) and Assured Guaranty Corp. (as successor to CIFG Assurance North America, Inc.).
	(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				
2.	Allied lines				
3.	Farmowners multiple peril				
4.	Homeowners multiple peril				
5.	Commercial multiple peril				
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine				
10.	Financial guaranty	43,222,177	20,019,716	46.3	19.0
11.1	Medical professional liability -occurrence				
11.2	Medical professional liability -claims made				
12.	Earthquake				
13.	Group accident and health				
14.	Credit accident and health				
15.	Other accident and health				
16.	Workers' compensation				
17.1	Other liability occurrence				
17.2	Other liability-claims made				
17.3	Excess Workers' Compensation				
18.1	Products liability-occurrence				
18.2	Products liability-claims made				
19.1,19.2	Private passenger auto liability				
19.3,19.4	Commercial auto liability				
21.	Auto physical damage				
22.	Aircraft (all perils)				
23.	Fidelity				
24.	Surety				
26.	Burglary and theft				
27.	Boiler and machinery				
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	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				
35.	TOTALS	43,222,177	20,019,716	46.3	19.0
	DETAILS OF WRITE-INS				
3401.					
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

PART 2 - DIRECT PREMIUMS WRITTEN

	Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire			
2.	Allied lines			
3.	Farmowners multiple peril			
4.	Homeowners multiple peril			
5.	Commercial multiple peril			
6.	Mortgage guaranty			
8.	Ocean marine			
9.	Inland marine			
10.	Financial guaranty	6,193,381	13,627,042	11,852,995
11.1	Medical professional liability-occurrence			
11.2	Medical professional liability-claims made			
12.	Earthquake			
13.	Group accident and health			
14.	Credit accident and health			
15.	Other accident and health			
16.	Workers' compensation			
17.1	Other liability occurrence			
17.2	Other liability-claims made			
17.3	Excess Workers' Compensation			
18.1	Products liability-occurrence			
18.2	Products liability-claims made			
19.1,19.2	Private passenger auto liability			
19.3,19.4	Commercial auto liability			
21.	Auto physical damage			
22.	Aircraft (all perils)			
23.	Fidelity			
24.	Surety			
26.	Burglary and theft			
27.	Boiler and machinery			
28.	Credit			
29.	International			
30.	Warranty			
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	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			
35.	TOTALS	6,193,381	13,627,042	11,852,995
	DETAILS OF WRITE-INS			
3401.				
3402.				
3403.				
3498.	Sum. of remaining write-ins for Line 34 from overflow page			
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

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 2019 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2019 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2019 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. 2016 + Prior	143,483	150	143,633	(42,310)		(42,310)	206,305		150	206,455	20,512		20,512
2. 2017													
3. Subtotals 2017 + prior	143,483	150	143,633	(42,310)		(42,310)	206,305		150	206,455	20,512		20,512
4. 2018	92,847		92,847	1,407		1,407	77,971			77,971	(13,469)		(13,469)
5. Subtotals 2018 + prior	236,330	150	236,480	(40,903)		(40,903)	284,276		150	284,426	7,043		7,043
6. 2019	XXX	XXX	XXX	XXX	7	7	XXX				XXX	XXX	XXX
7. Totals	236,330	150	236,480	(40,903)	7	(40,896)	284,276		150	284,426	7,043		7,043
8. Prior Year-End Surplus As Regards Policy-holders	1,792,961												

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. 3.0	2.	3. 3.0
		Col. 13, Line 7 Line 8
		4. 0.4

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:

Bar Code:

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

2. 3 0 1 8 0 2 0 1 9 4 5 5 0 0 0 0 2

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

4. 3 0 1 8 0 2 0 1 9 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	27,158,356	28,550,006
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition	1,092,889	141,742
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other-than-temporary impairment recognized		
8. Deduct current year's depreciation	779,530	1,533,392
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	27,471,715	27,158,356
10. Deduct total nonadmitted amounts	1,827,851	1,888,564
11. Statement value at end of current period (Line 9 minus Line 10)	25,643,864	25,269,792

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

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	1,253,114	2,647,754
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	(641,824)	(394,034)
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	1,199,826	1,000,606
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	(588,536)	1,253,114
12. Deduct total nonadmitted amounts	(4,614,517)	(1,697,335)
13. Statement value at end of current period (Line 11 minus Line 12)	4,025,981	2,950,449

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	2,781,280,414	2,744,375,752
2. Cost of bonds and stocks acquired	195,736,940	563,214,008
3. Accrual of discount	45,351,471	54,546,030
4. Unrealized valuation increase (decrease)	(35,765,162)	21,610,040
5. Total gain (loss) on disposals	2,142,183	(2,037,844)
6. Deduct consideration for bonds and stocks disposed of	414,939,129	553,094,771
7. Deduct amortization of premium	10,111,447	19,600,476
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized	893,269	27,859,975
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees		127,650
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)	2,562,802,001	2,781,280,414
12. Deduct total nonadmitted amounts	16,848	17,059
13. Statement value at end of current period (Line 11 minus Line 12)	2,562,785,153	2,781,263,355

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)	2,057,345,384	56,470,416	88,585,996	(4,572,624)	2,057,345,384	2,020,657,180		2,419,487,277
2. NAIC 2 (a)	51,692,778	54,744,722	14,977,649	523,580	51,692,778	91,983,431		54,806,425
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)	340,214,702		2,744,096	6,994,195	340,214,702	344,464,801		16,218
6. NAIC 6 (a)	208,883,493		197,401,523	22,817,365	208,883,493	34,299,335		205,095,797
7. Total Bonds	2,658,136,357	111,215,138	303,709,264	25,762,516	2,658,136,357	2,491,404,747		2,679,405,717
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	2,658,136,357	111,215,138	303,709,264	25,762,516	2,658,136,357	2,491,404,747		2,679,405,717

(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 $ 14,702,748 ; NAIC 2 $;
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	9,704,710	XXX	9,630,250	80,411	

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	5,756,015	1,455,626
2. Cost of short-term investments acquired	8,637,240	5,780,950
3. Accrual of discount	71,446	3,368
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	4,751,206	1,471,563
7. Deduct amortization of premium	8,785	12,366
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	9,704,710	5,756,015
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	9,704,710	5,756,015

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	118,255,886	50,983,436
2. Cost of cash equivalents acquired	75,682,033	422,145,740
3. Accrual of discount	18,754	187,511
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	140	753
6. Deduct consideration received on disposals	29,775,108	355,061,554
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	164,181,705	118,255,886
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	164,181,705	118,255,886

SCHEDULE A - PART 2

Showing All Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	Location		4	5	6	7	8	9
	2	3						
Description of Property	City	State	Date Acquired	Name of Vendor	Actual Cost at Time of Acquisition	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Additional Investment Made After Acquisition
Acquired by purchase								
Office Building at 400 Main Street	Stockton	CA	02/25/2015				25,643,864	995,683
0199999 - Acquired by purchase							25,643,864	995,683
Acquired by internal transfer								
0399999 Totals							25,643,864	995,683

SCHEDULE A - PART 3

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

1	Location		4	5	6	7	8	Changes in Book/Adjusted Carrying Value Less Encumbrances					14	15	16	17	18	19	20
	2	3						9	10	11	12	13							
Description of Property	City	State	Disposal Date	Name of Purchaser	Actual Cost	Expended for Additions, Permanent Improvements and Changes in Encumbrances	Book/Adjusted Carrying Value Less Encumbrances Prior Year	Current Year's Depreciation	Current Year's Other Than Temporary Impairment Recognized	Current Year's Change in Encumbrances	Total Change in B./A. C.V. (11-9-10)	Total Foreign Exchange Change in B./A. C. V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Amounts Received During Year	Foreign Exchange Gain (Loss) on Disposal	Realized Gain(Loss) on Disposal	Total Gain (Loss) on Disposal	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs and Expenses Incurred
0399999 Totals																			

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

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 and Administrative Symbol/Market Indicator (a)
Bonds - U.S. Governments									
38381T-KF-1	GNR 2019-29 CB		05/23/2019	CITIGROUP GLOBAL MARKETS	XXX	502,215	498,013	1,162	1
0599999 - Bonds - U.S. Governments						502,215	498,013	1,162	XXX
Bonds - All Other Governments									
Bonds - U.S. States, Territories and Possessions									
13063D-MB-1	STATE OF CALIFORNIA 3.05% 01 APR 2		06/27/2019	WELLS FARGO BROKER SERVICES LLC	XXX	3,119,820	3,000,000	21,350	1FE
1799999 - Bonds - U.S. States, Territories and Possessions						3,119,820	3,000,000	21,350	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
59163P-KM-4	METRO ORE		05/02/2019	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	2,420,000	2,420,000		1FE
64966H-TX-8	NEW YORK NY		05/20/2019	MORGAN STANLEY CO	XXX	1,255,290	1,000,000	28,429	1FE
64966H-YM-6	NEW YORK NY		06/05/2019	RAYMOND JAMES & ASSOC	XXX	3,949,830	3,000,000	47,744	1FE
797355-P7-3	SAN DIEGO CALIFORNIA UNI SCHOOL 5		06/27/2019	CITIGROUP GLOBAL MARKETS	XXX	3,568,290	3,000,000	77,585	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						11,193,410	9,420,000	153,758	XXX
Bonds - U.S. Special Revenue									
59447T-UV-3	MI MICHIGAN ST FIN AUTH MCLAREN HL		06/12/2019	JP MORGAN SECURITIES	XXX	613,330	500,000		1FE
64972B-4H-5	NY NYC HSG DEV-E-1-C		04/17/2019	CITIGROUP GLOBAL MARKETS	XXX	1,422,837	1,300,000	30,566	1FE
490728-A3-6	OH KENT OH ST UNIV REVEN		04/04/2019	PNC CAPITAL MARKETS LLC	XXX	635,790	500,000		1FE
91412H-FG-3	UNIVERSITY CALIF REVS		04/10/2019	WELLS FARGO BROKER SERVICES LLC	XXX	5,085,300	5,000,000	10,698	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						7,757,257	7,300,000	41,264	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
00135T-AB-0	AIB GROUP PUBLIC LIMITE 4.263% 10	D	06/25/2019	BARCLAYS CAPITAL	XXX	2,086,965	2,025,000	18,464	2FE
05401A-AG-6	AVOLON HOLDINGS FUNDING 4.375% 01	D	06/25/2019	BARCLAYS CAPITAL	XXX	2,103,792	2,050,000	17,688	2FE
225433-AR-2	CREDIT SUISSE GROUP FUNDING (GUE 4	D	06/25/2019	MORGAN STANLEY CO	XXX	2,086,277	1,925,000	16,788	2FE
225433-AC-5	CREDIT SUISSE GROUP FUNDING GUERNS	D	04/10/2019	CITIGROUP GLOBAL MARKETS	XXX	758,018	750,000	1,250	2FE
874060-AU-0	TAKEDA PHARMACEUTICAL CO LTD	D	04/10/2019	MUFG SECURITIES AMERICAS INC	XXX	875,384	800,000	15,111	2FE
002824-BF-6	ABBOTT LABORATORIES		04/10/2019	MILLENNIUM ADVISORS LLC	XXX	1,043,360	1,000,000	13,750	2FE
00287Y-AY-5	ABBVIE INC		04/10/2019	BARCLAYS CAPITAL	XXX	976,980	1,000,000	13,156	2FE
00287Y-BC-2	ABBVIE INC		04/26/2019	BNP PARISBAS SEC CORP	XXX	2,050,360	2,000,000	46,250	2FE
02209S-BC-6	ALTRIA GROUP INC		04/10/2019	WELLS FARGO BROKER SERVICES LLC	XXX	412,872	400,000	2,836	2FE
03027X-AM-2	AMERICAN TOWER CORPORATION 3.125%		06/25/2019	JP MORGAN SECURITIES	XXX	2,113,228	2,125,000	29,883	2FE
035242-AP-1	ANHEUSER-BUSCH INBEV FINA		06/25/2019	CITIGROUP GLOBAL MARKETS	XXX	2,109,040	2,000,000	29,606	2FE
110122-BZ-0	BRISTOL-MYERS SQUIBB CO		05/07/2019	MORGAN STANLEY CO	XXX	3,984,480	4,000,000		1FE
14040H-BN-4	CAPITAL ONE FINANCIAL CORPORATION		04/10/2019	JANE STREET EXECUTION SERVICES,LLC	XXX	743,093	750,000	2,578	2FE
21036P-AQ-1	CONSTELLATION BRANDS, INC. 3.7% 06		06/25/2019	BNP PARISBAS SEC CORP	XXX	2,088,400	2,000,000	4,317	2FE
24703D-AZ-4	DELL INTERNATIONAL L.L.C. 4.9% 01		06/25/2019	BARCLAYS CAPITAL	XXX	2,098,163	2,025,000	26,736	2FE
233046-AM-3	DNKN 2019-1A A23		05/14/2019	THE BANK OF NEW YORK	XXX	12,500,000	12,500,000	19,454	1FE
26078J-AC-4	DOWDUPONT INC		04/10/2019	SOCIETE GENERALE PARIS	XXX	750,890	700,000	11,707	2FE
233871-AC-6	DTRT 2019-1 A3		04/09/2019	SOCIETE GENERALE	XXX	249,955	250,000		1FE
26441Y-BB-2	DUKE REALTY LP		04/15/2019	JANE STREET EXECUTION SERVICES,LLC	XXX	618,498	600,000	2,133	2FE
31428X-BP-0	FEDEX CORP		04/10/2019	CREDIT SUISSE SECURITIES (USA)	XXX	697,403	700,000	3,768	2FE
31620M-AT-3	FIDELITY NATIONAL INFORMATION SERV		04/18/2019	JP MORGAN SECURITIES	XXX	1,109,589	1,150,000	6,517	2FE
370334-CG-7	GENERAL MILLS INC		04/10/2019	CITIGROUP GLOBAL MARKETS	XXX	1,041,250	1,000,000	20,417	2FE
36260J-AD-9	GS MORTGAGE SECURITIES TRUST 19-GC		05/09/2019	GOLDMAN SACHS	XXX	5,149,715	5,000,000	10,899	1FE
40573L-AQ-9	HALFMOON PARENT INC		04/10/2019	DEUTSCHE BANK	XXX	779,085	750,000	17,617	2FE
42824C-AW-9	HEWLETT PACKARD ENTERPRISE COM 4.9		06/25/2019	BANK OF AMERICA SECURITIES LLC	XXX	2,104,795	1,925,000	18,865	2FE
460690-BP-4	INTERPUBLIC GROUP OF COMPANIES INC		04/10/2019	CREDIT SUISSE SECURITIES (USA)	XXX	734,006	700,000	995	2FE
548661-DP-9	LOWES COMPANIES INC		04/10/2019	GOLDMAN SACHS	XXX	977,750	1,000,000	13,692	2FE
55336V-AK-6	MPLX LP 4.125% 01 MAR 2027-26		06/25/2019	DEUTSCHE BANK	XXX	2,088,980	2,000,000	26,583	2FE
666807-BN-1	NORTHROP GRUMMAN CORP		04/10/2019	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	788,800	800,000	6,283	2FE
666807-BK-7	NORTHROP GRUMMAN CORPORATION 3.2%		06/25/2019	CREDIT SUISSE SECURITIES (USA)	XXX	2,101,086	2,050,000	26,604	2FE
827304-AA-4	PROJECT SILVER 19-1 A		06/27/2019	DEUTSCHE BANK	XXX	1,499,996	1,500,000		1FE
824348-AW-6	SHERWIN-WILLIAMS COMPANY (THE 3.45		06/25/2019	JP MORGAN SECURITIES	XXX	1,490,354	1,450,000	3,613	2FE
89231X-AA-9	TALNT 2019-1A A		06/10/2019	CITIGROUP GLOBAL MARKETS	XXX	524,824	525,000		1FE
883556-BX-9	THERMO FISHER SCIENTIFIC INC		04/10/2019	DEUTSCHE BANK	XXX	735,600	750,000	3,800	2FE
907818-EY-0	UNION PACIFIC CORPORATION		04/10/2019	CITIGROUP GLOBAL MARKETS	XXX	1,318,975	1,250,000	4,389	2FE
92340L-AA-7	VEREIT OPERATING PARTNERSHIP 4.875		06/25/2019	U.S. BANCORP INVESTMENTS INC.	XXX	2,113,293	1,950,000	6,866	2FE
92343V-ER-1	VERIZON COMMUNICATIONS INC		04/10/2019	JEFFERIES	XXX	1,067,330	1,000,000	2,525	2FE

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 and Administrative Symbol/Market Indicator (a)
95058X-AE-8	WENDY'S FUNDING LLC		06/19/2019	DEUTSCHE BANK	XXX	2,681,108	2,659,500	1,722	2FE
95058X-AH-1	WENDY'S FUNDING LLC		06/13/2019	GUGGENHEIM CAPITAL MARKETS	XXX	10,000,000	10,000,000		2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						78,653,694	77,059,500	446,862	XXX
Bonds - Hybrid Securities									
Bonds - Parent, Subsidiaries and Affiliates									
Bonds - SVO Identified Funds									
Bonds - Bank Loans									
8399997 - Subtotals - Bonds - Part 3						101,226,396	97,277,513	664,396	XXX
8399999 - Subtotals - Bonds						101,226,396	97,277,513	664,396	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)									
Preferred Stocks - Parent, Subsidiaries and Affiliates									
Common Stocks - Industrial and Miscellaneous									
Common Stocks - Parent, Subsidiaries and Affiliates									
Common Stocks - Mutual Funds									
9999999 Totals						101,226,396	XXX	664,396	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	Change in Book/Adjusted Carrying Value 11	12	13	14	15	16	17	18	19	20	21	22
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 Designation and Administrative Symbol/Market Indicator (a)
Bonds - U.S. Governments																					
36202F-SE-7	G2 5017		06/20/2019	PRINCIPAL RECEIPT	XXX	100,227	100,227	111,377	114,093		(13,866)		(13,866)		100,227				1,910	04/20/2041	1
3620AC-5Y-6	GNMA 30 YR		06/15/2019	PRINCIPAL RECEIPT	XXX	23,682	23,682	24,850	24,850		(1,168)		(1,168)		23,682				326	10/15/2039	1
36295N-NT-0	GNMA PASST 675502		06/15/2019	PRINCIPAL RECEIPT	XXX	1,260	1,260	1,314	1,311		(51)		(51)		1,260				19	06/15/2023	1
3620A5-MN-6	GNMA PASST 719565		06/15/2019	PRINCIPAL RECEIPT	XXX	1,609	1,609	1,670	1,659		(50)		(50)		1,609				25	09/15/2024	1
36202E-Q2-8	GNMA PASSTHRU 004073		06/20/2019	PRINCIPAL RECEIPT	XXX	1,167	1,167	1,279	1,283		(116)		(116)		1,167				23	01/20/2038	1
36202E-RE-1	GNMA PASSTHRU 004085		06/20/2019	PRINCIPAL RECEIPT	XXX	2,291	2,291	2,512	2,548		(257)		(257)		2,291				55	02/20/2038	1
36202E-TA-7	GNMA PASSTHRU 004145		06/20/2019	PRINCIPAL RECEIPT	XXX	1,157	1,157	1,269	1,280		(123)		(123)		1,157				27	05/20/2038	1
36202E-WE-5	GNMA PASSTHRU 004245		06/20/2019	PRINCIPAL RECEIPT	XXX	1,020	1,020	1,118	1,131		(112)		(112)		1,020				24	09/20/2038	1
36295B-5R-0	GNMA PASSTHRU 666056		06/15/2019	PRINCIPAL RECEIPT	XXX	1,419	1,419	1,509	1,504		(86)		(86)		1,419				21	03/15/2023	1
36296J-M3-6	GNMA PASSTHRU 692578		06/15/2019	PRINCIPAL RECEIPT	XXX	699	699	762	768		(69)		(69)		699				14	05/15/2039	1
36296K-P4-8	GNMA PASSTHRU 693543		06/15/2019	PRINCIPAL RECEIPT	XXX	1,500	1,500	1,565	1,557		(57)		(57)		1,500				26	07/15/2023	1
36296N-ZS-8	GNMA PASSTHRU 696553		06/15/2019	PRINCIPAL RECEIPT	XXX	220	220	227	225		(5)		(5)		220				4	08/15/2023	1
36296U-ZS-2	GNMA PASSTHRU 701953		06/15/2019	PRINCIPAL RECEIPT	XXX	488	488	507	502		(14)		(14)		488				8	06/15/2024	1
36296X-X9-0	GNMA PASSTHRU 704604		06/15/2019	PRINCIPAL RECEIPT	XXX	3,382	3,382	3,507	3,472		(91)		(91)		3,382				59	07/15/2024	1
3620A2-EJ-1	GNMA PASSTHRU 716637		06/15/2019	PRINCIPAL RECEIPT	XXX	6,978	6,978	7,171	7,119		(141)		(141)		6,978				123	08/15/2024	1
3620A3-SN-5	GNMA PASSTHRU 717925		06/15/2019	PRINCIPAL RECEIPT	XXX	2,046	2,046	2,046	2,046						2,046				39	09/15/2024	1
3620A3-XL-3	GNMA PASSTHRU 718083		06/15/2019	PRINCIPAL RECEIPT	XXX	7,190	7,190	7,361	7,329		(139)		(139)		7,190				117	12/15/2024	1
3620AA-R6-7	GNMA PASSTHRU 724209		06/15/2019	PRINCIPAL RECEIPT	XXX	641	641	662	658		(17)		(17)		641				11	08/15/2024	1
3620AC-U9-3	GNMA PASSTHRU 726108		06/15/2019	PRINCIPAL RECEIPT	XXX	1,979	1,979	2,039	2,040		(61)		(61)		1,979				32	12/15/2024	1
3620AC-2Q-6	GNMA PASSTHRU 726283		06/15/2019	PRINCIPAL RECEIPT	XXX	1,442	1,442	1,515	1,499		(56)		(56)		1,442				24	09/15/2024	1
3620AD-AL-6	GNMA PASSTHRU 726411		06/15/2019	PRINCIPAL RECEIPT	XXX	5,117	5,117	5,266	5,246		(129)		(129)		5,117				83	10/15/2024	1
3620AF-Y3-5	GNMA PASSTHRU 728930		06/15/2019	PRINCIPAL RECEIPT	XXX	2,108	2,108	2,166	2,163		(55)		(55)		2,108				32	12/15/2024	1
36179M-E4-8	GNMA PASSTHRU MA0155		06/20/2019	PRINCIPAL RECEIPT	XXX	235,205	235,205	259,029	247,753		(12,548)		(12,548)		235,205				3,387	06/20/2042	1
38381T-KF-1	GNR 2019-29 CB		06/20/2019	PRINCIPAL RECEIPT	XXX	919	919	927			(8)		(8)		919				2	10/20/2048	1
36179T-Z5-7	GOVERNMENT NATL MTG ASSOC II #MA52		06/20/2019	PRINCIPAL RECEIPT	XXX	273,177	273,177	279,633	279,510		(6,334)		(6,334)		273,177				4,170	06/20/2048	1
36179U-CB-6	GOVERNMENT NATL MTG ASSOC II #MA54		06/20/2019	PRINCIPAL RECEIPT	XXX	167,300	167,300	170,175	170,133		(2,833)		(2,833)		167,300				2,669	09/20/2048	1
0599999 - Bonds - U.S. Governments						844,223	844,220	891,456	881,679		(38,386)		(38,386)		844,223				13,230	XXX	XXX
Bonds - All Other Governments																					
Bonds - U.S. States, Territories and Possessions																					
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
011842-RV-5	Alaska Arpt AMT		06/04/2019	MORGAN STANLEY CO	XXX	1,302,275	1,250,000	1,376,651	1,306,334		(13,466)		(13,466)		1,292,868		9,407	9,407	42,535	10/01/2025	1FE
072024-WV-1	BAY AREA TOLL-F-1-SAN		04/01/2019	CALLED @ 100.0000000	XXX	6,000,000	6,000,000	6,071,050	6,007,311		(7,311)		(7,311)		6,000,000				150,000	04/01/2034	1FE
20775C-QB-3	CONNECTICUT ST HSG FIN AUTH HS		06/13/2019	CALLED @ 100.0000000	XXX	145,000	145,000	155,716	153,900		(397)		(397)		153,503		(8,503)	(8,503)	2,037	11/15/2047	1FE
64990E-4W-4	DORM AUTH NYS PERSONAL INCOME TAX		06/07/2019	JEFFERIES	XXX	17,792,123	14,505,000	18,044,655	17,308,928		(146,969)		(146,969)		17,161,959		630,164	630,164	596,317	02/15/2029	1FE
3138WH-SW-3	FEDERAL NATIONAL MTG ASSOC #AS7732		06/25/2019	VARIOUS	XXX	5,904,628	5,833,918	6,083,437	6,075,803		(19,503)		(19,503)		6,056,300		(151,672)	(151,672)	77,319	08/01/2041	1
3140Q9-KU-6	FEDERAL NATIONAL MTG ASSOC #CA2106		06/25/2019	PRINCIPAL RECEIPT	XXX	75,110	75,110	75,855	75,858		(749)		(749)		75,110				1,116	07/01/2033	1
31306X-QS-5	FGLMC 15 YR		06/15/2019	PRINCIPAL RECEIPT	XXX	93,947	93,947	98,585	97,710						97,710		(3,764)	(3,764)	810	09/01/2027	1
3128MJ-4C-1	FGLMC PL#G08818		06/15/2019	PRINCIPAL RECEIPT	XXX	104,254	104,254	108,114	108,057		(3,803)		(3,803)		104,254				1,870	06/01/2048	1
3128MJ-4M-9	FGLMC PL#G08827		06/15/2019	PRINCIPAL RECEIPT	XXX	67,130	67,130	69,616	69,576		(2,446)		(2,446)		67,130				1,160	07/01/2048	1
3128MJ-4S-6	FGLMC PL#G08832		06/15/2019	PRINCIPAL RECEIPT	XXX	126,057	126,057	130,804	130,714		(4,656)		(4,656)		126,057				2,133	08/01/2048	1
3128MF-AK-4	FGOLD 15YR GIANT		06/15/2019	PRINCIPAL RECEIPT	XXX	325,688	325,688	326,401	326,377		(689)		(689)		325,688				4,235	03/01/2032	1
3128P8-EW-7	FHLMC POOL C91949		06/15/2019	PRINCIPAL RECEIPT	XXX	46,787	46,787	47,862	47,807		(1,019)		(1,019)		46,787				530	09/01/2037	1
3137B4-WA-0	FHLMC REMIC SERIES K-033		06/25/2019	PRINCIPAL RECEIPT	XXX	169,238	169,238	172,621	171,419						171,419		(2,182)	(2,182)	1,904	02/25/2023	1
3128MJ-3D-0	FHLMG #G08795		06/15/2019	PRINCIPAL RECEIPT	XXX	38,449	38,449	37,166	37,162		1,287		1,287		38,449				442	01/01/2048	1
31418C-WU-4	FNCL PL#MA3358		06/25/2019	PRINCIPAL RECEIPT	XXX	111,686	111,686	115,892	115,872		(4,185)		(4,185)		111,686				2,045	05/01/2048	1
31418C-XN-9	FNCL PL#MA3384		06/25/2019	PRINCIPAL RECEIPT	XXX	96,089	96,089	97,473	97,445		(1,355)		(1,355)		96,089				1,600	06/01/2048	1
31418C-YM-0	FNCL PL#MA3415		06/25/2019	PRINCIPAL RECEIPT	XXX	103,209	103,209	104,741	104,716		(1,507)		(1,507)		103,209				1,699	07/01/2048	1
31418C-YN-8	FNCL PL#MA3416		06/25/2019	PRINCIPAL RECEIPT	XXX	64,557	64,557	66,978	66,921		(2,364)		(2,364)		64,557				1,117	07/01/2048	1
31418C-ZH-0	FNCL PL#MA3443		06/25/2019	PRINCIPAL RECEIPT	XXX	111,347	111,347	113,000	112,973		(1,626)		(1,626)		111,347				1,567	08/01/2048	1
31418C-YT-5	FNJMCK PL#MA3421		06/25/2019	PRINCIPAL RECEIPT	XXX	152,922	152,922	153,830	153,824		(902)		(902)		152,922				2,106	07/01/2048	1
3138EH-R6-1	FNMA 15 YR		06/25/2019	PRINCIPAL RECEIPT	XXX	70,060	70,060	72,740	72,621		(2,562)		(2,562)		70,060				804	01/01/2027	1
31410G-W6-6	FNMA 15 YR		06/25/2019	PRINCIPAL RECEIPT	XXX	1,491	1,491	1,506	1,503		(12)		(12)		1,491				31	01/01/2021	1
3140Q7-2S-5	FNMA 15YR		06/25/2019	PRINCIPAL RECEIPT	XXX	59,091	59,091	58,750	58,754		337		337		59,091				684	11/01/2032	1
3140Q8-AB-1	FNMA 15YR		06/25/2019	PRINCIPAL RECEIPT	XXX	122,161	122,161	121,455	121,463		698		698		122,161				1,380	12/01/2032	1
3138WE-QZ-5	FNMA 30YR		06/25/2019	PRINCIPAL RECEIPT	XXX	54,427	54,427	53,037	53,025		1,402		1,402		54,427				589	05/01/2045	1
3140J7-6B-6	FNMA 30YR		06/25/2019	PRINCIPAL RECEIPT	XXX	84,261	84,261	81,710	81,689		2,572		2,572		84,261				1,061	03/01/2048	1
31417F-3E-6	FNMA 30YR		06/25/2019	PRINCIPAL RECEIPT	XXX	3,084	3,084	3,010	3,010		74		74		3,084				37	04/01/2043	1
3136B1-FP-4	FNMA..18-14		06/25/2019	PRINCIPAL RECEIPT	XXX	213,787	213,787	216,794	216,741		(2,954)		(2,954)		213,787				2,518	04/25/2047	1

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 Designation and Administrative Symbol/Market Indicator (a)
438701-ZB-3	HONOLULU HAWAII CITY & CNTY WA		06/04/2019	WELLS FARGO BROKER SERVICES LL	XXX	2,112,669	1,760,000	2,089,458	2,010,645		(15,117)		(15,117)		1,995,528		117,141	117,141	81,889	07/01/2026	1FE
576000-UM-3	MA SCHL BLDG AUTH SALES TAX REV		06/07/2019	BARCLAYS CAPITAL	XXX	5,752,941	4,700,000	5,880,969	5,641,755		(47,728)		(47,728)		5,594,027		158,914	158,914	134,472	11/15/2030	1FE
591745-H9-8	MET ATLANTA GA RAPID TRANSIT A		06/21/2019	WELLS FARGO BROKER SERVICES LL	XXX	2,752,448	2,750,000	2,964,570	2,766,703		(15,758)		(15,758)		2,750,944		1,503	1,503	133,681	07/01/2039	1FE
60416Q-GW-8	MINNESOTA ST HSG FIN AGY		06/01/2019	CALLED @ 100.0000000	XXX	28,602	28,602	28,244	28,253		3		3		28,256		346	346	312	10/01/2047	1FE
60636X-8E-6	MO HSG SF PAC		06/03/2019	CALLED @ 100.0000000	XXX	45,000	45,000	48,467	45,000						45,000				790	11/01/2027	1FE
60535G-AX-0	MS HSG PAC		06/03/2019	CALLED @ 100.0000000	XXX	85,000	85,000	89,463	85,846		(197)		(197)		85,649		(649)	(649)	747	12/01/2031	1FE
64986D-DL-6	NYS ENVIRONMENTAL FACS CORP WTR		06/04/2019	OPPENHEIMER & CO., INC.	XXX	6,369,010	5,050,000	6,162,364	5,990,884		(42,662)		(42,662)		5,948,221		420,792	420,792	119,938	06/15/2029	1FE
67884X-BK-2	OKLAHOMA DEV FIN AUTH HEALTH REV		06/04/2019	GMS GROUP	XXX	454,350	390,000	462,134	445,187		(3,926)		(3,926)		441,261		13,089	13,089	15,763	08/15/2024	1FE
68607V-UN-3	OR DASL C19 S09A		04/01/2019	CALLED @ 100.0000000	XXX	5,650,000	5,650,000	6,373,935	5,673,910		(23,910)		(23,910)		5,650,000				148,313	04/01/2024	1FE
73358W-YA-6	PORT AUTH N Y & N J		06/20/2019	ROOSEVELT	XXX	598,415	500,000	593,145	571,719		(4,554)		(4,554)		567,166		31,249	31,249	17,292	10/15/2025	1FE
79642B-3S-0	SAN ANTONIO TX WTR REV RFDG		06/05/2019	BANK OF AMERICA SECURITIES LL	XXX	6,617,519	5,385,000	6,736,473	6,464,548		(54,012)		(54,012)		6,410,536		206,983	206,983	151,079	05/15/2028	1FE
802576-AH-1	SANTA ROSA FL BAY BRIDGE AUTH		06/28/2019	Sink PMT @ 100.0000000	XXX	26,291	26,291	5,354	5,683		21,006	398	20,608		26,291					12/28/2053	6FE
802576-AK-4	SANTA ROSA FL BAY BRIDGE AUTH		06/28/2019	Sink PMT @ 100.0000000	XXX	79,791	79,791	13,768	14,618		66,200	1,027	65,173		79,791					12/28/2053	6FE
802576-AL-2	SANTA ROSA FL BAY BRIDGE AUTH		06/28/2019	Sink PMT @ 100.0000000	XXX	16,710	16,710	2,861	3,039		13,884	213	13,671		16,710					12/28/2053	6FE
802576-AM-0	SANTA ROSA FL BAY BRIDGE AUTH		06/28/2019	Sink PMT @ 100.0000000	XXX	7,289	7,289	1,249	1,326		6,057	93	5,964		7,289					12/28/2053	6FE
802576-AR-9	SANTA ROSA FL BAY BRIDGE AUTH		06/28/2019	Sink PMT @ 100.0000000	XXX	12,080	12,080	2,055	2,182		10,052	153	9,899		12,080					12/28/2053	6FE
802576-AS-7	SANTA ROSA FL BAY BRIDGE AUTH		06/28/2019	Sink PMT @ 100.0000000	XXX	92,753	92,753	15,775	16,753		77,179	1,178	76,001		92,753					12/28/2053	6FE
802576-AT-5	SANTA ROSA FL BAY BRIDGE AUTH		06/28/2019	Sink PMT @ 100.0000000	XXX	21,839	21,839	3,714	3,944		18,172	277	17,895		21,839					12/28/2053	6FE
837152-TJ-6	SOUTH CAROLINA ST TRANSPRTN INFRAS		06/04/2019	RAYMOND JAMES & ASSOC.	XXX	815,409	695,000	832,428	795,806		(7,007)		(7,007)		788,799		26,610	26,610	23,649	10/01/2024	1FE
977100-FV-3	WISCONSIN ST GEN FD ANN APP UNREF		05/01/2019	CALLED @ 100.0000000	XXX	3,005,000	3,005,000	3,337,984	3,021,970		(16,970)		(16,970)		3,005,000				86,394	05/01/2033	1FE
977100-FM-3	WISCONSIN ST GEN FD ANNUAL APP REF		05/01/2019	CALLED @ 100.0000000	XXX	245,000	245,000	272,148	246,384		(1,384)		(1,384)		245,000				7,044	05/01/2033	1
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						68,226,974	60,574,108	69,976,007	67,013,668		(232,777)	3,339	(236,116)		66,777,546		1,449,428	1,449,428	1,821,009	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
01449T-AA-1	ALESCO PREF FDG IX	D	06/24/2019	PRINCIPAL RECEIPT	XXX	1	1		1						1					06/23/2036	1FE
01449C-AB-6	ALESCO PREF FDG VIII	D	06/23/2019	PRINCIPAL RECEIPT	XXX	588	588	330	330		258		258		588				5	12/23/2035	1FE
01450D-AB-0	ALESCO PREF FDG XII	D	04/15/2019	PRINCIPAL RECEIPT	XXX	9,545	9,545	5,357	5,730		3,815		3,815		9,545				141	07/15/2037	2FE
G0159X-AA-7	ALESCO PREFERRED FUNDING LTD	C	06/23/2019	PRINCIPAL RECEIPT	XXX	1,482	1,482	832	857		626		626		1,482				12	12/23/2037	1FE
058521-AC-9	BALLANTYNE RE PLC 2006-1A A2B		06/17/2019	PRINCIPAL RECEIPT	XXX	197,144,768	197,144,768	131,938,505	170,349,204		26,795,564		26,795,564		197,144,768					05/02/2036	6FE
092650-AD-2	BLADE 2006-1AW A1		06/15/2019	PRINCIPAL RECEIPT	XXX	1,920,867	1,920,867	868,569	792,707		1,128,160		1,128,160		1,920,867					09/15/2041	5FE
092650-AF-7	BLADE 2006-1AWA A1		06/15/2019	PRINCIPAL RECEIPT	XXX	823,229	823,229	387,849	358,959		464,270		464,270		823,229					09/15/2041	5FE
233046-AL-5	DNKN 2019-1A A23 MTGE		05/14/2019	THE BANK OF NEW YORK	XXX	12,500,000	12,500,000	12,500,000							12,500,000				21,156	05/20/2049	2FE
G9301N-AA-7	US CAPITAL FUNDING LTD	C	04/10/2019	PRINCIPAL RECEIPT	XXX	659	659	363	429		230		230		659				5	10/10/2040	1FE
000292-AB-8	AAA 2007-2 A2		06/25/2019	PRINCIPAL RECEIPT	XXX	4,433	4,433	3,172	3,156		1,277		1,277		4,433					01/27/2046	1FM
000759-DG-2	ABFS 2003-1 M		06/15/2019	PRINCIPAL RECEIPT	XXX	32,263	32,263	28,272	28,912		3,351		3,351		32,263					08/15/2033	1FM
000759-DM-9	ABFS MORTGAGE LOAN TRUST 2003-2		06/25/2019	PRINCIPAL RECEIPT	XXX	152,461	152,461	167,303	167,303		(14,842)		(14,842)		152,461					04/25/2034	1FM
02660Y-AA-0	AHM 2006-2 5A MTGE		06/25/2019	PRINCIPAL RECEIPT	XXX	153,346	153,346	122,964	113,389		39,957		39,957		153,346					05/25/2031	1FM
05950C-AA-0	BANC OF AMERICA FUNDING CORPORATIO		06/27/2019	PRINCIPAL RECEIPT	XXX	3,542	3,542	3,479	3,464		78		78		3,542					02/27/2036	1FM
05950C-AB-8	BANC OF AMERICA FUNDING CORPORATIO		06/27/2019	PRINCIPAL RECEIPT	XXX	72,970	72,970	71,668	71,365		1,606		1,606		72,970					02/27/2036	1FM
056059-AA-6	BX 18-IND A		05/15/2019	PRINCIPAL RECEIPT	XXX	5,644	5,644	5,644	5,644						5,644				74	10/15/2020	1FM
1248MK-AB-1	CREDIT-BASED ASSET SERVICNG		06/25/2019	PRINCIPAL RECEIPT	XXX	5,324	5,324	3,049	3,191		2,132		2,132		5,324				63	02/25/2037	1FM
22541N-EP-0	CSFB MTG PTC 2002-AR25		06/25/2019	PRINCIPAL RECEIPT	XXX	45,437	45,437	1,440	5,367		40,070		40,070		45,437					09/25/2032	1FM
02149Q-AE-0	CWALT INC 2007 OA10		06/25/2019	PRINCIPAL RECEIPT	XXX	21,261	21,261	25,204	37,133		(6,785)	9,087	(15,872)		21,261					09/25/2047	1FM
126673-MY-5	CWHEL 2004-Q 2A		06/17/2019	PRINCIPAL RECEIPT	XXX	32,055	32,055	24,724	25,680		6,375		6,375		32,055				350	12/15/2033	1FM
126673-QB-1	CWHEL 2004-R 2A		06/17/2019	PRINCIPAL RECEIPT	XXX	94,472	94,472	69,815	74,026		20,446		20,446		94,472				947	03/15/2030	1FM
126685-DT-0	CWHEL 2006-D 2A		06/17/2019	PRINCIPAL RECEIPT	XXX	23,798	23,798	19,012	19,154		4,644		4,644		23,798				230	05/15/2036	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 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 and Administrative Symbol/Market Indicator (a)
34417Q-AB-4	FOCUS BRANDS FUNDING LLC		05/07/2019	PRINCIPAL RECEIPT	XXX	20,000	20,000	20,000	20,000						20,000				518	10/29/2048	1FE
34529S-AA-7	FORD CREDIT AUTO OWNER TRUST		06/06/2019	JP MORGAN SECURITIES	XXX	4,034,813	4,050,000	4,049,553	4,049,664		38		38		4,049,702		(14,889)	(14,889)	45,666	03/15/2029	1FE
34531B-AA-0	FORD CREDIT AUTO OWNER TRUST		05/09/2019	TD SECURITIES	XXX	8,396,074	8,500,000	8,360,728	8,436,237		12,797	81,834	(69,037)		8,367,201		28,873	28,873	70,937	12/15/2027	1FE
36185H-EC-3	GMACM MTG LN TR 2004-GH1		06/25/2019	PRINCIPAL RECEIPT	XXX	18,104	18,104	8,103	9,725		8,379		8,379		18,104					07/25/2035	2FE
362246-AA-8	GSAA HOME EQUITY TRUST		06/25/2019	PRINCIPAL RECEIPT	XXX	163,400	163,400	127,400	131,401		31,999		31,999		163,400					02/25/2037	1FM
43284B-AA-0	HILTON GRAND VACATIONS TRUST 18-AA		06/25/2019	PRINCIPAL RECEIPT	XXX	39,708	39,708	39,707	39,707		1		1		39,708				470	02/25/2032	1FE
43730W-AA-4	HOME PARTNERS OF AMERICA TRUST 18-		06/19/2019	PRINCIPAL RECEIPT	XXX	56,836	56,836	56,836	56,836						56,836				649	07/17/2037	1FE
46187V-AA-7	INVITATION HOMES TRUST 18-SFR3 A		06/19/2019	PRINCIPAL RECEIPT	XXX	53,921	53,921	53,921	53,921						53,921				696	07/17/2037	1FE
46187X-AA-3	INVITATION HOMES TRUST 18-SFR4 A		06/19/2019	PRINCIPAL RECEIPT	XXX	17,345	17,345	17,345	17,345						17,345				237	01/17/2038	1FE
59066R-AE-7	MESA 2002-1 B1		06/18/2019	PRINCIPAL RECEIPT	XXX	25,901	25,901	21,397	21,397						21,397		4,504	4,504	771	02/18/2033	1FM
68401N-AE-1	OPTION ONE OOWLT 2004-1 M		06/25/2019	PRINCIPAL RECEIPT	XXX	25,069	25,069	18,934	19,663		6,250	844	5,406		25,069					02/25/2034	1FM
74331M-AA-4	PROGRESS RESIDENTIAL TRUST 18-SFR3		05/17/2019	PRINCIPAL RECEIPT	XXX	628	628	628	628						628				10	10/17/2035	1FE
872227-AH-6	TBW MTG BKD TR 2007-2		06/25/2019	PRINCIPAL RECEIPT	XXX	310,461	310,461	198,320	226,318		84,143		84,143		310,461					07/25/2037	1FM
88158A-AJ-1	TERWIN MORTGAGE TRUST 07-09 SL		06/25/2019	PRINCIPAL RECEIPT	XXX	91,670	91,670	49,264	60,812		30,858		30,858		91,670					06/25/2038	1FM
88158A-AA-0	TERWIN MTG TR 2007-SL9		06/25/2019	PRINCIPAL RECEIPT	XXX	59,666	59,666	51,778	52,289		7,377		7,377		59,666					06/25/2038	1FM
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						226,361,741	226,480,856	159,321,465	185,261,944		28,673,074	91,765	28,581,309		226,343,253		18,488	18,488	142,937	XXX	XXX
Bonds - Hybrid Securities																					
Bonds - Parent, Subsidiaries, and Affiliates																					
Bonds - SVO Identified Funds																					
Bonds - Bank Loans																					
8399997 - Subtotals - Bonds - Part 4						295,432,938	287,899,184	230,188,928	253,157,291		28,401,911	95,104	28,306,807		293,965,022		1,467,916	1,467,916	1,977,176	XXX	XXX
8399999 - Subtotals - Bonds						295,432,938	287,899,184	230,188,928	253,157,291		28,401,911	95,104	28,306,807		293,965,022		1,467,916	1,467,916	1,977,176	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																					
Preferred Stocks - Parent, Subsidiaries, and Affiliates																					
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
Common Stocks - Parent, Subsidiaries, and Affiliates																					
Common Stock - Mutual Funds																					
9999999 Totals						295,432,938	XXX	230,188,928	253,157,291		28,401,911	95,104	28,306,807		293,965,022		1,467,916	1,467,916	1,977,176	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					2,586,573	28,109,073	106,810,098	XXX
JP MORGAN CHASE LONDON, UK					404,604	405,277	521,616	XXX
NATIONAL AUSTRALIA BANK SYDNEY, AUSTRALIA					104,295	103,565	106,357	XXX
BNY MELLON NEW YORK, NY					995,308	4,422,725	20,058	XXX
WELLS FARGO BANK SAN FRANCISCO, CA					3,701,055	3,626,431	3,263,332	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			7,791,835	36,667,071	110,721,461	XXX
0399999 Total Cash on Deposit	XXX	XXX			7,791,835	36,667,071	110,721,461	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX	1,182	1,182	982	XXX
0599999 Total	XXX	XXX			7,793,017	36,668,253	110,722,443	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		06/27/2019		07/09/2019	4,998,039		980
0199999 - Bonds - U.S. Governments - Issuer Obligations						4,998,039		980
Bonds - U.S. Governments - Residential Mortgage-Backed Securities								
Bonds - U.S. Governments - Commercial Mortgage-Backed Securities								
Bonds - U.S. Governments - Other Loan-Backed and Structured Securities								
0599999 - Bonds - U.S. Governments - Subtotals - U.S. Governments						4,998,039		980
Bonds - All Other Governments - Issuer Obligations								
Bonds - All Other Governments - Residential Mortgage-Backed Securities								
Bonds - All Other Governments - Commercial Mortgage-Backed Securities								
Bonds - All Other Governments - Other Loan-Backed and Structured Securities								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities								
Bonds - .S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities								
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations								
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities								
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities								
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities								
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations								
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities								
U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Commercial Mortgage-Backed Securities								
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Other Loan-Backed and Structured Securities								
Bonds - Industrial and Miscellaneous - Issuer Obligations								
Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities								
Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities								
Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities								
Bonds - Hybrid Securities - Issuer Obligations								
Bonds - Hybrid Securities - Residential Mortgage-Backed Securities								
Bonds - Hybrid Securities - Commercial Mortgage-Backed Securities								
Bonds - Hybrid Securities - Other Loan-Backed and Structured Securities								
Bonds - Parent, Subsidiaries and Affiliates Bonds - Issuer Obligations								
Bonds - Parent, Subsidiaries and Affiliates Bonds - Residential Mortgage-Backed Securities								
Bonds - Parent, Subsidiaries and Affiliates Bonds - Commercial Mortgage-Backed Securities								
Bonds - Parent, Subsidiaries and Affiliates Bonds - Other Loan-Backed and Structured Securities								
Bonds - SVO Identified Funds - Exchange Traded Funds –as Identified by the SVO								
Bonds - SVO Identified Funds - Bond Mutual Funds - as Identified by the SVO								
Bonds - Bank Loans - Bank Loans - Issued								
Bonds - Bank Loans - Bank Loans – Acquired								
7799999 - Bonds - Total Bonds - Subtotals - Issuer Obligations						4,998,039		980
8399999 - Bonds - Total Bonds - Subtotals - Bonds						4,998,039		980
Sweep Accounts								
XXX	BNY MELLON CASH RESERVE FUND		06/30/2019	0.850	07/01/2019	9,565,176		68,719
8499999 - Sweep Accounts						9,565,176		68,719
Exempt Money Market Mutual Funds – as Identified by SVO								
All Other Money Market Mutual Funds								
26200X-10-0	Dreyfus Institutional Preferred Governme		06/30/2019	2.380	XXX	148,710,262		1,068,375
97181C-70-4	WILMINGTON US GOVT MMK-SE		06/30/2019		XXX	842,712		
857490-45-5	State Street ILR Trust		06/30/2019	2.398	XXX	65,516		471
8699999 - All Other Money Market Mutual Funds						149,618,490		1,068,846
Other Cash Equivalents								
8899999 Total Cash Equivalents						164,181,705		1,138,545