



QUARTERLY STATEMENT AS OF JUNE 30, 2017 OF THE CONDITION AND AFFAIRS OF THE ASSURED GUARANTY CORP.

NAIC Group Code	0194	0194	NAIC Company Code	30180	Employer's ID Number	52-1533088
	(Current Period)	(Prior Period)				
Organized under the Laws of	Maryland		State of Domicile or Port of Entry	Maryland		
Country of Domicile	United States					
Incorporated/Organized	10/25/1985		Commenced Business	01/28/1988		
Statutory Home Office	1633 Broadway		New York, NY, US 10019			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	1633 Broadway		New York, NY, US 10019		212-974-0100	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	1633 Broadway		New York, NY, US 10019			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1633 Broadway		New York, NY, US 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@agltd.com		212-581-3268			
	(E-Mail Address)		(Fax Number)			

OFFICERS

Name	Title	Name	Title
Dominic John Frederico	President & Chief Executive Officer	James Michael Michener	Executive Vice President & Secretary
Donald Hal Paston	Treasurer		

OTHER OFFICERS

Howard Wayne Albert	Chief Risk Officer	Robert Adam Bailenson	Chief Financial Officer
Laura Ann Bieling	Controller	Russell Brown Brewer II	Chief Surveillance Officer
Gon Ling Chow	U.S. General Counsel & Asst. Secretary	Stephen Donnarumma	Chief Credit Officer
John Mahlon Ringler	Vice President Regulatory Reporting	Benjamin Gad Rosenblum	Chief Actuary
Bruce Elliot Stern	Executive Officer		

DIRECTORS OR TRUSTEES

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

State of New York

County of New York

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	James Michael Michener	Donald Hal Paston
President & Chief Executive Officer	Executive Vice President & Secretary	Treasurer

Subscribed and sworn to before me this 11th day of August, 2017

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

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

STATEMENT AS OF JUNE 30, 2017 OF THE ASSURED GUARANTY CORP.

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	2,518,459,789		2,518,459,789	2,503,994,927
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	176,643,092	(7,353,754)	183,996,846	355,499,841
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)	2,070,702	2,070,702	0	0
4.2 Properties held for the production of income (less \$ encumbrances)	27,338,515		27,338,515	28,116,915
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$140,721,952), cash equivalents (\$64,783,122) and short-term investments (\$2,359,078)	207,864,152		207,864,152	123,319,630
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives	0		0	4,254,058
8. Other invested assets	3,317,935		3,317,935	4,981,678
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	2,935,694,185	(5,283,052)	2,940,977,237	3,020,167,049
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	22,883,335		22,883,335	20,769,186
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	10,124,979	3,643,251	6,481,728	11,215,824
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	5,918,654		5,918,654	(573,905)
16.2 Funds held by or deposited with reinsured companies	12,536,677		12,536,677	12,130,516
16.3 Other amounts receivable under reinsurance contracts	(2,351)		(2,351)	(2,351)
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	363,024,605	237,853,187	125,171,418	106,256,264
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	819,091	240,226	578,865	767,385
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	10,711,947	62,992	10,648,955	56,041,386
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	12,946,352	4,779,995	8,166,357	45,199,942
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,374,657,474	241,296,599	3,133,360,875	3,271,971,296
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	3,374,657,474	241,296,599	3,133,360,875	3,271,971,296
DETAILS OF WRITE-INS				
1101.			0	0
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Other Assets	4,992,378	1,658,379	3,333,999	0
2502. Miscellaneous Receivable	4,832,358		4,832,358	4,355,431
2503. Prepaid Expenses	3,121,616	3,121,616	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	40,844,511
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	12,946,352	4,779,995	8,166,357	45,199,942

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$0)	226,675,993	122,417,193
2. Reinsurance payable on paid losses and loss adjustment expenses	3,512,001	329,936
3. Loss adjustment expenses	8,083,394	5,642,740
4. Commissions payable, contingent commissions and other similar charges	2,448	4,286
5. Other expenses (excluding taxes, licenses and fees)	2,144,842	66,597,399
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(1,165,371)	306,414
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	39,001,725	40,144,290
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$220,754,601 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)	314,433,012	355,807,743
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	5,341,874	7,064,634
13. Funds held by company under reinsurance treaties	17,391,916	6,035,304
14. Amounts withheld or retained by company for account of others	(63,410)	5,050
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified)	608,822	3,093
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	7,567,549	5,106,874
20. Derivatives	0	0
21. Payable for securities	2,182,912	4,537,260
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	718,682,478	762,391,723
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	1,344,400,185	1,376,393,939
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	1,344,400,185	1,376,393,939
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	15,000,480	15,000,480
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	300,000,000	300,000,000
34. Gross paid in and contributed surplus	923,295,595	923,295,595
35. Unassigned funds (surplus)	550,664,615	657,281,282
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	1,788,960,690	1,895,577,357
38. Totals (Page 2, Line 28, Col. 3)	3,133,360,875	3,271,971,296
DETAILS OF WRITE-INS		
2501. Contingency reserves	671,346,660	670,088,580
2502. Supplemental Executive Retirement Plan		42,586,395
2503. Deferred Investment Gain	31,817,555	33,217,283
2598. Summary of remaining write-ins for Line 25 from overflow page	15,518,263	16,499,465
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	718,682,478	762,391,723
2901.		0
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		0
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 15,313,726)	88,394,590	135,014,599	294,690,553
1.2 Assumed (written \$ 2,568,899)	5,938,114	10,437,967	18,696,929
1.3 Ceded (written \$ 7,355,707)	41,215,206	66,281,039	133,182,582
1.4 Net (written \$ 10,526,918)	53,117,498	79,171,527	180,204,900
DEDUCTIONS:			
2. Losses incurred (current accident year \$ (223)):			
2.1 Direct	115,952,221	34,060,109	82,669,690
2.2 Assumed	(86,214,883)	(18,115,220)	(8,810,343)
2.3 Ceded	(83,710,141)	(14,131,281)	31,359,041
2.4 Net	113,447,479	30,076,170	42,500,306
3. Loss adjustment expenses incurred	34,232,986	1,176,060	26,096,783
4. Other underwriting expenses incurred	32,881,205	51,707,304	87,961,244
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	180,561,670	82,959,534	156,558,333
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(127,444,172)	(3,788,008)	23,646,567
INVESTMENT INCOME			
9. Net investment income earned	81,884,027	50,912,027	107,242,806
10. Net realized capital gains (losses) less capital gains tax of \$ 7,922,659	(63,008,640)	3,570,700	8,077,665
11. Net investment gain (loss) (Lines 9 + 10)	18,875,387	54,482,727	115,320,471
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		0	0
13. Finance and service charges not included in premiums		0	0
14. Aggregate write-ins for miscellaneous income	9,429,912	11,962,492	17,549,765
15. Total other income (Lines 12 through 14)	9,429,912	11,962,492	17,549,765
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(99,138,873)	62,657,211	156,516,803
17. Dividends to policyholders		0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(99,138,873)	62,657,211	156,516,803
19. Federal and foreign income taxes incurred	(9,009,946)	19,649,746	48,905,445
20. Net income (Line 18 minus Line 19)(to Line 22)	(90,128,927)	43,007,465	107,611,358
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	1,895,577,357	1,454,082,550	1,454,082,550
22. Net income (from Line 20)	(90,128,927)	43,007,465	107,611,358
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	19,334,761	(13,589,898)	22,433,439
25. Change in net unrealized foreign exchange capital gain (loss)	(1,215,849)	2,095,318	3,521,096
26. Change in net deferred income tax	37,224,080	(1,862,449)	31,522,000
27. Change in nonadmitted assets	(18,891,036)	19,063,644	(36,785,858)
28. Change in provision for reinsurance	(605,728)	23,079,497	23,687,106
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		(664,219)	(902,750)
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders	(51,000,000)	(23,000,000)	(78,600,000)
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	(1,333,968)	5,391,035	369,008,417
38. Change in surplus as regards policyholders (Lines 22 through 37)	(106,616,667)	53,520,393	441,494,808
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	1,788,960,690	1,507,602,943	1,895,577,357
DETAILS OF WRITE-INS			
0501.		0	0
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Other income	9,429,912	11,962,492	17,549,765
1402.		0	0
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	9,429,912	11,962,492	17,549,765
3701. Change in contingency reserve	(1,258,080)	5,391,035	154,148,394
3702. Change in accounting	(75,888)	0	214,858,829
3703. Other		0	1,194
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	(1,333,968)	5,391,035	369,008,417

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	14,327,395	22,039,508	55,402,339
2. Net investment income	52,134,626	52,380,810	84,039,384
3. Miscellaneous income	244,189	13,779,743	28,622,185
4. Total (Lines 1 to 3)	66,706,210	88,200,061	168,063,908
5. Benefit and loss related payments	333,762	67,218,933	123,072,263
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	63,841,885	64,508,079	146,293,978
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	55,278	373,000	38,839,246
10. Total (Lines 5 through 9)	64,230,925	132,100,012	308,205,487
11. Net cash from operations (Line 4 minus Line 10)	2,475,285	(43,899,951)	(140,141,579)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	283,359,609	678,020,233	1,058,308,493
12.2 Stocks	138,892,971	117,900,000	124,200,000
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	1,499,342	0	354,380
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	13	1,451	3,525
12.7 Miscellaneous proceeds	0	1,620,250	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	423,751,935	797,541,934	1,182,866,398
13. Cost of investments acquired (long-term only):			
13.1 Bonds	313,622,386	111,546,987	512,820,113
13.2 Stocks	1,000	0	157,200
13.3 Mortgage loans	0	0	0
13.4 Real estate	59,312	202,866	15,276
13.5 Other invested assets	0	2,000,000	2,000,000
13.6 Miscellaneous applications	(23,000,000)	450,618,089	440,649,651
13.7 Total investments acquired (Lines 13.1 to 13.6)	290,682,698	564,367,942	955,642,240
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	133,069,237	233,173,992	227,224,158
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	51,000,000	23,000,000	78,600,000
16.6 Other cash provided (applied).....	0	0	0
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(51,000,000)	(23,000,000)	(78,600,000)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	84,544,522	166,274,041	8,482,579
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	123,319,630	114,837,051	114,837,051
19.2 End of period (Line 18 plus Line 19.1)	207,864,152	281,111,092	123,319,630

STATEMENT AS OF JUNE 30, 2017 OF ASSURED GUARANTY CORP.

1. Summary of Significant Accounting Policies and Going Concern

- A. Accounting Practices
- The financial statements of Assured Guaranty Corp. (the “Company” or “AGC”) are presented on the basis of accounting practices prescribed or permitted by the Maryland Insurance Administration ("MIA"). The MIA recognizes only statutory accounting practices prescribed or permitted by the state of Maryland for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Maryland Insurance Law. The National Association of Insurance Commissioners’ (“NAIC”) *Accounting Practices and Procedures Manual* (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the state of Maryland. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

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

	SSAP #	F/S Page	F/S Line #	Six Months Ended June 30, 2017	Year Ended December 31, 2016
NET INCOME					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)				\$ (90,128,927)	\$ 107,611,358
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:					
None				—	—
(3) State Permitted Practices that increase/(decrease) NAIC SAP:					
None				—	—
(4) NAIC SAP (1-2-3=4)				\$ (90,128,927)	\$ 107,611,358
SURPLUS					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)				\$ 1,788,960,690	\$ 1,895,577,357
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:					
None				—	—
(7) State Permitted Practices that increase/(decrease) NAIC SAP:					
None				—	—
(8) NAIC SAP (5-6-7=8)				\$ 1,788,960,690	\$ 1,895,577,357

- B. Use of Estimates in the Preparation of the Financial Statements
- There has been no significant change since the 2016 Annual Statement in the estimates inherent in the preparation of the financial statements.
- C. Accounting Policies
- There has been no significant change since the 2016 Annual Statement.
- D. Going Concern
- There are currently no conditions or events to cause management to have any substantial doubt about the Company's ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

There has been no change since the 2016 Annual Statement.

3. Business Combinations and Goodwill

- A. Statutory Purchase Method.
- Purchase of MBIA UK Insurance Limited
- On January 10, 2017, AGC completed its acquisition of MBIA UK Insurance Limited ("MBIA UK"), the European operating subsidiary of MBIA Insurance Corporation ("MBIA"), (the "MBIA UK Acquisition"). As consideration for the outstanding shares of MBIA UK plus \$23 million in cash, AGC exchanged all its holdings of notes issued in the Zohar II 2005-1 transaction, which were insured by MBIA. AGC’s Zohar II 2005-1 notes had a total outstanding principal of approximately \$347 million and fair value of \$334 million as of the date of acquisition. The MBIA UK Acquisition added approximately \$12 billion of net par insured on January 10, 2017.
- The Company recorded its purchase of MBIA UK as a statutory purchase. The carrying value of MBIA UK on AGC's balance sheet at the date of acquisition was the U.S. GAAP equity, adjusted to a limited statutory basis as per statement of statutory accounting principles ("SSAP") 97. AGC acquired MBIA UK, which was subsequently re-registered as a publicly limited company and renamed Assured Guaranty (London) plc ("AGLN"), at a discount to book value and thus recorded negative goodwill of \$92,353,261. As per SSAP 68, the Company was amortizing this negative goodwill over 10 years, resulting in amortization of \$4,617,664 through the first six months of 2017. The remaining negative goodwill of \$87,735,597 was written off at June 30 as a consequence of selling AGLN to AGC's affiliate, Assured Guaranty Municipal Corp. ("AGM"). See Note 10.
- B. Statutory Merger. There has been no change since the 2016 Annual Statement.
- C. Impairment Loss. There has been no change since the 2016 Annual Statement.

4. Discontinued Operations

There has been no change since the 2016 Annual Statement.

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - The Company did not hold investments in mortgage loans at June 30, 2017.
- B. Debt Restructuring - The Company has no investments in restructured debt in which the Company is a creditor at June 30, 2017.
- C. Reverse Mortgages - The Company did not hold reverse mortgages as investments at June 30, 2017.
- D. Loan-Backed Securities
1. Prepayment assumptions for loan backed and structured securities were obtained from publicly available sources and internal models.

STATEMENT AS OF JUNE 30, 2017 OF ASSURED GUARANTY CORP.

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

	(1)	(2)	(3)
Description	Amortized cost Before OTTI	OTTI Recognized	Fair Value 1 - 2
OTTI Recognized 1st Quarter			
a. Intent To Sell	\$ —	\$ —	\$ —
b. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
c. Total 1st Quarter	\$ —	\$ —	\$ —
OTTI Recognized 2nd Quarter			
d. Intent To Sell	\$ 8,019,773	\$ 124,748	\$ 7,895,025
e. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
f. Total 2nd Quarter	\$ 8,019,773	\$ 124,748	\$ 7,895,025
OTTI Recognized 3rd Quarter			
g. Intent To Sell	\$ —	\$ —	\$ —
h. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
i. Total 3rd Quarter	\$ —	\$ —	\$ —
OTTI Recognized 4th Quarter			
j. Intent To Sell	\$ —	\$ —	\$ —
k. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
l. Total 4th Quarter	\$ —	\$ —	\$ —
m. Annual Aggregate Total		\$ 124,748	

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

CUSIP	Amortized Cost Before Other-Than-Temporary Impairment	Present Value of Projected Cash Flows	Other-Than-Temporary Impairment	Amortized Cost After Other-Than-Temporary Impairment	Fair Value @ Time of OTTI	Date of Financial Statement Where Reported
68401N-AE-1	3,435,476	3,393,353	42,122	3,393,353	3,046,316	3/31/2017
05950C-AA-0	88,429	76,421	116	88,313	88,313	3/31/2017
05950C-AB-8	1,821,353	1,514,188	2,395	1,818,958	1,818,958	3/31/2017
000292-AB-8	48,206	46,901	1,304	46,901	25,269	6/30/2017
02149Q-AE-0	6,334,414	3,751,329	2,583,084	3,751,329	2,531,572	6/30/2017
68401N-AE-1	3,397,661	3,368,592	29,069	3,368,592	3,024,799	6/30/2017
88158A-AA-0	1,654,519	1,653,111	1,408	1,653,111	1,267,971	6/30/2017
			\$ 2,659,498			

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

- a. The aggregate amount of unrealized losses:

	Less than 12 months	12 Months or More
Residential mortgage-backed securities	\$ (1,228,035)	\$ (1,850,784)
Commercial mortgage-backed securities	(1,302,441)	(22,637)
Other loan backed & structured securities	—	(14,008)
Total	1. \$ (2,530,476)	2. \$ (1,887,429)

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

	Less than 12 months	12 Months or More
Residential mortgage-backed securities	\$ 29,076,773	\$ 10,047,157
Commercial mortgage-backed securities	39,129,394	2,800,948
Other loan backed & structured securities	—	55,412
Total	1. \$ 68,206,167	2. \$ 12,903,517

5. All loan-backed securities in an unrealized loss position were reviewed to determine whether an other-than-temporary impairment should be recognized. For those securities in an unrealized loss position at June 30, 2017, the Company has not made a decision to sell any such securities and does not intend to sell such securities. The Company has evaluated its cash flow requirements and believes that its liquidity is adequate and it will not be required to sell these securities before recovery of their cost basis. This unrealized loss is primarily attributable to an increase in interest rates since acquisition, market illiquidity and volatility in the U.S. economy and not specific to individual issuer credit.

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- E. Repurchase Agreements - The Company did not enter into repurchase agreements at June 30, 2017.
- F. Real Estate - At June 30, 2017, the Company did not have any real estate held for sale. The Company has one investment in real estate, which is an office building at 400 Main Street in Stockton, California. During the six months ended June 30, 2017, the Company did not purchase investments in real estate, recognize any real estate impairments, or engage in any retail land sales.
- G. Low Income Housing Tax Credits (LIHTC) - The Company did not hold investments in LIHTC at June 30, 2017.
- H. Restricted Assets

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

Restricted Asset Category		Gross (Admitted & Nonadmitted) Restricted							8	9	Percentage	
		Current Year					6	7			10	11
		1	2	3	4	5						
		Total General Account (G/ A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/ A Activity (b)	Total (1 plus 3)						
		Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)					
(a)	Subj to contractual oblig by which liability is not shown	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%	
(b)	Collateral held under sec. lending arrangements				—		—			—%	—%	
(c)	Subject to repurchase agreements				—		—			—%	—%	
(d)	Subject to reverse repurchase agreements				—		—			—%	—%	
(e)	Subject to dollar repurchase agreement				—		—			—%	—%	
(f)	Subject to dollar reverse repurchase agreement				—		—			—%	—%	
(g)	Placed under option contracts				—		—			—%	—%	
(h)	Letter stock or securities restricted as to sale - excl. FHLB capital stock				—	—	—			—%	—%	
(i)	FHLB capital stock				—		—			—%	—%	
(j)	On deposit with state	10,458,366			10,458,366	14,503,717	(4,045,351)	—	10,458,366	0.3%	0.3%	
(k)	On deposit with other regulatory bodies				—		—			—%	—%	
(l)	Pledged as collateral to FHLB (incl. assets backing funding agreement)				—		—			—%	—%	
(m)	Pledged as collateral not captured in other categories	434,468,183			434,468,183	292,041,646	142,426,537	—	434,468,183	12.9%	13.9%	
(n)	Other restricted assets				—		—			—%	—%	
(o)	Total restricted assets	\$ 444,926,549	\$ —	\$ —	\$ —	\$ 444,926,549	\$ 306,545,363	\$ 138,381,186	\$ —	\$ 444,926,549	13.2%	14.2%

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

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

Collateral Agreement	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/ A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/ A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Non- admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Collateral pledged under certain derivative contracts	\$ 16,557,888	\$ —	\$ —	\$ —	\$ 16,557,888	\$ 111,324,621	\$ (94,766,733)	\$ 16,557,888	0.5%	0.5%
Collateral pledged for reinsurance	417,910,295				417,910,295	180,717,025	237,193,270	417,910,295	12.4%	13.4%
Total (c)	\$ 434,468,183	\$ —	\$ —	\$ —	\$ 434,468,183	\$ 292,041,646	\$ 142,426,537	\$ 434,468,183	12.9%	13.9%

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

Under certain derivative contracts, the Company is required to post eligible securities as collateral. The need to post collateral under these transactions is generally based on fair value assessments in excess of contractual thresholds. The fair value of the Company's pledged securities totaled \$18 million as of June 30, 2017, with corresponding book/adjusted carrying value of \$17 million. The portfolio also includes securities held in trust for the benefit of AGC's subsidiaries and other third party reinsurers. The fair value of the Company's pledged securities totaled \$525 million as of June 30, 2017, with corresponding book/adjusted carrying value of \$418 million.

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

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

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

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

- I. Working Capital Finance Investments ("WCFI") - The Company did not hold investments for WCFI at June 30, 2017.
- J. Offsetting and Netting of Assets and Liabilities - The Company has no derivative, repurchase and reverse repurchase, and securities borrowing and securities lending assets and liabilities that are offset and reported net in accordance to SSAP No. 64 at June 30, 2017.
- K. Structured Notes - The following table separately identifies structured notes on a cusip basis, with information by cusip for actual cost, fair value, book/adjusted carrying value, and whether the structured note is a mortgage referenced security:

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage Referenced Security (YES/NO)
	\$ —	\$ —	\$ —	
	—	NONE	—	
	—	—	—	
Total	\$ —	\$ —	\$ —	

- L. 5* Securities (unrated, but current on principal and interest) - The Company did not hold investments in 5* investments at June 30, 2017.

6. Joint Ventures, Partnerships and Limited Liability Companies

There has been no change since the 2016 Annual Statement.

7. Investment Income

- A. Accrued Investment Income
Accrued investment income was \$22,883,335 and \$20,769,186 as of June 30, 2017 and December 31, 2016, 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

On August 7, 2013, Radian Asset Assurance Inc., a company acquired by AGC in 2015 that was merged with and into AGC, with AGC surviving the merger (Radian Asset), purchased a \$50,000,000 notional credit default swap for \$10,500,000 from Citibank N.A. New York and on June 25, 2014 and June 26, 2014 purchased two \$25,000,000 notional credit default swaps from JPMorgan Chase Bank, N.A. for \$4,125,000 and \$4,062,500, respectively, primarily as protection pertaining to a second to pay risk. The swaps were effective on their respective purchase dates and would have expired on March 20, 2017. The swaps were sold in January 2017 for approximately \$0.4 million. The Company recorded a realized capital loss of \$18.3 million in the income statement and an offsetting change in net unrealized capital gains of \$14.4 million.

9. Income Taxes

There has been no significant change since the 2016 Annual Statement.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A, C through H, J through L, N. There has been no significant change since the 2016 Annual Statement.
- B. Transactions with Affiliates
The Company engaged in the following non-insurance transactions (generally representing greater than 0.5% of admitted assets) with affiliates:

1. The Company made dividend payments of \$51 million in the first six months of 2017 to Assured Guaranty US Holdings Inc. (the "Parent" or "AGUS").

2. AGM is actively working to combine the operations of its European subsidiaries, AGE, Assured Guaranty (UK) plc ("AGUK"), AGLN and CIFG Europe S.A. ("CIFGE"), through a multi-step transaction, which ultimately is expected to result in AGUK, AGLN and CIFGE transferring their insurance portfolios to and merging with and into AGE. As a preparatory step for the merger, AGE, AGUK and AGLN were re-registered as public limited companies on June 1, 2017. As a further preparatory step, AGUK, AGLN and CIFGE (the "European Subsidiaries") were sold by AGC to AGM and then contributed by AGM to AGE on June 26, 2017. While AGM and its European subsidiaries have received certain regulatory approvals, the combination is subject to further regulatory and court approvals. As a result, AGM cannot predict whether, or when, such combination will be completed.

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The total consideration of \$410.8 million paid by AGM to AGC for the sale of the European Subsidiaries consisted of: (i) \$344.3 million gross principal amount of the Series A-1 Floating Rate Guaranteed Notes due December 21, 2035 issued by Orkney Re II plc (the “Orkney Notes”), which constitute 90% of the total \$382.5 million of Orkney Notes owned by AGM, which had a market value of \$271.9 million; and (ii) \$138.9 million of cash. The Orkney Notes owned by AGM and used as part of the sale consideration are obligations guaranteed by AGUK and 90% reinsured by AGC. The sale of the European Subsidiaries was approved by the New York State Department of Financial Services, the MIA and the Prudential Regulation Authority.

In accordance with SSAP 25, Affiliates and Other Parties, the sale of the European Subsidiaries to AGM was accounted for as an economic transaction between related parties at fair value. At the date of sale, the carrying value of the European Subsidiaries, in accordance with SSAP 97, Investments in Subsidiary, Controlled and Affiliated Entities, was approximately \$558.8 million. A realized loss on the sale of the European Subsidiaries was recorded by AGC that reduced its surplus by approximately \$148.0 million.

- I. Detail of Investments in Affiliates greater than 10% of Admitted Assets
The Company's investment in its subsidiary Municipal Assurance Holdings Inc., recorded at its statutory equity value of \$182,299,476, represents 5.8% of the Company's admitted assets as of June 30, 2017.
- M. All SCA Investments
(2) NAIC Filing Response Information

SCA Entity	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y/ N	NAIC Disallowed Entities Valuation Method, Resubmission Required Y/ N	Code**
a.SSAP No. 97 8a Entities						
None			\$ —			
Total SSAP No. 97 8a Entities	XXX	XXX	\$ —	XXX	XXX	XXX
b.SSAP No. 97 8b(ii) Entities						
None			\$ —			
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	\$ —	XXX	XXX	XXX
c.SSAP No. 97 8b(iii) Entities						
None			\$ —			
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	\$ —	XXX	XXX	XXX
d.SSAP No. 97 8b(iv) Entities						
Assured Guaranty (UK) plc	S-2	6/22/2017	\$ 134,609,551	N	N	M
CIFG Europe S.A.	S-2	6/30/2017	35,645,228	N	N	M
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	\$ 170,254,779	XXX	XXX	XXX
e.Total SSAP No. 9 8b Entities (except 8bi entities) (b+c+d)	XXX	XXX	\$ 170,254,779	XXX	XXX	XXX
f.Aggregate Total (a+e)	XXX	XXX	\$ 170,254,779	XXX	XXX	XXX

* S1 - Sub-1, S2 - Sub-2 or RDF - Resubmission of Disallowed Filing
** I - Immaterial or M - Material

Note: The above SCAs are no longer held by the Company as of June 30, 2017. See note 10.B.

11. **Debt**
There has been no change since the 2016 Annual Statement.
12. **Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans**
There has been no change since the 2016 Annual Statement.
13. **Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

1 through 3, 6 through 9, 12 and 13. There has been no significant change since the 2016 Annual Statement.

4. The Company paid dividends to AGUS of \$28 million on March 17, 2017 and \$23 million on June 22, 2017.

5. Under Maryland's insurance law, AGC may, with prior notice to the Maryland Insurance Commissioner, pay an ordinary dividend that, together with all dividends paid in the prior 12 months, does not exceed the lesser of 10% of its policyholders' surplus (as of the prior December 31) or 100% of its adjusted net investment income during that period. The maximum amount available during 2017 for AGC to distribute as ordinary dividends is approximately \$107 million. Of such \$107 million, \$51 million was distributed by AGC to AGUS in the first six months of 2017 and approximately \$16 million is available for distribution in the third quarter of 2017.

10. The portion of unassigned funds (surplus) represented by cumulative unrealized losses is \$4,466,496.

11. On December 18, 2009, the Company borrowed \$300 million from an affiliate, AGM, a New York domiciled insurance company, in exchange for \$300 million of surplus notes, all of which were outstanding at June 30, 2017. These notes are interest bearing at a rate of 3.5% per annum.
14. **Liabilities, Contingencies and Assessments**

A through F. There has been no change since the 2016 Annual Statement.

G. All Other Contingencies:

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Uncollected Premiums

As of June 30, 2017, the Company had uncollected premiums of \$10,124,979. Uncollected premiums more than 90 days past due were \$3,643,251.

Legal Proceedings

Lawsuits arise in the ordinary course of the Company's business. It is the opinion of the Company's management, based upon the information available, that the expected outcome of litigation against the Company, individually or in the aggregate, will not have a material adverse effect on the Company's financial position or liquidity, although an adverse resolution of litigation against the Company in a fiscal quarter or year could have a material adverse effect on the Company's results of operations in a particular quarter or year.

In addition, in the ordinary course of its business, the Company asserts claims in legal proceedings against third parties to recover losses paid in prior periods or prevent losses in the future, including those described in the "Recovery Litigation" section below. The amounts, if any, the Company will recover in these and other proceedings to recover losses are uncertain, and recoveries, or failure to obtain recoveries, in any one or more of these proceedings during any quarter or year could be material to the Company's results of operations in that particular quarter or year.

The Company establishes accruals for litigation and regulatory matters to the extent it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. For litigation and regulatory matters where a loss may be reasonably possible, but not probable, or is probable but not reasonably estimable, no accrual is established, but if the matter is material, it is disclosed, including matters discussed below. The Company reviews relevant information with respect to its litigation and regulatory matters on a quarterly and annual basis and updates its accruals, disclosures and estimates of reasonably possible loss based on such reviews.

Litigation

On December 22, 2014, Deutsche Bank National Trust Company, as indenture trustee for the AAA Trust 2007-2 Re-REMIC (the "Trustee"), filed a "trust instructional proceeding" petition in the State of California Superior Court (Probate Division, Orange County), seeking the court's instruction as to how it should allocate the losses resulting from its December 2014 sale of four RMBS owned by the AAA Trust 2007-2 Re-REMIC. This sale of approximately \$70 million principal balance of RMBS was made pursuant to AGC's liquidation direction in November 2014, and resulted in approximately \$27 million of gross proceeds to the Re-REMIC. On December 22, 2014, AGC directed the indenture trustee to allocate to the uninsured Class A-3 Notes the losses realized from the sale. On May 4, 2015, the Superior Court rejected AGC's allocation direction, and ordered the Trustee to allocate to the Class A-3 noteholders a pro rata share of the \$27 million of gross proceeds. On May 17, 2017, the California Court of Appeal upheld the Superior Court's rejection of AGC's allocation direction. On June 15, 2017, the California Court of Appeal denied AGC's petition for a rehearing, pursuant to an order that modified its initial opinion and affirmed the Superior Court's May 4, 2015 order.

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

Recovery Litigation

In the ordinary course of their respective businesses, certain of the Company's subsidiaries assert claims in legal proceedings against third parties to recover losses paid in prior periods or prevent losses in the future.

Public Finance Transactions

Puerto Rico

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

On January 7, 2016, AGM, AGC and Ambac Assurance Corporation ("Ambac") commenced an action for declaratory judgment and injunctive relief in the U.S. District Court for the District of Puerto Rico (Federal District Court in Puerto Rico) to invalidate the executive orders issued by the Former Governor on November 30, 2015 and December 8, 2015 directing that the Secretary of the Treasury of the Commonwealth of Puerto Rico and the Puerto Rico Tourism Company claw back certain taxes and revenues pledged to secure the payment of bonds issued by the Puerto Rico Highways and Transportation Authority ("PRHTA"), the Puerto Rico Convention Center District Authority ("PRCCDA") and the Puerto Rico Infrastructure Financing Authority ("PRIFA"). The Commonwealth defendants filed a motion to dismiss the action for lack of subject matter jurisdiction, which the Court denied on October 4, 2016. On October 14, 2016, the Commonwealth defendants filed a notice of the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA") automatic stay. While the automatic stay expired on May 1, 2017, on May 17, 2017, the Court stayed the action under PROMESA.

On May 3, 2017, AGM and AGC filed in the Federal District Court in Puerto Rico an adversary complaint seeking a judgment that the Commonwealth's Fiscal Plan violates various sections of PROMESA and the Contracts, Takings and Due Process Clauses of the U.S. Constitution, an injunction enjoining the Commonwealth and Oversight Board from presenting or proceeding with confirmation of any plan of adjustment based on the Fiscal Plan, and a stay on the confirmation of any plan of adjustment based on the Fiscal Plan pending development of a fiscal plan that complies with PROMESA and the U.S. Constitution.

On June 3, 2017, AGC and AGM filed an adversary complaint in Federal District Court in Puerto Rico seeking (i) a judgment declaring that the application of pledged special revenues to the payment of the PRHTA Bonds is not subject to the PROMESA Title III automatic stay and that the Commonwealth has violated the special revenue protections provided to the PRHTA Bonds under the Bankruptcy Code; (ii) an injunction enjoining the Commonwealth from taking or causing to be taken any action that would further violate the special revenue protections provided to the PRHTA Bonds under the Bankruptcy Code; and (iii) an injunction ordering the Commonwealth to remit the pledged special revenues securing the PRHTA Bonds in accordance with the terms of the special revenue provisions set forth in the Bankruptcy Code.

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

On July 18, 2017, AGM and AGC filed a motion for relief from the automatic stay in the PREPA Title III bankruptcy proceeding and a form of complaint seeking the appointment of a receiver for PREPA.

On August 7, 2017, AGC and AGM filed an adversary complaint in Federal District Court in Puerto Rico seeking judgment against defendants (i) declaring that the application of pledged special revenues to the payment of the PREPA Bonds is not subject to the PROMESA Title III automatic stay and that the Commonwealth has violated the special revenue protections provided to the PREPA Bonds under the Bankruptcy Code; (ii) declaring that capital expenditures and all other expenses that do not constitute current, reasonable and necessary operating expenses may not be paid from pledged special revenues prior to the payment of debt service on the PREPA Bonds, (iii) enjoining defendants from taking or causing to be taken any action that would further violate the special revenue protections provided to the PREPA Bonds under the Bankruptcy Code; and (iv) ordering defendants to remit the pledged special revenues securing the PREPA Bonds in accordance with the terms of the special revenue provisions set forth in the Bankruptcy Code.

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

On November 1, 2013, Radian Asset Assurance Inc. ("Radian Asset") commenced a declaratory judgment action in the U.S. District Court for the Southern District of Mississippi against Madison County, Mississippi and the Parkway East Public Improvement District to establish its rights under a contribution agreement from the County supporting certain special assessment bonds issued by the District and insured by Radian Asset (now AGC). As of June 30, 2017, \$19 million of such bonds were outstanding. The County maintained that its payment obligation is limited to two years of annual debt service, while AGC contended the County's obligations under the contribution agreement continue so long as the bonds remain outstanding. On April 27, 2016, the Court granted AGC's motion for summary judgment, agreeing with AGC's interpretation of the County's obligations. The County appealed the District Court's summary judgment ruling to the United States Court of Appeals for the Fifth Circuit, and on May 31, 2017, the appellate court reversed the District Court's ruling and remanded the matter to the District Court.

RMBS Transactions

On February 5, 2009, U.S. Bank National Association, as indenture trustee ("U.S. Bank"), CIFG Assurance North America Inc. ("CIFG"), as insurer of the Class Ac Notes, and Syncora Guarantee Inc. ("Syncora"), as insurer of the Class Ax Notes, filed a complaint in the Supreme Court of the State of New York against GreenPoint Mortgage Funding, Inc. ("GreenPoint") alleging GreenPoint breached its representations and warranties with respect to the underlying mortgage loans in the GreenPoint Mortgage Funding Trust 2006-HE1 transaction. On March 3, 2010, the court dismissed CIFG's and Syncora's causes of action on standing grounds. On December 16, 2013, GreenPoint moved to dismiss the remaining claims of U.S. Bank on the grounds that it too lacked standing. U.S. Bank cross-moved for partial summary judgment striking GreenPoint's defense that U.S. Bank lacked standing to directly pursue claims against GreenPoint. On January 28, 2016, the court denied GreenPoint's motion for summary judgment and granted U.S. Bank's cross-motion for partial summary judgment, finding that as a matter of law U.S. Bank has standing to directly assert claims against GreenPoint. Oral argument on GreenPoint's appeal was heard by the New York Appellate Division, First Department, on May 2, 2017. CIFG originally had \$500 million insured net par exposure to this transaction; \$22 million insured net par remains outstanding at June 30, 2017.

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

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15. Leases

There has been no material changes since the 2016 Annual Statement.

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

The Company provides insurance for public finance and structured finance obligations. Total net principal and interest exposure at June 30, 2017 was \$43.3 billion (\$36.0 billion for public finance and \$7.3 billion for structured finance exposures).

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

- A. The Company has not sold or transferred any receivables during the first six months of 2017.
- B. On January 1, 2017, the Company transferred the qualified retirement plan and the supplemental executive retirement plan to its affiliate AG US Group Services Inc. in connection with the transfer of the Company's employees and the employee benefit, retirement and health plans relating to such employees. The transfer included \$40,844,511 of assets and \$42,586,395 of liabilities recorded by the Company as of December 31, 2016.
- C. The Company did not engage in any wash sale transactions during the first six months of 2017.

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

There has been no change since the 2016 Annual Statement.

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

There has been no change since the 2016 Annual Statement.

20. Fair Value

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

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

The Company categorizes its assets and liabilities that are reported on the balance sheet at fair value into the three-level hierarchy. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

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

An asset or liability's categorization within the fair value hierarchy is based on the lowest level of significant input to its valuation. Bonds are generally recorded at amortized cost. Stocks, excluding those for investments in subsidiaries, are reported at fair value on a recurring basis. The following fair value hierarchy table presents information about the Company's asset measured at fair value as of June 30, 2017.

Description for each class of asset or liability	Level 1	Level 2	Level 3	TOTAL
a. Assets at fair value				
Bonds				
Special Revenue	\$ —	\$ —	\$ 1,951,641	\$ 1,951,641
Total Assets at Fair Value	\$ —	\$ —	\$ 1,951,641	\$ 1,951,641

Cash and Short-Term Investments

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

Bonds

Bonds with an NAIC designation of 1 and 2 are carried at amortized cost while bonds with an NAIC designation of 3 through 6 are carried at the lower of cost or fair value. The fair value of bonds in the investment portfolio is generally based on prices received from third party pricing services or alternative pricing sources with reasonable levels of price transparency. The pricing services prepare estimates of fair value measurements using their pricing models, which include available relevant market information, benchmark curves, benchmarking of like securities, and sector groupings. Additional valuation factors that can be taken into account are nominal spreads and liquidity adjustments. The pricing services evaluate each asset class based on relevant market and credit information, perceived market movements, and sector news. The market inputs used in the pricing evaluation include: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, reference data and industry and economic events. Benchmark yields have in many cases taken priority over reported trades for securities that trade less frequently or those that are distressed trades, and therefore may not be indicative of the market. The extent of the use of each input is dependent on the asset class and the market conditions. Given the asset class, the priority of the use of inputs may change or some market inputs may not be relevant. Additionally, the valuation of fixed-maturity investments is more subjective when markets are less liquid due to the lack of market based inputs, which may increase the potential that the estimated fair value of an investment is not reflective of the price at which an actual transaction would occur.

Stocks

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

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

Description:	Beg. Balance at April 1, 2017	Transfers Into Level 3	Transfers Out of Level 3	Total Gains & Losses incl in Net Income	Total Gains & Loss incl in Surplus	Purchase	Issuance	Sales	Settle-ment	Ending Balance at June 30, 2017
Bonds - Special Revenue	\$ 41,090	\$ 1,914,898	\$ —	\$ (4,347)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,951,641
Bonds - Industrial & Miscellaneous		—	—	—	—	—	—	—	—	—
Derivatives	—	—	—	—	—	—	—	—	—	—
TOTAL	\$ 41,090	\$ 1,914,898	\$ —	\$ (4,347)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,951,641

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

- During the three months ending June 30, 2017, four Puerto Rico bonds were added to Level 3 of the fair value hierarchy because it has an NAIC designation of 3 through 6 and was carried at the lower of book value and fair value.

4. Inputs and Techniques Used for Level 3 Fair Values
The level 3 securities were priced with the assistance of an independent third party. The pricing is based on a discounted cash flow approach using the third party's proprietary pricing models. In valuing the bonds, the Company reviews trades of either the bonds themselves, or comparable bonds of the same issuer. The Company also reviews recent trades of comparable unwrapped bonds of the same issuer. For each observed trade the Company collects the trade date, trade price, and trade yield data from Bloomberg. The Company then adjusts the yields that the trades were executed at based on market yield movements between the trade date and the valuation date. The Company then utilizes the calculated yields to discount the projected cash flows for each bond in order to calculate a price as of the valuation date. Significant changes to any of the inputs used could materially change the expected timing of cash flows for the bonds which is a significant factor in determining their fair value.

5. Derivative Fair Values
The Company does not own derivatives at June 30, 2017.

- B. Other Fair Value Disclosures
The fair value of the Company's financial guaranty contracts accounted for as insurance was approximately \$2.5 billion at June 30, 2017 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 and acquisitions that have occurred in the financial guaranty market and included adjustments to the carrying value of unearned premium reserve for stressed losses, ceding commissions and return on capital. The 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.

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	\$ 2,726,711,847	\$ 2,518,459,789	\$ —	\$ 2,065,463,104	\$ 661,248,743	\$ —
Cash equivalents and short-term investments	207,864,775	207,864,153	182,384,703	25,480,072	—	—
Total assets	\$ 2,934,576,622	\$ 2,726,323,942	\$ 182,384,703	\$ 2,090,943,176	\$ 661,248,743	\$ —

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

21. Other Items
A, B, C, D, E. There has been no change since the 2016 Annual Statement.
F. Subprime Mortgage-Related Risk Exposure
(1) through (3)

The Company purchased securities with subprime mortgage related exposures that it has insured, and for which it has loss reserves, in order to mitigate the economic effect of insured losses ("loss mitigation bonds"). The loss mitigation bonds were purchased at a discount and are accounted for excluding the effects of the Company's insurance on the securities. The Company's investment guidelines generally do not permit its outside managers to purchase securities rated lower than A- by S&P or A3 by Moody's, excluding a 5.0% allocation to corporate securities not rated lower than BBB by S&P or Baa2 by Moody's.

As of June 30, 2017	Actual Cost	Book Value	Fair Value	OTTI Losses Recognized
Residential Mortgage Backed Securities	\$ 7,711,205	\$ 7,882,976	\$ 8,142,957	\$ (339,226)
Total	\$ 7,711,205	\$ 7,882,976	\$ 8,142,957	\$ (339,226)

(4) Underwriting Exposure

Selected U.S. Public Finance Transactions

The Company has insured exposure to general obligation bonds of the Commonwealth of Puerto Rico ("Puerto Rico" or the "Commonwealth") and various obligations of its related authorities and public corporations aggregating \$1.7 billion net par as of June 30, 2017, all of which is rated below investment grade ("BIG"). In recent years, Puerto Rico has experienced significant

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general fund budget deficits and a challenging economic environment. Beginning on January 1, 2016, a number of Puerto Rico credits have defaulted on bond payments, and the Company has now paid claims on several Puerto Rico credits.

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

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

On January 2, 2017, Ricardo Antonio Rosselló Nevares (the "Governor") took office, replacing the Former Governor. On January 29, 2017, the Governor signed the Puerto Rico Emergency and Fiscal Responsibility Act (Emergency Act") that, among other things, defined an emergency period that has since been extended to December 31, 2017, continued diversion of collateral away from bonds the Company insures, and defined the powers and duties of the Fiscal Agency and Financial Advisory Authority ("FAFAA").

In mid-March 2017, the Oversight Board certified Puerto Rico's fiscal plan, dated March 13, 2017 ("Fiscal Plan"). The Fiscal Plan provides only approximately \$7.9 billion for Commonwealth debt service over the next ten years, an amount less than scheduled debt service for such period. The Fiscal Plan itself acknowledges that there are a number of legal and contractual issues not addressed by the Fiscal Plan. On April 28, 2017, the Oversight Board approved fiscal plans for PREPA and PRHTA, and directed PRASA to amend its proposed plan in several ways. The Oversight Board approved the amended PRASA plan on June 30, 2017. The PRHTA plan assumes that PRHTA will not pay any debt service at least through 2026. The PRASA plan assumes it will pay only approximately 65% of its debt service through 2026. The Company does not believe the fiscal plans of PRHTA or PRASA in their current forms comply with certain mandatory requirements of PROMESA.

On May 3, 2017, the Oversight Board filed a petition with the Federal District Court of Puerto Rico for the Commonwealth under Title III of PROMESA. Title III of PROMESA provides for a process analogous to a voluntary bankruptcy process under chapter 9 of the federal bankruptcy code. On May 21, 2017, the Board filed a petition under Title III of PROMESA for PRHTA. On July 2, 2017, after the rejection by the Oversight Board and termination of the Restructuring Support Agreement ("RSA") described below, the Oversight Board commenced proceedings for PREPA under Title III of PROMESA.

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

Judge Laura Taylor Swain of the Southern District of New York was selected by Chief Justice John Roberts of the United States Supreme Court to preside over any proceedings under PROMESA. Judge Swain has selected a team of five federal judges to act as mediators for as yet to be identified issues and disputes. It is currently anticipated that initial issues and disputes to be the subject of voluntary mediation will be selected during August 2017 and that any resulting mediation efforts will begin in September 2017.

The final shape, timing and validity of responses to Puerto Rico's distress eventually enacted or implemented under the auspices of PROMESA and the Oversight Board or otherwise, and the final impact, after resolution of legal challenges, of any such responses on obligations insured by the Company, are uncertain.

The Company groups its Puerto Rico exposure into three categories:

- *Constitutionally Guaranteed.* The Company includes in this category public debt benefiting from Article VI of the Constitution of the Commonwealth, which expressly provides that interest and principal payments on the public debt are to be paid before other disbursements are made.
- *Public Corporations - Certain Revenues Potentially Subject to Clawback.* The Company includes in this category the debt of public corporations for which applicable law permits the Commonwealth to claw back, subject to certain conditions and for the payment of public debt, at least a portion of the revenues supporting the bonds the Company insures. As a constitutional condition to clawback, available Commonwealth revenues for any fiscal year must be insufficient to pay Commonwealth debt service before the payment of any appropriations for that year. The Company believes that this condition has not been satisfied to date, and accordingly that the Commonwealth has not to date been entitled to claw back revenues supporting debt insured by the Company. Prior to the enactment of PROMESA, the Company sued various Puerto Rico governmental officials in the United States District Court, District of Puerto Rico asserting that Puerto Rico's attempt to "claw back" pledged taxes is unconstitutional, and demanding declaratory and injunctive relief. Please see note 14, Liabilities, Contingencies and Assessments - Recovery Litigation - Puerto Rico.
- *Other Public Corporations.* The Company includes in this category the debt of public corporations that are supported by revenues it does not believe are subject to clawback.

Constitutionally Guaranteed

General Obligation. As of June 30, 2017, the Company had \$378 million insured net par outstanding of the general obligations of Puerto Rico, which are supported by the good faith, credit and taxing power of the Commonwealth. On July 1, 2016, despite the requirements of Article VI of its Constitution, the Commonwealth defaulted on most of the debt service payment due that

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day, and the Company made its first claim payments on these bonds, and has continued to make claim payments on these bonds. As noted above, the Oversight Board filed a petition under Title III of PROMESA with respect to the Commonwealth.

Puerto Rico Public Buildings Authority (“PBA”). As of June 30, 2017, the Company had \$169 million insured net par outstanding of PBA bonds, which are supported by a pledge of the rents due under leases of government facilities to departments, agencies, instrumentalities and municipalities of the Commonwealth, and that benefit from a Commonwealth guaranty supported by a pledge of the Commonwealth’s good faith, credit and taxing power. On July 1, 2016, despite the requirements of Article VI of its Constitution, the PBA defaulted on most of the debt service payment due that day, and the Company made its first claim payments on these bonds, and has continued to make claim payments on these bonds.

Public Corporations - Certain Revenues Potentially Subject to Clawback

PRHTA. As of June 30, 2017, the Company had \$521 million insured net par outstanding of PRHTA (transportation revenue) bonds and \$93 million insured net par outstanding of PRHTA (highways revenue) bonds. The transportation revenue bonds are secured by a subordinate gross lien on gasoline and gas oil and diesel oil taxes, motor vehicle license fees and certain tolls, plus a first lien on up to \$120 million annually of taxes on crude oil, unfinished oil and derivative products. The highways revenue bonds are secured by a gross lien on gasoline and gas oil and diesel oil taxes, motor vehicle license fees and certain tolls. The non-toll revenues consisting of excise taxes and fees collected by the Commonwealth on behalf of PRHTA and its bondholders that are statutorily allocated to PRHTA and its bondholders are potentially subject to clawback. Despite the presence of funds in relevant debt service accounts that the Company believes should have been employed to fund debt service, PRHTA defaulted on the full July 1, 2017 insured debt service payment, and the Company made its first claim payments on these bonds. As noted above, on April 28, 2017, the Oversight Board approved a fiscal plan for PRHTA that PRHTA will not pay any debt service at least through 2026. The Company does not believe the PRHTA fiscal plan in its current form complies with certain mandatory requirements of PROMESA.

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

PRIFA. As of June 30, 2017, the Company had \$17 million insured net par outstanding of PRIFA bonds, which are secured primarily by the return to Puerto Rico of federal excise taxes paid on rum. These revenues are potentially subject to the clawback. The Company made its first claim payment on PRIFA bonds in January 2016, and has continued to make claim payments on PRIFA bonds.

Other Public Corporations

Puerto Rico Electric Power Authority (“PREPA”). As of June 30, 2017, the Company had \$73 million insured net par outstanding of PREPA obligations, which are secured by a lien on the revenues of the electric system.

On December 24, 2015, AGM and AGC entered into an RSA with PREPA, an ad hoc group of uninsured bondholders and a group of fuel-line lenders that would, subject to certain conditions, result in, among other things, modernization of the utility and a restructuring of current debt. Upon finalization of the contemplated restructuring transaction, insured PREPA revenue bonds (with no reduction to par or stated interest rate) would be supported by securitization bonds issued by a special purpose corporation and secured by a transition charge assessed on ratepayers.

In March 2017, the Governor indicated a desire to modify certain aspects of the RSA. On April 6, 2017, the Governor announced that an agreement in principle had been reached to supplement the RSA. As supplemented, the RSA called for AGM and AGC to provide surety insurance policies aggregating approximately \$113 million (\$14 million for AGC and \$99 million for AGM) to support the securitization bonds contemplated by the RSA, to extend the maturity of all of the relending financing provided in 2016, and to provide \$120 million of principal payment deferrals in 2018 through 2023. In addition, the RSA as supplemented provided for a consensual restructuring under Title VI of PROMESA.

The Oversight Board did not certify the RSA under Title VI of PROMESA as the Company believes is required by PROMESA, but rather, on July 2, 2017, commenced proceedings for PREPA under Title III of PROMESA. PREPA defaulted on its July 1, 2017 debt service payments, and the Company made its first claim payments on these bonds to bondholders as a result of these defaults. The Company believes that a number of the actions taken by the Commonwealth, the Oversight Board and others with respect to the PREPA obligations it insures and the RSA are illegal or unconstitutional or both, and has taken legal action, and may take additional legal action in the future, to enforce its rights with respect to these matters. Please see note 14, Liabilities, Contingencies and Assessments - Recovery Litigation - Puerto Rico.

Puerto Rico Aqueduct and Sewer Authority (“PRASA”). As of June 30, 2017, the Company had \$285 million of insured net par outstanding to PRASA bonds, which are secured by a lien on the gross revenues of the water and sewer system. On September 15, 2015, PRASA entered into a settlement with the U.S. Department of Justice and the U.S. Environmental Protection Agency that requires it to spend \$1.6 billion to upgrade and improve its sewer system island-wide. There were sufficient funds in the PRASA bond accounts to make the July 1, 2016, January 1, 2017 and July 1, 2017 PRASA bond payments guaranteed by the Company, and those payments were made in full. As noted above, on April 28, 2017, the Oversight Board considered a fiscal plan for PRASA that assumes PRASA will pay only approximately 65% of its debt service through 2026, and approved the amended plan on June 30, 2017. Because PRASA has several categories of debt outstanding and the Company insures only PRASA debt with a senior lien on gross revenues of PRASA, it is unclear whether (or to what extent, if any) the payment of only 65% of debt service through 2026 would result in a reduction in PRASA payments of Company-insured debt. The Company does not believe the PRASA fiscal plan in its current form complies with certain mandatory requirements of PROMESA.

Municipal Finance Agency (“MFA”). As of June 30, 2017, the Company had \$61 million net par outstanding of bonds issued by MFA secured by a lien on local property tax revenues. There were sufficient funds in the MFA bond accounts to make the July 1, 2016, January 1, 2017 and July 1, 2017 MFA bond payments guaranteed by the Company, and those payments were made in full.

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U.S. Public Finance Loss and LAE

The Company has loss and LAE reserves across its troubled Puerto Rico and other U.S. public finance credits which incorporated the likelihood of the various outcomes as of June 30, 2017, of \$404.5 million compared to \$263.9 million as of December 31, 2016. The increase is due mainly to the increase in Puerto Rico reserves.

Second Quarter 2017 U.S. RMBS Loss Projections

Based on its observation during the period of the performance of its insured transactions (including delinquencies, liquidation rates and loss severities) as well as the residential property market and economy in general, the Company chose to make the changes to the assumptions it uses to project RMBS losses shown in the tables of assumptions in the sections below.

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

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

First Lien Liquidation Rates

	June 30, 2017	December 31, 2016
Delinquent/Modified in the Previous 12 Months	20%	25%
30 - 59 Days Delinquent		
Alt-A and Prime	30	35
Option ARM	35	35
Subprime	40	40
60 - 89 Days Delinquent		
Alt-A and Prime	40	45
Option ARM	45	50
Subprime	45	50
90+ Days Delinquent		
Alt-A and Prime	50	55
Option ARM	55	55
Subprime	55	55
Bankruptcy		
Alt-A and Prime	45	45
Option ARM	50	50
Subprime	40	40
Foreclosure		
Alt-A and Prime	60	65
Option ARM	65	65
Subprime	65	65
Real Estate Owned		
All	100	100

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

In the most heavily weighted scenario (the "base case"), after the initial 36-month CDR plateau period, each transaction's CDR is projected to improve over 12 months to an intermediate CDR (calculated as 20% of its CDR plateau); that intermediate CDR is held constant for 36 months and then trails off in steps to a final CDR of 5% of the CDR plateau. In the base case, the Company assumes the final CDR will be reached 6.25 years after the initial 36-month CDR plateau period. Under the Company's methodology, defaults projected to occur in the first 36 months represent defaults that can be attributed to loans that were modified or delinquent in the last 12 months or that are currently delinquent or in foreclosure, while the defaults projected to occur using the projected CDR trend after the first 36-month period represent defaults attributable to borrowers that are currently performing or are projected to re-perform.

Another important driver of loss projections is loss severity, which is the amount of loss the transaction incurs on a loan after the application of net proceeds from the disposal of the underlying property. Loss severities experienced in first lien transactions have reached historically high levels, and the Company is assuming in the base case that these high levels generally will continue for another 18 months. The Company determines its initial loss severity based on actual recent experience. Each quarter the Company reviews available data and (if necessary) adjusts its severities based on its observations. The Company then assumes that loss severities begin returning to levels consistent with underwriting assumptions beginning after the initial 18 month period, declining to 40% in the base case over 2.5 years.

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

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

	As of June 30, 2017		As of December 31, 2016	
	Range	Weighted Average	Range	Weighted Average
Alt A and Prime				
Plateau CDR	1.1% - 10.3%	4.9%	1.0% - 13.5%	5.5%
Final CDR	0.1% - 0.5%	0.2%	0.0% - 0.7%	0.3%
Initial loss severity:				
2005 and prior	60.0%		60.0%	
2006	80.0%		80.0%	
2007+	70.0%		70.0%	
Option ARM				
Plateau CDR	4.1% - 6.1%	5.3%	3.4% - 6.6%	5.5%
Final CDR	0.2% - 0.3%	0.3%	0.2% - 0.3%	0.3%
Initial loss severity:				
2005 and prior	60.0%		60.0%	
2006	70.0%		70.0%	
2007+	75.0%		75.0%	
Subprime				
Plateau CDR	3.8% - 13.1%	7.6%	2.8% - 14.1%	7.9%
Final CDR	0.2% - 0.7%	0.4%	0.1% - 0.7%	0.4%
Initial loss severity:				
2005 and prior	80.0%		80.0%	
2006	90.0%		90.0%	
2007+	95.0%		90.0%	

(1) Represents variables for the base case.

The rate at which the principal amount of loans is voluntarily prepaid may impact both the amount of losses projected (since that amount is a function of the CDR, the loss severity and the loan balance over time) as well as the amount of excess spread (the amount by which the interest paid by the borrowers on the underlying loan exceeds the amount of interest owed on the insured obligations). The assumption for the voluntary conditional prepayment rate ("CPR") follows a similar pattern to that of the CDR. The current level of voluntary prepayments is assumed to continue for the plateau period before gradually increasing over 12 months to the final CPR, which is assumed to be 15% in the base case. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant and the final CPR is not used. These CPR assumptions are the same as those the Company used for December 31, 2016.

In estimating loss reserves, the Company modeled and probability weighted sensitivities for first lien transactions by varying its assumptions of how fast a recovery is expected to occur. One of the variables used to model sensitivities was how quickly the CDR returned to its modeled equilibrium, which was defined as 5% of the initial CDR. The Company also stressed CPR and the speed of recovery of loss severity rates. The Company probability weighted a total of five scenarios as of June 30, 2017. The Company used a similar approach to establish its pessimistic and optimistic scenarios as of June 30, 2017 as it used as of December 31, 2016, increasing and decreasing the periods of stress from those used in the base case.

In the Company's most stressful scenario where loss severities were assumed to rise and then recover over nine years and the initial ramp-down of the CDR was assumed to occur over 15 months, loss reserves would increase from current projections by approximately \$3.4 million for Alt-A first liens, \$19.6 thousand for Option ARM, \$5.0 million for subprime and \$0.3 million for prime transactions.

In the Company's least stressful scenario where the CDR plateau was six months shorter (30 months, effectively assuming that liquidation rates would improve) and the CDR recovery was more pronounced, (including an initial ramp-down of the CDR over nine months), loss reserves would decrease from current projections by approximately \$1.5 million for Alt-A first liens, \$2.0 million for Option ARM, \$1.3 million for subprime and \$0.1 million for prime transactions.

U.S. Second Lien RMBS Loss Projections

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

In second lien transactions the projection of near-term defaults from currently delinquent loans is relatively straightforward because loans in second lien transactions are generally "charged off" (treated as defaulted) by the securitization's servicer once the loan is 180 days past due. The Company estimates the amount of loans that will default over the next six months by calculating current representative liquidation rates. A liquidation rate is the percent of loans in a given cohort (in this instance, delinquency category) that ultimately default. Similar to first liens, the Company then calculates a CDR for six months, which is the period over which the currently delinquent collateral is expected to be liquidated. That CDR is then used as the basis for the plateau CDR period that follows the embedded plateau losses.

For the base case scenario, the CDR (the "plateau CDR") was held constant for six months. Once the plateau period has ended, the CDR is assumed to gradually trend down in uniform increments to its final long-term steady state CDR. (The long-term steady state CDR is calculated as the constant CDR that would have yielded the amount of losses originally expected at underwriting.) In the base case scenario, the time over which the CDR trends down to its final CDR is 28 months. Therefore, the total stress period for second lien transactions is 34 months, comprising six months of delinquent data and 28 months of decrease to the steady state CDR, the same as of December 31, 2016.

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HELOC loans generally permit the borrower to pay only interest for an initial period (often ten years) and, after that period, require the borrower to make both the monthly interest payment and a monthly principal payment. This causes the borrower's total monthly payment to increase, sometimes substantially, at the end of the initial interest-only period. Most of the HELOC loans underlying the Company's insured HELOC transactions have reached their principal amortization period. The Company has observed that the increase in monthly payments occurring when a loan reaches its principal amortization period, even if mitigated by borrower relief offered by the servicer, is associated with increased borrower defaults. Thus, most of the Company's HELOC projections incorporate an assumption that a percentage of loans reaching their amortization periods will default around the time of the payment increase. These projected defaults are in addition to those generated using the CDR curve as described above. This assumption is similar to the one used at December 31, 2016.

When a second lien loan defaults, there is generally a very low recovery. The Company assumed as of June 30, 2017 that it will generally recover only 2% of the collateral defaulting in the future and declining additional amounts of post-default receipts on previously defaulted collateral. This is the same assumption used as of December 31, 2016.

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected as well as the amount of excess spread. In the base case, an average CPR (based on experience of the past year) is assumed to continue until the end of the plateau before gradually increasing to the final CPR over the same period the CDR decreases. The final CPR is assumed to be 15% for second lien transactions (in the base case), which is lower than the historical average but reflects the Company's continued uncertainty about the projected performance of the borrowers in these transactions. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant and the final CPR is not used. This pattern is generally consistent with how the Company modeled the CPR as of December 31, 2016. 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. These variables have been relatively stable and have less impact on the projection results than the variables discussed above. However, in a number of HELOC transactions the servicers have been modifying poorly performing loans from floating to fixed rates, and, as a result, rising interest rates would negatively impact the excess spread available from these modified loans to support the transactions. The Company incorporated these modifications in its assumptions.

In estimating loss reserves, the Company modeled and probability weighted five possible CDR curves applicable to the period preceding the return to the long-term steady state CDR. The Company used five scenarios at June 30, 2017 and December 31, 2016. The Company believes that the level of the elevated CDR and the length of time it will persist, the ultimate prepayment rate, and the amount of additional defaults because of the expiry of the interest only period, are the primary drivers behind the likely amount of losses the collateral will suffer. The Company continues to evaluate the assumptions affecting its modeling results.

The Company believes the most important driver of its projected second lien RMBS losses is the performance of its HELOC transactions. The following table shows the range as well as the average, weighted by outstanding net insured par, for key assumptions for the calculation of expected loss to be paid for individual transactions for direct vintage 2004 - 2008 HELOCs.

Key Assumptions in Base Case Loss Reserve Estimates
HELOCs ⁽¹⁾

	As of June 30, 2017		As of December 31, 2016	
	Range	Weighted Average	Range	Weighted Average
Plateau CDR	5.4% - 13.6%	11.6%	5.3% - 24.8%	13.6%
Final CDR trended down to	0.5% - 2.5%	1.5%	0.5% - 2.5%	1.5%
Liquidation rates:				
Delinquent/Modified in the Previous 12 Months	20%		25%	
30 - 59 Days Delinquent	45		50	
60 - 89 Days Delinquent	65		65	
90+ Days Delinquent	80		80	
Bankruptcy	55		55	
Foreclosure	75		75	
Real Estate Owned	100		100	
Loss severity	98.0%		98.0%	

(1) Represents variables for the base case.

The Company's base case assumed a six month CDR plateau and a 28 month ramp-down (for a total stress period of 34 months). The Company also modeled a scenario with a longer period of elevated defaults and another with a shorter period of elevated defaults. Increasing the CDR plateau to eight months and increasing the ramp-down by three months to 31 months (for a total stress period of 39 months), and doubling the defaults relating to the end of the interest only period would increase the loss reserves by approximately \$5.6 million for HELOC transactions. On the other hand, reducing the CDR plateau to four months and decreasing the length of the CDR ramp-down to 25 months (for a total stress period of 29 months), and lowering the ultimate prepayment rate to 10% would decrease the loss reserves by approximately \$2.2 million for HELOC transactions.

Breaches of Representations and Warranties

As of June 30, 2017, the Company had a net representations and warranties ("R&W") recoverable of \$27.9 million from R&W counterparties, compared to an R&W recoverable of \$31.8 million as of December 31, 2016.

Triple-X Life Insurance Transactions

The Company had \$598 million of net par exposure to financial guaranty triple-X life insurance transactions as of June 30, 2017. Two of these transactions, with \$190 million of net par outstanding, are rated BIG. The triple-X life insurance transactions are based on discrete blocks of individual life insurance business. In older vintage triple-X life insurance transactions, which

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include the two BIG-rated transactions, the amounts raised by the sale of the bonds insured by the Company were used to capitalize a special purpose vehicle that provides reinsurance to a life insurer or reinsurer. The amounts have been invested since inception in accounts managed by third-party investment managers. In the case of the two BIG-rated transactions, material amounts of their assets were invested in U.S. RMBS. Based on its analysis of the information available, including estimates of future investment performance, and projected credit impairments on the invested assets and performance of the blocks of life insurance business at June 30, 2017, the Company’s loss and LAE recoveries are \$78.4 million.

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

The following table summarizes U.S. subprime loss activity at June 30, 2017:

	Losses Paid in the Current Year	Losses Incurred in the Current Year	Case Reserves at the End of Current Period	IBNR Reserves at the End of Current Period
a. Mortgage Guaranty coverage	\$ —	\$ —	\$ —	\$ —
b. Financial Guaranty coverage	738,441	(8,036,747)	18,241,400	—
c. Other lines (specify):	—	—	—	—
d. Total	\$ 738,441	\$ (8,036,747)	\$ 18,241,400	\$ —

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

22. Events Subsequent

Subsequent events have been considered through August 14, 2017 for these statutory financial statements which are to be issued on August 14, 2017. There were no material events occurring subsequent to June 30, 2017 that have not already been disclosed in these financial statements.

23. Reinsurance

- A. The Company has no unsecured reinsurance recoverable at June 30, 2017.
B. The Company has no reinsurance recoverable in dispute at June 30, 2017.
C. Reinsurance Assumed and Ceded

The following table summarizes ceded and assumed unearned premiums and the related commission equity at June 30, 2017:

	Assumed Reinsurance		Ceded Reinsurance		NET	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. AFFILIATES	\$ 35,271,089	\$ 9,371,087	\$ 217,159,680	\$ 32,154,304	\$ (181,888,591)	\$ (22,783,217)
b. ALL OTHER	22,163,284	6,993,720	3,594,921	679,682	18,568,363	6,314,038
c. TOTAL	\$ 57,434,373	\$ 16,364,807	\$ 220,754,601	\$ 32,833,986	\$ (163,320,228)	\$ (16,469,179)
d. Direct Unearned Premium Reserve			\$ 477,753,240			

- D. The Company has no uncollectible reinsurance at June 30, 2017.
E. There is no effect from commutation and reassumption of ceded and assumed business for the six months ended June 30, 2017.
F. The Company has no retroactive reinsurance in effect at June 30, 2017.
G. The Company does not utilize the deposit method to account for any of its reinsurance transactions.
H. The Company has no run-off agreements at June 30, 2017.
I. The Company has no certified reinsurance downgraded or status subject to revocation at June 30, 2017.
J. The Company has no reinsurance agreements qualifying for reinsurer aggregation at June 30, 2017.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

There has been no change since the 2016 Annual Statement.

25. Changes in Incurred Losses and Loss Adjustment Expenses

Incurred losses and loss expenses attributable to insured events of prior years were \$147,677,650 for the first six months of 2017. The current year increase is a result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

There has been no change since the 2016 Annual Statement.

27. Structured Settlements

There has been no change since the 2016 Annual Statement.

28. Health Care Receivables

There has been no change since the 2016 Annual Statement.

29. Participating Policies

There has been no change since the 2016 Annual Statement.

30. Premium Deficiency Reserves

There has been no change since the 2016 Annual Statement.

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31. High Deductibles

There has been no change since the 2016 Annual Statement.

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

The net loss and LAE reserves of \$234,759,388 are discounted at a rate of 4.0%, the approximate taxable equivalent yield on the Company's investment portfolio, amounting to a total discount of \$62,088,390.

Nontabular Discount:	Case		IBNR	Defense & Cost Containment Expense	Adjusting & Other Expense	
Financial Guaranty	\$	62,088,390	\$	—	\$	—

33. Asbestos and Environmental Reserves

There has been no change since the 2016 Annual Statement.

34. Subscriber Savings Accounts

There has been no change since the 2016 Annual Statement.

35. Multiple Peril Crop Insurance

There has been no change since the 2016 Annual Statement.

36. Financial Guaranty Insurance

A. There has been no significant change since the 2016 Annual Statement.

B. Schedule of BIG insured financial obligations as of June 30, 2017:

	Surveillance Categories			
	BIG 1	BIG 2	BIG 3	Total
(Dollars in Thousands)				
1. Number of risks	133	49	121	303
2. Remaining weighted-average contract period (in yrs)	8.3	17.0	10.9	11.2
Insured contractual payments outstanding:				
3a. Principal	\$ 1,750,067	\$ 995,801	\$ 3,252,291	\$ 5,998,159
3b. Interest	540,746	560,598	1,179,563	2,280,907
3c. Total	\$ 2,290,813	\$ 1,556,399	\$ 4,431,854	\$ 8,279,066
4. Gross claim liability	\$ 34,269	\$ 126,658	\$ 1,083,852	\$ 1,244,779
Less:				
5a1. Gross potential recoveries - subrogation	305,923	32,723	316,843	655,489
5a2. Ceded claim liability	(27,324)	15,710	304,724	293,110
5a. Total gross potential recoveries	\$ 278,599	\$ 48,433	\$ 621,567	\$ 948,599
5b. Discount, net	(36,403)	25,355	73,136	62,088
6. Net claim liability	\$ (207,927)	\$ 52,870	\$ 389,149	\$ 234,092
7. Unearned premium revenue	\$ 15,527	\$ 17,241	\$ 24,144	\$ 56,912
8. Reinsurance recoverables	\$ (50)	\$ 26	\$ 5,882	\$ 5,858

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

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

Yes ☐ No ☒
- 2.2

If yes, date of change:
- 3.1

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

Yes ☒ No ☐
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☒ No ☐
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.
See Footnote 1
- 4.1

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

Yes ☐ No ☒
- 4.2

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

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

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☐ NA ☒
- If yes, attach an explanation.
- 6.1

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

12/31/2016
- 6.2

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

12/31/2011
- 6.3

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

06/21/2013
- 6.4

By what department or departments?

Maryland Insurance Administration
- 6.5

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

Yes ☐ No ☐ NA ☒
- 6.6

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

Yes ☒ No ☐ NA ☐
- 7.1

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

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 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 ☒
- 8.4

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

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

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(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.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
.....
- 9.2

Has the code of ethics for senior managers been amended?

Yes [X] No []
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
The Code of Conduct is revised annually to make ordinary course updates.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 9.31

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

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?.....

Yes [X] No []
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$131,277

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [] No [X]
- 11.2

If yes, give full and complete information relating thereto:
.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:\$
13.

Amount of real estate and mortgages held in short-term investments:\$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$345,010,817	\$176,643,092
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$345,010,817	\$176,643,092
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No []
- If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

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

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

\$0

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

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

1 Name of Custodian(s)	2 Custodian Address
Brown Brothers Harriman & Company.....	140 Broadway, NY NY 10005-1101.....
The Bank of New York Mellon.....	One Wall Street, New York, NY 10286.....
Wilmington Trust.....	1800 Washington Blvd, Baltimore, MD 21230.....
CACEIS Bank France.....	Code banque18129 - Siege social 1-3 place Valhubert 75103 PARIS.....

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

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

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

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

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

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

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

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107-105.....	Blackrock Financial Management Inc.....	549300LVXYIVJKE13M84.....	Securities and Exchange Commission.....	NO.....
105-900.....	New England Asset Managment Inc.....	KUR85E5PS4GQFZTFC130.....	Securities and Exchange Commission.....	NO.....
106-595.....	Wellington Management Company LLP.....	549300YHP12TEZNL CX41.....	Securities and Exchange Commission.....	NO.....
107-738.....	Goldman Sachs Asset Management, L.P.....	CF5M58QA35CFPUX70H17.....	Securities and Exchange Commission.....	NO.....

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

- 18.2 If no, list exceptions:
-

1. For interrogatory #3.3 -- The Company sold the following three alien insurance subsidiaries to its affiliate Assured Guaranty Municipal Corp. ("AGM"): Assured Guaranty (UK) plc, Assured Guaranty (London) plc and CIFG Europe S.A. Following such sale, AGM contributed such subsidiary to its direct, wholly owned subsidiary, Assured Guaranty (Europe) plc.

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
If yes, attach an explanation.

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

3.2 If yes, give full and complete information thereto.
.....

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

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
Financial Guaranty.....		4.000	62,088,390			62,088,390	(44,306,475)			(44,306,475)
TOTAL			62,088,390	0	0	62,088,390	(44,306,475)	0	0	(44,306,475)

5. Operating Percentages:
5.1 A&H loss percent %
5.2 A&H cost containment percent %
5.3 A&H expense percent excluding cost containment expenses..... %

6.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]
6.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$
6.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]
6.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$

SCHEDULE F - CEDED REINSURANCE

[illegible]

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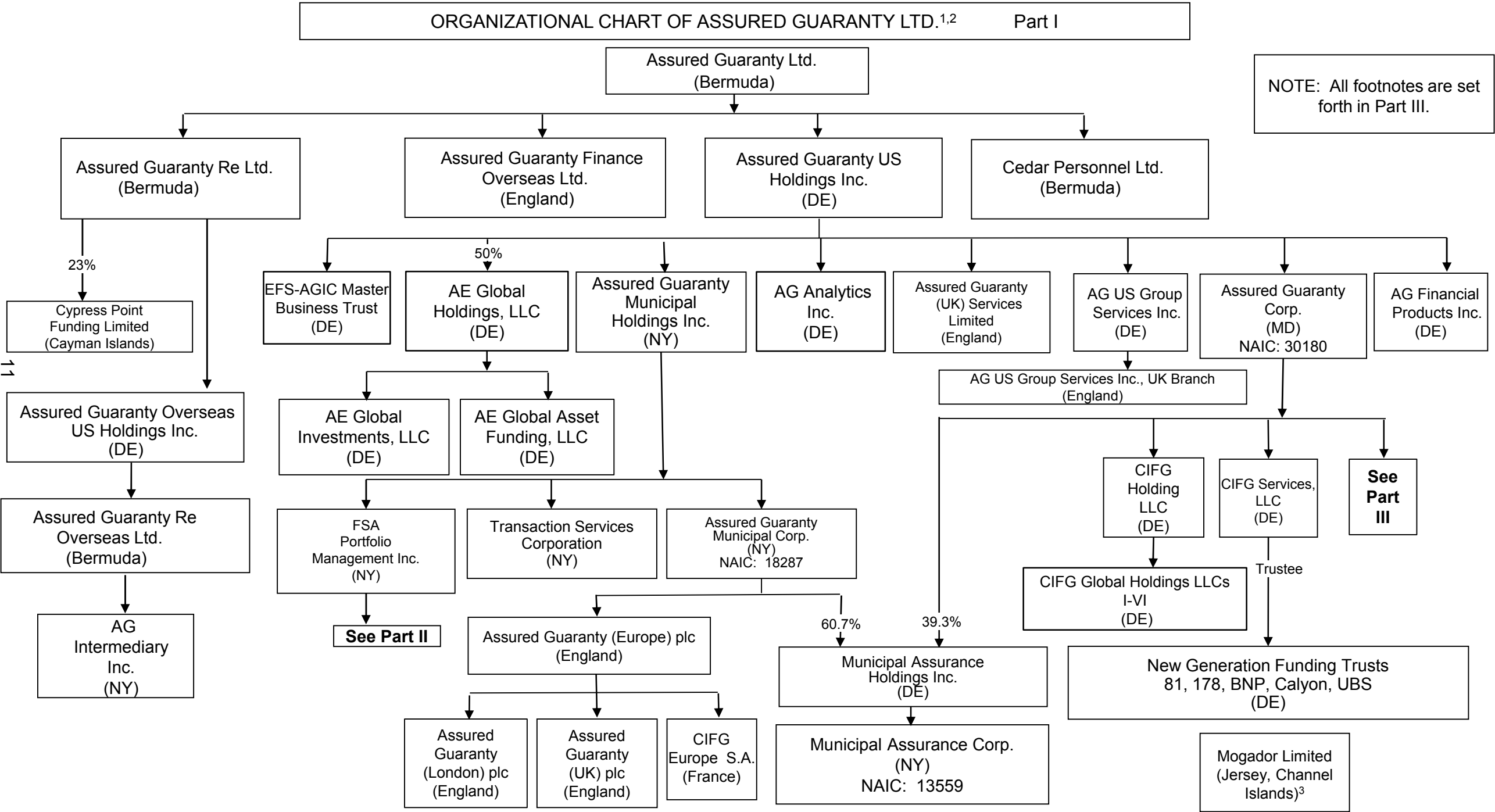
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date – Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL L		.0		.0		.0
2. Alaska	AK L	105,225	.0		.0		.0
3. Arizona	AZ L		.0		.0		.0
4. Arkansas	AR L	37,850	184,002	89,886	(2,062,356)	5,642,105	5,786,430
5. California	CA L	140,529	140,995	286,947	149,680	2,949,413	4,327,400
6. Colorado	CO L		.0		.0		.0
7. Connecticut	CT L		106,225		.0		.0
8. Delaware	DE L	2,960,920	4,030,543	(219,377)	(4,594,758)	8,388,220	8,303,407
9. Dist. Columbia	DC L		.0		.0		.0
10. Florida	FL L		.0	902,756	.0	6,257,106	1,362,953
11. Georgia	GA L		.0		.0		.0
12. Hawaii	HI L	101,634	.0		.0		.0
13. Idaho	ID L		.0		.0		.0
14. Illinois	IL L	64,489	253,306	(788,240)	100,160	3,104,347	764,164
15. Indiana	IN L		.0		.0		.0
16. Iowa	IA L		.0		.0		.0
17. Kansas	KS L		.0		.0		.0
18. Kentucky	KY L		.0		.0		6,340,968
19. Louisiana	LA L		.0		.0		.0
20. Maine	ME L	157,820	142,624		.0		.0
21. Maryland	MD L	522,886	597,719	306,659	4,140	508,160	574,434
22. Massachusetts	MA L	54,611	68,009	361,312	626,293	6,683,358	6,107,236
23. Michigan	MI L		.0	1,266,001	1,245,289	7,998,181	9,470,399
24. Minnesota	MN L	312,497	439,450		.0		.0
25. Mississippi	MS L		.0	899,918	1,028,426	11,823,603	2,701,187
26. Missouri	MO L	2,500,000	2,500,000		.0		.0
27. Montana	MT L		.0		.0		.0
28. Nebraska	NE L		809,740		.0		.0
29. Nevada	NV L		.0		.0		.0
30. New Hampshire	NH L		.0		.0		.0
31. New Jersey	NJ L	90,299	113,009	12,500	.0		.0
32. New Mexico	NM L		.0		.0		.0
33. New York	NY L	6,542,451	22,845,748	5,015,474	39,088,346	6,414,772	228,723,937
34. No. Carolina	NC L		.0		.0		.0
35. No. Dakota	ND L		.0		.0		.0
36. Ohio	OH L		.0		.0		.0
37. Oklahoma	OK L		.0		.0		.0
38. Oregon	OR L		.0		.0		.0
39. Pennsylvania	PA L		.0	102,887	.0	3,515,461	2,587,906
40. Rhode Island	RI L		.0		.0		.0
41. So. Carolina	SC L		.0		.0		.0
42. So. Dakota	SD L		.0		.0		.0
43. Tennessee	TN L		.0		.0		.0
44. Texas	TX L	44,206	90,609		.0		.0
45. Utah	UT L	27,283	27,573		.0		.0
46. Vermont	VT L	509,833	509,833		.0		.0
47. Virginia	VA L		.0		.0		.0
48. Washington	WA L		.0		.0		.0
49. West Virginia	WV L		.0		.0		150,000
50. Wisconsin	WI L		.0		.0		.0
51. Wyoming	WY L		.0		.0		.0
52. American Samoa	AS N		.0		.0		.0
53. Guam	GU N		.0		.0		.0
54. Puerto Rico	PR L		.0	1,621,556	.0	288,218,833	138,834,644
55. U.S. Virgin Islands	VI N		.0		.0		.0
56. Northern Mariana Islands	MP N		.0		.0		.0
57. Canada	CAN N		.0		.0		.0
58. Aggregate Other Alien	OT XXX	1,141,193	1,258,017	.0	.0	.0	.0
59. Totals	(a) 52	15,313,726	34,117,402	9,858,279	35,585,221	351,503,559	416,035,063
DETAILS OF WRITE-INS							
58001. CYM Cayman Islands	XXX	1,090,556	.0		.0		.0
58002. GBR United Kingdom	XXX	50,637	1,258,017		.0		.0
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX	.0	.0	.0	.0	.0	.0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	1,141,193	1,258,017	0	0	0	0

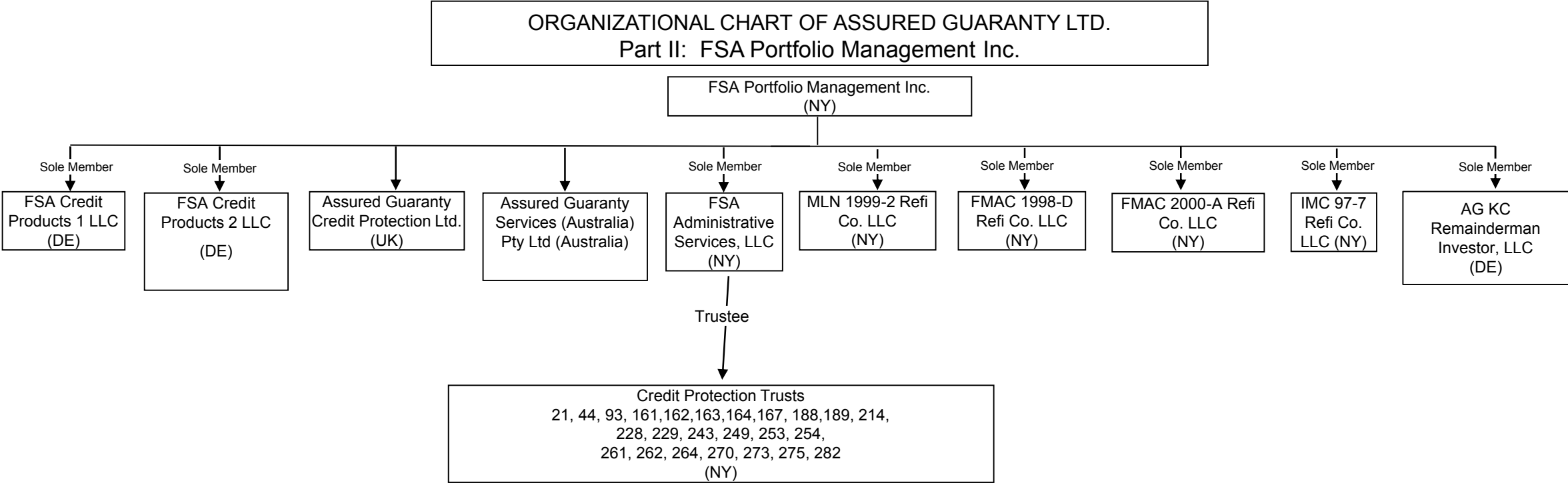
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state (other than their state of domicile – see DSLI); (D) DSLI – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write Surplus Lines in the state of domicile; (N) None of the above - Not allowed to write business in the state.

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

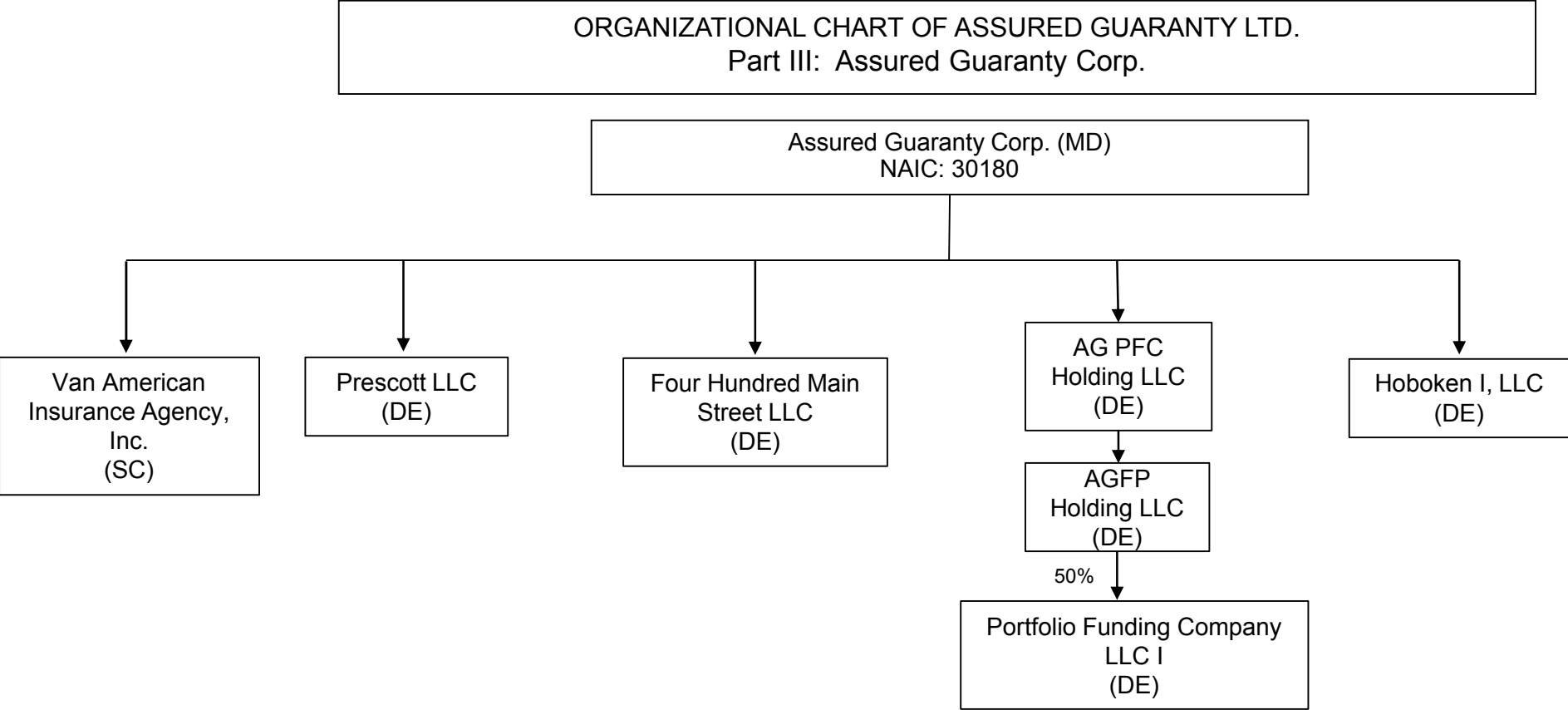
STATEMENT as of JUNE 30, 2017 of the ASSURED GUARANTY CORP.
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



STATEMENT as of JUNE 30, 2017 of the ASSURED GUARANTY CORP.
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



STATEMENT as of JUNE 30, 2017 of the ASSURED GUARANTY CORP.
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



Footnotes:

1. Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%. Percentages shown represent voting control, except that percentages in parentheses represent economic interest where voting control and economic interest are different.
2. All companies listed are corporations, except for (i) limited liability companies (designated as LLCs) , (ii) EFS-AGIC Master Business Trust and the New Generation Funding Trusts (which are Delaware trusts;) and (iii) the Credit Protection Trusts (which are New York trusts).
3. Mogador Limited is wholly owned by Sanne Nominees Limited and Sanne Nominees 2 Limited, which companies are organized under the laws of Jersey, Channel Islands and are not owned or controlled by Assured Guaranty Ltd. Mogador Limited is the depositor of the New Generation Funding Trusts and the seller of protection on derivatives guaranteed by CIFG Europe S.A.

STATEMENT AS OF JUNE 30, 2017 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	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00194	Assured Guaranty Ltd	00000	98-0429991		0001573813	NYSE	Assured Guaranty Ltd	BMU	UIP			0.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	20-1082002		0001289244		Assured Guaranty US Holdings Inc	DE	UDP	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	13-3261323		1111913357		Assured Guaranty Municipal Holdings Inc	NY	NIA	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	18287	13-3250292				Assured Guaranty Municipal Corp	NY	IA	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	13-3693815				FSA Portfolio Management Inc	NY	NIA	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	13-3866939				Transaction Services Corporation	NY	NIA	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	46-3047895				Municipal Assurance Holdings Inc	DE	DS	Assured Guaranty Municipal Corp	Ownership	60.7	Assured Guaranty Ltd	Y	(1)
00194	Assured Guaranty Ltd	00000	13-3896538				Assured Guaranty (Europe) plc	GBR	IA	Assured Guaranty Municipal Corp	Ownership	100.0	Assured Guaranty Ltd	Y	0
00194	Assured Guaranty Ltd	00000					Cypress Point Funding Ltd	CYM	NIA	Assured Guaranty Re Ltd	Ownership	23.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	98-0203985				Assured Guaranty Re Ltd	BMU	IA	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000					Assured Guaranty Finance Overseas Ltd	GBR	NIA	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000					Cedar Personnel Ltd	BMU	NIA	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	52-2221232				Assured Guaranty Overseas US Holdings Inc	DE	NIA	Assured Guaranty Re Ltd	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	98-0319240				Assured Guaranty Re Overseas Ltd	BMU	IA	Assured Guaranty Overseas US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	13-3339307				AG Intermediary Inc	NY	NIA	Assured Guaranty Re Overseas Ltd	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	13559	26-2999764				Municipal Assurance Corp	NY	DS	Municipal Assurance Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	27-1251323				AG Analytics Inc	DE	NIA	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000					Assured Guaranty (UK) Services Limited	GBR	NIA	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	30180	52-1533088				Assured Guaranty Corp	MD	RE	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	13-4031196				AG Financial Products Inc	DE	NIA	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000					Prescott LLC	DE	DS	Assured Guaranty Corp	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000	52-1533088				AG PFC Holding LLC	DE	DS	Assured Guaranty Corp	Ownership	100.0	Assured Guaranty Ltd	N	0
00194	Assured Guaranty Ltd	00000					Assured Guaranty (UK) plc	GBR	IA	Assured Guaranty (Europe) plc	Ownership	100.0	Assured Guaranty Ltd	Y	0

STATEMENT AS OF JUNE 30, 2017 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	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00194.....	Assured Guaranty Ltd.....	00000.....	27-3047677.....				AGFP Holding LLC.....	DE.....	DS.....	AG PFC Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					Portfolio Funding Company LLC 1.....	DE.....	DS.....	AGFP Holding LLC.....	Ownership.....	50.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Credit Products 1 LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Credit Products 2 LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					Assured Guaranty Credit Protection Ltd.....	GBR.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					Assured Guaranty Services (Australia) Pty Ltd.....	AUS.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Administrative Services, LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					MLN 1992-2 Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					FMAC 1998-D Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					FMAC 2000-A Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					IMC 97-7 Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					Credit Protection Trusts.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Other.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....	13-3333448.....				EFS-AGIC Master Business Trust.....	DE.....	NIA.....	Assured Guaranty US Holdings, Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....	36-4446928.....				AE Global Holdings, LLC.....	DE.....	NIA.....	Assured Guaranty US Holdings, Inc.....	Ownership.....	50.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					AE Global Investments, LLC.....	DE.....	NIA.....	AE Global Holdings, LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					AE Global Asset Funding, LLC.....	DE.....	NIA.....	AE Global Holdings, LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					Four Hundred Main Street, LLC.....	DE.....	DS.....	Assured Guaranty Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....	20-3759337.....				Van American Insurance Agency, Inc.....	SC.....	DS.....	Assured Guaranty Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					Hoboken I, LLC.....	DE.....	DS.....	Assured Guaranty Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....	13-4173364.....				CIFG Services, LLC.....	DE.....	DS.....	Assured Guaranty Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....	98-0647426.....				CIFG Europe S.A.....	FRA.....	IA.....	Assured Guaranty (Europe) plc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	Y.....	0
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Holding LLC.....	DE.....	DS.....	Assured Guaranty Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	0
00194.....	Assured Guaranty Ltd.....	00000.....	13-4173364.....				New Generation Funding Trusts.....	DE.....	NIA.....	CIFG Services, LLC.....	Other.....	100.0	Assured Guaranty Ltd.....	N.....	0

STATEMENT AS OF JUNE 30, 2017 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	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00194.....	Assured Guaranty Ltd.....	00000.....					Mogador Limited.....	JEY.....	OTH.....	Sanne Nominees Limited and Sanne Nominees 2 Limited.....	Ownership.....	100.0	Sanne Nominees Limited and Sanne Nominees 2 Limited.....	N.....	(2)
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings I, LLC.....	DE.....	DS.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings II, LLC.....	DE.....	DS.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings III, LLC.....	DE.....	DS.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings IV, LLC.....	DE.....	DS.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings V, LLC.....	DE.....	DS.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings VI, LLC.....	DE.....	DS.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....					Assured Guaranty (London) plc.....	GBR.....	IA.....	Assured Guaranty (Europe) plc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	Y.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....	30-0953494.....				AG US Group Services Inc.....	DE.....	NIA.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....					AG US Group Services Inc., UK Branch.....	GBR.....	NIA.....	AG US Group Services Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0
00194.....	Assured Guaranty Ltd.....	00000.....					AG KC Remainderman Investor, LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	.0

Asterisk	Explanation
	(1) The remaining 39.3% of Municipal Assurance Holdings Inc. is directly owned by Assured Guaranty Corp.....
	(2) Mogador Limited is wholly owned by Sanne Nominees Limited and Sanne Nominees 2 Limited, which companies are organized under the laws of Jersey, Channel Islands and are not owned or controlled by Assured Guaranty Ltd. Mogador Limited is the depositor of the New Generation Funding Trusts and the seller of protection on derivatives guaranteed by CIFG Europe S.A.....

PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire			0.0	0.0
2.	Allied lines			0.0	0.0
3.	Farmowners multiple peril			0.0	0.0
4.	Homeowners multiple peril			0.0	0.0
5.	Commercial multiple peril			0.0	0.0
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine			0.0	0.0
10.	Financial guaranty	88,394,590	115,952,221	131.2	25.2
11.1	Medical professional liability -occurrence			0.0	0.0
11.2	Medical professional liability -claims made			0.0	0.0
12.	Earthquake			0.0	0.0
13.	Group accident and health			0.0	0.0
14.	Credit accident and health			0.0	0.0
15.	Other accident and health			0.0	0.0
16.	Workers' compensation			0.0	0.0
17.1	Other liability occurrence			0.0	0.0
17.2	Other liability-claims made			0.0	0.0
17.3	Excess Workers' Compensation			0.0	0.0
18.1	Products liability-occurrence			0.0	0.0
18.2	Products liability-claims made			0.0	0.0
19.1,19.2	Private passenger auto liability			0.0	0.0
19.3,19.4	Commercial auto liability			0.0	0.0
21.	Auto physical damage			0.0	0.0
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft			0.0	0.0
27.	Boiler and machinery			0.0	0.0
28.	Credit			0.0	0.0
29.	International			0.0	0.0
30.	Warranty			0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	88,394,590	115,952,221	131.2	25.2
DETAILS OF WRITE-INS					
3401.	.....			0.0	0.0
3402.	.....			
3403.	.....			
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0		0
2.	Allied lines	0		0
3.	Farmowners multiple peril	0		0
4.	Homeowners multiple peril	0		0
5.	Commercial multiple peril	0		0
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	0		0
10.	Financial guaranty	7,231,500	15,313,726	34,117,402
11.1	Medical professional liability-occurrence	0		0
11.2	Medical professional liability-claims made	0		0
12.	Earthquake	0		0
13.	Group accident and health	0		0
14.	Credit accident and health	0		0
15.	Other accident and health	0		0
16.	Workers' compensation	0		0
17.1	Other liability occurrence	0		0
17.2	Other liability-claims made	0		0
17.3	Excess Workers' Compensation	0		0
18.1	Products liability-occurrence	0		0
18.2	Products liability-claims made	0		0
19.1,19.2	Private passenger auto liability	0		0
19.3,19.4	Commercial auto liability	0		0
21.	Auto physical damage	0		0
22.	Aircraft (all perils)	0		0
23.	Fidelity	0		0
24.	Surety	0		0
26.	Burglary and theft	0		0
27.	Boiler and machinery	0		0
28.	Credit	0		0
29.	International	0		0
30.	Warranty	0		0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	TOTALS	7,231,500	15,313,726	34,117,402
DETAILS OF WRITE-INS				
3401.	.....	0		0
3402.	.....		
3403.	.....		
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2017 Loss and LAE Payments on Claims Reported as of Prior Year-End	2017 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2017 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2014 + Prior	102,465	300	102,765	28,922		28,922	201,844		150	201,994	128,301	(150)	128,151
2. 2015	23,128		23,128	2,352		2,352	32,726			32,726	11,950	.0	11,950
3. Subtotals 2015 + prior	125,593	300	125,893	31,273	.0	31,273	234,570	.0	150	234,720	140,251	(150)	140,101
4. 2016	2,167		2,167	9,707		9,707	37			37	7,577	.0	7,577
5. Subtotals 2016 + prior	127,760	300	128,060	40,981	.0	40,981	234,607	.0	150	234,757	147,828	(150)	147,678
6. 2017	XXX	XXX	XXX	XXX	.0	.0	XXX	.3		.3	XXX	XXX	XXX
7. Totals	127,760	300	128,060	40,981	0	40,981	234,607	3	150	234,759	147,828	(150)	147,678
8. Prior Year-End Surplus As Regards Policy-holders	1,895,577										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 115.7	2. (50.0)	3. 115.3
											Col. 13, Line 7 Line 8		
											4. 7.8		

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

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

Explanation:

- 1.
- 2.
- 3.
- 4.

Bar Code:

1.




301802017490000002

2.



301802017455000002

3.



301802017365000002

4.



301802017505000002

OVERFLOW PAGE FOR WRITE-INS

PQ002 Additional Aggregate Lines for Page 02 Line 25.
*ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
2504. Supplemental Executive Retirement Fund.....			0	13,297,592
2505. COLI Assets.....			0	27,546,919
2506.			0	
2507.			0	
2597. Summary of remaining write-ins for Line 25 from Page 02	0	0	0	40,844,511

PQ003 Additional Aggregate Lines for Page 03 Line 25.
*LIAB

	1	2
	Current Statement Date	December 31, Prior Year
2504. Miscellaneous Liability.....	15,518,263	16,499,465
2505.		
2506.		
2507.		
2508.		
2597. Summary of remaining write-ins for Line 25 from Page 03	15,518,263	16,499,465

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	30,248,329	32,029,255
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		.0
2.2 Additional investment made after acquisition	59,312	15,276
3. Current year change in encumbrances .....		.0
4. Total gain (loss) on disposals .....		.0
5. Deduct amounts received on disposals .....		.0
6. Total foreign exchange change in book/adjusted carrying value .....		.0
7. Deduct current year's other-than-temporary impairment recognized .....		.0
8. Deduct current year's depreciation	898,424	1,796,202
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	29,409,217	30,248,329
10. Deduct total nonadmitted amounts	2,070,702	2,131,414
11. Statement value at end of current period (Line 9 minus Line 10)	27,338,515	28,116,915

SCHEDULE B – VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	4,981,678	2,837,677
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		2,000,000
2.2 Additional investment made after acquisition .....		.0
3. Capitalized deferred interest and other .....		.0
4. Accrual of discount .....		.0
5. Unrealized valuation increase (decrease)	(164,401)	498,381
6. Total gain (loss) on disposals .....		.0
7. Deduct amounts received on disposals	1,499,342	354,380
8. Deduct amortization of premium and depreciation .....		.0
9. Total foreign exchange change in book/adjusted carrying value .....		.0
10. Deduct current year's other-than-temporary impairment recognized .....		.0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	3,317,935	4,981,678
12. Deduct total nonadmitted amounts .....	.0	.0
13. Statement value at end of current period (Line 11 minus Line 12)	3,317,935	4,981,678

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	2,850,765,066	3,404,969,401
2. Cost of bonds and stocks acquired	874,226,507	531,587,590
3. Accrual of discount	38,333,099	48,047,430
4. Unrealized valuation increase (decrease)	5,065,710	48,135,783
5. Total gain (loss) on disposals	(33,826,550)	25,110,953
6. Deduct consideration for bonds and stocks disposed of	1,027,241,884	1,181,599,868
7. Deduct amortization of premium	9,210,463	17,227,479
8. Total foreign exchange change in book/adjusted carrying value .....		.0
9. Deduct current year's other-than-temporary impairment recognized	3,008,604	8,258,744
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	2,695,102,881	2,850,765,066
11. Deduct total nonadmitted amounts	(7,353,754)	(8,729,702)
12. Statement value at end of current period (Line 10 minus Line 11)	2,702,456,635	2,859,494,768

STATEMENT AS OF JUNE 30, 2017 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	2,144,638,019	359,322,909	143,241,856	(4,507,783)	2,144,638,019	2,356,211,289	0	2,328,204,390
2. NAIC 2 (a).....	35,374,573	21,114,000	6,246,025	(78,737)	35,374,573	50,163,811	0	62,998,774
3. NAIC 3 (a).....	81,918		4,314	(64,961)	81,918	12,643	0	1,347,054
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	41,090			(4,347)	41,090	36,743	0	11,069
6. NAIC 6 (a).....	175,075,952		631,563	4,733,114	175,075,952	179,177,503	0	173,135,282
7. Total Bonds	2,355,211,552	380,436,909	150,123,758	77,286	2,355,211,552	2,585,601,989	0	2,565,696,569
PREFERRED STOCK								
8. NAIC 1	0				0	0	0	0
9. NAIC 2	0				0	0	0	0
10. NAIC 3	0				0	0	0	0
11. NAIC 4	0				0	0	0	0
12. NAIC 5	0				0	0	0	0
13. NAIC 6	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	2,355,211,552	380,436,909	150,123,758	77,286	2,355,211,552	2,585,601,989	0	2,565,696,569

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$41,040,083 ; NAIC 2 \$;

NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1
Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	2,359,078	XXX	2,359,078	5,981	2,898

SCHEDULE DA - VERIFICATION
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	958,627	13,879,241
2. Cost of short-term investments acquired	3,036,400	118,303,272
3. Accrual of discount	2,462	163,477
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		1,584
6. Deduct consideration received on disposals	1,637,579	131,388,947
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other-than-temporary impairment recognized.....	832	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	2,359,078	958,627
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	2,359,078	958,627

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards	
1. Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year)	4,254,058
2. Cost Paid/(Consideration Received) on additions	
3. Unrealized Valuation increase/(decrease)	14,433,442
4. Total gain (loss) on termination recognized	(18,250,000)
5. Considerations received/(paid) on terminations	437,500
6. Amortization	
7. Adjustment to the Book/Adjusted Carrying Value of hedged item	
8. Total foreign exchange change in Book/Adjusted Carrying Value	
9. Book/Adjusted Carrying Value at End of Current Period (Lines 1+2+3+4-5+6+7+8)	0
10. Deduct nonadmitted assets	
11. Statement value at end of current period (Line 9 minus Line 10)	0

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts	
1. Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year)	0
2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote – Cumulative Cash Change column)	0
3.1 Add:	
Change in variation margin on open contracts – Highly Effective Hedges	
3.11 Section 1, Column 15, current year to date minus	0
3.12 Section 1, Column 15, prior year	0
Change in variation margin on open contracts – All Other	
3.13 Section 1, Column 18, current year to date minus	0
3.14 Section 1, Column 18, prior year	0
3.2 Add:	
Change in adjustment to basis of hedged item	
3.21 Section 1, Column 17, current year to date minus	0
3.22 Section 1, Column 17, prior year	0
Change in amount recognized	
3.23 Section 1, Column 19, current year to date minus	0
3.24 Section 1, Column 19, prior year	0
3.3 Subtotal (Line 3.1 minus Line 3.2)	0
4.1 Cumulative variation margin on terminated contracts during the year	
4.2 Less:	
4.21 Amount used to adjust basis of hedged item	
4.22 Amount recognized	0
4.3 Subtotal (Line 4.1 minus Line 4.2)	0
5. Dispositions gains (losses) on contracts terminated in prior year:	
5.1 Total gain (loss) recognized for terminations in prior year	
5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year	
6. Book/Adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2)	0
7. Deduct total nonadmitted amounts	
8. Statement value at end of current period (Line 6 minus Line 7)	0

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E - VERIFICATION
(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	60,743,014	65,396,475
2. Cost of cash equivalents acquired	155,593,035	331,013,375
3. Accrual of discount	43,076	29,416
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals.....	13	1,939
6. Deduct consideration received on disposals	151,596,016	335,695,217
7. Deduct amortization of premium		2,974
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	64,783,122	60,743,014
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	64,783,122	60,743,014

EO1

NONE

[illegible]

NONE

[illegible]

E02

NONE

[illegible]

NONE

[illegible]

STATEMENT AS OF JUNE 30, 2017 OF THE ASSURED GUARANTY CORP.

SCHEDULE BA - PART 2

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

[illegible]

SCHEDULE BA - PART 3

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

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/ Adjusted Carrying Value Less Encumbrances Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
Joint Venture, Partnership or Limited Liability Company Interests that have the Underlying Characteristics - Fixed Income Instruments Unaffiliated																			
000000-00-0	R3 (S) LP Special Class	Wilmington	DE	Capital Withdrawal	10/01/2014	05/25/2017	6,022					0		6,022	6,022			0	
1399999 - Joint Venture, Partnership or Limited Liability Company Interests that have the Underlying Characteristics - Fixed Income Instruments Unaffiliated								6,022	0	0	0	0	0	6,022	6,022	0	0	0	0
4499999 - Subtotals - Unaffiliated								6,022	0	0	0	0	0	6,022	6,022	0	0	0	0
4599999 - Subtotals - Affiliated								0	0	0	0	0	0	0	0	0	0	0	0
4699999 Totals								6,022	0	0	0	0	0	6,022	6,022	0	0	0	0

STATEMENT AS OF JUNE 30, 2017 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator ^(a)
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
151365-LY-7	CENTENNIAL PA SCH DIST BUCKS		04/13/2017	PNC SECURITIES INC		2,435,352	2,020,000		1FE
151365-LZ-4	CENTENNIAL PA SCH DIST BUCKS		04/13/2017	PNC SECURITIES INC		1,334,688	1,115,000		1FE
180848-SB-0	CLARK CNTY NV		04/11/2017	JEFFERIES		1,995,495	1,675,000	38,618	1FE
591852-A8-1	METROPOLITAN COUNCIL MINN		06/08/2017	RBC CAPITAL MARKETS		2,820,577	2,255,000	31,946	1FE
59333R-HQ-0	MIAMI DADE CNTY FL SCHOOL DIST		04/18/2017	FIRST TENNESSEE		1,818,825	1,500,000		1FE
795676-UF-0	SALT LAKE CNTY UTAH		06/08/2017	PIPER JAFFRAY INC		4,555,358	3,525,000		1FE
971039-QQ-8	WILLOUGHBY-EASTLAKE OH CITY SCHOOL		04/11/2017	FIFTH THIRD SECURITIES		881,873	750,000	14,167	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						15,842,168	12,840,000	84,731	XXX
Bonds - U.S. Special Revenue									
010268-BS-8	ALABAMA FED AID HWY FIN AUTH REV		06/21/2017	CITIGROUP GLOBAL MARKETS		1,335,686	1,100,000		1FE
13077D-AS-1	CALIFORNIA ST UNIV REV		04/19/2017	CITIGROUP GLOBAL MARKETS		7,779,460	6,500,000	40,625	1FE
161036-PA-0	CHARLOTTE DOUGLAS INTERNATIONAL AI		05/19/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH		1,317,913	1,250,000		1FE
161036-NZ-7	CHARLOTTE DOUGLAS INTL ARPRT REV		05/19/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH		1,321,200	1,250,000		1FE
161036-PB-8	CHARLOTTE DOUGLAS INTL ARPT REV		05/19/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH		1,366,079	1,300,000		1FE
19645R-SZ-0	COLORADO EDU & CULTURAL FACS REV		05/19/2017	RBC CAPITAL MARKETS		1,046,560	1,000,000		1FE
19645R-6A-4	COLORADO EDUCATIONAL & CULTURAL FA		05/19/2017	RBC CAPITAL MARKETS		1,043,210	1,000,000		1FE
544445-AQ-2	LOS ANGELES CA DEPT OF ARPTS		04/10/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH		1,297,958	1,125,000	23,125	1FE
574204-F7-3	MARYLAND ST DEPT TRANS CONSOL		06/08/2017	BARCLAYS CAPITAL		5,545,031	4,430,000	19,689	1FE
592646-6R-9	MET WASHINGTON DC ARPTS AUTH REV		04/11/2017	PIPER JAFFRAY INC		1,163,160	1,000,000	2,222	1FE
64972G-NC-4	NEW YORK N Y CITY MUN WTR		06/08/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH		2,624,732	2,230,000	38,406	1FE
646136-TF-8	NJ ST TRANSPORT TRUST FUND AUTH		06/29/2017	THE MUNICENTER		7,750	10,000		1FE
646136-TG-6	NJ ST TRANSPORT TRUST FUND AUTH		06/28/2017	THE MUNICENTER		18,647	25,000		1FE
677581-GK-0	Ohio State Infrastructure Revenue		04/13/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH		3,914,040	3,250,000	55,972	1FE
73358W-J4-7	PORT AUTH OF NY & NJ AMT CONSOL		04/27/2017	WELLS FARGO BROKER SERVICES LLC		1,591,092	1,330,000		1FE
795600-CY-2	Salt Lake City UT Sales Tax RE		06/23/2017	WELLS FARGO BROKER SERVICES LLC		547,223	450,000		1FE
795600-CZ-9	Salt Lake City UT Sales Tax RE		06/23/2017	WELLS FARGO BROKER SERVICES LLC		483,768	400,000		1FE
795600-DA-3	Salt Lake City UT Sales Tax RE		06/23/2017	WELLS FARGO BROKER SERVICES LLC		1,125,525	935,000		1FE
93978H-SC-0	WASHINGTON HEALTH CARE FAC AUTH		06/13/2017	JP MORGAN SECURITIES		5,160,131	4,450,000	43,264	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						38,689,165	33,035,000	223,303	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
06051G-GK-9	Bank of America Corp		04/19/2017	BANK OF AMERICA SECURITIES LLC		7,200,000	7,200,000		2FE
172967-KY-6	CITIGROUP INC		06/21/2017	CITIGROUP GLOBAL MARKETS		3,914,000	4,000,000	23,111	2FE
33830J-AA-3	FIVE GUYS FUNDING LLC		05/24/2017	GUGGENHEIM CAPITAL MARKETS		10,000,000	10,000,000		2FE
686337-AA-4	ORKN 2005 - 2A A1		06/26/2017	ASSURED GUARANTY MUNICIPAL CORP		252,438,525	395,481,422	706,879	1AM
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						273,552,525	416,681,422	729,990	XXX
8399997 - Subtotals - Bonds - Part 3						328,083,858	462,556,422	1,038,024	XXX
8399999 - Subtotals - Bonds						328,083,858	462,556,422	1,038,024	XXX
9999999 Totals						328,083,858	XXX	1,038,024	XXX

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

STATEMENT AS OF JUNE 30, 2017 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identifi- cation	Description	F o r 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's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Dividends Received During Year	Contractual Maturity Date	NAIC Designa- tion or Market Indicator (a)	
Bonds - U.S. Governments																						
36202F-SE-7	G2 5017		06/20/2017	PRINCIPAL RECEIPT		211,228	211,228	234,727	236,599		(25,371)		(25,371)		211,228			.0	3,753	04/20/2041	1	
3620AC-5Y-6	GNMA 30 YR		06/15/2017	PRINCIPAL RECEIPT		66,323	66,323	68,999	68,999				.0		68,999		(2,676)	(2,676)	.962	10/15/2039	1	
36295N-NT-0	GNMA PASST 675502		06/15/2017	PRINCIPAL RECEIPT		2,311	2,311	2,411	2,407		(96)		(96)		2,311			.0	35	06/15/2023	1	
3620A5-MN-6	GNMA PASST 719565		06/15/2017	PRINCIPAL RECEIPT		9,578	9,578	9,937	9,925		(346)		(346)		9,578			.0	171	09/15/2024	1	
36202E-02-8	GNMA PASSTHRU 004073		06/20/2017	PRINCIPAL RECEIPT		3,518	3,518	3,858	3,853		(335)		(335)		3,518			.0	85	01/20/2038	1	
36202E-RE-1	GNMA PASSTHRU 004085		06/20/2017	PRINCIPAL RECEIPT		5,929	5,929	6,501	6,509		(580)		(580)		5,929			.0	129	02/20/2038	1	
36202E-TA-7	GNMA PASSTHRU 004145		06/20/2017	PRINCIPAL RECEIPT		3,716	3,716	4,075	4,082		(366)		(366)		3,716			.0	89	05/20/2038	1	
36202E-WE-5	GNMA PASSTHRU 004245		06/20/2017	PRINCIPAL RECEIPT		3,280	3,280	3,595	3,607		(327)		(327)		3,280			.0	77	09/20/2038	1	
36295B-5R-0	GNMA PASSTHRU 666056		06/15/2017	PRINCIPAL RECEIPT		4,673	4,673	4,970	4,957		(284)		(284)		4,673			.0	71	03/15/2023	1	
36296A-WC-4	GNMA PASSTHRU 685643		06/15/2017	PRINCIPAL RECEIPT		5,599	5,599	5,854	5,838		(240)		(240)		5,599			.0	92	04/15/2023	1	
36296F-JW-4	GNMA PASSTHRU 689777		06/15/2017	PRINCIPAL RECEIPT		755	755	784	783		(28)		(28)		755			.0	12	07/15/2023	1	
36296J-M3-6	GNMA PASSTHRU 692578		06/15/2017	PRINCIPAL RECEIPT		706	706	769	766		(61)		(61)		706			.0	15	05/15/2039	1	
36296K-P4-8	GNMA PASSTHRU 693543		06/15/2017	PRINCIPAL RECEIPT		15,521	15,521	16,191	16,163		(642)		(642)		15,521			.0	286	07/15/2023	1	
36296N-ZS-8	GNMA PASSTHRU 696553		06/15/2017	PRINCIPAL RECEIPT		189	189	196	196		(6)		(6)		189			.0	3	08/15/2023	1	
36296U-ZS-2	GNMA PASSTHRU 701953		06/15/2017	PRINCIPAL RECEIPT		349	349	363	363		(14)		(14)		349			.0	5	06/15/2024	1	
36296X-X9-0	GNMA PASSTHRU 704604		06/15/2017	PRINCIPAL RECEIPT		4,616	4,616	4,787	4,782		(167)		(167)		4,616			.0	68	07/15/2024	1	
3620A2-EJ-1	GNMA PASSTHRU 716637		06/15/2017	PRINCIPAL RECEIPT		22,256	22,256	22,871	22,848		(593)		(593)		22,256			.0	402	08/15/2024	1	
3620A3-SN-5	GNMA PASSTHRU 717925		06/15/2017	PRINCIPAL RECEIPT		3,591	3,591	3,591	3,591		.0		.0		3,591			.0	60	09/15/2024	1	
3620A3-XL-3	GNMA PASSTHRU 718083		06/15/2017	PRINCIPAL RECEIPT		9,777	9,777	10,010	10,002		(224)		(224)		9,777			.0	159	12/15/2024	1	
3620A4-WJ-7	GNMA PASSTHRU 718949		06/15/2017	PRINCIPAL RECEIPT		4,571	4,571	4,733	4,727		(156)		(156)		4,571			.0	69	10/15/2024	1	
3620AA-R6-7	GNMA PASSTHRU 724209		06/15/2017	PRINCIPAL RECEIPT		2,274	2,274	2,348	2,347		(72)		(72)		2,274			.0	37	08/15/2024	1	
3620AC-U9-3	GNMA PASSTHRU 726108		06/15/2017	PRINCIPAL RECEIPT		10,588	10,588	10,911	10,900		(312)		(312)		10,588			.0	199	12/15/2024	1	
3620AC-2Q-6	GNMA PASSTHRU 726283		06/15/2017	PRINCIPAL RECEIPT		2,117	2,117	2,223	2,220		(103)		(103)		2,117			.0	29	09/15/2024	1	
3620AD-AL-6	GNMA PASSTHRU 726411		06/15/2017	PRINCIPAL RECEIPT		5,096	5,096	5,245	5,245		(149)		(149)		5,096			.0	88	10/15/2024	1	
3620AF-Y3-5	GNMA PASSTHRU 728930		06/15/2017	PRINCIPAL RECEIPT		3,621	3,621	3,721	3,721		(100)		(100)		3,621			.0	65	12/15/2024	1	
36179M-E4-8	GNMA PASSTHRU MA0155		06/20/2017	PRINCIPAL RECEIPT		440,386	440,386	484,992	464,352		(23,966)		(23,966)		440,386			.0	6,926	06/20/2042	1	
912828-HH-6	US TREASURY		05/31/2017	VARIOUS		2,877,192	2,835,000	2,883,990	2,844,338		(4,373)		(4,373)		2,839,964		37,228	37,228	116,300	11/15/2017	1	
0599999 - Bonds - U.S. Governments						3,719,760		3,677,568	3,802,652	3,744,120	0	(58,911)	0	(58,911)	0	3,685,208	0	34,552	34,552	130,187	XXX	XXX
Bonds - U.S. States, Territories and Possessions																						
452151-LD-3	ILLINOIS ST		06/01/2017	Sink PMT @ 100.0000000		666,667	666,667	621,527	661,653		5,013		5,013		666,667			.0	14,500	06/01/2018	2FE	
882723-JT-7	TEXAS ST PREREFUNDED-TRANSPTRN COM		04/01/2017	CALLED @ 100.0000000		565,000	565,000	576,387	565,462		(462)		(462)		565,000			.0	14,125	04/01/2037	1FE	
882723-KM-0	TEXAS ST UNREFUNDED-TRANSPTRN COMM		04/01/2017	CALLED @ 100.0000000		9,640,000	9,640,000	9,712,952	9,643,228		(3,228)		(3,228)		9,640,000			.0	241,000	04/01/2037	1FE	
1799999 - Bonds - U.S. States, Territories and Possessions						10,871,667		10,871,667	10,910,866	10,870,343	0	1,323	0	1,323	0	10,871,667	0	0	0	269,625	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																						
022447-G6-7	ALVIN TX INDEPENDENT SCHOOL DIST		05/17/2017	LOOP CAPITAL MARKETS, LLC		4,237,649	3,525,000	4,450,736	4,414,563		(33,760)		(33,760)		4,380,803		(143,153)	(143,153)	135,615	02/15/2029	1FE	
220147-2T-8	CORPUS CHRISTI TEX INDPT SCH DIST		05/17/2017	UMB BANK NA		1,805,295	1,500,000	1,884,165	1,868,094		(14,894)		(14,894)		1,853,200		(47,905)	(47,905)	54,583	08/15/2028	1FE	
59333M-RV-9	MIAMI-DADE CNTY FLA SCH BRD CT COP		05/01/2017	CALLED @ 100.0000000		5,000,000	5,000,000	5,020,451	5,010,997		(10,997)		(10,997)		5,000,000			.0	125,000	05/01/2025	1FE	
59333M-RY-3	MIAMI-DADE CNTY FLA SCH BRD CTFS		05/01/2017	CALLED @ 100.0000000		2,250,000	2,250,000	2,262,340	2,262,150		(12,150)		(12,150)		2,250,000			.0	56,250	05/01/2032	1FE	
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						13,292,944		12,275,000	13,617,692	13,555,804	0	(71,801)	0	(71,801)	0	13,484,003	0	(191,058)	(191,058)	371,448	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																						
047856-EX-3	ATLANTA GA URBAN RESIDENTIAL		06/01/2017	CALLED @ 100.0000000		55,000	55,000	57,695	55,340		(167)		(167)		55,173		(173)	(173)	1,126	03/01/2041	1FE	
313560-ZG-1	FANNIE MAE		05/17/2017	NOMURA SECURITIES INT'L INC		12,099,852	12,000,000	11,939,089	11,966,901		4,537		4,537		11,971,437		128,415	128,415	143,500	09/12/2019	1	
3138WH-SW-3	FEDERAL NATIONAL MTG ASSOC #AS7732		06/25/2017	PRINCIPAL RECEIPT		359,191	359,191	374,522	374,023		(14,833)		(14,833)		359,191			.0	4,261	08/01/2041	1	
31398A-DM-1	FEDERAL NATL MTG ASSN		06/12/2017	MATURITY		15,000,000	15,000,000	15,361,720	15,053,165		(53,165)		(53,165)		15,000,000			.0	403,125	06/12/2017	1	
3128MC-KA-2	FGLMC 15 YR		06/15/2017	PRINCIPAL RECEIPT		56,532	56,532	59,124	58,630		(2,098)		(2,098)		56,532			.0	1,079	10/01/2024	1	
312964-B3-2	FGLMC 15 YR		06/15/2017	PRINCIPAL RECEIPT		18,465	18,465	19,746	18,883		(419)		(419)		18,465			.0	313	01/01/2019	1	
31306X-QS-5	FGLMC 15 YR		06/15/2017	PRINCIPAL RECEIPT		149,955	149,955	157,359	155,962					155,962		(6,007)	(6,007)	1,463	09/01/2027	1		
31320P-X5-8	FHLMC GOLD 30YR		06/15/2017	PRINCIPAL RECEIPT		180,867	180,867	180,714	180,712		155		155		180,867			.0	2,058	05/01/2045	1	
31320P-X8-2	FHLMC GOLD 30YR		06/15/2017	PRINCIPAL RECEIPT		17,840	17,840	17,810	17,809		30		30		17,840			.0	176	05/01/2045	1	
31320P-Y5-7	FHLMC GOLD 30YR		06/15/2017	PRINCIPAL RECEIPT		211,083	211,083	219,263	219,194		(8,110)		(8,110)		211,083			.0	2,988	05/01/2045	1	
3137B4-WA-0	FHLMC REMIC SERIES K-033		06/25/2017	PRINCIPAL RECEIPT		150,010	150,010	153,009	151,943		.0		.0		151,943		(1,934)	(1,934)	1,685	02/25/2023	1	
3128WJ-YY-0	FHLMG #G08726		06/15/2017	PRINCIPAL RECEIPT		34,460	34,460	35,839	35,807		(1,347)		(1,347)		34,460			.0	379	10/11/2046	1	
3138EH-R6-1	FNMA 15 YR		06/25/2017	PRINCIPAL RECEIPT		115,455	115,455	120,447	120,447		(4,992)		(4,992)		115,455							

STATEMENT AS OF JUNE 30, 2017 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	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's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
59447P-4F-5..	MICHIGAN FIN AUTH REV 5.0 01APR17..		..04/01/2017..	MATURITY.....		..76,080	..76,080	..82,876	..76,825	.....	..(745)		..(745)		..76,080			..0	..1,902	..04/01/2017..	..1FE....
59447P-4V-0..	MICHIGAN FIN AUTH REV 5.0 01APR17..		..04/01/2017..	MATURITY.....		..85,920	..85,920	..93,595	..86,761	.....	..(841)		..(841)		..85,920			..0	..2,148	..04/01/2017..	..1FE....
60636X-8E-6..	MO HSG SF PAC.....		..06/01/2017..	CALLED @ 100.0000000..		..100,000	..100,000	..107,705	..100,000	.....			..0		..100,000			..0	..855	..11/01/2027..	..1FE....
60535G-AX-0..	MS HSG PAC.....		..06/01/2017..	CALLED @ 100.0000000..		..90,000	..90,000	..96,934	..92,848	.....	..(278)		..(278)		..92,570		..(2,570)	..(2,570)	..240	..12/01/2031..	..1FE....
64972G-NX-8..	NEW YORK NY CITY MUN WTR REFUNDED.....		..06/15/2017..	CALLED @ 100.0000000..		..285,000	..285,000	..292,211	..285,570	.....	..(570)		..(570)		..285,000			..0	..7,125	..06/15/2038..	..1FE....
64972G-NY-6..	NEW YORK NY CITY MUN WTR UNREFUND.....		..06/15/2017..	CALLED @ 100.0000000..		..2,485,000	..2,485,000	..2,547,876	..2,489,968	.....	..(1,519)		..(1,519)		..2,488,449		..(3,449)	..(3,449)	..62,125	..06/15/2038..	..1FE....
682001-FA-5..	OMAHA PUB PWR DIST NEB ELEC REV.....		..05/17/2017..	WILLIAM BLAIR & CO.LLC..		..3,622,890	..3,000,000	..3,793,950	..3,762,519	.....	..(29,106)		..(29,106)		..3,733,413		..(110,523)	..(110,523)	..111,667	..02/01/2029..	..1FE....
87638T-FE-8..	TARRANT CNTY TEX CULTURAL ED FACS.....		..05/17/2017..	U.S. BANCORP INVESTMENTS INC.....		..2,137,380	..1,750,000	..2,197,633	..2,187,328	.....	..(16,578)		..(16,578)		..2,170,750		..(33,370)	..(33,370)	..44,722	..02/15/2026..	..1FE....
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						37,383,335	36,273,213	37,963,779	37,544,126	0	(131,181)	0	(131,181)	0	37,412,945	0	(29,611)	(29,611)	795,526	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
01449C-AB-6..	ALESCO PREF FDG VIII.....	D..	..06/23/2017..	PRINCIPAL RECEIPT.....		..559	..559	..314	..328		..231		..231		..559			..0	..4	..12/23/2035..	..2FE....
01450D-AB-0..	ALESCO PREF FDG XII.....	D..	..04/16/2017..	PRINCIPAL RECEIPT.....		..1,251	..1,251	..702	..752		..499		..499		..1,251			..0	..8	..07/15/2037..	..2FE....
058521-AC-9..	BALLANTYNE RE PLC 2006-1A A2B.....		..06/02/2017..	PRINCIPAL RECEIPT.....		..631,563	..631,563	..237,477	..249,685		..381,878		..381,878		..631,563			..0		..05/02/2036..	..6FE....
092650-AD-2..	BLADE 2006-1AW A1.....		..06/15/2017..	PRINCIPAL RECEIPT.....		..2,265,250	..2,265,250	..1,074,734	..596,875		..1,185,842		..1,185,842		..2,265,250			..0	..327	..09/15/2041..	..1AM....
092650-AF-7..	BLADE 2006-1AWA A1.....		..06/15/2017..	PRINCIPAL RECEIPT.....		..934,449	..934,449	..469,613	..40,192		..464,874		..464,874		..934,449			..0	..199	..09/15/2041..	..1AM....
89708B-AB-9..	TROPIC CDO CORP.....																				
000292-AB-8..	OTHE.....		..04/16/2017..	PRINCIPAL RECEIPT.....		..717	..717	..395	..401		..317		..317		..717			..0	..5	..07/15/2036..	..3FE....
000759-DG-2..	AAA 2007-2 A2.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..902	..902	..652	..652		..250		..250		..902			..0		..01/27/2046..	..1FM....
000759-DG-2..	ABFS 2003-1 M.....		..06/15/2017..	PRINCIPAL RECEIPT.....		..71,250	..71,250	..61,998	..61,998		..9,252		..9,252		..71,250			..0		..08/15/2033..	..1FM....
000759-DM-9..	ABFS MORTGAGE LOAN TRUST 2003-2.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..6,908	..6,908	..6,170	..6,397		..511		..511		..6,908			..0		..04/25/2034..	..1FM....
02660Y-AA-0..	AHM 2006-2 5A MTGE.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..277,837	..277,837	..207,242	..205,227		..72,610		..72,610		..277,837			..0		..05/25/2031..	..1AM....
60159X-AA-7..	ALESCO PREFERRED FUNDING LTD.....		..06/23/2017..	PRINCIPAL RECEIPT.....		..1,221	..1,221	..685	..720		..501		..501		..1,221			..0	..8	..12/23/2037..	..1FE....
05950C-AA-0..	BANC OF AMERICA FUNDING CORPORATIO.....		..06/27/2017..	PRINCIPAL RECEIPT.....		..7,200	..7,200	..8,527	..8,444		..(1,233)	..11	..(1,244)		..7,200			..0		..02/27/2036..	..1AM....
05950C-AB-8..	BANC OF AMERICA FUNDING CORPORATIO.....		..06/27/2017..	PRINCIPAL RECEIPT.....		..148,295	..148,295	..175,627	..173,912		..(25,386)	..231	..(25,617)		..148,295			..0		..02/27/2036..	..1AM....
060516-ET-2..	BANK OF AMERICA CORP.....		..04/19/2017..	VARIOUS.....		..5,590,627	..5,575,000	..5,583,345	..5,578,573		..(1,025)		..(1,025)		..5,577,548		..13,079	..13,079	..87,207	..01/11/2018..	..2FE....
139756-AD-0..	CAPITAL AUTO RECV ABN 2014-1.....		..06/20/2017..	PRINCIPAL RECEIPT.....		..2,785,582	..2,785,582	..2,806,140	..2,790,245		..26		..26		..2,790,271		..(4,690)	..(4,690)	..19,827	..10/22/2018..	..1FE....
17311Q-BK-5..	CITIGROUP COML MTG 2007-C6.....		..06/10/2017..	PRINCIPAL RECEIPT.....		..1,464,090	..1,464,090	..1,568,636	..1,473,098						..1,473,098		..(9,008)	..(9,008)	..37,290	..12/10/2049..	..1FM....
22541N-EP-0..	CSFB MTG PTC 2002-AR25.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..3,597	..3,597	..476	..488		..3,109		..3,109		..3,597			..0		..09/25/2032..	..3FM....
02149Q-AE-0..	CWALT INC 2007 OA10.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..25,577	..25,577	..15,193	..16,953		..8,624		..8,624		..25,577			..0		..09/25/2047..	..1FM....
24703B-AC-9..	DELL EQUIP FIN TR 2015-1.....		..06/22/2017..	PRINCIPAL RECEIPT.....		..894,965	..894,965	..894,903	..894,936		..28		..28		..894,965			..0	..4,823	..03/23/2020..	..1FE....
31393X-4A-2..	FNMA REMIC TRUST 2004-W4.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..24,165	..24,165	..34,159	..34,159		..(9,994)		..(9,994)		..24,165			..0		..06/25/2034..	..1AM....
38013G-AC-3..	GM FINL AUTO LEASE TR 2015-2.....		..06/20/2017..	PRINCIPAL RECEIPT.....		..525,772	..525,772	..525,745	..525,760		..12		..12		..525,772			..0	..4,207	..12/20/2018..	..1FE....
36185H-EC-3..	GMACM MTG LN TR 2004-GH1.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..17,541	..17,541	..7,896	..7,905		..9,637		..9,637		..17,541			..0		..07/25/2035..	..1AM....
39539B-AB-9..	GREENPOINT MORTGAGE FUNDING TRUST.....		..06/12/2017..	PRINCIPAL RECEIPT.....		..594,188	..594,188	..549,529	..551,010		..43,178		..43,178		..594,188			..0		..03/12/2037..	..1AM....
36248G-AB-6..	GS MTG SECS TR 2013-GCJ16.....		..06/12/2017..	PRINCIPAL RECEIPT.....		..79,462	..79,462	..82,748	..81,199						..81,199		..(1,737)	..(1,737)	..828	..11/13/2046..	..1FM....
36224G-AA-8..	GSA HOME EQUITY TRUST.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..330,221	..330,221	..263,780	..264,521		..65,700		..65,700		..330,221			..0		..02/25/2037..	..1AM....
46639Y-AM-9..	JP MORGAN CHASE CMBS 2013-LC11.....		..06/16/2017..	PRINCIPAL RECEIPT.....		..320,079	..320,079	..329,681	..323,267		..(2,182)		..(2,182)		..321,085		..(1,006)	..(1,006)	..2,361	..04/17/2046..	..1FM....
46640N-AB-4..	JPMBB COML MTG SEC TR 2013-C15.....		..06/16/2017..	PRINCIPAL RECEIPT.....		..951,879	..951,879	..980,510	..966,897		..(4,610)		..(4,610)		..962,287		..(10,408)	..(10,408)	..10,673	..11/17/2045..	..1FM....
55279H-AE-0..	MANUFACTURERS & TRADERS TRUST.....		..04/19/2017..	AMHERST SECURITIES GROUP.....		..4,141,041	..4,100,000	..4,118,571	..4,107,802		..(1,157)		..(1,157)		..4,106,645				..69,153	..01/30/2019..	..1FE....
59066R-AE-7..	MESA 2002-1 B1.....		..06/18/2017..	PRINCIPAL RECEIPT.....		..30,100	..30,100	..24,866	..24,866						..24,866		..34,396	..34,396	..700	..02/18/2033..	..1FM....
55274L-AD-8..	MESA 2002-3 W2.....		..06/18/2017..	PRINCIPAL RECEIPT.....		..20,455	..20,455	..20,430	..21,170		..(715)		..(715)		..20,455		..5,234	..5,234		..10/18/2032..	..1FM....
61690K-AB-8..	MS BOFAML TRUST 2013-C7.....		..06/16/2017..	PRINCIPAL RECEIPT.....		..230,703	..230,703	..237,617	..232,586		..(1,271)		..(1,271)		..231,315		..(612)	..(612)	..1,755	..02/16/2046..	..1FM....
68401N-AE-1..	OPTION ONE COWLT 2004-1 M.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..58,902	..58,902	..41,833	..41,891		..17,531	..519	..17,012		..58,902			..0		..02/25/2034..	..1FM....
87222T-AH-6..	TBW MTG BKO TR 2007-2.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..446,116	..446,116	..272,846	..303,846		..142,270		..142,270		..446,116			..0		..07/25/2037..	..1FM....
88158A-AJ-1..	TERWIN MORTGAGE TRUST 07-09 SL.....		..06/25/2017..	PRINCIPAL RECEIPT.....		..7,713	..7,713	..3,952	..4,311		..3,402		..3,402		..7,713			..0		..06/25/2038..	..1FM....

STATEMENT AS OF JUNE 30, 2017 OF THE ASSURED GUARANTY CORP.

SCHEDULE D - PART 4

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

[illegible]

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

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

STATEMENT AS OF JUNE 30, 2017 OF THE ASSURED GUARANTY CORP.

SCHEDULE E - PART 1 - CASH

[illegible]

SCHEDULE E - PART 2 - CASH EQUIVALENTS

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