



ANNUAL STATEMENT
For the Year Ended December 31, 2012
OF THE CONDITION AND AFFAIRS OF THE
ASSURED GUARANTY CORP.

NAIC Group Code	0194	00194	NAIC Company Code	30180	Employer's ID Number	52-1533088
	(Current Period)	(Prior Period)				
Organized under the Laws of	New York			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	31 W 52nd Street			New York, NY, 10019		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	31 W 52nd Street			New York, NY, 10019		212-974-0100
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Mail Address	31 W 52nd Street			New York, NY, 10019		
	(Street and Number or P.O. Box)			(City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	31 W 52nd Street			New York, NY, 10019		212-974-0100
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Internet Web Site Address	www.assuredguaranty.com					
Statutory Statement Contact	John Mahlon Ringler			212-974-0100		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	jringler@assuredguaranty.com			212-339-3589		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
Dominic John Frederico	President and Chief Executive Officer	James Michael Michener	Secretary and General Counsel
Donald Hal Paston	Treasurer		

OTHER OFFICERS

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

DIRECTORS OR TRUSTEES

Howard Wayne Albert	Robert Adam Bailenson	Russell Brown Brewer II	Gon Ling Chow
Dominic John Frederico	James Michael Michener	Robert Bruce Mills	Donald Hal Paston
Bruce Elliot Stern			

State of New York

County of New York

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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

JAMES MICHAEL MICHENER
Secretary

DONALD HAL PASTON
Treasurer

Subscribed and sworn to before me this
22nd day of February, 2013

- 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

EILEEN M. LANZISERA
Notary Public, State of New York
No. 01LA4728044
Qualified in Nassau County
Commission Expires Jan. 31, 2015

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	2,438,198,776		2,438,198,776	2,522,711,000
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	130,586,859	1,822,721	128,764,138	126,352,159
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....	2,617,115	2,617,115		
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ 7,818,937 , Schedule E-Part 1), cash equivalents (\$ 63,310,128 , Schedule E-Part 2) and short-term investments (\$ 58,121,945 , Schedule DA).....	129,251,009		129,251,009	164,627,456
6. Contract loans (including \$ premium notes).....				
7. Derivatives (Schedule DB).....				
8. Other invested assets (Schedule BA)	21,788,340	12,500,000	9,288,340	25,822,527
9. Receivables for securities				1,500,000
10. Securities lending reinvested collateral assets (Schedule DL).....				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	2,722,442,099	16,939,836	2,705,502,263	2,841,013,142
13. Title plants less \$ charged off (for Title insurers only).....				
14. Investment income due and accrued	28,250,139		28,250,139	28,522,028
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	31,216,070	1,576,292	29,639,778	35,611,869
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....				
15.3 Accrued retrospective premiums.....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	16,508,097		16,508,097	11,340,630
16.2 Funds held by or deposited with reinsured companies				484,077
16.3 Other amounts receivable under reinsurance contracts	5,582		5,582	6,038
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.....	123,937,468	43,640,404	80,297,064	42,824,922
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software.....	268,858	48,870	219,988	319,727
21. Furniture and equipment, including health care delivery assets (\$)	2,079,362	2,079,362		
22. Net adjustment in assets and liabilities due to foreign exchange rates	206,502		206,502	
23. Receivables from parent, subsidiaries and affiliates	49,710,037	236,674	49,473,363	23,948,397
24. Health care (\$) and other amounts receivable.....				
25. Aggregate write-ins for other than invested assets	86,374,508	33,522,009	52,852,499	26,337,094
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	3,060,998,722	98,043,447	2,962,955,275	3,010,407,924
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
28. Total (Lines 26 and 27)	3,060,998,722	98,043,447	2,962,955,275	3,010,407,924
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. Supplemental Executive Retirement Plan.....	14,095,238		14,095,238	14,430,538
2502. Miscellaneous Receivables.....	9,240,904	200,798	9,040,106	11,899,693
2503. Prepaid expense.....	531,907	531,907		
2598. Summary of remaining write-ins for Line 25 from overflow page	62,506,459	32,789,304	29,717,155	6,863
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	86,374,508	33,522,009	52,852,499	26,337,094

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	302,697,607	336,062,030
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	1,988,027	1,696,289
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	10,372,381	8,695,476
4. Commissions payable, contingent commissions and other similar charges	4,679,220	4,853,087
5. Other expenses (excluding taxes, licenses and fees)	55,812,551	53,701,426
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(2,228,559)	(3,254,547)
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	50,930,596	12,309,875
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 285,736,059 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)	752,544,024	826,446,509
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	7,771,155	9,172,965
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	8,180,553	9,197,274
14. Amounts withheld or retained by company for account of others	(545,848)	(425,122)
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 8)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		126,920
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	16,739,478	17,603,723
20. Derivatives		
21. Payable for securities		
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	848,599,405	712,722,823
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	2,057,540,590	1,988,908,728
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	2,057,540,590	1,988,908,728
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	924,175,830	923,849,395
35. Unassigned funds (surplus)	(333,761,625)	(217,350,678)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	905,414,685	1,021,499,197
38. Totals (Page 2, Line 28, Col. 3)	2,962,955,275	3,010,407,925
DETAILS OF WRITE-INS		
2501. Supplemental Executive Retirement Plan.....	19,290,305	14,430,538
2502. Contingency Reserve.....	824,459,899	690,576,660
2503. Liability for Lease.....	2,020,911	4,370,804
2598. Summary of remaining write-ins for Line 25 from overflow page	2,828,290	3,344,821
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	848,599,405	712,722,823
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	158,320,928	142,948,537
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	63,441,290	(98,696,164)
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	9,693,782	12,715,923
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	64,411,646	67,914,438
5. Aggregate write-ins for underwriting deductions		17,392,500
6. Total underwriting deductions (Lines 2 through 5)	137,546,718	(673,303)
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	20,774,210	143,621,840
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	81,493,616	80,046,743
10. Net realized capital gains (losses) less capital gains tax of \$ (9,655,602) (Exhibit of Capital Gains (Losses))...	(17,931,832)	(1,162,862)
11. Net investment gain (loss) (Lines 9 + 10)	63,561,784	78,883,881
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income	(7,878,184)	10,916,980
15. Total other income (Lines 12 through 14)	(7,878,184)	10,916,980
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	76,457,810	233,422,701
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)	76,457,810	233,422,701
19. Federal and foreign income taxes incurred	45,141,929	3,485,016
20. Net income (Line 18 minus Line 19) (to Line 22)	31,315,881	229,937,685
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	1,021,499,196	854,119,958
22. Net income (from Line 20)	31,315,881	229,937,685
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 7,911,548	7,911,548	405,477
25. Change in net unrealized foreign exchange capital gain (loss)	4,037,800	(156,234)
26. Change in net deferred income tax	7,811,410	(60,459,741)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(6,518,877)	15,608,484
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
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	326,435	
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(55,001,760)	(30,000,960)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(105,966,948)	12,044,527
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(116,084,511)	167,379,238
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	905,414,685	1,021,499,196
DETAILS OF WRITE-INS		
0501. Termination Fee.....		17,392,500
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)		17,392,500
1401. Other Income.....	(7,878,184)	10,916,980
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)	(7,878,184)	10,916,980
3701. Change in Contingency Reserve.....	(133,883,237)	12,044,527
3702. Change in Accounting SAP 101(Taxes).....	27,916,289	
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(105,966,948)	12,044,527

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	87,471,839	112,774,138
2. Net investment income	87,826,924	84,938,535
3. Miscellaneous income	(7,393,651)	10,912,441
4. Total (Lines 1 through 3)	167,905,112	208,625,114
5. Benefit and loss related payments	101,681,442	15,594,070
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	69,522,578	107,713,241
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(3,134,395)	(38,818,933)
10. Total (Lines 5 through 9)	168,069,625	84,488,378
11. Net cash from operations (Line 4 minus Line 10)	(164,513)	124,136,736
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	372,770,870	715,434,371
12.2 Stocks	16,386,189	63,813,667
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets	16,534,187	12,746,899
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	2,828	1,609
12.7 Miscellaneous proceeds	5,659,227	6
12.8 Total investment proceeds (Lines 12.1 to 12.7)	411,353,301	791,996,552
13. Cost of investments acquired (long-term only):		
13.1 Bonds	322,186,446	886,626,367
13.2 Stocks	12,709,340	64,254,847
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		7,655,898
13.6 Miscellaneous applications		1,534,808
13.7 Total investments acquired (Lines 13.1 to 13.6)	334,895,786	960,071,920
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	76,457,515	(168,075,368)
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	326,435	
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	55,001,760	30,000,960
16.6 Other cash provided (applied)	(56,994,120)	(209,387)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(111,669,445)	(30,210,347)
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)	(35,376,443)	(74,148,979)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	164,627,456	238,776,435
19.2 End of year (Line 18 plus Line 19.1)	129,251,013	164,627,456

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire				
2.	Allied lines				
3.	Farmowners multiple peril				
4.	Homeowners multiple peril				
5.	Commercial multiple peril				
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine				
10.	Financial guaranty	88,142,197	826,446,509	752,544,024	158,320,928
11.1	Medical professional liability-occurrence				
11.2	Medical professional liability-claims-made				
12.	Earthquake				
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health				
16.	Workers' compensation				
17.1	Other liability - occurrence				
17.2	Other liability - claims-made				
17.3	Excess workers' compensation.....				
18.1	Products liability-occurrence				
18.2	Products liability-claims-made				
19.1,19.2	Private passenger auto liability				
19.3,19.4	Commercial auto liability				
21.	Auto physical damage				
22.	Aircraft (all perils)				
23.	Fidelity				
24.	Surety				
26.	Burglary and theft				
27.	Boiler and machinery				
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance-nonproportional assumed property				
32.	Reinsurance-nonproportional assumed liability				
33.	Reinsurance-nonproportional assumed financial lines				
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	88,142,197	826,446,509	752,544,024	158,320,928
DETAILS OF WRITE-INS					
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Sum. of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)				

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire					
2.	Allied lines					
3.	Farmowners multiple peril					
4.	Homeowners multiple peril					
5.	Commercial multiple peril					
6.	Mortgage guaranty					
8.	Ocean marine					
9.	Inland marine					
10.	Financial guaranty		752,544,024			752,544,024
11.1	Medical professional liability-occurrence					
11.2	Medical professional liability-claims-made					
12.	Earthquake					
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation					
17.1	Other liability-occurrence					
17.2	Other liability-claims-made					
17.3	Excess workers' compensation					
18.1	Products liability-occurrence					
18.2	Products liability-claims-made					
19.1,19.2	Private passenger auto liability					
19.3,19.4	Commercial auto liability					
21.	Auto physical damage					
22.	Aircraft (all perils)					
23.	Fidelity					
24.	Surety					
26.	Burglary and theft					
27.	Boiler and machinery					
28.	Credit					
29.	International					
30.	Warranty					
31.	Reinsurance-nonproportional assumed property					
32.	Reinsurance-nonproportional assumed liability					
33.	Reinsurance-nonproportional assumed financial lines					
34.	Aggregate write-ins for other lines of business					
35.	TOTALS		752,544,024			752,544,024
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Lines 35 through 37)					752,544,024
DETAILS OF WRITE-INS						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Sum. of remaining write-ins for Line 34 from overflow page					
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)					

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

UNDERWRITING AND INVESTMENT EXHIBIT

Line of Business		1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
			2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1.	Fire						
2.	Allied lines						
3.	Farmowners multiple peril						
4.	Homeowners multiple peril						
5.	Commercial multiple peril						
6.	Mortgage guaranty						
8.	Ocean marine						
9.	Inland marine						
10.	Financial guaranty	99,978,295	2,455,612	26,787,575	33,751,813	7,327,472	88,142,197
11.1	Medical professional liability-occurrence						
11.2	Medical professional liability-claims-made						
12.	Earthquake						
13.	Group accident and health						
14.	Credit accident and health (group and individual)						
15.	Other accident and health						
16.	Workers' compensation						
17.1	Other liability-occurrence						
17.2	Other liability-claims-made						
17.3	Excess workers' compensation.....						
18.1	Products liability-occurrence						
18.2	Products liability-claims-made						
19.1,19.2	Private passenger auto liability						
19.3,19.4	Commercial auto liability						
21.	Auto physical damage						
22.	Aircraft (all perils)						
23.	Fidelity						
24.	Surety			10,146		10,146	
26.	Burglary and theft						
27.	Boiler and machinery						
28.	Credit			(6,910)		(6,910)	
29.	International						
30.	Warranty						
31.	Reinsurance-nonproportional assumed property	XXX					
32.	Reinsurance-nonproportional assumed liability	XXX		3,338		3,338	
33.	Reinsurance-nonproportional assumed financial lines	XXX					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	99,978,295	2,455,612	26,794,149	33,751,813	7,334,046	88,142,197
DETAILS OF WRITE-INS							
3401.							
3402.							
3403.							
3498.	Sum. of remaining write-ins for Line 34 from overflow page						
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)						

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$ 98,895,974

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business		Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1.	Fire								
2.	Allied lines								
3.	Farmowners multiple peril								
4.	Homeowners multiple peril								
5.	Commercial multiple peril								
6.	Mortgage guaranty								
8.	Ocean marine								
9.	Inland marine								
10.	Financial guaranty	129,725,495	8,938,157	41,857,939	96,805,713	302,697,607	336,062,030	63,441,290	40.1
11.1	Medical professional liability-occurrence								
11.2	Medical professional liability-claims-made								
12.	Earthquake								
13.	Group accident and health								
14.	Credit accident and health (group and individual)								
15.	Other accident and health								
16.	Workers' compensation								
17.1	Other liability-occurrence								
17.2	Other liability-claims-made								
17.3	Excess workers' compensation								
18.1	Products liability-occurrence								
18.2	Products liability-claims-made								
19.1,19.2	Private passenger auto liability								
19.3,19.4	Commercial auto liability								
21.	Auto physical damage								
22.	Aircraft (all perils)								
23.	Fidelity								
24.	Surety		5,882	5,882					
26.	Burglary and theft								
27.	Boiler and machinery								
28.	Credit		(66,391)	(66,391)					
29.	International								
30.	Warranty								
31.	Reinsurance-nonproportional assumed property	XXX							
32.	Reinsurance-nonproportional assumed liability	XXX							
33.	Reinsurance-nonproportional assumed financial lines	XXX							
34.	Aggregate write-ins for other lines of business								
35.	TOTALS	129,725,495	8,877,648	41,797,430	96,805,713	302,697,607	336,062,030	63,441,290	40.1
DETAILS OF WRITE-INS									
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Sum. of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)								

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

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
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	333,617,269	108,643,692	139,563,354	302,697,607				302,697,607	10,372,381
11.1	Medical professional liability-occurrence									
11.2	Medical professional liability-claims-made									
12.	Earthquake									
13.	Group accident and health								(a)	
14.	Credit accident and health (group and individual)									
15.	Other accident and health								(a)	
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		24,720	24,720						
26.	Burglary and theft									
27.	Boiler and machinery									
28.	Credit		153,159	153,159			761,961	761,961		
29.	International									
30.	Warranty									
31.	Reinsurance-nonproportional assumed property	XXX				XXX				
32.	Reinsurance-nonproportional assumed liability	XXX				XXX				
33.	Reinsurance-nonproportional assumed financial lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business									
35.	TOTALS	333,617,269	108,821,571	139,741,233	302,697,607		761,961	761,961	302,697,607	10,372,381
DETAILS OF WRITE-INS										
3401.	.....									
3402.	.....									
3403.	.....									
3498.	Sum. of remaining write-ins for Line 34 from overflow page									
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	13,373,135			13,373,135
1.2 Reinsurance assumed	2,699,501			2,699,501
1.3 Reinsurance ceded	6,378,854			6,378,854
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	9,693,782			9,693,782
2. Commission and brokerage:				
2.1 Direct, excluding contingent				
2.2 Reinsurance assumed, excluding contingent		2,502,025		2,502,025
2.3 Reinsurance ceded, excluding contingent		10,931,232		10,931,232
2.4 Contingent-direct				
2.5 Contingent-reinsurance assumed		(163,869)		(163,869)
2.6 Contingent-reinsurance ceded		4,617		4,617
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		(8,597,693)		(8,597,693)
3. Allowances to manager and agents				
4. Advertising		3,093,734		3,093,734
5. Boards, bureaus and associations		29,551		29,551
6. Surveys and underwriting reports		2,372,774		2,372,774
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries		37,239,059		37,239,059
8.2 Payroll taxes		1,549,260		1,549,260
9. Employee relations and welfare		2,398,935		2,398,935
10. Insurance		352,893		352,893
11. Directors' fees				
12. Travel and travel items		1,260,503		1,260,503
13. Rent and rent items		3,945,680		3,945,680
14. Equipment		2,381,285		2,381,285
15. Cost or depreciation of EDP equipment and software		580,294		580,294
16. Printing and stationery		185,588		185,588
17. Postage, telephone and telegraph, exchange and express		150,875		150,875
18. Legal and auditing		5,628,250		5,628,250
19. Totals (Lines 3 to 18)		61,168,681		61,168,681
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		3,529,421		3,529,421
20.2 Insurance department licenses and fees		23,456		23,456
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		3,552,877		3,552,877
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses		8,287,781	17,885,641	26,173,422
25. Total expenses incurred	9,693,782	64,411,646	17,885,641	(a) 91,991,069
26. Less unpaid expenses-current year	10,372,381	57,490,969	772,243	68,635,593
27. Add unpaid expenses-prior year	8,695,476	54,585,024	714,942	63,995,442
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	8,016,877	61,505,701	17,828,340	87,350,918
DETAILS OF WRITE-INS				
2401. Investment Expenses.....			17,885,641	17,885,641
2402. Bank Fees.....		6,203,888		6,203,888
2403. Other miscellaneous corporate expenses.....		420,961		420,961
2498. Summary of remaining write-ins for Line 24 from overflow page		1,662,932		1,662,932
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)		8,287,781	17,885,641	26,173,422

(a) Includes management fees of \$ to affiliates and \$ 17,885,641 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a).....6,808,183	7,254,631
1.1	Bonds exempt from U.S. tax	(a).....65,545,704	66,119,860
1.2	Other bonds (unaffiliated)	(a).....27,120,061	25,835,074
1.3	Bonds of affiliates	(a).....	.....
2.1	Preferred stocks (unaffiliated)	(b).....	.....
2.11	Preferred stocks of affiliates	(b).....	.....
2.2	Common stocks (unaffiliated)	595	595
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e).....159,515	152,015
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income	17,082	17,082
10.	Total gross investment income	99,651,140	99,379,257
11.	Investment expenses		(g).....2,885,641
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....15,000,000
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	Total deductions (Lines 11 through 15)		17,885,641
17.	Net investment income (Line 10 minus Line 16)		81,493,616
DETAILS OF WRITE-INS			
0901.	MISC.....	17,082	17,082
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	17,082	17,082
1501.	.....		
1502.	.....		
1503.	.....		
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		

(a) Includes \$ 10,823,906 accrual of discount less \$ 17,161,446 amortization of premium and less \$ 967,086 paid for accrued interest on purchases.
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$ 73,753 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(f) Includes \$ accrual of discount less \$ amortization of premium.
(g) Includes \$ 2,885,641 investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$ 15,000,000 interest on surplus notes and \$ interest on capital notes.
(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	1,613,314		1,613,314		
1.1	Bonds exempt from U.S. tax	559,513		559,513		
1.2	Other bonds (unaffiliated)	2,630,989	(32,394,078)	(29,763,089)		
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates				7,911,549	
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments	2,828		2,828		
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	4,806,644	(32,394,078)	(27,587,434)	7,911,549	
DETAILS OF WRITE-INS						
0901.	.....					
0902.	.....					
0903.	.....					
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks	1,822,721		(1,822,721)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	2,617,115	2,738,541	121,426
4.2 Properties held for the production of income.....			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			
6. Contract loans			
7. Derivatives (Schedule DB).....			
8. Other invested assets (Schedule BA)	12,500,000	12,500,000	
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL).....			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)	16,939,836	15,238,541	(1,701,295)
13. Title plants (for Title insurers only).....			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	1,576,292	59,407	(1,516,885)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			
15.3 Accrued retrospective premiums.....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset.....	43,640,404	73,301,137	29,660,733
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software.....	48,870	2,763	(46,107)
21. Furniture and equipment, including health care delivery assets.....	2,079,362	2,061,436	(17,926)
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates	236,674	208,905	(27,769)
24. Health care and other amounts receivable.....			
25. Aggregate write-ins for other than invested assets	33,522,009	652,381	(32,869,628)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	98,043,447	91,524,570	(6,518,877)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
28. Total (Lines 26 and 27)	98,043,447	91,524,570	(6,518,877)
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. Supplementary Executive Retirement Plan.....			
2502. Other assets.....	142,330	172,009	29,679
2503. Prepaid expenses.....	531,907	317,116	(214,791)
2598. Summary of remaining write-ins for Line 25 from overflow page	32,847,772	163,256	(32,684,516)
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	33,522,009	652,381	(32,869,628)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies**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. The Maryland Insurance Administration 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, for determining its solvency under the New York Insurance Law. The National Association of Insurance Commissioners’ (“NAIC”) *Accounting Practices and Procedures* manual (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the state of 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:

	2012	2011
Net Income (Loss), Maryland Basis	\$ 31,315,881	\$ 229,937,685
Net Income (Loss), NAIC SAP	\$ 31,315,881	\$ 229,937,685
Statutory Surplus, Maryland Basis	\$ 905,414,685	\$ 1,021,499,197
Statutory Surplus, NAIC SAP	\$ 905,414,685	\$ 1,021,499,197

B. Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future, as more information becomes known which could impact the amounts reported and disclosed herein.

C. Accounting Policies

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

Expenses incurred in connection with acquiring new insurance business are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the company uses the following accounting policies:

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

The Company purchased securities that it has insured, and for which it has loss reserves, in order to mitigate the economic effect of insured losses. These securities were purchased at a discount and are accounted for excluding the effects of the Company’s insurance on the securities.
- Common stocks are stated at market other than investment in stocks of subsidiaries which are carried on the equity basis, to the extent admissible. The Company did not hold investments in common stocks at December 31, 2012.
- The Company did not hold investments in preferred stock at December 31, 2012.
- The Company did not hold investments in mortgage loans at December 31, 2012.
- Loan-backed bonds are reported at amortized cost using the effective interest method. Changes in the estimated cash flows from the original purchase assumptions are accounted for using the retrospective method.
- Investments in United States (“US”) insurance subsidiaries are reported at their statutory book values in accordance with the statutory equity method and reduced by limitations as required under Section 1408 of New York Insurance Law. Investments in foreign insurance subsidiaries are reported at their audited US Generally Accepted Accounting Principles (“GAAP”) equity adjusted to a statutory basis of accounting as provided for in paragraph 9 of SSAP 97.
- The Company has no investments in joint ventures, partnerships or limited liability companies as of December 31, 2012.
- The Company did not have derivatives as of December 31, 2012.
- The Company does not utilize anticipated investment income as a factor in its premium deficiency calculation. The Company does not have a premium deficiency as of December 31, 2012.

NOTES TO FINANCIAL STATEMENTS

11. Unpaid losses and loss adjustments expenses include an amount determined from individual case estimates and loss reports. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined. The Company has not written any policies which have been identified as having the potential for the existence of a liability due to toxic waste cleanup, asbestos or environmental losses. Financial guaranty case reserves are established when there is significant credit deterioration on specific insured obligations and the obligations are in default or default is probable, not necessarily upon non-payment of principal or interest by an insured. Financial guaranty case reserves were discounted at a rate of 5.0% in 2012 and 2011. For some policies, claims payments have been made for which all or part of those payments is expected to be recovered by the Company and the transaction is in a net recovery position. Such amounts are reported net in reserves for losses and LAE.
12. The Company has not modified its capitalization policy from the prior period.
13. The Company is required to establish a mandatory contingency reserve in accordance with NAIC SAP. The reserve amount is established by a charge to surplus for the protection of all policyholders equal to the sum of the following:
 - (i) For all policies written prior to July 1, 1989, an amount equal to 50% of cumulative earned premiums less permitted reductions; plus
 - (ii) For all policies written on or after July 1, 1989, an amount equal to the greater of 50% of premiums written for each category of insured obligation or a designated percentage of principal guaranteed for that category. These amounts are provided each quarter as either 1/60th or 1/80th of the total required for each category, less permitted reductions.
14. The Company did not hold business dealings with pharmaceutical rebate receivables at December 31, 2012.

2. Accounting Changes and Corrections of Errors

The Company adopted the provisions of SSAP 101 *Income Taxes A Replacement of SSAP 10R and SSAP 10*, effective January 1, 2012. SSAP 101 provides new requirements for tax loss contingencies and the calculation and admissibility of deferred tax assets. The difference between the recalculated amounts as of January 1, 2012, and the amount actually reported in the prior year financial statements is treated as a change in accounting principle in accordance with SSAP 3 *Accounting Changes and Corrections of Errors*. The cumulative effect of this change in accounting principle resulted in a \$27.9 million increase in unassigned funds as of January 1, 2012.

3. Business Combinations and Goodwill

The Company has not been a party to any business combinations taking the form of a statutory merger in 2012.

4. Discontinued Operations

The Company does not have any discontinued operations in 2012.

5. Investments

- A Mortgage Loans, including Mezzanine Real Estate Loans - The Company did not hold investments in mortgage loans during 2012.
- B Debt Restructuring - The Company has no investments in restructured debt in which the Company is a creditor during 2012.
- C Reverse Mortgages - The Company did not hold reverse mortgages as investments during 2012.
- D Loan-Backed Securities
 1. Prepayment assumptions for loan backed and structured securities were obtained from publicly available sources and internal models.

NOTES TO FINANCIAL STATEMENTS

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 as cited in the table:

Description	Amortized Cost Before OTTI		OTTI	Fair Value
OTTI Recognized 1st Quarter				
a. Intent To Sell	\$	—	\$	—
b. Lack of Intent to retain security		44,951,827	29,401,437	15,550,390
c. Total 1st Quarter		44,951,827	29,401,437	15,550,390
OTTI Recognized 2nd Quarter				
d. Intent To Sell		—	—	—
e. Lack of Intent to retain security		—	—	—
f. Total 2nd Quarter		—	—	—
OTTI Recognized 3rd Quarter				
g. Intent To Sell		—	—	—
h. Lack of Intent to retain security		—	—	—
i. Total 3rd Quarter		—	—	—
OTTI Recognized 4th Quarter				
j. Intent To Sell		—	—	—
k. Lack of Intent to retain security		—	—	—
l. Total 4th Quarter		—	—	—
m. Total Year to Date	\$	44,951,827	\$	29,401,437
			\$	15,550,390

3. The following table summarizes other-than-temporary-impairments recorded in the current year for loan-backed securities which the Company still owns at the end of the year recorded based on the fact that the present value of projected cash flows expected to be collected was less than the amortized cost of the securities:

CUSIP	Amortized Cost Before Other- Than-Temporary Impairment	Present Value of Projected Cash Flows	Other-Than- Temporary Impairment	Amortized Cost After Other- Than- Temporary Impairment	Fair Value @ Time of OTTI	Date of Financial Statement Where Reported
88158AAJ1	2,111,838	2,034,102	77,736	2,034,102	664,084	3/31/2012
058521AC9	15,163,487	14,843,573	319,914	14,843,573	9,291,169	6/30/2012
02149QAE0	10,140,865	10,043,249	97,616	10,043,249	8,145,679	9/30/2012
058521AC9	15,174,612	14,694,160	480,452	14,694,160	13,753,218	9/30/2012
88158AAJ1	1,894,834	1,699,063	195,771	1,699,063	649,925	9/30/2012
02149QAE0	10,790,055	10,085,203	704,852	10,085,203	10,039,859	12/31/2012
058521AC9	15,286,985	14,170,686	1,116,299	14,170,686	14,943,792	12/31/2012
Total	\$ 70,562,676	\$ 67,570,036	\$ 2,992,640	\$ 67,570,036	\$ 57,487,726	

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

	Less than 12 months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Residential Mortgage Backed Securities	\$ 22,785,373	\$ (2,979,947)	\$ 1,666,539	\$ (3,238,104)	\$ 24,451,912	\$ (6,218,051)
Total	\$ 22,785,373	\$ (2,979,947)	\$ 1,666,539	\$ (3,238,104)	\$ 24,451,912	\$ (6,218,051)

5. All loan-backed securities in an unrealized loss position were reviewed to determine whether an other-than-temporary impairment should be recognized. For those securities in an unrealized loss position as of December 31, 2012, the Company has not made a decision to sell any such securities. The Company has evaluated its cash flow requirements and believes that its liquidity is adequate and it will not be required to sell these securities before recovery of their cost basis. This unrealized loss is primarily attributable to the market illiquidity and volatility in the U.S. economy and not specific to individual issuer credit.
- E. Repurchase Agreements - The Company did not enter into repurchase agreements during 2012.
- F. Real Estate Impairment and Land Sales - The Company did not recognize any real estate impairments, or engage in any retail land sales during 2012.
- G. Low-income Housing tax credits (LIHTC) – The Company did not hold investments in Low-income Housing tax credits (LIHTC) during 2012.

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Limited Partnerships, or Limited Liability Companies that exceed 10% of admitted assets.
- B. There were no write-downs of investments in Joint Ventures, Limited Partnerships, or Limited Liability Companies due to impairments during 2012.

7. Investment Income

- A. Accrued Investment Income
Accrued investment income was \$28,250,145 and \$28,522,028 as of December 31, 2012 and 2011, 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

During the year ended December 31, 2012, the Company did not enter into any investment related derivative contracts and there were no derivative contracts outstanding as of December 31, 2012.

9. Federal Income Taxes

The numbers below are in thousands, except for percentages.

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

(1)

Description	2012			2011		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	118,858	12,040	130,898	115,263	863	116,126
Statutory valuation allowance	—	—	—	—	—	—
Adjusted gross deferred tax assets	118,858	12,040	130,898	115,263	863	116,126
Gross deferred tax liabilities	(6,960)	—	(6,960)	—	—	—
Net deferred tax asset/(liability) before admissibility test	111,898	12,040	123,938	115,263	863	116,126
Admitted pursuant to ¶11.a.	25,600	918	26,518	—	—	—
¶11.b.i.	53,779	—	53,779	42,825	—	42,825
¶11.b.ii.	247,437	—	247,437	107,323	—	107,323
Admitted pursuant to ¶11.b. (lesser of i. or ii.)	53,779	—	53,779	42,825	—	42,825
Admitted pursuant to ¶11.c.	6,960	—	6,960	—	—	—
Admitted deferred tax asset	86,339	918	87,257	42,825	—	42,825
Deferred tax liability	(6,960)	—	(6,960)	—	—	—
Net admitted DTA or DTL	79,379	918	80,297	42,825	—	42,825
Nonadmitted DTA	32,519	11,122	43,641	72,438	\$ 863	\$ 73,301

(2) Threshold used in 11.b.

Ratio of Surplus without admitted DTA (ExDTA Surplus) to policyholders plus Contingency Reserve / Aggregate Risk Capital as per the NAIC Financial Guaranty Insurance Model Law = 230%

NOTES TO FINANCIAL STATEMENTS

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

Description	Change During 2012		
	Ordinary	Capital	Total
Gross deferred tax assets	\$ 3,595	\$ 11,177	\$ 14,772
Statutory valuation allowance	—	—	—
Adjusted gross deferred tax assets	3,595	11,177	14,772
Gross deferred tax liabilities	(6,960)	—	(6,960)
Net deferred tax asset/(liability) before admissibility	(3,365)	11,177	7,812
Admitted pursuant to ¶11.a.	25,600	918	26,518
¶11.b.i.	10,954	—	10,954
¶11.b.ii.	140,114	—	140,114
Admitted pursuant to ¶11.b. (lesser of i. or ii.)	10,954	—	10,954
Admitted pursuant to ¶11.c	6,960	—	6,960
Admitted deferred tax asset	43,514	918	44,432
Deferred tax liability	(6,960)	—	(6,960)
			—
Change in net admitted DTA or DTL	36,554	918	37,472
Change in nonadmitted DTA	\$ (39,919)	\$ 10,259	\$ (29,660)

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

Not Applicable

C. Current Tax and Change in Deferred Tax

Current income taxes consist of the following major components:

Description	2012	2011
Current income tax expense (benefit)	\$ 37,041	\$ 4,917
Tax on capital gains/(losses)	4,807	1,499
Prior year underaccrual (overaccrual)	(6,361)	(1,432)
Federal income taxes incurred	\$ 35,487	\$ 4,984

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

	December 31, 2012	December 31, 2011	Change	Character
Deferred Tax Asset				
Unpaid losses and LAE	\$ 86,136	\$ 71,128	\$ 15,008	Ordinary
Unearned premiums	26,339	28,926	(2,587)	Ordinary
Unrealized Losses	12,040	863	11,177	Capital
Nonadmitted assets	6,061	4,698	1,363	Ordinary
Other Assets	322	10,511	(10,189)	Ordinary
Gross Deferred Tax Asset	\$ 130,898	\$ 116,126	\$ 14,772	
Nonadmitted Deferred Tax Asset	\$ 43,640	\$ 73,301	\$ (29,661)	
Deferred Tax Liability				
Bonds market discount	\$ (6,960)	\$ —	\$ (6,960)	Ordinary
Gross Deferred Tax Liability	\$ (6,960)	\$ —	\$ (6,960)	

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

	December 31, 2012	December 31, 2011	Change
Total deferred tax assets	\$ 130,898	\$ 116,126	\$ 14,772
Total deferred tax liabilities	(6,960)	—	(6,960)
Net deferred tax asset	\$ 123,938	\$ 116,126	\$ 7,812
Tax effect of unrealized (gains)/losses			—
Change in net deferred income tax(charge)/benefit			\$ 7,812

NOTES TO FINANCIAL STATEMENTS

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

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

Description	Amount	Tax Effect	Effective Tax Rate
Income Before Taxes	\$ 66,802	\$ 23,381	35.00%
Tax-Exempt Interest	(55,553)	(19,443)	(29.11)%
Effect of true-ups from tax return filing	(8)	(3)	—
Change in deferred taxes on non-admitted assets	3,893	1,362	2.04%
Tax basis differences and Subpart F Income of Sub	7,575	2,651	3.97%
Tax and Loss bond Purchase	47,238	16,533	24.75%
Other	9,125	3,194	4.79%
Total	\$ 79,072	\$ 27,675	41.44%
Federal income taxes incurred [expense/(benefit)]		\$ 30,680	45.93%
Tax on capital gains/(losses)		4,807	7.20%
Change in net deferred income tax [charge/(benefit)]		(7,812)	(11.69)%
Total statutory income taxes		\$ 27,675	41.44%

E. Operating Loss and Tax Credit Carryforwards

- At December 31, 2012, the Company had no net operating loss carryforwards.
- At December 31, 2012, the Company had no capital loss carryforwards.

At December 31, 2012, the Company had no AMT carryforwards, which do not expire.
- There is no income tax expense for 2012 and 2011 that is available for recoupment in the event of future net losses.
- The Company did not have any protective tax deposits admitted under IRC §6603.

F. Consolidated Federal Income Tax Return

- The Company’s federal income tax return is consolidated with the following entities:
Assured Guaranty US Holdings Inc.
Assured Guaranty Municipal Corp. (“AGM”)
AG Financial Products, Inc.
Assured Guaranty Municipal Holdings Inc.
Assured Guaranty Municipal Insurance Company
Assured Guaranty (Europe) Ltd.
AG Analytics Inc.
FSA Portfolio Management, Inc.
Transaction Services Corporation
Municipal Assurance Corp.
- Each company, as a member of its respective consolidated tax return group, pays its proportionate share of the consolidated federal tax burden for its group as if each company filed on a separate return basis with current period credit for net losses to the extent used in consolidation.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. Nature of Relationships

The Company is a wholly owned subsidiary of Assured Guaranty US Holdings Inc. (the “Parent” or “AGUS”), a Delaware insurance holding company. AGUS is an indirect subsidiary of Assured Guaranty Ltd., a Bermuda incorporated insurance holding company. The Organization Chart is included in Schedule Y.

The Company owns 100% of Assured Guaranty (UK) Ltd. ("AG UK"), a United Kingdom domiciled insurance company.

B. Transactions with Affiliates

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

- The Company made dividend payments of \$55 million in 2012 to AGUS.
- The Company has \$300 million of surplus notes outstanding issued to an affiliate, AGM, a New York domiciled insurance company. These notes are interest bearing at a rate of 5% per annum. Each payment of principal and interest may be made only with the prior approval of the Maryland Insurance Administration and only to the extent the Company has sufficient policyholders' surplus to make such payment. AGC paid interest on these notes to AGM of \$15 million on December 19, 2012 and \$15 million on December 30, 2011.

NOTES TO FINANCIAL STATEMENTS

C. Change in the Terms of Intercompany Arrangements

The Company is subject to a new agreement effective July 1, 2009 concerning filing of consolidated federal income tax returns (see Note 9.F.1. for participants).

D. Related party receivables (payables) as of December 31, 2012 were:

Related Party	Due from / (Due to)
Assured Guaranty Finance Overseas Ltd.	2,878,508
AG Financial Products Inc.	511,712
Assured Guaranty Ltd.	(16,738,659)
Assured Guaranty Mortgage Insurance Co.	180,998
Assured Guaranty Re Ltd.	7,684,675
Assured Guaranty Re Overseas Ltd.	798,510
Assured Guaranty (UK) Ltd.	1,016,745
Assured Guaranty UK Services Ltd.	(819)
Assured Guaranty US Holdings Inc.	57,115
FSA Services (Australia)	21,869
Assured Guaranty (Bermuda) Ltd.	452,659
Assured Guaranty Municipal Holdings Inc.	281,435
Assured Guaranty Municipal Insurance Co.	817,052
Assured Guaranty Municipal Corp.	34,347,236
Assured Guaranty (Europe) Ltd.	144,195
Municipal Assurance Corp.	89,372
FSA Portfolio Management Inc.	191,566
Transaction Services Corp.	236,390
Total Related Party Receivable	49,710,037
Less: Non Admitted Receivables	236,674
Total Admitted Related Party Receivable	49,473,363
Total Related Party Payable	(16,739,478)
NET RECEIVABLE/(PAYABLE)	32,733,885

E. Guarantees or Contingencies for Related Parties

The Company issues financial guaranty insurance policies guaranteeing the obligations of its affiliate, AG Financial Products, Inc. ("AGFP"), to various third-party beneficiaries under credit default swap agreements. Pursuant to its financial guaranty insurance policy, the Company is obligated to pay the beneficiary named in the policy, upon receipt of a claim as contemplated thereby, amounts that become due for payment by AGFP in the event of a payment default by AGFP under the applicable credit default swap agreement. The Company may have a payment obligation to the beneficiary so long as there are outstanding transactions between AGFP and the beneficiary under the ISDA master agreement entered into by the parties. Pursuant to its financial guaranty insurance policy, the Company is fully subrogated to the rights of the beneficiary to the extent of payment by the Company under such policy. The financial guaranty insurance policies are non-cancelable for any reason, including by reason of non-payment of premium.

In consideration of the issuance of the financial guaranty insurance policy, AGFP agrees to pay the Company premium pursuant to a premium agreement. Pursuant to the premium agreement, AGFP also agrees to pay the fees and expenses of the Company in connection with the issuance of the financial guaranty insurance policy and the performance of its obligations under such policy. Under such premium agreement, the Company is fully subrogated to AGFP's rights (including its right to receive payments) under the underlying agreement to the extent that the Company makes payments pursuant to the financial guaranty insurance policy.

The Company and AG UK are parties to a net worth maintenance agreement. Under the terms of the agreement, if AG UK's net worth falls below a minimum level of capital required by the Financial Services Authority, its regulator in the U.K., the Company must invest additional funds in order to bring the capital of AG UK back into compliance with the required amount. In consideration for this agreement, AG UK pays a fee to the Company each calendar quarter equal to £14,000.

The Company guarantees the obligations of AG UK under a credit facility between certain of the Assured Guaranty companies and a syndicate of banks.

The Company guarantees the lease obligations of AG UK for its lease of office space at 1 Finsbury Square, London.

F. Management, Service Contracts or Cost Sharing Arrangements

In 2010, the Company entered into a service agreement with various of its affiliates pursuant to which the Company makes available to its Bermuda, US and UK affiliates, as applicable, equipment, insurance and/or services, including underwriting, actuarial, surveillance, marketing, claims handling, legal, information technologies, corporate secretarial, human resources, accounting, tax, financial reporting and investment planning services. In addition, under the agreement the Company enjoys the use of certain equipment and office space owned by its New York affiliate, Assured Guaranty Municipal Corp. Expenses are allocated directly where appropriate and, where not appropriate, based upon an allocation of employee time and corresponding office overhead. The agreement provides for quarterly settlements and an express right of offset with regard to amounts owing between parties under this Agreement and other agreements between such parties.

NOTES TO FINANCIAL STATEMENTS

The Company is also a party to two separate service agreements entered into in 2006 with its parent company, Assured Guaranty Ltd. ("AGL"), and its Bermuda affiliate, Assured Guaranty Re Ltd. ("AG Re"), respectively. Under these agreements, the Company provides certain services to AGL and AG Re, as applicable and as needed and requested by such companies, including, but not limited to, insurance, investor relations, actuarial, data collection and analysis, claims related services, legal, information technologies, human resources, accounting, tax, financial reporting, regulatory and investment planning services. In addition, under the agreement with AGL, AGL makes available to the Company such employee benefits, including stock options and restricted stock, as may be granted from time to time at the discretion of AGL's Board of Directors. The foregoing service agreements were amended in January 2013 to provide for quarterly settlements and an express right of offset, consistent with the 2010 agreement described above.

For the years ended December 31, 2012 and December 31, 2011, the Company was paid \$84,685,988 and \$75,184,265, respectively, under these affiliate expense sharing agreements.

- G. Nature of Relationships that Could Affect Operations
All outstanding shares of the Company's stock are owned by the Parent, an indirect subsidiary of Assured Guaranty Ltd., a Bermuda incorporated insurance holding company.
- H. Amount Deducted for Investment in Upstream Company
The Company does not own any shares in an upstream intermediate entity or the ultimate parent.
- I. Detail of Investments in Affiliates greater than 10% of Admitted Assets
The Company does not have any investment in an affiliate that exceeds 10% of admitted assets as of December 31, 2012.
- J. Impaired Investments in Subsidiaries, Controlled and Affiliated ("SCA")
There were no write-downs of SCA entities due to impairments during the year ended December 31, 2012.
- K. The Company is not a life insurance company and is not subject to the Commissioner's Annuity Reserve Valuation Method ("CARVM") and the related Actuarial guidelines.
- L. The Company does not hold any investment in a downstream non-insurance holding company.

11. Debt

The Company has no debt outstanding, nor has it guaranteed any debt of an affiliate as of December 31, 2012.

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

A. Defined Benefit Plan

The Company does not sponsor a defined benefit plan.

B. Defined Contribution Plan

The Company maintains a savings incentive plan, which is qualified under Section 401(a) of the Internal Revenue Code. The savings incentive plan is available to all full-time employees. Eligible participants may contribute a percentage of their salary subject to a maximum of \$17,000 for 2012 under IRS limits. Contributions are matched by the Company at a rate of 100% up to 6% of the participant's compensation, subject to IRS limits. The Company contributes an additional 6% "profit sharing" up to the amount permitted by IRS limits. Amounts in excess of those permitted by the IRS limits are contributed to a non-qualified supplemental executive retirement plan ("SERP"). Employees are fully vested after 1 year of service, as defined in both plans and plan eligibility is immediate upon hire, as defined in both plans. The Company also maintains similar non qualified plans for non-US employees.

The Company's expense for the defined contribution plans was \$1.1 million and \$1.1 million for the years ended December 31, 2012 and 2011, respectively.

Total expense incurred under the profit sharing plans was \$1.1 million and \$1.2 million for the years ended December 31, 2012 and 2011, respectively.

- C. Multiemployer Plans – not applicable
- D. Consolidated/Holding Company Plans – not applicable
- E. Post-employment Benefits and Compensating Absences – not applicable
- F. Impact of Medicare Modernization Act on post-retirement benefits – not applicable

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

- 1. The Company has 500,000 shares of \$720 par value common stock authorized and 20,834 shares issued and outstanding as of December 31, 2012. Under the committed capital facility, the Company is authorized to issue 200,000 shares of preferred stock, of which none is issued or outstanding.
- 2. The Company has no preferred stock outstanding.
- 3. Under Maryland's insurance law, AGC may pay dividends in any twelve-month period in an aggregate amount not exceeding the lesser of (a) 10% of policyholders' surplus or (b) net investment income at the preceding December 31 (including net investment income that has not already been paid out as dividends for the three calendar years prior to the preceding calendar year) with notice to, but without prior approval of, the Maryland Commissioner of Insurance. As of December 31, 2012, the amount available for distribution from AGC during 2013 with notice to, but without prior approval of, the Maryland Commissioner of Insurance was approximately \$90.5 million. Dividends of \$55.0 million and \$30.0 million were paid in 2012 and 2011, respectively.

NOTES TO FINANCIAL STATEMENTS

4. The Company paid dividends to its Parent of \$15,000,480 on March 15 and \$40,001,280 on May 15, 2012. All dividends were ordinary, not requiring regulatory approval.
5. In accordance with 13(3) above, on the amount of dividends that can be paid in a 12-month period, the Company has \$90.5 million available for payment of dividends as of the filing of this statement as of December 31, 2012.
6. The Company has no restrictions on unassigned surplus.
7. The Company is not a mutual company; as such, there were no mutual surplus advances during 2012.
8. The Company holds no stock for special purposes.
9. There were no special surplus funds as of December 31, 2012.
10. The portion of unassigned funds (surplus) represented by cumulative unrealized losses is \$30,628,581.
11. On December 18, 2009, the Company borrowed \$300 million of surplus notes from an affiliate, Assured Guaranty Municipal Corp ("AGM"), a New York domiciled insurance company, all of which are outstanding at December 31, 2012. These notes are interest bearing at a rate of 5% per annum. Principal of the surplus notes are payable at December 31, 2029 or sooner at the option of the Company, subject to prior approval of the Maryland Insurance Administration and compliance with the conditions to such payments as contained in the laws of the State of Maryland. The Company paid interest on these notes to AGM of \$15 million on December 19, 2012 and \$15 million on December 30, 2011.
- 12-13. Quasi-Reorganization – not applicable.

14. Contingencies

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

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. For example, as described below in "Recovery Litigation—RMBS Transactions," as of the date of this filing, AGC has filed complaints against certain sponsors and underwriters of residential mortgage backed securities ("RMBS") that AGC had insured, alleging, among other claims, that such persons had breached representations and warranties ("R&W") in the transaction documents, failed to cure or repurchase defective loans and/or violated state securities laws. The amounts, if any, the Company will recover in proceedings to recover losses are uncertain, and recoveries, or failure to obtain recoveries, in any one or more of these proceedings during any quarter or fiscal year could be material to the Company's results of operations in that particular quarter or year.

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

Beginning in July 2008, AGC's affiliate AGM and various other financial guarantors were named in complaints filed in the Superior Court for the State of California, City and County of San Francisco. Since that time, plaintiffs' counsel has filed amended complaints against AGM, AGC and added additional plaintiffs. As of the date of this filing, the plaintiffs with complaints against AGC and AGM, among other financial guaranty insurers, are: (a) City of Los Angeles, acting by and through the Los Angeles Department of Water and Power; (b) City of Sacramento; (c) City of Los Angeles; (d) City of Oakland; (e) City of Riverside; (f) City of Stockton; (g) County of Alameda; (h) Contra Costa County; (i) County of San Mateo; (j) Los Angeles World Airports; (k) City of Richmond; (l) Redwood City; (m) East Bay Municipal Utility District; (n) Sacramento Suburban Water District; (o) City of San Jose; (p) County of Tulare; (q) The Regents of the University of California; (r) The Redevelopment Agency of the City of Riverside; (s) The Public Financing Authority of the City of Riverside; (t) The Jewish Community Center of San Francisco; (u) The San Jose Redevelopment Agency; (v) The Redevelopment Agency of the City of Stockton; (w) The Public Financing Authority of the City of Stockton; and (x) The Olympic Club. Complaints filed by the City and County of San Francisco and the Sacramento Municipal Utility District were subsequently dismissed as to AGC and AGM. These complaints allege that the financial guaranty insurer defendants (i) participated in a conspiracy in violation of California's antitrust laws to maintain a dual credit rating scale that misstated the credit default risk of municipal bond issuers and created market demand for municipal bond insurance, (ii) participated in risky financial transactions in other lines of business that damaged each insurer's financial condition (thereby undermining the value of each of their guaranties), and (iii) failed to adequately disclose the impact of those transactions on their financial condition. In addition to their antitrust claims, various plaintiffs in these actions assert claims for breach of the covenant of good faith and fair dealing, fraud, unjust enrichment, negligence, and negligent misrepresentation. At hearings held in July and October 2011 relating to AGC, AGM and the other defendants' demurrer, the court overruled the demurrer on the following claims: breach of contract, violation of California's antitrust statute and of its unfair business practices law, and fraud. The remaining claims were dismissed. On December 2, 2011, AGC, AGM and the other bond insurer defendants filed an anti-SLAPP ("Strategic Lawsuit Against Public Participation") motion to strike the complaints under California's Code of Civil Procedure. On May 1, 2012, the court ruled in favor of the bond insurer defendants on the first stage of the

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anti-SLAPP motion as to the causes of action arising from the alleged conspiracy, but denied the motion as to those causes of action based on transaction specific representations and omissions about the bond insurer defendants' credit ratings and financial health. The court has scheduled a hearing on the second stage of the anti-SLAPP motion for March 12, 2013. The complaints in these lawsuits generally seek unspecified monetary damages, interest, attorneys' fees, costs and other expenses. The Company cannot reasonably estimate the possible loss, if any, or range of loss that may arise from these lawsuits.

On April 8, 2011, AG Re and AGC filed a Petition to Compel Arbitration with the Supreme Court of the State of New York, requesting an order compelling Ambac to arbitrate Ambac's disputes with AG Re and AGC concerning their obligations under reinsurance agreements with Ambac. In March 2010, Ambac placed a number of insurance policies that it had issued, including policies reinsured by AG Re and AGC pursuant to the reinsurance agreements, into a segregated account. The Wisconsin state court has approved a rehabilitation plan whereby permitted claims under the policies in the segregated account will be paid 25% in cash and 75% in surplus notes issued by the segregated account. Ambac has advised AG Re and AGC that it has and intends to continue to enter into commutation agreements with holders of policies issued by Ambac, and reinsured by AG Re and AGC, pursuant to which Ambac will pay a combination of cash and surplus notes to the policyholder. AG Re and AGC have informed Ambac that they believe their only current payment obligation with respect to the commutations arises from the cash payment, and that there is no obligation to pay any amounts in respect of the surplus notes until payments of principal or interest are made on such notes. Ambac has disputed this position on one commutation and may take a similar position on subsequent commutations. On April 15, 2011, attorneys for the Wisconsin Insurance Commissioner, as Rehabilitator of Ambac's segregated account, and for Ambac filed a motion with Lafayette County, Wis., Circuit Court Judge William Johnston, asking him to find AG Re and AGC to be in violation of an injunction protecting the interests of the segregated account by their seeking to compel arbitration on this matter and failing to pay in full all amounts with respect to Ambac's payments in the form of surplus notes. On June 14, 2011, Judge Johnston issued an order granting the Rehabilitator's and Ambac's motion to enforce the injunction against AGC and AG Re and the parties filed a stipulation dismissing the Petition to Compel Arbitration without prejudice. AGC and AG Re have appealed Judge Johnston's order to the Wisconsin Court of Appeals.

On November 28, 2011, Lehman Brothers International (Europe) (in administration) ("LBIE") sued AG Financial Products Inc. ("AG Financial Products"), an affiliate of AGC which in the past had provided credit protection to counterparties under credit default swaps. AGC acts as the credit support provider of AG Financial Products under these credit default swaps. LBIE's complaint, which was filed in the Supreme Court of the State of New York, alleged that AG Financial Products improperly terminated nine credit derivative transactions between LBIE and AG Financial Products and improperly calculated the termination payment in connection with the termination of 28 other credit derivative transactions between LBIE and AG Financial Products. With respect to the 28 credit derivative transactions, AG Financial Products calculated that LBIE owes AG Financial Products approximately \$25 million, whereas LBIE asserted in the complaint that AG Financial Products owes LBIE a termination payment of approximately \$1.4 billion. LBIE is seeking unspecified damages. On February 3, 2012, AG Financial Products filed a motion to dismiss certain of the counts in the complaint. Oral arguments on such motion to dismiss took place in September 2012. The Company cannot reasonably estimate the possible loss, if any, that may arise from this lawsuit.

Recovery Litigation***RMBS Transactions***

As of the date of this filing, AGC and its affiliate AGM have lawsuits pending against a number of providers of representations and warranties in U.S. RMBS transactions that it has insured, seeking damages. In all the lawsuits, AGC and AGM have alleged breaches of R&W in respect of the underlying loans in the transactions, and failure to cure or repurchase defective loans identified by AGC and AGM to such persons. In addition, AGC and AGM have brought actions against providers of R&W in U.S. RMBS transactions that they have insured, alleging breaches of R&W in respect of the underlying loans in the transactions, breaches of contract in procuring falsely inflated shadow ratings (a condition to the issuance by AGC and AGM of its policies) by providing false and misleading information to the rating agencies.

In this regard, AGC has sued JPMorgan Chase & Co.'s affiliate EMC Mortgage LLC, J.P. Morgan Securities Inc. (formerly known as Bear, Stearns & Co. Inc.) and JPMorgan Chase Bank, N.A. on the SACO I Trust 2005-GP1 second lien transaction and EMC Mortgage LLC on the Bear Stearns Asset Backed Securities I Trust 2005-AC5 and Bear Stearns Asset Backed Securities I Trust 2005-AC6 first lien transactions.

In addition, AGC and AGM have sued DLJ Mortgage Capital, Inc. ("DLJ") and Credit Suisse Securities (USA) LLC ("Credit Suisse"). The first lien U.S. RMBS transactions that AGC has insured are CSAB Mortgage-Backed Pass Through Certificates, Series 2007-1 and TBW Mortgage-Backed Pass Through Certificates, Series 2007-2. On December 6, 2011, DLJ and Credit Suisse filed a motion to dismiss the cause of action asserting breach of the document containing the condition precedent regarding the rating of the securities and claims for rescissory damages and other relief in the complaint, and on October 11, 2012, the Supreme Court of the State of New York granted the motion to dismiss. AGC and AGM have appealed. The causes of action against DLJ for breach of R&W and breach of its repurchase obligations remain and discovery is ongoing.

15. Leases

- A. In July 2008, the Company entered into a five-year lease agreement on the rental of office space at 1251 Avenue of the Americas, New York, NY 10019. The Company also has agreements in Sydney, Australia and Irvine, CA. Rental expense for the year ended December 31, 2012 was \$3,169,163 and \$4,353,616 for the year ended December 31, 2011.

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Future minimum rental payments are as follows (in thousands)

	Year Ended December 31,
2013	5,402.1
2014	545.7
2015	533.2
2016	396.1
2017	—
Thereafter	—
Total	<u>\$6,877.1</u>

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

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

The Company is not a party to any financial instruments with off-balance sheet risk or credit risk concentration other than its financial guaranty business.

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

- A. The Company has not sold or transferred any receivables during 2012.
- B. The Company has not transferred or serviced any financial assets during 2012.
- C. The Company did not engage in any wash sale transactions during 2012.

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

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

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

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

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 has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level hierarchy as reflected in the table below. 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 Company has no assets or liabilities measured at fair value in this category.

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.

NOTES TO FINANCIAL STATEMENTS

Bonds

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

The fair value of bonds in the investment portfolio is generally based on quoted market prices received from third party pricing services or alternative pricing sources with reasonable levels of price transparency. The pricing services prepare estimates of fair value measurements using their pricing applications, which include available relevant market information, benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing. Additional valuation factors that can be taken into account are nominal spreads and liquidity adjustments. The pricing services evaluate each asset class based on relevant market and credit information, perceived market movements, and sector news. The market inputs used in the pricing evaluation, listed in the approximate order of priority include: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, reference data and industry and economic events. The extent of the use of each input is dependent on the asset class and the market conditions. Given the asset class, the priority of the use of inputs may change or some market inputs may not be relevant. Additionally, the valuation of fixed maturity investments is more subjective when markets are less liquid due to the lack of market based inputs, which may increase the potential that the estimated fair value of an investment is not reflective of the price at which an actual transaction would occur. The vast majority of fixed maturities are classified as Level 2.

Stocks

The Company's Stocks are comprised primarily of investments in subsidiaries. Investments in subsidiaries are carried on the equity basis, to the extent admissible.

2. Rollforward of Level 3 Items

The company did not have any transfers into or out of level 3 during the year ended December 31, 2012.

3. Policy on Transfers Into and Out of Level 3

Transfers in and out of Level 3 are recognized at the end of the quarter when the Company evaluates whether securities with unobservable inputs need to be carried at fair value. There were no securities carried at fair value at December 31, 2012.

4. Inputs and Techniques Used for Level 3 Fair Values

Level 3 securities were priced with the assistance of an independent third party. The pricing is based on a discounted cash flow approach using third party sources and proprietary pricing models. The models use inputs such as projected prepayment speeds; severity assumptions; recovery lag assumptions; estimated default rates (determined on the basis of an analysis of collateral attributes, historical collateral performance, borrower profiles and other features relevant to the evaluation of collateral credit quality); house price depreciation/appreciation rates based on macroeconomic forecasts and recent trading activity. The yield used to discount the projected cash flows is determined by reviewing various attributes of the bond, including collateral type, weighted average life, sensitivity to losses, vintage and convexity, in conjunction with market date 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 December 31, 2012.

B. Other Fair Value Disclosures

The fair value of the Company's financial guaranty contracts accounted for as insurance was approximately \$4.0 billion at December 31, 2012 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 the pricing assumptions management has observed for portfolio transfers 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 significant inputs were not readily observable. The Company accordingly 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.

<i>(in thousands of dollars)</i>					
Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3
Bonds	\$ 2,626,823	\$ 2,438,199	\$ —	\$ 2,536,745	\$ 90,078
Common stocks	—	—	—	—	—
Cash equivalents and short-term investments	129,253	129,251	59,340	69,913	—
Other invested assets	9,288	9,288	9,288	—	—
Total assets	\$ 2,765,364	\$ 2,576,738	\$ 68,628	\$ 2,606,658	\$ 90,078

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

Not applicable

NOTES TO FINANCIAL STATEMENTS

21. Other Items

- A. The Company had no extraordinary items during 2012.
- B. The Company has no debt restructuring during 2012.
- C. The Company has no unusual items to disclose during 2012.
- D. As of December 31, 2012, the Company had uncollected premiums of \$31,216,070. Uncollected premiums more than 90 days past due were \$1,576,292
- E. The Company had no business interruption insurance recoveries during 2012.
- F. The Company has no State Transferable Tax Credits during 2012.
- G. Subprime Mortgage-Related Exposure
(1) through (3)

The Company purchased securities with subprime mortgage related exposures that it has insured, and for which it has expected losses to be paid, 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. Securities rated lower than A-/A3 by S&P or Moody's are not eligible to be purchased for the Company's portfolio unless acquired for loss mitigation or risk management strategies.

As of December 31, 2012	Actual Cost	Book Value	Fair Value	OTTI Recognized
RMBS	\$ 11,037,879	\$ 12,957,227	\$ 11,314,694	\$ (26,877,567)
Total	\$ 11,037,879	\$ 12,957,227	\$ 11,314,694	\$ (26,877,567)

(4) Underwriting Exposure

Year-End 2012 Compared to Year-End 2011 U.S. RMBS Loss Projections

The Company's RMBS loss projection methodology assumes that the housing and mortgage markets will eventually improve. Each quarter 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 quarter of the performance of its insured transactions (including early stage delinquencies, late stage delinquencies and, for first liens, 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 whether those changes are normal fluctuations or part of a trend. Based on such observations, the Company chose to use essentially the same assumptions and scenarios to project RMBS losses as of December 31, 2012 as it used as of December 31, 2011, except that as compared to December 31, 2011:

- in its most optimistic scenario, it reduced by three months the period it assumed it would take the mortgage market to recover; and
- in its most pessimistic scenario, it increased by three months the period it assumed it would take the mortgage market to recover.

The Company's use of essentially the same methodology and scenarios to project RMBS losses as of December 31, 2012 as at December 31, 2011 was consistent with its view at December 31, 2012 that the housing and mortgage market recovery is occurring at a slower pace than it anticipated at December 31, 2011. The Company's changes during 2012 to the period it would take the mortgage market to recover in its most optimistic scenario and its most pessimistic scenario allowed it to consider a wider range of possibilities for the speed of the recovery. Since the Company's projections for each RMBS transaction are based on the delinquency performance of the loans in that individual RMBS transaction, improvement or deterioration in that aspect of a transaction's performance impacts the projections for that transaction. The methodology and assumptions the Company uses to project RMBS losses and the scenarios it employs are described in more detail below under "- U.S. Second Lien RMBS Loss Projections: Home Equity Lines of Credit ("HELOCs") and Closed-End Second Lien" and "- U.S. First Lien RMBS Loss Projections: Alt A First Lien, Option ARM, Subprime and Prime".

Year-End 2011 Compared to Year-End 2010 U.S. RMBS Loss Projections

During each quarter of 2011 the Company made a judgment as to whether to change the assumptions it used to make RMBS loss projections based on its observation during the quarter of the performance of its insured transactions (including early stage delinquencies, late stage delinquencies and, for first liens, loss severity) as well as the residential property market and economy in general, and, to the extent it observes changes, it made a judgment as whether those changes were normal fluctuations or part of a trend. Based on such observations, the Company chose to use essentially the same methodology and scenarios to project RMBS loss as of December 31, 2011 as it used as of December 31, 2010, except that as compared to December 31, 2010:

- based on its observation of the slow mortgage market recovery, the Company increased its base case expected period for reaching the final conditional default rate in second lien transactions and adjusted the probability weightings it applied to second lien scenarios from year-end 2010 to reflect the changes to those scenarios;
- also based on its observation of the slow mortgage market recovery the Company added a more stressful first lien scenario at year-end 2011 reflecting an even slower potential recovery in the housing and mortgage markets, making what had prior to that been a stress scenario its base scenario;
- based on its observation of increased loss severity rates, the Company increased its projected loss severity rates in various of its first lien scenarios; and
- based on its observation of liquidation rates, the Company decreased the liquidation rates it applied to non-performing loans.

NOTES TO FINANCIAL STATEMENTS

The Company's use of essentially the same methodology and scenarios to project RMBS losses as of December 31, 2011 as at December 31, 2010 was consistent with its view at December 31, 2011 that the housing and mortgage market recovery was occurring at a slower pace than it anticipated at December 31, 2010. Since the Company's projections for each RMBS transaction are based on the delinquency performance of the loans in that individual RMBS transaction, improvement or deterioration in that aspect of a transaction's performance impacts the projections for that transaction. The methodology the Company uses to project RMBS losses and the scenarios it employs are described in more detail below under "- U.S. Second Lien RMBS Loss Projections: Home Equity Lines of Credit ("HELOCs") and Closed-End Second Lien" and "- U.S. First Lien RMBS Loss Projections: Alt A First Lien, Option ARM, Subprime and Prime".

U.S. Second Lien RMBS Loss Projections: Home Equity Lines of Credit ("HELOCs") and Closed-End Second Lien

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

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

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

The following table shows the range of key assumptions for the calculation of loss reserves for individual transactions for direct vintage 2004 - 2008 second lien U.S. RMBS.

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

	As of December 31, 2012	As of December 31, 2011
HELOC key assumptions		
Plateau conditional default rate ("CDR")	6.9 - 12.6 %	6.4 – 21.1%
Final CDR trended down to	0.5 - 2.2 %	0.5 - 2.2%
Expected period until final CDR	36 months	36 months
Initial conditional prepayment rate ("CPR")	4.9 - 15.4 %	3.5 – 24.6%
Final CPR	10%	10%
Loss Severity	98%	98%
Initial Draw Rate	0.0 - 0.2%	0.0 – 0.4%
	As of December 31, 2012	As of December 31, 2011
CES key assumptions		
Plateau CDR	7.3 - 14.3 %	6.9 – 24.8%
Final CDR Rate trended down to	3.5 - 9.1 %	3.5 - 9.1%
Expected period until final CDR achieved	36 months	36 months
Initial CPR	1.9 - 12.5%	0.9 – 14.7%
Final CPR	10%	10%
Loss Severity	98%	98%

(1) Represents variables for most heavily weighted scenario (the "base case").

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

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2012, for the base case scenario, the CDR (the “plateau CDR”) was held constant for one month. 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. In the base case scenario, the time over which the CDR trends down to its final CDR is 30 months. Therefore, the total stress period for second lien transactions is 36 months, comprising five months of delinquent data, a one month plateau period and 30 months of decrease to the steady state CDR. This is the same as December 31, 2011, but 12 months longer than the total stress period of 24 months (comprising five months of delinquent data, a one month plateau period and 18 months of decrease to the steady state CDR) it used for December 31, 2010. The long-term steady state CDR is calculated as the constant CDR that would have yielded the amount of losses originally expected at underwriting. When a second lien loan defaults, there is generally a very low recovery. Based on current expectations of future performance, the Company assumes that it will only recover 2% of the collateral, the same as December 31, 2011 and December 31, 2010.

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected (which is a function of the CDR and the loan balance over time) as well as the amount of excess spread (which is the excess of the interest paid by the borrowers on the underlying loan over the amount of interest and expenses owed on the insured obligations). In the base case, the current CPR (based on experience of the most recent three quarters) is assumed to continue until the end of the plateau before gradually increasing to the final CPR over the same period the CDR decreases. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant. The final CPR is assumed to be 10% for both HELOC and closed-end second lien transactions. This level is much higher than current rates for most transactions, but lower than the historical average, which reflects the Company’s continued uncertainty about the projected performance of the borrowers in these transactions. This pattern is consistent with how the Company modeled the CPR at December 31, 2011 and December 31, 2010. To the extent that prepayments differ from projected levels it could materially change the Company’s projected excess spread and losses.

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

In estimating expected losses, the Company modeled and probability weighted three possible CDR curves 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 is the primary driver behind the likely amount of losses the collateral will suffer (before considering the effects of repurchases of ineligible loans). The Company continues to evaluate the assumptions affecting its modeling results.

As of December 31, 2012, the Company’s base case assumed a one month CDR plateau period that follows the embedded five months of losses and a 30 month ramp-down (for a total stress period of 36 months). The Company also modeled a scenario with a longer period of elevated defaults and another with a shorter period of elevated defaults and weighted them the same as of December 31, 2011. Increasing the CDR plateau to four months and increasing the ramp-down by three months to 33 months (for a total stress period of 42 months) would increase the loss reserve by approximately \$5.9 million for HELOC transactions and \$0.6 million for closed-end second lien transactions. On the other hand, keeping the CDR plateau at one month but decreasing the length of the CDR ramp-down to 21 months (for a total stress period of 27 months) would decrease the loss reserve by approximately \$6.1 million for HELOC transactions and \$0.6 million for closed-end second lien transactions. The length of the total stress period the Company used in its pessimistic scenario December 31, 2012 was three months longer than the total stress period it used at December 31, 2011 and 15 months longer than the total stress period it used at December 31, 2010. On the other hand, the total stress period the Company used in its optimistic scenario at December 31, 2012 was three months shorter than the total stress period it used at December 31, 2011 but nine months longer than the total stress period it used at December 31, 2010.

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

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

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

The majority of projected losses in first lien RMBS transactions are expected to come from non-performing mortgage loans (those that are delinquent or in foreclosure or where the loan has been foreclosed and the RMBS issuer owns the underlying real estate). 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 delinquency categories. The Company arrived at its liquidation rates based on data purchased from a third party and assumptions about how delays in the foreclosure process may ultimately affect the rate at which loans are liquidated. The liquidation rate is a standard industry measure that is used to estimate the number of loans in a given aging category that will default within a specified time period. The Company projects these liquidations to occur over two years. For both year-end 2012 and year-end 2011 the Company reviewed the data supplied by the third-party provider. Based on its review of that data, the Company maintained the same liquidation assumptions at December 31, 2012 as it had used at December 31, 2011. The following table shows liquidation assumptions for various delinquency categories.

NOTES TO FINANCIAL STATEMENTS

The following table shows liquidation assumptions for various delinquency categories.

	December 31, 2012	December 31, 2011
30 - 59 Days Delinquent		
Alt-A and Prime	35%	35%
Option ARM	50	50
Subprime	30	30
60 - 89 Days Delinquent		
Alt-A and Prime	55	55
Option ARM	65	65
Subprime	45	45
90+ Days Delinquent		
Alt-A and Prime	65	65
Option ARM	75	75
Subprime	60	60
Bankruptcy		
Alt-A and Prime	55	55
Option ARM	70	70
Subprime	50	50
Foreclosure		
Alt-A and Prime	85	85
Option ARM	85	85
Subprime	80	80
Real Estate Owned ("REO")		
All	100%	100%

While the Company uses liquidation rates as described above to project defaults of non-performing loans, it projects defaults on presently current loans by applying a CDR trend. The start of that CDR trend is based on the defaults the Company projects will emerge from currently nonperforming 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 24 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 base case, after the initial 24-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. Under the Company’s methodology, defaults projected to occur in the first 24 months represent defaults that can be attributed to loans that are currently delinquent or in foreclosure, while the defaults projected to occur using the projected CDR trend after the first 24 month period represent defaults attributable to borrowers that are currently performing. The CDR trend the Company used in its base case for December 31, 2012 was the same as it used for December 31, 2011.

Another important driver of loss projections is loss severity, which is the amount of loss the transaction incurs on a loan after the application of net proceeds from the disposal of the underlying property. Loss severities experienced in first lien transactions have reached historic high levels, and the Company is assuming that these high levels generally will continue for another year (in the case of subprime loans, the Company assumes the unprecedented 90% loss severity rate will continue for six months then drop to 80% for six months before following the ramp described below). The Company determines its initial loss severity based on actual recent experience. The Company’s loss severity assumptions for December 31, 2012 were the same as it used for December 31, 2011. The Company then assumes that loss severities begin returning to levels consistent with underwriting assumptions beginning in June 2013, and in the base case scenario, decline over two years to 40%.

NOTES TO FINANCIAL STATEMENTS

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

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

	As of December 31, 2012	As of December 31, 2011
Alt-A First Lien		
Plateau CDR	3.8% - 20.1%	2.8% - 21.7%
Intermediate CDR	0.8% - 4.0%	0.6% - 4.3%
Final CDR	0.2% - 1.0%	0.1% - 1.1%
Initial loss severity	65%	65%
Initial CPR	1.7% - 39.4%	1.1% - 37.5%
Final CPR	15%	15%
Option ARM		
Plateau CDR	7.6% - 26.0%	9.6% - 26.4%
Intermediate CDR	1.5% - 5.2%	1.9% - 5.3%
Final CDR	0.4% - 1.3%	0.5% - 1.3%
Initial loss severity	65%	65%
Initial CPR	0.0% - 10.7%	0.0% - 29.1%
Final CPR	15%	15%
Subprime		
Plateau CDR	7.3% - 21.2%	8.3% - 25.4%
Intermediate CDR	1.5% - 4.2%	1.7% - 5.1%
Final CDR	0.4% - 1.1%	0.4% - 1.3%
Initial loss severity	90%	90%
Initial CPR	0.0% - 17.6%	0.0% - 16.3%
Final CPR	15%	15%

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

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected (since that amount is a function of the conditional default rate, 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 CPR follows a similar pattern to that of the conditional default rate. The current level of voluntary prepayments is assumed to continue for the plateau period before gradually increasing over 12 months to the final CPR, which is assumed to be either 10% or 15% depending on the scenario run. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant. These assumptions are the same as those it used for December 31, 2011 and December 31, 2010.

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

In estimating loss reserves, the Company modeled and probability weighted sensitivities for first lien transactions by varying its assumptions of how fast a recovery is expected to occur. One of the variables used to model sensitivities was how quickly the conditional default rate returned to its modeled equilibrium, which was defined as 5% of the current conditional default rate. The Company also stressed CPR and the speed of recovery of loss severity rates. The Company probability weighted a total of five scenarios (including its base case) as of December 31, 2012. For December 31, 2012 the Company used the same five scenarios and weightings as it used for December 31, 2011 except that for December 31, 2012 it assumed in the most stressful scenario that the recovery would occur three months more slowly and in the most optimistic scenario that it would occur three months more quickly than it had assumed would be the case for December 31, 2011. For December 31, 2010 the Company used only four scenarios, and there were some other differences in the assumptions used for the December 31, 2010 as compared to those used for December 31, 2012. In a somewhat more stressful environment than that of the base case, where the conditional default rate plateau was extended three months (to be 27 months long) before the same more gradual conditional default rate recovery and loss severities were assumed to recover over four rather than two years (and subprime loss severities were assumed to recover only to 60%), expected loss to be paid would increase from current projections by approximately \$42.1 million for Alt-A first liens, \$4.4 million for Option ARM, \$16.4 million for subprime and \$3.5 million for prime transactions. In an even more stressful scenario where loss severities were assumed to rise and then recover over eight years and the initial ramp-down of the conditional default rate was assumed to occur over 15 months (rather than 12 months as of December 31, 2011) and other assumptions were the same as the other stress scenario, loss reserves would increase from current projections by approximately \$112.1 million for Alt-A first liens, \$20.1 million for Option ARM, \$26.0 million for subprime and \$12.2 million for prime transactions. The Company also considered two scenarios where the recovery was faster than in its base case. In a scenario with a somewhat less stressful environment than the base case, where conditional default rate recovery was somewhat less gradual and the initial subprime loss severity rate was assumed to be 80% for 12 months and was assumed to recover to 40% over two years, loss reserves would decrease from current projections by approximately \$4.9 million for Alt-A first lien, \$0.7 million for Option ARM, \$4.6 million for subprime and \$0.5 million for prime transactions. In an even less stressful scenario where the conditional default rate plateau was three months shorter (21 months, effectively assuming that liquidation rates would improve) and the conditional default rate recovery was more pronounced, (including an initial ramp-down of the conditional default rate over nine months rather than 12 months as at December 31, 2011), loss reserves would decrease from current projections by approximately \$38.7 million for Alt-A first lien, \$4.0 million for Option ARM, \$13.4 million for subprime and \$1.5 million for prime transactions.

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Breaches of Representations and Warranties

Generally, when mortgage loans are transferred into a securitization, the loan originator(s) and/or sponsor(s) provide R&W, that the loans meet certain characteristics, and a breach of such R&W often requires that the loan be repurchased from the securitization. In many of the transactions the Company insures, it is in a position to enforce these requirements. The Company uses internal resources as well as third party forensic underwriting firms and legal firms to pursue breaches of R&W. If a provider of R&W refuses to honor its repurchase obligations, the Company may choose to initiate litigation. See "Recovery Litigation" in Note 14.

The Company's success in pursuing R&W claims against a number of counterparties that provided R&W on a loan by loan basis has permitted the Company to pursue reimbursement agreements with R&W providers. Such agreements provide the Company with many of the benefits of pursuing the R&W claims but without the expense and uncertainty of pursuing the R&W claims on a loan by loan basis.

The Company may also employ other strategies as appropriate to avoid or mitigate losses in U.S. RMBS or other areas, including pursuing litigation in areas other than RMBS or entering into other arrangements to alleviate or reduce all or a portion of certain risks.

The Company is pursuing reimbursements for breaches of R&W regarding loan characteristics. Performance of the collateral underlying certain first and second lien securitizations has substantially differed from the Company's original expectations. The Company has employed several loan file diligence firms and law firms as well as devoted internal resources to review the mortgage files surrounding many of the defaulted loans. The Company's success in these efforts has resulted in several negotiated agreements in respect of the Company's R&W claims, including one on April 14, 2011 with Bank of America and one on May 8, 2012 with Deutsche Bank AG.

On April 14, 2011, Assured Guaranty reached a comprehensive agreement with Bank of America Corporation and its subsidiaries, including Countrywide Financial Corporation and its subsidiaries (collectively, "Bank of America"), regarding their liabilities with respect to 29 residential mortgage-backed security ("RMBS") transactions insured by Assured Guaranty, including claims relating to reimbursement for breaches of representations and warranties ("R&W") and historical loan servicing issues ("Bank of America Agreement"). Of the 29 RMBS transactions, eight were second lien transactions and 21 were first lien transactions. The Bank of America Agreement covers Bank of America-sponsored securitizations that AGC has insured, as well as certain other securitizations containing concentrations of Countrywide-originated loans that AGC has insured. The AGC-insured transactions covered by the Bank of America Agreement have a gross par outstanding of approximately \$1.0 billion (\$0.7 billion net par outstanding) as of December 31, 2012.

Bank of America paid the Company \$1,043 million in 2011 in respect of covered second lien transactions (of which \$221 million was related to AGC-insured transactions) and \$57 million in March 2012 (of which \$12 million was related to AGC-insured transactions). In consideration of the \$1.1 billion, the Company has agreed to release its claims for the repurchase of mortgage loans underlying the eight second lien transactions (i.e., Assured Guaranty will retain the risk of future insured losses without further offset for R&W claims against Bank of America).

In addition, Bank of America will reimburse Assured Guaranty 80% of claims Assured Guaranty pays on the 21 first lien transactions, until aggregate collateral losses on such RMBS transactions reach \$6.6 billion. As of December 31, 2012, collateral losses on Assured Guaranty's 21 first lien RMBS transactions (of which nine are insured by AGC), were approximately \$3.1 billion (\$136 million related to AGC). Assured Guaranty estimates that cumulative projected collateral losses for these 21 first lien transactions will be \$5.1 billion (\$444 million related to AGC). The Company accounts for the 80% loss sharing agreement with Bank of America as subrogation.

As Assured Guaranty calculates expected losses for these 21 first lien transactions, such expected losses will be offset by an R&W benefit from Bank of America for 80% of these amounts. As of December 31, 2012, Bank of America had placed \$812 million of eligible assets in trust in order to collateralize the reimbursement obligation relating to the first lien transactions. The amount of assets required to be posted may increase or decrease from time to time, as determined by rating agency requirements. As of December 31, 2012, and before cessions to reinsurers, the Company collected \$4 million, had invoiced for an additional \$7 million in claims paid in December 2012 and expected to collect an additional \$90 million, on a discounted basis, for covered first lien transactions under the Bank of America Agreement.

On May 8, 2012, Assured Guaranty reached a settlement with Deutsche Bank AG and certain of its affiliates (collectively, "Deutsche Bank"), resolving claims related to certain RMBS transactions issued, underwritten or sponsored by Deutsche Bank that were insured by Assured Guaranty under financial guaranty insurance policies. As part of the settlement agreement (the "Deutsche Bank Agreement"), Assured Guaranty settled its litigation against Deutsche Bank on three RMBS transactions.

Assured Guaranty received a cash payment of \$166 million from Deutsche Bank upon signing of the Deutsche Bank Agreement (of which \$79.3 related to AGC insured transactions), a portion of which partially reimbursed Assured Guaranty for past losses on certain transactions. Assured Guaranty and Deutsche Bank also entered into loss sharing arrangements covering future RMBS related losses, which are described below. Under the Deutsche Bank Agreement, Deutsche Bank AG placed eligible assets in trust in order to collateralize the obligations of a reinsurance affiliate under the loss-sharing arrangements. The Deutsche Bank reinsurance affiliate may be required to post additional collateral in the future to satisfy rating agency requirements. As of December 31, 2012 the balance of the assets held in trust of \$278 million was sufficient to fully collateralize Deutsche Bank's obligations, based on Assured Guaranty's estimate of loss reserves for the transactions covered under the agreement.

The settlement includes eight RMBS transactions ("Covered Transactions") that Assured Guaranty has insured through financial guaranty insurance policies. The Covered Transactions are backed by first lien and second lien mortgage loans. Under the Deutsche Bank Agreement, the Deutsche Bank reinsurance affiliate will reimburse 80% of Assured Guaranty's future losses on the Covered Transactions until Assured Guaranty's aggregate losses (including those to date that are partially reimbursed by the \$166 million cash payment) reach \$319 million. Assured Guaranty currently projects that in the base case the Covered Transactions will not generate aggregate losses in excess of \$319 million. In the event aggregate losses exceed \$389 million, the Deutsche Bank reinsurance affiliate is required to resume reimbursement at the rate of 85% of Assured Guaranty's losses in excess of \$389 million until such losses reach \$600 million. The AGC-insured Transactions represented \$93 million of gross par outstanding (\$79 million on a net basis) as of December 31, 2012.

Certain uninsured tranches ("Uninsured Tranches") of three of the Covered Transactions are included as collateral in RMBS re-securitization transactions. Under the Deutsche Bank Agreement, the Deutsche Bank reinsurance affiliate will reimburse losses in an amount equal to 60% of losses in these Uninsured Tranches until the aggregate losses in the Uninsured Tranches reach \$141

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million. In the event aggregate losses exceed \$161 million, reimbursement resumes at the rate of 60% until the aggregate losses reach \$185 million. The Deutsche Bank reinsurance affiliate is required to reimburse any losses in excess of \$185 million at the rate of 100% until the aggregate losses reach \$248 million. The Uninsured Tranches represent \$306 million of par outstanding as of December 31, 2012. As of December 31, 2012, lifetime losses in the base case are expected to exceed \$144 million (on a discounted basis).

As of December 31, 2012 and before cessions to reinsurers, the AGC collected \$4 million and had invoiced for an additional \$2 million in claims paid in the Fourth Quarter 2012.

The Company has included in its net loss reserves as of December 31, 2012, an estimated benefit from loan repurchases related to breaches of R&W of \$304 million, which includes \$167 million from agreements with R&W providers and \$137 million in transactions where the Company does not yet have such an agreement. Proceeds projected to be reimbursed to the Company on transactions where the Company has already paid claims are viewed as a recovery on paid losses. For transactions where the Company has not already paid claims, projected recoveries reduce projected loss estimates. In either case, projected recoveries have no effect on the amount of the Company's exposure. See "Recovery Litigation" in Note 14 for a description of the related legal proceedings the Company has commenced.

The Company's success in pursuing breaches of R&W is based upon a detailed review of loan files. The Company reviewed approximately 13,136 second lien and 795 first lien loan files (representing approximately \$967 million and \$313 million, respectively, of loans) in transactions as to which it eventually reached agreements. For the RMBS transactions as to which the Company had not settled its claims for breaches of R&W as of December 31, 2012, the Company had performed a detailed review of approximately 906 second lien and 8,819 first lien loan files, representing approximately \$62 million in second lien and \$3.1 billion in first lien outstanding par of loans underlying insured transactions. In the majority of its loan file reviews, the Company identified breaches of one or more R&W regarding the characteristics of the loans, such as misrepresentation of income or employment of the borrower, occupancy, undisclosed debt and non-compliance with underwriting guidelines at loan origination.

Through December 31, 2012 (but including settlements reached through February 28, 2013), the Company has caused entities providing R&Ws to pay or agree to pay approximately \$549 million (gross of reinsurance) in respect of their R&W liabilities for transactions in which the Company has provided a financial guaranty. Of this, \$403 million are payments made or to be made pursuant to agreements with R&W providers and approximately \$146 million are amounts paid into the relevant RMBS financial guaranty transactions pursuant to the transaction documents in the regular course.

The \$403 million of payments made by R&W providers under agreements with the Company includes \$236 million that has already been received by the Company, as well as \$167 million the Company projects receiving in the future pursuant to such currently existing agreements. Because much of that \$167 million is projected to be received through loss-sharing arrangements, the exact amount the Company will receive will depend on actual losses experienced by the covered transactions. This amount is included in the Company's calculated credit for R&W recoveries, described below.

The \$146 million paid by R&W providers were paid in the regular course into the relevant RMBS transactions in accordance with the priority of payments set out in the relevant transaction documents. Because the Company may insure only a portion of the capital structure of a transaction, such payments will not necessarily directly benefit the Company dollar-for-dollar, especially in first lien transactions. However, such payments do reduce collateral pool losses and so usually reduce the Company's loss reserves.

The Company did not incorporate any gain contingencies or damages paid from potential litigation in its estimated repurchases. The amount the Company will ultimately recover related to contractual R&W is uncertain and subject to a number of factors including the counterparty's ability to pay, the number and loss amount of loans determined to have breached R&W and, potentially, negotiated settlements or litigation recoveries. As such, the Company's estimate of recoveries is uncertain and actual amounts realized may differ significantly from these estimates. In arriving at the expected recovery from breaches of R&W, the Company considered the creditworthiness of the provider of the R&W, the number of breaches found on defaulted loans, the success rate in resolving these breaches across those transactions where material repurchases have been made and the potential amount of time until the recovery is realized.

The calculation of expected recovery from breaches of R&W involved a variety of scenarios which ranged from the Company recovering substantially all of the losses it incurred due to violations of R&W to the Company realizing limited recoveries. These scenarios were probability weighted in order to determine the recovery incorporated into the Company's estimate of loss reserves. This approach was used for both loans that had already defaulted and those assumed to default in the future.

The Company assumes that recoveries on second lien transactions that were not subject to the Deutsche Bank Agreement will occur in two to four years from the balance sheet date depending on the scenarios, and that recoveries on transactions backed by Alt-A first lien, Option ARM and Subprime loans will occur as claims are paid over the life of the transactions.

The quality of servicing of the mortgage loans underlying an RMBS transaction influences collateral performance and ultimately the amount (if any) of the Company's insured losses. Assured Guaranty has established a group to mitigate RMBS losses by influencing mortgage servicing, including, if possible, causing the transfer of servicing or establishing special servicing. As a result of Assured Guaranty's efforts, as of February 28, 2013, the servicing of approximately \$0.5 billion mortgage balance of mortgage loans had been transferred to a new servicer and another \$0.3 billion mortgage balance of mortgage loans were being special serviced. ("Special servicing" is an industry term referencing more intense servicing applied to delinquent loans aimed at mitigating losses.) These mortgage loans collateralize RMBS insured by the Company, but since the Company does not insure every RMBS issued in each transaction, the amount of mortgage loans transferred is not directly comparable to the amounts insured by the Company.

Trust Preferred Securities Collateralized Debt Obligations

The Company has insured or reinsured \$4.2 billion of net par of collateralized debt obligations ("CDOs") backed by TruPS and similar debt instruments, or "TruPS CDOs." Of that amount, \$2.3 billion is rated below investment grade ("BIG"). The underlying collateral in the TruPS CDOs consists of subordinated debt instruments such as TruPS issued by bank holding companies and similar instruments issued by insurance companies, real estate investment trusts ("REITs") and other real estate related issuers.

The Company projects losses for TruPS CDOs by projecting the performance of the asset pools across several scenarios (which it weights) and applying the CDO structures to the resulting cash flows. At December 31, 2012, the Company has calculated a

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salvage asset for its TruPS CDOs of \$1.3 million. The decrease in the net loss reserves of approximately \$22 million during 2012 was driven primarily by the termination of certain hedges for amounts lower than their estimated impact on cash flows if they had not been terminated.

“XXX” Life Insurance Transactions

The Company’s \$676 million net par of XXX life insurance transactions as of December 31, 2012 includes \$208 million rated BIG. The BIG “XXX” life insurance reserve securitizations are based on discrete blocks of individual life insurance business. In each such transaction the monies raised by the sale of the bonds insured by the Company were used to capitalize a special purpose vehicle that provides reinsurance to a life insurer or reinsurer. The monies are invested at inception in accounts managed by third-party investment managers.

The BIG “XXX” life insurance transactions consist of two transactions: Ballantyne Re p.l.c and Orkney Re II p.l.c. These transactions had material amounts of their assets invested in U.S. RMBS transactions. Based on its analysis of the information currently available, including estimates of future investment performance, and projected credit impairments on the invested assets and performance of the blocks of life insurance business at December 31, 2012, the Company’s loss reserves are \$9.6 million.

U.S. Public Finance Transactions

U.S. municipalities and related entities have been under increasing pressure over the last few quarters, and a few have filed for protection under the U.S. Bankruptcy Code, entered into state processes designed to help municipalities in fiscal distress or otherwise indicated they may consider not meeting their obligations to make timely payments on their debts. The Company expects that bondholder rights will be enforced. However, some of these developments, and the circumstances surrounding each instance, the ultimate outcome cannot be certain. The Company will continue to analyze developments in each of these matters closely. The municipalities whose obligations the Company has insured or reinsured that have filed for protection under Chapter 9 of the U.S Bankruptcy Code are: Jefferson County, Alabama and Stockton, California. The City Council of Harrisburg, Pennsylvania had also filed a purported bankruptcy petition, which was later dismissed by the bankruptcy court; a receiver for the City of Harrisburg was appointed by the Commonwealth Court of Pennsylvania on December 2, 2011.

The Company has net assumed exposure to Jefferson County, Alabama of \$184 million as of December 31, 2012. On November 9, 2011, Jefferson County filed for bankruptcy under Chapter 9 of the U.S. Bankruptcy Code. Most of the Company's net Jefferson County exposure relates to \$183 million in sewer revenue exposure. The sewer revenue warrants are secured by a pledge of the net revenues of the sewer system. The bankruptcy court has affirmed that the net revenues constitute a “special revenue” under Chapter 9. Therefore, the lien on net revenues of the sewer system survives the bankruptcy filing and such net revenues are not subject to the automatic stay during the pendency of Jefferson County's bankruptcy case. BNY Mellon, as trustee, had brought a lawsuit regarding the amount of net revenues to which it is entitled. Since its bankruptcy filing, Jefferson County had been withholding estimated bankruptcy-related legal expenses and an amount representing a monthly reserve for future expenditures and depreciation and amortization from the monthly payments it had been making to the trustee from sewer revenues for debt service. On June 29, 2012, the Bankruptcy Court ruled that “Operating Expenses” as determined under the bond indenture do not include (1) a reserve for depreciation, amortization, or future expenditures, or (2) an estimate for professional fees and expenses, such that, after payment of Operating Expenses (as defined in the indenture), monies remaining in the Revenue Account created under the bond indenture must be distributed in accordance with the waterfall set forth in the indenture without withholding any monies for depreciation, amortization, reserves, or estimated expenditures that are the subject of this litigation. Whether sufficient net revenues will be available for the payment of regularly scheduled debt service ultimately depends on the bankruptcy court's valuation of the sewer revenue stream. The Company also has assumed exposure of \$1 million to warrants that are payable from Jefferson County's general fund on a "subject to appropriation" basis. In 2012 Jefferson County chose not to make payment under its General Obligation bonds, so the Company has established a loss reserve of \$1 million for these warrants.

On June 28, 2012, the City of Stockton, California filed for bankruptcy under Chapter 9 of the U.S. Bankruptcy Code. The Company's net exposure to Stockton's general fund is \$32 million, consisting of lease revenue bonds. As of December 31, 2012, the Company had paid \$1.3 million in net claims.

The Company has \$8 million of net par exposure to The City of Harrisburg, Pennsylvania, all of which is BIG. The Company has paid \$1.1 million in net claims as of December 31, 2012, and expects a full recovery.

The Company has \$249 million of net par exposure to the Louisville Arena Authority. The bond proceeds were used to construct the KFC Yum Center, home to the University of Louisville men’s and women’s basketball teams. Actual revenues available for debt service are well below original projections, and under the Company’s internal rating scale, the transaction is below investment grade. At December 31, 2012, the Company has loss reserves of \$5.0 million on this transaction.

The Company has no remaining net par exposure to bonds secured by the excess free cash flow of the Foxwoods Casino, run by the Mashantucket Pequot Tribe. The Company had paid \$4.2 million in net claims as of December 31, 2012, and expects a full recovery of such amount.

The Company projects that its total loss reserves from troubled U.S. public finance credits will be \$12.5 million as of December 31, 2012, down from \$20.8 million as of December 31, 2011. This decrease was due primarily to the decrease in loss reserves for Jefferson County.

Manufactured Housing

The Company reinsures a total of \$77 million net par of securities backed by manufactured housing loans, a total of \$74 million rated BIG. The Company has loss reserves of \$8.7 million as of December 31, 2012 compared to \$32.5 thousand as of December 31, 2011.

The following summarizes U.S. subprime loss activity:

- a. The aggregate amount of U.S. subprime related net losses paid in 2012 were \$11,896,286;
- b. The aggregate amount of U.S. subprime related net losses incurred in 2012 was \$10,860,828;
- c. The aggregate amount of U.S. subprime related net case reserves at the end of the current reporting period were \$55,852,412, and
- d. The Company does not establish IBNR reserves.

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22. Events Subsequent

In the last several years, Standard and Poor's Ratings Services ("S&P") and Moody's Investors Service, Inc. ("Moody's") have downgraded the ratings of Assured Guaranty Ltd. and those subsidiaries that they rate, including the financial strength ratings of AGC and AG UK. Most recently, on January 17, 2013, Moody's downgraded the insurance financial strength ratings of AGC and AG UK to A3, from Aa3. The outlook for the ratings is stable. Since November 2012, AGC and AG UK have been rated AA- (stable outlook) by S&P. There can be no assurance that Moody's or S&P will not take further action on AGC or AG UK's ratings.

Subsequent events have been considered through March 1, 2013 for these statutory financial statements which are to be issued March 1, 2013. There were no material events occurring subsequent to December 31, 2012 that have not already been disclosed in these financial statements.

23. Reinsurance

- A. The Company has no unsecured reinsurance recoverable at December 31, 2012.
- B. The Company has no reinsurance recoverable in dispute at December 31, 2012.
- C. Reinsurance Assumed and Ceded

	Assumed Reinsurance		Ceded Reinsurance		Assumed less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
AFFILIATES	\$ 11,056,240	\$ 4,422,496	\$ 275,959,307	\$ 74,931,996	\$ (264,903,067)	\$ (70,509,500)
ALL OTHER	100,643,345	23,102,035	9,776,752	3,392,356	90,866,593	19,709,679
	<u>\$ 111,699,585</u>	<u>\$ 27,524,531</u>	<u>\$ 285,736,059</u>	<u>\$ 78,324,352</u>	<u>\$ (174,036,474)</u>	<u>\$ (50,799,821)</u>

Direct Unearned Premium Reserve: \$926,580,499.

- D. The Company has no uncollectible reinsurance at December 31, 2012.
- E. There is no Company effect from commutation and reassumption of ceded and assumed business at December 31, 2012
- F. The Company has no retroactive reinsurance in effect at December 31, 2012.
- G. The Company does not utilize the deposit method to account for any of its reinsurance transactions.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

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

25. Changes in Incurred Losses and Loss Adjustment Expenses

Incurred losses and loss expenses attributable to insured events of prior years were \$60,679,748 and \$(90,339,019) for the years ended December 31, 2012 and 2011, respectively. The current year increase is primarily due to a slower than expected recovery in the RMBS market. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

The Company is not a participant to any intercompany pooling agreements.

27. Structured Settlements

The Company has not purchased any annuities in 2012.

28. Health Care Receivables

The Company does not have any healthcare receivables at December 31, 2012.

29. Participating Policies

The Company has no participating accident or health contracts during 2012.

30. Premium Deficiency Reserves

The Company has no premium deficiency reserves during 2012.

31. High Deductibles

The Company has not recorded any reserve credits during 2012.

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32. Discounting of Liabilities for Unpaid Losses and Loss Adjustment Expense

The net loss and LAE reserves of \$313,069,988 are discounted at a rate of 5.0%, the approximate taxable equivalent yield on the Company's investment portfolio, amounting to a total discount taken of \$73,729,582.

33. Asbestos/Environmental Reserves

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

34. Subscriber Savings Accounts

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

35. Multiple Peril Crop Insurance

The Company does not write multiple peril crop insurance.

36. Financial Guaranty Insurance**A. (1) Installment Contracts**

- a. The gross unearned premium reserve on an undiscounted basis for the entire book of business that would have been reported had all installment premiums been received at inception would have been \$1,371,683,712 as of December 31, 2012.
- b. Schedule of gross premiums (undiscounted) expected to be collected under all installment contracts (in thousands):

Period	(in thousands)
1st Quarter 2013	\$ 8,889
2nd Quarter 2013	8,626
3rd Quarter 2013	7,953
4th Quarter 2013	7,813
2014	29,243
2015	26,590
2016	24,213
2017	21,796
2018 – 2022	89,030
2023 – 2027	52,027
2028 – 2032	27,777
2032 thereafter	29,447
TOTAL	\$ 333,404

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

Expected future premiums – beginning of year	\$ 315,032
Less premium payments received for existing installment contracts	(36,191)
Expected premium payments for new installment contracts	47,826
Adjustments to the expected future premium payments	6,737
Expected future premiums – end of year	<u>\$ 333,404</u>

(2) Non-installment Contracts

- a. The gross unearned premium reserve on non-installment contracts that was recognized as earned premium on an accelerated basis was \$45,850,205 for the year ended December 31, 2012. Such accelerations are recognized when an insured issue is retired early, is called by the issuer, or is in substance paid in advance through a refunding accomplished by placing U.S. Government securities in escrow.

NOTES TO FINANCIAL STATEMENTS

- b. Schedule of expected gross future earned premium revenue on non-installment contracts as of December 31, 2012 (in thousands):

Period	(in thousands)
1st Quarter 2013	\$ 10,313
2nd Quarter 2013	9,550
3rd Quarter 2013	11,453
4th Quarter 2013	10,536
2014	44,950
2015	45,756
2016	47,572
2017	45,851
2018 – 2022	210,760
2023 – 2027	190,184
2028 – 2032	160,683
2032 thereafter	235,948
TOTAL	<u>\$ 1,023,556</u>

(3) Claim Liability

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

Accretion of Discount	\$ 25,387
Changes in Timing	72,942
New reserves for defaults of insured contracts	21,886
Claim recoveries on prior year reserves	(108,104)
Development in prior year reserves	(43,799)
Change in deficiency reserves	0
Change in incurred but not reported claims	0
TOTAL	<u>\$ (31,688)</u>

(4) Risk Management Activities

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

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

BIG Category 2: Below-investment-grade transactions for which lifetime losses are expected but for which no claims (other than liquidity claims which is a claim that the Company expects to be reimbursed within one year) have yet been paid.

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

- b. The Risk Oversight and Audit Committees of the Board of Directors of AGL oversee the Company's risk management policies and procedures. With input from the board committees, specific risk policies and limits are set by the Portfolio Risk Management Committee, which includes members of senior management and senior Credit and Surveillance officers. The Company's Risk Management function encompasses enterprise risk management, establishing the Company's risk appetite, credit underwriting of new business, surveillance and work-out.

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

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

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

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

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

Credits identified as BIG are subjected to further review to determine the probability of a loss. Surveillance personnel then assign each BIG transaction to the appropriate BIG surveillance category based upon whether a lifetime loss is expected and whether a claim has been paid. The Company expects “lifetime losses” on a transaction when the Company believes there is at least a 50% chance that, on a present value basis, it will pay more claims over the life of that transaction than it ultimately will have reimbursed. For surveillance purposes, the Company calculates present value using a constant discount rate of 5%.

- c. Performance of collateral underlying certain securitizations has substantially differed from the Company’s original expectations. Employing several loan file diligence firm and law firms as well as internal resources, the Company performs detailed reviews of transactions files for the defaulted loans underlying insured transactions, and has identified a material number of defaulted loans that breach representations and warranties regarding the characteristics of the loans. During its activities to avoid and mitigate claim liabilities, the Company incurred loss adjustment expenses of \$13,373,135 and \$16,264,682 in 2012 and 2011, respectively, on its direct portfolio. The reserve for unpaid loss adjustment expenses on the direct portfolio was \$14,100,572 and \$6,856,694 at December 31, 2012 and 2011, respectively.

B. Schedule of insured financial obligations as of December 31, 2012:

	Surveillance Categories			
	BIG 1	BIG 2	BIG 3	Total
	(Dollars in Thousands)			
Number of Risks	98	75	82	255
Remaining weighted-average contract period (in yrs)	13.9	6.6	11.3	10.8
Insured contractual payments outstanding:				
Principal	\$ 3,783,145	\$ 3,324,635	\$ 4,298,162	\$ 11,405,943
Interest	1,198,938	683,343	921,113	2,803,394
Total	\$ 4,982,083	\$ 4,007,978	\$ 5,219,275	\$ 14,209,337
Gross claim liability	\$10,123	\$448,696	\$757,474	\$1,216,293
Less: Gross potential recoveries - subrogation	62,367	143,668	331,432	537,467
Ceded claim liability	3,424	52,639	235,964	292,027
Discount, net	(26,119)	73,191	26,657	73,729
Net liability reported in the balance sheet	\$ (29,549)	\$ 179,198	\$ 163,421	\$ 313,070
Reinsurance recoverables	\$ 135	\$ 137	\$ 14,855	\$ 15,127
Unearned premium reserve	\$ 20,999	\$ 9,227	\$ 10,466	\$ 40,692

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No []
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] N/A []
- 1.3

State Regulating?

Maryland.....
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:

.....
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2011
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2006
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....04/30/2008
- 3.4

By what department or departments? Maryland Insurance Administration.....
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [X] No [] N/A []
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [X] No [] N/A []
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [] No [X]

4.12 renewals? Yes [] No [X]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [] No [X]

4.22 renewals? Yes [] No [X]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [X] No []
- 7.2

If yes,

7.21 State the percentage of foreign control 100.0

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

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

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PriceWaterhouse Coopers LLP, 300 Madison Ave., New York, NY 10017.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Benjamin Rosenblum, Actuary of Assured Guaranty Corp., 31 W52nd St., New York, NY 10019.....

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

\$.....

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s)
Routine updates were made to the Company's Code of Conduct in 2012.....

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

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?
- Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$.....
- 20.12 To stockholders not officers \$.....
- 20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....
- 20.22 To stockholders not officers \$.....
- 20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....
- 21.22 Borrowed from others \$.....
- 21.23 Leased from others \$.....
- 21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?
- Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....
- 22.22 Amount paid as expenses \$.....
- 22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- \$.....57,115

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)
- Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?
- Yes [] No [] NA [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.
- \$.....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.
- \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- Yes [] No [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- Yes [] No [] NA [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?
- Yes [] No [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
- 24.103 Total payable for securities lending reported on the liability page \$.....

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [X] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21	Subject to repurchase agreements	\$.....
25.22	Subject to reverse repurchase agreements	\$.....
25.23	Subject to dollar repurchase agreements	\$.....
25.24	Subject to reverse dollar repurchase agreements	\$.....
25.25	Pledged as collateral	\$.....627,387,588
25.26	Placed under option agreements	\$.....
25.27	Letter stock or securities restricted as to sale	\$.....
25.28	On deposit with state or other regulatory body	\$.....7,224,001
25.29	Other	\$.....

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year. \$.....

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

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

1 Name of Custodian(s)	2 Custodian’s Address
The Bank of New York Mellon.....	One Wall Street, New York, NY 10286.....
M&T Trust.....	25 South Charles Street, Baltimore, MD 21201.....

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
801-48433.....	Blackrock Financial Management, Inc.....	40 East 52nd St., New York, NY 10022.....
104-518.....	Deutsche Investment Management Americas, Inc.....	345 Park Ave., New York, NY 10154.....
105-900.....	General Re-New England Asset Mgmt, Inc.....	76 Batterson Ave., Farmington, CT 06032.....
106-595.....	Wellington Management Company, LLP.....	75 State Street, Boston, MA 02109.....

GENERAL INTERROGATORIES

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

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

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

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

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	2,559,630,848	2,748,255,114	188,624,266
30.2 Preferred Stocks.....			
30.3 Totals	2,559,630,848	2,748,255,114	188,624,266

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

GENERAL INTERROGATORIES

OTHER

- 33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any? \$ 944,756
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Moody's Investors Service.....	\$.....504,031
Standard & Poor's.....	\$.....365,725

- 34.1 Amount of payments for legal expenses, if any? \$ 2,424,090
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 486,882
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Patton Boggs LLP.....	\$.....276,245

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only

\$

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

1.31

Reason for excluding

.....

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$

1.62

Total incurred claims

\$

1.63

Number of covered lives

.....

All years prior to most current three years:

1.64

Total premium earned

\$

1.65

Total incurred claims

\$

1.66

Number of covered lives

.....

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$

1.72

Total incurred claims

\$

1.73

Number of covered lives

.....

All years prior to most current three years:

1.74

Total premium earned

\$

1.75

Total incurred claims

\$

1.76

Number of covered lives

.....

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$

\$

2.2

Premium Denominator

\$

\$

2.3

Premium Ratio (2.1/2.2)

.....

.....

2.4

Reserve Numerator

\$

\$

2.5

Reserve Denominator

\$

\$

2.6

Reserve Ratio (2.4/2.5)

.....

.....

3.1

Does the reporting entity issue both participating and non-participating policies?

Yes [] No [X]

3.2

If yes, state the amount of calendar year premiums written on:

3.21

Participating policies.....

\$

3.22

Non-participating policies.....

\$

4.

For Mutual reporting entities and Reciprocal Exchanges only:

4.1

Does the reporting entity issue assessable policies?.....

Yes [] No []

4.2

Does the reporting entity issue non-assessable policies?.....

Yes [] No []

4.3

If assessable policies are issued, what is the extent of the contingent liability of the policyholders?.....

%

4.4

Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$

5.

For Reciprocal Exchanges Only:

5.1

Does the exchange appoint local agents?.....

Yes [] No []

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation.....

Yes [] No [] N/A []

5.22

As a direct expense of the exchange.....

Yes [] No [] N/A []

5.3

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

.....

5.4

Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?.....

Yes [] No []

5.5

If yes, give full information

.....

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GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:
Not Applicable.....

6.2

Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
The Company evaluates its probable maximum loss as part of the underwriting process and uses various financial and exposure models as part of the process of evaluating its exposures. See Footnots 1C and 21G for further information on the Company's loss evaluation process.....

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....
The Company is a monoline financial guaranty insurer/reinsurer. It does not write property insurance or reinsurance.....

6.4

Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?.....

Yes [] No [X]

6.5

If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss
As a financial guaranty insurer/reinsurer, the Company is required by the state insurance law to establish contingency reserves. These reserves are established in addition to specific case reserves. The Company also has access to standby credit facilities that augment its claims paying resources.....

7.1

Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?.....

Yes [] No [X]

7.2

If yes, indicate the number of reinsurance contracts containing such provisions.....

7.3

If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?.....

Yes [] No []

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?.....

Yes [] No [X]

8.2

If yes, give full information

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.....

Yes [] No [X]

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

Yes [] No [X]

9.3

If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes [] No [X]

9.5

If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or,
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes [] No [X]
Yes [] No [X]
Yes [] No [X]

10.

If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

Yes [X] No [] N/A []

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1

Has the reporting entity guaranteed policies issued by any other entity and now in force:

Yes [] No [X]

11.2

If yes, give full information

12.1

If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11

Unpaid losses

\$

12.12

Unpaid underwriting expenses (including loss adjustment expenses)

\$

12.2

Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?

\$

12.3

If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

Yes [] No [] N/A [X]

12.4

If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41

From

%

12.42

To

%

12.5

Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

Yes [] No [X]

12.6

If yes, state the amount thereof at December 31 of current year:

12.61

Letters of Credit

\$

12.62

Collateral and other funds

\$

13.1

Largest net aggregate amount insured in any one risk (excluding workers' compensation):

\$150,000,000

13.2

Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?

Yes [X] No []

13.3

State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.

1

14.1

Is the company a cedant in a multiple cedant reinsurance contract?

Yes [] No [X]

14.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:

14.3

If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?

Yes [] No []

14.4

If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?

Yes [] No []

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [] No [X]

15.2

If yes, give full information

16.1

Does the reporting entity write any warranty business?

Yes [] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

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

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

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

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

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

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

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.					
	1 2012	2 2011	3 2010	4 2009	5 2008
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	129,224,718	132,201,366	200,890,497	723,426,857	600,130,760
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	3,338	13,538	8,032	8,515	46,467
6. Total (Line 35)	129,228,056	132,214,904	200,898,529	723,435,372	600,177,227
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	88,142,197	92,710,410	146,373,525	510,904,074	429,412,410
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)	88,142,197	92,710,410	146,373,525	510,904,074	429,412,410
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	20,774,210	143,621,840	(239,910,794)	(358,385,532)	(33,730,285)
14. Net investment gain (loss) (Line 11)	63,561,784	78,883,881	83,321,227	73,543,181	63,340,366
15. Total other income (Line 15)	(7,878,184)	10,916,980	(773,472)	1,054,993	473,224
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	45,141,929	3,485,016	24,723,889	(40,644,042)	2,366,969
18. Net income (Line 20)	31,315,881	229,937,685	(182,086,928)	(243,143,316)	27,716,336
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	2,962,955,275	3,010,407,924	2,999,582,652	3,049,898,249	1,803,146,295
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	29,639,778	35,611,869	57,609,874	45,820,235	51,006,077
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	2,057,540,590	1,988,908,728	2,145,462,694	1,826,178,241	1,425,012,944
22. Losses (Page 3, Line 1)	302,697,607	336,062,030	442,538,782	277,037,998	67,660,080
23. Loss adjustment expenses (Page 3, Line 3)	10,372,381	8,695,476	6,334,053	3,139,531	682,650
24. Unearned premiums (Page 3, Line 9)	752,544,024	826,446,509	876,684,636	886,832,247	570,277,060
25. Capital paid up (Page 3, Lines 30 & 31)	15,000,480	15,000,480	15,000,480	15,000,480	15,000,480
26. Surplus as regards policyholders (Page 3, Line 37)	905,414,685	1,021,499,197	854,119,958	1,223,720,008	378,133,351
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(164,513)	124,136,736	8,511,046	312,461,058	340,094,266
Risk-Based Capital Analysis					
28. Total adjusted capital					
29. Authorized control level risk-based capital					
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	90.1	88.8	85.3	67.2	89.1
31. Stocks (Lines 2.1 & 2.2)	4.8	4.4	4.5	5.1	4.1
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	4.8	5.8	8.6	26.6	5.3
35. Contract loans (Line 6)					
36. Derivatives (Line 7)				XXX	XXX
37. Other invested assets (Line 8)	0.3	0.9	1.6	1.1	1.5
38. Receivables for securities (Line 9)		0.1		0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)				XXX	XXX
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	130,586,859	122,347,875	121,941,398	101,414,337	60,763,279
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47	130,586,859	122,347,875	121,941,398	101,414,337	60,763,279
49. Total Investment in parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	14.4	12.0	14.3	8.3	16.1

FIVE-YEAR HISTORICAL DATA

(Continued)					
	1 2012	2 2011	3 2010	4 2009	5 2008
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	7,911,548	405,477	1,346,645	30,496,054	(6,896,251)
52. Dividends to stockholders (Line 35)	(55,001,760)	(30,000,960)	(50,001,600)	(16,813,038)	(16,521,362)
53. Change in surplus as regards policyholders for the year (Line 38)	(116,084,511)	167,379,238	(369,600,050)	845,586,657	(21,437,913)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	138,603,143	(11,120,830)	153,254,275	271,229,565	138,499,399
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)		18,728	(2,331)	9,090	(2,624)
59. Total (Line 35)	138,603,143	(11,102,102)	153,251,944	271,238,655	138,496,775
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	96,805,713	7,780,588	110,950,286	200,626,802	88,360,218
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. Total (Line 35)	96,805,713	7,780,588	110,950,286	200,626,802	88,360,218
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	40.1	(69.0)	176.6	238.6	87.8
68. Loss expenses incurred (Line 3)	6.1	8.9	5.2	5.3	2.6
69. Other underwriting expenses incurred (Line 4)	40.7	47.5	71.4	40.5	30.6
70. Net underwriting gain (loss) (Line 8)	13.1	100.5	(153.3)	(184.4)	(20.9)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	82.0	80.2	76.9	15.2	11.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	46.2	(60.1)	181.8	243.9	90.3
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	9.7	9.1	17.1	41.8	113.6
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(35,317)	(218,508)	219,814	59,930	73,503
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(3.5)	(25.6)	18.0	15.8	18.4
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(287,707)	(9,623)	98,413	28,895	9,588
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(33.7)	(0.8)	26.0	7.2	3.4

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

If no, please explain

.....

19.GT



ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)

NAIC Group Code 0194		BUSINESS IN THE STATE OF Consolidated			DURING THE YEAR 2012					NAIC Company Code 30180			
Line of Business		Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies not Taken		3 Dividends Paid or Credited to Policyholders on Direct Business	4 Direct Unearned Premium Reserves	5 Direct Losses Paid (deducting salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Direct Defense and Cost Containment Expense Paid	9 Direct Defense and Cost Containment Expense Incurred	10 Direct Defense and Cost Containment Expense Unpaid	11 Commissions and Brokerage Expenses	12 Taxes, Licenses and Fees
		1 Direct Premiums Written	2 Direct Premiums Earned										
1.	Fire												
2.1	Allied lines												
2.2	Multiple peril crop												
2.3	Federal flood												
3.	Farmowners multiple peril												
4.	Homeowners multiple peril												
5.1	Commercial multiple peril (non-liability portion)												
5.2	Commercial multiple peril (liability portion)												
6.	Mortgage guaranty												
8.	Ocean marine												
9.	Inland marine												
10.	Financial guaranty	99,978,294	163,581,699		926,580,499	129,725,494	86,530,169	333,617,268	9,466,725	13,373,136	14,100,572		2,543,079
11.	Medical professional liability												
12.	Earthquake												
13.	Group accident and health (b).....												
14.	Credit A & H (group and individual)												
15.1	Collectively renewable A & H (b).....												
15.2	Non-cancelable A & H (b).....												
15.3	Guaranteed renewable A & H (b).....												
15.4	Non-renewable for stated reasons only (b).....												
15.5	Other accident only												
15.6	Medicare Title XVIII exempt from state taxes or fees.....												
15.7	All other A & H (b).....												
15.8	Federal employees health benefits program premium (b).....												
16.	Workers' compensation												
17.1	Other liability-Occurrence.....												
17.2	Other Liability-Claims-Made.....												
17.3	Excess workers' compensation.....												
18.	Products liability												
19.1	Private passenger auto no-fault (personal injury protection)												
19.2	Other private passenger auto liability												
19.3	Commercial auto no-fault (personal injury protection)												
19.4	Other commercial auto liability												
21.1	Private passenger auto physical damage												
21.2	Commercial auto physical damage												
22.	Aircraft (all perils)												
23.	Fidelity												
24.	Surety												
26.	Burglary and theft												
27.	Boiler and machinery												
28.	Credit												
30.	Warranty												
34.	Aggregate write-ins for other lines of business												
35.	TOTALS (a)	99,978,294	163,581,699		926,580,499	129,725,494	86,530,169	333,617,268	9,466,725	13,373,136	14,100,572		2,543,079
DETAILS OF WRITE-INS													
3401.	.....												
3402.	.....												
3403.	.....												
3498.	Summary of remaining write-ins for Line 34 from overflow page												
3499.	Totals (Lines 3401 through 3403 Plus 3498) (Line 34 above)												

(a) Finance and service charges not included in Lines 1 to 35 \$
(b) For health business on indicated lines report: Number of persons insured under PPO managed care products and number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE F - PART 1

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

1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsured	4 Domiciliary Jurisdiction	5 Assumed Premium	Reinsurance On			9 Contingent Commissions Payable	10 Assumed Premiums Receivable	11 Unearned Premium	12 Funds Held By or Deposited With Reinsured Companies	13 Letters of Credit Posted	14 Amount of Assets Pledged or Compensating Balances to Secure Letters of Credit	15 Amount of Assets Pledged or Collateral Held in Trust
					6 Paid Losses and Loss Adjustment Expenses	7 Known Case Losses and LAE	8 Cols. 6 +7							
Affiliates - U.S. Intercompany Pooling														
Affiliates - U.S. Non-Pool														
Affiliates - Other (Non-U.S.)														
AA-1120078.....	00000.....	ASSURED GUARANTY (UK) LTD.....	GBR.....	2,455.....	832.....	76,305.....	77,137.....		2,190.....	11,056.....				
0399999 - Total Affiliates - Other (Non-U.S.)				2,455.....	832.....	76,305.....	77,137.....		2,190.....	11,056.....				
0499999 - Total Affiliates - Total Affiliates				2,455.....	832.....	76,305.....	77,137.....		2,190.....	11,056.....				
Other U.S. Unaffiliated Insurers														
39-1135174.....	18708.....	AMBAC ASSUR CORP.....	WI.....	742.....	(1).....	5,729.....	5,728.....	19.....	110.....	11,873.....				
75-1331566.....	25771.....	CIFG ASSUR N AMER INC.....	NY.....							30,371.....				
13-2710717.....	12815.....	FINANCIAL GUAR INS CO.....	NY.....			41,779.....	41,779.....	4,559.....		3,486.....				
43-0899449.....	12041.....	MBIA INS CORP.....	NY.....	4,071.....	1,083.....	8,328.....	9,411.....	96.....	152.....	39,430.....				
22-2712977.....	36250.....	RADIAN ASSET ASSUR INC.....	NY.....	21,949.....						14,903.....				
13-3635895.....	20311.....	SYNCORA GUAR INC.....	NY.....	27.....		(20,845).....	(20,845).....			287.....				
0599998 - Other U.S. Unaffiliated Insurers - Reinsurance for which the total of Column 8 is less than \$100,000					64.....		64.....			294.....				
0599999 - Total Other U.S. Unaffiliated Insurers				26,789.....	1,146.....	34,991.....	36,137.....	4,674.....	262.....	100,644.....				
Pools and Associations - Mandatory Pools														
Pools and Associations - Voluntary Pools														
Other Non-U.S. Insurers														
0999998 - Other Non-U.S. Insurers - Reinsurance for which the total of Column 8 is less than \$100,000				6.....	10.....	178.....	188.....		4.....					
0999999 - Total - Total Other Non-U.S. Insurers				6.....	10.....	178.....	188.....		4.....					
9999999 Totals				29,250.....	1,988.....	111,474.....	113,462.....	4,674.....	2,456.....	111,700.....				

SCHEDULE F - PART 2

Premium Portfolio Reinsurance Effectuated or (Canceled) during Current Year

1 Federal ID Number	2 NAIC Company Code	3 Name of Company	4 Date of Contract	5 Original Premium	6 Reinsurance Premium
NONE					
0199999 Total Reinsurance Ceded by Portfolio					
0299999 Total Reinsurance Assumed by Portfolio					

22

1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Reinsurance Contracts Ceding 75% or More of Direct Premiums Written	6 Reinsurance Premiums Ceded	Reinsurance Recoverable On									Reinsurance Payable		18	19
						7 Paid Losses	8 Paid LAE	9 Known Case Loss Reserves	10 Known Case LAE Reserves	11 IBNR Loss Reserves	12 IBNR LAE Reserves	13 Unearned Premiums	14 Contingent Commis- sions	15 Cols. 7 through 14 Totals	16 Ceded Balances Payable	17 Other Amounts Due to Reinsurers	Net Amount Recoverable From Reinsurers Cols. 15 - [16 + 17]	Funds Held By Company Under Reinsurance Treaties
Authorized - Affiliates - U.S. Intercompany Pooling																		
Authorized - Affiliates - U.S. Non-Pool																		
13-3250292	18287	ASSURED GUAR MUNICIPAL CORP	NY									1,463		1,463		1,463		
0299999 - Total Authorized - Affiliates - U.S. Non-Pool												1,463		1,463		1,463		
Authorized - Affiliates - Other (Non-U.S.)																		
0499999 - Total Authorized - Affiliates - Total Authorized - Affiliates												1,463		1,463		1,463		
Authorized - Other U.S. Unaffiliated Insurers																		
95-2371728	22667	ACE AMER INS CO	PA		7	(73)		178		762				867	13		854	
39-1135174	18708	AMBAC ASSUR CORP	WI									1,183		1,183			1,183	
22-2005057	26921	EVEREST REINS CO	DE		1,000													
22-2712977	36250	RADIAN ASSET ASSUR INC	NY									2,336		2,336			2,336	
0599998 - Total Authorized - Other U. S. Unaffiliated Insurers (Under \$100,000)						39												
0599999 - Total Authorized - Other U.S. Unaffiliated Insurers						1,046	(73)	178		762		3,519		4,386	13		4,373	
Authorized - Pools - Mandatory Pools																		
Authorized - Pools - Voluntary Pools																		
Authorized - Other Non-U.S. Insurers																		
0999999 - Total Authorized - Total Authorized						1,046	(73)	178		762		4,982		5,849	13		5,836	
Unauthorized - Affiliates - U.S. Intercompany Pooling																		
Unauthorized - Affiliates - U.S. Non-Pool																		
Unauthorized - Affiliates - Other (Non-U.S.)																		
AA-3190538	00000	ASSURED GUARANTY RE OVERSEAS LTD	BMU		293		11,360	153				593		12,106		12,106	5,055	
AA-3190809	00000	ASSURED GUARANTY RE INTL LTD	BMU		33,459	16,482	126,092	6,169				275,367		424,110	7,234	416,876	3,126	
1299999 - Total Unauthorized - Affiliates - Other (Non-U.S.)						33,752	16,482	137,452	6,322			275,960		436,216	7,234	428,982	8,181	
1399999 - Total Unauthorized - Affiliates - Total Unauthorized - Affiliates						33,752	16,482	137,452	6,322			275,960		436,216	7,234	428,982	8,181	
Unauthorized - Other U.S. Unaffiliated Insurers																		
Unauthorized - Pools - Mandatory Pools																		
Unauthorized - Pools - Voluntary Pools																		
Unauthorized - Other non-U.S. Insurers																		
76-0479419	00000	HCC REINSURANCE COMPANY LIMITED	BMU		2,500													
AA-3610026	00000	AMERICAN OVERSEAS REINSURANCE CO. LTD	BRB		2,938	99	2,111	58				4,794		7,062	524	6,538		
AA-3190339	00000	RENAISSANCE REINS LTD	BMU		850													
1799999 - Total Unauthorized - Other Non-U.S. Insurers						6,288	99	2,111	58			4,794		7,062	524	6,538		
1899999 - Total Unauthorized - Total Unauthorized						40,040	16,581	139,563	6,380			280,754		443,278	7,758	435,520	8,181	
Certified - Affiliates - U.S. Intercompany Pooling																		
Certified - Affiliates - U.S. Non-Pool																		
Certified - Affiliates - Other (Non-U.S.)																		
Certified - Other U.S. Unaffiliated Insurers																		
Certified - Pools - Mandatory Pools																		
Certified - Pools - Voluntary Pools																		
2899999 - Total Authorized, Unauthorized and Certified																		
9999999 Totals						41,086	16,508	139,741	6,380	762		285,736		449,127	7,771	441,356	8,181	

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

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

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

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

	1	2	3	4
	Name of Reinsurer	Total Recoverables	Ceded Premiums	Affiliated
1.	ASSURED GUARANTY RE LTD.....	424,110	33,459	Yes [X] No []
2.	ASSURED GUARANTY RE OVERSEAS.....	12,106	293	Yes [X] No []
3.	AMERICAN OVERSEAS REINSURANCE CO. LTD.....	7,062	2,938	Yes [] No [X]
4.	RADIAN ASSET ASSURANCE INC.....	2,336		Yes [] No [X]
5.	ASSURED GUAR MUNICIPAL CORP.....	1,463		Yes [] No [X]

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE F - PART 4

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

1

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE F - PART 5

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

1	2	3	4	5	6	7	Letter of Credit Issuing or Confirming Bank (a)			11	12	13	14	15	16	17	18	19	20
							8	9	10										
Federal ID Number	NAIC Company Code	Name of Reinsurer	Domiciliary Jurisdiction	Reinsurance Recoverable All Items Schedule F Part 3, Col. 15	Funds Held By Company Under Reinsurance Treaties	Letters of Credit	American Bankers Association (ABA) Routing Number	Letter of Credit Code	Bank Name	Ceded Balances Payable	Miscellaneous Balances	Other Allowed Offset Items	Cols. 6+7+11+ 12+13 but not in excess of Col. 5	Subtotal Col. 5 minus Col. 14	Recoverable Paid Losses & LAE Expenses Over 90 Days past Due not in Dispute	20% of Amount in Col. 16	Smaller of Col. 14 or Col. 17	Smaller of Col. 14 or 20% of Amount in Dispute Included in Col. 5	Total Provision for Unauthorized Reinsurance Smaller of Col.5 or Cols. 15 +18 + 19
Affiliates - U.S. Intercompany Pooling																			
Affiliates - U.S. Non-Pool																			
Affiliates - Other Non-U.S. Insurers																			
AA-3190538.....	00000.....	ASSURED GUARANTY RE OVERSEAS LTD.....	..BMU.....	12,106	..5,055							24,350	12,106						
AA-3190809.....	00000.....	ASSURED GUARANTY RE INTL LTD.....	..BMU.....	424,110	..3,126					7,234		660,465	424,110						
0399999 - Total Affiliates - Other Non-U.S. Insurers				436,216	8,181		XXX	XXX	XXX	7,234		684,815	436,216						
0499999 - Total Affiliates - Total Affiliates				436,216	8,181		XXX	XXX	XXX	7,234		684,815	436,216						
Other U.S. Unaffiliated Insurers																			
Pools and Associations - Mandatory																			
Pools and Associations - Voluntary																			
Other Non-U.S. Insurers																			
AA-3610026.....	00000.....	AMERICAN OVERSEAS REINSURANCE CO. LTD.....	..BRB.....	7,062						524		22,827	7,062						
0899999 - Total Other Non-U.S. Insurers				7,062			XXX	XXX	XXX	524		22,827	7,062						
0999999 - Total Affiliates and Others				443,278	8,181		XXX	XXX	XXX	7,758		707,642	443,278						
9999999 Totals				443,278	8,181		XXX	XXX	XXX	7,758		707,642	443,278						

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

(a)		American Bankers Association (ABA)	
	Code	Routing Number	Bank Name

Schedule F - Part 6 - Section 1

NONE

Schedule F - Part 6 - Section 2

NONE

Schedule F - Part 7

NONE

Schedule F - Part 8

NONE

SCHEDULE F - PART 9

Restatement of Balance Sheet to Identify Net Credit for Reinsurance			
	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 12)	2,705,502,263		2,705,502,263
2. Premiums and considerations (Line 15)	29,639,778		29,639,778
3. Reinsurance recoverable on loss and loss adjustment expense payments (Line 16.1)	16,508,097	(16,508,097)	
4. Funds held by or deposited with reinsured companies (Line 16.2)			
5. Other assets	211,305,137		211,305,137
6. Net amount recoverable from reinsurers		433,175,809	433,175,809
7. Protected cell assets (Line 27)			
8. Totals (Line 28)	2,962,955,275	416,667,712	3,379,622,987
LIABILITIES (Page 3)			
9. Losses and loss adjustment expenses (Lines 1 through 3)	315,058,015	146,883,361	461,941,376
10. Taxes, expenses, and other obligations (Lines 4 through 8)	109,193,808		109,193,808
11. Unearned premiums (Line 9)	752,544,024	285,736,059	1,038,280,083
12. Advance premiums (Line 10)			
13. Dividends declared and unpaid (Line 11.1 and 11.2)			
14. Ceded reinsurance premiums payable (net of ceding commissions) (Line 12)	7,771,155	(7,771,155)	
15. Funds held by company under reinsurance treaties (Line 13)	8,180,553	(8,180,553)	
16. Amounts withheld or retained by company for account of others (Line 14)	(545,848)		(545,848)
17. Provision for reinsurance (Line 16)			
18. Other liabilities	865,338,883		865,338,883
19. Total liabilities excluding protected cell business (Line 26)	2,057,540,590	416,667,712	2,474,208,302
20. Protected cell liabilities (Line 27)			
21. Surplus as regards policyholders (Line 37)	905,414,685	X X X	905,414,685
22. Totals (Line 38)	2,962,955,275	416,667,712	3,379,622,987

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

If yes, give full explanation:

.....

Schedule H - Part 1

NONE

Schedule H - Part 2

NONE

Schedule H - Part 3

NONE

Schedule H - Part 4

NONE

Schedule H - Part 5 - Health Claims

NONE

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

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	1,184	(90)	4				21	1,278	XXX
2. 2003	169,269	10,244	159,026	16,257	10,803	2,169	27			2,823	7,597	XXX
3. 2004	185,593	64,961	120,633	7,871	834	1,228				4,821	8,266	XXX
4. 2005	108,419	19,480	88,939	1,286		164				8,017	1,450	XXX
5. 2006	135,361	26,285	109,076	153		1				704	154	XXX
6. 2007	146,797	39,658	107,140	215,944	81,240	11,897	6,023			201,520	140,579	XXX
7. 2008	218,239	56,796	161,443	158,661	26,904	12,369	2,227			120,111	141,899	XXX
8. 2009	291,620	97,271	194,349	293,325	74,175	17,056	3,925			46,246	232,281	XXX
9. 2010	214,915	58,394	156,521	7,539	1,285	3,261	1,120			302	8,395	XXX
10. 2011	208,947	65,998	142,949	5,371	877	1,048	251			12	5,290	XXX
11. 2012	221,308	62,987	158,321	7,003	1,424	1,003	152			2,354	6,430	XXX
12. Totals	XXX	XXX	XXX	714,593	197,452	50,202	13,725			386,931	553,618	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1.	4,139	99									628	4,040	XXX
2.	39	79	762	762							178	(40)	XXX
3.	1,527											1,527	XXX
4.	85										1,087	85	XXX
5.	(144)										144	(144)	XXX
6.	83,698	54,128			2,700	2,072					19,355	30,198	XXX
7.	115,327	155,423			3,953	998					85,106	(37,141)	XXX
8.	364,197	57,223			9,855	3,093					271,072	313,736	XXX
9.	33,534	6,509			(363)	117					23,936	26,545	XXX
10.	40,866	6,943			107	25					25,377	34,005	XXX
11.	18,984	5,421			500	75					1,339	13,988	XXX
12.	662,252	285,825	762	762	16,752	6,380					428,222	386,799	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	2		XXX	4,038	
2.	19,228	11,671	7,557	11.4	113.9	4.8	1			(41)	
3.	10,626	834	9,793	5.7	1.3	8.1	96			1,431	
4.	1,535		1,535	1.4		1.7	(80)			165	
5.	10		10	0.0		0.0				(144)	
6.	314,239	143,462	170,777	214.1	361.8	159.4	5,486			24,084	628
7.	290,310	185,552	104,758	133.0	326.7	64.9	(39,195)			(901)	2,955
8.	684,433	138,417	546,017	234.7	142.3	280.9	88,771			218,203	6,762
9.	43,971	9,031	34,940	20.5	15.5	22.3	5,112			21,913	(480)
10.	47,392	8,096	39,295	22.7	12.3	27.5	5,573			28,350	82
11.	27,490	7,072	20,418	12.4	11.2	12.9	7,963			5,600	425
12.	XXX	XXX	XXX	XXX	XXX	XXX	73,729		XXX	302,698	10,372

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	One Year	Two Year
1. Prior	55,121	46,718	40,595	48,198	33,312	33,194	31,720	31,479	31,678	31,280	(397)	(199)
2. 2003	22,930	17,974	11,888	10,578	8,700	8,895	7,932	7,622	7,580	7,557	(23)	(65)
3. 2004	XXX	1,784	8,565	8,048	9,526	10,327	9,150	9,970	9,985	9,793	(192)	(177)
4. 2005	XXX	XXX	10,456	13,649	38,022	37,558	828	991	1,234	1,535	301	544
5. 2006	XXX	XXX	XXX	300	386	386	172	201	51	10	(41)	(191)
6. 2007	XXX	XXX	XXX	XXX	811	73,899	69,850	114,154	157,958	170,777	12,819	56,623
7. 2008	XXX	XXX	XXX	XXX	XXX	84,362	188,901	182,617	163,056	104,758	(58,298)	(77,859)
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX	661,407	842,739	588,794	546,017	(42,777)	(296,722)
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,600	15,528	34,940	19,412	30,340
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,415	39,295	33,880	XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	20,418	XXX	XXX
12. Totals											(35,317)	(287,707)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
1. Prior	000	9,821	28,961	28,880	26,646	23,002	23,700	24,731	25,962	27,240	XXX	XXX
2. 2003	3,234	5,298	10,024	9,906	9,374	8,679	8,516	8,236	7,648	7,597	XXX	XXX
3. 2004	XXX	1,185	4,330	9,053	4,952	6,100	6,935	7,634	7,863	8,266	XXX	XXX
4. 2005	XXX	XXX	44	6,129	278	558	725	793	1,082	1,450	XXX	XXX
5. 2006	XXX	XXX	XXX		764	386	333	291	222	154	XXX	XXX
6. 2007	XXX	XXX	XXX	XXX	194	71,497	187,008	232,628	117,678	140,579	XXX	XXX
7. 2008	XXX	XXX	XXX	XXX	XXX	21,971	105,564	149,306	171,593	141,899	XXX	XXX
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX	7,928	32,248	134,260	232,281	XXX	XXX
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	755	6,270	8,395	XXX	XXX
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,182	5,290	XXX	XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,430	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1. Prior	6,131									
2. 2003	7,143									
3. 2004	XXX									
4. 2005	XXX	XXX								
5. 2006	XXX	XXX	XXX							
6. 2007	XXX	XXX	XXX	XXX						
7. 2008	XXX	XXX	XXX	XXX	XXX					
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

Schedule P - Part 1A - Home/Farm

NONE

Schedule P - Part 1B - Private Passenger

NONE

Schedule P - Part 1C - Comm Auto/Truck

NONE

Schedule P - Part 1D - Workers' Comp

NONE

Schedule P - Part 1E - Comm Multi Peril

NONE

Schedule P - Part 1F - Med Pro Liab Occ

NONE

Schedule P - Part 1F - Med Pro Liab Clm

NONE

Schedule P - Part 1G - Special Liability

NONE

Schedule P - Part 1H - Other Liab Occur

NONE

Schedule P - Part 1H - Other Liab Claims

NONE

Schedule P - Part 1I - Special Property

NONE

Schedule P - Part 1J - Auto Physical

NONE

SCHEDULE P-PART 1K - FIDELITY/SURETY
(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	12
				4	5	6	7	8	9			
Direct and Assumed	Ceded	Net (Cols. 1 - 2)	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	Number of Claims Reported Direct and Assumed	
1. Prior	XXX	XXX	XXX	6	6							XXX
2. 2011	6	6										XXX
3. 2012	10	10										XXX
4. Totals	XXX	XXX	XXX	6	6							XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1.	25	25											
2.													
3.													
4.	25	25											

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2.											
3.											
4.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		

SCHEDULE P-PART 1L - OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)

(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	(66)	(66)							XXX
2. 2011	.65	.65										XXX
3. 2012	(7)	(7)										XXX
4. Totals	XXX	XXX	XXX	(66)	(66)							XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded			
1.	153	153	762	762									
2.													
3.													
4.	153	153	762	762									

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2.											
3.											
4.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		

Schedule P - Part 1M - International

NONE

Schedule P - Part 1N - Reinsurance

NONE

Schedule P - Part 1O - Reinsurance

NONE

SCHEDULE P - PART 1P - REINSURANCE - NONPROPORTIONAL
ASSUMED FINANCIAL LINES
(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7+ 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct And Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX									XXX
2. 2003	7,871		7,871	540	540	23	23			29		XXX
3. 2004	7,916	11,769	(3,853)	271	271							XXX
4. 2005	737	737										XXX
5. 2006	677	677										XXX
6. 2007	170	170										XXX
7. 2008	65	65										XXX
8. 2009	23	23										XXX
9. 2010	18	18										XXX
10. 2011	14	14										XXX
11. 2012	3	3										XXX
12. Totals	XXX	XXX	XXX	811	811	23	23			29		XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1.													XXX
2.													XXX
3.													XXX
4.													XXX
5.													XXX
6.													XXX
7.													XXX
8.													XXX
9.													XXX
10.													XXX
11.													XXX
12.													XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2.	563	563		7.2							
3.	271	271		3.4	2.3						
4.											
5.											
6.											
7.											
8.											
9.											
10.											
11.											
12.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		

Schedule P - Part 1R - Prod Liab Occur

NONE

Schedule P - Part 1R - Prod Liab Claims

NONE

SCHEDULE P-PART 1S - FINANCIAL GUARANTY/MORTGAGE GUARANTY
(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	128,567	39,902	9,756	3,138			90,167	95,283	XXX
2. 2011	208,862	65,914	142,949	5,371	877	1,048	251			12	5,290	XXX
3. 2012	221,302	62,981	158,321	7,003	1,424	1,003	152			2,354	6,430	XXX
4. Totals	XXX	XXX	XXX	140,941	42,203	11,807	3,541			92,533	107,003	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 22		Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1.	602,224	273,283			16,145	6,280					401,506	338,806	
2.	40,866	6,943			107	25					25,377	34,005	
3.	18,984	5,421			500	75					1,339	13,988	
4.	662,074	285,647			16,752	6,380					428,222	386,799	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	60,193		XXX	268,748	9,865
2.	47,392	8,096	39,295	22.7	12.3	27.5	5,573			28,350	82
3.	27,490	7,072	20,418	12.4	11.2	12.9	7,963			5,600	425
4.	XXX	XXX	XXX	XXX	XXX	XXX	73,729		XXX	302,698	10,372

Schedule P - Part 1T - Warranty

NONE

Schedule P - Part 2A

NONE

Schedule P - Part 2B

NONE

Schedule P - Part 2C

NONE

Schedule P - Part 2D

NONE

Schedule P - Part 2E

NONE

Schedule P - Part 2F - Section 1

NONE

Schedule P - Part 2F - Med Pro Liab Clm

NONE

Schedule P - Part 2G

NONE

Schedule P - Part 2H - Other Liab Occur

NONE

Schedule P - Part 2H - Other Liab Claim

NONE

SCHEDULE P - PART 2I - SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY, AND THEFT)

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	One Year	Two Year
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
4. Totals												

SCHEDULE P - PART 2J - AUTO PHYSICAL DAMAGE

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
4. Totals												

SCHEDULE P - PART 2K - FIDELITY, SURETY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
4. Totals												

SCHEDULE P - PART 2L - OTHER
(INCLUDING CREDIT, ACCIDENT AND HEALTH)

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
4. Totals												

SCHEDULE P - PART 2M - INTERNATIONAL

1. Prior												
2. 2003												
3. 2004	XXX											
4. 2005	XXX	XXX										
5. 2006	XXX	XXX	XXX									
6. 2007	XXX	XXX	XXX	XXX								
7. 2008	XXX	XXX	XXX	XXX	XXX							
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals												

SCHEDULE P - PART 2N - REINSURANCE
Nonproportional Assumed Property

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012	11 One Year	12 Two Year
1. Prior												
2. 2003												
3. 2004	.XXX											
4. 2005	.XXX	.XXX										
5. 2006	.XXX	.XXX	.XXX									
6. 2007	.XXX	.XXX	.XXX	.XXX								
7. 2008	.XXX	.XXX	.XXX	.XXX	.XXX							
8. 2009	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX						
9. 2010	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX					
10. 2011	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX				.XXX
11. 2012	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX		.XXX	.XXX
12. Totals												

SCHEDULE P - PART 2O - REINSURANCE
Nonproportional Assumed Liability

1. Prior												
2. 2003												
3. 2004	.XXX											
4. 2005	.XXX	.XXX										
5. 2006	.XXX	.XXX	.XXX									
6. 2007	.XXX	.XXX	.XXX	.XXX								
7. 2008	.XXX	.XXX	.XXX	.XXX	.XXX							
8. 2009	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX						
9. 2010	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX					
10. 2011	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX				.XXX
11. 2012	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX		.XXX	.XXX
12. Totals												

SCHEDULE P - PART 2P - REINSURANCE
Nonproportional Assumed Financial Lines

1. Prior	.2,255											
2. 2003	.1,958											
3. 2004	.XXX											
4. 2005	.XXX	.XXX										
5. 2006	.XXX	.XXX	.XXX									
6. 2007	.XXX	.XXX	.XXX	.XXX								
7. 2008	.XXX	.XXX	.XXX	.XXX	.XXX							
8. 2009	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX						
9. 2010	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX					
10. 2011	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX				.XXX
11. 2012	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX	.XXX		.XXX	.XXX
12. Totals												

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

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	One Year	Two Year
1. Prior												
2. 2003												
3. 2004	XXX											
4. 2005	XXX	XXX										
5. 2006	XXX	XXX	XXX									
6. 2007	XXX	XXX	XXX	XXX								
7. 2008	XXX	XXX	XXX	XXX	XXX							
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals												

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

1. Prior												
2. 2003												
3. 2004	XXX											
4. 2005	XXX	XXX										
5. 2006	XXX	XXX	XXX									
6. 2007	XXX	XXX	XXX	XXX								
7. 2008	XXX	XXX	XXX	XXX	XXX							
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals												

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

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	737,748	519,240	450,042	(69,198)	(287,706)
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,415	39,295	33,880	XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	20,418	XXX	XXX
4. Totals											(35,317)	(287,706)

SCHEDULE P - PART 2T – WARRANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
4. Totals												

Schedule P - Part 3A

NONE

Schedule P - Part 3B

NONE

Schedule P - Part 3C

NONE

Schedule P - Part 3D

NONE

Schedule P - Part 3E

NONE

Schedule P - Part 3F - Med Pro Liab Occ

NONE

Schedule P - Part 3F - Med Pro Liab Clm

NONE

Schedule P - Part 3G

NONE

Schedule P - Part 3H - Other Liab Occur

NONE

Schedule P - Part 3H - Other Liab Claims

NONE

SCHEDULE P - PART 3I - SPECIAL PROPERTY
(FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY, AND THEFT)

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.000			XXX	XXX
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 3J - AUTO PHYSICAL DAMAGE

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.000				
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

SCHEDULE P - PART 3K - FIDELITY/SURETY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.000			XXX	XXX
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 3L - OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.000			XXX	XXX
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 3M - INTERNATIONAL

1. Prior	.000										XXX	XXX
2. 2003											XXX	XXX
3. 2004	XXX										XXX	XXX
4. 2005	XXX	XXX									XXX	XXX
5. 2006	XXX	XXX	XXX								XXX	XXX
6. 2007	XXX	XXX	XXX	XXX							XXX	XXX
7. 2008	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 3N - REINSURANCE
NONPROPORTIONAL ASSUMED PROPERTY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
1. Prior	.000										XXX	XXX
2. 2003											XXX	XXX
3. 2004	XXX										XXX	XXX
4. 2005	XXX	XXX									XXX	XXX
5. 2006	XXX	XXX	XXX								XXX	XXX
6. 2007	XXX	XXX	XXX	XXX							XXX	XXX
7. 2008	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 3O - REINSURANCE
NONPROPORTIONAL ASSUMED LIABILITY

1. Prior	.000										XXX	XXX
2. 2003											XXX	XXX
3. 2004	XXX										XXX	XXX
4. 2005	XXX	XXX									XXX	XXX
5. 2006	XXX	XXX	XXX								XXX	XXX
6. 2007	XXX	XXX	XXX	XXX							XXX	XXX
7. 2008	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 3P - REINSURANCE
NONPROPORTIONAL ASSUMED FINANCIAL LINES

1. Prior	.000										XXX	XXX
2. 2003											XXX	XXX
3. 2004	XXX										XXX	XXX
4. 2005	XXX	XXX									XXX	XXX
5. 2006	XXX	XXX	XXX								XXX	XXX
6. 2007	XXX	XXX	XXX	XXX							XXX	XXX
7. 2008	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

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

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
1. Prior	.000											
2. 2003												
3. 2004	XXX											
4. 2005	XXX	XXX										
5. 2006	XXX	XXX	XXX									
6. 2007	XXX	XXX	XXX	XXX								
7. 2008	XXX	XXX	XXX	XXX	XXX							
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

NONE

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

1. Prior	.000											
2. 2003												
3. 2004	XXX											
4. 2005	XXX	XXX										
5. 2006	XXX	XXX	XXX									
6. 2007	XXX	XXX	XXX	XXX								
7. 2008	XXX	XXX	XXX	XXX	XXX							
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

NONE

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

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.000	15,953	111,236	XXX	XXX
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,182	5,290	XXX	XXX
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,430	XXX	XXX

SCHEDULE P - PART 3T - WARRANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.000				
2. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
3. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

NONE

Schedule P - Part 4A

NONE

Schedule P - Part 4B

NONE

Schedule P - Part 4C

NONE

Schedule P - Part 4D

NONE

Schedule P - Part 4E

NONE

Schedule P - Part 4F - Med Pro Liab Occ

NONE

Schedule P - Part 4F - Med Pro Liab Clm

NONE

Schedule P - Part 4G

NONE

Schedule P - Part 4H - Other Liab Occur

NONE

Schedule P - Part 4H - Other Liab Claims

NONE

Schedule P - Part 4I

NONE

Schedule P - Part 4J

NONE

Schedule P - Part 4K

NONE

Schedule P - Part 4L

NONE

Schedule P - Part 4M

NONE

SCHEDULE P - PART 4N - REINSURANCE
NONPROPORTIONAL ASSUMED PROPERTY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012
1. Prior										
2. 2003										
3. 2004	XXX									
4. 2005	XXX	XXX								
5. 2006	XXX	XXX	XXX							
6. 2007	XXX	XXX	XXX	XXX						
7. 2008	XXX	XXX	XXX	XXX	XXX					
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
9. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4O - REINSURANCE
NONPROPORTIONAL ASSUMED LIABILITY

1. Prior										
2. 2003										
3. 2004	XXX									
4. 2005	XXX	XXX								
5. 2006	XXX	XXX	XXX							
6. 2007	XXX	XXX	XXX							
7. 2008	XXX	XXX	XXX	XXX	XXX					
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
9. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4P - REINSURANCE
NONPROPORTIONAL ASSUMED FINANCIAL LINES

1. Prior	2,256									
2. 2003	1,958									
3. 2004	XXX									
4. 2005	XXX	XXX								
5. 2006	XXX	XXX	XXX							
6. 2007	XXX	XXX	XXX	XXX						
7. 2008	XXX	XXX	XXX	XXX	XXX					
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
9. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

Schedule P - Part 4R - Prod Liab Occur

NONE

Schedule P - Part 4R - Prod Liab Claims

NONE

Schedule P - Part 4S

NONE

Schedule P - Part 4T - Warranty

NONE

Schedule P - Part 5A- SN1

NONE

Schedule P - Part 5A- SN2

NONE

Schedule P - Part 5A- SN3

NONE

Schedule P - Part 5B- SN1

NONE

Schedule P - Part 5B- SN2

NONE

Schedule P - Part 5B- SN3

NONE

Schedule P - Part 5C- SN1

NONE

Schedule P - Part 5C- SN2

NONE

Schedule P - Part 5C- SN3

NONE

Schedule P - Part 5D- SN1

NONE

Schedule P - Part 5D- SN2

NONE

Schedule P - Part 5D- SN3

NONE

Schedule P - Part 5E- SN1

NONE

Schedule P - Part 5E- SN2

NONE

Schedule P - Part 5E- SN3

NONE

Schedule P - Part 5F- SN1A

NONE

Schedule P - Part 5F- SN2A

NONE

Schedule P - Part 5F- SN3A

NONE

Schedule P - Part 5F- SN1B

NONE

Schedule P - Part 5F- SN2B

NONE

Schedule P - Part 5F- SN3B

NONE

Schedule P - Part 5H- SN1A

NONE

Schedule P - Part 5H- SN2A

NONE

Schedule P - Part 5H- SN3A

NONE

Schedule P - Part 5H- SN1B

NONE

Schedule P - Part 5H- SN2B

NONE

Schedule P - Part 5H- SN3B

NONE

Schedule P - Part 5R- SN1A

NONE

Schedule P - Part 5R- SN2A

NONE

Schedule P - Part 5R- SN3A

NONE

Schedule P - Part 5R- SN1B

NONE

Schedule P - Part 5R- SN2B

NONE

Schedule P - Part 5R- SN3B

NONE

Schedule P - Part 5T- SN1

NONE

Schedule P - Part 5T- SN2

NONE

Schedule P - Part 5T- SN3

NONE

Schedule P - Part 6C - SN1

NONE

Schedule P - Part 6C - SN2

NONE

Schedule P - Part 6D - SN1

NONE

Schedule P - Part 6D - SN2

NONE

Schedule P - Part 6E - SN1

NONE

Schedule P - Part 6E - SN2

NONE

Schedule P - Part 6H - SN1A

NONE

Schedule P - Part 6H - SN2A

NONE

Schedule P - Part 6H - SN1B

NONE

Schedule P - Part 6H - SN2B

NONE

Schedule P - Part 6M - SN1

NONE

Schedule P - Part 6M - SN2

NONE

Schedule P - Part 6N - SN1

NONE

Schedule P - Part 6N - SN2

NONE

Schedule P - Part 6O - SN1

NONE

Schedule P - Part 6O - SN2

NONE

Schedule P - Part 6R - SN1A

NONE

Schedule P - Part 6R - SN2A

NONE

Schedule P - Part 6R - SN1B

NONE

Schedule P - Part 6R - SN2B

NONE

Schedule P - Part 7A - Section 1

NONE

Schedule P - Part 7A - Section 2

NONE

Schedule P - Part 7A - Section 3

NONE

Schedule P - Part 7A - Section 4

NONE

Schedule P - Part 7A - Section 5

NONE

Schedule P - Part 7B - Section 1

NONE

Schedule P - Part 7B - Section 2

NONE

Schedule P - Part 7B - Section 3

NONE

Schedule P - Part 7B - Section 4

NONE

Schedule P - Part 7B - Section 5

NONE

Schedule P - Part 7B - Section 6

NONE

Schedule P - Part 7B - Section 7

NONE

SCHEDULE P INTERROGATORIES

1.

The following questions relate to yet-to-be-issued Extended Reporting Endorsements (EREs) arising from Death, Disability, or Retirement (DDR) provisions in Medical Professional Liability Claims Made insurance policies. EREs provided for reasons other than DDR are not to be included.
- 1.1

Does the company issue Medical Professional Liability Claims Made insurance policies that provide tail (also known as an extended reporting endorsement, or "ERE") benefits in the event of Death, Disability, or Retirement (DDR) at a reduced charge or at no additional cost?
If the answer to question 1.1 is "no", leave the following questions blank. If the answer to question 1.1 is "yes", please answer the following questions:

Yes [] No [X]
- 1.2

What is the total amount of the reserve for that provision (DDR Reserve), as reported, explicitly or not, elsewhere in this statement (in dollars)?

\$
- 1.3

Does the company report any DDR reserve as Unearned Premium Reserve per SSAP #65?

Yes [] No [X]
- 1.4

Does the company report any DDR reserve as loss or loss adjustment expense reserve?

Yes [] No [X]
- 1.5

If the company reports DDR reserve as Unearned Premium Reserve, does that amount match the figure on the Underwriting and Investment Exhibit, Part 1A – Recapitulation of all Premiums (Page 7) Column 2, Lines 11.1 plus 11.2?

Yes [] No [] N/A []
- 1.6

If the company reports DDR reserve as loss or loss adjustment expense reserve, please complete the following table corresponding to where these reserves are reported in Schedule P:

Years in Which Premiums Were Earned and Losses Were Incurred		DDR Reserve Included in Schedule P, Part 1F, Medical Professional Liability Column 24: Total Net Losses and Expenses Unpaid	
		1 Section 1: Occurrence	2 Section 2: Claims-Made
1.601	Prior		
1.602	2003		
1.603	2004		
1.604	2005		
1.605	2006		
1.606	2007		
1.607	2008		
1.608	2009		
1.609	2010		
1.610	2011		
1.611	2012		
1.612	Totals		

2.

The definition of allocated loss adjustment expenses (ALAE) and, therefore, unallocated loss adjustment expenses (ULAE) was changed effective January 1, 1998. This change in definition applies to both paid and unpaid expenses. Are these expenses (now reported as "Defense and Cost Containment" and "Adjusting and Other") reported in compliance with these definitions in this statement?

Yes [X] No []
3.

The Adjusting and Other expense payments and reserves should be allocated to the years in which the losses were incurred based on the number of claims reported, closed and outstanding in those years. When allocating Adjusting and Other expense between companies in a group or a pool, the Adjusting and Other expense should be allocated in the same percentage used for the loss amounts and the claim counts. For reinsurers, Adjusting and Other expense assumed should be reported according to the reinsurance contract. For Adjusting and Other expense incurred by reinsurers, or in those situations where suitable claim count information is not available, Adjusting and Other expense should be allocated by a reasonable method determined by the company and described in Interrogatory 7, below. Are they so reported in this Statement?:

Yes [X] No []
4.

Do any lines in Schedule P include reserves that are reported gross of any discount to present value of future payments, and that are reported net of such discounts on Page 10?

Yes [X] No []

If yes, proper disclosure must be made in the Notes to Financial Statements, as specified in the Instructions. Also, the discounts must be reported in Schedule P - Part 1, Columns 32 and 33.

Schedule P must be completed gross of non-tabular discounting. Work papers relating to discount calculations must be available for examination upon request.

Discounting is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.
5.

What were the net premiums in force at the end of the year for:
(in thousands of dollars)

5.1 Fidelity

\$

5.2 Surety

\$
6.

Claim count information is reported per claim or per claimant. (indicate which).....
If not the same in all years, explain in Interrogatory 7.
- 7.1

The information provided in Schedule P will be used by many persons to estimate the adequacy of the current loss and expense reserves, among other things. Are there any especially significant events, coverage, retention or accounting changes that have occurred that must be considered when making such analyses?

Yes [] No [X]
- 7.2

An extended statement may be attached.
.....

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories									
States, etc.	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL	L	204,506	2,516,761					
2. Alaska	AK	L		74,892					
3. Arizona	AZ	L		437,392					
4. Arkansas	AR	L	878,554	1,065,957	(44,948,282)	11,845,156	1,921,284		
5. California	CA	L	268,897	5,204,933	1,984,760	2,643,473	3,359,779		
6. Colorado	CO	L		486,496					
7. Connecticut	CT	L		873,592					
8. Delaware	DE	L	3,453,029	3,440,029	(25,157,033)	(701,392)	3,809,722		
9. Dist. Columbia	DC	L		215,725					
10. Florida	FL	L		4,535,765					
11. Georgia	GA	L		842,474					
12. Hawaii	HI	L							
13. Idaho	ID	L		39,995					
14. Illinois	IL	L	1,557,268	3,272,718		(72,669)	730,579		
15. Indiana	IN	L		268,457					
16. Iowa	IA	L		225,372					
17. Kansas	KS	L		301,138					
18. Kentucky	KY	L		1,233,925		6,965,000	6,965,000		
19. Louisiana	LA	L		2,059,930					
20. Maine	ME	L	475,698	536,896					
21. Maryland	MD	L	3,234,349	3,683,869	38,344	934,454	1,651,793		
22. Massachusetts	MA	L	440,635	2,257,211	786,996	2,293,507	7,203,084		
23. Michigan	MI	L		1,594,134					
24. Minnesota	MN	L	4,914,882	8,238,774					
25. Mississippi	MS	L		206,781					
26. Missouri	MO	L	782,222	550,694					
27. Montana	MT	L		116,154					
28. Nebraska	NE	L		243,889					
29. Nevada	NV	L		96,408					
30. New Hampshire	NH	L		14,154					
31. New Jersey	NJ	L	367,116	3,575,535					
32. New Mexico	NM	L		29,990					
33. New York	NY	L	81,844,643	93,409,058	197,020,709	62,622,640	307,976,027		
34. No. Carolina	NC	L	186,253	4,014,109					
35. No. Dakota	ND	L		107,285					
36. Ohio	OH	L		982,528					
37. Oklahoma	OK	L		259,301					
38. Oregon	OR	L	11,491	87,376					
39. Pennsylvania	PA	L		5,154,549					
40. Rhode Island	RI	L		303,816					
41. So. Carolina	SC	L		2,055,478					
42. So. Dakota	SD	L		67,173					
43. Tennessee	TN	L		827,002					
44. Texas	TX	L	347,397	4,448,973					
45. Utah	UT	L		102,811					
46. Vermont	VT	L	1,011,354	1,032,844					
47. Virginia	VA	L		950,920					
48. Washington	WA	L		532,237					
49. West Virginia	WV	L		18,258					
50. Wisconsin	WI	L		148,921					
51. Wyoming	WY	L		2,002					
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	L		837,018					
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien	OT	XXX							
59. Totals	(a) 52		99,978,294	163,581,699	129,725,494	86,530,169	333,617,268		
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX								

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

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

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

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

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

Allocated By States and Territories

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

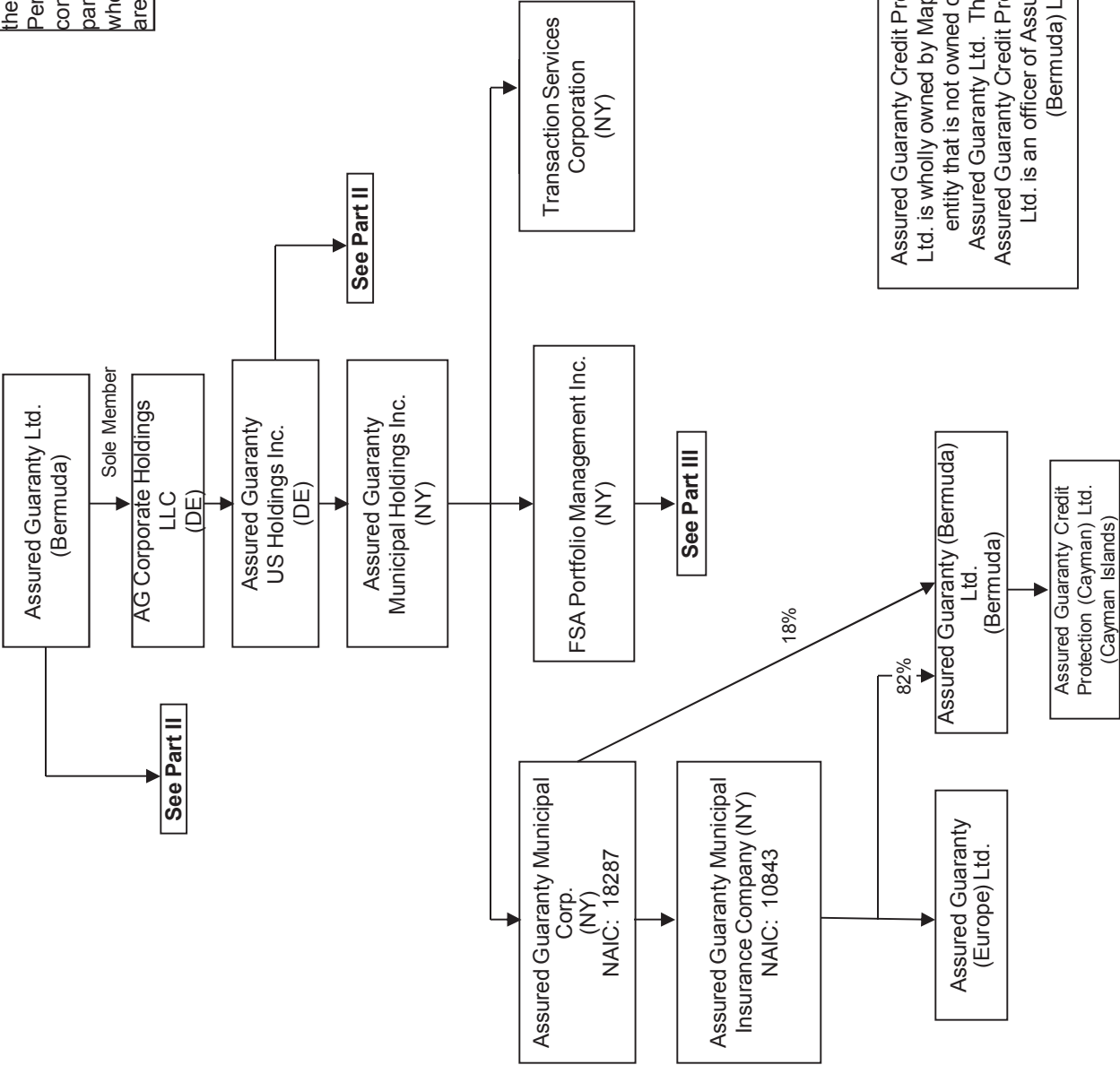
NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

Amended
12/31/2012

ORGANIZATIONAL CHART OF
ASSURED GUARANTY LTD.
Part I

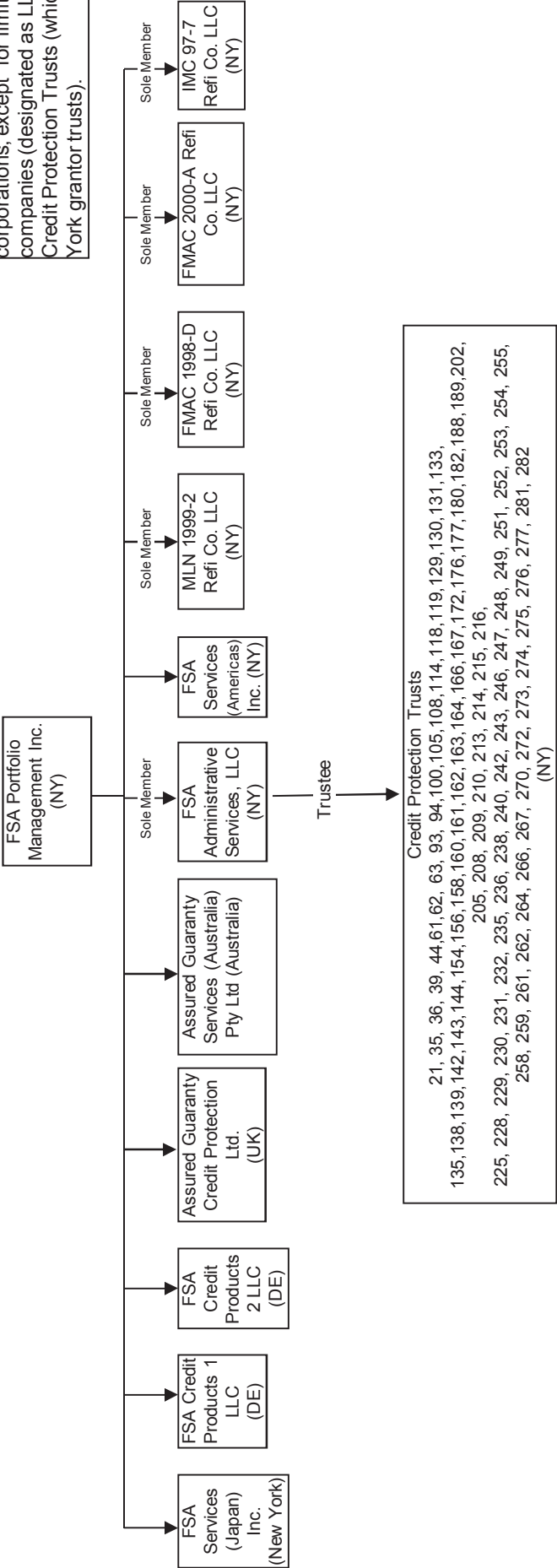
Notes: Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%. Percentages shown represent voting control, except that percentages in parentheses represent economic interest where voting control and economic interest are different.



ANNUAL STATEMENT FOR THE YEAR 2012 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: FSA Portfolio Management Inc.

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



ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00194.....	Assured Guaranty Ltd.....				0001573813	NYSE	Assured Guaranty Ltd.....	BMU	UDP				Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						AG Corporate Holdings LLC.....	DE	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		20-1082002		0001289244		Assured Guaranty US Holdings Inc.....	DE	DS	AG Corporate Holdings LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	01945	13-3261323		1111913357		Assured Guaranty Municipal Holdings Inc.....	NY	DS	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	18287	13-3250292				Assured Guaranty Municipal Corp.....	NY	DS	Assured Guaranty Municipal Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						Assured Guaranty Municipal Holdings Inc.....	NY	DS	Assured Guaranty Municipal Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						FSA Portfolio Management Inc.....	NY	DS	Assured Guaranty Municipal Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						Transaction Services Corp.....	NY	DS	Assured Guaranty Municipal Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	10843	13-3954813				Assured Guaranty Municipal Insurance Co.....	NY	DS	Assured Guaranty Municipal Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		AA-2510099				Assured Guaranty (Europe) Ltd.....	GBR	DS	Assured Guaranty Municipal Insurance Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		98-0223300				Assured Guaranty (Bermuda) Ltd.....	BMU	DS	Assured Guaranty Municipal Insurance Co.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		AA-2510099				Assured Guaranty Credit Protection (Cayman) Ltd.....	CYM	DS	Assured Guaranty Municipal Insurance Co.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		AA-3190809				Assured Guaranty Re. Ltd.....	BMU	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						Assured Guaranty Finance Overseas Ltd.....	GBR	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		52-2221232				Cedar Personnel Ltd.....	BMU	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		AA-3190538				AG Corporate Holdings LLC.....	DE	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	10021	52-2221232				Assured Guaranty Overseas US Holdings Inc.....	DE	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	30180	AA-3190538				Assured Guaranty Re Overseas Ltd.....	BMU	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	01021	06-1384770				Assured Guaranty Mortgage Insurance Company.....	NY	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		AA-1120078				AG Intermediary Municipal Assurance Corp. (formerly Municipal and Infrastructure Assurance Corporation).....	NY	DS	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	13559	26-2999764					NY	DS	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						AG Analytics Inc.....	DE	DS	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						Assured Guaranty (UK) Services Limited.....	GBR	DS	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	30180	52-1533088				Assured Guaranty Corp.....	MD	DS	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00194.....	Assured Guaranty Ltd.....		13-4031196.....				AG Financial Products Inc.....	DE.....	DS.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						Prescott LLC.....	DE.....	DS.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						AG PFC Holding LLC.....	DE.....	DS.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		AA-1120078.....				Assured Guaranty (UK) Ltd.....	GBR.....	DS.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....		03-0575850.....				AGFP Holding LLC.....	DE.....	DS.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....						Portfolio Funding Company LLC 1.....	DE.....	DS.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	
Asterisk		Explanation												

SCHEDULE Y

PART 2 - SUMMARY OF INSURER’S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
30180.....	52-1533088.....	Assured Guaranty Corp.....	(55,001,759)	(1,000)			85,322,351	14,945,214		(15,000,000)	30,264,806	(237,165,523)
	20-1082002.....	AGC US Holdings.....	153,001,759	(172,693,947)	172,500,000		(144,734,092)				8,073,720	
	13-4031196.....	Assured Guaranty Financial Products Inc.....					3,510,682	(8,921,078)			(5,410,396)	
	03-0575850.....	Assured Guaranty Financial Products LLC.....										
		Assured Guaranty Financial Overseas Ltd.....					7,557,781				7,557,781	
		Assured Guaranty Ltd.....	150,000,000	172,367,512			(7,541,103)				314,826,409	
10021.....	06-1384770.....	Assured Guaranty Mortgage Insurance Comp.....					4,372,433				4,372,433	
	52-2221232.....	Assured Guaranty Overseas US Holdings In.....					4,500,000				4,500,000	
	AA-3190809.....	Assured Guaranty Re Ltd.....	(150,000,000)				(4,430,069)	(26,823,668)			(181,253,737)	(478,329,118)
	AA-3190538.....	Assured Guaranty Re Overseas Ltd.....			(90,000,000)		(10,858,406)	(5,101,437)			(105,959,843)	11,125,325
	AA-1120078.....	Assured Guaranty (UK) Ltd.....					(1,769,189)	(7,670,437)			(9,439,626)	77,137,375
		Assured Guaranty (UK) Svcs Ltd.....					5,211,805				5,211,805	
18287.....	13-3250292.....	Assured Guaranty Municipal Corp.....	(30,000,000)		(50,000,000)		20,171,418	(94,042,582)		15,000,000	(138,871,164)	953,978,866
	98-0223300.....	Assured Guaranty (Bermuda) Ltd.....			(82,500,000)		(508,816)				(83,008,816)	(114,951,629)
01945.....	13-3261323.....	Assured Guaranty Municipal Holdngs Inc.....	(68,000,000)	(3,600,000)	50,000,000		34,777,616	10,241,145			23,418,761	
10843.....	13-3954813.....	Assured Guaranty Municipal Insurance Co.....					30,788,768	(11,467,278)			19,321,490	(654,390,131)
	AA-2510099.....	Assured Guaranty (Europe) Ltd.....					(14,182,252)	128,840,121			114,657,869	442,594,835
		FSA Seguros Mexico S.A. de C.V.....					133,578				133,578	
		Assured Guaranty Svc (Australia) Pty Ltd.....										
		Transaction Services Corp.....		1,100,000			(8,194,916)				(7,094,916)	
		Prescott LLC.....										
		AG Corporate Holdings LLC.....										
		AG Services (America) Inc.....		600,000			(603,441)				(3,441)	
		FSA Portfolio Management Inc.....		1,900,000			(3,369,612)				(1,469,612)	
		AG PFC Holdings LLC.....		327,435							327,435	
		AG Analytics.....					(154,536)				(154,536)	
9999999 Control Totals									XXX			

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

MARCH FILING		RESPONSES
1.	Will an actuarial opinion be filed by March 1?	YES.....
2.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES.....
3.	Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?	WAIVED.....
4.	Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?	WAIVED.....
APRIL FILING		
5.	Will the Insurance Expense Exhibit be filed with the state of domicile and the NAIC by April 1?	YES.....
6.	Will Management's Discussion and Analysis be filed by April 1?	YES.....
7.	Will the Supplemental Investment Risks Interrogatories be filed by April 1?	YES.....
MAY FILING		
8.	Will this company be included in a combined annual statement that is filed with the NAIC by May 1?	SEE EXPLANATION.....
JUNE FILING		
9.	Will an audited financial report be filed by June 1?	YES.....
10.	Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES.....
AUGUST FILING		
11.	Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1?	YES.....

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.

MARCH FILING		
12.	Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	SEE EXPLANATION.....
13.	Will the Financial Guaranty Insurance Exhibit be filed by March 1?	YES.....
14.	Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO.....
15.	Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed by March 1?	NO.....
16.	Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?	SEE EXPLANATION.....
17.	Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1?	NO.....
18.	Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1?	SEE EXPLANATION.....
19.	Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	NO.....
20.	Will the confidential Actuarial Opinion Summary be filed with the state of domicile, if required, by March 15 (or the date otherwise specified)?	YES.....
21.	Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?	YES.....
22.	Will the Exceptions to the Reinsurance Attestation Supplement be filed with the state of domicile by March 1?	SEE EXPLANATION.....
23.	Will the Bail Bond Supplement be filed with the state of domicile and the NAIC by March 1?	NO.....
24.	Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	NO.....
25.	Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	NO.....
26.	Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	NO.....
27.	Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	NO.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

APRIL FILING

28.

Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?

.....NO.....
29.

Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?

.....NO.....
30.

Will the Accident and Health Policy Experience Exhibit be filed by April 1?

.....NO.....
31.

Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?

.....NO.....
32.

Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1?

.....NO.....

AUGUST FILING

33.

Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?

.....SEE EXPLANATION.....

Explanation:

8. The Company is not a part of a combined insurance group of domestic insurance companies.

12. The Company has less than 100 stockholders.

14.

15.

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

17.

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

19.

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

23.

24.

25.

26.

27.

28.

29.

30.

31.

32.

33. The Company did not write gross premiums of \$500 million or more in 2012.

Bar Code:

3.


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


3 0 1 8 0 2 0 1 2 3 9 0 0 0 0 0 0
14.


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

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

15.	 301802012455000000
17.	 301802012385000000
19.	 301802012365000000
23.	 301802012500000000
24.	 301802012505000000
25.	 301802012224000000
26.	 301802012225000000
27.	 301802012226000000
28.	 301802012230590000
29.	 301802012306000000
30.	 301802012210000000
31.	 301802012216590000
32.	 301802012217000000

OVERFLOW PAGE FOR WRITE-INS

P002 Additional Aggregate Lines for Page 2 Line 25.

*ASSETS - Assets

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 – 2)	Net Admitted Assets
2504. Other Assets.....	29,859,485	142,330	29,717,155	6,863
2505. Accounting SAP101 (Taxes).....	32,646,974	32,646,974		
2597. Summary of remaining write-ins for Line 25 from page 2	62,506,459	32,789,304	29,717,155	6,863

P003 Additional Aggregate Lines for Page 3 Line 25.

*LIAB - Liabilities

	1 Current Year	2 Prior Year
2504. Miscellaneous liability.....	2,828,290	3,344,821
2597. Summary of remaining write-ins for Line 25 from page 3	2,828,290	3,344,821

P011 Additional Aggregate Lines for Page 11 Line 24.

*EXEXP - Underwriting and Investment - Part 3 - Expenses

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
2404. Outside service fees.....		1,662,932		1,662,932
2497. Summary of remaining write-ins for Line 24 from page 11		1,662,932		1,662,932

P013 Additional Aggregate Lines for Page 13 Line 25.

*EXNONADMIT - Exhibit of Nonadmitted Assets

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (C2 - C1)
2504. Miscellaneous Receivables.....	200,798	163,256	(37,542)
2505. Change in Accounting SAP101(Taxes).....	32,646,974		(32,646,974)
2506.			
2597. Summary of remaining write-ins for Line 25 from page 13	32,847,772	163,256	(32,684,516)

E27 Additional Aggregate Lines for Line 58.

*SCEPT3 - Schedule E - Part 3 - Special Deposits

	1 Type of Deposit	2 Purpose of Deposit	3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
5804. Natixis.....		CSA/Collateral for Natixis			10,935,314	10,935,314
5805. Societe General.....		CSA/Collateral for Societe Generale			44,791,323	48,998,937
5806. Deutsche Bank.....		CSA/Collateral for Deutsche Bank			77,156,604	80,078,932
5807. Wachovia Bank.....		CSA/Collateral for Wachovia Bank			7,960,683	8,669,385
5808. LOC FBO BNYM.....		TRUST			3,499,658	3,508,204
5897. Summary of remaining write-ins for Line 58 from page E27	XXX	XXX			144,343,582	152,190,772

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1	2	3	4	5	6
	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3+4) Amount	Percentage
1. Bonds:						
1.1 U.S. treasury securities	272,596,545	10.023	272,596,545		272,596,545	10.076
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies						
1.22 Issued by U.S. government sponsored agencies						
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)	1,189,334	0.044	1,189,334		1,189,334	0.044
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations	237,127,890	8.718	237,127,890		237,127,890	8.765
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	347,700,485	12.784	347,700,485		347,700,485	12.852
1.43 Revenue and assessment obligations	1,260,548,905	46.347	1,260,548,905		1,260,548,905	46.592
1.44 Industrial development and similar obligations						
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA	5,613,463	0.206	5,613,463		5,613,463	0.207
1.512 Issued or guaranteed by FNMA and FHLMC	62,204,000	2.287	62,204,000		62,204,000	2.299
1.513 All other						
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	2,463,868	0.091	2,463,868		2,463,868	0.091
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521						
1.523 All other	116,322,080	4.277	116,322,080		116,322,080	4.299
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	94,168,803	3.462	94,168,803		94,168,803	3.481
2.2 Unaffiliated non-U.S. securities (including Canada)	38,263,403	1.407	38,263,403		38,263,403	1.414
2.3 Affiliated securities						
3. Equity interests:						
3.1 Investments in mutual funds						
3.2 Preferred stocks:						
3.21 Affiliated						
3.22 Unaffiliated						
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated						
3.32 Unaffiliated						
3.4 Other equity securities:						
3.41 Affiliated	130,586,859	4.801	128,764,138		128,764,138	4.759
3.42 Unaffiliated						
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated						
3.52 Unaffiliated						
4. Mortgage loans:						
4.1 Construction and land development						
4.2 Agricultural						
4.3 Single family residential properties						
4.4 Multifamily residential properties						
4.5 Commercial loans						
4.6 Mezzanine real estate loans						
5. Real estate investments:						
5.1 Property occupied by company						
5.2 Property held for production of income (including \$ of property acquired in satisfaction of debt)						
5.3 Property held for sale (including \$ property acquired in satisfaction of debt)						
6. Contract loans						
7. Derivatives						
8. Receivables for securities						
9. Securities Lending (Line 10, Asset Page reinvested collateral)				XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	129,251,009	4.752	129,251,009		129,251,009	4.777
11. Other invested assets	21,788,340	0.801	9,288,340		9,288,340	0.343
12. Total invested assets	2,719,824,984	100.000	2,705,502,263		2,705,502,263	100.000

SCHEDULE A – VERIFICATION BETWEEN YEARS

Real Estate

1.	Book/adjusted carrying value, December 31 of prior year.....	2,738,541
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 6).....	
2.2	Additional investment made after acquisition (Part 2, Column 9).....	
3.	Current year change in encumbrances:	
3.1	Totals, Part 1, Column 13.....	
3.2	Totals, Part 3, Column 11.....	
4.	Total gain (loss) on disposals, Part 3, Column 18.....	
5.	Deduct amounts received on disposals, Part 3, Column 15.....	
6.	Total foreign exchange change in book/adjusted carrying value:	
6.1	Totals, Part 1, Column 15.....	
6.2	Totals, Part 3, Column 13.....	
7.	Deduct current year's other than temporary impairment recognized:	
7.1	Totals, Part 1, Column 12.....	
7.2	Totals, Part 3, Column 10.....	
8.	Deduct current year's depreciation:	
8.1	Totals, Part 1, Column 11.....	121,426
8.2	Totals, Part 3, Column 9.....	121,426
9.	Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....	2,617,115
10.	Deduct total nonadmitted amounts	2,617,115
11.	Statement value at end of current period (Line 9 minus Line 10).....	

SCHEDULE B – VERIFICATION BETWEEN YEARS

Mortgage Loans

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

NONE

SCHEDULE BA – VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year.....	38,322,527
2.	Cost of acquired:	
2.1	Actual cost at time of acquisition (Part 2, Column 8)	
2.2	Additional investment made after acquisition (Part 2, Column 9)	
3.	Capitalized deferred interest and other:	
3.1	Totals, Part 1, Column 16.....	
3.2	Totals, Part 3, Column 12.....	
4.	Accrual of discount.....	
5.	Unrealized valuation increase (decrease):	
5.1	Totals, Part 1, Column 13	
5.2	Totals, Part 3, Column 9	
6.	Total gain (loss) on disposals, Part 3, Column 19.....	
7.	Deduct amounts received on disposals, Part 3, Column 16.....	16,534,187
8.	Deduct amortization of premium and depreciation.....	
9.	Total foreign exchange change in book/adjusted carrying value:	
9.1	Totals, Part 1, Column 17.....	
9.2	Totals, Part 3, Column 14.....	
10.	Deduct current year's other than temporary impairment recognized:	
10.1	Totals, Part 1, Column 15	
10.2	Totals, Part 3, Column 11.....	
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	21,788,340
12.	Deduct total nonadmitted amounts.....	12,500,000
13.	Statement value at end of current period (Line 11 minus Line 12)	9,288,340

SCHEDULE D – VERIFICATION BETWEEN YEARS

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year.....	2,649,063,159
2.	Cost of bonds and stocks acquired, Part 3, Column 7.....	334,895,786
3.	Accrual of discount.....	10,823,906
4.	Unrealized valuation increase (decrease):	
4.1	Part 1, Column 12.....	
4.2	Part 2, Section 1, Column 15.....	
4.3	Part 2, Section 2, Column 13.....	7,911,549
4.4	Part 4, Column 11.....	7,911,549
5.	Total gain (loss) on disposals, Part 4, Column 19.....	4,803,818
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7.....	389,157,059
7.	Deduct amortization of premium.....	17,161,446
8.	Total foreign exchange change in book/adjusted carrying value:	
8.1	Part 1, Column 15.....	
8.2	Part 2, Section 1, Column 19.....	
8.3	Part 2, Section 2, Column 16.....	
8.4	Part 4, Column 15.....	
9.	Deduct current year's other than temporary impairment recognized:	
9.1	Part 1, Column 14.....	32,274,870
9.2	Part 2, Section 1, Column 17.....	
9.3	Part 2, Section 2, Column 14.....	
9.4	Part 4, Column 13.....	119,208
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	2,568,785,635
11.	Deduct total nonadmitted amounts.....	1,822,721
12.	Statement value at end of current period (Line 10 minus Line 11)	2,566,962,914

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year					
Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States	278,210,005	290,746,433	280,003,937	275,100,000
	2. Canada	1,189,334	1,252,475	1,188,453	1,190,000
	3. Other Countries				
	4. Totals	279,399,339	291,998,908	281,192,390	276,290,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	237,127,893	262,572,404	241,753,701	223,165,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	347,700,483	364,358,488	353,447,840	344,652,712
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals	1,325,216,771	1,442,250,279	1,347,260,357	1,269,779,473
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States	210,490,883	222,795,756	209,717,453	294,347,870
	9. Canada	7,710,170	8,664,379	7,699,600	7,725,000
	10. Other Countries	30,553,233	34,182,824	30,119,306	68,430,922
	11. Totals	248,754,286	265,642,959	247,536,359	370,503,792
Parent, Subsidiaries and Affiliates	12. Totals				
	13. Total Bonds	2,438,198,772	2,626,823,038	2,471,190,647	2,484,390,977
PREFERRED STOCKS Industrial and Miscellaneous (unaffiliated)	14. United States				
	15. Canada				
	16. Other Countries				
	17. Totals				
Parent, Subsidiaries and Affiliates	18. Totals				
	19. Total Preferred Stocks				
COMMON STOCKS Industrial and Miscellaneous (unaffiliated)	20. United States				
	21. Canada				
	22. Other Countries				
	23. Totals				
Parent, Subsidiaries and Affiliates	24. Totals	130,586,859	130,586,859	98,462,992	
	25. Total Common Stocks	130,586,859	130,586,859	98,462,992	
	26. Total Stocks	130,586,859	130,586,859	98,462,992	
	27. Total Bonds and Stocks	2,568,785,631	2,757,409,897	2,569,653,639	

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1A - SECTION 1

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

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
1. U.S. Governments											
1.1 Class 1	86,159,889	205,152,331	31,331,189		5,613,463	328,256,872	12.8	571,681,167	21.5	328,256,872	
1.2 Class 2											
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 Totals	86,159,889	205,152,331	31,331,189		5,613,463	328,256,872	12.8	571,681,167	21.5	328,256,872	
2. All Other Governments											
2.1 Class 1		1,189,334				1,189,334	0.0	1,189,028	0.0		1,189,334
2.2 Class 2											
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 Totals		1,189,334				1,189,334	0.0	1,189,028	0.0		1,189,334
3. U.S. States, Territories and Possessions, etc., Guaranteed											
3.1 Class 1	7,490,000	85,355,295	68,658,349	60,644,794	14,979,452	237,127,890	9.3	240,145,031	9.0	237,127,890	
3.2 Class 2											
3.3 Class 3											
3.4 Class 4											
3.5 Class 5											
3.6 Class 6											
3.7 Totals	7,490,000	85,355,295	68,658,349	60,644,794	14,979,452	237,127,890	9.3	240,145,031	9.0	237,127,890	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1 Class 1	15,655,069	129,943,780	72,634,423	105,294,674	24,172,539	347,700,485	13.6	333,787,716	12.5	347,700,485	
4.2 Class 2											
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 Totals	15,655,069	129,943,780	72,634,423	105,294,674	24,172,539	347,700,485	13.6	333,787,716	12.5	347,700,485	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1 Class 1	109,829,558	385,549,067	505,955,509	228,793,738	94,332,293	1,324,460,165	51.7	1,147,228,112	43.1	1,324,460,165	
5.2 Class 2		756,608				756,608	0.0	757,895	0.0	756,608	
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6											
5.7 Totals	109,829,558	386,305,675	505,955,509	228,793,738	94,332,293	1,325,216,773	51.8	1,147,986,007	43.1	1,325,216,773	

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

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

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

Quality Rating per the NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)											
6.1 Class 1	93,740,380	127,087,434	71,243,419	7,255,270	1,777,478	301,103,981	11.8	339,875,156	12.8	238,524,098	62,579,883
6.2 Class 2								30,166,398	1.1		
6.3 Class 3											
6.4 Class 4											
6.5 Class 5											
6.6 Class 6	812,904	3,251,618	4,064,522	8,129,045	2,777,424	19,035,513	0.7				19,035,513
6.7 Totals	94,553,284	130,339,052	75,307,941	15,384,315	4,554,902	320,139,494	12.5	370,041,554	13.9	238,524,098	81,615,396
7. Hybrid Securities											
7.1 Class 1											
7.2 Class 2											
7.3 Class 3											
7.4 Class 4											
7.5 Class 5											
7.6 Class 6											
7.7 Totals											
8. Parent, Subsidiaries and Affiliates											
8.1 Class 1											
8.2 Class 2											
8.3 Class 3											
8.4 Class 4											
8.5 Class 5											
8.6 Class 6											
8.7 Totals											

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

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

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

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 9.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
9. Total Bonds Current Year											
9.1 Class 1	(d) 312,874,896	934,277,241	749,822,889	401,988,476	140,875,225	2,539,838,727	99.2	XXX	XXX	2,476,069,510	63,769,217
9.2 Class 2	(d) 756,608					756,608	0.0	XXX	XXX	756,608	
9.3 Class 3	(d)							XXX	XXX		
9.4 Class 4	(d)							XXX	XXX		
9.5 Class 5	(d)					(c) XXX		XXX	XXX		
9.6 Class 6	(d) 812,904	3,251,618	4,064,522	8,129,045	2,777,424	(c) 19,035,513	0.7	XXX	XXX		19,035,513
9.7 Totals	313,687,800	938,285,467	753,887,411	410,117,521	143,652,649	(b) 2,559,630,848	100.0	XXX	XXX	2,476,826,118	82,804,730
9.8 Line 9.7 as a % of Col. 6	12.3	36.7	29.5	16.0	5.6	100.0	XXX	XXX	XXX	96.8	3.2
10. Total Bonds Prior Year											
10.1 Class 1	342,334,678	910,105,960	778,093,119	423,369,048	180,003,405	XXX	XXX	2,633,906,210	98.8	2,556,699,291	77,206,917
10.2 Class 2	2,252,441	17,255,110	11,416,742			XXX	XXX	30,924,293	1.2	20,265,446	10,658,847
10.3 Class 3						XXX	XXX				
10.4 Class 4						XXX	XXX				
10.5 Class 5						XXX	XXX	(c)			
10.6 Class 6						XXX	XXX	(c)			
10.7 Totals	344,587,119	927,361,070	789,509,861	423,369,048	180,003,405	XXX	XXX	(b) 2,664,830,503	100.0	2,576,964,737	87,865,764
10.8 Line 10.7 as a % of Col. 8	12.9	34.8	29.6	15.9	6.8	XXX	XXX	100.0	XXX	96.7	3.3
11. Total Publicly Traded Bonds											
11.1 Class 1	311,741,185	904,361,164	722,096,249	397,895,273	139,975,639	2,476,069,510	96.7	2,556,699,292	95.9	2,476,069,510	XXX
11.2 Class 2		756,608				756,608	0.0	20,265,446	0.8	756,608	XXX
11.3 Class 3											XXX
11.4 Class 4											XXX
11.5 Class 5											XXX
11.6 Class 6											XXX
11.7 Totals	311,741,185	905,117,772	722,096,249	397,895,273	139,975,639	2,476,826,118	96.8	2,576,964,738	96.7	2,476,826,118	XXX
11.8 Line 11.7 as a % of Col. 6	12.6	36.5	29.2	16.1	5.7	100.0	XXX	XXX	XXX	100.0	XXX
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	12.2	35.4	28.2	15.5	5.5	96.8	XXX	XXX	XXX	96.8	XXX
12. Total Privately Placed Bonds											
12.1 Class 1	1,133,710	29,916,077	27,726,640	4,093,204	899,586	63,769,217	2.5	77,206,917	2.9	XXX	63,769,217
12.2 Class 2								10,658,847	0.4	XXX	
12.3 Class 3										XXX	
12.4 Class 4										XXX	
12.5 Class 5										XXX	
12.6 Class 6	812,904	3,251,618	4,064,522	8,129,045	2,777,424	19,035,513	0.7			XXX	19,035,513
12.7 Totals	1,946,614	33,167,695	31,791,162	12,222,249	3,677,010	82,804,730	3.2	87,865,764	3.3	XXX	82,804,730
12.8 Line 12.7 as a % of Col. 6	2.4	40.1	38.4	14.8	4.4	100.0	XXX	XXX	XXX	XXX	100.0
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	0.1	1.3	1.2	0.5	0.1	3.2	XXX	XXX	XXX	XXX	3.2

(a) Includes \$ 82,804,730 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

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

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

(d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 71,385,208 ; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

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

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues											
Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 9.5	8 Total From Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
9. Total Bonds Current Year											
9.1 Issuer Obligations	279,061,432	794,072,548	704,709,101	375,409,694	128,431,255	2,281,684,030	89.1	XXX	XXX	2,270,731,140	10,952,887
9.2 Residential Mortgage-Backed Securities	23,625,390	50,501,122	27,487,328	9,523,766	1,900,769	113,038,375	4.4	XXX	XXX	93,423,684	19,614,692
9.3 Commercial Mortgage-Backed Securities	10,188,074	47,120,011	10,643,487		5,613,463	73,565,035	2.9	XXX	XXX	62,921,549	10,643,487
9.4 Other Loan-Backed and Structured Securities	812,905	46,591,785	11,047,495	25,184,061	7,707,163	91,343,409	3.6	XXX	XXX	49,749,745	41,593,664
9.5 Totals	313,687,801	938,285,466	753,887,411	410,117,521	143,652,650	2,559,630,849	100.0	XXX	XXX	2,476,826,118	82,804,730
9.6 Lines 9.5 as a % Col. 6	12.3	36.7	29.5	16.0	5.6	100.0	XXX	XXX	XXX	96.8	3.2
10. Total Bonds Prior Year											
10.1 Issuer Obligations	310,120,437	805,465,593	726,798,576	383,666,879	163,152,262	XXX	XXX	2,389,203,747	89.7	2,361,900,934	27,302,813
10.2 Residential Mortgage-Backed Securities	17,711,028	46,700,255	32,048,431	19,145,841	3,045,475	XXX	XXX	118,651,030	4.5	113,010,633	5,640,398
10.3 Commercial Mortgage-Backed Securities	15,798,908	56,326,126	13,776,966	1,676,490		XXX	XXX	87,578,490	3.3	76,919,643	10,658,847
10.4 Other Loan-Backed and Structured Securities	956,745	18,869,097	16,885,889	18,879,836	13,805,668	XXX	XXX	69,397,235	2.6	25,133,528	44,263,706
10.5 Totals	344,587,118	927,361,071	789,509,862	423,369,046	180,003,405	XXX	XXX	2,664,830,502	100.0	2,576,964,738	87,865,764
10.6 Line 10.5 as a % of Col. 8	12.9	34.8	29.6	15.9	6.8	XXX	XXX	100.0	XXX	96.7	3.3
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations	279,061,431	790,384,069	697,444,691	375,409,694	128,431,256	2,270,731,141	88.7	2,361,900,934	88.6	2,270,731,141	XXX
11.2 Residential Mortgage-Backed Securities	22,491,680	46,831,675	17,668,585	5,430,562	1,001,182	93,423,684	3.6	113,010,633	4.2	93,423,684	XXX
11.3 Commercial Mortgage-Backed Securities	10,188,074	47,120,011			5,613,463	62,921,548	2.5	76,919,642	2.9	62,921,548	XXX
11.4 Other Loan-Backed and Structured Securities		20,782,017	6,982,973	17,055,016	4,929,739	49,749,745	1.9	25,133,528	0.9	49,749,745	XXX
11.5 Totals	311,741,185	905,117,772	722,096,249	397,895,272	139,975,640	2,476,826,118	96.8	2,576,964,737	96.7	2,476,826,118	XXX
11.6 Line 11.5 as a % of Col. 6	12.6	36.5	29.2	16.1	5.7	100.0	XXX	XXX	XXX	100.0	XXX
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	12.2	35.4	28.2	15.5	5.5	96.8	XXX	XXX	XXX	96.8	XXX
12. Total Privately Placed Bonds											
12.1 Issuer Obligations		3,688,479	7,264,409			10,952,888	0.4	27,302,813	1.0	XXX	10,952,888
12.2 Residential Mortgage-Backed Securities	1,133,710	3,669,447	9,818,744	4,093,204	899,586	19,614,691	0.8	5,640,398	0.2	XXX	19,614,691
12.3 Commercial Mortgage-Backed Securities			10,643,487			10,643,487	0.4	10,658,847	0.4	XXX	10,643,487
12.4 Other Loan-Backed and Structured Securities	812,905	25,809,768	4,064,522	8,129,045	2,777,424	41,593,664	1.6	44,263,707	1.7	XXX	41,593,664
12.5 Totals	1,946,615	33,167,694	31,791,162	12,222,249	3,677,010	82,804,730	3.2	87,865,765	3.3	XXX	82,804,730
12.6 Line 12.5 as a % of Col. 6	2.4	40.1	38.4	14.8	4.4	100.0	XXX	XXX	XXX	XXX	100.0
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	0.1	1.3	1.2	0.5	0.1	3.2	XXX	XXX	XXX	XXX	3.2

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments					
	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	94,638,061	94,638,061			
2. Cost of short-term investments acquired	188,081,826	188,081,826			
3. Accrual of discount	69,572	69,572			
4. Unrealized valuation increase (decrease)					
5. Total gain (loss) on disposals	1,653	1,653			
6. Deduct consideration received on disposals	224,669,167	224,669,167			
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)	58,121,945	58,121,945			
11. Deduct total nonadmitted amounts					
12. Statement value at end of current period (Line 10 minus Line 11)	58,121,945	58,121,945			

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

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E - VERIFICATION BETWEEN YEARS

(Cash Equivalents)			
	1	2	3
	Total	Bonds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year.....	47,481,441	47,481,441	
2. Cost of cash equivalents acquired.....	54,703,756	54,703,756	
3. Accrual of discount.....	4,181	4,181	
4. Unrealized valuation increase (decrease).....			
5. Total gain (loss) on disposals.....	1,175	1,175	
6. Deduct consideration received on disposals.....	38,880,424	38,880,424	
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).....	63,310,129	63,310,129	
11. Deduct total nonadmitted amounts.....			
12. Statement value at end of current period (Line 10 minus Line 11)	63,310,129	63,310,129	

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE A - PART 1

Showing All Real Estate OWNED December 31 of Current Year

1	2	Location		5	6	7	8	9	10	Change in Book/Adjusted Carrying Value Less Encumbrances					16	17
		3	4							11	12	13	14	15		
Description of Property	Code	City	State	Date Acquired	Date of Last Appraisal	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Fair Value Less Encumbrances	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. (13-11-12)	Total Foreign Exchange Change in B./A.C.V.	Gross Income Earned Less Interest Incurred on Encumbrances	Taxes, Repairs and Expenses Incurred
Properties occupied by the reporting entity - Health Care Delivery																
Properties occupied by the reporting entity - Administrative																
Condo Unit 15 West 53rd St.....		New York.....	New York.....	04/23/2004...	04/23/2004...	1,935,081		1,319,376	1,319,376	70,366			(70,366)			
Condo Unit 35C West 53rd St.....		New York.....	New York.....	12/16/2010...	12/16/2010...	1,404,114		1,297,739	1,297,739	51,060			(51,060)			
0299999 - Properties occupied by the reporting entity - Administrative						3,339,195		2,617,115	2,617,115	121,426			(121,426)			
0399999 - Total Properties occupied by the reporting entity						3,339,195		2,617,115	2,617,115	121,426			(121,426)			
Properties held for the production of income																
Properties held for sale																
0699999 Totals						3,339,195		2,617,115	2,617,115	121,426			(121,426)			

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE BA - PART 1

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

1	2	3	Location		6	7	8	9	10	11	12	Change in Book/Adjusted Carrying Value					18	19	20
			4	5								13	14	15	16	17			
CUSIP Identification	Name or Description	Code	City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost	Fair Value	Book / Adjusted Carrying Value Less Encumbrances	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Foreign Exchange Change in B./A.C.V.	Investment Income	Commitment for Additional Investment	Percentage of Ownership
Oil and Gas Production - Unaffiliated																			
Oil and Gas Production - Affiliated																			
Transportation Equipment - Unaffiliated																			
Transportation Equipment - Affiliated																			
Mineral Rights - Unaffiliated																			
Mineral Rights - Affiliated																			
Fixed or Variable Interest Rate Investments That Have the Underlying Characteristics of: Bonds - Unaffiliated																			
Fixed or Variable Interest Rate Investments That Have the Underlying Characteristics of: Bonds - Affiliated																			
Fixed or Variable Interest Rate Investments That Have the Underlying Characteristics of: Mortgage Loans - Unaffiliated																			
Fixed or Variable Interest Rate Investments That Have the Underlying Characteristics of: Mortgage Loans - Affiliated																			
Fixed or Variable Interest Rate Investments That Have the Underlying Characteristics of: Other Fixed Income Instruments - Unaffiliated																			
Fixed or Variable Interest Rate Investments That Have the Underlying Characteristics of: Other Fixed Income Instruments - Affiliated																			
Joint Venture, Partnership or Limited Liability Company Interests That Have the Underlying Characteristics of: Fixed Income Instruments - Unaffiliated																			
Joint Venture, Partnership or Limited Liability Company Interests That Have the Underlying Characteristics of: Fixed Income Instruments - Affiliated																			
Joint Venture, Partnership or Limited Liability Company Interests That Have the Underlying Characteristics of: Common Stocks - Unaffiliated																			
Joint Venture, Partnership or Limited Liability Company Interests That Have the Underlying Characteristics of: Common Stocks - Affiliated																			
Joint Venture, Partnership or Limited Liability Company Interests That Have the Underlying Characteristics of: Real Estate - Unaffiliated																			
Joint Venture, Partnership or Limited Liability Company Interests That Have the Underlying Characteristics of: Real Estate - Affiliated																			
Joint Venture, Partnership or Limited Liability Company Interests That Have the Underlying Characteristics of: Other - Unaffiliated																			
Joint Venture, Partnership or Limited Liability Company Interests That Have the Underlying Characteristics of: Other - Affiliated																			
Surplus Debentures, etc.- Unaffiliated																			
Surplus Debentures, etc. - Affiliated																			
Collateral Loans - Unaffiliated																			
Collateral Loans - Affiliated																			
Non-collateral Loans - Unaffiliated																			
Non-collateral Loans - Affiliated																			
Capital Notes - Unaffiliated																			
Capital Notes - Affiliated																			
Guaranteed Federal Low Income Housing Tax Credit - Unaffiliated																			
Guaranteed Federal Low Income Housing Tax Credit - Affiliated																			
Non-Guaranteed Federal Low Income Housing Tax Credit - Unaffiliated																			
Non-Guaranteed Federal Low Income Housing Tax Credit - Affiliated																			
State Low Income Housing Tax Credit - Unaffiliated																			
State Low Income Housing Tax Credit - Affiliated																			
All Other Low Income Housing Tax Credit - Unaffiliated																			
All Other Low Income Housing Tax Credit - Affiliated																			
Any Other Class of Assets - Unaffiliated																			
...000000-00-0... US MTG INS CO TAX & LOSS BONDS... BALTIMORE MD... BUREAU OF THE PUBLIC DEBT... 06/16/2008... 288,340 288,340 288,340 100,000																			
...000000-00-0... US MTG INS CO TAX & LOSS BONDS... BALTIMORE MD... BUREAU OF THE PUBLIC DEBT... 06/16/2009... 9,000,000 9,000,000 9,000,000 100,000																			
3799999 - Any Other Class of Assets - Unaffiliated 9,288,340 9,288,340 9,288,340 XXX																			
Any Other Class of Assets - Affiliated																			
3999999 - Subtotal Unaffiliated 9,288,340 9,288,340 9,288,340 XXX																			
4099999 - Subtotal Affiliated XXX																			
4199999 Totals 9,288,340 9,288,340 9,288,340 XXX																			

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE BA - PART 2

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

1	2	Location		5	6	7	8	9	10	11
		3	4							
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Percentage of Ownership
3999999 – Subtotal Unaffiliated										XXX
4099999 – Subtotal Affiliated										XXX
4199999 Totals										XXX

NONE

E09

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4 F o r e i g n	5			8	9			12	13	14 Current Year's Other Than	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date	
Bonds - U.S. Governments - Issuer Obligations																					
912828-HA-1	TREASURY NOTE			1	4,561,678	118.7270	5,283,334	4,450,000	4,508,798		(11,232)			4.750	4.480	FA	79,840	211,375	10/30/2007	08/15/2017	
912828-EE-6	TREASURY NOTE BND/GOVT	SD		1	707,781	110.1800	798,803	725,000	719,638		1,883			4.250	4.604	FA	11,638	30,813	10/27/2005	08/15/2015	
912810-EH-7	UNITED STATES TREAS BDS	SD		1	7,849,453	150.5000	9,030,000	6,000,000	7,169,754		(114,557)			7.875	4.994	FA	186,346	472,164	03/08/2006	02/15/2021	
912810-EK-0	UNITED STATES TREAS BDS			1	11,957,637	154.5230	13,752,583	8,900,000	10,884,439		(180,817)			8.125	4.981	FA	273,137	723,125	03/08/2006	08/15/2021	
912828-HT-0	UNITED STATES TREAS NTS			1	36,457,539	100.4180	35,146,300	35,000,000	35,063,078		(389,679)			2.750	1.629	FA	327,037	962,500	05/01/2009	02/28/2013	
912828-KN-9	UNITED STATES TREAS NTS			1	49,726,774	102.1910	50,201,525	49,125,000	49,638,991		(250,805)			1.875	1.093	AO	157,756	921,094	04/20/2012	04/30/2014	
912828-KV-1	UNITED STATES TREAS NTS			1	92,088,797	102.8440	96,981,703	94,300,000	93,642,488		450,293			2.250	2.776	MN	749,027	2,121,750	06/09/2009	05/31/2014	
912828-PR-5	UNITED STATES TREASURY NOTE			1	1,048,753	100.0390	1,050,411	1,050,000	1,049,946		658			0.625	0.689	JJ	2,746	6,563	03/11/2011	01/31/2013	
912828-QF-0	UNITED STATES TREASURY NOTE			1	20,103,647	105.2110	21,042,180	20,000,000	20,071,009		(20,494)			2.000	1.898	AO	68,508	400,000	05/25/2011	04/30/2016	
912828-RJ-1	UNITED STATES TREASURY NOTE			1	9,285,871	101.9060	9,477,277	9,300,000	9,289,200		2,818			1.000	1.034	MS	23,761	93,000	10/26/2011	09/30/2016	
912828-QJ-2	US Treas Note/Bond			1	17,154,449	105.4450	17,925,701	17,000,000	17,100,541		(30,618)			2.125	1.941	FA	122,745	361,250	03/23/2011	02/29/2016	
912828-RO-5	US TREASURY N/B	SD		1	3,499,465	100.2340	3,508,204	3,500,000	3,499,659		182			0.375	0.381	MN	1,704	13,125	12/07/2011	11/15/2014	
912828-SU-5	US TREASURY N/B			1	6,677,253	99.8750	6,691,625	6,700,000	6,682,007		4,754			0.250	0.364	MN	2,175	8,375	05/15/2012	05/15/2015	
912828-SV-3	US Treasury N/B			1	13,275,582	100.8670	13,415,336	13,300,000	13,276,995		1,413			1.750	1.778	MN	30,219	116,375	05/15/2012	05/15/2022	
0199999 - Bonds - U.S. Governments - Issuer Obligations					274,394,679	XXX	284,304,982	269,350,000	272,596,543		(536,201)			XXX	XXX	XXX	2,036,639	6,441,509	XXX	XXX	
Bonds - U.S. Governments - Residential Mortgage-Backed Securities																					
Bonds - U.S. Governments - Commercial Mortgage-Backed Securities																					
38376G-B6-6	GOVERNMENT NATIONAL MORTGAGE A 11			1FE	1,630,508	109.3490	1,913,599	1,750,000	1,633,720		(3,445)			4.000	4.477	MON	5,833	70,000	01/04/2011	02/01/2052	
38376G-DW-9	Government National Mortgage Assoc			1FE	3,978,750	113.1960	4,527,852	4,000,000	3,979,742		(3,068)			4.450	4.575	MON	14,833	178,000	01/06/2010	03/16/2051	
03999999 - Bonds - U.S. Governments - Commercial Mortgage-Backed Securities					5,609,258	XXX	6,441,451	5,750,000	5,613,462		(6,513)			XXX	XXX	XXX	20,666	248,000	XXX	XXX	
Bonds - U.S. Governments - Other Loan-Backed and Structured Securities																					
05999999 - Bonds - U.S. Governments - Subtotals - U.S. Governments					280,003,937	XXX	290,746,433	275,100,000	278,210,005		(542,714)			XXX	XXX	XXX	2,057,305	6,689,509	XXX	XXX	
Bonds - All Other Governments - Issuer Obligations																					
74727P-AJ-0	STATE OF QATAR		R	1FE	1,188,453	105.2500	1,252,475	1,190,000	1,189,334		305			4.000	4.069	JJ	21,342	47,600	11/17/2009	01/20/2015	
06999999 - Bonds - All Other Governments - Issuer Obligations					1,188,453	XXX	1,252,475	1,190,000	1,189,334		305			XXX	XXX	XXX	21,342	47,600	XXX	XXX	
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																					
10999999 - Bonds - All Other Governments - Subtotals - All Other Governments					1,188,453	XXX	1,252,475	1,190,000	1,189,334		305			XXX	XXX	XXX	21,342	47,600	XXX	XXX	
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																					
13062P-PU-0	CALIFORNIA ST GO			1	5,041,616	105.0510	5,252,550	5,000,000	5,018,810		(16,540)			5.000	4.694	FA	104,167	250,000	08/10/2011	02/01/2033	
20772G-V6-9	CT GO C19 S09A			1FE	4,355,732	117.3700	4,694,800	4,000,000	4,335,158		(16,449)			5.000	4.208	FA	75,556	175,000	06/11/2012	02/15/2026	
20772J-AP-7	CT GO C20 S10D			1FE	5,698,361	121.8150	5,828,848	4,785,000	5,553,578		(66,632)			5.000	3.104	AO	59,813	239,250	10/14/2010	10/01/2022	
34153P-NJ-3	FLORIDA ST BRD ED PUB ED			1FE	2,266,080	121.0550	2,421,100	2,000,000	2,217,879		(19,098)			5.000	3.657	JD	8,333	100,000	05/26/2010	06/01/2022	
341535-E5-7	FLORIDA ST BRD ED PUB ED			1	12,327,267	111.2080	13,128,104	11,805,000	12,121,856		(84,615)			5.000	4.193	JD	49,188	590,250	06/30/2010	06/01/2020	
34153P-JS-8	CAP			1	9,822,744	115.5890	11,558,900	10,000,000	9,829,452		3,215			5.000	5.186	JD	41,667	500,000	11/08/2010	06/01/2038	
419791-YH-5	HAWAII ST			1FE	2,613,624	108.8510	2,830,126	2,600,000	2,607,362		(2,233)			3.380	3.310	FA	36,617	87,880	02/10/2010	02/01/2016	
419791-YJ-1	HAWAII ST			1FE	6,080,968	111.4110	6,734,795	6,045,000	6,067,146		(4,944)			3.730	3.666	FA	93,949	225,479	02/10/2010	02/01/2017	
419791-YB-8	HI GO NC S10D			1FE	11,194,605	119.4160	11,732,622	9,825,000	10,869,689		(188,994)			5.000	2.764	FA	204,688	491,250	04/06/2011	02/01/2018	
546415-ZP-8	LOISIANA ST			1	2,969,325	125.1040	3,127,600	2,500,000	2,872,765		(45,018)			5.000	2.771	MN	15,972	125,000	10/26/2010	11/15/2020	
575827-6Q-8	MASSACHUSETTS ST G.O.			1FE	5,385,750	121.1440	6,057,200	5,000,000	5,149,353		(26,843)			5.500	4.858	MN	45,833	275,000	12/05/2001	11/01/2017	
57582N-UZ-6	MASSACHUSETTS ST GO			1FE	11,102,800	138.9610	13,896,100	10,000,000	10,975,285		(35,112)			5.500	4.735	FA	229,167	550,000	02/10/2009	08/01/2030	
57582P-FX-3	MASSACHUSETTS ST GO			1	2,186,478	109.4730	2,298,933	2,100,000	2,155,560		(10,729)			5.000	4.405	FA	43,750	105,000	12/03/2009	08/01/2037	
574192-4U-1	MD GO NC S09C			1FE	7,451,938	116.5300	7,481,226	6,420,000	7,208,871		(197,595)			5.000	1.684	MN	53,500	321,000	10/27/2011	11/01/2016	

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
594610-F6-9.	MICHIGAN ST GO.			1	1FE	8,023,683		101.6360	7,490,000	7,490,000					5.250	5.319	MN	65,538	393,225	01/08/2004	05/01/2021
604129-VX-1.	MN GO C20 S10D.			1	1FE	7,822,950		124.4860	8,296,992	6,665,000		(118,145)			5.000	2.790	FA	138,854	333,250	09/29/2011	08/01/2023
641461-JF-6.	NV St GO C18 S08.				1FE	6,218,183		116.9810	6,995,464	5,980,000		(11,115)			5.000	4.698	JD	24,917	299,000	06/16/2010	06/01/2026
677521-EA-0.	OHIO STATE GO NC S10.				1FE	11,940,000		123.3850	12,338,500	10,000,000		(204,858)			5.000	2.552	FA	208,333	500,000	09/30/2010	08/01/2019
68608K-6T-0.	OR GO NC S11J				1FE	2,152,914		117.7250	2,142,595	1,820,000		(54,144)			5.000	1.757	MN	15,167	91,000	05/19/2011	05/01/2017
68608K-6U-7.	OR GO NC S11J				1FE	2,160,540		120.9220	2,194,734	1,815,000		(47,345)			5.000	2.058	MN	15,125	90,750	05/19/2011	05/01/2018
70914P-AS-1.	PA GO C17 S07A.				1FE	5,535,800		117.6070	5,880,350	5,000,000		(30,100)			5.000	4.048	MN	41,667	250,000	07/14/2010	11/01/2024
70914P-KZ-4.	PA GO NC S09.				1FE	5,696,000		117.8640	5,893,200	5,000,000		(103,641)			5.000	2.640	JJ	125,000	250,000	02/07/2011	07/01/2017
70914P-ME-9.	PENNSYLVANIA ST				1FE	9,840,400		115.4060	11,540,600	10,000,000		7,471			4.650	4.852	FA	175,667	465,000	02/25/2010	02/15/2026
70914P-KE-1.	PENNSYLVANIA ST				1FE	7,625,032		121.1680	8,009,205	6,610,000		(62,196)			5.000	3.593	AO	69,772	330,500	09/30/2010	04/15/2024
83710D-4F-2.	SC GO NC S11.				1FE	11,482,200		113.8120	11,381,200	10,000,000		(287,738)			5.000	1.910	MS	166,667	500,000	02/17/2011	03/01/2016
880541-PA-9.	TENNESSEE ST.				1FE	1,316,438		113.6250	1,420,313	1,250,000		(6,385)			4.000	3.361	MN	8,333	50,000	10/21/2010	08/01/2020
880541-PB-7.	TENNESSEE ST.				1FE	1,305,625		113.1850	1,414,813	1,250,000		(4,717)			4.000	3.514	MN	8,333	50,000	10/14/2010	05/01/2021
882721-S4-6.	TEXAS ST.			1	1FE	2,137,200		115.5020	2,310,040	2,000,000		(18,594)			5.000	3.869	AO	25,000	100,000	07/12/2011	04/01/2029
882722-KF-7.	TEXAS ST G O.				1FE	5,150,000		130.2360	6,707,154	5,150,000					5.517	5.593	AO	71,031	284,126	11/08/2010	04/01/2039
882721-VR-1.	MOB.			1	1FE	21,764,640		111.4920	23,747,796	21,300,000		(60,447)			5.000	4.700	AO	266,250	1,065,000	01/13/2011	04/01/2037
882722-TE-1.	TX GO C20 S10A.				1FE	5,731,593		122.9440	6,147,200	5,000,000		(47,437)			5.000	3.606	AO	62,500	250,000	11/08/2010	10/01/2023
917542-SR-4.	UTAH ST.				1FE	1,194,690		121.6210	1,216,210	1,000,000		(26,284)			5.000	2.030	JJ	25,000	49,306	06/16/2011	07/01/2018
93974C-EC-0.	WA GO C19 S09C.			1	1FE	9,793,347		118.6520	10,524,432	8,870,000		(167,324)			5.000	3.606	FA	184,792	443,500	01/14/2011	02/01/2025
93974C-KL-3.	WASHINGTON ST.				1FE	10,758,800		118.2600	11,826,000	10,000,000		(23,799)			5.000	4.493	FA	208,333	500,000	05/27/2010	08/01/2031
97705L-C9-6.	WI GO C21 S11			1	1FE	10,567,500		123.6830	12,368,300	10,000,000		(46,272)			5.250	4.605	MN	87,500	525,000	01/12/2011	05/01/2026
977056-RQ-5.	WISCONSIN ST G.O.				1FE	5,038,878		113.8560	5,561,866	4,885,000		(11,772)			5.500	5.278	MN	44,779	268,675	07/09/1999	11/01/2015
1199999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations						241,753,701	XXX	262,572,404	223,165,000	237,127,893		(2,036,429)			XXX	XXX	XXX	3,100,758	11,123,441	XXX	XXX
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																					
Bonds - U.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																					
1799999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Subtotals - U.S. States, Territories and Possessions (Direct and Guaranteed)						241,753,701	XXX	262,572,404	223,165,000	237,127,893		(2,036,429)			XXX	XXX	XXX	3,100,758	11,123,441	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																					
05914F-MM-9.	Baltimore County MD BOULDER VALLEY COLO SCH DIST				1FE	8,460,000		100.2750	8,483,265	8,460,000					3.569	3.601	FA	15,097		11/28/2012	08/01/2032
101547-UD-7.	N GO.				1FE	9,970,500		113.5750	11,357,500	10,000,000		679			5.000	5.084	JD	41,667	500,000	02/24/2009	12/01/2034
797272-LU-3.	CA San Diego CCD GO C22 S12			1	1FE	8,719,725		123.1800	9,238,500	7,500,000		(74,898)			5.000	3.168	FA	156,250	134,375	04/05/2012	08/01/2027
167505-PA-8.	CHICAGO IL BRD OF EDU.			1	1FE	971,180		109.2310	1,092,310	1,000,000		(58,985)			5.000	5.260	JD	4,167	54,167	10/13/2011	12/01/2041
167485-2D-2.	CHICAGO ILL			1	1FE	5,435,000		104.6610	5,688,325	5,435,000					5.000	5.063	JJ	135,875	271,750	10/29/2010	01/01/2034
167485-2N-0.	CHICAGO ILL			1	1FE	5,565,000		103.7950	5,776,192	5,565,000					5.000	5.063	JJ	139,125	278,250	05/03/2010	01/01/2034
167485-XC-0.	CHICAGO ILL GO.			1	1FE	6,373,670		111.0630	6,663,780	6,000,000		(38,648)			5.000	4.262	JD	25,000	300,000	05/01/2007	12/01/2023
172252-H2-7.	CINCINNATI OHIO CITY SCH DIST				1FE	1,628,655		116.2220	1,743,330	1,500,000		(5,222)			5.000	4.353	JD	6,250	75,000	07/21/2010	06/01/2028
172252-H4-3.	CINCINNATI OHIO CITY SCH DIST.				1FE	1,726,339		115.3470	1,857,087	1,610,000		(3,994)			5.000	4.498	JD	6,708	80,500	07/21/2010	06/01/2030
250433-KU-2.	DIS SCH			1	1FE	3,743,036		106.9070	3,773,817	3,530,000		(24,551)			5.250	4.535	JD	15,444	185,325	06/21/2004	06/01/2019
346843-FH-3.	FORT BEND TEX INDPT SCH DIST				1FE	6,949,234		119.6060	7,385,671	6,175,000		(37,281)			5.000	3.981	FA	116,639	308,750	06/30/2010	08/15/2026
346843-CC-7.	F SCH			1	1FE	5,109,327		116.5470	5,827,350	5,000,000		(12,624)			5.000	4.716	FA	94,444	250,000	11/08/2010	08/15/2030
346843-CD-5.	F SCH			1	1FE	4,381,327		116.0270	4,971,757	4,285,000		(8,870)			5.000	4.777	FA	80,939	214,250	04/15/2008	08/15/2031
375082-HD-9.	GIDDINGS TEX INDPT SCH DIST			1	1FE	9,110,791		108.2510	9,612,689	8,880,000		(29,594)			5.000	4.637	FA	167,733	444,000	11/06/2007	02/15/2037
403755-C2-5.	SCH				1FE	6,998,286		130.1660	7,940,126	6,100,000		(35,625)			5.000	3.922	FA	127,083	305,000	05/27/2010	02/01/2029
414005-GV-4.	WINNETT CNTY GA SCH DIST				1FE	3,336,450		121.4940	3,644,820	3,000,000		(22,897)			5.000	3.857	AO	37,500	150,000	10/27/2011	10/01/2023

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates		
		3	4 F o r e i g n	5			8	9			12	13	14	15	16	17	18	19	20	21	22	
CUSIP Identification	Description	Code		Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date	
414005-HH-4.	HARRIS CNTY TEX HARRIS CNTY TEX				1FE	3,331,678	120.8560	3,625,680	3,000,000	3,291,470			(19,151)		5.000	3.997	A0	37,500	150,000	11/08/2010	10/01/2024	
414004-5J-6.	REF HARRIS CNTY TEX			1	1FE	6,407,198	103.5950	6,163,903	5,950,000	5,992,298			(54,251)		5.250	4.324	A0	78,094	312,375	11/24/2003	10/01/2020	
414004-5K-3.	REF HARRIS CNTY TEX FLOOD CTL			1	1FE	575,575	103.6720	570,196	550,000	553,900			(5,002)		5.250	4.327	A0	7,219	28,875	04/28/2008	10/01/2020	
414018-2H-3.	DIST G O			1	1FE	10,195,294	114.1770	10,903,904	9,550,000	9,832,998			(68,382)		5.000	4.182	A0	119,375	477,500	02/15/2007	10/01/2025	
438670-YJ-4.	HI Honolulu GO C21 S11A			1	1FE	6,786,455	121.1620	6,948,641	5,735,000	6,714,053			(72,402)		5.000	2.772	FA	119,479	284,360	04/11/2012	08/01/2026	
44236P-FG-8.	HOUSTON TEX CMNTY COLLEGE				1FE	1,250,936	120.9040	1,390,396	1,150,000	1,240,919			(4,200)		5.000	4.330	FA	21,722	57,500	07/15/2010	02/15/2028	
44236P-FH-6.	HOUSTON TEX CMNTY COLLEGE				1FE	2,515,797	119.5060	2,784,490	2,330,000	2,498,892			(7,092)		5.000	4.417	FA	44,011	116,500	07/15/2010	02/15/2029	
213185-EF-4.	IL Cook Co GO C20 S10G			1	1FE	5,502,900	114.9720	5,748,600	5,000,000	5,405,875			(43,471)		5.000	3.834	MN	31,944	250,000	09/17/2010	11/15/2025	
54438C-HL-9.	LOS ANGELES CALIF CMNTY COLLEG GO				1FE	9,860,000	114.7020	11,470,200	10,000,000	9,871,908			3,740		5.000	5.169	FA	208,333	500,000	08/07/2009	08/01/2032	
544644-M4-6.	LOS ANGELES CALIF UNI SCH DIST GO				1FE	6,153,720	110.0270	6,601,620	6,000,000	6,107,461			(6,864)		5.000	4.853	JJ	150,000	300,000	08/15/2008	07/01/2024	
544646-LJ-9.	LOS ANGELES CALIF UNI SCH DIST GO			1	1FE	5,043,800	112.8720	5,643,600	5,000,000	5,023,958			(4,654)		5.000	4.940	JJ	125,000	250,000	03/24/2008	07/01/2028	
544646-TQ-5.	LOS ANGELES CALIF UNI SCH DIST GO			1	1FE	4,760,550	112.9760	5,648,800	5,000,000	4,780,217			5,566		5.000	5.423	JJ	125,000	250,000	02/05/2009	01/01/2034	
105025-B4-1.	MA Braintree GO C19 S09			1	1FE	8,142,339	123.0070	8,469,032	6,885,000	7,835,084			(135,222)		5.000	2.651	MN	43,988	344,250	09/09/2010	05/15/2021	
614121-RE-3.	MONTGOMERY TEX INDPT SCH DIST SCH			1	1FE	3,480,057	108.4740	3,780,319	3,485,000	3,480,264			.99		5.000	5.073	FA	65,828	174,250	11/08/2010	02/15/2037	
930863-Z5-7.	NC Wake Co GO NC S11				1FE	7,170,767	120.5460	7,413,579	6,150,000	6,985,227			(148,273)		5.000	2.256	A0	76,875	307,500	09/29/2011	04/01/2018	
64966F-8A-5.	NEW YORK N Y GO			1	1FE	10,601,200	115.8690	11,586,900	10,000,000	10,273,116			(61,396)		5.000	4.295	JJ	250,000	500,000	01/30/2007	01/01/2021	
64966F-W7-5.	NEW YORK N Y GO			1	1FE	5,282,050	114.1640	5,708,200	5,000,000	5,120,095			(30,388)		5.000	4.316	FA	104,167	250,000	02/01/2007	08/01/2023	
64966H-Q7-8.	NEW YORK NY GO			1	1FE	5,431,250	103.8800	5,194,000	5,000,000	5,044,195			(53,939)		5.250	4.144	A0	55,417	262,500	09/21/2004	10/15/2018	
659154-6W-3.	NORTH EAST INDPT SCH DIST TEX			1	1FE	5,117,850	114.7500	5,737,500	5,000,000	5,061,319			(11,728)		5.000	4.755	FA	104,167	250,000	08/13/2007	08/01/2032	
64966H-BQ-2.	NY GO NC S08C				1FE	4,618,527	118.6630	4,610,058	3,885,000	4,477,805			(220,132)		5.250	1.777	FA	84,984	203,963	11/09/2011	08/01/2017	
64966H-E3-0.	NY GO NC S10B				1FE	6,672,777	120.3120	6,875,831	5,715,000	6,473,383			(125,292)		5.000	2.458	FA	119,063	285,750	05/24/2011	08/01/2018	
64966J-EQ-5.	NY NYC GO NC S11				1FE	6,807,819	114.6960	6,933,373	6,045,000	6,564,197			(136,875)		5.000	2.496	FA	125,938	302,250	03/14/2011	08/01/2016	
199491-5H-0.	OH Columbus GO NC S11A				1FE	1,777,245	118.2020	1,773,030	1,500,000	1,713,084			(45,179)		5.000	1.714	JJ	37,500	63,750	07/28/2011	07/01/2017	
734260-2B-7.	PORT HOUSTON AUTH TEX HARRIS C				1FE	1,101,791	120.7770	1,207,770	1,000,000	1,093,176			(4,108)		5.000	4.230	A0	12,500	50,000	11/08/2010	10/01/2028	
73474M-EG-6.	PORT NECHES-GROVES TEX INDPT S SCH			1	1FE	4,780,481	109.4550	5,127,967	4,685,000	4,744,294			(17,286)		5.000	4.613	FA	88,494	234,250	11/08/2010	02/15/2032	
763682-YJ-4.	RICHLAND CNTY SC DIST NO				1FE	2,399,180	122.1990	2,443,980	2,000,000	2,297,107			(44,898)		5.000	2.378	FA	41,667	100,000	09/10/2010	02/01/2019	
796237-WZ-4.	SAN ANTONIO TEX SAN JOSE EVERGREEN CALIF			1	1FE	1,354,113	118.5920	1,482,400	1,250,000	1,341,378			(8,769)		5.000	4.026	FA	26,042	60,938	07/13/2011	08/01/2030	
798189-DR-4.	CMNTY REF			1	1FE	5,533,350	107.3150	5,365,750	5,000,000	5,103,791			(59,062)		5.250	3.991	MS	87,500	262,500	08/20/2004	09/01/2018	
763665-XG-6.	SC Richland Co GO C20 S10				1FE	5,959,603	120.8770	6,424,613	5,315,000	5,864,673			(38,733)		5.000	3.889	MS	88,583	265,750	06/23/2010	03/01/2024	
861394-CB-8.	STOCKTON CA PUBLIC FIN AUTH				1FE	30,533,225	86.1870	20,936,400	44,565,828	30,882,654			349,429			8.989	MS		88,515		12/31/2012	09/01/2048
861394-CC-6.	STOCKTON CA PUBLIC FIN AUTH				1FE	3,224,811	86.1960	2,211,228	4,706,884	3,261,716			36,905			8.990	MS		9,349		12/31/2012	09/01/2027
592112-ED-4.	TN Nashvil CO GO C20 S10A				1FE	4,640,251	119.7760	4,994,659	4,170,000	4,583,713			(22,658)		5.000	4.080	JJ	104,250	208,500	06/04/2010	07/01/2026	
592112-EB-8.	TN Nashville GO C20 S10A				1FE	3,177,159	120.9310	3,422,347	2,830,000	3,135,568			(20,798)		5.000	3.867	JJ	70,750	141,500	12/17/2010	07/01/2024	
89438V-5J-1.	TX Co GO C20 S10				1FE	6,468,103	121.9330	7,078,211	5,805,000	6,407,477			(47,837)		5.000	3.798	MS	96,750	290,250	09/28/2011	03/01/2023	
283767-5T-4.	TX EL Paso SD GO C17 S07			1	1FE	6,239,280	115.4480	6,545,902	5,670,000	6,054,718			(142,331)		5.000	3.430	FA	107,100	283,500	06/30/2010	08/15/2025	
442331-TN-4.	TX Houston GO NC S10A				1FE	8,478,719	116.8300	8,756,409	7,495,000	8,187,680			(155,238)		5.000	2.661	MS	124,917	374,750	02/08/2011	03/01/2017	
528828-VV-5.	TX Lewisville GO C19 S09				1FE	6,628,440	121.9400	7,316,400	6,000,000	6,556,782			(29,985)		5.000	4.146	FA	113,333	300,000	07/15/2010	08/15/2026	
702333-4Y-8.	TX Pasadena SD GO C20 S10				1FE	6,951,465	118.8500	7,428,125	6,250,000	6,896,828			(36,906)		5.000	4.020	FA	118,056	312,500	10/27/2011	02/15/2026	
704879-Z8-1.	TX Pearl land SD GO C21 S12			1	1FE	8,219,039	120.2060	8,444,472	7,025,000	8,135,879			(83,160)		5.000	2.829	FA	132,694	101,472	04/23/2012	02/15/2028	
763227-DR-3.	TX RICHARDSON GO C20				1FE	2,208,404	119.9120	2,398,240	2,000,000	2,181,360			(12,736)		5.000	4.023	FA	37,778	100,000	10/29/2010	02/15/2024	
763227-DT-9.	TX RICHARDSON GO C20				1FE	2,184,226	118.2710	2,365,420	2,000,000	2,164,601			(9,253)		5.000	4.223	FA	37,778	100,000	10/29/2010	02/15/2026	
926325-JL-6.	VICTORIA TEX INDPT SCH DIST SCH			1	1FE	7,796,551	115.0370	8,817,586	7,665,000	7,762,221			(16,414)		5.000	4.774	FA	144,783	383,250	11/08/2010	02/15/2033	
930863-T6-2.	WAKE CNTY N C				1FE	11,964,300	1															

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
		F	o	r			R	F			U	C	C	T	R	E	W	A	A	A	S
CUSIP Identification	Description	Code	g	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
1899999	Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations					345,806,795	XXX	356,332,450	337,402,712	340,259,674		(2,094,744)			XXX	XXX	XXX	4,905,167	13,639,714	XXX	XXX
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																					
59333M-RV-9	MIAMI-DADE CNTY FLA SCH BRD CT COP			1	1FE	5,268,150	111.4010	5,570,050	5,000,000	5,130,976		(26,917)			5.000	4.378	MN	41,667	250,000	05/17/2007	05/01/2025
59333M-RY-3	MIAMI-DADE CNTY FLA SCH BRD CTFS			1	1FE	2,372,895	109.1550	2,455,988	2,250,000	2,309,833		(12,300)			5.000	4.367	MN	18,750	112,500	05/03/2007	05/01/2032
2199999	Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities					7,641,045	XXX	8,026,038	7,250,000	7,440,809		(39,217)			XXX	XXX	XXX	60,417	362,500	XXX	XXX
2499999	Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Subtotals - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)					353,447,840	XXX	364,358,488	344,652,712	347,700,483		(2,133,961)			XXX	XXX	XXX	4,965,584	14,002,214	XXX	XXX
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																					
011842-RV-5	Alaska Arpt AMT			1	1FE	10,423,800	111.3810	11,138,100	10,000,000	10,342,935		(36,283)			5.000	4.522	AO	125,000	500,000	09/15/2010	10/01/2025
02765U-AP-9	AMERICAN MUN PWR OHIO INC REV ENE			1	1FE	8,193,760	116.5680	9,325,440	8,000,000	8,114,797		(19,255)			5.250	4.990	FA	158,667	420,000	06/20/2008	02/15/2021
040484-FQ-5	ARIZONA ST BRD OF RGTS UNIV SY			1	1FE	2,543,003	119.9140	2,674,082	2,230,000	2,523,219		(19,784)			5.000	3.388	JD	9,292	66,900	03/28/2012	06/01/2029
040484-FR-3	ARIZONA ST BRD OF RGTS UNIV SY			1	1FE	1,519,480	119.3610	1,599,437	1,340,000	1,508,175		(11,305)			5.000	3.459	JD	5,583	40,200	03/28/2012	06/01/2030
040484-FS-1	ARIZONA ST BRD OF RGTS UNIV SY			1	1FE	1,128,470	118.8120	1,188,120	1,000,000	1,120,402		(8,068)			5.000	3.519	JD	4,167	30,000	03/28/2012	06/01/2031
040484-FT-9	ARIZONA ST BRD OF RGTS UNIV SY			1	1FE	1,448,709	118.1740	1,524,445	1,290,000	1,438,772		(9,937)			5.000	3.580	JD	5,375	38,700	03/28/2012	06/01/2032
040484-FY-8	ARIZONA ST BRD OF RGTS UNIV SY			1	1FE	2,203,200	115.1350	2,302,700	2,000,000	2,190,629		(12,571)			5.000	3.823	JD	8,333	60,000	03/28/2012	06/01/2037
04048R-GG-5	ARIZONA ST BRD OF RGTS UNIV SY			1	1FE	1,403,663	118.5000	1,481,250	1,250,000	1,394,338		(9,325)			5.000	3.589	JJ	42,535		04/04/2012	07/01/2031
04048R-GS-9	ARIZONA ST BRD OF RGTS UNIV SY			1	1FE	1,396,863	117.8610	1,473,263	1,250,000	1,387,978		(8,885)			5.000	3.649	JJ	42,535		04/04/2012	07/01/2032
047856-EX-3	ATLANTA GA URBAN RESIDENTIAL AURORA COLO WTR IMPT REV			1	1FE	3,047,345	102.9620	2,991,046	2,905,000	3,021,945		(34,746)			5.500	4.652	MON	13,315	161,355	08/27/2010	03/01/2041
05159P-AZ-5	AUSTIN TEX WTR & WASTEWATER SY REF			1	1FE	7,053,143	114.4650	7,726,388	6,750,000	6,905,294		(29,920)			5.000	4.489	FA	140,625	337,500	07/17/2007	08/01/2025
052476-GH-5	AUSTIN TX WTR & WSTWTR SYS REV			1	1FE	10,219,200	101.7410	10,174,100	10,000,000	10,015,717		(40,819)			5.000	4.623	MN	63,889	500,000	06/21/2007	11/15/2026
052476-YC-6	AUSTIN TX WTR & WSTWTR SYS REV			1	1FE	1,654,205	115.7150	1,770,440	1,530,000	1,643,151		(10,434)			5.000	4.042	MN	9,775	79,475	12/09/2011	11/15/2036
052476-YD-4	AZ Health - Banner			1	1FE	3,101,231	114.3740	3,345,440	2,925,000	3,085,478		(14,610)			5.000	4.296	MN	18,688	151,937	12/02/2011	11/15/2041
040507-NB-7	AZ TRN BRD-A			1	1FE	4,921,993	102.2560	5,025,882	4,915,000	4,921,936		(57)			4.162	4.193	JJ	14,206		10/19/2012	01/01/2030
040654-RG-2	BAY AREA TOLL			1	1FE	3,696,175	116.0930	4,063,255	3,500,000	3,633,846		(21,206)			5.000	4.258	JJ	87,500	175,000	09/08/2009	07/01/2032
072024-DJ-8	BAY AREA TOLL-F-1-SAN			1	1FE	15,594,900	113.9650	17,094,750	15,000,000	15,223,960		(62,613)			5.000	4.552	AO	187,500	750,000	04/11/2006	04/01/2031
072024-MV-1	CA EDL FAC UNIV SO CA			1	1FE	6,216,300	113.3720	6,802,320	6,000,000	6,161,289		(21,927)			5.000	4.552	AO	75,824	300,000	05/26/2010	04/01/2034
130178-SC-1	CA S Fran SITx C20 S10			1	1FE	9,169,200	117.5430	10,578,870	9,000,000	9,115,543		(14,917)			5.250	5.076	AO	118,125	472,500	02/25/2009	10/01/2039
797669-TZ-1	CA St Dept Wtr Res			1	1FE	7,506,568	119.9290	8,221,133	6,855,000	7,422,160		(34,025)			5.000	4.188	JJ	171,375	342,750	06/09/2010	07/01/2025
13066Y-QM-4	CA Stwd CDA C22 S12A			1	1FE	8,017,170	122.5310	8,577,170	7,000,000	7,758,255		(106,761)			5.000	3.127	MN	58,333	350,000	07/08/2010	05/01/2019
130795-5E-3	CA Univ C20 S10E			1	1FE	1,356,953	111.5010	1,449,513	1,300,000	1,353,550		(3,403)			5.000	4.501	AO	16,250	29,431	04/05/2012	04/01/2042
914126-DT-9	CALIFORNIA EDL FACS AUTH REV			1	1FE	7,223,025	120.4450	7,702,458	6,395,000	7,050,762		(76,989)			5.000	3.444	MN	40,857	319,750	09/17/2010	05/15/2024
130178-VU-7	CALIFORNIA HEALTH FACS FING AU			1	1FE	3,751,615	138.8910	4,861,185	3,500,000	3,743,269		(4,272)			5.250	4.848	AO	45,938	183,750	11/18/2010	04/01/2040
13033L-VX-2				1	1FE	4,492,480	114.6710	4,586,840	4,000,000	4,449,632		(42,848)			5.000	3.510	FA	75,556	129,444	01/10/2012	08/15/2027

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
		F	o	r			R	F			U	C	C	T	R	E	W	A	A	A	S
CUSIP Identification	Description	Code	g	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
167593-KU-5	CHICAGO IL O'HARE INTERNATIONAL			1	1FE	2,500,785	113.2170	2,547,383	2,250,000	2,493,044		(7,741)		5.000	3.617	JJ	34,063			08/29/2012	01/01/2026
16772P-BC-9	CHICAGO IL TRANSIT AUTH SALES			1	1FE	1,041,510	114.6920	1,146,920	1,000,000	1,037,885		(3,346)		5.250	4.780	JJ	4,375	56,438		11/30/2011	12/01/2036
16756K-BF-3	CHICAGO ILL MOTOR FUEL TAX REV MOT				1FE	2,455,225	102.3500	2,538,280	2,480,000	2,476,756		1,576		5.375	5.587	JJ	66,650	164,341		06/08/2000	01/01/2014
167723-FJ-9	CHICAGO ILL TRAN AUTH CAP GRNT RCP			1	1FE	1,012,717	116.6750	1,090,911	935,000	969,277		(7,935)		5.000	4.020	JD	3,896	46,750		12/13/2006	06/01/2020
167723-FQ-3	CHICAGO ILL TRAN AUTH CAP GRNT RCP			1	1FE	4,402,883	111.7820	4,543,938	4,065,000	4,214,022		(34,496)		5.000	4.020	JD	16,938	203,250		12/13/2006	06/01/2020
196558-RP-7	COLORADO RIVER TEX MUN WTR			1	1FE	6,547,970	111.7080	7,261,020	6,500,000	6,542,021		(4,198)		5.000	4.961	JJ	162,500	284,375		07/22/2011	01/01/2036
196558-MS-6	COLORADO RIVER TEX MUN WTR DIS REV			1	1FE	5,537,350	100.0000	5,000,000	5,000,000	5,000,000		(64,781)		5.375	4.081	JJ	134,375	268,750		02/25/2003	01/01/2016
196632-HU-0	COLORADO SPRINGS COLO UTILS			1	1FE	1,462,438	121.2410	1,515,513	1,250,000	1,419,834		(18,821)		5.000	3.069	MN	7,986	62,500		09/09/2010	11/15/2023
196632-HV-8	COLORADO SPRINGS COLO UTILS			1	1FE	1,742,130	121.0800	1,816,200	1,500,000	1,693,752		(21,384)		5.000	3.160	MN	9,583	75,000		09/09/2010	11/15/2024
196707-KG-7	COLORADO ST BRD OF GOVERNORS U			1	1FE	1,112,250	114.6150	1,146,150	1,000,000	1,104,188		(8,062)		5.000	3.686	MS	16,667	25,000		02/23/2012	03/01/2038
198504-UC-4	COLUMBIA SC WTRWKS & SWR SYS			1	1FE	1,259,989	115.6430	1,300,984	1,125,000	1,248,546		(11,442)		5.000	3.462	FA	23,438	28,125		02/16/2012	02/01/2041
20775N-CG-3	CT RESOURCE RECOVERY				1FE	2,840,794	107.3600	2,828,936	2,635,000	2,757,217		(40,677)		4.000	2.335	MN	13,468	105,400		12/02/2010	11/15/2015
235241-FD-3	DALLAS TEX AREA RAPID TRAN SAL SR			1	1FE	18,536,024	110.6670	20,606,195	18,620,000	18,542,658		1,643		5.000	5.093	JD	77,583	931,000		08/10/2009	12/01/2036
235416-3C-6	DALLAS TEX WTRWKS & SWR SYS RE			1	1FE	1,355,800	119.0860	1,488,575	1,250,000	1,343,249		(8,749)		5.000	4.022	A0	15,625	62,500		07/20/2011	10/01/2030
235416-Z5-6	DALLAS TEX WTRWKS & SWR SYS RE				1FE	2,229,990	118.7320	2,392,450	2,015,000	2,211,737		(8,703)		5.000	4.193	A0	25,188	100,750		11/08/2010	10/01/2028
235241-JY-3	DALLAS TX AREA RAPID TRANSIT S			1	1FE	5,088,818	116.5080	5,534,130	4,750,000	5,038,552		(42,307)		5.250	4.126	JD	20,781	249,375		11/29/2011	12/01/2038
25477G-EB-7	DC Inc Tx C20 S10A				1FE	5,512,092	118.8920	5,944,600	5,000,000	5,454,447		(23,743)		5.000	4.177	JD	20,833	250,000		06/30/2010	12/01/2026
240523-UJ-7	DE KALB CNTY GA WTR & SEW REV				1FE	7,322,673	131.1300	7,979,261	6,085,000	7,177,480		(60,532)		5.250	3.617	A0	79,866	319,463		07/20/2010	10/01/2026
240523-UK-4	DE KALB CNTY GA WTR & SEW REV WTR			1	1FE	5,608,300	125.3090	6,265,450	5,000,000	5,489,157		(25,626)		5.250	4.346	A0	65,625	262,500		11/29/2007	10/01/2032
246419-AX-3	DE TA C20 S10				1FE	5,848,364	120.1000	6,293,240	5,240,000	5,761,829		(34,662)		5.000	3.966	MS	87,333	262,000		06/03/2010	09/01/2024
246419-AW-5	DELAWARE TRANSN AUTH				1FE	1,133,340	121.6770	1,216,770	1,000,000	1,110,091		(9,348)		5.000	3.672	MS	16,667	50,000		06/09/2010	09/01/2022
249181-3R-7	DENVER ARPT SYS 5.00%			1	1FE	1,064,710	113.9380	1,139,380	1,000,000	1,029,388		(6,855)		5.000	4.214	MN	6,389	50,000		05/01/2007	11/15/2023
254845-HL-7	DIST OF COLUMBIA WTR & SWR AUT			1	1FE	1,191,150	119.9610	1,199,610	1,000,000	1,185,482		(5,668)		5.000	2.832	A0	12,500	26,250		08/27/2012	10/01/2030
271014-NH-1	EAST BAY CALIF MUN UTIL DIST W WTR			1	1FE	15,364,745	108.3710	16,255,650	15,000,000	15,167,202		(64,155)		5.000	4.560	JD	62,500	750,000		11/08/2010	06/01/2035
313560-BA-0	FANNIE MAE				1FE	5,491,541	106.2810	5,845,466	5,500,000	5,494,433		1,613		2.375	2.422	A0	29,028	130,625		03/09/2011	04/11/2016
313560-RT-2	FANNIE MAE				1FE	2,696,887	100.1950	2,705,273	2,700,000	2,696,909		.22		0.875	0.901	JD	.722	3,281		12/18/2012	12/20/2017
3133XD-VS-7	FEDERAL HOME LN BKS				1FE	17,833,339	127.7260	22,990,716	18,000,000	17,863,812		13,427		5.250	5.440	JD	52,500	945,000		08/25/2010	12/11/2020
3137EA-CA-5	FEDERAL HOME LN MTG CORP				1FE	8,115,300	115.5920	8,669,385	7,500,000	7,960,683		(66,986)		3.750	2.692	MS	73,438	281,250		08/25/2010	03/27/2019
3128X3-F3-2	FEDERAL HOME LN MTG CORP MTN				1FE	21,872,600	108.5560	21,711,120	20,000,000	20,667,495		(350,527)		5.000	3.127	A0	177,778	1,000,000		06/04/2009	10/27/2014
31398A-DM-1	FEDERAL NATL MTG ASSN				1FE	15,869,115	120.2480	18,037,155	15,000,000	15,483,321		(95,938)		5.375	4.618	JD	42,552	806,250		08/28/2008	06/12/2017
3137EA-CW-7	FHLMC REFER				1FE	527,051	105.2440	526,218	500,000	526,629		(422)		2.000	0.526	FA	3,361			12/10/2012	08/25/2016
31359M-QV-8	FNMA				1FE	54,766,150	100.6240	50,312,100	50,000,000	50,181,821		(1,288,551)		4.750	2.135	FA	857,639	2,375,000		05/01/2009	02/21/2013
345105-AT-7	FOOTHILL / EASTERN TRANSN CORR LEV				1	4,150,455	92.7360	5,332,320	5,750,000	4,478,822		159,161			4.786	MAT				11/08/2010	01/01/2019
347658-SC-1	FORT LAUDERDALE FLA WTR REV				1FE	7,821,851	114.6490	8,455,364	7,375,000	7,789,753		(12,805)		5.000	4.616	MS		368,750		05/26/2010	09/01/2032
3137EA-CT-4	FREDDIE MAC				1FE	10,256,752	106.6950	10,669,540	10,000,000	10,184,695		(51,965)		2.500	1.946	MN	23,611	250,000		08/10/2011	05/27/2016
359900-3C-9	FULTON CNTY GA DEV AUTH			1	1FE	1,378,872	121.1400	1,453,680	1,200,000	1,367,464		(11,408)		5.000	3.281	MN	10,000	33,333		03/30/2012	11/01/2028
359900-3M-7	FULTON CNTY GA DEV AUTH			1	1FE	2,625,255	122.0720	2,771,034	2,270,000	2,602,509		(22,746)		5.000	3.200	MN	18,917	63,056		03/30/2012	11/01/2027
162033-GW-8	GA Chatham Co Hosp C22 S12A			1	1FE	10,481,655	116.4300	10,560,201	9,070,000	10,402,979		(78,675)		5.000	3.139	JJ	267,061			05/18/2012	01/01/2027
197493-OK-8	GA Columbia Co W&S C20 S10			1	1FE	3,378,701	120.3030	3,464,726	2,880,000	3,273,276		(46,809)		5.000	2.959	JD	12,000	144,000		09/15/2010	06/01/2022
197493-QM-4	GA Columbia Co W&S C20 S10			1	1FE	1,566,500	118.1690	1,595,282	1,350,000	1,520,978		(20,229)		5.000	3.101	JD	5,625	67,500		09/15/2010	06/01/2024
360066-ND-2	GA Fulton Co W&S NC S11				1FE	1,900,624	118.0390	1,888,624	1,600,000	1,840,773		(45,570)		5.000	1.845	JJ	40,000	62,444		09/07/2011	01/01/2018
591745-L8-5	GA MARTA C22 S12A			1	1FE	7,727,590	120.4450	7,828,925	6,500,000	7,666,727		(60,863)		5.000	2.852	JJ	162,500	33,403		06/05/2012	07/01/2028
373541-A7-6	GEORGIA MUN ELEC AUTH PWR REV				1FE	1,475,502	100.0000	1,480,000	1,480,000	1,480,000		1,005		6.400	6.576	JJ	47,360	154,240		04/05/2005	01/01/2013

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4 F o r e i g n	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code		Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
392274-ZY-5.	Gr Orlando Av Auth.			1.	1FE	1,043,270	116.0250	1,160,250	1,000,000	1,038,657		(3,540)			5.000	4.511	AO	12,500	51,528	09/08/2011	10/01/2025.
41422E-DW-2.	HARRIS CNTY TEX MET TRAN AUTH.			1.	1FE	9,384,078	115.9060	10,141,775	8,750,000	9,327,971		(53,312)			5.000	4.143	MN	72,917	437,500	12/13/2011	11/01/2036.
438701-QX-5.	HONOLULU HAWAII CITY & CNTY			17.	1FE	10,929,375	117.9560	11,854,578	10,050,000	10,759,087		(79,937)			5.000	3.944	JJ	251,250	502,500	10/27/2010	07/01/2026.
438701-EW-0.	WASTEW.				1FE	5,256,700	110.3540	5,517,700	5,000,000	5,236,725		(7,962)			5.000	4.670	JJ	125,000	250,000	05/25/2010	07/01/2031.
442436-ST-4.	HOUSTON TEX WTR & SWR SYS REV				1FE	1,129,506	65.0650	2,335,834	3,590,000	1,575,256		53,651				8.197	MAT			12/01/2004	12/01/2028.
442436-6D-8.	HOUSTON TX UTILITY SYS				1FE	442,610	58.2150	820,832	1,410,000	617,644		21,063				8.222	MAT			12/01/2004	12/01/2028.
442435-G5-6.	REVENUE			1.	1FE	1,571,775	114.9580	1,724,370	1,500,000	1,565,404		(5,909)			5.000	4.450	MN	9,583	75,000	12/02/2011	11/15/2040.
45129W-KU-3.	IDAHO HSG & FIN ASSN.			1.	1FE	2,319,413	116.5910	2,623,298	2,250,000	2,311,111		(5,722)			5.000	4.665	JJ	51,875	108,437	07/13/2011	07/15/2029.
451296-K9-7.	IDAHO HSG AGY																				
167736-ZJ-9.	SIN.			1.	1FE	9,975	100.0000	10,000	10,000	9,988		1			6.250	6.367	JJ	313	833	08/27/1996	07/01/2027.
45200B-6F-0.	IL Chicago Wtr C22 S12.			1.	1FE	4,670,320	118.0250	4,721,000	4,000,000	4,635,376		(34,944)			5.000	3.137	MN	33,333	91,111	05/11/2012	11/01/2028.
45203H-FF-4.	ILLINOIS FA - UNIV OF CHICAGO.			1.	1FE	5,093,650	112.4140	5,620,700	5,000,000	5,059,008		(11,519)			5.000	4.761	JJ	125,000	250,000	01/30/2008	07/01/2046.
45203H-GJ-5.	ILLINOIS FIN AUTH REV			1.	1FE	2,175,620	111.0480	2,220,960	2,000,000	2,161,535		(14,085)			5.000	3.940	AO	25,000	66,389	01/27/2012	10/01/2051.
45203H-GJ-5.	ILLINOIS ST FIN AUTH REVENUE			1.	1FE	3,378,184	118.6270	3,541,016	2,985,000	3,353,558		(24,627)			5.000	3.406	MN	19,071	76,698	04/19/2012	11/15/2027.
452245-CU-5.	ILLINOIS ST TOLL HWY AUTH																				
45505M-AR-7.	TOLL PRI.				1FE	6,486,870	109.1640	7,095,660	6,500,000	6,497,566		1,121			5.500	5.596	JJ	178,750	357,500	06/08/2000	01/01/2015.
45505M-AS-5.	INDIANA FIN AUTH IN WSTWTR.			1.	1FE	1,038,370	112.8130	1,128,130	1,000,000	1,035,015		(3,199)			5.000	4.562	AO	12,500	54,861	12/13/2011	10/01/2041.
45505M-AS-5.	INDIANA FIN AUTH IN WSTWTR.			1.	1FE	2,041,559	115.2720	2,218,986	1,925,000	2,031,090		(9,706)			5.250	4.532	AO	25,266	110,888	12/02/2011	10/01/2038.
454898-NT-0.	INDIANA MUN PWR AGY PWR																				
455057-7K-9.	SUPPLY SYS.			1.	1FE	11,266,540	107.6660	11,843,260	11,000,000	11,129,445		(28,833)			5.000	4.729	JJ	275,000	550,000	10/23/2007	01/01/2042.
455141-NA-5.	INDIANA ST FIN AUTH REVENUE			1.	1FE	2,964,887	118.8190	2,982,357	2,510,000	2,946,511		(18,376)			5.000	2.618	FA	42,182		08/14/2012	02/01/2029.
46613C-S7-1.	INDIANA TRANSN FIN AUTH HWY																				
46613P-YY-6.	RE REF.				1FE	5,789,624	120.4360	6,310,846	5,240,000	5,530,180		(52,033)			5.500	4.285	JD	24,017	288,200	07/10/2007	12/01/2017.
490580-DU-8.	JEA FL ELEC SYS REVENUE			1.	1FE	1,701,411	116.8660	1,706,244	1,460,000	1,693,888		(7,523)			5.000	2.934	AO	18,250	7,706	09/05/2012	10/01/2029.
490580-DW-4.	JEA FLA WTR & SWR SYS				1FE	5,201,050	113.5540	5,677,700	5,000,000	5,192,720		(3,523)			5.000	4.800	AO	62,500	250,000	07/21/2010	10/01/2039.
490580-DW-4.	Kent MI Hos Spectrum.				1FE	1,355,724	114.1820	1,370,184	1,200,000	1,313,068		(27,514)			5.000	2.451	MN	7,667	60,000	06/09/2011	11/15/2016.
490728-XB-3.	Kent MI Hos Spectrum.				1FE	1,673,400	117.7910	1,766,865	1,500,000	1,640,345		(21,369)			5.000	3.264	MN	9,583	75,000	06/09/2011	11/15/2018.
495289-WF-3.	KENT OH ST UNIV REVENUES.			1.	1FE	5,555,700	112.6900	5,634,500	5,000,000	5,541,800		(13,900)			5.000	3.654	MN	41,667	90,278	09/18/2012	05/01/2042.
495289-WF-3.	KING CNTY WASH SWR REV.				1FE	1,371,900	117.4310	1,467,888	1,250,000	1,359,650		(5,156)			5.000	4.250	JJ	31,250	62,500	07/20/2010	01/01/2028.
495289-WL-0.	KING CNTY WASH SWR REV.				1FE	1,088,900	116.9830	1,169,830	1,000,000	1,080,713		(3,448)			5.000	4.343	JJ	25,000	50,000	07/20/2010	01/01/2029.
48543B-NB-0.	KING CNTY WASH SWR REV.			1.	1FE	5,677,432	113.1860	6,378,031	5,635,000	5,669,698		(3,746)			5.000	4.961	JJ	140,875	281,750	11/18/2010	01/01/2040.
48543B-NC-8.	KS DFA KU Health 11H.				1FE	1,087,330	114.1770	1,141,770	1,000,000	1,076,314		(9,112)			5.000	3.810	MS	16,667	42,361	10/14/2011	03/01/2020.
48543B-NE-4.	KS DFA KU Health 11H.			1.	1FE	1,073,250	113.2760	1,132,760	1,000,000	1,064,076		(7,591)			5.000	4.004	MS	16,667	42,361	10/14/2011	03/01/2021.
48543B-NG-9.	KS DFA KU Health 11H.			1.	1FE	1,049,310	111.1600	1,111,600	1,000,000	1,043,210		(5,049)			5.000	4.339	MS	16,667	42,361	10/14/2011	03/01/2023.
51166F-CN-7.	KS DFA KU Health 11H.			1.	1FE	1,430,307	110.3530	1,539,424	1,395,000	1,425,995		(3,571)			5.000	4.686	MS	23,250	59,094	10/14/2011	03/01/2025.
531127-AC-2.	LAKELAND FLA ENERGY SYS.			1.	1FE	2,000,000	99.7480	1,994,960	2,000,000	2,000,000					0.920	0.920	MON	1,533	4,039	08/23/2012	10/01/2017.
544525-QE-1.	LIBERTY N Y DEV CORP REV																				
544435-U9-9.	REV.				1FE	5,457,200	116.5710	5,828,550	5,000,000	5,400,024		(9,704)			5.250	4.730	AO	65,625	262,500	04/11/2006	10/01/2035.
544495-XA-7.	LOS ANGELES CA DEPT OF WTR & P.			1.	1FE	2,536,313	115.9650	2,609,213	2,250,000	2,521,919		(14,394)			5.000	3.525	JJ	64,063		05/24/2012	07/01/2036.
546850-BD-9.	LOS ANGELES CALIF DEPT ARPTS.			1.	1FE	5,085,600	115.9090	5,795,450	5,000,000	5,069,827		(7,653)			5.250	5.084	MN	33,542	262,500	11/18/2010	05/15/2033.
546850-BE-7.	LOS ANGELES CALIF DEPT WTR & PWR				1FE	11,632,700	126.0810	12,608,100	10,000,000	11,413,608		(143,325)			5.000	3.120	JJ	250,000	501,389	06/16/2011	07/01/2021.
54810C-6R-6.	Louisville KY AirAMT.				1FE	5,756,617	110.3890	6,016,201	5,450,000	5,661,739		(55,542)			5.000	3.840	JJ	136,250	272,500	04/08/2011	07/01/2016.
54810C-6Y-1.	Louisville KY AirAMT.				1FE	5,902,924	111.6410	6,330,045	5,670,000	5,844,183		(34,438)			5.000	4.288	JJ	141,750	283,500	04/08/2011	07/01/2017.
54810C-6Z-8.	LOWER COLO RIV AUTH TEX REV				1FE	3,620,594	121.8210	3,806,906	3,125,000	3,519,494		(46,994)			5.000	3.097	MN	19,965	156,250	10/22/2010	05/15/2020.
54810C-6Z-8.	LOWER COLO RIV AUTH TEX REV				1FE	2,259,506	121.1300	2,404,431	1,985,000	2,210,391		(22,878)			5.000	3.458	MN	12,682	99,250	10/22/2010	05/15/2021.
54810C-6Z-8.	LOWER COLO RIV AUTH TEX REV				1FE	2,027,375	120.3580	2,106,265	1,750,000	1,962,789		(29,990)			5.000	2.918	MN	11,181	87,500	10/22/2010	05/15/2019.
54810C-6Z-8.	LOWER COLO RIV AUTH TEX REV				1FE	1,448,238	121.8210	1,522,763	1,250,000	1,407,798		(18,798)			5.000	3.097	MN	7,986	62,500	10/22/2010	05/15/2020.
54810C-6Z-8.	LOWER COLO RIV AUTH TEX REV				1FE	3,747,748	120.3580	3,893,581	3,235,000	3,628,357		(55,439)			5.000	2.918	MN	20,668	161,750	10/22/2010	05/15/2019.
54810C-6Z-8.	MA DOT Hwy C20 S10B.				1FE	11,533,800	119.2680	11,926,800	10,000,000	11,302,460		(107,397)			5.000	3.479	JJ	250,000	500,000	10/20/2010	01/01/2023.
57563C-AU-6.	MA DOT Hwy C20 S10B.				1FE	4,930,097	116.5030	5,207,684	4,470,000	4,865,429		(25,131)			5.000	4.103	JJ	111,750	223,500	05/04/2010	01/01/2025.
576051-BK-1.	MA MWRA C20 S10B.				1FE	6,734,580	121.3020	7,278,120	6,000,000	6,638,620		(38,603)			5.000	3.959	FA	125,000	300,000	06/09/2010	08/01/2025.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4 F o r e i g n	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code		Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
576000-ML-4.	MA SBA C22 S12A.....			1.	1FE	1,625,278	123.3610	1,683,878	1,365,000	1,613,479		(11,800)			5.000	2.846	FA	25,594		06/20/2012	08/15/2026
560551-WY-6.	MAINE ST TURNPIKE AUTH.			1.	1FE	1,742,295	119.6070	1,794,105	1,500,000	1,726,074		(16,221)			5.000	3.177	JJ	37,500	23,542	03/12/2012	07/01/2029
574300-HM-4.	MARYLAND ST TRANSN AUTH			1.	1FE	10,025,000	110.4300	11,043,000	10,000,000	10,015,639		(2,417)			5.000	5.029	JJ	250,000	500,000	07/30/2008	07/01/2041
575579-HJ-9.	MASSACHUSETTS BAY TRAN AUTH				1FE	2,267,660	127.2410	2,544,820	2,000,000	2,245,549		(8,776)			5.000	4.092	JJ	50,000	100,000	05/25/2010	07/01/2031
575579-LK-1.	MASSACHUSETTS BAY TRANS AUTH				1FE	1,171,400	130.7690	1,307,690	1,000,000	1,156,133		(6,063)			5.250	4.041	JJ	26,250	52,500	05/26/2010	07/01/2030
575579-EZ-6.	MASSACHUSETTS BAY TRANSN AUTH																				
57583R-PC-3.	SEN				1FE	6,632,197	115.5170	7,133,175	6,175,000	6,357,659		(47,352)			5.250	4.377	JJ	162,094	324,188	06/27/2006	07/01/2016
57583R-PC-3.	MASSACHUSETTS ST DEV FIN AGY			1.	1FE	12,558,083	111.1880	13,620,530	12,250,000	12,470,513		(43,289)			5.000	4.606	JJ	306,250	612,500	12/06/2011	07/01/2042
57586C-FV-2.	MASSACHUSETTS ST HEALTH & EDL REV			1.	1FE	5,308,450	109.0500	5,452,500	5,000,000	5,090,714		(33,156)			5.000	4.284	JJ	115,278	250,000	06/20/2005	07/15/2036
576000-LP-6.	MASSACHUSETTS ST SCH BLDG AUTH			1.	1FE	3,570,395	114.3380	3,715,985	3,250,000	3,544,453		(25,342)			5.000	3.820	A0	34,306	154,375	02/15/2012	10/15/2041
57604P-E3-4.	MASSACHUSETTS ST WTR POLLUTN A REV			1.	1FE	5,475,967	102.9060	5,448,873	5,295,000	5,313,482		(30,514)			5.250	4.691	FA	115,828	277,988	01/19/2007	08/01/2028
57604P-F5-8.	MASSACHUSETTS ST WTR POLLUTN A REV			1.	1FE	1,746,491	102.2140	1,742,749	1,705,000	1,714,280		(15,363)			5.250	4.343	FA	37,297	89,513	11/08/2010	08/01/2028
576049-P8-7.	MASSACHUSETTS ST WTR RES AUTH GEN			1.	1FE	5,006,100	112.1750	5,608,750	5,000,000	5,003,417		(851)			5.000	5.041	FA	104,167	250,000	02/05/2009	08/01/2036
57604P-4L-5.	MASSACHUSETTS WATER POL ABART MET ATLANTA GA RAPID TRANSIT				1FE	4,626,497	125.2970	5,011,880	4,000,000	4,516,892		(51,405)			5.000	3.288	FA	83,333	200,000	10/29/2010	08/01/2021
591745-H9-8.	A			1.	1FE	2,964,570	112.9130	3,105,108	2,750,000	2,944,636		(19,934)			5.000	3.798	JJ	68,750	68,750	03/28/2012	07/01/2039
59259Y-SL-4.	MET TRANSPRTN AUTH NY REVENUE			1.	1FE	2,699,201	112.9510	2,756,004	2,440,000	2,691,400		(7,801)			5.000	3.777	MN	15,589	38,972	08/17/2012	11/15/2042
59259Y-TX-7.	MET TRANSPRTN AUTH NY REVENUE			1.	1FE	1,149,990	115.9450	1,159,450	1,000,000	1,146,471		(3,519)			5.000	3.280	MN	6,389	6,528	09/20/2012	11/15/2030
592646-V6-7.	Metro Wash DC Airprt				1FE	3,471,618	118.4210	3,848,683	3,250,000	3,431,677		(16,835)			5.000	4.274	A0	40,625	162,500	07/21/2010	10/01/2021
592646-T7-8.	METROPOLITAN WASH DC ARPTS AUTH				1FE	1,052,000	117.5710	1,175,710	1,000,000	1,047,984		(1,718)			5.000	4.654	A0	12,500	50,000	08/02/2010	10/01/2030
59266T-DY-4.	METROPOLITAN WTR DIST CALIF				1FE	5,584,950	120.9310	6,046,550	5,000,000	5,517,020		(28,399)			5.000	4.041	JJ	125,000	250,000	07/15/2010	07/01/2026
59447P-KG-5.	MI Fin Auth C22 S12			1.	1FE	4,731,520	122.4620	4,898,480	4,000,000	4,689,092		(42,428)			5.000	2.976	A0	50,000	86,111	04/18/2012	10/01/2027
59465H-QH-2.	MI HFA C22 S12			1.	1FE	7,186,518	117.9020	7,404,246	6,280,000	7,134,315		(52,203)			5.000	3.334	JD	26,167	171,828	04/25/2012	12/01/2027
59334K-D0-8.	MIAMI-DADE CNTY FLA EXPWY AUTH TOL				1FE	5,247,334	110.5680	5,666,610	5,125,000	5,229,221		(7,501)			5.000	4.808	JJ	128,125	256,250	02/15/2007	07/01/2023
59334D-AC-8.	MIAMI-DADE CNTY FLA WTR & SWR REV			1.	1FE	7,275,425	100.1900	7,514,250	7,500,000	7,338,377		5,937			5.000	5.262	A0	93,750	375,000	05/13/1999	10/01/2029
59447P-HC-8.	MICHIGAN ST FIN AUTH REVENUE				1FE	4,349,683	118.7330	4,393,121	3,700,000	4,226,243		(105,005)			5.000	1.867	A0	46,250	168,556	10/27/2011	10/01/2017
60636X-8E-6.	MO HSG SF PAC			1.	1FE	3,268,847	106.6590	3,237,101	3,035,000	3,225,903		(20,930)			4.500	3.604	MN	22,763	139,512	11/03/2010	11/01/2027
605356-AX-0.	MS HSG PAC				1FE	2,583,867	107.4060	2,593,855	2,415,000	2,550,595		(14,415)			4.500	3.545	JD	9,056	111,852	01/04/2011	12/01/2031
160853-QQ-3.	NC Charlotte Hsp HC C22 S12A			1.	1FE	4,630,120	118.3220	4,732,880	4,000,000	4,594,028		(36,092)			5.000	3.127	JJ	124,444		05/10/2012	01/15/2027
63968A-PA-7.	NEBRASKA PUB PWR DIST REV			17	1FE	3,799,985	114.4400	4,005,400	3,500,000	3,713,633		(38,279)			5.000	3.687	JJ	87,500	175,000	09/10/2010	01/01/2026
644614-YF-0.	NEW HAMPSHIRE HEALTH & ED FACS				1FE	7,708,610	118.9510	8,326,570	7,000,000	7,641,604		(26,641)			5.000	4.265	JD	29,167	350,000	05/25/2010	06/01/2029
64972F-ZZ-8.	New York City Municip				1FE	13,179,480	122.9470	14,753,640	12,000,000	13,059,735		(71,533)			5.000	4.071	JD	26,667	600,000	04/26/2011	06/15/2024
64971Q-PA-5.	NEW YORK CITY NY TRANSITIONAL			1.	1FE	1,616,540	120.7410	1,768,856	1,465,000	1,601,082		(12,772)			5.000	3.790	MN	12,208	73,250	10/13/2011	11/01/2027
649710-RM-7.	NEW YORK CITY NY TRANSITIONALF			1.	1FE	4,031,495	114.9840	4,311,900	3,750,000	4,007,391		(23,085)			5.000	4.116	MN	31,250	179,167	01/30/2012	11/01/2038
649451-AV-3.	NEW YORK CONVENTION CTR DEV CO REV			1.	1FE	10,291,600	109.4490	10,944,900	10,000,000	10,140,033		(44,707)			5.000	4.525	MN	63,889	500,000	07/21/2006	11/15/2030
64970K-4R-5.	NEW YORK N Y CITY MUN WTR FIN WTR			1.	1FE	10,222,600	107.8010	10,780,100	10,000,000	10,085,959		(21,515)			5.000	4.793	JD	22,222	500,000	07/21/2006	06/15/2037
64972F-RA-6.	NEW YORK N Y CITY MUN WTR FIN WTR			1.	1FE	5,126,511	111.2160	5,560,800	5,000,000	5,089,414		(17,719)			5.000	4.604	JD	11,111	250,000	11/08/2010	06/15/2038
64972F-ZL-3.	NEW YORK N Y CITY MUN WTR FIN WTR			1.	1FE	9,845,700	114.0960	11,409,600	10,000,000	9,854,580		2,560			5.000	5.166	JD	22,222	500,000	02/04/2009	06/15/2039
649905-S2-3.	NEW YORK ST DORM AUTH REV				1FE	1,866,953	117.4310	2,055,043	1,750,000	1,861,848		(3,522)			5.000	4.555	JJ	43,750	87,500	07/14/2011	07/01/2032
64983S-FU-4.	NEW YORK ST DORM AUTH REVS				1FE	4,587,961	138.4110	5,481,076	3,960,000	4,539,882		(20,092)			5.500	4.388	JJ	108,900	217,800	07/13/2010	07/01/2031

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
		F o r e i g n	Bond CHAR	NAIC Designation			Rate Used to Obtain Fair Value	Fair Value			Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
CUSIP Identification	Description	Code				Actual Cost			Par Value	Book/ Adjusted Carrying Value											
649903-BD-2.	NEW YORK ST DORM AUTH REVS NON REV			1	1FE	1,062,330	110.2620	1,102,620	1,000,000	1,028,384		(6,385)			5.000	4.266	JJ	25,000	50,000	01/19/2007	07/01/2025
649903-BE-0.	NEW YORK ST DORM AUTH REVS NON REV			1	1FE	1,061,500	112.3950	1,123,950	1,000,000	1,028,013		(6,300)			5.000	4.276	JJ	25,000	50,000	01/19/2007	07/01/2026
649905-VF-0.	NEW YORK ST DORM AUTH REVS NON REV			1	1FE	6,207,180	114.8300	6,889,800	6,000,000	6,150,749		(19,524)			5.000	4.601	JJ	150,000	300,000	12/02/2009	07/01/2039
649902-SZ-2.	NEW YORK ST DORM AUTH ST PERS NEW YORK ST TWY AUTH GEN REV			1	1FE	11,541,218	114.2000	12,801,820	11,210,000	11,501,779		(28,690)			5.000	4.669	MS	165,036	560,500	12/05/2011	03/15/2041
650009-QK-2.	REV NEW YORK ST TWY AUTH GEN REV			1	1FE	7,499,993	107.9150	7,715,923	7,150,000	7,257,262		(39,769)			5.000	4.408	JJ	178,750	357,500	01/27/2006	01/01/2028
650009-QP-1.	REV NEW YORK ST URBAN DEV C18			1	1FE	10,326,900	107.4080	10,740,800	10,000,000	10,105,210		(38,880)			5.000	4.602	JJ	250,000	500,000	07/21/2006	01/01/2032
650035-QF-8.	S09			1	1FE	8,533,721	117.4160	9,099,740	7,750,000	8,354,949		(147,992)			5.000	3.566	JD	17,222	387,500	12/21/2010	12/15/2028
64711R-JT-4.	NM Fin Au Trn C20 S10			1	1FE	684,374	121.7420	712,191	585,000	663,646		(9,291)			5.000	2.998	JD	1,300	29,250	09/23/2010	06/15/2023
64711R-JU-1.	NM Fin Au Trn C20 S10			1	1FE	680,086	121.2000	709,020	585,000	660,314		(8,867)			5.000	3.079	JD	1,300	29,250	09/23/2010	06/15/2024
64711R-JS-6.	NM Fin Au Trn NC S10			1	1FE	753,213	126.1330	788,331	625,000	729,124		(10,785)			5.000	2.795	JD	1,389	31,250	09/23/2010	06/15/2021
658203-PH-1.	NORTH CAROLINA MUN PWR AGY NO CAT				1	1,965,000	100.0000	1,965,000	1,965,000	1,965,000					5.500	5.576	JJ	54,038	161,700	08/10/2011	01/01/2013
66285W-AU-0.	NORTH TEX TWY AUTH REV FIR			1	1FE	9,866,700	112.6780	11,267,800	10,000,000	9,879,207		3,152			5.625	5.810	JJ	281,250	562,500	03/07/2008	01/01/2033
66285W-BQ-8.	FIR			1	1FE	2,988,750	112.7100	3,381,300	3,000,000	2,989,214		163			5.750	5.860	JJ	86,250	172,500	03/10/2008	01/01/2040
64971M-Y6-3.	NY NYC TFA C20 S10C			1	1FE	6,403,932	120.4950	6,886,289	5,715,000	6,309,383		(38,876)			5.000	3.933	MN	47,625	285,750	06/30/2010	11/01/2024
64971M-6R-8.	NY NYC TFA C20 S11C			1	1FE	5,330,550	124.1680	6,208,400	5,000,000	5,304,287		(13,667)			5.500	4.978	MN	45,833	275,000	01/13/2011	11/01/2027
89602N-PP-3.	NY TBTA C18 S08C			1	1FE	5,475,450	117.6090	5,880,450	5,000,000	5,420,398		(21,952)			5.000	4.238	MN	31,944	250,000	05/28/2010	11/15/2026
67760H-CG-4.	OHIO ST TPK COMMN TPK REV REF				1FE	6,447,480	129.1760	7,750,560	6,000,000	6,282,631		(18,669)			5.500	5.005	FA	124,667	330,000	02/14/2002	02/15/2024
678505-CM-8.	OKLAHOMA AGRIC & MECHANICAL OKLAHOMA ST WTR RES BRD				1FE	1,374,963	117.6810	1,471,013	1,250,000	1,360,697		(5,967)			5.000	4.184	FA	26,042	62,500	07/14/2010	08/01/2026
67919P-AX-1.	REVOLV REV			1	1FE	6,276,375	103.4270	5,921,196	5,725,000	5,776,440		(63,452)			5.250	4.113	A0	75,141	300,563	10/28/2003	04/01/2017
681793-8E-8.	OMAHA NE PUBLIC PWR DIST			1	1FE	1,156,370	114.9270	1,149,270	1,000,000	1,153,438		(2,932)			5.000	3.076	FA	11,250		10/19/2012	02/01/2037
682001-AV-4.	OMAHA NE PUBLIC PWR DIST ELEC			1	1FE	1,466,367	116.0420	1,473,733	1,270,000	1,462,689		(3,678)			5.000	3.097	FA	14,288		10/19/2012	02/01/2039
68607D-HM-0.	OREGON ST DEPT TRANSN HWY USER HGH			1	1FE	8,312,960	114.3450	9,147,600	8,000,000	8,134,788		(31,171)			5.000	4.572	MN	51,111	400,000	07/21/2006	11/15/2028
392274-ZT-6.	Orlando FL Arpt AMIT			1	1FE	1,054,860	117.1190	1,171,190	1,000,000	1,048,974		(4,517)			5.000	4.369	A0	12,500	51,528	09/08/2011	10/01/2024
686507-EM-2.	ORLANDO FLA UTIL COMMSYS R			1	1FE	2,332,700	123.1880	2,463,760	2,000,000	2,282,904		(32,049)			5.000	2.967	A0	25,000	100,000	06/07/2011	10/01/2020
70917S-AW-3.	PENNSYLVANIA ST HGR EDUCNTL FA			1	1FE	5,633,700	112.5930	5,629,650	5,000,000	5,621,095		(12,605)			5.000	3.451	A0	61,111		10/11/2012	04/01/2042
720175-MP-0.	PIEDMONT MUN PWR AGY S C ELEC ELE				1	4,054,373	130.8330	5,723,944	4,375,000	4,181,757		10,821			5.375	5.980	JJ	117,578	235,156	06/14/1994	01/01/2025
73358W-FR-0.	PORT AUTH OF NEW YORK & NEW JE			1	1FE	7,645,425	111.8110	8,385,825	7,500,000	7,632,913		(11,932)			5.000	4.807	A0	79,167	375,000	12/13/2011	10/15/2041
736742-TH-0.	PORTLAND ORE SWR SYS REV			1	1FE	3,112,835	120.8770	3,324,118	2,750,000	3,070,170		(18,348)			5.000	3.901	MS	45,833	137,500	08/11/2010	03/01/2026
745260-KQ-4.	PUERTO RICO ELEC PWR AUTH PWR PWR	SD		1	2FE	760,395	101.2820	759,615	750,000	756,608		(1,287)			5.000	4.837	JJ	18,750	37,500	11/10/2009	07/01/2022
756872-FJ-1.	RED RIVER TEX ED FIN REV			1	1FE	1,022,100	108.2380	1,082,380	1,000,000	1,016,968		(3,582)			5.000	4.604	MS	14,722	50,000	07/20/2011	03/15/2032
759911-MX-5.	REGIONAL TRANSN AUTH ILL G.O				1FE	5,172,900	102.2090	5,110,450	5,000,000	5,007,327		(16,899)			5.750	5.463	JD	23,958	287,500	08/12/1999	06/01/2013
759911-PK-0.	REGIONAL TRANSN AUTH ILL G.O				1FE	5,144,610	124.6510	5,559,435	4,460,000	4,751,643		(45,207)			6.250	4.940	JJ	139,375	278,750	01/24/2002	07/01/2018
759136-LN-2.	REGIONAL TRANSN DIST COLO SALES TA			1	1FE	33,233,509	116.4480	34,934,400	30,000,000	31,644,899		(381,382)			5.000	3.491	MN	250,000	1,450,000	12/10/2012	11/01/2036
794665-AU-3.	SALES TAX ASSET RECEIVABLE CORP			1	1FE	11,636,833	107.1320	12,191,622	11,380,000	11,468,055		(46,208)			5.000	4.597	A0	120,122	569,000	11/08/2010	10/15/2032
79575D-XB-1.	SALT RIVER PROJ ARIZ AGRIC IMP				1FE	1,366,833	115.6250	1,451,094	1,255,000	1,353,019		(5,563)			5.000	4.258	JJ	31,375	62,750	06/08/2010	01/01/2026
79575D-B6-6.	SALT RIVER PROJ ARIZ AGRIC IMP REV			1	1FE	9,612,818	114.8510	11,197,973	9,750,000	9,624,465		3,280			5.000	5.166	JJ	243,750	487,500	01/30/2009	01/01/2034

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
		Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
79575D-XF-2.	SALT RIVER PROJ AZ.....			1.	1FE	19,509,671	112.9160	22,063,786	19,540,000	19,477,327		(12,371)			5.000	5.015	JJ	488,500	977,000	11/24/2009	01/01/2038
797400-GV-4.	SAN DIEGO CNTY REGL.....				1FE	4,514,676	127.0320	4,560,449	3,590,000	4,463,403		(51,273)			5.000	2.104	A0	44,875	53,351	05/24/2012	04/01/2022
79765A-G7-5.	SAN FRAN CALIF CITY & CNTY 5.25%.....				1FE	5,677,750	123.8840	6,194,200	5,000,000	5,413,463		(47,752)			5.250	3.980	MN	43,750	262,500	11/21/2006	05/01/2020
79765A-H3-3.	SAN FRANCISCO CALIF CITY & CNT SEC.....			1.	1FE	5,399,400	110.4510	5,522,550	5,000,000	5,159,203		(43,816)			5.000	4.010	MN	41,667	250,000	12/13/2006	05/01/2023
79765R-XL-8.	SAN FRANCISCO CITY & CNTY CA P.....			1.	1FE	2,233,140	116.0710	2,321,420	2,000,000	2,221,235		(11,905)			5.000	3.627	MN	16,667	40,000	05/24/2012	11/01/2035
798111-AH-3.	SAN JOAQUIN HILLS CALIF TRANSN SR.....				1FE	5,595,809	92.7360	7,604,352	8,200,000	6,172,849		244,271				5.548	MAT			06/30/2010	01/01/2019
798111-AW-0.	SAN JOAQUIN HILLS CALIF TRANSN SR.....				1FE	3,268,889	90.2040	4,510,200	5,000,000	3,558,061		140,786				5.873	MAT			11/08/2010	01/01/2020
812643-DW-1.	SEATTLE WASH MUN LT & PWR REV SOUTH CAROLINA ST PUB SVC.....				1FE	2,669,127	124.2440	2,857,612	2,300,000	2,580,588		(34,953)			5.000	3.094	FA	47,917	115,000	05/26/2010	02/01/2020
837147-8L-4.	AUTH.....				1FE	1,185,650	118.7320	1,187,320	1,000,000	1,132,858		(24,886)			5.000	2.193	JJ	25,000	50,000	11/08/2010	01/01/2018
837151-CC-1.	SOUTH CAROLINA ST PUB SVC AUTH.....			1.	1FE	10,869,500	113.0260	11,302,600	10,000,000	10,781,144		(71,787)			5.000	3.991	JD	41,667	500,000	10/06/2011	12/01/2036
837152-HA-8.	SOUTH CAROLINA TRANSN INFRASTR REV.....			1.	1FE	5,150,350	103.5250	5,176,250	5,000,000	5,029,736		(38,170)			5.000	4.231	A0	62,500	250,000	04/11/2006	10/01/2033
850578-QK-4.	SPRINGFIELD ILL ELEC REV ELE.....			1.	1FE	5,189,150	103.8970	5,194,850	5,000,000	5,070,035		(20,126)			5.000	4.572	MS	83,333	250,000	04/11/2006	03/01/2035
875290-VQ-8.	TAMPA FLA WTR & SWR REV WTR.....			1.	1FE	8,102,320	113.9900	8,993,811	7,890,000	8,023,660		(24,637)			5.000	4.652	A0	98,625	394,500	01/30/2008	10/01/2037
89602N-RB-2.	TRIBOROUGH BRDG & TUNL AUTH N SUB.....			1.	1FE	7,588,527	114.0230	8,625,840	7,565,000	7,579,499		(2,079)			5.000	5.024	MN	48,332	378,250	07/24/2008	11/15/2031
89602N-MT-8.	TRIBOROUGH BRDG & TUNL AUTH N Y RE.....			1.	1FE	5,147,400	111.7810	5,589,050	5,000,000	5,098,099		(15,764)			5.000	4.636	MN	31,944	250,000	04/15/2008	11/15/2037
882135-2E-5.	TX A&M Univ C20 S10.....				1FE	3,894,581	119.9540	4,192,392	3,495,000	3,844,221		(23,982)			5.000	3.942	MN	22,329	174,750	11/08/2010	05/15/2024
882135-2F-2.	TX A&M Univ C20 S10.....				1FE	2,774,687	119.7560	2,999,888	2,505,000	2,743,928		(14,656)			5.000	4.055	MN	16,004	125,250	11/08/2010	05/15/2025
235416-Z3-1.	TX Dallas W&S C20 S10.....				1FE	5,451,560	119.5920	5,979,600	5,000,000	5,406,600		(21,444)			5.000	4.259	A0	62,500	250,000	11/08/2010	10/01/2026
882756-R8-4.	TX PFA Unemploy C16 S10A.....				1FE	7,155,163	112.4230	7,211,935	6,415,000	6,930,160		(119,900)			5.000	2.881	JJ	160,375	320,750	02/07/2011	01/01/2017
796253-K6-8.	TX S Antonio E&G C18 S08.....				1FE	6,547,500	117.4680	7,048,080	6,000,000	6,473,927		(29,650)			5.000	4.205	FA	125,000	300,000	06/09/2010	02/01/2025
914716-XA-8.	UNIV OF NORTH CAROLINA NC AT C.....			1.	1FE	1,862,436	116.4720	1,939,259	1,665,000	1,847,798		(14,638)			5.000	3.627	A0	20,813	50,413	02/10/2012	04/01/2041
914716-XB-6.	UNIV OF NORTH CAROLINA NC AT C.....			1.	1FE	1,123,990	116.9130	1,169,130	1,000,000	1,114,771		(9,219)			5.000	3.566	A0	12,500	30,278	02/10/2012	04/01/2037
91523N-KF-2.	UNIV OF WASHINGTON WA UNIV REV.....			1.	1FE	2,257,800	115.6980	2,313,960	2,000,000	2,239,083		(18,717)			5.000	3.540	JJ	50,000	31,667	02/09/2012	07/01/2041
91476P-CG-1.	UNIV OK REVENUES.....			1.	1FE	1,105,780	115.7060	1,157,060	1,000,000	1,096,873		(8,907)			5.000	3.697	JJ	25,000	15,972	01/26/2012	07/01/2037
91476P-CH-9.	UNIV OK REVENUES.....			1.	1FE	1,374,963	115.2180	1,440,225	1,250,000	1,364,472		(10,490)			5.000	3.768	JJ	31,250	19,965	01/26/2012	07/01/2041
914126-FV-2.	UNIVERSITY CALIF REVS.....			1.	1FE	2,358,743	113.9000	2,562,750	2,250,000	2,348,378		(9,542)			5.000	4.419	MN	14,375	112,500	11/29/2011	05/15/2041
91412F-6A-0.	UNIVERSITY CALIF REVS.....			1.	1FE	9,835,500	114.6890	11,468,900	10,000,000	9,830,648		(1,260)			5.250	5.395	MN	67,083	525,000	08/05/2009	05/15/2039
914233-TL-5.	UNIVERSITY CONN.....				1FE	1,591,137	122.8490	1,713,744	1,395,000	1,554,712		(14,610)			5.000	3.553	FA	26,350	69,750	06/09/2010	02/15/2022
914301-J6-4.	UNIVERSITY HOUSTON TEX UNIV.....			1.	1FE	1,559,708	114.9460	1,741,432	1,515,000	1,550,170		(4,876)			5.000	4.613	FA	28,617	75,750	08/26/2010	02/15/2026
914468-AW-3.	UNIVERSITY MINN SPL PURP REV.....			1.	1FE	1,733,565	114.8490	1,722,735	1,500,000	1,649,575		(39,780)			5.000	2.108	FA	31,250	75,000	11/12/2010	08/01/2017
915115-X8-7.	UNIVERSITY TEX UNIV FD BOND.....				1FE	5,974,650	134.1880	6,709,400	5,000,000	5,857,996		(48,486)			5.250	3.664	JJ	131,250	262,500	07/12/2010	07/01/2026
915137-2Y-8.	UNIVESITY TEX UNIV REVS.....				1FE	4,599,880	122.1720	4,886,880	4,000,000	4,492,741		(42,432)			5.000	3.513	FA	75,556	200,000	05/27/2010	08/15/2022
917565-HM-8.	UTAH TRAN AUTH SALES TAX REV SAL.....			1.	1FE	19,778,601	114.9080	22,407,060	19,500,000	19,693,633		(35,091)			5.000	4.827	JD	43,333	975,000	06/30/2010	06/15/2032
917565-HN-6.	UTAH TRAN AUTH SALES TAX REV SAL.....			1.	1FE	5,148,350	114.7410	5,737,050	5,000,000	5,099,120		(15,655)			5.000	4.638	JD	11,111	250,000	04/10/2008	06/15/2036
927793-TJ-8.	VA ComWith Trn Bd NC S11.....				1FE	11,509,829	117.3650	11,413,746	9,725,000	11,042,474		(287,325)			5.000	1.775	MN	62,132	486,250	05/12/2011	05/15/2017
924166-DH-1.	VERMONT EDL & HEALTH BLDGS.....			1.	1FE	2,331,000	114.0770	2,566,733	2,250,000	2,320,354		(7,334)			5.000	4.573	MN	18,750	112,500	07/13/2011	11/01/2040
928172-UH-6.	VIRGINIA ST PUB BLDG AUTH.....				1FE	4,420,560	120.1700	4,806,800	4,000,000	4,377,980		(16,934)			5.000	4.213	FA	83,333	200,000	05/26/2010	08/01/2028
29270C-XB-6.	WA Egy NW EI NC S11A.....				1FE	1,894,096	120.6690	1,930,704	1,600,000	1,832,217		(39,319)			5.000	2.197	JJ	40,000	80,000	06/01/2011	07/01/2018
29270C-RB-3.	WA Egy NW Elec NC S08A.....				1FE	2,963,875	115.3680	2,884,200	2,500,000	2,822,019		(89,031)			5.250	1.467	JJ	65,625	131,250	05/25/2011	07/01/2016

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
29270C-VZ-5.	WA Egy NW NC S10A				1FE	7,969,570	117.6710	8,236,970	7,000,000	7,698,697		(144,409)			5.000	2.651	JJ	175,000	350,000	02/08/2011	07/01/2017
29270C-WA-9.	WA Egy NW Wash Elec NC S10A				1FE	6,258,974	120.6690	6,648,862	5,510,000	6,081,796		(94,449)			5.000	2.964	JJ	137,750	275,500	02/07/2011	07/01/2018
812643-EC-4.	WA Seattle L&P C20 S10B				1FE	5,493,250	117.3920	5,869,600	5,000,000	5,432,228		(24,466)			5.000	4.181	FA	104,167	250,000	06/03/2010	02/01/2026
938823-AT-8.	WASHINGTON FEDERAL HIGHWAY			1.	1FE	1,453,716	123.1640	1,477,968	1,200,000	1,440,577		(13,139)			5.000	2.654	MS	20,000	14,167	05/23/2012	09/01/2023
940093-3K-1.	WASHINGTON ST UNIV.			1.	1FE	1,116,240	115.0250	1,150,250	1,000,000	1,107,049		(9,191)			5.000	3.597	A0	12,500	30,278	02/08/2012	10/01/2037
	WHITING IN BP RPDCTS 5.0000%																				
96634R-AM-4.	01-01				1FE	10,821,200	110.7910	11,079,100	10,000,000	10,531,965		(166,594)			5.000	3.153	JJ	250,000	500,000	03/29/2011	01/01/2016
977092-TX-3.	WI Cln Wtr C20 S10			1.	1FE	3,600,379	119.4200	3,845,324	3,220,000	3,525,387		(35,429)			5.000	3.566	JD	13,417	161,000	11/03/2010	06/01/2025
977092-TY-1.	WI Cln Wtr C20 S10			1.	1FE	3,850,585	119.9500	4,156,268	3,465,000	3,774,804		(35,818)			5.000	3.648	JD	14,438	173,250	11/03/2010	06/01/2026
977092-RD-9.	WI Wtr C18 S08 1.				1FE	4,090,172	117.1500	4,340,408	3,705,000	4,039,007		(20,319)			5.000	4.109	JD	15,438	185,250	05/25/2010	06/01/2025
	WISCONSIN ST GEN FD ANNUAL																				
977100-BZ-8.	APP GEN			1.	1FE	8,482,783	118.5150	9,777,488	8,250,000	8,442,185		(39,151)			5.750	5.264	MN	79,063	474,375	10/13/2011	05/01/2033
985900-CR-8.	Yavapi IDA N AZ Hlth				1FE	2,541,160	118.4210	2,670,394	2,255,000	2,506,249		(27,946)			5.000	3.384	A0	28,188	109,305	09/29/2011	10/01/2020
985900-CT-4.	Yavapi IDA N AZ Hlth			1.	1FE	5,472,906	117.6890	5,731,454	4,870,000	5,409,038		(51,157)			5.250	3.790	A0	63,919	247,863	09/29/2011	10/01/2022
2599999 - 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						1,239,250,012	XXX	1,328,225,888	1,166,290,000	1,218,239,965		(7,742,409)			XXX	XXX	XXX	16,053,737	53,089,888	XXX	XXX
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																					
3128MJ-0G-8.	FEDERAL HOME LN MTG CORP				1FE	1,122,673	107.9030	1,166,909	1,081,443	1,125,638		(114)			4.500	3.064	MON	4,055	48,791	06/17/2011	07/01/2041
3128PU-EW-8.	FG J14649				1FE	12,224,684	105.1580	12,917,519	12,283,875	12,232,096		7,645			3.500	3.729	MON	35,828	429,933	03/18/2011	04/01/2026
3128PU-HG-0.	FG J14731				1FE	12,651,945	105.1580	13,368,988	12,713,199	12,661,295		8,317			3.500	3.724	MON	37,080	444,962	03/18/2011	03/01/2026
3128PQ-08-7.	FHLMC PC GOLD 15 YR				1FE	9,590,229	108.6510	9,947,335	9,155,350	9,469,659		(15,165)			4.500	3.215	MON	34,333	412,483	12/08/2009	12/01/2024
3132GE-3X-6.	FHLMC POOL Q01714				1FE	1,826,062	106.9120	1,938,797	1,813,453	1,826,197		(1,354)			4.000	3.816	MON	6,045	72,623	06/13/2011	07/01/2041
31398W-SD-7.	FHLMC, 3632:PK CMO/AGENCY				1FE	2,432,869	111.3730	2,436,416	2,187,617	2,463,868		(7,654)			5.000	0.527	MON	9,115	109,381	11/29/2011	02/15/2040
3138A8-SL-1.	FN AH6822				1FE	3,541,498	106.1430	3,728,746	3,512,956	3,536,157		(4,577)			3.500	3.290	MON	10,246	123,419	03/17/2011	03/01/2026
3138M5-W3-9.	FNMA 30 YR MBS/POOL				1FE	6,398,827	104.8880	6,527,974	6,223,783	6,395,298		(3,530)			3.000	2.347	MON	15,559	47,084	08/22/2012	08/01/2042
3138AX-RK-9.	FNMA 30YR MBS/POOL				1FE	8,455,541	106.6990	8,783,223	8,231,741	8,467,336		11,259			3.500	2.820	MON	24,009	290,334	12/15/2011	11/01/2041
31417V-PW-7.	FNMA PASS-THRU INT 15 YEAR				1FE	6,529,642	109.8770	6,895,948	6,276,056	6,490,326		(22,320)			4.500	3.305	MON	23,535	282,824	11/08/2010	12/01/2024
2699999 - 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						64,773,970	XXX	67,711,855	63,479,473	64,667,870		(27,493)			XXX	XXX	XXX	199,805	2,261,834	XXX	XXX
Bonds - 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																					
341507-XK-2.	FLORIDA ST BRD ED LOTTERY REV LOT				1FE	8,483,060	110.6030	8,754,227	7,915,000	8,141,313		(84,742)			5.000	3.826	JJ	197,875	395,750	08/21/2008	07/01/2015
341507-TK-7.	FLORIDA ST BRD ED LOTTERY REV				1FE	5,310,254	114.2480	5,712,400	5,000,000	5,199,895		(52,475)			5.000	3.806	JJ	125,000	250,000	11/08/2010	07/01/2016
341507-TM-3.	FLORIDA ST BRD ED LOTTERY REV			1.	1FE	7,196,797	117.2280	7,819,108	6,670,000	6,982,973		(49,870)			5.000	4.081	JJ	166,750	333,500	05/09/2008	07/01/2018
	MICHIGAN ST BLDG AUTH REV																				
594614-ZN-2.	REV			1.	1FE	4,925,250	107.3130	5,365,650	5,000,000	4,929,739		1,864			5.000	5.176	A0	52,778	250,000	06/20/2005	10/15/2033
64465P-MP-0.	NH Hampshire C20 S10B				1FE	3,485,901	123.1510	3,860,784	3,135,000	3,436,520		(20,081)			5.000	3.999	FA	59,217	156,750	06/18/2010	08/15/2024
64465P-MQ-8.	NH Hampshire C20 S10B				1FE	3,502,343	123.0710	3,901,351	3,170,000	3,459,903		(17,273)			5.000	4.108	FA	59,878	158,500	06/18/2010	08/15/2025
67755C-F5-3.	OHIO ST BLDG AUTH				1FE	1,719,930	119.9850	1,799,775	1,500,000	1,687,288		(14,049)			5.000	3.622	A0	18,750	75,000	08/19/2010	10/01/2023
67755C-F6-1.	OHIO ST BLDG AUTH				1FE	2,238,905	119.3570	2,351,333	1,970,000	2,202,847		(15,516)			5.000	3.782	A0	24,625	98,500	08/19/2010	10/01/2024
68607V-UN-3.	OR DASL C19 S09A				1FE	6,373,935	119.4320	6,747,908	5,650,000	6,268,458		(42,692)			5.250	4.071	A0	74,156	296,625	06/14/2010	04/01/2024

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
2899999	- 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					43,236,375	XXX	46,312,536	40,010,000	42,308,936		(294,834)			XXX	XXX	XXX	779,029	2,014,625	XXX	XXX
3199999	- Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Subtotals - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies of Governments and Their Political Subdivisions					1,347,260,357	XXX	1,442,250,279	1,269,779,473	1,325,216,771		(8,064,736)			XXX	XXX	XXX	17,032,571	57,366,347	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations																					
90261X-EM-0.	UBS AG BRH MTN SR DEP NT BE		R		1FE	4,394,720		119,0260		4,396,996					5,875	5,978	JD	7,899	258,500	12/17/2007	12/20/2017
90261X-FA-5.	UBS AG BRH MTN SR DEP NT BE		R		1FE	3,627,297		118,7140		3,636,330					5,750	5,918	AO	38,477	209,875	04/22/2008	04/25/2018
	ANHEUSER-BUSCH INBEV																				
03523T-BP-2.	WORLDWIDE INC.				1FE	3,109,938		100,6260		3,110,565					2,500	2,571	JJ	35,807		07/11/2012	07/15/2022
05531F-AG-8.	BB&T CORPORATION				1FE	1,248,263		106,4350		1,250,000					3,200	3,256	MS	11,778	40,000	02/28/2011	03/15/2016
09247X-AJ-0.	Blackrock Inc Sr Unsec.				1FE	4,986,246		106,2080		4,986,950					3,375	3,437	JD	14,063	87,188	05/24/2012	06/01/2022
097014-AK-0.	BOEING CAP CORP				1FE	7,545,525		104,9270		7,517,867					3,250	3,139	AO	43,333	243,750	12/11/2009	10/27/2014
141781-AY-0.	CARGILL INC				1FE	7,227,217		110,1770		7,515,000					4,307	4,853	MN	42,257	323,671	05/31/2011	05/14/2021
26875P-AB-7.	EOG RES INC				1FE	2,823,898		104,1600		2,824,814					6,125	6,228	AO	43,258	173,031	09/25/2008	10/01/2013
36962G-5C-4.	Gen Elec Cap Corp Sr Unsec.				1FE	5,389,524		105,3370		5,392,816					2,950	3,014	MN	23,010	159,300	05/04/2011	05/09/2016
	GENERAL ELECTRIC CAPITAL																				
36962G-3U-6.	CORPORATI				1FE	9,125,570		118,7530		8,959,348					5,625	6,181	MN	85,781	514,688	04/16/2008	05/01/2018
377372-AD-9.	GLAXOSMITHKLINE CAPITAL INC				1FE	3,497,865		121,8040		3,500,000					5,650	5,738	MN	25,268	197,750	05/06/2008	05/15/2018
38141E-A3-3.	GOLDMAN SACHS GROUP INC				1FE	5,530,450		106,4250		5,170,048					6,000	3,400	MN	50,000	300,000	12/14/2009	05/01/2014
38141E-A6-6.	GOLDMAN SACHS GROUP INC				1FE	4,039,632		118,8210		4,041,749					6,000	6,125	JD	10,800	243,000	05/26/2010	06/15/2020
38141G-FM-1.	GOLDMAN SACHS GROUP INC				1FE	1,758,785		117,4770		1,755,352					6,150	6,174	AO	26,906	107,625	04/22/2008	04/01/2018
38143U-SC-6.	GOLDMAN SACHS GROUP INC				1FE	2,441,324		105,8520		2,437,564					3,625	3,549	FA	35,235	88,088	04/28/2011	02/07/2016
459200-GN-5.	INTERNATIONAL BUSINESS WACHS				1FE	2,765,204		104,8650		2,773,235					6,500	6,692	AO	38,079	180,375	10/09/2008	10/15/2013
48121C-VZ-6.	JP MORGAN CHASE BANK NA				1FE	2,976,570		117,2650		2,987,734					6,000	6,198	JJ	88,000	180,000	06/22/2007	07/05/2017
57629W-BM-1.	MASSMUTUAL GBL 144A				1FE	2,498,475		103,8270		2,499,145					2,300	2,326	MS	14,854	57,500	09/20/2010	09/28/2015
78387G-AP-8.	SBC COMMUNICATIONS INC				1FE	5,417,526		107,4200		5,141,475					5,100	3,096	MS	74,708	253,725	12/14/2009	09/15/2014
136375-BR-2.	CANADIAN NATL RY CO				1FE	3,484,740		120,1430		3,500,000					5,550	5,686	MN	24,821	194,250	04/24/2008	05/15/2018
78008K-BS-1.	ROYAL BANK OF CANADA				1FE	4,214,860		105,5470		4,225,000					2,625	2,691	JD	4,929	110,906	07/07/2010	12/15/2015
055650-BP-2.	BP CAPITAL MKT PLC				1FE	3,480,785		115,2460		3,484,399					4,500	4,621	AO	39,375	157,500	09/28/2010	10/01/2020
3299999	- Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations					91,584,414	XXX	101,092,077	91,020,000	90,838,547		(158,211)			XXX	XXX	XXX	778,638	4,080,722	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities																					
021490-AE-0.	CWALT INC 2007 0A10				1FM	12,998,817		68,7440		12,659,596						30,443	MON		10,067	08/16/2012	09/25/2047
872227-AH-6.	TBW MTG BKD TR 2007-2				1FM	10,508,663		57,9310		10,616,143						15,717	MON			11/16/2009	07/25/2037
000292-AB-8.	AAA 2007-2 A2				1FM	11,037,879		15,8600		11,314,694						26,369	MON			10/20/2011	01/27/2046
12629E-AF-2.	CSAB MTG-BCKD TR 2007-1				1FM	5,938,631		65,2380		5,909,889						13,848	MON			11/10/2009	05/25/2037
88158A-AA-0.	TERWIN MTG TR 2007-SL9				1FM	2,809,405		20,2830		3,058,483						11,713	MON		7	12/21/2012	06/25/2038
88158A-AJ-1.	TERWIN MORTGAGE TRUST 07-9 SL				1FM	3,571,965		27,0260		3,598,982						7,859	MON		7,823	12/18/2012	06/25/2038
3399999	- Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities					46,865,360	XXX	46,350,892	132,299,319	48,370,508		2,889,917	27,930,735		XXX	XXX	XXX		17,897	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities																					
05947U-4D-7.	BACM 2005-6				1FM	6,204,844		111,4050		6,100,220					5,190	4,575	MON	25,952	316,725	01/22/2010	09/10/2047
05947U-R5-9.	BANC AMER CMBS 2005-3				1FM	552,752		100,1460		550,000					4,621	4,703	MON	2,118	25,416	06/29/2005	07/10/2043
05950V-AE-0.	BANC AMER CMBS 2006-6				1FM	5,979,794		114,5810		5,960,711					5,356	5,423	MON	26,557	318,682	11/20/2006	10/10/2045
07383F-XN-3.	BEAR STEARNS CMBS 2003-TOP12				1FM	2,930,547		101,9990		3,134,930					4,680	5,884	MON	12,226	146,851	07/19/2006	08/13/2039
07387M-AE-9.	BSCMS 2006-PW11 A4				1FM	6,207,188		112,8300		6,104,007					5,452	4,851	MON	28,167	332,159	01/22/2010	03/11/2039
173067-AC-3.	CGCMT 2004-C1 A3				1FM	3,253,840		101,0320		3,175,519					5,251	3,180	MON	13,766	165,187	03/28/2011	04/15/2040
36249K-AC-4.	GSM 2010-C1 A2				1FM	3,604,860		116,8590		3,583,018					4,592	4,302	MON	13,393	160,720	08/04/2010	08/10/2043
	JP MORGAN CHASE CMBS 2005-																				
	LDP1				1FM	6,817,259		108,1270		7,123,279					5,038	6,026	MON	30,312	363,743	06/15/2006	03/15/2046
46625Y-GP-2.	JP MORGAN COM MTG 2005-CIBC12				1FM	8,441,559		109,6890		8,408,263					4,895	4,960	MON	34,265	411,180	07/20/2005	09/12/2037

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4 F o r e i g n	5			8	9			12	13	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Foreign Exchange Change In B./A.C.V.	16	17	18	19	20	21	22
CUSIP Identification	Description	Code		Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion			Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
46625Y-ZX-4	JPMCC 2006-CB14 A4				1FM	4,864,130	112.3900	5,453,148	4,852,000	4,858,382		(2,063)			5.481	5.567	MON	22,162	265,938	01/25/2010	12/12/2044
52108H-5X-8	LB-UBS CMBS 2005-C3				1FM	1,808,868	108.2360	1,948,252	1,800,000	1,802,006		(966)			4.739	4.780	MON	4,739	85,302	06/21/2005	07/15/2030
59022H-FY-3	MLMT 2005-MKB2 A4				1FM	3,086,250	108.3190	3,249,579	3,000,000	3,027,168		(21,011)			5.204	4.538	MON	13,010	156,120	01/25/2010	09/12/2042
617459-AD-4	MORGAN STANLEY CAPITAL I 11-C2 A4				1FM	7,069,735	117.0570	8,194,018	7,000,000	7,060,469		(6,021)			4.661	4.629	MON	27,189	326,270	06/10/2011	06/15/2044
929766-7G-2	WACHOVIA CMBS 2005-C21				1FM	7,101,154	110.6920	7,835,937	7,079,032	7,080,782		(881)			5.240	5.347	MON	31,943	378,982	10/14/2005	10/15/2044
3499999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities						67,922,780	XXX	74,989,783	67,631,549	67,951,572		(84,260)			XXX	XXX	XXX	285,799	3,453,275	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities																					
058521-AC-9	BALLANTYNE RE PLC 2006-1A A2B				6	18,616,504	36.1790	20,578,998	56,880,922	19,035,513		1,372,548	4,344,135			12.845	MON		5,837	07/02/2012	05/02/2036
52177D-AB-5	LEAF RECEIVABLES FDG 8 LLC				1FE	22,547,304	99.8200	22,631,213	22,672,000	22,558,150		10,846			0.810	0.987	MON	8,162	43,360	09/18/2012	12/15/2015
3599999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities						41,163,808	XXX	43,210,211	79,552,922	41,593,663		1,383,394	4,344,135		XXX	XXX	XXX	8,162	49,197	XXX	XXX
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Subtotals - Industrial and Miscellaneous (Unaffiliated)						247,536,362	XXX	265,642,963	370,503,790	248,754,290		4,030,840	32,274,870		XXX	XXX	XXX	1,072,599	7,601,091	XXX	XXX
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 - Issuer Obligations																					
Bonds - Parent, Subsidiaries and Affiliates - Residential Mortgage-Backed Securities																					
Bonds - Parent, Subsidiaries and Affiliates - Other Loan-Backed and Structured Securities																					
7799999 - Bonds - Total Bonds - Subtotals - Issuer Obligations						2,193,978,054	XXX	2,333,780,276	2,088,417,712	2,160,251,956		(12,567,689)			XXX	XXX	XXX	26,896,281	88,422,874	XXX	XXX
7899999 - Bonds - Total Bonds - Subtotals - Residential Mortgage-Backed Securities						111,639,330	XXX	114,062,747	195,778,792	113,038,378		2,862,424	27,930,735		XXX	XXX	XXX	199,805	2,279,731	XXX	XXX
7999999 - Bonds - Total Bonds - Subtotals - Commercial Mortgage-Backed Securities						73,532,038	XXX	81,431,234	73,381,549	73,565,034		(90,773)			XXX	XXX	XXX	306,465	3,701,275	XXX	XXX
8099999 - Bonds - Total Bonds - Subtotals - Other Loan-Backed and Structured Securities						92,041,228	XXX	97,548,785	126,812,922	91,343,408		1,049,343	4,344,135		XXX	XXX	XXX	847,608	2,426,322	XXX	XXX
8399999 Subtotals - Total Bonds						2,471,190,650	XXX	2,626,823,042	2,484,390,975	2,438,198,776		(8,746,695)	32,274,870		XXX	XXX	XXX	28,250,159	96,830,202	XXX	XXX

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 2 - SECTION 1

Showing All **PREFERRED STOCKS** Owned December 31 of Current Year

1	2	Codes		5	6	7	8	Fair Value		11	Dividends			Change in Book/Adjusted Carrying Value					20	21
		3	4					9	10		12	13	14	15	16	17	18	19		
CUSIP Identification	Description	Code	Foreign	Number Of Shares	Par Value Per Share	Rate Per Share	Book/ Adjusted Carrying Value	Rate Per Share Used to Obtain Fair Value	Fair Value	Actual Cost	Declared But Unpaid	Amount Received During Year	Nonadmitted Declared But Unpaid	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change In B./A.C.V. (15+16-17)	Total Foreign Exchange Change In B./A.C.V.	NAIC Designation	Date Acquired
89999999	Total Preferred Stocks							XXX											XXX	XXX

NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1	2	Codes		5	6	Fair Value		9	Dividends			Change in Book/Adjusted Carrying Value				17	18
		3	4			7	8		10	11	12	13	14	15	16		
CUSIP Identification	Description	Code	Foreign	Number of Shares	Book / Adjusted Carrying Value	Rate per Share Used To Obtain Fair Value	Fair Value	Actual Cost	Declared but Unpaid	Amount Received During Year	Nonadmitted Declared But Unpaid	Unrealized Valuation Increase/ (Decrease)	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (13-14)	Total Foreign Exchange Change in B./A.C.V.	NAIC Market Indicator (a)	Date Acquired
Industrial and Miscellaneous (Unaffiliated)																	
Parent, Subsidiaries, and Affiliates																	
62386#-10-9.....	ASSURED GUARANTY (UK) LTD.....		F.....	8,300,000.000	128,763,138	15.513	128,763,138	98,134,557				6,416,263		6,416,263			12/31/2003
000000-00-0.....	PRESCOTT, LLC.....			1,000.000	1,000	1.000	1,000	1,000									11/22/2011
000000-00-0.....	AG PFC HOLDING, LLC.....				1,822,721		1,822,721	327,435				1,495,286		1,495,286			03/31/2012
9199999 - Parent, Subsidiaries and Affiliates					130,586,859	XXX	130,586,859	98,462,992				7,911,549		7,911,549		XXX	XXX
Mutual Funds																	
Money Market Mutual Funds																	
9799999 Total Common Stocks					130,586,859	XXX	130,586,859	98,462,992				7,911,549		7,911,549		XXX	XXX
9899999 Total Preferred and Common Stocks					130,586,859	XXX	130,586,859	98,462,992				7,911,549		7,911,549		XXX	XXX

(a) For all common stocks bearing the NAIC market indicator "U" provide: the number of such issues , the total \$ value (included in Column 8) of all such issues \$

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
Bonds - U.S. Governments								
912828-KN-9	UNITED STATES TREAS NTS		04/20/2012	BARCLAYS CAPITAL	XXX	29,743,893	28,825,000	259,841
912828-SU-5	US TREASURY N/B		05/15/2012	JEFFRIES	XXX	6,677,253	6,700,000	
912828-SV-3	US Treasury N/B		05/15/2012	Added by SunGard	XXX	13,275,582	13,300,000	632
0599999 - Bonds - U.S. Governments						49,696,728	48,825,000	260,473
Bonds - All Other Governments								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)								
207726-Y6-9	CT GO C19 S09A		06/11/2012	AGC TRANSFERS	XXX	3,698,504	3,400,000	65,111
1799999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)						3,698,504	3,400,000	65,111
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)								
05914F-MM-9	Baltimore County MD		11/28/2012	Goldman Sachs	XXX	8,460,000	8,460,000	
797272-LU-3	CA San Diego C0D GO C22 S12		04/05/2012	WACHOVIA SECURITIES INC	XXX	8,719,725	7,500,000	19,792
438670-YJ-4	HI Honolulu GO C21 S11A		04/11/2012	Goldman Sachs	XXX	6,786,455	5,735,000	200,725
861394-CB-8	STOCKTON CA PUBLIC FIN AUTHORITY		12/31/2012	AGC TRANSFERS	XXX	30,533,225	44,565,828	88,268
861394-CC-6	STOCKTON CA PUBLIC FING AUTH		12/31/2012	AGC TRANSFERS	XXX	3,224,811	4,706,884	9,596
704879-Z8-1	TX Pearland SD GO C21 S12		04/23/2012	Merrill Lynch	XXX	8,219,039	7,025,000	6,830
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						65,943,255	77,992,712	325,211
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions								
040484-F0-5	ARIZONA ST BRD OF RGTS UNIV SY		03/28/2012	WELLS FARGO BROK SER LLC	XXX	2,543,003	2,230,000	
040484-FR-3	ARIZONA ST BRD OF RGTS UNIV SY		03/28/2012	WELLS FARGO BROK SER LLC	XXX	1,519,480	1,340,000	
040484-FS-1	ARIZONA ST BRD OF RGTS UNIV SY		03/28/2012	WELLS FARGO BROK SER LLC	XXX	1,128,470	1,000,000	
040484-FI-9	ARIZONA ST BRD OF RGTS UNIV SY		03/28/2012	WELLS FARGO BROK SER LLC	XXX	1,448,709	1,290,000	
040484-FY-8	ARIZONA ST BRD OF RGTS UNIV SY		03/28/2012	WELLS FARGO BROK SER LLC	XXX	2,203,200	2,000,000	
04048R-G6-5	ARIZONA ST BRD OF RGTS UNIV SY		04/04/2012	Added by SunGard	XXX	1,403,663	1,250,000	
04048R-GS-9	ARIZONA ST BRD OF RGTS UNIV SY		04/04/2012	Added by SunGard	XXX	1,396,863	1,250,000	
040507-NB-7	AZ Health - Banner		10/19/2012	Merrill Lynch	XXX	4,921,993	4,915,000	
130795-5E-3	CA Stwd CDA C22 S12A		04/05/2012	CITIGROUP GLOBAL MARKETS	XXX	1,356,953	1,300,000	
13033L-VX-2	CALIFORNIA HEALTH FACS FING AU		01/10/2012	WELLS FARGO BROK SER LLC	XXX	4,492,480	4,000,000	11,667
167593-KU-5	CHICAGO IL O'HARE INTERNATIONA		08/29/2012	Added by SunGard	XXX	2,500,785	2,250,000	
196707-KG-7	COLORADO ST BRD OF GOVERNORS U		02/23/2012	RBC	XXX	1,112,250	1,000,000	
198504-UC-4	COLUMBIA SC WTRWKS & SWR SYS		02/16/2012	BARCLAYS CAPITAL	XXX	1,259,989	1,125,000	3,281
254845-HL-7	DIST OF COLUMBIA WTR & SWR AUT		08/27/2012	Added by SunGard	XXX	1,191,150	1,000,000	21,944
313560-RT-2	FANNIE MAE		12/18/2012	UBS Securities	XXX	2,696,887	2,700,000	3,216
3137EA-CW-7	FHLMC REFER		12/10/2012	Goldman Sachs	XXX	527,051	500,000	2,944
3138M5-W3-9	FNMA 30 YR MBS/POOL		08/22/2012	JP Morgan Securities	XXX	6,670,761	6,488,278	6,488
359900-3C-9	FULTON CNTY GA DEV AUTH		03/30/2012	BARCLAYS CAPITAL	XXX	1,378,872	1,200,000	
359900-3M-7	FULTON CNTY GA DEV AUTH		03/30/2012	BARCLAYS CAPITAL	XXX	2,625,255	2,270,000	
162033-GW-8	GA Chatham Co Hosp C22 S12A		05/18/2012	WACHOVIA SECURITIES INC	XXX	10,481,655	9,070,000	
591745-L8-5	GA MARTA C22 S12A		06/05/2012	WACHOVIA SECURITIES INC	XXX	7,727,590	6,500,000	12,639
167736-ZJ-9	IL Chicago Wtr C22 S12		05/11/2012	SIEBURT, BRANDFORD, SHANK	XXX	4,670,320	4,000,000	
45203H-FF-4	ILLINOIS FIN AUTH REV		01/27/2012	Merrill Lynch	XXX	2,175,620	2,000,000	
45203H-GJ-5	ILLINOIS ST FIN AUTH REVENUE		04/19/2012	Morgan Stanley Co	XXX	3,378,184	2,985,000	
455057-7K-9	INDIANA ST FIN AUTH REVENUE		08/14/2012	VARIOUS	XXX	2,964,887	2,510,000	
46613C-S7-1	JEA FL ELEC SYS REVENUE		09/05/2012	Added by SunGard	XXX	1,701,411	1,460,000	3,447
490728-XB-3	KENT OH ST UNIV REVENUES		09/18/2012	WELLS FARGO BROK SER LLC	XXX	5,555,700	5,000,000	62,500
51166F-CN-7	LAKELAND FLA ENERGY SYS		08/23/2012	Goldman Sachs	XXX	2,000,000	2,000,000	
544525-QE-1	LOS ANGELES CA DEPT OF WTR & P		05/24/2012	RBC	XXX	2,536,313	2,250,000	
576000-ML-4	MA SBA C22 S12A		06/20/2012	CITIGROUP GLOBAL MARKETS	XXX	1,625,278	1,365,000	
560551-MY-6	MAINE ST TURNPIKE AUTH		03/12/2012	Added by SunGard	XXX	1,742,295	1,500,000	1,458
576000-LP-6	MASSACHUSETTS ST SCH BLDG AUTH		02/15/2012	BARCLAYS CAPITAL	XXX	2,240,320	2,000,000	30,000
591745-H9-8	MET ATLANTA GA RAPID TRANSIT A		03/28/2012	VARIOUS	XXX	2,964,570	2,750,000	33,819
59259Y-SL-4	MET TRANSPRTN AUTH NY REVENUE		08/17/2012	VARIOUS	XXX	2,699,201	2,440,000	10,844
59259Y-TX-7	MET TRANSPRTN AUTH NY REVENUE		09/20/2012	Morgan Stanley Co	XXX	1,149,990	1,000,000	
59447P-KG-5	MI Fin Auth C22 S12		04/18/2012	CITIGROUP GLOBAL MARKETS	XXX	4,731,520	4,000,000	
59465H-QH-2	MI HFA C22 S12		04/25/2012	Merrill Lynch	XXX	7,186,518	6,280,000	
160853-Q0-3	NC Charlotte Hsp HC C22 S12A		05/10/2012	Merrill Lynch	XXX	4,628,995	4,000,000	
64971Q-RM-7	NEW YORK CITY NY TRANSITIONALF		01/30/2012	PIPEN JOFFERY	XXX	1,129,970	1,000,000	10,417
681793-8E-8	OMAHA NE PUBLIC PWR DIST		10/19/2012	Merrill Lynch	XXX	1,156,370	1,000,000	1,944
682001-AV-4	OMAHA NE PUBLIC PWR DIST ELEC		10/19/2012	Added by SunGard	XXX	1,466,367	1,270,000	2,469
70917S-AW-3	PENNSYLVANIA ST HGR EDUCNLN FA		10/11/2012	WELLS FARGO BROK SER LLC	XXX	5,633,700	5,000,000	9,028
759136-LN-2	REGIONAL TRANSN DIST COLO SALES TA		12/10/2012	ASSURED GUARANTY CORP	XXX	1,059,339	1,000,000	5,417

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
797400-GV-4	SAN DIEGO CNTY REG		05/24/2012	BARCLAYS CAPITAL	XXX	4,514,676	3,590,000	
79765R-XL-8	SAN FRANCISCO CITY & CNTY CA P		05/24/2012	WELLS FARGO BROK SER LLC	XXX	2,233,140	2,000,000	
914716-XA-8	UNIV OF NORTH CAROLINA NC AT C		02/10/2012	BARCLAYS CAPITAL	XXX	1,862,436	1,665,000	
914716-XB-6	UNIV OF NORTH CAROLINA NC AT C		02/10/2012	BARCLAYS CAPITAL	XXX	1,123,990	1,000,000	
91523N-KF-2	UNIV OF WASHINGTON WA UNIV REV		02/09/2012	BARCLAYS CAPITAL	XXX	2,257,800	2,000,000	
91476P-CG-1	UNIV OK REVENUES		01/26/2012	BARCLAYS CAPITAL	XXX	1,105,780	1,000,000	
91476P-CH-9	UNIV OK REVENUES		01/26/2012	BARCLAYS CAPITAL	XXX	1,374,963	1,250,000	
938823-AT-8	WASHINGTON FEDERAL HIGHWAY GRA		05/23/2012	Added by SunGard	XXX	1,453,716	1,200,000	
940093-3K-1	WASHINGTON ST UNIV		02/08/2012	Added by SunGard	XXX	1,116,240	1,000,000	
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						142,026,668	126,193,278	233,522
Bonds - Industrial and Miscellaneous (Unaffiliated)								
058521-AC-9	BALLANTYNE RE PLC 2006-1A A2B		07/02/2012	FSA	XXX	15,293,298	41,434,063	5,850
03523T-BP-2	ANHEUSER-BUSCH INBEV WORLDWIDE INC		07/11/2012	Added by SunGard	XXX	3,109,938	3,125,000	
09247X-AJ-0	Blackrock Inc Sr Unsec		05/24/2012	VARIOUS	XXX	4,986,246	5,000,000	1,709
02149Q-AE-0	CWALT INC 2007 0A10		08/16/2012	FSA	XXX	10,671,715	13,763,032	11,008
52177D-AB-5	LEAF RECEIVABLES FDG 8 LLC RATE: 0		09/18/2012	GUGGENHEIM CAPITAL MARKET	XXX	22,547,304	22,672,000	
88158A-AJ-1	TERWIN MORTGAGE TRUST 07-9 SL		12/18/2012	FSA	XXX	1,729,135	2,362,929	7,845
88158A-AA-0	TERWIN MTG TR 2007-SL9		12/21/2012	FSA	XXX	31,617	43,316	7
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						58,369,253	88,400,340	26,419
Bonds - Hybrid Securities								
Bonds - Parent, Subsidiaries, and Affiliates								
8399997 - Bonds - Subtotals - Bonds - Part 3						319,734,408	344,811,330	910,736
8399998 - Bonds - Summary item from Part 5 for Bonds						2,452,038	2,565,004	56,350
8399999 - Bonds - Subtotals - Bonds						322,186,446	347,376,334	967,086
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)								
Preferred Stocks - Parent, Subsidiaries, and Affiliates								
Common Stocks - Industrial and Miscellaneous (Unaffiliated)								
Common Stocks - Parent, Subsidiaries, and Affiliates								
000000-00-0	AG PFC HOLDING, LLC		03/31/2012	AGC		327,435	XXX	
9199999 - Common Stocks - Parent, Subsidiaries, and Affiliates						327,435	XXX	
Common Stocks - Mutual Funds								
Common Stocks - Money Market Mutual Funds								
9799997 - Common Stocks - Subtotals - Common Stocks - Part 3						327,435	XXX	
9799998 - Common Stocks - Summary item from Part 5 for Common Stocks						12,381,905	XXX	
9799999 - Common Stocks - Subtotals - Common Stocks						12,709,340	XXX	
9899999 - Common Stocks - Subtotals - Preferred and Common Stocks						12,709,340	XXX	
9999999 Totals						334,895,786	XXX	967,086

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
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	11	12	13	14	15	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	
									Unrealized Valuation Increase/ (Decrease)	Current Year (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11+12-13)	Total Foreign Exchange Change in B/A. C.V.							
Bonds - U.S. Governments																				
912828-KK-5	UNITED STATES TREAS NTS	04/16/2012	MATURITY		31,300,000	31,300,000	31,289,101	31,298,925			1,075		1,075		31,300,000			215,188	04/15/2012	
912828-KN-9	UNITED STATES TREAS NTS	04/12/2012	Morgan Stanley Co.		4,642,719	4,500,000	4,446,803	4,465,840			4,021		4,021		4,469,862		172,858	172,858	38,942	04/30/2014
912828-KP-4	UNITED STATES TREAS NTS	05/15/2012	VARIOUS		40,011,472	40,000,000	39,432,947	39,926,375			58,419		58,419		39,994,794		16,678	16,678	262,799	05/15/2012
912828-KV-1	UNITED STATES TREAS NTS	06/22/2012	VARIOUS		31,936,385	30,700,000	30,264,970	30,483,286			29,322		29,322		30,512,607		1,423,778	1,423,778	302,096	05/31/2014
0599999 - Bonds - U.S. Governments					107,890,576	106,500,000	105,433,821	106,174,426			102,837		102,837		106,277,263		1,613,314	1,613,314	819,025	XXX
Bonds - All Other Governments																				
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)																				
207726-Y6-9	CT GO C19 S09A	06/11/2012	AGG TRANSFERS		3,698,504	3,400,000	3,724,292	3,700,916			(2,411)		(2,411)		3,698,504				90,111	02/15/2026
419780-X6-3	HAWAII ST	02/01/2012	CALLED @ 100.0000000		2,100,000	2,100,000	2,120,168	2,101,387			(1,387)		(1,387)		2,100,000				57,750	02/01/2016
419780-Y5-4	HAWAII ST	02/01/2012	CALLED @ 100.0000000		2,900,000	2,900,000	3,027,949	2,901,916			(1,916)		(1,916)		2,900,000				79,750	02/01/2016
604129-WU-6	MIN GO NC S10D	12/20/2012	JEFFRIES		5,468,396	4,740,000	5,601,969	5,499,786			(156,721)		(156,721)		5,343,065		125,331	125,331	332,458	08/01/2016
917542-SR-4	UTAH ST	01/10/2012	Morgan Stanley Co.		4,972,560	4,000,000	4,778,760	4,722,711			(2,590)		(2,590)		4,720,121		252,439	252,439	103,889	07/01/2018
93974A-HQ-0	WASHINGTON ST	01/03/2012	CALLED @ 100.0000000		5,000,000	5,000,000	4,881,500	5,000,000							5,000,000				125,000	01/01/2027
939745-SJ-5	WASHINGTON ST	07/01/2012	MATURITY		5,000,000	5,000,000	5,429,150	5,022,184			(22,184)		(22,184)		5,000,000				300,000	07/01/2012
1799999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)					29,139,460	27,140,000	29,563,788	28,948,900			(187,209)		(187,209)		28,761,690		377,770	377,770	1,088,958	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)																				
038699-QM-9	ARAPAHOE CNTY COLO SCH DIST NO GO	12/01/2012	CALLED @ 100.0000000		5,000,000	5,000,000	5,324,950	5,036,408			(36,408)		(36,408)		5,000,000				262,500	12/01/2019
232760-PC-6	CYPRESS-FAIRBANKS TEX INDPT SC G.O.	02/15/2012	VARIOUS		5,001,638	5,000,000	5,020,610	5,004,544			(2,906)		(2,906)		5,001,638				131,100	02/15/2021
251129-ZO-8	DETROIT MICH CITY SCH DIST	05/01/2012	CALLED @ 100.0000000		10,500,000	10,500,000	11,281,470	10,531,134			(31,134)		(31,134)		10,500,000				288,750	05/01/2015
797355-NH-3	SAN DIEGO CALIF UNI SCH DIST	07/02/2012	CALLED @ 101.0000000		5,050,000	5,000,000	5,195,900	5,054,755			(4,755)		(4,755)		5,050,000				262,500	07/01/2025
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)					25,551,638	25,500,000	26,822,930	25,626,841			(75,203)		(75,203)		25,551,638				944,850	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Governments and Their Political Subdivisions																				
047856-EX-3	ATLANTA GA URBAN RESIDENTIAL	12/01/2012	Sink PMT @ 100.0000000		645,000	645,000	676,605	678,680			(33,680)		(33,680)		645,000				19,091	03/01/2041
16756K-BF-3	CHICAGO ILL MOTOR FUEL TAX REV MOT	01/03/2012	Sink PMT @ 100.0000000		1,155,000	1,155,000	1,143,462	1,152,755			2,245		2,245		1,155,000					01/01/2014
3128MJ-QG-8	FEDERAL HOME LN MTG CORP #608454	12/17/2012	PRINCIPAL RECEIPT		693,632	693,632	720,077	722,052			(28,420)		(28,420)		693,632				16,528	07/01/2041
3128PV-BB-8	FEDERAL HOME LN MTG CORP #J15449	03/15/2012	VARIOUS		9,082,210	8,622,739	9,020,193	9,042,783			(82,441)		(82,441)		8,960,342		121,868	121,868	89,350	05/01/2026
31359W-NU-3	FEDERAL NATIONAL MORTGAGE ASSOCIAT	08/01/2012	MATURITY		10,000,000	10,000,000	10,577,155	10,196,645			(196,645)		(196,645)		10,000,000				525,000	08/01/2012
3128PU-EW-8	FG J14649	12/17/2012	PRINCIPAL RECEIPT		5,318,963	5,318,963	5,293,334	5,293,232			25,731		25,731		5,318,963				113,941	04/01/2026
3128PU-HG-0	FG J14731	12/17/2012	PRINCIPAL RECEIPT		5,168,472	5,168,472	5,143,569	5,143,989			24,483		24,483		5,168,472				109,354	03/01/2026
3128PU-Q8-7	FHLMC PC GOLD 15 YR	12/17/2012	PRINCIPAL RECEIPT		3,261,616	3,261,616	3,416,543	3,378,992			(117,376)		(117,376)		3,261,616				76,270	12/01/2024
3132GE-3X-6	FHLMC POOL Q01714	12/17/2012	PRINCIPAL RECEIPT		734,948	734,948	740,058	740,662			(5,714)		(5,714)		734,948				17,965	07/01/2041
31396A-AV-6	FHLMC REMIC SERIES 3031	10/26/2012	VARIOUS		652,855	650,400	677,636	681,583			(19,824)		(19,824)		661,758		(8,903)	(8,903)	18,562	08/15/2033
31398W-SD-7	FHLMC. 3632-PK CMO/AGENCY	12/17/2012	PRINCIPAL RECEIPT		420,255	420,255	467,369	474,795			(54,540)		(54,540)		420,255				11,203	02/15/2040
3138AB-SL-1	FN AH6822	12/26/2012	PRINCIPAL RECEIPT		1,093,235	1,093,235	1,102,118	1,101,880			(8,645)		(8,645)		1,093,235				21,908	03/01/2026
3138M5-W3-9	FNMA 30 YR MBS/POOL	12/26/2012	PRINCIPAL RECEIPT		264,495	264,495	271,934	271,934			(7,439)		(7,439)		264,495				1,295	08/01/2042
3138AX-RK-9	FNMA 30YR MBS/POOL	12/26/2012	PRINCIPAL RECEIPT		2,742,753	2,742,753	2,817,321	2,817,500			(74,747)		(74,747)		2,742,753				66,096	11/01/2041
31417V-PW-7	FNMA PASS-THRU INT 15 YEAR	12/25/2012	PRINCIPAL RECEIPT		1,970,651	1,970,651	2,050,275	2,044,939			(74,288)		(74,288)		1,970,651				46,038	12/01/2024
3137EA-CL-1	FREDDIE MAC NT	04/05/2012	Morgan Stanley Co.		3,829,944	3,800,000	3,787,173	3,792,576			1,055		1,055		3,793,630		36,314	36,314	15,055	10/28/2013
74265L-YE-2	GA Pvt Cig & Univ Au NC S11A	12/20/2012	BARCLAYS CAPITAL		1,556,388	1,350,000	1,608,012	1,588,820			(48,606)		(48,606)		1,540,214		16,174	16,174	90,563	09/01/2016
373541-A7-6	GEORGIA MUN ELEC AUTH PWR REV REV	01/03/2012	Sink PMT @ 100.0000000		1,860,000	1,860,000	1,854,347	1,858,737			1,263		1,263		1,860,000					01/01/2013
373541-Q0-7	GEORGIA MUN ELEC AUTH PWR REV REV	12/10/2012	VARIOUS		220,234	220,000	219,091	219,994			6		6		220,000		234	234	13,120	01/01/2013
451296-K9-7	IDAHO HSG AGY	07/02/2012	Sink PMT @ 100.0000000		90,000	90,000	89,775	89,878			122		122		90,000				4,167	07/01/2027
60636X-8E-6	MO HSG SF PAC	12/01/2012	Sink PMT @ 100.0000000		350,000	350,000	376,968	374,429			(24,429)		(24,429)		350,000				7,263	11/01/2027
60535C-AX-0	MS HSG PAC	12/01/2012	Sink PMT @ 100.0000000		265,000	265,000	284,540	282,317			(17,317)		(17,317)		265,000				5,279	12/01/2031
644614-AC-3	NEW HAMPSHIRE HEALTH & ED FACS REV	03/01/2012	CALLED @ 100.0000000		5,765,000	5,765,000	6,057,689	5,765,000							5,765,000				86,475	06/01/2039
64971M-AT-9	NEW YORK N Y CITY TRANSITIONAL FUT	11/15/2012	CALLED @ 100.0000000		4,230,000	4,230,000	4,452,099	4,278,459			(48,459)		(48,459)		4,230,000				227,363	11/15/2021
658203-PH-1	NORTH CAROLINA MUN PWR AGY NO CAT	01/03/2012	CALLED @ 100.0000000		1,950,000	1,950,000	1,950,000	1,950,000							1,950,000					01/01/2013
717893-MP-3	PHILADELPHIA PA WTR & WASTEWR TA	11/01/2012	CALLED @ 100.0000000		6,780,000	6,780,000	7,357,995	6,841,802			(61,802)		(61,802)		6,780,000				364,425	11/01/2018
759136-LN-2	REGIONAL TRANSN DIST COLO SALES TA	12/10/2012	ASSURED GUARANTY CORP		1,059,339	1,000,000	1,116,330	1,072,578			(13,239)		(13,239)		1,059,339				55,417	11/01/2036
79575D-Q4-5	SALT RIVER PROJ ARIZ AGRIC IMP REV	12/10/2012	BANK OF NEW YORK		2,270,345	2,265,000	2,269,530	2,266,087			(1,021)		(1,021)		2,265,066		5,280	5,280	164,213	01/01/2031
79575D-Q5-2	SALT RIVER PROJ ARIZ AGRIC IMP REV	12/10/2012	BANK OF NEW YORK		4,746,317	4,735,000														

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	
										11	12	13	14	15							
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A. C.V. (11+12-13)	Total Foreign Exchange Change in B/A. C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	
037411-AU-9	APACHE CORP.		11/30/2012	DIRECT		2,755,629	2,650,000	2,636,114	2,644,714		2,761		2,761		2,647,476		108,153	108,153	194,333	09/15/2013	
07383F-XN-3	BEAR STEARNS CMBS 2003-TOP12		12/14/2012	PRINCIPAL RECEIPT		865,070	865,070	808,672	853,464		11,606		11,606		865,070				34,634	08/13/2039	
084664-BD-2	BERKSHIRE HATHAWAY FIN CORP		12/07/2012	Goldman Sachs		5,091,600	5,000,000	5,366,000	5,150,569		(101,868)		(101,868)		5,048,701		42,899	42,899	247,250	05/15/2013	
173067-AC-3	CGOINT 2004-C1 A3		12/17/2012	PRINCIPAL RECEIPT		943,491		943,491	964,848		(21,357)		(21,357)		943,491				25,904	04/15/2040	
161571-BC-7	CHASE ISSUANCE TRUST 06-A2 A2		12/20/2012	WELLS FARGO BROK SER LLC		11,400,000	10,000,000	11,009,375	10,719,726		(160,602)		(160,602)		10,559,124		840,876	840,876	524,600	04/15/2018	
166751-AH-0	CHEVRON CORP.		05/21/2012	Added by SunGard		5,301,650	5,000,000	5,250,900	5,134,701		(23,537)		(23,537)		5,111,164		190,486	190,486	143,188	03/03/2014	
172967-EC-1	CITIGROUP INC.		02/16/2012	VARIOUS		1,640,992	1,600,000	1,578,896	1,580,248		42		42		1,580,290		60,702	60,702	21,672	05/29/2037	
20825C-AT-1	CONOCOPHILLIPS		05/22/2012	RBC		2,193,300	2,000,000	2,154,240	2,104,147		(12,917)		(12,917)		2,091,230		102,070	102,070	79,222	01/15/2015	
12629E-AF-2	CSAB MTG-BCKD TR 2007-1		12/25/2012	PRINCIPAL RECEIPT		1,524,751	1,524,751	996,045	1,001,960		522,791		522,791		1,524,751					05/25/2037	
22541N-AP-4	CSFB COML MTG PTC 2002-CP3		06/15/2012	PRINCIPAL RECEIPT		6,789,577	6,789,577	6,724,333	6,785,194		4,383		4,383		6,789,577				95,012	07/15/2035	
021490-AE-0	CWALT INC 2007 0A10		12/25/2012	PRINCIPAL RECEIPT		4,238,074	4,238,074	2,453,306	1,044,514		1,991,572	6,998	1,984,574		4,238,074				942	09/25/2047	
26442C-AA-2	DUKE ENERGY CAROLINAS		07/27/2012	Susquehanna International		538,604	400,000	399,948	399,950						399,950		138,654	138,654	16,267	06/01/2037	
369604-AY-9	GENERAL ELECTRIC COMPANY		03/08/2012	WELLS FARGO BROK SER LLC		2,598,500	2,500,000	2,672,450	2,561,475		(10,426)		(10,426)		2,551,048		47,452	47,452	77,083	02/01/2013	
373334-FN-6	GEORGIA PWR CO.		11/15/2012	MATURITY		1,500,000	1,500,000	1,525,200	1,502,721		(2,721)		(2,721)		1,500,000				76,875	11/15/2012	
46625H-NP-0	JP MORGAN CHASE CMBS 2002-C1C5		09/12/2012	PRINCIPAL RECEIPT		4,400,000	4,400,000	4,366,828	4,396,743		3,257		3,257		4,400,000				121,480	10/12/2037	
46625H-GT-1	JPMORGAN CHASE & CO.		10/01/2012	MATURITY		3,000,000	3,000,000	3,284,970	3,077,999		(77,999)		(77,999)		3,000,000				161,250	10/01/2012	
171081-DA-8	PFIZER INC.		11/13/2012	VARIOUS		5,537,436	5,000,000	5,549,100	5,345,864		(89,767)		(89,767)		5,256,097		281,339	281,339	311,489	03/15/2015	
74153W-AS-8	PRICOA GBLB FDG I MTN 144A		06/25/2012	MATURITY		4,610,000	4,610,000	4,871,894	4,661,268		(51,268)		(51,268)		4,610,000				106,606	06/25/2012	
872227-AH-6	TBW MTG BKO TR 2007-2		12/25/2012	PRINCIPAL RECEIPT		2,554,301	2,554,301	1,307,197	1,278,842		1,275,459		1,275,459		2,554,301					07/25/2037	
880591-DW-9	TENNESSEE VALLEY AUTH.		12/10/2012	CITIGROUP GLOBAL MARKETS		5,546,153	5,389,000	5,941,911	5,633,742		(144,313)		(144,313)		5,489,429		56,724	56,724	348,414	08/01/2013	
88158A-AJ-1	TERWIN MORTGAGE TRUST 07-9 SL		12/25/2012	PRINCIPAL RECEIPT		463,199	463,199	323,183	330,443		141,781	15,809	125,972		463,199				22	06/25/2038	
88158A-AA-0	TERWIN MTG TR 2007-SL9		12/25/2012	PRINCIPAL RECEIPT		549,680	549,680	346,603	358,070		191,610		191,610		549,680					06/25/2038	
929766-7G-2	WACHOVIA CMBS 2005-C21		12/17/2012	PRINCIPAL RECEIPT		920,968	920,968	923,846	921,310		(342)		(342)		920,968				26,782	10/15/2044	
94975C-AL-1	WELLS FARGO FINL INC.		08/01/2012	MATURITY		1,750,000	1,750,000	1,891,068	1,782,100		(32,100)		(32,100)		1,750,000				96,250	08/01/2012	
055650-BF-4	BP CAPITAL MARKETS PLC.	R	03/08/2012	JEFFRIES		5,363,800	5,000,000	5,524,950	5,255,706		(25,202)		(25,202)		5,230,504		133,296	133,296	91,875	11/07/2013	
35177P-AS-6	FRANCE TELECOM	R	04/26/2012	Merrill Lynch		7,980,600	7,500,000	8,000,100	7,784,244		(34,865)		(34,865)		7,749,379		231,221	231,221	267,057	07/08/2014	
44328M-AB-0	HSBC BANK PLC	R	10/26/2012	HSBC SECURITIES, INC.		3,193,230	3,000,000	3,024,222	3,024,222		(5,436)		(5,436)		3,018,786		174,444	174,444	88,375	06/28/2015	
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						113,686,758	109,338,459	110,481,926	106,434,788		3,630,556	119,208	3,511,348		111,209,523		2,477,235	2,477,235	3,702,284	XXX	
Bonds - Hybrid Securities																					
Bonds - Parent, Subsidiaries, and Affiliates																					
8399997 - Bonds - Subtotals - Bonds - Part 4						370,314,827	361,065,617	368,713,980	361,689,751		2,409,627	119,208	2,290,419		365,515,488		4,799,342	4,799,342	9,879,374	XXX	
8399998 - Bonds - Summary item from Part 5 for Bonds						2,456,043	2,565,004	2,452,038			(471)		(471)		2,451,567		4,476	4,476	69,000	XXX	
8399999 - Bonds - Subtotals - Bonds						372,770,870	363,630,621	371,166,018	361,689,751		2,409,156	119,208	2,289,948		367,967,055		4,803,818	4,803,818	9,948,374	XXX	
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																					
Preferred Stocks - Parent, Subsidiaries, and Affiliates																					
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																					
553761-42-9 MTB MONEY MARKET FUND						01/23/2012	AGC TRANSFERS	4,004,283.550	4,004,284					4,004,284					188	XXX	
9099999 - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						4,004,284	XXX	4,004,284	4,004,283						4,004,284					188	XXX
Common Stocks - Parent, Subsidiaries, and Affiliates																					
Common Stocks - Mutual Funds																					
Common Stocks - Money Market Mutual Funds																					
9799997 - Common Stocks - Subtotals - Common Stocks - Part 4						4,004,284	XXX	4,004,284	4,004,283						4,004,284				188	XXX	
9799998 - Common Stocks - Summary item from Part 5 for Common Stocks						12,381,905	XXX	12,381,905							12,381,905				407	XXX	
9799999 - Common Stocks - Subtotals - Common Stocks						16,386,189	XXX	16,386,189	4,004,283						16,386,189				595	XXX	
9899999 - Common Stocks - Subtotals - Preferred and Common Stocks						16,386,189	XXX	16,386,189	4,004,283						16,386,189				595	XXX	
9999999 Totals						389,157,059	XXX	387,552,207	365,694,034		2,409,156	119,208	2,289,948		384,353,244		4,803,818	4,803,818	9,948,969	XXX	

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 5

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

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value					17	18	19	20	21
											12	13	14	15	16					
CUSIP Identification	Description	F o r e i g n	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Actual Cost	Consideration	Book/ Adjusted Carrying Value at Disposal	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change In B./A. C.V. (12 + 13 - 14)	Total Foreign Exchange Change in B./A. C.V.	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
Bonds - U.S. Governments																				
Bonds - All Other Governments																				
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)																				
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)																				
232760-PC-6	CYPRESS-FAIRBANKS TEX INDPT SC G.O.		01/12/2012	AGC TRANSFERS	02/15/2012	CALLED @ 100.0000000	2,400,000	2,401,638	2,400,000	2,400,000		(1,638)		(1,638)					69,000	56,350
2499999	Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						2,400,000	2,401,638	2,400,000	2,400,000		(1,638)		(1,638)					69,000	56,350
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																				
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
058521-AB-1	BALLANTYNE RE PLC 2006-1A A2A		07/02/2012	FSA	09/21/2012	VARIOUS	165,004	50,400	56,043	51,567		1,167		1,167			4,476	4,476		
3899999	Bonds - Industrial and Miscellaneous (Unaffiliated)						165,004	50,400	56,043	51,567		1,167		1,167			4,476	4,476		
Bonds - Hybrid Securities																				
Bonds - Parent, Subsidiaries, and Affiliates																				
8399998	Bonds - Subtotals - Bonds						2,565,004	2,452,038	2,456,043	2,451,567		(471)		(471)			4,476	4,476	69,000	56,350
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																				
Preferred Stocks - Parent, Subsidiaries, and Affiliates (Unaffiliated)																				
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																				
553761-46-0	MTB MONEY MARKET FUND-A VSMXX		03/01/2012	VARIOUS	03/12/2012	VARIOUS	10,610,156.240	10,610,156	10,610,156	10,610,156									377	
553761-42-9	MTB MONEY MARKET FUND		01/04/2012	AGC TRANSFERS	01/23/2012	AGC TRANSFERS	1,771,748.540	1,771,749	1,771,749	1,771,749									30	
9099999	Common Stocks - Industrial and Miscellaneous (Unaffiliated)							12,381,905	12,381,905	12,381,905									407	
Common Stocks - Parent, Subsidiaries, and Affiliates																				
Common Stocks - Mutual Funds																				
Common Stocks - Money Market Mutual Funds																				
9799998	Common Stocks - Subtotals - Common Stocks							12,381,905	12,381,905	12,381,905									407	
9899999	Common Stocks - Subtotals - Preferred and Common Stocks							12,381,905	12,381,905	12,381,905									407	
9999999	Totals							14,833,943	14,837,948	14,833,472		(471)		(471)			4,476	4,476	69,407	56,350

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies									
1	2	3	4	5	6	7	8	Stock of Such Company Owned by Insurer on Statement Date	
								9	10
CUSIP Identification	Description Name of Subsidiary, Controlled or Affiliated Company	Foreign	NAIC Company Code or Alien Insurer Identification Number	NAIC Valuation Method (See SVO Purposes and Procedures Manual)	Do Insurer's Assets Include Intangible Assets Connected with Holding of Such Company's Stock?	Total Amount of Such Intangible Assets	Book / Adjusted Carrying Value	Number of Shares	% of Outstanding
Preferred Stocks - Parent									
Preferred Stocks - U.S. Property & Casualty Insurer									
Preferred Stocks - U.S. Life Insurer									
Preferred Stocks - U.S. Health Entity									
Preferred Stocks - Alien Insurer									
Preferred Stocks - Non-Insurer Which Controls Insurer									
Preferred Stocks - Investment Subsidiary									
Preferred Stocks - Other Affiliates									
Common Stocks - Parent									
G2386#-10-9....	ASSURED GUARANTY (UK) LTD.....	F.....		2ciB4.....	No.....		128,763,138	.8,300,000.000	100.0
000000-00-0....	PRESCOTT, LLC.....			2ciB1Z.....	No.....		1,000	.1,000.000	100.0
000000-00-0....	AG PFC HOLDING, LLC.....			2ciB1Z.....	No.....		1,822,721		100.0
1099999 - Common Stocks - Parent							130,586,859	XXX	XXX
Common Stocks - U.S. Property & Casualty Insurer									
Common Stocks - U.S. Life Insurer									
Common Stocks - U.S. Health Entity									
Common Stocks - Alien Insurer									
Common Stocks - Non-Insurer Which Controls Insurer									
Common Stocks - Investment Subsidiary									
Common Stocks - Other Affiliates									
1899999 - Common Stocks - Subtotals - Common Stocks							130,586,859	XXX	XXX
1999999 Totals - Preferred and Common Stocks							130,586,859	XXX	XXX

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

SCHEDULE D - PART 6 - SECTION 2

1	2	3	4	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5	6
CUSIP Identification	Name of Lower-Tier Company	Name of Company Listed in Section 1 Which Controls Lower-Tier Company	Total Amount of Intangible Assets Included in Amount Shown in Column 7, Section 1	Number of Shares	% of Outstanding
Preferred Stocks					
Common Stocks					
000000-00-0.....					
000000-00-0.....					
0399999 Totals - Preferred and Common				XXX	XXX

E17

1	2	3		5	6	7	8	Change In Book/Adjusted Carrying Value				13	14	Interest						21
		3	4					9	10	11	12			15	16	17	18	19	20	
CUSIP Identi- fication	Description	Code	For reign	Date Acquired	Name of Vendor	Maturity Date	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Par Value	Actual Cost	Amount Due And Accrued Dec. 31 of Current Year On Bond Not In Default	Non-Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest
Bonds - U.S. Governments Issuer Obligations																				
	US Treasury Bill.....			..08/06/2012..	JP Morgan Securities.....	..02/07/2013..	..11,998,361		..6,551			..12,000,000	..11,991,810				..0.135	..MAT.....		
	US Treasury Bill.....			..08/20/2012..	CHASE SECURITIES.....	..01/17/2013..	..24,548,625		..12,487			..24,550,000	..24,536,139				..0.126	..N/A.....		
0199999 - Bonds - U.S. Governments - Issuer Obligations							36,546,986		19,038			36,550,000	36,527,949			XXX	XXX	XXX		
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 - Subtotals - U.S. Governments							36,546,986		19,038			36,550,000	36,527,949			XXX	XXX	XXX		
Bonds - All Other Governments - Issuer Obligations																				
Bonds - All Other Governments - Residential Mortgage-Backed Securities																				
Bonds - All Other Governments - Single Class Mortgage-Backed/Asset-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 - U.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																				
Bonds - 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 (Unaffiliated) - Issuer Obligations																				
	WILMINGTON PRIME MKMT FUND.....			..12/31/2012..		..12/31/2013..	..19,864,072						..19,864,072							
	CHASE MONEY MARKET FUND.....			..12/31/2012..		..12/31/2013..	..1,710,886						..1,710,886							
3299999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations							21,574,958					21,574,958			XXX	XXX	XXX			
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																				
3899999 - Bonds - Subtotals - Industrial and Miscellaneous (Unaffiliated)							21,574,958					21,574,958			XXX	XXX	XXX			
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																				
7799999 - Total Bonds - Subtotals - Issuer Obligations							58,121,944		19,038			36,550,000	58,102,907			XXX	XXX	XXX		
8399999 - Total Bonds - Subtotals - Bonds							58,121,944		19,038			36,550,000	58,102,907			XXX	XXX	XXX		
Parent, Subsidiaries and Affiliates - Mortgage Loans																				
Parent, Subsidiaries and Affiliates - Other Short-Term Invested Assets																				
Mortgage Loans																				
Exempt Money Market Mutual Funds																				
Class One Money Market Mutual Funds																				
Other Short-Term Invested Assets																				
9199999 Total Short-Term Investments							58,121,944		19,038			XXX	58,102,907			XXX	XXX	XXX		

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part A - Section 2

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part B - Section 2

NONE

Schedule DB - Part D

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

SCHEDULE E - PART 1 - CASH

1	2	3	4	5	6	7
Depository	Code	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
OPEN DEPOSITORIES						
JPMORGAN CHASE.....NEW YORK, NY.....					7,087,368	XXX
JPMORGAN CHASE.....LONDON, UK.....					635,070	XXX
NATIONAL AUSTRALIA BANK.....SYDNEY, AUSTRALIA.....			366		128,474	XXX
BNYMELLON.....NEW YORK, NY.....					(33,578)	XXX
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions)-open depositories	XXX	XXX				XXX
0199999 Totals-Open Depositories	XXX	XXX	366		7,817,334	XXX
0399999 Total Cash on Deposit	XXX	XXX	366		7,817,334	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX	1,603	XXX
0599999 Total Cash	XXX	XXX	366		7,818,937	XXX

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January	43,750,693	4. April	7,548,759	7. July	21,189,847	10. October	3,719,303
2. February	28,222,107	5. May	61,974,549	8. August	51,085,331	11. November	77,223,894
3. March	23,810,754	6. June	22,251,739	9. September	6,346,703	12. December	7,818,937

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year							
1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Bonds - U.S. Governments - Issuer Obligations							
US Treasury Bill.....		12/19/2012		01/17/2013.....	13,499,878		99
0199999 - Bonds - U.S. Governments - Issuer Obligations					13,499,878		99
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					13,499,878		99
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							
Bonds - 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							
BONY CASH RESERVE FUND.....		12/31/2012.....	0.010	03/03/3000.....	49,810,250		71,693
3299999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations					49,810,250		71,693
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							
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Subtotals - Industrial and Miscellaneous (Unaffiliated)					49,810,250		71,693
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							
7799999 - Bonds - Total Bonds - Subtotals - Issuer Obligations					63,310,128		71,792
8399999 - Bonds - Total Bonds - Subtotals - Bonds					63,310,128		71,792
Sweep Accounts							
Other Cash Equivalents							
8699999 Total Cash Equivalents					63,310,128		71,792

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE ASSURED GUARANTY CORP.

SCHEDULE E PART 3 - SPECIAL DEPOSITS

States, etc.	1 Type of Deposits	2 Purpose of Deposits	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR					
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA	.B	Financial Guaranty.....		41,824	52,675
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD	.B	Financial Guaranty.....	3,584,877		
22. Massachusetts	MA	.B	Financial Guaranty.....		119,496	150,500
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV	.B	Financial Guaranty.....		238,992	301,000
30. New Hampshire	NH	.B	Financial Guaranty.....		597,480	752,500
31. New Jersey	NJ					
32. New Mexico	NM	.B	Financial Guaranty.....		119,496	150,500
33. New York	NY	.B	Financial Guaranty.....			
34. North Carolina	NC	.B	Financial Guaranty.....		238,992	301,000
35. North Dakota	ND					
36. Ohio	OH	.B	Financial Guaranty.....		272,966	302,994
37. Oklahoma	OK					
38. Oregon	OR	.B	Financial Guaranty.....		358,488	451,500
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN	.B	Financial Guaranty.....		238,992	301,000
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA	.B	Financial Guaranty.....		446,672	495,809
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY	.B	Financial Guaranty.....		209,118	263,375
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR	.B	Financial Guaranty.....		756,608	759,615
55. US Virgin Islands	VI					
56. Northern Mariana Islands	MP					
57. Canada	CAN					
58. Aggregate Other Alien	OT	XXX	XXX		627,387,588	667,005,937
59. Total	XXX	XXX	3,584,877	4,515,000	631,026,712	671,288,405
DETAILS OF WRITE-INS						
5801. Excess of loss agreement.....					4,360,000	4,360,000
5802. Merrill Lynch.....		CSA/Collateral for Merrill Lynch.....			254,418,290	264,252,928
5803. RBS		CSA/Collateral for RBS.....			224,265,716	246,202,237
5898. Sum of remaining write-ins for Line 58 from overflow page	XXX	XXX			144,343,582	152,190,772
5899. Totals (Lines 5801 - 5803 + 5898) (Line 58 above)	XXX	XXX			627,387,588	667,005,937

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

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