



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2020  
OF THE CONDITION AND AFFAIRS OF THE

ASSURED GUARANTY MUNICIPAL CORP.

|                                       |                                 |   |                                |       |                      |            |
|---------------------------------------|---------------------------------|---|--------------------------------|-------|----------------------|------------|
| NAIC Group Code                       | 0194                            | 0194  | NAIC Company Code              | 18287 | Employer's ID Number | 13-3250292 |
|                                       | (Current Period)                | (Prior Period)                              |                                |       |                      |            |
| Organized under the Laws of           | New York                        | State of Domicile or Port of Entry          | New York                       |       |                      |            |
| Country of Domicile                   | United States                   |   |                                |       |                      |            |
| Incorporated/Organized                | 03/16/1984                      | Commenced Business                          | 09/23/1985                     |       |                      |            |
| Statutory Home Office                 | 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 | Gon Ling Chow | General Counsel & Secretary |
| Alfonso John Pisani    | Treasurer                           |               |                             |

OTHER OFFICERS

|                     |   |                         |                            |
|---------------------|---|-------------------------|----------------------------|
| Howard Wayne Albert | Chief Risk Officer                              | Robert Adam Bailenson   | Chief Financial Officer    |
| Laura Ann Bieling   | Chief Accounting Officer and Controller         | Russell Brown Brewer II | Chief Surveillance Officer |
| David Allan Buzen # | Chief Investment Officer and Head of Asset Mgmt | Stephen Donnarumma      | Chief Credi Officer        |
| John Mahlon Ringler | Vice President Regulatory Reporting             | Benjamin Gad Rosenblum  | Chief Actuary              |

DIRECTORS OR TRUSTEES

|                        |                       |                         |                     |
|------------------------|-----------------------|-------------------------|---------------------|
| Howard Wayne Albert    | Robert Adam Bailenson | Russell Brown Brewer II | David Allan Buzen # |
| Gon Ling Chow          | Stephen Donnarumma    | Dominic John Frederico  | Alfonso John Pisani |
| Benjamin Gad Rosenblum |                       |                         |                     |

State of New York  
County of New York ss

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

Dominic John Frederico Gon Ling Chow Alfonso John Pisani  
President & Chief Executive Officer General Counsel & Secretary Treasurer

Subscribed and sworn to before me this 13th day of August, 2020  
Eileen M. Lanzisera

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

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

STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL CORP.

ASSETS

|   | Current Statement Date |                             |   | 4<br><br>December 31<br>Prior Year Net<br>Admitted Assets |
|---|------------------------|-----------------------------|---|---|
|   | 1<br><br>Assets        | 2<br><br>Nonadmitted Assets | 3<br><br>Net Admitted Assets<br>(Cols. 1 - 2) |   |
| 1. Bonds .....  | 3,038,906,748          |                             | 3,038,906,748                                 | 3,157,778,288   |
| 2. Stocks:  |                        |                             |   |   |
| 2.1 Preferred stocks .....  |                        |                             |   |   |
| 2.2 Common stocks .....   | 1,146,303,939          |                             | 1,146,303,939                                 | 1,174,695,645   |
| 3. Mortgage loans on real estate:   |                        |                             |   |   |
| 3.1 First liens .....   |                        |                             |   |   |
| 3.2 Other than first liens .....  |                        |                             |   |   |
| 4. Real estate:   |                        |                             |   |   |
| 4.1 Properties occupied by the company (less<br>\$ ..... encumbrances) .....  |                        |                             |   |   |
| 4.2 Properties held for the production of income<br>(less \$ ..... encumbrances) .....  |                        |                             |   |   |
| 4.3 Properties held for sale (less<br>\$ ..... encumbrances) .....  |                        |                             |   |   |
| 5. Cash (\$ .....5,567,759 ),<br>cash equivalents (\$ .....347,190,847 )<br>and short-term investments (\$ .....1,984,961 ) .....                           | 354,743,566            |                             | 354,743,566                                   | 160,350,432   |
| 6. Contract loans (including \$ ..... premium notes) .....  |                        |                             |   |   |
| 7. Derivatives .....  |                        |                             |   |   |
| 8. Other invested assets .....  | 819,056,198            |                             | 819,056,198                                   | 811,072,693   |
| 9. Receivables for securities .....   | 2,301,889              |                             | 2,301,889                                     | 2,978,939   |
| 10. Securities lending reinvested collateral assets .....   |                        |                             |   |   |
| 11. Aggregate write-ins for invested assets .....   |                        |                             |   |   |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) .....   | 5,361,312,340          |                             | 5,361,312,340                                 | 5,306,875,997   |
| 13. Title plants less \$ ..... charged off (for Title insurers<br>only) .....   |                        |                             |   |   |
| 14. Investment income due and accrued .....   | 32,608,047             |                             | 32,608,047                                    | 32,003,617  |
| 15. Premiums and considerations:  |                        |                             |   |   |
| 15.1 Uncollected premiums and agents' balances in the course of<br>collection .....   | 26,140,658             | 1,400                       | 26,139,258                                    | 23,054,447  |
| 15.2 Deferred premiums, agents' balances and installments booked but<br>deferred and not yet due (including \$ ..... earned<br>but unbilled premiums) ..... |                        |                             |   |   |
| 15.3 Accrued retrospective premiums (\$ ..... ) and<br>contracts subject to redetermination (\$ ..... ) .....   |                        |                             |   |   |
| 16. Reinsurance:  |                        |                             |   |   |
| 16.1 Amounts recoverable from reinsurers .....  | 333,365                |                             | 333,365                                       | 652,322   |
| 16.2 Funds held by or deposited with reinsured companies .....  |                        |                             |   |   |
| 16.3 Other amounts receivable under reinsurance contracts .....   |                        |                             |   |   |
| 17. Amounts receivable relating to uninsured plans .....  |                        |                             |   |   |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....  |                        |                             |   | 13,585,823  |
| 18.2 Net deferred tax asset .....   | 103,966,898            | 83,028,950                  | 20,937,948                                    | 20,779,828  |
| 19. Guaranty funds receivable or on deposit .....   |                        |                             |   |   |
| 20. Electronic data processing equipment and software .....   | 5,733,152              | 5,583,452                   | 149,700                                       | 263,911   |
| 21. Furniture and equipment, including health care delivery assets<br>(\$ ..... ) .....   | 19,057,360             | 19,057,360                  |   |   |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....  |                        |                             |   |   |
| 23. Receivables from parent, subsidiaries and affiliates .....  | 2,743,616              | 89,608                      | 2,654,008                                     | 2,878,474   |
| 24. Health care (\$ ..... ) and other amounts receivable .....  |                        |                             |   |   |
| 25. Aggregate write-ins for other-than-invested assets .....  | 5,531,490              | 3,508,410                   | 2,023,080                                     | 2,779,045   |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and<br>Protected Cell Accounts (Lines 12 to 25) .....                                     | 5,557,426,926          | 111,269,180                 | 5,446,157,746                                 | 5,402,873,464   |
| 27. From Separate Accounts, Segregated Accounts and Protected<br>Cell Accounts .....  |                        |                             |   |   |
| 28. Total (Lines 26 and 27) .....   | 5,557,426,926          | 111,269,180                 | 5,446,157,746                                 | 5,402,873,464   |
| <b>DETAILS OF WRITE-INS</b>   |                        |                             |   |   |
| 1101. ....  |                        |                             |   |   |
| 1102. ....  |                        |                             |   |   |
| 1103. ....  |                        |                             |   |   |
| 1198. Summary of remaining write-ins for Line 11 from overflow page .....   |                        |                             |   |   |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....  |                        |                             |   |   |
| 2501. Miscellaneous receivables .....   | 78,003                 |                             | 78,003  | 1,651,581   |
| 2502. Prepaid expenses .....  | 2,137,534              | 2,137,534                   |   |   |
| 2503. Other assets .....  | 3,315,953              | 1,370,876                   | 1,945,077                                     | 1,127,464   |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   |                        |                             |   |   |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....  | 5,531,490              | 3,508,410                   | 2,023,080                                     | 2,779,045   |

LIABILITIES, SURPLUS AND OTHER FUNDS

|  | 1<br>Current<br>Statement Date | 2<br>December 31,<br>Prior Year |
|--|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$ ..... ) .....  | 195,192,390                    | 186,267,026                     |
| 2. Reinsurance payable on paid losses and loss adjustment expenses .....   | 447,522                        | 125,394                         |
| 3. Loss adjustment expenses .....  | 6,684,369                      | 9,000,443                       |
| 4. Commissions payable, contingent commissions and other similar charges .....   |                                |                                 |
| 5. Other expenses (excluding taxes, licenses and fees) .....   | 28,745,379                     | 28,994,898                      |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....   | 925,503                        | 486,375                         |
| 7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....   | 8,748,560                      |                                 |
| 7.2 Net deferred tax liability .....   |                                |                                 |
| 8. Borrowed money \$ ..... and interest thereon \$ .....   |                                |                                 |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....484,227,089 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) ..... | 1,454,641,328                  | 1,438,692,291                   |
| 10. Advance premium .....  |                                |                                 |
| 11. Dividends declared and unpaid:   |                                |                                 |
| 11.1 Stockholders .....  |                                |                                 |
| 11.2 Policyholders .....   |                                |                                 |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) .....   | 6,471,301                      | 8,145,812                       |
| 13. Funds held by company under reinsurance treaties .....   | 54,829,936                     | 35,507,188                      |
| 14. Amounts withheld or retained by company for account of others .....  | 2,903                          | 1,655                           |
| 15. Remittances and items not allocated .....  |                                |                                 |
| 16. Provision for reinsurance (including \$ ..... certified) .....   |                                |                                 |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates .....  |                                |                                 |
| 18. Drafts outstanding .....   |                                |                                 |
| 19. Payable to parent, subsidiaries and affiliates .....   | 18,027,196                     | 46,173,573                      |
| 20. Derivatives .....  |                                |                                 |
| 21. Payable for securities .....   | 27,761,191                     | 5,598,590                       |
| 22. Payable for securities lending .....   |                                |                                 |
| 23. Liability for amounts held under uninsured plans .....   |                                |                                 |
| 24. Capital notes \$ ..... and interest thereon \$ .....   |                                |                                 |
| 25. Aggregate write-ins for liabilities .....  | 976,515,495                    | 952,473,621                     |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....  | 2,778,993,073                  | 2,711,466,866                   |
| 27. Protected cell liabilities .....   |                                |                                 |
| 28. Total liabilities (Lines 26 and 27) .....  | 2,778,993,073                  | 2,711,466,866                   |
| 29. Aggregate write-ins for special surplus funds .....  |                                |                                 |
| 30. Common capital stock .....   | 15,000,000                     | 15,000,000                      |
| 31. Preferred capital stock .....  |                                |                                 |
| 32. Aggregate write-ins for other than special surplus funds .....   |                                |                                 |
| 33. Surplus notes .....  |                                |                                 |
| 34. Gross paid in and contributed surplus .....  | 376,362,826                    | 376,362,826                     |
| 35. Unassigned funds (surplus) .....   | 2,275,801,847                  | 2,300,043,772                   |
| 36. Less treasury stock, at cost:  |                                |                                 |
| 36.1 ..... shares common (value included in Line 30 \$ ..... ) .....   |                                |                                 |
| 36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....  |                                |                                 |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....   | 2,667,164,673                  | 2,691,406,598                   |
| 38. Totals (Page 2, Line 28, Col. 3)   | 5,446,157,746                  | 5,402,873,464                   |
| DETAILS OF WRITE-INS   |                                |                                 |
| 2501. Contingency Reserve.....   | 896,764,036                    | 868,912,204                     |
| 2502. Deferred Investment Gain.....  | 18,481,017                     | 20,687,590                      |
| 2503. Miscellaneous Liability.....   | 61,270,442                     | 62,873,827                      |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  |                                |                                 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)   | 976,515,495                    | 952,473,621                     |
| 2901. ....   |                                |                                 |
| 2902. ....   |                                |                                 |
| 2903. ....   |                                |                                 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page .....  |                                |                                 |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)   |                                |                                 |
| 3201. ....   |                                |                                 |
| 3202. ....   |                                |                                 |
| 3203. ....   |                                |                                 |
| 3298. Summary of remaining write-ins for Line 32 from overflow page .....  |                                |                                 |
| 3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)   |                                |                                 |

STATEMENT OF INCOME

|   | 1<br>Current Year<br>to Date | 2<br>Prior Year<br>to Date | 3<br>Prior Year Ended<br>December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| UNDERWRITING INCOME   |                              |                            |                                      |
| 1. Premiums earned:   |                              |                            |                                      |
| 1.1 Direct (written \$ 98,508,980 )   | 80,185,606                   | 81,768,966                 | 191,642,133                          |
| 1.2 Assumed (written \$ 18,381,091 )  | 16,690,832                   | 13,750,134                 | 28,644,356                           |
| 1.3 Ceded (written \$ 16,475,242 )  | 31,266,945                   | 34,034,223                 | 79,587,310                           |
| 1.4 Net (written \$ 100,414,829 )   | 65,609,493                   | 61,484,877                 | 140,699,179                          |
| DEDUCTIONS:   |                              |                            |                                      |
| 2. Losses incurred (current accident year \$ 5,198 ):   |                              |                            |                                      |
| 2.1 Direct  | 24,227,887                   | 1,024,430                  | (17,932,131)                         |
| 2.2 Assumed   | 3,103,805                    | 3,106,348                  | 2,456,410                            |
| 2.3 Ceded   | 27,865,673                   | 48,247,931                 | 60,696,172                           |
| 2.4 Net   | (533,981)                    | (44,117,153)               | (76,171,893)                         |
| 3. Loss adjustment expenses incurred  | (11,264)                     | 4,989,917                  | 13,302,997                           |
| 4. Other underwriting expenses incurred   | 51,331,697                   | 47,538,660                 | 101,513,875                          |
| 5. Aggregate write-ins for underwriting deductions  | (38,974,019)                 | (27,587)                   | (27,587)                             |
| 6. Total underwriting deductions (Lines 2 through 5)  | 11,812,433                   | 8,383,837                  | 38,617,392                           |
| 7. Net income of protected cells  |                              |                            |                                      |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)  | 53,797,060                   | 53,101,040                 | 102,081,787                          |
| INVESTMENT INCOME   |                              |                            |                                      |
| 9. Net investment income earned   | 79,520,786                   | 135,575,900                | 218,174,692                          |
| 10. Net realized capital gains (losses) less capital gains tax of \$ 1,909,161  | (19,153,571)                 | (4,581,765)                | 1,627,278                            |
| 11. Net investment gain (loss) (Lines 9 + 10)   | 60,367,215                   | 130,994,135                | 219,801,970                          |
| OTHER INCOME  |                              |                            |                                      |
| 12. Net gain or (loss) from agents' or premium balances charged off<br>(amount recovered \$ amount charged off \$ )                                     |                              |                            |                                      |
| 13. Finance and service charges not included in premiums  |                              |                            |                                      |
| 14. Aggregate write-ins for miscellaneous income  | 10,236,515                   | 8,618,323                  | 13,314,681                           |
| 15. Total other income (Lines 12 through 14)  | 10,236,515                   | 8,618,323                  | 13,314,681                           |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)     | 124,400,790                  | 192,713,498                | 335,198,438                          |
| 17. Dividends to policyholders  |                              |                            |                                      |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) | 124,400,790                  | 192,713,498                | 335,198,438                          |
| 19. Federal and foreign income taxes incurred   | 20,425,223                   | 26,057,151                 | 23,415,904                           |
| 20. Net income (Line 18 minus Line 19)(to Line 22)  | 103,975,567                  | 166,656,347                | 311,782,534                          |
| CAPITAL AND SURPLUS ACCOUNT   |                              |                            |                                      |
| 21. Surplus as regards policyholders, December 31 prior year  | 2,691,406,598                | 2,533,492,090              | 2,533,492,090                        |
| 22. Net income (from Line 20)   | 103,975,567                  | 166,656,347                | 311,782,534                          |
| 23. Net transfers (to) from Protected Cell accounts   |                              |                            |                                      |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of<br>\$  | (49,143,319)                 | (40,771,908)               | 40,711,550                           |
| 25. Change in net unrealized foreign exchange capital gain (loss)   | 18,856,299                   | 1,102,147                  | (11,020,363)                         |
| 26. Change in net deferred income tax   | (3,693,623)                  | 1,019,148                  | (12,208,364)                         |
| 27. Change in nonadmitted assets  | 5,614,983                    | (9,892,877)                | 4,654,628                            |
| 28. Change in provision for reinsurance   |                              | (1,008,333)                |                                      |
| 29. Change in surplus notes   |                              |                            |                                      |
| 30. Surplus (contributed to) withdrawn from protected cells   |                              |                            |                                      |
| 31. Cumulative effect of changes in accounting principles   |                              |                            |                                      |
| 32. Capital changes:  |                              |                            |                                      |
| 32.1 Paid in  |                              |                            |                                      |
| 32.2 Transferred from surplus (Stock Dividend)  |                              |                            |                                      |
| 32.3 Transferred to surplus   |                              |                            |                                      |
| 33. Surplus adjustments:  |                              |                            |                                      |
| 33.1 Paid in  |                              |                            |                                      |
| 33.2 Transferred to capital (Stock Dividend)  |                              |                            |                                      |
| 33.3 Transferred from capital   |                              |                            |                                      |
| 34. Net remittances from or (to) Home Office  |                              |                            |                                      |
| 35. Dividends to stockholders   | (72,000,000)                 | (77,900,000)               | (220,000,000)                        |
| 36. Change in treasury stock  |                              |                            |                                      |
| 37. Aggregate write-ins for gains and losses in surplus   | (27,851,832)                 | (42,459,013)               | 43,994,523                           |
| 38. Change in surplus as regards policyholders (Lines 22 through 37)  | (24,241,925)                 | (3,254,489)                | 157,914,508                          |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)   | 2,667,164,673                | 2,530,237,601              | 2,691,406,598                        |
| DETAILS OF WRITE-INS  |                              |                            |                                      |
| 0501. Commutation Gains   | (38,974,019)                 | (27,587)                   | (27,587)                             |
| 0502.   |                              |                            |                                      |
| 0503.   |                              |                            |                                      |
| 0598. Summary of remaining write-ins for Line 5 from overflow page  |                              |                            |                                      |
| 0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)   | (38,974,019)                 | (27,587)                   | (27,587)                             |
| 1401. Miscellaneous Income  | 10,236,515                   | 8,618,323                  | 13,314,681                           |
| 1402.   |                              |                            |                                      |
| 1403.   |                              |                            |                                      |
| 1498. Summary of remaining write-ins for Line 14 from overflow page   |                              |                            |                                      |
| 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)  | 10,236,515                   | 8,618,323                  | 13,314,681                           |
| 3701. Change in Contingency Reserve   | (27,851,832)                 | (42,459,013)               | 43,994,523                           |
| 3702.   |                              |                            |                                      |
| 3703.   |                              |                            |                                      |
| 3798. Summary of remaining write-ins for Line 37 from overflow page   |                              |                            |                                      |
| 3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)  | (27,851,832)                 | (42,459,013)               | 43,994,523                           |

CASH FLOW

|  | 1<br>Current Year<br>To Date | 2<br>Prior Year<br>To Date | 3<br>Prior Year Ended<br>December 31 |
|--|------------------------------|----------------------------|--------------------------------------|
| <b>Cash from Operations</b>  |                              |                            |                                      |
| 1. Premiums collected net of reinsurance.....  | 95,697,559                   | 70,480,541                 | 308,693,437                          |
| 2. Net investment income .....   | 75,302,562                   | 137,161,862                | 217,696,144                          |
| 3. Miscellaneous income .....  | 39,307,156                   | (602,019)                  | 479,140                              |
| 4. Total (Lines 1 to 3) .....  | 210,307,277                  | 207,040,384                | 526,868,721                          |
| 5. Benefit and loss related payments .....   | (36,798,403)                 | 274,900,857                | 388,645,954                          |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....                                |                              |                            |                                      |
| 7. Commissions, expenses paid and aggregate write-ins for deductions .....   | 79,798,171                   | 50,682,908                 | 139,706,845                          |
| 8. Dividends paid to policyholders .....   |                              |                            |                                      |
| 9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital<br>gains (losses).....                 |                              |                            | 59,303,681                           |
| 10. Total (Lines 5 through 9) .....  | 42,999,768                   | 325,583,765                | 587,656,480                          |
| 11. Net cash from operations (Line 4 minus Line 10) .....  | 167,307,509                  | (118,543,381)              | (60,787,759)                         |
| <b>Cash from Investments</b>   |                              |                            |                                      |
| 12. Proceeds from investments sold, matured or repaid:   |                              |                            |                                      |
| 12.1 Bonds .....   | 290,863,975                  | 613,325,952                | 1,001,678,369                        |
| 12.2 Stocks .....  |                              |                            |                                      |
| 12.3 Mortgage loans .....  |                              |                            |                                      |
| 12.4 Real estate .....   |                              |                            |                                      |
| 12.5 Other invested assets .....   |                              |                            |                                      |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....                                      | 8,161                        |                            | 2,246                                |
| 12.7 Miscellaneous proceeds .....  |                              |                            |                                      |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) .....  | 290,872,136                  | 613,325,952                | 1,001,680,615                        |
| 13. Cost of investments acquired (long-term only):   |                              |                            |                                      |
| 13.1 Bonds .....   | 162,726,729                  | 98,419,631                 | 209,349,362                          |
| 13.2 Stocks .....  | 26,539,200                   |                            | 4,369,249                            |
| 13.3 Mortgage loans .....  |                              |                            |                                      |
| 13.4 Real estate .....   |                              |                            |                                      |
| 13.5 Other invested assets .....   | 2,501,926                    | 5,256,068                  | 516,264,295                          |
| 13.6 Miscellaneous applications .....  |                              | 4,146,836                  |                                      |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) .....   | 191,767,855                  | 107,822,535                | 729,982,906                          |
| 14. Net increase (or decrease) in contract loans and premium notes .....   |                              |                            |                                      |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....  | 99,104,281                   | 505,503,417                | 271,697,709                          |
| <b>Cash from Financing and Miscellaneous Sources</b>   |                              |                            |                                      |
| 16. Cash provided (applied):   |                              |                            |                                      |
| 16.1 Surplus notes, capital notes .....  |                              |                            |                                      |
| 16.2 Capital and paid in surplus, less treasury stock.....   |                              |                            |                                      |
| 16.3 Borrowed funds .....  |                              |                            |                                      |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities .....  |                              |                            |                                      |
| 16.5 Dividends to stockholders .....   | 72,000,000                   | 77,900,000                 | 220,000,000                          |
| 16.6 Other cash provided (applied).....  | (18,655)                     |                            | (6,613,328)                          |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5<br>plus Line 16.6)..... | (72,018,655)                 | (77,900,000)               | (226,613,328)                        |
| <b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>   |                              |                            |                                      |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....                  | 194,393,135                  | 309,060,036                | (15,703,378)                         |
| 19. Cash, cash equivalents and short-term investments:   |                              |                            |                                      |
| 19.1 Beginning of year.....  | 160,350,431                  | 176,053,809                | 176,053,809                          |
| 19.2 End of period (Line 18 plus Line 19.1) .....  | 354,743,566                  | 485,113,845                | 160,350,431                          |



# STATEMENT AS OF JUNE 30, 2020 OF ASSURED GUARANTY MUNICIPAL CORP.

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

### A. Accounting Practices

The financial statements of Assured Guaranty Municipal Corp. (the "Company" or "AGM") are presented on the basis of accounting practices prescribed or permitted by the New York State Department of Financial Services ("NYSDFS"). The NYSDFS recognizes only statutory accounting practices prescribed or permitted by the state of New York for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the New York Insurance Law. The National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures Manual ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of New York. The NYSDFS 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 NYSDFS and NAIC SAP is shown below:

|   | SSAP # | F/S Page | F/S Line # | Six Months Ended<br>June 30, 2020 | Year Ended<br>December 31,<br>2019 |
|---|--------|----------|------------|-----------------------------------|------------------------------------|
| <b>NET INCOME</b>   |        |          |            |                                   |                                    |
| (1) Company state basis (Page 4, Line 20, Columns 1 & 2)          |        |          |            | \$ 103,975,567                    | \$ 311,782,534                     |
| (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)  |        |          |            | \$ 103,975,567                    | \$ 311,782,534                     |
| <b>SURPLUS</b>  |        |          |            |                                   |                                    |
| (5) Company state basis (Page 3, Line 37, Columns 1 & 2)          |        |          |            | \$2,667,164,673                   | \$2,691,406,598                    |
| (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)  |        |          |            | \$2,667,164,673                   | \$2,691,406,598                    |

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

Unless otherwise disclosed in these notes, there have been no significant changes since the 2019 Annual Statement in the types of estimates and assumptions and estimation process inherent in the preparation of the financial statements.

### C. Accounting Policies

There has been no significant change since the 2019 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 2019 Annual Statement.

## 3. Business Combinations and Goodwill

A. Statutory Purchase Method. There has been no change since the 2019 Annual Statement.

B. Statutory Merger. There has been no change since the 2019 Annual Statement.

C. Impairment Loss. There has been no change since the 2019 Annual Statement.

## 4. Discontinued Operations

There has been no change since the 2019 Annual Statement.

## 5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans. The Company did not hold investments in mortgage loans at June 30, 2020.

B. Debt Restructuring. The Company has no investments in restructured debt in which the Company is a creditor at June 30, 2020.

C. Reverse Mortgages. The Company did not hold reverse mortgages as investments at June 30, 2020.

D. Loan-Backed Securities

1. Prepayment assumptions for loan backed and structured securities were obtained from publicly available sources and internal models.

2. The Company had no loan-backed securities with current year other-than-temporary impairments ("OTTI") due to 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 basis.

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:

**STATEMENT AS OF JUNE 30, 2020 OF ASSURED GUARANTY MUNICIPAL CORP.**

| 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 | Financial Statement Where Reported |
|-------------|---|---------------------------------------|---------------------------------|--|---------------------------|------------------------------------|
| 12666U-AF-0 | \$ 30,728,779   | \$ 29,612,744                         | \$ 1,116,035                    | \$ 29,612,744  | \$ 27,024,416             | 06/30/2020                         |
| 12668W-AD-9 | 5,209,165   | 5,119,132                             | 90,033                          | 5,119,132  | 4,681,732                 | 06/30/2020                         |
| 576456-AA-5 | 31,174,244  | 30,066,825                            | 1,107,419                       | 30,066,825   | 23,050,499                | 06/30/2020                         |
| 576456-AB-3 | 100,974,808   | 97,953,648                            | 3,021,160                       | 97,953,648   | 84,517,783                | 06/30/2020                         |
| 57645N-AR-1 | 13,902,308  | 13,639,747                            | 262,561                         | 13,639,747   | 12,756,037                | 06/30/2020                         |
| 65538P-AD-0 | 3,510,641   | 3,402,836                             | 107,805                         | 3,402,836  | 3,335,719                 | 06/30/2020                         |
| 88157V-AC-1 | 1,688,390   | 1,130,614                             | 557,777                         | 1,130,614  | 1,069,719                 | 06/30/2020                         |
|             |   |                                       | \$ 6,262,790                    |  |                           |                                    |

4. The following summarizes gross unrealized investment losses on loan-backed and structured securities for which OTTI has not been recognized as a realized loss categorized 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    | \$ (19,650,738)     | \$ (7,149,481)    |
| Commercial mortgage-backed securities     | (56,955)            | —                 |
| Other loan backed & structured securities | (1,837,915)         | (2,071,984)       |
| Total                                     | 1. \$ (21,545,608)  | 2. \$ (9,221,465) |

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

|   | Less than 12 months | 12 Months or More |
|---|---------------------|-------------------|
| Residential mortgage-backed securities    | \$ 164,294,680      | \$ 23,873,546     |
| Commercial mortgage-backed securities     | 11,368,718          | —                 |
| Other loan backed & structured securities | 110,456,357         | 82,291,864        |
| Total                                     | 1. \$ 286,119,755   | 2. \$ 106,165,410 |

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, 2020, 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. The Company has determined that the unrealized losses recorded were not related to credit quality.

- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - The Company did not enter into dollar repurchase agreements or securities lending transactions at June 30, 2020.
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - The Company did not enter into repurchase agreements accounted for as secured borrowings at June 30, 2020.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - The Company did not enter into reverse repurchase agreements accounted for as secured borrowings at June 30, 2020.
- H. Repurchase Agreements Transactions Accounted for as a Sale - The Company did not enter into repurchase agreements accounted for as a sale at June 30, 2020.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - The Company did not enter into reverse repurchase agreements accounted for as a sale at June 30, 2020.
- J. Real Estate – The Company did not hold investments in real estate, recognize any real estate impairments, or engage in any retail land sales at June 30, 2020.
- K. Low Income Housing Tax Credits (LIHTC) – The Company did not hold investments in LIHTC at June 30, 2020.
- L. Restricted Assets
- (1) Restricted assets (including pledged) summarized by restricted asset category

STATEMENT AS OF JUNE 30, 2020 OF ASSURED GUARANTY MUNICIPAL CORP.

| 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   | 5,564,496                                 |   |  |  | 5,564,496        | 5,577,168             | (12,672)                         |                               | 5,564,496                             | 0.1 %  | 0.1 %  |
| (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                      | 275,723,358                               |   |  |  | 275,723,358      | 269,601,449           | 6,121,909                        | —                             | 275,723,358                           | 5.0 %  | 5.1 %  |
| (n)                       | Other restricted assets   |   |   |  |  | —                |                       | —                                |                               |                                       | — %  | — %  |
| (o)                       | Total restricted assets   | \$ 281,287,854                            | \$ —  | \$ —   | \$ —   | \$ 281,287,854   | \$ 275,178,617        | \$ 6,109,237                     | \$ —                          | \$ 281,287,854                        | 5.1 %  | 5.2 %  |

- (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)

|                                    | Gross (Admitted & Nonadmitted) Restricted |                             |   |  |   |                  |                       |                                  | Percentage                             |  |  |
|------------------------------------|---|-----------------------------|---|--|---|------------------|-----------------------|----------------------------------|--|--|--|
|                                    | Current Year                              |                             |   |  |   | 6                | 7                     |                                  | 8                                      | 9  | 10   |
|                                    | 1   | 2                           | 3   | 4  | 5   |                  |                       |                                  |  |  |  |
|                                    | Collateral Agreement                      | Total General Account (G/A) | G/A Supporting Protected Cell Acct Activity (a) | Total Protected Cell Acct. Restricted Assets | Protected Cell Acct. Assets Support G/ A Activity (b) | Total (1 plus 3) | Total From Prior Year | Increase/ (Decrease) (5 minus 6) | Total Current Year Admitted Restricted | Gross (Admitted & Non-admitted) Restricted to Total Assets | Admitted Restricted to Total Admitted Assets |
| Collateral pledged for reinsurance | \$ 275,723,358                            | \$ —                        | \$ —  | \$ —   | \$ 275,723,358  | \$ 269,601,449   | \$ 6,121,909          | \$ 275,723,358                   | 5.0 %                                  | 5.1 %  |  |
|                                    |   |                             |   |  | —   |                  | —                     |                                  | — %                                    | — %  |  |
| Total (c)                          | \$ 275,723,358                            | \$ —                        | \$ —  | \$ —   | \$ 275,723,358  | \$ 269,601,449   | \$ 6,121,909          | \$ 275,723,358                   | 5.0 %                                  | 5.1 %  |  |

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

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

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

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

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

- M. Working Capital Finance Investments ("WCFI")– The Company did not hold investments for WCFI at June 30, 2020.
- N. Offsetting and Netting of Assets and Liabilities - The Company has no derivative, repurchase and reverse repurchase, and securities borrowing and securities lending assets and liabilities that are offset and reported net in accordance to SSAP No. 64 at June 30, 2020.
- O. 5GI Securities (unrated, but current on principal and interest) - The Company did not hold investments in 5GI investments at June 30, 2020.



## STATEMENT AS OF JUNE 30, 2020 OF ASSURED GUARANTY MUNICIPAL CORP.

P. Short Sales - The Company did not sell any securities short in the first six months of 2020.

Q. Prepayment Penalty and Acceleration Fees - The Company had 22 securities called during the first six months of 2020 because of a callable feature. Of the 22 securities called, 4 had a call price above 100, which generated prepayment penalties and acceleration fee income of \$1.8 million.

### 6. Joint Ventures, Partnerships and Limited Liability Companies

There has been no significant change since the 2019 Annual Statement.

### 7. Investment Income

#### A. Accrued Investment Income

Accrued investment income was \$32,608,047 and \$32,003,617 as of June 30, 2020 and December 31, 2019, respectively.

There are no amounts due and accrued over 90 days included in these balances.

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

### 8. Derivative Instruments

There has been no change since the 2019 Annual Statement.

### 9. Income Taxes

There has been no significant change since the 2019 Annual Statement.

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

A, C, D, G through L, N, O. There has been no significant change from the 2019 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 \$72 million in the first six months of 2020 to Assured Guaranty Municipal Holdings Inc. (the "Parent" or "AGMH").

#### E. Guarantees or Contingencies for Related Parties

As part of a contingency plan implemented by the Assured Guaranty group in relation to the United Kingdom's departure from the Europe Union, policies (written by the Company's United Kingdom domiciled insurance subsidiary, Assured Guaranty (Europe) plc ("AGE UK"), that partially or exclusively cover risks in the EEA (the "EEA Policies") will be transferred to the Company's France domiciled insurance subsidiary, Assured Guaranty (Europe) SA ("AGE SA"), pursuant to an insurance business transfer scheme in accordance with Part VII of the Financial Services and Markets Act 2000 (the "Transfer"). The Company has entered into the following reinsurance and support agreements with AGE SA, which agreements are similar to the existing reinsurance and support agreements between the Company and AGE UK described in the 2019 Annual Statement:

- i. A quota share reinsurance agreement between AGE SA and AGM pursuant to which AGM, upon the Transfer, will provide AGE SA with the same reinsurance on the EEA Policies as AGM currently provides to AGE UK, as described in the 2019 Annual Statement. Such agreement will become effective upon completion of the Transfer.
- ii. A second reinsurance agreement between AGE SA and AGM (the "New Business Reinsurance Agreement") pursuant to which AGM will provide AGE SA with 90% (or substantially equivalent) proportional reinsurance for:
  - a. certain EEA Policies, not currently reinsured by AGM, that cover public/project finance-type risks and were initially issued by Assured Guaranty (London) plc (formerly MBIA UK Insurance Limited), AGE UK's former subsidiary that was merged with and into AGE UK as part of the November 2018 combination of AGE UK and its then European insurance subsidiaries;
  - b. certain EEA Policies that are currently 8% AGE UK-insured and 92% AGM-insured pursuant to AGE UK's and AGM's co-insurance arrangement, but which will be 100% insured by AGE SA upon the Transfer because such co-insurance arrangement cannot be replicated under French insurance law; and
  - c. any new (i.e., non-transferred) business written by AGE SA following its authorization that covers municipal, utility, project finance, infrastructure or similar types of risk.

The reinsurance described in Paragraphs (ii)(a) and (ii)(b) will become effective upon completion of the Transfer, while the reinsurance described in Paragraph (ii)(c) above became effective on January 2, 2020.

- iii. A third reinsurance agreement between AGE SA and AGM (the "XOL Agreement") pursuant to which AGM provides excess of loss reinsurance to AGE SA equivalent to the excess of loss reinsurance that AGM currently provides to AGE UK, as described in the 2019 Annual Statement. The XOL Agreement became effective on January 2, 2020.
- iv. A net worth maintenance agreement between AGM and AGE SA, effective as of January 2, 2020, pursuant to which AGM provides capital support to AGE SA equivalent to the capital support that AGM currently provides to AGE UK, as described in the 2019 Annual Statement.

#### F. Management, Service Contracts or Cost Sharing Arrangements

On May 8, 2020, AGM, Assured Guaranty Corp. ("AGC"), and Municipal Assurance Corp. ("MAC" and, together with AGM and AGC, the "AG US Insurers") entered into an Investment Management Agreement with their affiliate, BlueMountain Capital Management, LLC ("BMCM"), an investment manager organized under the laws of Delaware. AGM's affiliate, AGUS, owns 100% of the membership interests in BMCM. Pursuant to such Investment Management Agreement, BMCM provides investment services to the AG US Insurers with respect to two specific asset classes: (i) U.S. municipal bonds, and (ii) collateralized loan obligations. As of June 30, 2020, BMCM was managing a total of \$260 million under these Investment Management Agreements for AGM. The terms of such Investment Management Agreement are modeled upon the existing investment management agreements that the AG US Insurers have in place with current non-

## STATEMENT AS OF JUNE 30, 2020 OF ASSURED GUARANTY MUNICIPAL CORP.

affiliated investment managers AGM incurred fees pursuant to the Investment Management Agreement of \$30,344 in the second quarter of 2020.

The Company and various of its affiliates entered into a Service Agreement with BMCM, effective as of June 1, 2020 (the "Service Agreement"). Pursuant to such Service Agreement, BMCM provides services including, but not limited to, general corporate strategy, risk management, systems, information technology, human resources, finance, legal, marketing, and administration services. In exchange for the services provided by BMCM under the Service Agreement, the Company will pay a fee equal to its allocation of BMCM employee time and corresponding costs and expenses. Under the Service Agreement, the total payments made by the Company to BMCM are expected to be \$2,624,000 in 2020, of which \$1,312,000 was incurred through June 30, 2020.

### M. All SCA Investments

(1) Balance Sheet Value at December 31, 2019 - no change since 2019 Annual Statement.

(2) NAIC Filing Response Information (in thousands)

| 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 (Europe) plc                                | S2                   | 6/09/2020                  | 1,011,612             | Y                           | N   | M      |
| Assured Guaranty (Europe) SA                                 | S2                   | 6/09/2020                  | 4,319                 | N                           | N   | M      |
| Total SSAP No. 97 8b(iv) Entities                            | XXX                  | XXX                        | 1,015,931             | XXX                         | XXX   | XXX    |
| e.Total SSAP No. 9 8b Entities (except 8bi entities) (b+c+d) | XXX                  | XXX                        | 1,015,931             | XXX                         | XXX   | XXX    |
| f.Aggregate Total (a+e)                                      | XXX                  | XXX                        | \$ 1,015,931          | XXX                         | XXX   | XXX    |

\* S1 - Sub-1, S2 - Sub-2 or RDF - Resubmission of Disallowed Filing

\*\* I - Immaterial or M - Material

### 11. Debt

There has been no change since the 2019 Annual Statement.

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

There has been no significant change since the 2019 Annual Statement.

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

1. through 3, 6 through 9, 11 through 13. There has been no significant change since the 2019 Annual Statement.

4. The Company paid dividends to AGMH of \$72 million on March 24, 2020.

5. Under New York insurance law, AGM may only pay dividends out of "earned surplus", which is the portion of a company's surplus that represents the net earnings, gains or profits (after deduction of all losses) that have not been distributed to shareholders as dividends or transferred to stated capital or capital surplus, or applied to other purposes permitted by law, but does not include unrealized appreciation of assets. AGM may pay dividends without the prior approval of the New York Superintendent of Financial Services ("New York Superintendent") that, together with all dividends declared or distributed by it during the preceding 12 months, does not exceed the lesser of 10% of its policyholders' surplus (as of the last annual or quarterly statement filed with the New York Superintendent) or 100% of its adjusted net investment income during that period. The maximum amount available during 2020 for AGM to distribute as dividends without regulatory approval is estimated to be approximately \$193 million. Of such \$193 million, \$72 million was distributed by AGM to AGMH in the first six months of 2020 and \$87 million of such \$193 million is available for distribution in the third quarter of 2020.

10. The portion of unassigned funds (surplus) represented by cumulative unrealized gains is \$294,661,406.

### 14. Liabilities, Contingencies and Assessments

A. through F. There has been no significant change since the 2019 Annual Statement.

G. All Other Contingencies:

#### Uncollected Premiums

As of June 30, 2020, the Company had uncollected premiums of \$26,140,658. Uncollected premiums more than 90 days past due were \$1,400.

#### 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



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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 is involved in litigation with third parties to recover losses paid in prior periods or to prevent or reduce losses in the future. The impact, if any, of these and other proceedings on the amount of recoveries the Company receives and losses it pays in the future is uncertain, and the impact of any one or more of these proceedings during any quarter or year could be material to the Company's results of operations in that particular quarter or year.

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

### Puerto Rico Recovery Litigation

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 to prevent losses in the future. The impact, if any, of these and other proceedings on the amount of recoveries the Company receives and losses it pays in the future is uncertain, and the impact of 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 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. In addition, the Commonwealth, the Oversight Board and others have taken legal action naming the Company as party.

Currently there are numerous legal actions relating to the default by the Commonwealth and certain of its entities on debt service payments, and related matters, and the Company is a party to a number of them. On July 24, 2019, Judge Laura Taylor Swain of the United States District Court for the District of Puerto Rico ("Federal District Court for Puerto Rico") held an omnibus hearing on litigation matters relating to the Commonwealth. At that hearing, she imposed a stay through November 30, 2019, on a series of adversary proceedings and contested matters amongst the stakeholders and imposed mandatory mediation on all parties through that date. On October 28, 2019, Judge Swain extended the stay until December 31, 2019, and has since stayed the proceedings pending the Court's determination on the Commonwealth's plan of adjustment. A number of the legal actions in which the Company is involved remain subject to stay orders.

On January 7, 2016, AGM, and its affiliate Assured Guaranty Corp. ("AGC"), and Ambac Assurance Corporation commenced an action for declaratory judgment and injunctive relief in the Federal District Court for Puerto Rico to invalidate the executive orders issued on November 30, 2015 and December 8, 2015 by the then governor of Puerto Rico 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 Puerto Rico Highways and Transportation Authority ("PRHTA"), the Puerto Rico Convention Center District Authority ("PRCCDA") and the Puerto Rico Infrastructure Financing Authority ("PRIFA"). The Commonwealth defendants filed a motion to dismiss the action for lack of subject matter jurisdiction, which the court denied on October 4, 2016. On October 14, 2016, the Commonwealth defendants filed a notice of automatic stay under the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA"). While the PROMESA automatic stay expired on May 1, 2017, on May 17, 2017, the court stayed the action under Title III of PROMESA.

On June 3, 2017, AGM and AGC filed an adversary complaint in the Federal District Court for Puerto Rico seeking (i) a judgment declaring that the application of pledged special revenues to the payment of the PRHTA bonds is not subject to the PROMESA Title III automatic stay and that the Commonwealth has violated the special revenue protections provided to the PRHTA bonds under the United States Bankruptcy Code ("Bankruptcy Code"); (ii) an injunction enjoining the Commonwealth from taking or causing to be taken any action that would further violate the special revenue protections provided to the PRHTA bonds under the Bankruptcy Code; and (iii) an injunction ordering the Commonwealth to remit the pledged special revenues securing the PRHTA bonds in accordance with the terms of the special revenue provisions set forth in the Bankruptcy Code. On January 30, 2018, the court rendered an opinion dismissing the complaint and holding, among other things, that (x) even though the special revenue provisions of the Bankruptcy Code protect a lien on pledged special revenues, those provisions do not mandate the turnover of pledged special revenues to the payment of bonds and (y) actions to enforce liens on pledged special revenues remain stayed. A hearing on AGM and AGC's appeal of the trial court's decision to the United States Court of Appeals for the First Circuit ("First Circuit") was held on November 5, 2018. On March 26, 2019, the First Circuit issued its opinion affirming the trial court's decision and held that Sections 928(a) and 922(d) of the Bankruptcy Code permit, but do not require, continued payments during the pendency of the Title III proceedings. The First Circuit agreed with the trial court that (i) Section 928(a) of the Bankruptcy Code does not mandate the turnover of special revenues or require continuity of payments to the PRHTA bonds during the pendency of the Title III proceedings, and (ii) Section 922(d) of the Bankruptcy Code is not an exception to the automatic stay that would compel PRHTA, or third parties holding special revenues, to apply special revenues to outstanding obligations. On April 9, 2019, AGM, AGC and other petitioners filed a petition with the First Circuit seeking a rehearing by the full court; the petition was denied by the First Circuit on July 31, 2019. On September 20, 2019, AGM, AGC and other petitioners filed a petition for review by the U.S. Supreme Court of the First Circuit's holding, which was denied on January 13, 2020.

On June 26, 2017, AGM and AGC filed a complaint in the Federal District Court for Puerto Rico seeking (i) a declaratory judgment that the Puerto Rico Electric Power Authority ("PREPA") restructuring support agreement executed in December 2015 ("2015 PREPA RSA") is a "Preexisting Voluntary Agreement" under Section 104 of PROMESA and the Oversight Board's failure to certify the 2015 PREPA RSA is an unlawful application of Section 601 of PROMESA; (ii) an injunction enjoining the Oversight Board from unlawfully applying Section 601 of PROMESA and ordering it to certify the 2015 PREPA RSA; and (iii) a writ of mandamus requiring the Oversight Board to comply with its duties under PROMESA and certify the 2015 PREPA RSA. On July 21, 2017, in light of its PREPA Title III petition on July 2, 2017, the Oversight Board filed a notice of stay under PROMESA.

On July 18, 2017, AGM and AGC filed in the Federal District Court for Puerto Rico a motion for relief from the automatic stay in the PREPA Title III bankruptcy proceeding and a form of complaint seeking the appointment of a receiver for PREPA. The court denied the motion on September 14, 2017, but on August 8, 2018, the First Circuit vacated and remanded the court's decision. On October 3, 2018, AGM and AGC, together with other bond insurers, filed a motion with the court to lift the automatic stay to commence an action against PREPA for the appointment of a receiver. Under the PREPA RSA, AGM and AGC have agreed to withdraw from the lift stay motion upon the Title III Court's approval of the settlement of claims embodied in the PREPA RSA. The Oversight Board filed a status report on May 15, 2020 regarding PREPA's financial condition and its



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request for approval of the PREPA RSA settlement, in which it requested that it be permitted to file an updated report by July 31, 2020, and that all proceedings related to the approval of the PREPA RSA settlement continue to be adjourned. On May 22, 2020, the Title III Court issued an order to that effect. The Oversight Board filed an updated status report on July 31, 2020, in which it requested that it be permitted to file another update by September 25, 2020.

On May 23, 2018, AGM and AGC filed an adversary complaint in the Federal District Court for Puerto Rico seeking a judgment declaring that (i) the Oversight Board lacked authority to develop or approve the new fiscal plan for Puerto Rico which it certified on April 19, 2018 ("Revised Fiscal Plan"); (ii) the Revised Fiscal Plan and the Fiscal Plan Compliance Law ("Compliance Law") enacted by the Commonwealth to implement the original Commonwealth Fiscal Plan violate various sections of PROMESA; (iii) the Revised Fiscal Plan, the Compliance Law and various moratorium laws and executive orders enacted by the Commonwealth to prevent the payment of debt service (a) are unconstitutional and void because they violate the Contracts, Takings and Due Process Clauses of the U.S. Constitution and (b) are preempted by various sections of PROMESA; and (iv) no Title III plan of adjustment based on the Revised Fiscal Plan can be confirmed under PROMESA. On August 13, 2018, the court-appointed magistrate judge granted the Commonwealth's and the Oversight Board's motion to stay this adversary proceeding pending a decision by the First Circuit in an appeal by Ambac Assurance Corporation of an unrelated adversary proceeding decision, which the First Circuit rendered on June 24, 2019. On July 24, 2019, Judge Swain announced a court-imposed stay of a series of adversary proceedings and contested matters through November 30, 2019, with a mandatory mediation element. Judge Swain extended the stay until December 31, 2019, and further extended the stay until March 11, 2020. Pursuant to the request of AGM, AGC and the defendants, Judge Swain ordered on September 6, 2019 that the claims in this complaint be addressed in the Commonwealth plan confirmation process and be subject to her July 24, 2019 stay and mandatory mediation order and be addressed in the Commonwealth plan confirmation process. Judge Swain postponed certain deadlines and hearings, including those related to the plan of adjustment, indefinitely as a result of the COVID-19 pandemic. The Oversight Board has requested that it be allowed to file an updated status report by September 11, 2020 regarding the effects of the pandemic on the Commonwealth, including a proposal for the plan of adjustment and disclosure statement process.

On July 23, 2018, AGM and AGC filed an adversary complaint in the Federal District Court for Puerto Rico seeking a judgment (i) declaring the members of the Oversight Board are officers of the U.S. whose appointments were unlawful under the Appointments Clause of the U.S. Constitution; (ii) declaring void from the beginning the unlawful actions taken by the Oversight Board to date, including (x) development of the Commonwealth's Fiscal Plan, (y) development of PRHTA's Fiscal Plan, and (z) filing of the Title III cases on behalf of the Commonwealth and PRHTA; and (iii) enjoining the Oversight Board from taking any further action until the Oversight Board members have been lawfully appointed in conformity with the Appointments Clause of the U.S. Constitution. The Title III court dismissed a similar lawsuit filed by another party in the Commonwealth's Title III case in July 2018. On August 3, 2018, a stipulated judgment was entered against AGM and AGC at their request based upon the court's July decision in the other Appointments Clause lawsuit and, on the same date, AGM and AGC appealed the stipulated judgment to the First Circuit. On August 15, 2018, the court consolidated, for purposes of briefing and oral argument, AGM and AGC's appeal with the other Appointments Clause lawsuit. The First Circuit consolidated AGM and AGC's appeal with a third Appointments Clause lawsuit on September 7, 2018 and held a hearing on December 3, 2018. On February 15, 2019, the First Circuit issued its ruling on the appeal and held that members of the Oversight Board were not appointed in compliance with the Appointments Clause of the U.S. Constitution but declined to dismiss the Title III petitions citing the (i) de facto officer doctrine and (ii) negative consequences to the many innocent third parties who relied on the Oversight Board's actions to date, as well as the further delay which would result from a dismissal of the Title III petitions. The case was remanded back to the Federal District Court for Puerto Rico for the appellants' requested declaratory relief that the appointment of the board members of the Oversight Board is unconstitutional. The First Circuit delayed the effectiveness of its ruling for 90 days so as to allow the President and the Senate to validate the currently defective appointments or reconstitute the Oversight Board in accordance with the Appointments Clause. On April 23, 2019, the Oversight Board filed a petition for a review by the U.S. Supreme Court of the First Circuit's holding that its members were not appointed in compliance with the Appointments Clause and on the following day filed a motion in the First Circuit to further stay the effectiveness of the First Circuit's February 15, 2019 ruling pending final disposition by the U.S. Supreme Court. On May 24, 2019, AGM and AGC filed a petition for a review by the U.S. Supreme Court of the First Circuit's holding that the de facto officer doctrine allows courts to deny meaningful relief to successful challengers suffering ongoing injury at the hands of unconstitutionally appointed officers. On July 2, 2019, the First Circuit granted the Oversight Board's motion to stay the effectiveness of the First Circuit's February 15, 2019 ruling pending final disposition by the U.S. Supreme Court. On October 15, 2019, the U.S. Supreme Court heard oral arguments on the First Circuit's ruling. On June 1, 2020, the Supreme Court issued its opinion, reversing the First Circuit and holding that the selection process prescribed under PROMESA for Oversight Board members does not violate the Appointments Clause.

On December 21, 2018, the Oversight Board and the Official Committee of Unsecured Creditors of all Title III Debtors (other than the Puerto Rico Sales Tax Financing Corporation ("COFINA")) filed an adversary complaint in the Federal District Court for Puerto Rico seeking a judgment declaring that (i) the leases to public occupants entered into by the Puerto Rico Public Buildings Authority ("PBA") are not "true leases" for purposes of Section 365(d)(3) of the Bankruptcy Code and therefore the Commonwealth has no obligation to make payments to the PBA under the leases or Section 365(d)(3) of the Bankruptcy Code, (ii) the PBA is not entitled to a priority administrative expense claim under the leases pursuant to Sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code, and (iii) any such claims filed or asserted against the Commonwealth are disallowed. On January 28, 2019, the PBA filed an answer to the complaint. On March 12, 2019, the Federal District Court for Puerto Rico granted, with certain limitations, AGM's and AGC's motion to intervene. On March 21, 2019, AGM and AGC, together with certain other intervenors, filed a motion for judgment on the pleadings. On July 24, 2019, Judge Swain announced a court-imposed stay of a series of adversary proceedings and contested matters, which include this proceeding, through November 30, 2019, with a mandatory mediation element. Judge Swain extended the stay until December 31, 2019, and has since stayed the proceedings pending the Court's determination on the Commonwealth's plan of adjustment.

On January 14, 2019 the Oversight Board and the Official Committee of Unsecured Creditors filed an omnibus objection in the Title III Court to claims filed by holders of approximately \$6 billion of Commonwealth general obligation bonds issued in 2012 and 2014, asserting among other things that such bonds were issued in violation of the Puerto Rico constitutional debt service limit, such bonds are null and void, and the holders have no equitable remedy against the Commonwealth. Pursuant to procedures established by Judge Swain, on April 10, 2019, AGM filed a notice of participation in these proceedings. As of June 30, 2020, \$222 million of the Company's insured net par outstanding of the general obligation bonds of Puerto Rico were issued on or after March 2012. On May 21, 2019, the Official Committee of Unsecured Creditors filed a claim objection to certain Commonwealth general obligation bonds issued in 2011, approximately \$129 million of which are insured by the Company as of June 30, 2020, on substantially the same bases as the January 14, 2019 filing, and which the plaintiffs propose to be subject to the proceedings relating to the 2012 and 2014 bonds. On July 24, 2019, Judge Swain announced a court-imposed stay of a series of adversary proceedings and contested matters, which include this proceeding, through November 30, 2019, with a mandatory mediation element. Judge Swain extended the stay until December 31, 2019, but did not further extend the stay with respect to this matter.



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On January 8, 2020, certain Commonwealth general obligation bondholders (self-styled as the Lawful Constitutional Debt Coalition) filed a claim objection to the 2012 and 2014 bonds, asserting among other things that those bonds were issued in violation of the Puerto Rico constitutional debt limit and are not entitled to first priority status under the Puerto Rico Constitution. Judge Swain stayed these proceedings pending the Court's determination on the Commonwealth's plan of adjustment.

On May 2, 2019, the Oversight Board and the Official Committee of Unsecured Creditors filed an adversary complaint in the Federal District Court for Puerto Rico against various Commonwealth general obligation bondholders and bond insurers, including AGM and AGC, that had asserted in their proofs of claim that their bonds are secured. The complaint seeks a judgment declaring that defendants do not hold consensual or statutory liens and are unsecured claimholders to the extent they hold allowed claims. The complaint also asserts that even if Commonwealth law granted statutory liens, such liens are avoidable under Section 545 of the Bankruptcy Code. On July 24, 2019, Judge Swain announced a court-imposed stay of a series of adversary proceedings and contested matters, which include this proceeding, through November 30, 2019, with a mandatory mediation element. Judge Swain has since stayed these proceedings pending the Court's determination on the Commonwealth's plan of adjustment.

On May 20, 2019, the Oversight Board and the Official Committee of Unsecured Creditors filed an adversary complaint in the Federal District Court for Puerto Rico against the fiscal agent and holders and/or insurers, including AGC and AGM, that have asserted their PRHTA bond claims are entitled to secured status in PRHTA's Title III case. Plaintiffs are seeking to avoid the PRHTA bondholders' liens and contend that (i) the scope of any lien only applies to revenues that have been both received by PRHTA and deposited in certain accounts held by the fiscal agent and does not include PRHTA's right to receive such revenues; (ii) any lien on revenues was not perfected because the fiscal agent does not have "control" of all accounts holding such revenues; (iii) any lien on the excise tax revenues is no longer enforceable because any rights PRHTA had to receive such revenues are preempted by PROMESA; and (iv) even if PRHTA held perfected liens on PRHTA's revenues and the right to receive such revenues, such liens were terminated by Section 552(a) of the Bankruptcy Code as of the petition date. On July 24, 2019, Judge Swain announced a court-imposed stay of a series of adversary proceedings and contested matters, which include this proceeding, through November 30, 2019, with a mandatory mediation element. Judge Swain extended the stay through December 31, 2019, and extended the stay again pending further order of the court on the understanding that these issues will be resolved in other proceedings.

On September 30, 2019, certain parties that either had advanced funds to PREPA for the purchase of fuel or had succeeded to such claims ("Fuel Line Lenders") filed an amended adversary complaint in the Federal District Court for Puerto Rico against the Oversight Board, PREPA, the Puerto Rico Fiscal Agency and Financial Advisory Authority ("AAFAF"), U.S. Bank National Association, as trustee for PREPA bondholders, and various PREPA bondholders and bond insurers, including AGC and AGM. The complaint seeks, among other things, declarations that the advances made by the Fuel Line Lenders are Current Expenses as defined in the trust agreement pursuant to which the PREPA bonds were issued and there is no valid lien securing the PREPA bonds unless and until the Fuel Line Lenders are paid in full, as well as orders subordinating the PREPA bondholders' lien and claim to the Fuel Line Lenders' claims and declaring the PREPA RSA null and void. The Oversight Board filed a status report on May 15, 2020 regarding PREPA's financial condition and its request for approval of the PREPA RSA settlement, in which it requested that it be permitted to file and updated report by July 31, 2020, that all proceedings related to the approval of the PREPA RSA settlement continue to be adjourned, and that the hearing in this adversary proceeding currently scheduled for June 3, 2020 be adjourned. On May 22, 2020, the TITLE III Court issued an order to that effect.

On October 30, 2019, the retirement system for PREPA employees ("SREAE") filed an amended adversary complaint in the Federal District Court for Puerto Rico against the Oversight Board, PREPA, AAFAF, the Commonwealth, the Governor of Puerto Rico, and U.S. Bank National Association, as trustee for PREPA bondholders. The complaint seeks, among other things, declarations that amounts owed to SREAE are Current Expenses as defined in the trust agreement pursuant to which the PREPA bonds were issued, that there is no valid lien securing the PREPA bonds other than on amounts in the sinking funds and that SREAE is a third-party beneficiary of certain trust agreement provisions, as well as orders subordinating the PREPA bondholders' lien and claim to the SREAE claims. On November 7, 2019, the court granted a motion to intervene by AGC and AGM. The Oversight Board filed a status report on May 15, 2020 regarding PREPA's financial condition and its request for approval of the PREPA RSA settlement, in which it requested that it be permitted to file an updated report by July 31, 2020, that all proceedings related to the approval of the PREPA RSA settlement continue to be adjourned, and that the hearing in this adversary proceeding currently scheduled for June 3, 2020 be adjourned. On May 22, 2020, the Title III Court issued an order to that effect.

On January 16, 2020, AGM and AGC along with certain other monoline insurers filed in Federal District Court for Puerto Rico a motion (amending and superseding a motion filed by AGM and AGC on August 23, 2019) for relief from the automatic stay imposed pursuant to Title III of PROMESA to permit movants to enforce in another forum the application of the revenues securing the PRHTA Bonds (the "PRHTA Revenues") or, in the alternative, for adequate protection for their property interests in PRHTA Revenues. A preliminary hearing on the motion occurred on June 4, 2020. On July 2, 2020, Judge Swain denied the motion to the extent it sought stay relief or adequate protection with respect to liens or other property interests in PRHTA Revenues that have not been deposited in the related bond resolution funds. The movants intend to appeal this denial and the underlying determinations to the First Circuit.

On January 16, 2020, the Financial Oversight and Management Board brought an adversary proceeding in the Federal District Court for Puerto Rico against AGM, AGC and other insurers of PRHTA Bonds, objecting to the bond insurers claims in the Commonwealth Title III proceedings and seeking to disallow such claims, among other reasons, as being duplicative of the master claims filed by the trustee, for lack of standing and for any assertions of secured status or property interests with respect to PRHTA Revenues. Motions for partial summary judgment were filed on April 28, 2020, with a hearing scheduled for September 23, 2020.

On January 16, 2020, the Financial Oversight and Management Board, on behalf of the PRHTA, brought an adversary proceeding in the Federal District Court for Puerto Rico against AGM, AGC and other insurers of PRHTA Bonds, objecting to the bond insurers claims in the PRHTA Title III proceedings and seeking to disallow such claims, among other reasons, as being duplicative of the master claims filed by the trustee and for any assertions of secured status or property interests with respect to PRHTA Revenues. This matter is stayed pending further order of the court.

On January 16, 2020, AGM and AGC along with certain other monoline insurers and the trustee for the PRIFA Rum Tax Bonds filed in Federal District Court for Puerto Rico a motion concerning application of the automatic stay to the revenues securing the PRIFA Bonds (the "PRIFA Revenues"), seeking an order lifting the automatic stay so that movants can enforce rights respecting the PRIFA Revenues in another forum or, in the alternative, that the Commonwealth must provide adequate protection for



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movants' lien on the PRIFA Revenues. A preliminary hearing on the motion occurred on June 4, 2020. On July 2, 2020, Judge Swain denied the motion to the extent it sought stay relief or adequate protection with respect to PRIFA Revenues that have not been deposited in the related sinking fund. The movants intend to appeal this denial and the underlying determinations to the First Circuit either as a certified interlocutory appeal or following the issuance of a final order resolving additional issues that were not considered in the preliminary hearing.

On January 16, 2020, AGM and AGC along with certain other monoline insurers and the trustee for the PRCCDA Bonds filed in Federal District Court for Puerto Rico a motion concerning application of the automatic stay to the revenues securing the PRCCDA Bonds (the "PRCCDA Revenues"), seeking an order that an action to enforce rights respecting the PRCCDA Revenues in another forum is not subject to the automatic stay associated with the Commonwealth's Title III proceeding or, in the alternative, if the court finds that the stay is applicable, lifting the automatic stay so that movants can enforce such rights in another forum or, in the further alternative, if the court finds the automatic stay applicable and does not lift it, that the Commonwealth must provide adequate protection for movants' lien on the PRCCDA Revenues. A preliminary hearing on the motion occurred on June 4, 2020. On July 2, 2020, Judge Swain held that a proposed enforcement action by movants in another court would be subject to the automatic stay, that the movants have a colorable claim to a security interest in funds deposited in the "Transfer Account" and have shown a reasonable likelihood that a certain account held by Scotiabank is the Transfer Account, but denied the motion to the extent it sought stay relief or adequate protection with respect to PRCCDA Revenues that have not been deposited in the Transfer Account. The movants intend to appeal the portion of the opinion constituting a denial and the underlying determinations related to the denial to the First Circuit.

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.

### 15. Leases

There have been no material changes since the 2019 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, 2020 was \$189.9 billion (\$186.6 billion for public finance and \$3.3 billion for structured finance exposures). In the second quarter of 2020, the Company reassumed \$345 million in net par from its largest remaining legacy financial guaranty reinsurer, including \$118 million of net par of Puerto Rico exposure.

### 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 2020.
- B. The Company has not transferred or serviced any financial assets during the first six months of 2020.
- C. The Company did not engage in any wash sale transactions during the first six months of 2020.

### 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 2019 Annual Statement.

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

There has been no change since the 2019 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, 2020.

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| Description for each class of asset | Level 1 | Level 2        | Level 3   | Net Asset Value | TOTAL          |
|-------------------------------------|---------|----------------|-----------|-----------------|----------------|
| <b>a. Assets at fair value</b>      |         |                |           |                 |                |
| Bonds                               |         |                |           |                 |                |
| Special Revenue                     | \$ —    | \$ —           | \$ —      | \$ —            | \$ —           |
| Industrial & Miscellaneous          | —       | —              | —         | —               | —              |
| Total Bonds                         | —       | —              | —         | —               | —              |
| Money market mutual funds           | —       | 137,757,990    | —         | —               | 137,757,990    |
| Other invested assets               | —       | —              | 73,120    | —               | 73,120         |
| Total Assets at Fair Value          | \$ —    | \$ 137,757,990 | \$ 73,120 | \$ —            | \$ 137,831,110 |

**Bonds**

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

The fair value of bonds in the investment portfolio is generally based on prices received from third-party pricing services or alternative pricing sources with reasonable levels of price transparency. The pricing services prepare estimates of fair value using their pricing models, which take into account: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, reference data, industry and economic events, and sector groupings. Additional valuation factors that can be taken into account are nominal spreads and liquidity adjustments. The pricing services evaluate each asset class based on relevant market and credit information, perceived market movements, and sector news.

Benchmark yields have in many cases taken priority over reported trades for securities that trade less frequently or those that are distressed trades, and therefore may not be indicative of the market. The extent of the use of each input is dependent on the asset class and the market conditions. The valuation of fixed-maturity investments is more subjective when markets are less liquid due to the lack of market based inputs.

**Stocks**

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

**Cash and Short Term Investments**

The carrying amounts reported in the statement of admitted assets, liabilities and surplus for these instruments are at amortized cost. Money market mutual funds are accounted for at fair value, which approximates amortized cost.

**Other Invested Assets**

The carrying amounts reported in the statement of admitted assets, liabilities and surplus for these instruments are at amortized cost. Investments in partnerships and limited liability company interests are carried on the equity basis, to the extent admissible.

2. Rollforward of Level 3 Items

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

| Description:                       | Beg. Balance at April 1, 2020 | 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 | Settlement | Ending Balance at June 30, 2020 |
|------------------------------------|-------------------------------|------------------------|--------------------------|---|------------------------------------|----------|----------|-------|------------|---------------------------------|
| Bonds - Special Revenue            | \$ 6,812,690                  | \$ —                   | \$ 6,951,745             | \$ 139,055                              | \$ —                               | \$ —     | \$ —     | \$ —  | \$ —       | \$ —                            |
| Bonds - Industrial & Miscellaneous | 26,474,446                    | —                      | 27,400,045               | 925,599                                 | —                                  | —        | —        | —     | —          | —                               |
| Other invested assets              | 172,829                       | —                      | —                        | (99,709)                                | —                                  | —        | —        | —     | —          | 73,120                          |
| TOTAL                              | \$ 33,459,965                 | \$ —                   | \$34,351,790             | \$ 964,945                              | \$ —                               | \$ —     | \$ —     | \$ —  | \$ —       | \$ 73,120                       |

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 ended June 30, 2020, one special revenue bond and two industrial & miscellaneous bonds were transferred out of Level 3 of the fair value hierarchy and are not recorded at fair value due to increases in market value to levels greater than book value.

4. Inputs and Techniques Used for Level 3 Fair Values

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



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## 5. Derivative Fair Values

The Company does not own derivatives at June 30, 2020.

## B. Other Fair Value Disclosures

The fair value of the Company's financial guaranty contracts accounted for as insurance was approximately \$3.3 billion at June 30, 2020 and was based on management's estimate of what a similarly rated financial guaranty insurance company would demand to acquire the Company's in-force book of financial guaranty insurance business. This amount was based on a variety of factors that may include pricing assumptions management has observed for portfolio transfers, commutations, and acquisitions that have occurred in the financial guaranty market and included adjustments to the carrying value of unearned premium reserve for stressed losses, ceding commissions and return on capital. The Company classified this fair value measurement as Level 3.

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

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

| Type of Financial Instrument                | Fair Value             | Admitted Value         | Level 1               | Level 2                | Level 3                | Net Asset Value | Not Practicable (Carrying Value) |
|---|------------------------|------------------------|-----------------------|------------------------|------------------------|-----------------|----------------------------------|
| Bonds                                       | \$3,207,378,174        | \$3,038,906,748        | \$ —                  | \$2,632,297,583        | \$ 575,080,591         | \$ —            | \$ —                             |
| Cash equivalents and short-term investments | 354,756,827            | 354,743,566            | 214,850,617           | 139,906,210            | —                      | —               | —                                |
| Other invested assets                       | 447,960,274            | 447,960,274            | 2,887,154             | —                      | 445,073,120            | —               | —                                |
| Total assets                                | <u>\$4,010,095,275</u> | <u>\$3,841,610,588</u> | <u>\$ 217,737,771</u> | <u>\$2,772,203,793</u> | <u>\$1,020,153,711</u> | <u>\$ —</u>     | <u>\$ —</u>                      |

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

Not applicable

## E. Instruments Measured Using NAV Practical Expedient

Not applicable

## 21. Other Items

B, C, D, E, G, H. There has been no change since the 2019 Annual Statement.

### A. Unusual or Infrequent Items

#### Impact of COVID-19 Pandemic

A novel coronavirus emerged in Wuhan, China in late 2019 and began to spread beyond China in early 2020. The virus is highly infectious and causes a coronavirus disease, COVID-19, that can be fatal. COVID-19 has been declared a pandemic by the World Health Organization, and its emergence and reactions to it, including various shelter-in-place guidelines and related restrictions, are having a profound effect on the global economy and financial markets. While the COVID-19 pandemic has been impacting the global economy and the Company for quite some time now, its ultimate size, depth, course and duration remain unknown, and the governmental and private responses to the pandemic continue to evolve. Consequently, and due to the nature of the Company's business, all of the direct and indirect consequences of COVID-19 on the Company are not yet fully known to the Company, and still may not emerge for some time.

Direct and indirect consequences of COVID-19 are causing financial distress to many of the obligors and assets underlying obligations guaranteed by the Company, and may result in increases in claims and loss reserves. The Company believes that state and local governments and entities that were already experiencing significant budget deficits and pension funding and revenue shortfalls, as well as obligations supported by revenue streams most impacted by shelter-in-place guidelines and related restrictions or an economic downturn, are most at risk for increased claims. For the second quarter of 2020, the Company made adjustments to its assumptions and weightings for loss scenarios for those distressed credits it believes are most likely to be impacted by the COVID-19 pandemic, including RMBS, Puerto Rico and certain other distressed public finance exposures. See Note 21.F.(4), Underwriting Exposure, below. The size and depth of the COVID-19 pandemic, its course and duration and the direct and indirect consequences of governmental and private responses to it are unknown, so the Company cannot predict the ultimate size of any increases in claims and loss reserves that may result from the pandemic. The Surveillance department is closely monitoring the insured portfolio, with emphasis on state and local governments and entities that were already experiencing significant budget deficits and pension funding and revenue shortfalls, as well as obligations supported by revenue streams most impacted by shelter-in-place guidelines and related restrictions or an economic downturn.

The Company began operating remotely in accordance with its business continuity plan in March, 2020, instituting mandatory work-from-home policies beginning on March 16, 2020. The Company is providing the services and communications it normally would, and continues to close new insurance transactions and make insurance claim payments. The Company's shift to working from home has made it more dependent on the Internet and communications access and capabilities and has heightened its risk of cybersecurity attacks.

## F. Subprime Mortgage-Related Risk Exposure

(1) through (3)

The Company purchased securities with subprime mortgage related exposures that it has insured, and for which it has loss reserves, in order to mitigate the economic effect of insured losses ("loss mitigation bonds"). These securities were purchased at a discount and are accounted for excluding the effects of the Company's insurance on the securities. As of June 30, 2020, the majority of the investment portfolio is managed by six outside managers (including Wasmer, Schroeder & Company LLC, in which the Company has a minority interest). The Company has established detailed guidelines regarding credit quality, exposure to a particular sector and exposure to a particular obligor within a sector. The externally managed portfolio must maintain a minimum average rating of A+ by S&P or A1 by Moody's. Direct exposure through investments in subprime mortgage loans at June 30, 2020 is shown below.

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| As of June 30, 2020                    | Actual Cost    | Book Value     | Fair Value     | OTTI Losses Recognized |
|--|----------------|----------------|----------------|------------------------|
| Residential Mortgage-Backed Securities | \$ 211,967,046 | \$ 217,237,091 | \$ 193,197,464 | \$ 42,126,292          |
| Total                                  | \$ 211,967,046 | \$ 217,237,091 | \$ 193,197,464 | \$ 42,126,292          |

### (4) Underwriting Exposure

#### *Selected U.S. Public Finance Transactions*

The Company had insured exposure to general obligation bonds of the Commonwealth of Puerto Rico ("Puerto Rico" or the "Commonwealth") and various obligations of its related authorities and public corporations aggregating \$2.0 billion net par as of June 30, 2020, of which \$118 million was reassumed from American Overseas Reinsurance Co. Ltd. in the second quarter of 2020. Of that amount, \$1.9 billion was rated below investment grade ("BIG"), while the remainder was rated AA because it relates to second-to-pay policies on obligations insured by an affiliate of the Company. Beginning on January 1, 2016, a number of Puerto Rico exposures have defaulted on bond payments, and the Company has now paid claims on all of its BIG Puerto Rico exposures except for Municipal Finance Agency ("MFA").

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

On June 30, 2016, the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA") was signed into law. PROMESA established a seven-member financial oversight board ("Oversight Board") with authority to require that balanced budgets and fiscal plans be adopted and implemented by Puerto Rico. Title III of PROMESA provides for a process analogous to a voluntary bankruptcy process under chapter 9 of the United States Bankruptcy Code ("Bankruptcy Code").

The Company believes that a number of the actions taken by the Commonwealth, the Oversight Board and others with respect to obligations the Company insures are illegal or unconstitutional or both, and has taken legal action, and may take additional legal action in the future, to enforce its rights with respect to these matters. In addition, the Commonwealth, the Oversight Board and others have taken legal action naming the Company as a party.

Currently there are numerous legal actions relating to the default by the Commonwealth and certain of its entities on debt service payments, and related matters, and the Company is a party to a number of them. See Note 14, Liabilities, Contingencies and Assessments.

The Company also participates in mediation and negotiations relating to its Puerto Rico exposure. The COVID-19 pandemic and evolving governmental and private responses to the pandemic are impacting both Puerto Rico itself and the process of resolving the payment defaults of the Commonwealth and some of its related authorities and public corporations, including delaying related litigation, the various Title III proceedings, and other legal proceedings.

The final form and timing of responses to Puerto Rico's financial distress, the devastation of Hurricane Maria and the COVID-19 pandemic and evolving governmental and private responses to the pandemic, eventually taken by the federal government or implemented under the auspices of PROMESA and the Oversight Board or otherwise, and the final impact on the Company, after resolution of legal challenges, of any such responses on obligations insured by the Company, are uncertain. The impact of developments relating to Puerto Rico during any quarter or year could be material to the Company's results of operations in that particular quarter or year.

The Company groups its Puerto Rico exposure into three categories:

- *Constitutionally Guaranteed.* The Company includes in this category public debt benefiting from Article VI of the Constitution of the Commonwealth, which expressly provides that interest and principal payments on the public debt are to be paid before other disbursements are made.
- *Public Corporations - Certain Revenues Potentially Subject to Clawback.* The Company includes in this category the debt of public corporations for which applicable law permits the Commonwealth to claw back, subject to certain conditions and for the payment of public debt, at least a portion of the revenues supporting the bonds the Company insures. As a constitutional condition to clawback, available Commonwealth revenues for any fiscal year must be insufficient to pay Commonwealth debt service before the payment of any appropriations for that year. The Company believes that this condition has not been satisfied to date, and accordingly that the Commonwealth has not to date been entitled to claw back revenues supporting debt insured by the Company.
- *Other Public Corporations.* The Company includes in this category the debt of public corporations that are supported by revenues it does not believe are subject to clawback.

#### **Constitutionally Guaranteed**

*General Obligation.* As of June 30, 2020, the Company had \$611 million insured net par outstanding of the general obligations of Puerto Rico, which are supported by the good faith, credit and taxing power of the Commonwealth. Despite the requirements of Article VI of its Constitution, the Commonwealth defaulted on the debt service payment due on July 1, 2016, and the Company has been making claim payments on these bonds since that date. The Oversight Board has filed a petition under Title III of PROMESA with respect to the Commonwealth.

On May 27, 2020, the Oversight Board certified a revised fiscal plan for the Commonwealth. The revised certified Commonwealth fiscal plan contemplates a reduction in financial resources available for debt service as a result of efforts to contain, and the impact on the economy from, the COVID-19 pandemic. That revised fiscal plan also contemplates a postponement of reforms for the Commonwealth. The Company continues to disagree with the Oversight Board's view of available resources.



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On February 9, 2020, the Oversight Board announced it had entered into an amended general obligation Plan Support Agreement ("Amended GO PSA") with certain general obligation ("GO") and Puerto Rico Public Buildings Authority ("PBA") bondholders representing approximately \$8 billion of the aggregate amount of general obligation and PBA bond claims. The Amended GO PSA purports to provide a framework to address approximately \$35 billion of Commonwealth debt (including PBA debt) and unsecured claims. The Company is not a party to that agreement and does not support it.

The Amended GO PSA provides for different recoveries based on the bonds' vintage issuance date, with GO and PBA bonds issued before 2011("Vintage") receiving higher recoveries than GO and PBA bonds issued in 2011 and thereafter (except that, for purposes of the Amended GO PSA, Series 2011A GO bonds would be treated as Vintage bonds). The recoveries for the GO bonds, by vintage issuance date, are set forth in the table included below. The differentiated recovery scheme provided under the Amended GO PSA is purportedly based on the Oversight Board's attempt to invalidate the non-Vintage GO and PBA bonds (see Note 14, Liabilities, Contingencies and Assessments). Under the Amended GO PSA, GO and PBA bondholders generally would receive newly issued Commonwealth GO bonds, COFINA junior lien bonds and cash equal to the amounts set out below, expressed as a percent of their outstanding pre-petition claims (which excludes post-petition accrued interest), based on the vintage issuance date of the bonds they hold. In all cases, holders of GO/PBA bonds supporting the Amended GO PSA are also entitled to certain fees.

| General Obligation Bonds      | The Company's Net Par Outstanding as of June 30, 2020 | The Company's Total Net Principal Claims Paid as of June 30, 2020 | The Company's Total Net Interest Claims Paid as of June 30, 2020 | Base Recovery as a % of Pre-Petition Claims |
|-------------------------------|---|---|--|---|
|                               | (in millions)   |   |  | (percent)                                   |
| Vintage GO                    | \$ 260  | \$ 172  | \$ 107   | 74.9 %                                      |
| 2011 GO (Series D, E and PIB) | 3   | 6   | 1  | 73.8  |
| 2011 GO (Series C)            | 126   | —   | 42   | 70.4  |
| 2012 GO                       | 222   | —   | 63   | 69.9  |
| 2014 GO                       | —   | —   | —  | 65.4  |

On February 28, 2020, the Oversight Board filed with the Title III court an Amended Joint Plan of Adjustment of the Commonwealth ("Amended POA") to restructure approximately \$35 billion of debt (including the GO bonds) and other claims against the government of Puerto Rico and certain entities and \$50 billion in pension obligations. The Amended POA includes the terms of the settlement relating to the GO bonds embodied in the Amended GO PSA. The Company believes the Amended POA, as currently constituted, does not comply with the laws and constitution of Puerto Rico and the provisions of PROMESA and does not satisfy the statutory requirements for confirmation of a plan of adjustment under Title III of PROMESA.

*PBA.* As of June 30, 2020, the Company had \$8 million insured net par outstanding of PBA bonds, which are supported by a pledge of the rents due under leases of government facilities to departments, agencies, instrumentalities and municipalities of the Commonwealth, and that benefit from a Commonwealth guaranty supported by a pledge of the Commonwealth's good faith, credit and taxing power. Despite the requirements of Article VI of its Constitution, the PBA defaulted on most of the debt service payment due on July 1, 2016, and the Company has been making claim payments on these bonds since then. On September 27, 2019, the Oversight Board filed a petition under Title III of PROMESA with respect to the PBA to allow the restructuring of the PBA claims through the Amended POA.

Under the Amended GO PSA (which does not include the Company as a party and which the Company does not support) , PBA bondholders generally would receive newly issued Commonwealth GO bonds, COFINA junior lien bonds and cash equal to the amounts set out below, expressed as a percent of their outstanding pre-petition claims (which excludes post-petition accrued interest), based on the vintage issuance date of the bonds they hold. In all cases, holders of PBA bonds supporting the Amended GO PSA are also entitled to certain fees.

| PBA Bonds   | The Company's Net Par Outstanding as of June 30, 2020 | The Company's Total Net Principal Claims Paid as of June 30, 2020 | The Company's Total Net Interest Claims Paid as of June 30, 2020 | Base Recovery as a % of Pre-Petition Claims |
|-------------|---|---|--|---|
|             | (in millions)   |   |  | (percent)                                   |
| Vintage PBA | \$ 8  | \$ —  | \$ 9   | 77.6 %                                      |
| 2011 PBA    | —   | —   | —  | 76.8  |
| 2012 PBA    | —   | —   | —  | 72.2  |

As noted above, on February 28, 2020, the Oversight Board filed with the Title III court an Amended POA to restructure approximately \$35 billion of debt (including the PBA bonds) and other claims against the government of Puerto Rico and certain entities and \$50 billion in pension obligations. The Amended POA includes the terms of the settlement relating to the PBA bonds embodied in the Amended GO PSA. The Company believes the Amended POA, as currently constituted, does not comply with the laws and constitution of Puerto Rico and the provisions of PROMESA and does not satisfy the statutory requirements for confirmation of a plan of adjustment under Title III of PROMESA.

Public Corporations - Certain Revenues Potentially Subject to Clawback

*PRHTA.* As of June 30, 2020, the Company had \$254 million insured net par outstanding of PRHTA (transportation revenue) bonds and \$406 million insured net par outstanding of PRHTA (highway 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 highway revenue bonds are secured by a gross lien on gasoline and gas oil and diesel oil taxes, motor vehicle license fees and certain tolls. The non-toll revenues consisting of excise taxes and fees collected by the Commonwealth on behalf of PRHTA and its bondholders that are statutorily allocated to PRHTA and its bondholders are potentially subject to clawback. Despite the presence of funds in relevant debt service reserve accounts that the Company believes should have been employed to fund debt service, PRHTA defaulted on



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the full July 1, 2017 insured debt service payment, and the Company has been making claim payments on these bonds since that date. The Oversight Board has filed a petition under Title III of PROMESA with respect to PRHTA.

On June 6, 2020, the Oversight Board certified a revised fiscal plan for PRHTA. The revised certified PRHTA fiscal plan projects very limited capacity to pay debt service over the five-year forecast period.

### **Other Public Corporations**

*Puerto Rico Electric Power Authority ("PREPA").* As of June 30, 2020, the Company had \$527 million insured net par outstanding of PREPA obligations, which are secured by a lien on the revenues of the electric system. The Company has been making claim payments on these bonds since July 1, 2017. On July 2, 2017, the Oversight Board commenced proceedings for PREPA under Title III of PROMESA.

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

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

On June 29, 2020, the Oversight Board certified a revised fiscal plan for PREPA. The revised certified PREPA fiscal plan projects no capacity to pay debt service over the five-year forecast period without incurring rate increases.

*MFA.* As of June 30, 2020, the Company had \$176 million net par outstanding of bonds issued by MFA secured by a lien on local property tax revenues. The MFA bond accounts contained sufficient funds to make the MFA bond payments due through the date of this filing that were guaranteed by the Company, and those payments were made in full.

### ***Exposure to the U.S. Virgin Islands***

As of June 30, 2020, the Company had \$322 million insured net par outstanding to the U.S. Virgin Islands and its related authorities ("USVI"), of which it rated \$143 million BIG. The \$179 million USVI net par the Company rated investment grade primarily consisted of bonds secured by a lien on matching fund revenues related to excise taxes on products produced in the USVI and exported to the U.S., primarily rum. The \$143 million BIG USVI net par consisted of (a) Public Finance Authority bonds secured by a gross receipts tax and the general obligation, full faith and credit pledge of the USVI and (b) bonds of the Virgin Islands Water and Power Authority secured by a net revenue pledge of the electric system.

In 2017, Hurricane Irma caused significant damage in St. John and St. Thomas, while Hurricane Maria made landfall on St. Croix as a Category 4 hurricane on the Saffir-Simpson scale, causing loss of life and substantial damage to St. Croix's businesses and infrastructure, including the power grid. More recently, the COVID-19 pandemic and evolving governmental and private responses to the pandemic have been impacting the USVI economy, especially the tourism sector. The USVI is benefiting from the federal response to the 2017 hurricanes and has made its debt service payments to date.

### ***Other Selected U.S. Public Finance Transactions***

On February 25, 2015, a plan of adjustment resolving the bankruptcy filing of the City of Stockton, California ("the City") under chapter 9 of the U.S. Bankruptcy Code became effective. As of June 30, 2020, the Company's net par subject to the plan consisted of \$59 million of pension obligation bonds. As part of the plan of adjustment, the City will repay any claims paid on the pension obligation bonds from certain fixed payments and certain variable payments contingent on the City's revenue growth, which will likely be impacted by COVID-19.

### ***U.S. Public Finance Loss and LAE***

The Company had loss and LAE reserves across its troubled U.S. public finance exposures as of June 30, 2020, including those mentioned above, of \$185.0 million compared to \$162.6 million as of December 31, 2019. The increase was attributable to loss and LAE payments of \$40.6 million offset by incurred losses and LAE of \$18.2 million (both of which are primarily due to Puerto Rico exposures).

### ***U.S. RMBS Loss Projections***

The Company projects losses on its insured U.S. RMBS on a transaction-by-transaction basis by projecting the performance of the underlying pool of mortgages over time and then applying the structural features (i.e., payment priorities and tranching) of the RMBS and any expected representation and warranty ("R&W") recoveries/payables to the projected performance of the collateral over time. The resulting projected claim payments or reimbursements are then discounted using a rate of 4.0%, the approximate taxable equivalent yield on the Company's investment portfolio.

As of June 30, 2020, the Company had a net R&W payable of \$70.0 million to R&W counterparties, compared with a net R&W payable of \$48.2 million as of December 31, 2019. The Company's agreements with providers of R&W generally provide for reimbursement to the Company as claim payments are made and, to the extent the Company later receives reimbursements of such claims from excess spread or other sources, for the Company to provide reimbursement to the R&W providers. When the Company projects receiving more reimbursements in the future than it projects to pay in claims on transactions covered by R&W settlement agreements, the Company will have a net R&W payable.

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The Company's RMBS loss projection methodology assumes that the housing and mortgage markets will improve. Each period the Company makes a judgment as to whether to change the assumptions it uses to make RMBS loss projections based on its observation during the period of the performance of its insured transactions (including early stage delinquencies, late stage delinquencies and loss severity) as well as the residential property market and economy in general, and, to the extent it observes changes, it makes a judgment as to whether those changes are normal fluctuations or part of a trend. In the first six months of 2020, the economic benefit was \$38 million for first lien U.S. RMBS and \$6 million for second lien U.S. RMBS, respectively. The assumptions that the Company uses to project RMBS losses are shown in the sections below.

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

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 projections 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, 2020 | December 31, 2019 |
|--|---------------|-------------------|
| <b>Delinquent/Modified in the Previous 12 Months</b> | 20%           | 20%               |
| <b>30 - 59 Days Delinquent</b>                       |               |                   |
| Alt-A  | 35            | 30                |
| Option ARM   | 35            | 35                |
| Subprime   | 30            | 35                |
| <b>60 - 89 Days Delinquent</b>                       |               |                   |
| Alt-A  | 40            | 40                |
| Option ARM   | 45            | 45                |
| Subprime   | 40            | 45                |
| <b>90+ Days Delinquent</b>                           |               |                   |
| Alt-A  | 55            | 55                |
| Option ARM   | 60            | 55                |
| Subprime   | 45            | 50                |
| <b>Bankruptcy</b>                                    |               |                   |
| Alt-A  | 45            | 45                |
| Option ARM   | 50            | 50                |
| Subprime   | 40            | 40                |
| <b>Foreclosure</b>                                   |               |                   |
| Alt-A  | 60            | 65                |
| Option ARM   | 65            | 65                |
| Subprime   | 55            | 60                |
| <b>Real Estate Owned</b>                             |               |                   |
| All  | 100           | 100               |

Towards the end of the first quarter of 2020, lenders began offering mortgage borrowers the option to forbear interest and principal payments of their loans due to the COVID-19 pandemic, and to repay such amounts at a later date. This resulted in an increase in early-stage delinquencies in RMBS transactions during the second quarter of 2020. The Company's expected loss estimate assumes that a portion of early-stage delinquencies are due to COVID-19 related forbearances, and applies a liquidation rate of 20% to such loans. This is the same liquidation rate assumption used when estimating expected losses for current loans modified or delinquent within the last 12 months, as the Company believes this is the category that most resembles the population of new forbearance delinquencies.

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 and then steps to a final CDR of 5% of the CDR plateau. In the base case, the Company assumes the final CDR will be reached 3 years after the initial 36-month CDR plateau period. Under the Company's methodology, defaults projected to occur in the first 36 months represent defaults that can be attributed to loans that were modified or delinquent in the last 12 months or that are currently delinquent or in foreclosure, while the defaults projected to occur using the projected CDR trend after the first 36-month period represent defaults attributable to borrowers that are currently performing or are projected to reperform.

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



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

### Key Assumptions in Base Case Loss Reserve Estimates First Lien RMBS

|                        | As of June 30, 2020 |                  | As of December 31, 2019 |                  |
|------------------------|---------------------|------------------|-------------------------|------------------|
|                        | Range               | Weighted Average | Range                   | Weighted Average |
| <b>Alt A</b>           |                     |                  |                         |                  |
| Plateau CDR            | 3.3% - 9.4%         | 5.6%             | 2.6% - 8.4%             | 4.4%             |
| Final CDR              | 0.2% - 0.5%         | 0.3%             | 0.1% - 0.4%             | 0.2%             |
| Initial loss severity: |                     |                  |                         |                  |
| 2005 and prior         | 60.0%               |                  | 60.0%                   |                  |
| 2006                   | 70.0%               |                  | 70.0%                   |                  |
| 2007+                  | 70.0%               |                  | 70.0%                   |                  |
| <b>Option ARM</b>      |                     |                  |                         |                  |
| Plateau CDR            | 2.7% - 7.2%         | 5.1%             | 3.1% - 8.4%             | 5.5%             |
| Final CDR              | 0.1% - 0.4%         | 0.3%             | 0.2% - 0.4%             | 0.3%             |
| Initial loss severity: |                     |                  |                         |                  |
| 2005 and prior         | 60.0%               |                  | 60.0%                   |                  |
| 2006                   | 60.0%               |                  | 60.0%                   |                  |
| 2007+                  | 70.0%               |                  | 70.0%                   |                  |
| <b>Subprime</b>        |                     |                  |                         |                  |
| Plateau CDR            | 4.5% - 7.3%         | 5.6%             | 2.6% - 7.4%             | 5.4%             |
| Final CDR              | 0.2% - 0.4%         | 0.3%             | 0.1% - 0.4%             | 0.3%             |
| Initial loss severity: |                     |                  |                         |                  |
| 2005 and prior         | 75.0%               |                  | 75.0%                   |                  |
| 2006                   | 75.0%               |                  | 75.0%                   |                  |
| 2007+                  | 75.0%               |                  | 75.0%                   |                  |

The rate at which the principal amount of loans is voluntarily prepaid may impact both the amount of losses projected (since that amount is a function of the CDR, the loss severity and the loan balance over time) as well as the amount of excess spread (the amount by which the interest paid by the borrowers on the underlying loan exceeds the amount of interest owed on the insured obligations). The assumption for the voluntary conditional prepayment rate ("CPR") follows a similar pattern to that of the CDR. The current level of voluntary prepayments is assumed to continue for the plateau period before gradually increasing over 12 months to the final CPR, which is assumed to be 15% in the base case. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant and the final CPR is not used. These CPR assumptions are the same as those the Company used for December 31, 2019.

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, 2020 and December 31, 2019.

Total loss and LAE reserves on all first lien U.S. RMBS was \$6 million and \$37 million as of June 30, 2020 and December 31, 2019, respectively. The decrease was primarily attributable to higher excess spread on certain transactions, partially offset by COVID-19 related forbearances. Certain transactions benefit from excess spread when they are supported by large portions of fixed rate assets (either originally fixed or modified to be fixed) but have insured floating rate debt linked to London Interbank Offered Rate ("LIBOR"), which decreased in the first six months of 2020, and so increased excess spread. The Company used a similar approach to establish its pessimistic and optimistic scenarios as of June 30, 2020 as it used as of December 31, 2019, increasing and decreasing the periods of stress from those used in the base case. LIBOR may be discontinued, and it is not yet clear how this will impact the calculation of the various interest rates in this portfolio referencing LIBOR.

In the Company's most stressful scenario where loss severities were assumed to rise and then recover over nine years and the initial ramp-down of the CDR was assumed to occur over 15 months, loss reserves would increase from current projections by approximately \$27.9 million for all first lien U.S. RMBS transactions.

In the Company's least stressful scenario where the CDR plateau was six months shorter (30 months, effectively assuming that liquidation rates would improve) and the CDR recovery was more pronounced (including an initial ramp-down of the CDR over nine months), loss reserves would decrease from current projections by approximately \$26.8 million for all first lien U.S. RMBS transactions.

#### U.S. Second Lien RMBS Loss Projections

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

In second lien transactions the projection of near-term defaults from currently delinquent loans is relatively straightforward because loans in second lien transactions are generally "charged off" (treated as defaulted) by the securitization's servicer once the loan is 180 days past due. The Company estimates the amount of loans that will default over the next six months by calculating current representative liquidation rates. Similar to first liens, the Company then calculates a CDR for six months, which is the period over which the currently delinquent collateral is expected to be liquidated. That CDR is then used as the basis for the plateau CDR period that follows the embedded plateau losses. As in the case of first lien transactions, second lien transactions have seen an increase in early-stage delinquency because of COVID-19 related forbearances. The Company applies a 20% liquidation rate to such forboren loans same as first lien RMBS transactions.

## STATEMENT AS OF JUNE 30, 2020 OF ASSURED GUARANTY MUNICIPAL CORP.

For the base case scenario, the CDR (the “plateau CDR”) was held constant for six months. Once the plateau period has ended, the CDR is assumed to gradually trend down in uniform increments to its final long-term steady state CDR. (The long-term steady state CDR is calculated as the constant CDR that would have yielded the amount of losses originally expected at underwriting.) In the base case scenario, the time over which the CDR trends down to its final CDR is 28 months. Therefore, the total stress period for second lien transactions is 34 months, representing six months of delinquent loan liquidations followed by 28 months of decrease to the steady state CDR, the same as of December 31, 2019.

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

The HELOC loans underlying the Company's insured HELOC transactions are now past their original interest-only reset date, although a significant number of HELOC loans were modified to extend the original interest-only period for another five years. As a result, the Company does not apply a CDR increase when such loans reach their principal amortization period. In addition, based on the average performance history, the Company applies a CDR floor of 2.5% for the future steady state CDR on all its HELOC transactions.

When a second lien loan defaults, there is generally a low recovery. The Company assumed, as of June 30, 2020 and December 31, 2019, that it will generally recover 2% of future defaulting collateral at the time of charge-off, with additional amounts of post charge-off recoveries projected to come in over time. A second lien on the borrower's home may be retained in the Company's second lien transactions after the loan is charged off and the loss applied to the transaction, particularly in cases where the holder of the first lien has not foreclosed. If the second lien is retained and the value of the home increases, the servicer may be able to use the second lien to increase recoveries, either by arranging for the borrower to resume payments or by realizing value upon the sale of the underlying real estate. The Company evaluates its assumptions periodically based on actual recoveries of charged-off loans observed from period to period. In instances where the Company is able to obtain information on the lien status of charged-off loans, it assumes there will be a certain level of future recoveries of the balance of the charged-off loans where the second lien is still intact. The Company projects future recoveries on these charged-off loans at the rate shown in the table below. Such recoveries are assumed to be received evenly over the next five years. The increase in recovery assumptions is attributable to the higher actual recovery rates observed in certain transactions during the year. Increasing the recovery rate to 30% would result in an economic benefit of \$34 million, while decreasing the recovery rate back to 10% would result in an economic loss of \$34 million.

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected as well as the amount of excess spread. In the base case, an average CPR (based on experience of the past year) is assumed to continue until the end of the plateau before gradually increasing to the final CPR over the same period the CDR decreases. The final CPR is assumed to be 15% for second lien transactions (in the base case), which is lower than the historical average but reflects the Company's continued uncertainty about the projected performance of the borrowers in these transactions. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant and the final CPR is not used. This pattern is consistent with how the Company modeled the CPR as of December 31, 2019. To the extent that prepayments differ from projected levels it could materially change the Company's projected excess spread and losses.

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

The Company continues to evaluate the assumptions affecting its modeling results. The Company believes the most important driver of its projected second lien RMBS losses is the performance of its HELOC transactions. Total loss and LAE recoveries on all second lien U.S. RMBS was de minimis and \$13 million as of June 30, 2020 and December 31, 2019, respectively. The economic benefit was primarily attributable to higher actual recoveries for previously charged-off loans and higher excess spread on certain transactions, partially offset by COVID-19 related forbearances. Certain transactions benefit from excess spread when they are supported by large portions of fixed rate assets (either originally fixed or modified to be fixed) but have insured floating rate debt linked to LIBOR, which decreased in the first six months of 2020.

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

**Key Assumptions in Base Case Loss Reserve Estimates  
HELOCs**

|  | As of June 30, 2020 |                  | As of December 31, 2019 |                  |
|--|---------------------|------------------|-------------------------|------------------|
|  | Range               | Weighted Average | Range                   | Weighted Average |
| Plateau CDR                                      | 6.3% - 23.3%        | 12.5%            | 5.9% - 18.6%            | 8.6%             |
| Final CDR trended down to                        | 2.5% - 3.2%         | 2.5%             | 2.5% - 3.2%             | 2.5%             |
| Liquidation Rates:                               |                     |                  |                         |                  |
| Delinquent/Modified in the Previous 12 Months    | 20%                 |                  | 20%                     |                  |
| 30 - 59 Days Delinquent                          | 30                  |                  | 30                      |                  |
| 60 - 89 Days Delinquent                          | 40                  |                  | 45                      |                  |
| 90+ Days Delinquent                              | 60                  |                  | 65                      |                  |
| Bankruptcy                                       | 55                  |                  | 55                      |                  |
| Foreclosure                                      | 55                  |                  | 55                      |                  |
| Real Estate Owned                                | 100                 |                  | 100                     |                  |
| Loss severities on future defaults               | 98                  |                  | 98                      |                  |
| Projected future recoveries on charged-off loans | 20                  |                  | 20                      |                  |

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



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defaults. In the Company's most stressful scenario, increasing the CDR plateau to eight months and increasing the ramp-down by three months to 31 months (for a total stress period of 39 months) would increase the loss reserves by approximately \$4.5 million for HELOC transactions. On the other hand, in the Company's least stressful scenario, reducing the CDR plateau to four months and decreasing the length of the CDR ramp-down to 25 months (for a total stress period of 29 months), and lowering the ultimate prepayment rate to 10% would decrease the loss reserves by approximately \$5.0 million for HELOC transactions.

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

The following table summarizes U.S. subprime loss activity at June 30, 2020:

|                                | Losses Paid in the Current Year | Losses Incurred in the Current Year | Case Reserves at the End of Current Period | IBNR Reserves at the End of Current Period |
|--------------------------------|---------------------------------|-------------------------------------|--|--|
| a. Mortgage Guaranty coverage  | \$ —                            | \$ —                                | \$ —                                       | \$ —                                       |
| b. Financial Guaranty coverage | 1,892,520                       | (26,445,677)                        | 76,173,357                                 | —  |
| c. Other lines (specify):      | —                               | —                                   | —  | —  |
| d. Total                       | \$ 1,892,520                    | \$ (26,445,677)                     | \$ 76,173,357                              | \$ —                                       |

22. Events Subsequent

Subsequent events have been considered through August 13, 2020 for these statutory financial statements which are to be issued on August 13, 2020. There were no material events occurring subsequent to June 30, 2020 that have not already been disclosed in these financial statements.

23. Reinsurance

- A. The Company has no unsecured reinsurance recoverable that exceeds 3% of policyholder surplus at June 30, 2020.
- B. The Company has no reinsurance recoverable in dispute at June 30, 2020.
- C. Reinsurance Assumed and Ceded

The following table summarizes ceded and assumed unearned premiums and the related commission equity at June 30, 2020:

|                                    | Assumed Reinsurance |                   | Ceded Reinsurance |                   | NET              |                   |
|------------------------------------|---------------------|-------------------|-------------------|-------------------|------------------|-------------------|
|                                    | Premium Reserve     | Commission Equity | Premium Reserve   | Commission Equity | Premium Reserve  | Commission Equity |
| a. AFFILIATES                      | \$ 298,612,562      | \$ 89,583,769     | \$ 481,191,189    | \$ 128,034,822    | \$ (182,578,627) | \$ (38,451,053)   |
| b. ALL OTHER                       | 0                   | —                 | 3,035,900         | 800,352           | (3,035,900)      | (800,352)         |
| c. TOTAL                           | 298,612,562         | 89,583,769        | 484,227,089       | 128,835,174       | (185,614,527)    | (39,251,405)      |
| d. Direct Unearned Premium Reserve |                     |                   | \$ 1,640,255,855  |                   |                  |                   |

The Company has no protected cells at June 30, 2020.

- D. The Company has no uncollectible reinsurance at June 30, 2020.
- E. Commutation of Ceded Reinsurance. The Company has reported in its results of operations on June 30, 2020 as a result of commutations of reinsurance with companies listed below, amounts that are reflected as:

|                                       | American Overseas Reinsurance Co. Ltd. | Amount        |
|---------------------------------------|--|---------------|
| Paid losses                           | \$ 27,025,189                          | \$ 27,025,189 |
| Change in reserves                    | (27,025,189)                           | (27,025,189)  |
| (1) Losses incurred                   | —                                      | —             |
| Paid LAE                              | 479,614                                | 479,614       |
| Change in LAE reserves                | (479,614)                              | (479,614)     |
| (2) Loss adjustment expenses incurred | —                                      | —             |
| Ceded written premium                 | 2,753,064                              | 2,753,064     |
| Change in unearned premium reserve    | (2,753,064)                            | (2,753,064)   |
| (3) Premiums earned                   | —                                      | —             |
| Return of ceding commission           | (1,211,348)                            | (1,211,348)   |
| Other income                          | 38,974,019                             | 38,974,019    |
| (4) Other                             | 37,762,671                             | 37,762,671    |
| Total                                 | \$ 37,762,671                          | \$ 37,762,671 |

The transaction involved the reassumption of \$345 million of net par outstanding as of June 30, 2020, including \$118 million in net par of Puerto Rico exposure.

- F. The Company has no retroactive reinsurance in effect at June 30, 2020.
- 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, 2020.
- I. The Company has no certified reinsurance downgraded or status subject to revocation at June 30, 2020.
- J. The Company has no reinsurance agreements qualifying for reinsurer aggregation at June 30, 2020.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

There has been no change since the 2019 Annual Statement.



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## 25. Changes in Incurred Losses and Loss Adjustment Expenses

Recovered losses and loss expenses attributable to insured events of prior years were \$(556,138) for the first six months ended June 30, 2020. The current year decrease is a result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

## 26. Intercompany Pooling Arrangements

There has been no change since the 2019 Annual Statement.

## 27. Structured Settlements

There has been no change since the 2019 Annual Statement.

## 28. Health Care Receivables

There has been no change since the 2019 Annual Statement.

## 29. Participating Policies

There has been no change since the 2019 Annual Statement.

## 30. Premium Deficiency Reserves

There has been no change since the 2019 Annual Statement.

## 31. High Deductibles

There has been no change since the 2019 Annual Statement.

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

The net loss and LAE reserves of \$201,876,759 are discounted at a rate of 4.0% amounting to a total discount of \$(30,671,196).

| Table B<br>Nontabular Discount:          | Case            | IBNR | Defense & Cost<br>Containment<br>Expense | Adjusting &<br>Other Expense |
|--|-----------------|------|--|------------------------------|
| 21. Financial Guaranty/Mortgage Guaranty | \$ (30,671,196) | \$ — | \$ —                                     | \$ —                         |

## 33. Asbestos and Environmental Reserves

There has been no change since the 2019 Annual Statement.

## 34. Subscriber Savings Accounts

There has been no change since the 2019 Annual Statement.

## 35. Multiple Peril Crop Insurance

There has been no change since the 2019 Annual Statement.

## 36. Financial Guaranty Insurance

A. There has been no significant change since the 2019 Annual Statement.

B. Schedule of Below Investment Grade ("BIG") insured financial obligations as of June 30, 2020:

|  | Surveillance Categories |           |              |              |
|--|-------------------------|-----------|--------------|--------------|
|  | BIG 1                   | BIG 2     | BIG 3        | Total        |
| (Dollars in Thousands)                                 |                         |           |              |              |
| 1. Number of risks                                     | 55                      | 2         | 38           | 95           |
| 2. Remaining weighted-average contract period (in yrs) | 7.8                     | 8.0       | 8.7          | 8.4          |
| Insured contractual payments outstanding:              |                         |           |              |              |
| 3a. Principal  | \$ 1,846,799            | \$ 46,284 | \$ 3,773,335 | \$ 5,666,418 |
| 3b. Interest   | 693,217                 | 26,527    | 1,543,662    | 2,263,406    |
| 3c. Total  | \$ 2,540,016            | \$ 72,811 | \$ 5,316,997 | \$ 7,929,824 |
| 4. Gross claim liability                               | \$ 47,875               | \$ 4,136  | \$ 2,408,201 | \$ 2,460,212 |
| Less:  |                         |           |              |              |
| 5a1. Gross potential recoveries - subrogation          | 341,844                 | —         | 1,937,039    | 2,278,883    |
| 5a2. Ceded claim liability                             | (41,873)                | 147       | 51,849       | 10,123       |
| 5a. Total gross potential recoveries                   | 299,971                 | 147       | 1,988,888    | 2,289,006    |
| 5b. Discount, net                                      | (62,682)                | 1,027     | 30,984       | (30,671)     |
| 6. Net claim liability                                 | \$ (189,414)            | \$ 2,962  | \$ 388,329   | \$ 201,877   |
| 7. Unearned premium revenue                            | \$ 16,815               | \$ 1,487  | \$ 27,600    | \$ 45,902    |
| 8. Reinsurance recoverables                            | \$ (337)                | \$ —      | \$ 654       | \$ 317       |

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.
- 3.4

Is the reporting entity publicly traded or a member of a publicly traded group?

Yes ☒ No ☐
- 3.5

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

0001273813
- 4.1

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

Yes ☐ No ☒

If yes, complete and file the merger history data file with the NAIC.
- 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              | 2                 | 3                 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | 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.

12/31/2016
- 6.3

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

05/30/2018
- 6.4

By what department or departments?

New York State Department of Financial Services
- 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              | 2                         | 3   | 4   | 5    | 6   |
|----------------|---------------------------|-----|-----|------|-----|
| Affiliate Name | Location<br>(City, State) | FRB | OCC | FDIC | 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 ☒ 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 ☐ No ☒

9.21

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

9.3

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

Yes ☐ No ☒

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 ☒ No ☐

10.2

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

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 ☒

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 ☒ No ☐

14.2

If yes, please complete the following:

|   | 1   | 2  |
|---|---|--|
|   | Prior Year-End<br>Book/Adjusted<br>Carrying Value | Current Quarter<br>Book/Adjusted<br>Carrying Value |
| 14.21 Bonds .....   | \$ .....  | \$ .....   |
| 14.22 Preferred Stock .....   | \$ .....  | \$ .....   |
| 14.23 Common Stock .....  | \$ .....1,174,695,645                             | \$ .....1,146,303,939                              |
| 14.24 Short-Term Investments .....  | \$ .....  | \$ .....   |
| 14.25 Mortgage Loans on Real Estate .....   | \$ .....  | \$ .....   |
| 14.26 All Other .....   | \$ .....727,673,663                               | \$ .....735,922,816                                |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates<br>(Subtotal Lines 14.21 to 14.26)..... | \$ .....1,902,369,308                             | \$ .....1,882,226,755                              |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26<br>above .....                      | \$ .....  | \$ .....   |

15.1

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

Yes ☐ No ☒

15.2

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

Yes ☐ No ☐ NA ☒

If no, attach a description with this statement.

16

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

16.1

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

\$ .....

16.2

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

\$ .....

16.3

Total payable for securities lending reported on the liability page

\$ .....

GENERAL INTERROGATORIES

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity’s offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? .....

Yes [X] No [ ]

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

| 1<br>Name of Custodian(s)        | 2<br>Custodian Address                   |
|----------------------------------|--|
| The Bank of New York Mellon..... | One Wall Street, New York, NY 10286..... |
| CACEIS Bank.....                 | 1-3 Place Valhubert - 75013 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<br>Name(s) | 2<br>Location(s) | 3<br>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<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>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<br>Name of Firm or Individual           | 2<br>Affiliation |
|---|------------------|
| BlueMountain Capital Management, LLC..... | A.....           |
| Blackrock Financial Management Inc.....   | U.....           |
| New England Asset Management Inc.....     | U.....           |
| Wellington Management Company LLP.....    | U.....           |
| Goldman Sachs Asset Management, L.P.....  | U.....           |
| Wasmer, Schroeder & Company, LLC.....     | A.....           |
| Mackay Shields LLC.....                   | U.....           |
| Assured Guaranty Municipal 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 invested 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 invested 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<br>Central Registration<br>Depository Number | 2<br>Name of Firm or<br>Individual        | 3<br>Legal Entity<br>Identifier (LEI) | 4<br>Registered With                    | 5<br>Investment Management<br>Agreement (IMA) Filed |
|--|---|---------------------------------------|---|---|
| 128-132.....                                   | BlueMountain Capital Management, LLC..... | TQGGX4406QNOWG6KDA63.....             | Securities and Exchange Commission..... | DS.....   |
| 107-105.....                                   | Blackrock Financial Management Inc.....   | 549300LVXYIVJKE13M84.....             | Securities and Exchange Commission..... | NO.....   |
| 105-900.....                                   | New England Asset Management 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.....   |
| 105-323.....                                   | Wasmer, Schroeder & Company, LLC.....     | N/A.....                              | Securities and Exchange Commission..... | DS.....   |
| 107-717.....                                   | Mackay Shields LLC.....                   | 549300Y7LLC0FU7R8H16.....             | Securities and Exchange Commission..... | NO.....   |



GENERAL INTERROGATORIES

18.1

Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? .....

Yes ☒ No ☐

18.2

If no, list exceptions:  
.....

19.

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

Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or

a.

PL security is not available.

b.

Issuer or obligor is current on all contracted interest and principal payments.

c.

The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?.....

Yes ☐ No ☒

20.

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

The security was purchased prior to January 1, 2018.

b.

The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.

d.

The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?.....

Yes ☐ No ☒

7.3

GENERAL INTERROGATORIES

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:.....
- a. The shares were purchased prior to January 1, 2019.
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
  - d. The fund only or predominantly holds bonds in its portfolio.
  - e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
  - f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [ ] No [X]



## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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 ☒

3.2 If yes, give full and complete information thereto.

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 ☒ No ☐

4.2 If yes, complete the following schedule:

|                         |                       |                    | TOTAL DISCOUNT     |                 |           |              | DISCOUNT TAKEN DURING PERIOD |                 |            |              |
|-------------------------|-----------------------|--------------------|--------------------|-----------------|-----------|--------------|------------------------------|-----------------|------------|--------------|
| 1<br>Line of Business   | 2<br>Maximum Interest | 3<br>Discount Rate | 4<br>Unpaid Losses | 5<br>Unpaid LAE | 6<br>IBNR | 7<br>TOTAL   | 8<br>Unpaid Losses           | 9<br>Unpaid LAE | 10<br>IBNR | 11<br>TOTAL  |
| Financial Guaranty..... |                       | 4.000              | (30,671,196)       |                 |           | (30,671,196) | (16,145,911)                 |                 |            | (16,145,911) |
|                         |                       |                    |                    |                 |           |              |                              |                 |            |              |
|                         |                       |                    |                    |                 |           |              |                              |                 |            |              |
|                         |                       |                    |                    |                 |           |              |                              |                 |            |              |
|                         |                       |                    |                    |                 |           |              |                              |                 |            |              |
|                         |                       | TOTAL              | (30,671,196)       |                 |           | (30,671,196) | (16,145,911)                 |                 |            | (16,145,911) |

### 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..... | _____ % |

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

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

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

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

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

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

**STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL CORP.**

## SCHEDULE F - CEDED REINSURANCE

### Showing All New Reinsurers - Current Year to Date

[illegible]



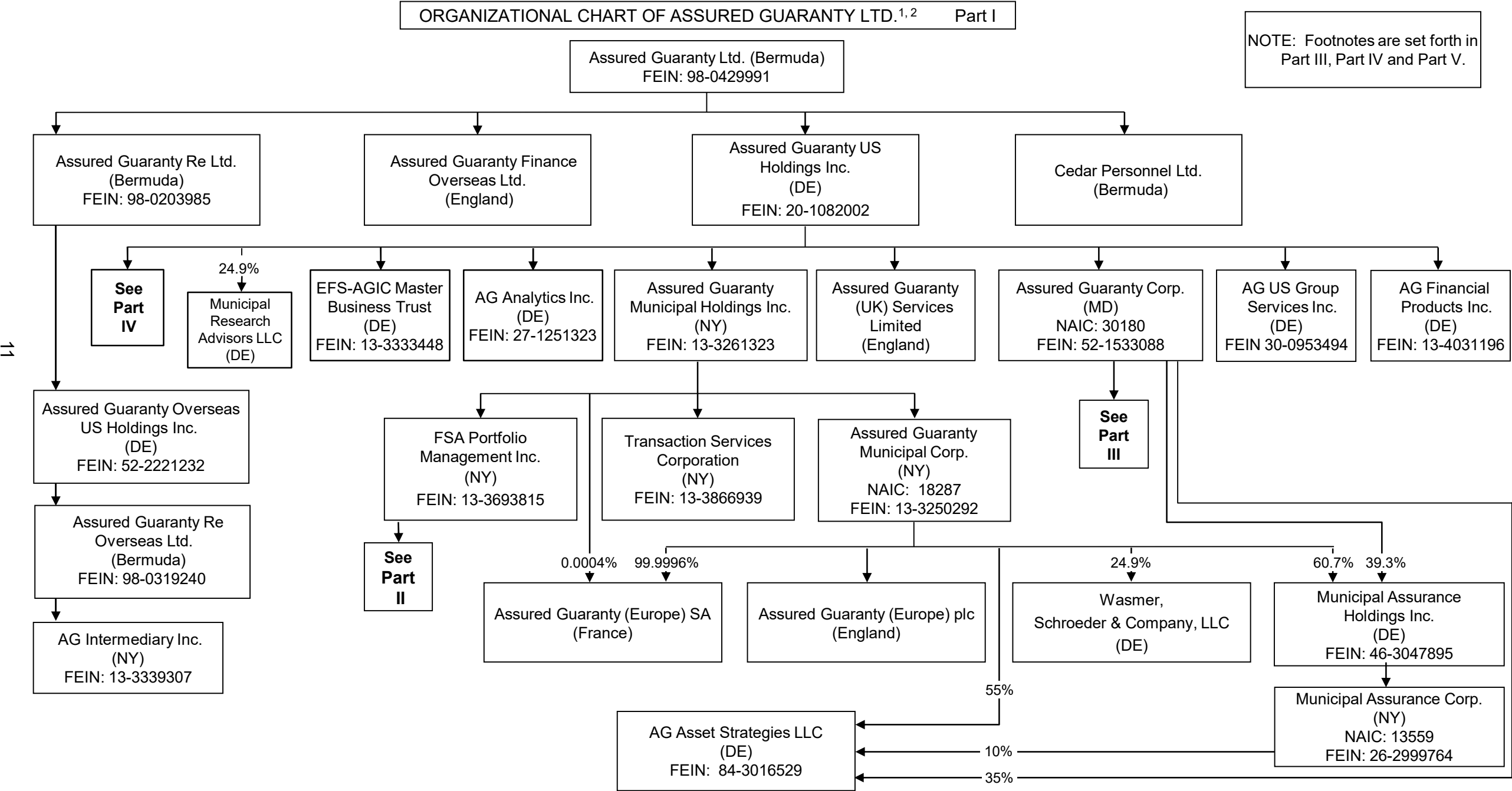
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

| 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 (a) | Current Year To Date    | Prior Year To Date | Current Year To Date                   | Prior Year To Date | Current Year To Date | Prior Year To Date |
| 1. Alabama   | AL L              | 899,128                 | 164,724            |  |                    |                      |                    |
| 2. Alaska  | AK L              |                         |                    |  |                    |                      |                    |
| 3. Arizona   | AZ L              | 807,423                 | 279,168            |  |                    |                      |                    |
| 4. Arkansas  | AR L              |                         | 129,356            |  |                    |                      |                    |
| 5. California  | CA L              | 12,246,046              | 2,136,390          | 2,178,636                              | 2,889,925          | 4,852,243            | (277,548)          |
| 6. Colorado  | CO L              | 702,042                 | 641,057            |  |                    |                      |                    |
| 7. Connecticut   | CT L              | 51,486                  | 47,835             |  |                    |                      |                    |
| 8. Delaware  | DE L              | 1,555,427               | 2,518,955          | (12,859,396)                           | (24,892,421)       | 116,310,750          | 144,795,413        |
| 9. Dist. Columbia  | DC L              | 2,104,684               | 46,464             |  |                    |                      |                    |
| 10. Florida  | FL L              | 5,295,632               | 2,334,756          | 295,721                                | 149,474            | 419,912              | 640,322            |
| 11. Georgia  | GA L              | 91,887                  | 138,396            |  |                    |                      |                    |
| 12. Hawaii   | HI L              |                         | 43,772             |  |                    |                      |                    |
| 13. Idaho  | ID L              |                         |                    |  |                    |                      |                    |
| 14. Illinois   | IL L              | 1,338,247               | 656,209            | 574,670                                | 637,056            | (1,621,272)          | (1,154,219)        |
| 15. Indiana  | IN L              | 52,191                  | 184,600            |  |                    |                      |                    |
| 16. Iowa   | IA L              | 484,802                 | 212,138            |  |                    |                      |                    |
| 17. Kansas   | KS L              | 93,483                  | 102,998            |  |                    |                      |                    |
| 18. Kentucky   | KY L              | 269,363                 | 107,582            |  |                    |                      |                    |
| 19. Louisiana  | LA L              | 2,099,613               | 1,058,779          |  |                    |                      |                    |
| 20. Maine  | ME L              |                         |                    |  |                    |                      |                    |
| 21. Maryland   | MD L              | 586,922                 | 615,839            | (9,316,148)                            | (2,470,870)        | (118,201,331)        | (104,746,528)      |
| 22. Massachusetts  | MA L              | 3,290                   | 2,444,802          |  |                    |                      |                    |
| 23. Michigan   | MI L              | 1,529,076               | 454,349            |  |                    |                      |                    |
| 24. Minnesota  | MN L              | 129,618                 | 48,679             | (2,191)                                | 13,978             | (437,141)            | (358,666)          |
| 25. Mississippi  | MS L              |                         |                    |  |                    |                      |                    |
| 26. Missouri   | MO L              | 59,702                  | 3,545,109          |  |                    |                      |                    |
| 27. Montana  | MT L              |                         |                    |  |                    |                      |                    |
| 28. Nebraska   | NE L              | 26,561                  |                    |  |                    |                      |                    |
| 29. Nevada   | NV L              | 812,720                 | 934,263            |  |                    |                      |                    |
| 30. New Hampshire  | NH L              |                         |                    |  |                    |                      |                    |
| 31. New Jersey   | NJ L              | 4,427,268               | 487,701            |  |                    |                      |                    |
| 32. New Mexico   | NM L              |                         |                    |  |                    |                      |                    |
| 33. New York   | NY L              | 40,328,289              | 48,642,792         | (379,381)                              | 32,918,495         | 16,708,121           | 23,446,539         |
| 34. No. Carolina   | NC L              | 844,509                 | 1,057,718          |  |                    |                      |                    |
| 35. No. Dakota   | ND L              | 61,410                  |                    |  |                    |                      |                    |
| 36. Ohio   | OH L              | 319,432                 | 176,311            |  |                    |                      |                    |
| 37. Oklahoma   | OK L              |                         |                    |  |                    |                      |                    |
| 38. Oregon   | OR L              | 25,514                  |                    |  |                    |                      |                    |
| 39. Pennsylvania   | PA L              | 1,298,817               | 3,731,386          |  |                    |                      |                    |
| 40. Rhode Island   | RI L              | 1,240,534               | 462,075            |  |                    |                      |                    |
| 41. So. Carolina   | SC L              | 67,456                  | 33,426             | (8,257)                                | (9,857)            |                      |                    |
| 42. So. Dakota   | SD L              |                         |                    |  |                    |                      |                    |
| 43. Tennessee  | TN L              | 187,046                 | 19,313             |  |                    |                      |                    |
| 44. Texas  | TX L              | 4,136,205               | 3,478,590          |  |                    |                      |                    |
| 45. Utah   | UT L              |                         | 292,037            |  |                    |                      |                    |
| 46. Vermont  | VT L              |                         |                    |  |                    |                      |                    |
| 47. Virginia   | VA L              | 74                      | 74                 |  |                    |                      |                    |
| 48. Washington   | WA L              |                         |                    |  |                    |                      |                    |
| 49. West Virginia  | WV L              | 498,839                 |                    |  |                    |                      |                    |
| 50. Wisconsin  | WI L              | 6,652,245               | 393,731            |  |                    |                      |                    |
| 51. Wyoming  | WY L              |                         |                    |  |                    |                      |                    |
| 52. American Samoa   | AS N              |                         |                    |  |                    |                      |                    |
| 53. Guam   | GU L              |                         |                    |  |                    |                      |                    |
| 54. Puerto Rico  | PR L              |                         |                    | 58,995,089                             | 175,963,873        | 231,555,160          | 373,745,713        |
| 55. U.S. Virgin Islands  | VI L              |                         |                    |  |                    | 2,513,509            |                    |
| 56. Northern Mariana Islands   | MP N              |                         |                    |  |                    |                      |                    |
| 57. Canada   | CAN N             | 414,460                 | 486,939            |  |                    |                      |                    |
| 58. Aggregate Other Alien  | OT XXX            | 6,767,539               | 5,995,280          |  |                    |                      |                    |
| 59. Totals   | XXX               | 98,508,980              | 84,103,593         | 39,478,743                             | 185,199,653        | 252,099,951          | 436,091,026        |
| DETAILS OF WRITE-INS   |                   |                         |                    |  |                    |                      |                    |
| 58001. AUS Australia   | XXX               | 321,651                 | 347,026            |  |                    |                      |                    |
| 58002. AUT Austria   | XXX               |                         |                    |  |                    |                      |                    |
| 58003. CYM Cayman Islands  | XXX               | 322,786                 | 335,445            |  |                    |                      |                    |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | XXX               | 6,123,102               | 5,312,809          |  |                    |                      |                    |
| 58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) | XXX               | 6,767,539               | 5,995,280          |  |                    |                      |                    |

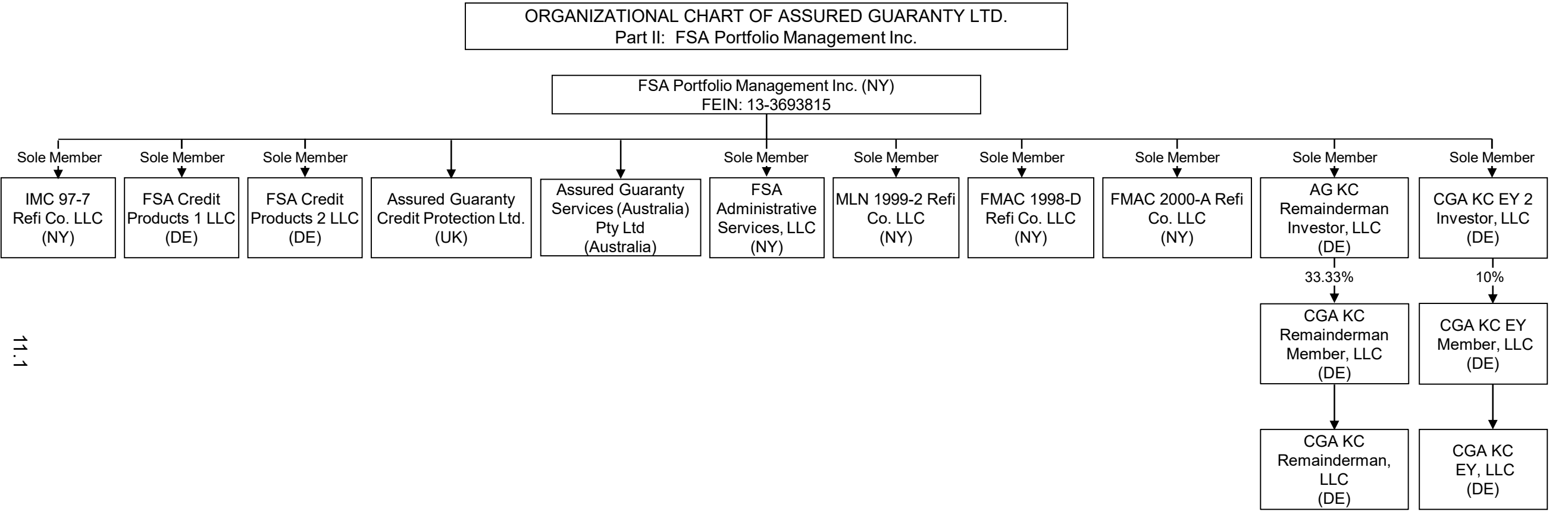
(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG .....54 R – Registered – Non-domiciled RRGs .....  
E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) ..... Q – Qualified – Qualified or accredited reinsurer .....  
D – Domestic Surplus Lines Insurer (DSLII) – 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 .....3

STATEMENT as of JUNE 30, 2020 of the ASSURED GUARANTY MUNICIPAL CORP.  
SCHEDULE Y - Part 1 – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



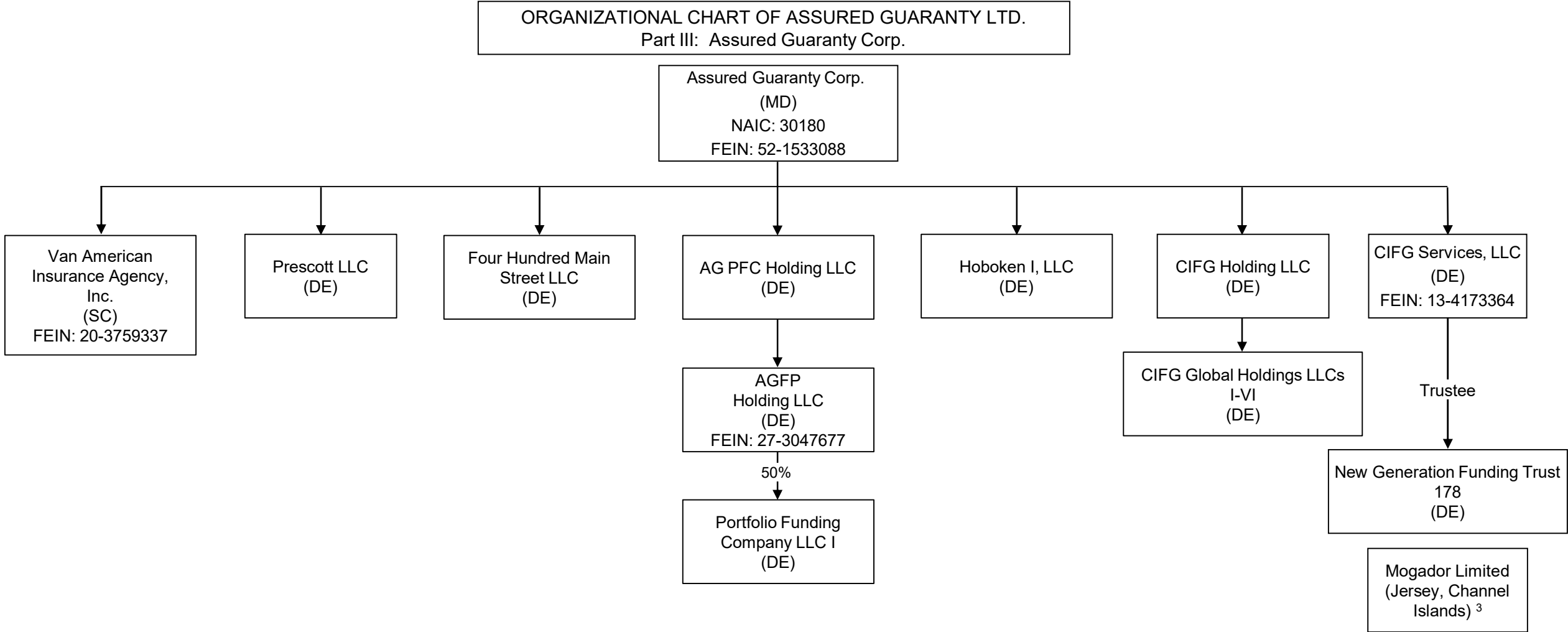
STATEMENT as of JUNE 30, 2020 of the ASSURED GUARANTY MUNICIPAL CORP.  
SCHEDULE Y - Part 1 – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP





STATEMENT as of JUNE 30, 2020 of the ASSURED GUARANTY MUNICIPAL CORP.  
SCHEDULE Y - Part 1 – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

11.2

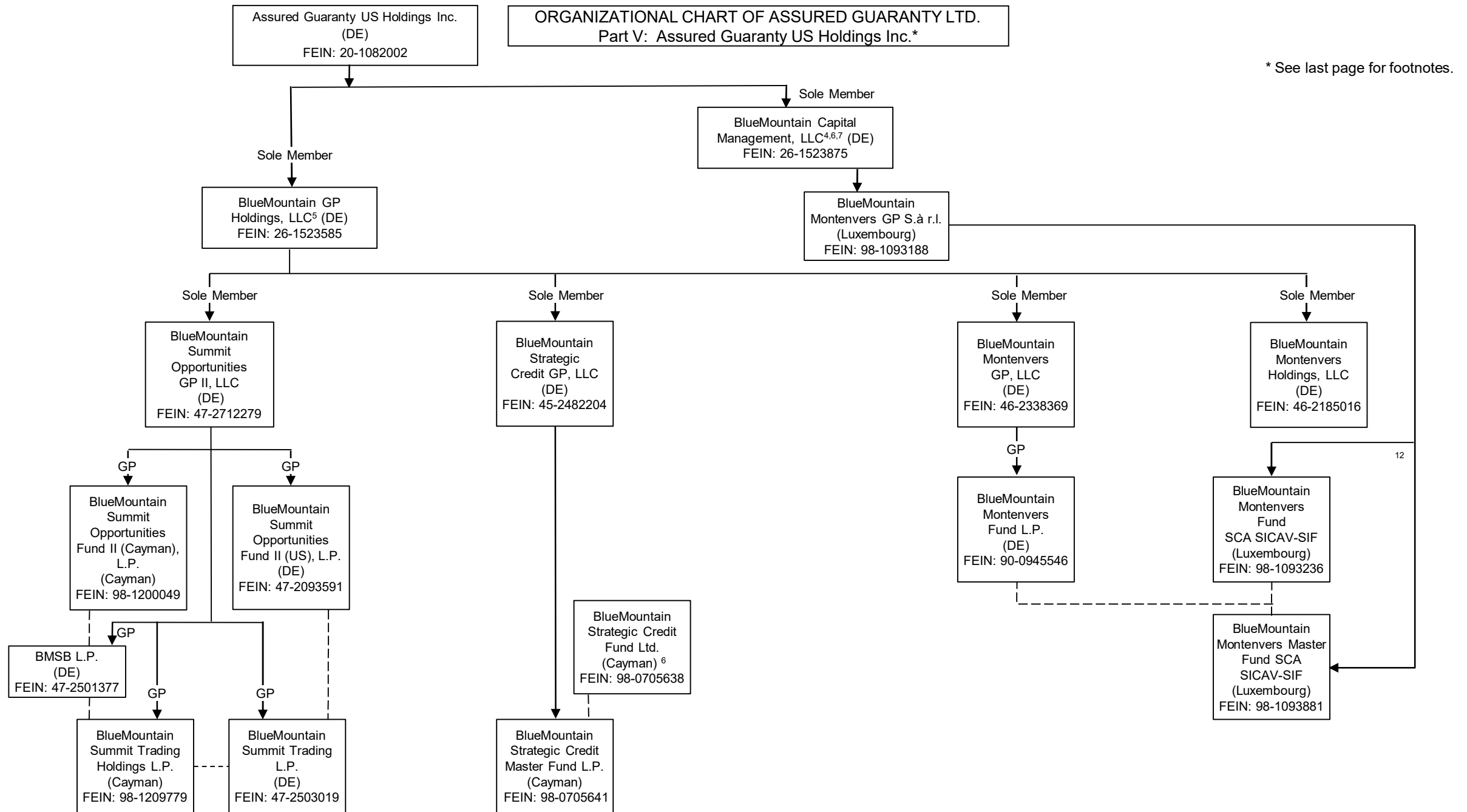


Footnotes for Parts I through III:

- 1. Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%.
- 2. All companies listed are corporations, except for (i) limited liability companies (designated as LLCs) and (ii) EFS-AGIC Master Business Trust and New Generation Funding Trust 178 (which are both Delaware trusts).
- 3. Mogador Limited is wholly owned by Sanne Nominees Limited and Sanne Nominees 2 Limited, which companies are organized under the laws of Jersey, Channel Islands and are not owned or controlled by Assured Guaranty Ltd. Mogador Limited is (i) the depositor of New Generation Funding Trust 178 and (ii) the seller of protection on derivatives guaranteed by Assured Guaranty (Europe) plc (as successor to CIFG Europe S.A.) and Assured Guaranty Corp. (as successor to CIFG Assurance North America, Inc.).



**STATEMENT as of JUNE 30, 2020 of the ASSURED GUARANTY MUNICIPAL CORP.**  
**SCHEDULE Y - Part 1 – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**





STATEMENT as of JUNE 30, 2020 of the ASSURED GUARANTY MUNICIPAL CORP.  
SCHEDULE Y - Part 1 – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

ORGANIZATIONAL CHART OF ASSURED GUARANTY LTD.  
Footnotes for Part IV and Part V

Footnotes for Part IV and Part V:

- 4. BlueMountain Capital Management, LLC (“BMCM”) is an investment adviser registered with the Securities and Exchange Commission that manages the various funds set forth in Part IV and Part V.
- 5. BlueMountain GP Holdings, LLC (“BM GP”) is the sole member of various limited liabilities companies that, in turn, act as the general partner of, and thereby control, various funds established as “LP” entities, as indicated in Part IV and Part V. Such funds pursue a diversified set of alternative investment strategies. Certain of the funds have established special purpose vehicles to hold a particular investment of the relevant fund. In addition, certain of the funds may hold controlling interests in underlying investments, whether through ownership of a controlling equity stake, board membership or otherwise. Unless otherwise noted, the substantial majority of the limited partnership interests of each fund is held by third parties. Certain affiliated entities and BMCM employees may also invest in the limited partnership interests of the various funds.
- 6. BMCM controls various funds established as “Ltd.” entities, as noted in Part IV and Part V, through 100% ownership of each fund’s voting shares. Such funds pursue a diversified set of alternative investment strategies. Certain of the funds may have a need to establish special purpose vehicles to hold a particular investment of the relevant fund. In addition, certain of the funds may hold controlling interests in underlying investments, whether through ownership of a controlling equity stake, board membership or otherwise. Unless otherwise noted, the substantial majority of the limited partnership interests of each fund is held by third parties. Certain affiliated entities and BMCM employees may also invest in the limited partnership interests of the various funds.
- 7. BMCM has established entities to issue collateralized loan obligations (“CLOs”) sponsored and managed by BMCM (“CLO Entities”). The CLO Entities are each controlled by an independent board of directors, but BMCM exercises voting and investment control over the assets of each CLO Entity backing its CLOs.
- 8. The substantial majority of the fund’s limited partnership interests is held by AG Asset Strategies LLC (shown on Part I).
- 9. The dotted line (- - -) represents a limited partnership interest. Certain of the funds controlled by BMCM and BM GP act as “feeder funds” that aggregate the investments of third party investors into the downstream “master funds” controlled by BM GP. Such feeder funds hold limited partnership interests in the downstream master funds.
- 10. The investors of Blue Mountain Credit Alternatives Fund Ltd., which investors include third parties, BlueMountain CAIS CA Ltd. and certain BMCM employees, hold collectively 100% of the voting shares of such fund.
- 11. BMCM is the sole member of Timberline Onshore, LLC.
- 12. BlueMountain Monteners GP S.à r.l. controls each of BlueMountain Monteners Fund SCA SICAV-SIF and BlueMountain Monteners Master Fund SCA SICAV-SIF through a management agreement and the control relationship is akin to a general partnership interest.

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..... |              | 0001273813 | NYSE   | Assured Guaranty Ltd.....                      | BMU.....             | UIP.....                         |  |  |  | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 20-1082002..... |              | 0001289244 |  | Assured Guaranty US Holdings Inc.....          | DE.....              | UIP.....                         | Assured Guaranty Ltd.....                      | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 13-3261323..... |              | 1111913357 |  | Assured Guaranty Municipal Holdings Inc.....   | NY.....              | UDP.....                         | Assured Guaranty US Holdings Inc.....          | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 18287.....        | 13-3250292..... |              |            |  | Assured Guaranty Municipal Corp.....           | NY.....              | RE.....                          | Assured Guaranty Municipal Holdings Inc.....   | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 13-3693815..... |              |            |  | FSA Portfolio Management Inc.....              | NY.....              | NIA.....                         | Assured Guaranty Municipal Holdings Inc.....   | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 13-3866939..... |              |            |  | Transaction Services Corporation.....          | NY.....              | NIA.....                         | Assured Guaranty Municipal Holdings Inc.....   | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 46-3047895..... |              |            |  | Municipal Assurance Holdings Inc.....          | DE.....              | DS.....                          | Assured Guaranty Municipal Corp.....           | Ownership.....   | 60.7                                       | Assured Guaranty Ltd.....                  | Y.....                           | (1) |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |            |  | Assured Guaranty (Europe) plc.....             | GBR.....             | DS.....                          | Assured Guaranty Municipal Corp.....           | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | Y.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0203985..... |              |            |  | Assured Guaranty Re Ltd.....                   | BMU.....             | IA.....                          | Assured Guaranty Ltd.....                      | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |            |  | Assured Guaranty Finance Overseas Ltd.....     | GBR.....             | NIA.....                         | Assured Guaranty Ltd.....                      | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |            |  | Cedar Personnel Ltd.....                       | BMU.....             | NIA.....                         | Assured Guaranty Ltd.....                      | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 52-2221232..... |              |            |  | Assured Guaranty Overseas US Holdings Inc..... | DE.....              | NIA.....                         | Assured Guaranty Re Ltd.....                   | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0319240..... |              |            |  | Assured Guaranty Re Overseas Ltd.....          | BMU.....             | IA.....                          | Assured Guaranty Overseas US Holdings Inc..... | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 13-3339307..... |              |            |  | AG Intermediary Inc.....                       | NY.....              | NIA.....                         | Assured Guaranty Re Overseas Ltd.....          | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 13559.....        | 26-2999764..... |              |            |  | Municipal Assurance Corp.....                  | NY.....              | DS.....                          | Municipal Assurance Holdings Inc.....          | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 27-1251323..... |              |            |  | AG Analytics Inc.....                          | DE.....              | NIA.....                         | Assured Guaranty US Holdings Inc.....          | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |            |  | Assured Guaranty (UK) Services Limited.....    | GBR.....             | NIA.....                         | Assured Guaranty US Holdings Inc.....          | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 30180.....        | 52-1533088..... |              |            |  | Assured Guaranty Corp.....                     | MD.....              | IA.....                          | Assured Guaranty US Holdings Inc.....          | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 13-4031196..... |              |            |  | AG Financial Products Inc.....                 | DE.....              | NIA.....                         | Assured Guaranty US Holdings Inc.....          | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |            |  | Prescott LLC.....                              | DE.....              | NIA.....                         | Assured Guaranty Corp.....                     | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |            |  | AG PFC Holding LLC.....                        | DE.....              | NIA.....                         | Assured Guaranty Corp.....                     | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 27-3047677..... |              |            |  | AGFP Holding LLC.....                          | DE.....              | NIA.....                         | AG PFC Holding LLC.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |            |  | Portfolio Funding Company LLC 1.....           | DE.....              | NIA.....                         | AGFP Holding LLC.....                          | Ownership.....   | 50.0                                       | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |            |  | FSA Credit Products 1 LLC.....                 | DE.....              | NIA.....                         | FSA Portfolio Management Inc.....              | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                  | N.....                           |     |

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| 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.....        |                 |              |     |  | FSA Credit Products 2 LLC.....                     | DE.....              | NIA.....                         | FSA Portfolio Management Inc.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | Assured Guaranty Credit Protection Ltd.....        | GBR.....             | NIA.....                         | FSA Portfolio Management Inc.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | Assured Guaranty Services (Australia) Pty Ltd..... | AUS.....             | NIA.....                         | FSA Portfolio Management Inc.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | FSA Administrative Services, LLC.....              | NY.....              | NIA.....                         | FSA Portfolio Management Inc.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | MLN 1999-2 Refi Co. LLC.....                       | NY.....              | NIA.....                         | FSA Portfolio Management Inc.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | FMAC 1998-D Refi Co. LLC.....                      | NY.....              | NIA.....                         | FSA Portfolio Management Inc.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | FMAC 2000-A Refi Co. LLC.....                      | NY.....              | NIA.....                         | FSA Portfolio Management Inc.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | IMC 97-7 Refi Co. LLC.....                         | NY.....              | NIA.....                         | FSA Portfolio Management Inc.....                        | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 13-3333448..... |              |     |  | EFS-AGIC Master Business Trust.....                | DE.....              | NIA.....                         | Assured Guaranty US Holdings, Inc.....                   | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | Four Hundred Main Street LLC.....                  | DE.....              | NIA.....                         | Assured Guaranty Corp.....                               | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 20-3759337..... |              |     |  | Van American Insurance Agency, Inc.....            | SC.....              | NIA.....                         | Assured Guaranty Corp.....                               | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | Hoboken I, LLC.....                                | DE.....              | NIA.....                         | Assured Guaranty Corp.....                               | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 13-4173364..... |              |     |  | CIFG Services, LLC.....                            | DE.....              | NIA.....                         | Assured Guaranty Corp.....                               | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CIFG Holding LLC.....                              | DE.....              | NIA.....                         | Assured Guaranty Corp.....                               | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | New Generation Funding Trust.....                  | DE.....              | NIA.....                         | CIFG Services, LLC.....                                  | Other.....   |  | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | Mogador Limited.....                               | JEY.....             | OTH.....                         | Sanne Nominees Limited and Sanne Nominees 2 Limited..... | Ownership.....   | 100.0                                      | Sanne Nominees Limited and Sanne Nominees 2 Limited..... | N.....                           | (2) |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CIFG Global Holdings I, LLC.....                   | DE.....              | NIA.....                         | CIFG Holding LLC.....                                    | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CIFG Global Holdings II, LLC.....                  | DE.....              | NIA.....                         | CIFG Holding LLC.....                                    | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CIFG Global Holdings III, LLC.....                 | DE.....              | NIA.....                         | CIFG Holding LLC.....                                    | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CIFG Global Holdings IV, LLC.....                  | DE.....              | NIA.....                         | CIFG Holding LLC.....                                    | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CIFG Global Holdings V, LLC.....                   | DE.....              | NIA.....                         | CIFG Holding LLC.....                                    | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CIFG Global Holdings VI, LLC.....                  | DE.....              | NIA.....                         | CIFG Holding LLC.....                                    | Ownership.....   | 100.0                                      | Assured Guaranty Ltd.....                                | N.....                           |     |
| 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.....                           |     |



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|------------|---------------------------|-------------------|-----------------|--------------|-----|--|--|----------------------|----------------------------------|---|--|--|--|----------------------------------|-----|
| 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.....        |                 |              |     |  | AG KC Remainderman Investor, LLC.....            | DE.....              | NIA.....                         | FSA Portfolio Management Inc. AG KC Remainderman Investor, LLC..... | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CGA KC Remainderman Member, LLC.....             | DE.....              | NIA.....                         | CGA KC Remainderman Member, LLC.....                                | Ownership.....   | 33.3.....                                  | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CGA KC Remainderman, LLC.....                    | DE.....              | NIA.....                         | CGA KC Remainderman Member, LLC.....                                | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | Wasmer, Schroeder & Company, LLC.....            | DE.....              | NIA.....                         | Assured Guaranty Municipal Corp.....                                | Ownership.....   | 24.9.....                                  | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CGA KC EY 2 Investor, LLC.....                   | DE.....              | NIA.....                         | FSA Portfolio Management Inc. CGA KC EY 2 Investor, LLC.....        | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CGA KC EY Member, LLC.....                       | DE.....              | NIA.....                         | CGA KC EY 2 Investor, LLC.....                                      | Ownership.....   | 10.0.....                                  | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | CGA KC EY, LLC.....                              | DE.....              | NIA.....                         | CGA KC EY Member, LLC.....  | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | Assured Guaranty (Europe) SA.....                | FRA.....             | DS.....                          | Assured Guaranty Municipal Corp.....                                | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | Y.....                           | (3) |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 84-3016529..... |              |     |  | AG Asset Strategies LLC.....                     | DE.....              | DS.....                          | Assured Guaranty Municipal Corp.....                                | Ownership.....   | 55.0.....                                  | Assured Guaranty Ltd.....                  | N.....                           | (4) |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | Municipal Research Advisors LLC.....             | DE.....              | NIA.....                         | Assured Guaranty US Holdings Inc.....                               | Ownership.....   | 24.9.....                                  | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 26-1523585..... |              |     |  | BlueMountain GP Holdings, LLC.....               | DE.....              | NIA.....                         | Assured Guaranty US Holdings Inc.....                               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 81-5159484..... |              |     |  | BlueMountain CLO Management, LLC.....            | DE.....              | NIA.....                         | Assured Guaranty US Holdings Inc.....                               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 26-1523875..... |              |     |  | BlueMountain Capital Management, LLC.....        | DE.....              | NIA.....                         | Assured Guaranty US Holdings Inc.....                               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 26-1641217..... |              |     |  | BlueMountain Realty LLC.....                     | DE.....              | NIA.....                         | BlueMountain Capital Management, LLC.....                           | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 26-1464406..... |              |     |  | BlueMountain UK Holdings, LLC.....               | DE.....              | NIA.....                         | BlueMountain Capital Management, LLC.....                           | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0448439..... |              |     |  | Blue Mountain Capital Partners (London) LLP..... | GBR.....             | NIA.....                         | BlueMountain Capital Management, LLC.....                           | Ownership.....   | 99.0.....                                  | Assured Guaranty Ltd.....                  | N.....                           | (5) |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1093188..... |              |     |  | BlueMountain Montenvers GP S.à r.l.....          | LUX.....             | NIA.....                         | BlueMountain Capital Management, LLC.....                           | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 84-3479084..... |              |     |  | AIM Asset Backed GP, LLC.....                    | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....                                  | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 84-3456767..... |              |     |  | AHP Capital Solutions GP, LLC.....               | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....                                  | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 84-3479062..... |              |     |  | BlueMountain CLO Warehouse GP, LLC.....          | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....                                  | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0451186..... |              |     |  | Blue Mountain CA Master Fund GP, Ltd.....        | CYM.....             | NIA.....                         | Blue Mountain Credit GP. LLC.....                                   | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 20-2262601..... |              |     |  | Blue Mountain Credit GP, LLC.....                | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....                                  | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 26-1523585..... |              |     |  | BlueMountain CAIS GP, LLC.....                   | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....                                  | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 27-1113725..... |              |     |  | BlueMountain Long/Short Credit GP, LLC.....      | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....                                  | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |

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PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

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| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 20-4331120..... |              |     |  | BlueMountain Global Volatility GP, LLC.....       | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 81-5149171..... |              |     |  | BlueMountain Fursan GP, LLC.....                  | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 47-2518293..... |              |     |  | BlueMountain Logan Opportunities GP, LLC.....     | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 47-3383048..... |              |     |  | BlueMountain Foinaven GP, LLC.....                | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 45-5105115..... |              |     |  | BlueMountain Credit Opportunities GP I, LLC.....  | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        |                 |              |     |  | BlueMountain Special GP Holdco, LLC.....          | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 27-2028641..... |              |     |  | BlueMountain Distressed GP, LLC.....              | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 45-5105040..... |              |     |  | BlueMountain Kicking Horse Fund GP, LLC.....      | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 47-2712279..... |              |     |  | BlueMountain Summit Opportunities GP II, LLC..... | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 45-2482204..... |              |     |  | BlueMountain Strategic Credit GP, LLC.....        | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 46-2338369..... |              |     |  | BlueMountain Montenvers GP, LLC.....              | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 46-2185016..... |              |     |  | BlueMountain Montenvers Holdings, LLC.....        | DE.....              | NIA.....                         | BlueMountain GP Holdings, LLC.....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 84-3480027..... |              |     |  | AIM Asset Backed Income Fund (US) L.P.....        | DE.....              | NIA.....                         | AIM Asset Backed GP, LLC.....                    | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 84-3457061..... |              |     |  | AHP Capital Solutions, L.P.....                   | DE.....              | NIA.....                         | AHP Capital Solutions GP, LLC.....               | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 84-3479990..... |              |     |  | BlueMountain CLO Warehouse Fund (US) L.P.....     | DE.....              | NIA.....                         | BlueMountain CLO Warehouse GP, LLC.....          | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1104624..... |              |     |  | BlueMountain CAIS CA Ltd.....                     | CYP.....             | NIA.....                         | BlueMountain Capital Management, LLC.....        | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 80-0915491..... |              |     |  | BlueMountain CAIS CA L.P.....                     | DE.....              | NIA.....                         | BlueMountain CAIS GP, LLC.....                   | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0637300..... |              |     |  | BlueMountain Long/Short Credit Fund Ltd.....      | CYM.....             | NIA.....                         | BlueMountain Capital Management, LLC.....        | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 20-4362954..... |              |     |  | BlueMountain Global Volatility Fund L.P.....      | DE.....              | NIA.....                         | BlueMountain Global Volatility GP, LLC.....      | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0488432..... |              |     |  | BlueMountain Global Volatility Fund Ltd.....      | CYM.....             | NIA.....                         | BlueMountain Capital Management, LLC.....        | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1209536..... |              |     |  | BlueMountain Logan Opportunities Fund L.P.....    | CYM.....             | NIA.....                         | BlueMountain Logan Opportunities GP, LLC.....    | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1230894..... |              |     |  | BlueMountain Foinaven Fund Ltd.....               | CYM.....             | NIA.....                         | BlueMountain Capital Management, LLC.....        | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 45-5150008..... |              |     |  | BlueMountain Credit Opportunities Fund I L.P..... | DE.....              | NIA.....                         | BlueMountain Credit Opportunities GP I, LLC..... | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |    |

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.....        | 98-1051361..... |              |     |  | BlueMountain Credit Opportunities Fund I Ltd.....            | CYM.....             | NIA.....                         | BlueMountain Capital Management, LLC.....         | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 27-2028286..... |              |     |  | BlueMountain Distressed Fund L.P.....                        | DE.....              | NIA.....                         | BlueMountain Distressed GP, LLC.....              | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0651923..... |              |     |  | BlueMountain Distressed Fund Ltd.....                        | CYM.....             | NIA.....                         | BlueMountain Capital Management, LLC.....         | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1200049..... |              |     |  | BlueMountain Summit Opportunities Fund II (Cayman), L.P..... | CYM.....             | NIA.....                         | BlueMountain Summit Opportunities GP II, LLC..... | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 47-2093591..... |              |     |  | BlueMountain Summit Opportunities Fund II (US), L.P.....     | DE.....              | NIA.....                         | BlueMountain Summit Opportunities GP II, LLC..... | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0705638..... |              |     |  | BlueMountain Strategic Credit Fund Ltd.....                  | CYM.....             | NIA.....                         | BlueMountain Capital Management, LLC.....         | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 90-0945546..... |              |     |  | BlueMountain Montenvers Fund L.P.....                        | DE.....              | NIA.....                         | BlueMountain Montenvers GP, LLC.....              | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1093236..... |              |     |  | BlueMountain Montenvers Fund SCA SICAV-SIF.....              | LUX.....             | NIA.....                         | BlueMountain Montenvers GP S.à r.l.....           | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 46-0989756..... |              |     |  | BlueMountain Timberline Onshore, LLC.....                    | DE.....              | NIA.....                         | BlueMountain Capital Management, LLC.....         | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1085068..... |              |     |  | BlueMountain Timberline Offshore, Ltd.....                   | CYM.....             | NIA.....                         | BlueMountain Capital Management, LLC.....         | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0476033..... |              |     |  | BlueMountain Timberline Ltd.....                             | CYM.....             | NIA.....                         | BlueMountain Capital Management, LLC.....         | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0406583..... |              |     |  | Blue Mountain Credit Alternatives Fund Ltd.....              | CYM.....             | NIA.....                         | Various investors (see note 7).....               | Ownership.....   | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           | (6) |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 04-3774766..... |              |     |  | Blue Mountain Credit Alternatives Fund L.P.....              | DE.....              | NIA.....                         | BlueMountain Credit GP, LLC.....                  | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0406591..... |              |     |  | Blue Mountain Credit Alternatives Master Fund L.P.....       | CYM.....             | NIA.....                         | BlueMountain CA Master Fund GP, Ltd.....          | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0637302..... |              |     |  | BlueMountain Long/Short Credit Master Fund L.P.....          | CYM.....             | NIA.....                         | BlueMountain CAIS GP, LLC.....                    | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 80-0949429..... |              |     |  | BlueMountain Guadalupe Peak Fund L.P.....                    | DE.....              | NIA.....                         | BlueMountain Long/Short Credit GP, LLC.....       | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 43-2098588..... |              |     |  | BlueMountain Global Volatility Master Fund L.P.....          | CYM.....             | NIA.....                         | BlueMountain Global Volatility GP, LLC.....       | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1347580..... |              |     |  | BlueMountain Fursan Fund L.P.....                            | CYM.....             | NIA.....                         | BlueMountain Fursan GP, LLC.....                  | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1209299..... |              |     |  | BlueMountain Logan Opportunities Master Fund L.P.....        | CYM.....             | NIA.....                         | BlueMountain Logan Opportunities GP, LLC.....     | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1231054..... |              |     |  | BlueMountain Foinaven Master Fund L.P.....                   | CYM.....             | NIA.....                         | BlueMountain Foinaven GP, LLC.....                | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-1051356..... |              |     |  | BlueMountain Credit Opportunities Master Fund I L.P.....     | CYM.....             | NIA.....                         | BlueMountain Credit Opportunities GP I, LLC.....  | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |
| 00194..... | Assured Guaranty Ltd..... | 00000.....        | 98-0651928..... |              |     |  | BlueMountain Distressed Master Fund L.P.....                 | CYM.....             | NIA.....                         | BlueMountain Distressed GP, LLC.....              | Management.....  | 100.0.....                                 | Assured Guaranty Ltd.....                  | N.....                           |     |



## 12.5

[illegible]

| Asterisk | Explanation   |
|----------|---|
| (1)      | The remaining 39.3% of Municipal Assurance Holdings Inc. is directly owned by Assurance Guaranty Corp.  |
| (2)      | Mogador Limited is wholly owned by Sanne Nominees Limited and Sanne Nominees 2 Limited, which companies are organized under the laws of Jersey, Channel Islands and are not owned or controlled by Assured Guaranty Ltd. Mogador Limited is (1) the depositor of New Generation Funding Trust 178 and (ii) the seller of protection on derivatives guaranteed by Assured Guaranty (Europe) plc (as successor to CIFG Europe S.A.) and Assured Guaranty Corp. (as successor to CIFG Assurance North America, Inc.) |
| (3)      | Assured Guaranty Municipal Holdings Inc. owns 0.0004% of Assured Guaranty (Europe) SA.  |
| (4)      | The remaining 45.0% of AG Asset Strategies LLC is directly owned 35.0% by Assured Guaranty Corp. and 10% by Municipal Assurance Corp.   |
| (5)      | The remaining 1.0% of Blue Mountain Capital Partners (London) LLP is directly owned by BlueMountain UK Holdings, LLC.   |
| (6)      | The investors of Blue Mountain Credit Alternatives Fund Ltd., which investors include third parties, BlueMountain CAIS CA Ltd. and certain BlueMountain Capital Management, LLC employees, hold collectively 100% of the voting shares of such fund.  |

PART 1 - LOSS EXPERIENCE

| Line of Business     |  | Current Year to Date           |                                |                                | 4<br>Prior Year to<br>Date Direct Loss<br>Percentage |
|----------------------|--|--------------------------------|--------------------------------|--------------------------------|--|
|                      |  | 1<br>Direct Premiums<br>Earned | 2<br>Direct Losses<br>Incurred | 3<br>Direct Loss<br>Percentage |  |
| 1.                   | Fire .....   |                                |                                |                                |  |
| 2.                   | Allied lines .....   |                                |                                |                                |  |
| 3.                   | Farmowners multiple peril .....                                  |                                |                                |                                |  |
| 4.                   | Homeowners multiple peril .....                                  |                                |                                |                                |  |
| 5.                   | Commercial multiple peril .....                                  |                                |                                |                                |  |
| 6.                   | Mortgage guaranty .....  |                                |                                |                                |  |
| 8.                   | Ocean marine .....   |                                |                                |                                |  |
| 9.                   | Inland marine .....  |                                |                                |                                |  |
| 10.                  | Financial guaranty .....   | 80,185,606                     | 24,227,887                     | 30.2                           | 1.3  |
| 11.1                 | Medical professional liability -occurrence .....                 |                                |                                |                                |  |
| 11.2                 | Medical professional liability -claims made .....                |                                |                                |                                |  |
| 12.                  | Earthquake .....   |                                |                                |                                |  |
| 13.                  | Group accident and health .....                                  |                                |                                |                                |  |
| 14.                  | Credit accident and health .....                                 |                                |                                |                                |  |
| 15.                  | Other accident and health .....                                  |                                |                                |                                |  |
| 16.                  | Workers' compensation .....                                      |                                |                                |                                |  |
| 17.1                 | Other liability occurrence .....                                 |                                |                                |                                |  |
| 17.2                 | Other liability-claims made .....                                |                                |                                |                                |  |
| 17.3                 | Excess Workers' Compensation .....                               |                                |                                |                                |  |
| 18.1                 | Products liability-occurrence .....                              |                                |                                |                                |  |
| 18.2                 | Products liability-claims made .....                             |                                |                                |                                |  |
| 19.1,19.2            | Private passenger auto liability .....                           |                                |                                |                                |  |
| 19.3,19.4            | Commercial auto liability .....                                  |                                |                                |                                |  |
| 21.                  | Auto physical damage .....                                       |                                |                                |                                |  |
| 22.                  | Aircraft (all perils) .....                                      |                                |                                |                                |  |
| 23.                  | Fidelity .....   |                                |                                |                                |  |
| 24.                  | Surety .....   |                                |                                |                                |  |
| 26.                  | Burglary and theft .....   |                                |                                |                                |  |
| 27.                  | Boiler and machinery .....                                       |                                |                                |                                |  |
| 28.                  | Credit .....   |                                |                                |                                |  |
| 29.                  | International .....  |                                |                                |                                |  |
| 30.                  | Warranty .....   |                                |                                |                                |  |
| 31.                  | Reinsurance - Nonproportional Assumed Property .....             | XXX                            | XXX                            | XXX                            | XXX  |
| 32.                  | Reinsurance - Nonproportional Assumed Liability .....            | XXX                            | XXX                            | XXX                            | XXX  |
| 33.                  | Reinsurance - Nonproportional Assumed Financial Lines .....      | XXX                            | XXX                            | XXX                            | XXX  |
| 34.                  | Aggregate write-ins for other lines of business .....            |                                |                                |                                |  |
| 35.                  | TOTALS .....   | 80,185,606                     | 24,227,887                     | 30.2                           | 1.3  |
| DETAILS OF WRITE-INS |  |                                |                                |                                |  |
| 3401.                | .....  |                                |                                |                                |  |
| 3402.                | .....  |                                |                                |                                |  |
| 3403.                | .....  |                                |                                |                                |  |
| 3498.                | Sum. of remaining write-ins for Line 34 from overflow page ..... |                                |                                |                                |  |
| 3499.                | Totals (Lines 3401 through 3403 plus 3498) (Line 34)             |                                |                                |                                |  |

PART 2 - DIRECT PREMIUMS WRITTEN

| Line of Business     |  | 1<br>Current<br>Quarter | 2<br>Current<br>Year to Date | 3<br>Prior Year<br>Year to Date |
|----------------------|--|-------------------------|------------------------------|---------------------------------|
|                      |  |                         |                              |                                 |
| 1.                   | Fire .....   |                         |                              |                                 |
| 2.                   | Allied lines .....   |                         |                              |                                 |
| 3.                   | Farmowners multiple peril .....                                  |                         |                              |                                 |
| 4.                   | Homeowners multiple peril .....                                  |                         |                              |                                 |
| 5.                   | Commercial multiple peril .....                                  |                         |                              |                                 |
| 6.                   | Mortgage guaranty .....  |                         |                              |                                 |
| 8.                   | Ocean marine .....   |                         |                              |                                 |
| 9.                   | Inland marine .....  |                         |                              |                                 |
| 10.                  | Financial guaranty .....   | 63,673,465              | 98,508,980                   | 84,103,593                      |
| 11.1                 | Medical professional liability-occurrence .....                  |                         |                              |                                 |
| 11.2                 | Medical professional liability-claims made .....                 |                         |                              |                                 |
| 12.                  | Earthquake .....   |                         |                              |                                 |
| 13.                  | Group accident and health .....                                  |                         |                              |                                 |
| 14.                  | Credit accident and health .....                                 |                         |                              |                                 |
| 15.                  | Other accident and health .....                                  |                         |                              |                                 |
| 16.                  | Workers' compensation .....                                      |                         |                              |                                 |
| 17.1                 | Other liability occurrence .....                                 |                         |                              |                                 |
| 17.2                 | Other liability-claims made .....                                |                         |                              |                                 |
| 17.3                 | Excess Workers' Compensation .....                               |                         |                              |                                 |
| 18.1                 | Products liability-occurrence .....                              |                         |                              |                                 |
| 18.2                 | Products liability-claims made .....                             |                         |                              |                                 |
| 19.1,19.2            | Private passenger auto liability .....                           |                         |                              |                                 |
| 19.3,19.4            | Commercial auto liability .....                                  |                         |                              |                                 |
| 21.                  | Auto physical damage .....                                       |                         |                              |                                 |
| 22.                  | Aircraft (all perils) .....                                      |                         |                              |                                 |
| 23.                  | Fidelity .....   |                         |                              |                                 |
| 24.                  | Surety .....   |                         |                              |                                 |
| 26.                  | Burglary and theft .....   |                         |                              |                                 |
| 27.                  | Boiler and machinery .....                                       |                         |                              |                                 |
| 28.                  | Credit .....   |                         |                              |                                 |
| 29.                  | International .....  |                         |                              |                                 |
| 30.                  | Warranty .....   |                         |                              |                                 |
| 31.                  | Reinsurance - Nonproportional Assumed Property .....             | XXX                     | XXX                          | XXX                             |
| 32.                  | Reinsurance - Nonproportional Assumed Liability .....            | XXX                     | XXX                          | XXX                             |
| 33.                  | Reinsurance - Nonproportional Assumed Financial Lines .....      | XXX                     | XXX                          | XXX                             |
| 34.                  | Aggregate write-ins for other lines of business .....            |                         |                              |                                 |
| 35.                  | TOTALS .....   | 63,673,465              | 98,508,980                   | 84,103,593                      |
| DETAILS OF WRITE-INS |  |                         |                              |                                 |
| 3401.                | .....  |                         |                              |                                 |
| 3402.                | .....  |                         |                              |                                 |
| 3403.                | .....  |                         |                              |                                 |
| 3498.                | Sum. of remaining write-ins for Line 34 from overflow page ..... |                         |                              |                                 |
| 3499.                | Totals (Lines 3401 through 3403 plus 3498) (Line 34)             |                         |                              |                                 |

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) | 2020 Loss and LAE Payments on Claims Reported as of Prior Year-End | 2020 Loss and LAE Payments on Claims Unreported as of Prior Year-End | Total 2020 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. 2017 + Prior .....                               | 195,267   |   | 195,267  | (7,104)  |  | (7,104)  | 201,877   |  |                                      | 201,877   | (494)  |  | (494)   |
| 2. 2018 .....                                       |   |   |  | (59)   |  | (59)   |   |  |                                      |   | (59)   |  | (59)  |
| 3. Subtotals 2018 + prior .....                     | 195,267   |   | 195,267  | (7,163)  |  | (7,163)  | 201,877   |  |                                      | 201,877   | (553)  |  | (553)   |
| 4. 2019.....  |   |   |  | (3)  |  | (3)  |   |  |                                      |   | (3)  |  | (3)   |
| 5. Subtotals 2019 + prior .....                     | 195,267   |   | 195,267  | (7,166)  |  | (7,166)  | 201,877   |  |                                      | 201,877   | (556)  |  | (556)   |
| 6. 2020 .....                                       | XXX   | XXX                                       | XXX  | XXX  | 11   | 11   | XXX   |  |                                      |   | XXX  | XXX  | XXX   |
| 7. Totals .....                                     | 195,267   |   | 195,267  | (7,166)  | 11   | (7,155)  | 201,877   |  |                                      | 201,877   | (556)  |  | (556)   |
| 8. Prior Year-End Surplus As Regards Policy-holders | 2,691,407                                       |   |  |  |  |  |   |  |                                      |   | Col. 11, Line 7<br>As % of Col. 1,<br>Line 7   | Col. 12, Line 7<br>As % of Col. 2,<br>Line 7   | Col. 13, Line 7<br>As % of Col. 3,<br>Line 7  |
|   |   |   |  |  |  |  |   |  |                                      |   | 1. (0.3)   | 2.   | 3. (0.3)  |
|   |   |   |  |  |  |  |   |  |                                      |   | Col. 13, Line 7<br>Line 8  |  |   |
|   |   |   |  |  |  |  |   |  |                                      |   | 4.   | 0.0  |   |

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES


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

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

Explanation:


Bar Code:

1.




18287202049000002

2.




18287202045500002

3.



18287202036500002

4.



18287202050500002



OVERFLOW PAGE FOR WRITE-INS

PQ010 Additional Aggregate Lines for Page 10 Line 58.  
\*SCT

|  | 1                    | 2                       | 3                     | 4                       | 5                     | 6                       | 7                     |
|--|----------------------|-------------------------|-----------------------|-------------------------|-----------------------|-------------------------|-----------------------|
|  | Active<br>Status (a) | Current Year<br>To Date | Prior Year<br>To Date | Current Year<br>To Date | Prior Year<br>To Date | Current Year<br>To Date | Prior Year<br>To Date |
| 58004. FRA France.....   | .XXX                 |                         |                       |                         |                       |                         |                       |
| 58005. IRL Ireland.....  | .XXX                 | 1,442,670               | 1,358,168             |                         |                       |                         |                       |
| 58006. PER Peru.....   | .XXX                 |                         |                       |                         |                       |                         |                       |
| 58007. PRT Portugal.....   | .XXX                 |                         |                       |                         |                       |                         |                       |
| 58008. GBR United Kingdom.....                                     | .XXX                 | 4,680,432               | 3,954,641             |                         |                       |                         |                       |
| 58009. ....  | .XXX                 |                         |                       |                         |                       |                         |                       |
| Summary of remaining write-<br>58997. ins for Line 58 from Page 10 | .XXX                 | 6,123,102               | 5,312,809             |                         |                       |                         |                       |

SCHEDULE A – VERIFICATION

Real Estate

|  | 1            | 2                               |
|--|--------------|---------------------------------|
|  | Year To Date | Prior Year Ended<br>December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year .....                           |              |                                 |
| 2. Cost of acquired:   |              |                                 |
| 2.1 Actual cost at time of acquisition .....   |              |                                 |
| 2.2 Additional investment made after acquisition .....                                     |              |                                 |
| 3. Current year change in encumbrances .....   |              |                                 |
| 4. Total gain (loss) on disposals .....  |              |                                 |
| 5. Deduct amounts received on disposals .....  |              |                                 |
| 6. Total foreign exchange change in book/adjusted carrying value .....                     |              |                                 |
| 7. Deduct current year's other-than-temporary impairment recognized .....                  |              |                                 |
| 8. Deduct current year's depreciation .....  |              |                                 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) ..... |              |                                 |
| 10. Deduct total nonadmitted amounts .....   |              |                                 |
| 11. Statement value at end of current period (Line 9 minus Line 10)                        |              |                                 |

SCHEDULE B – VERIFICATION

Mortgage Loans

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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

|  | 1            | 2                               |
|--|--------------|---------------------------------|
|  | Year To Date | Prior Year Ended<br>December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year .....                             | 811,072,693  | 323,573,612                     |
| 2. Cost of acquired:   |              |                                 |
| 2.1 Actual cost at time of acquisition .....   |              | 446,253,095                     |
| 2.2 Additional investment made after acquisition .....                                       | 2,501,926    | 70,011,200                      |
| 3. Capitalized deferred interest and other .....   |              |                                 |
| 4. Accrual of discount .....   | 21,341       | 55,943                          |
| 5. Unrealized valuation increase (decrease) .....  | 5,787,587    | (2,564,965)                     |
| 6. Total gain (loss) on disposals .....  |              | 26,254,200                      |
| 7. Deduct amounts received on disposals .....  |              |                                 |
| 8. Deduct amortization of premium and depreciation .....                                     |              |                                 |
| 9. Total foreign exchange change in book/adjusted carrying value .....                       |              |                                 |
| 10. Deduct current year's other-than-temporary impairment recognized .....                   | 327,349      | 1,992                           |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) ..... | 819,056,198  | 811,072,693                     |
| 12. Deduct total nonadmitted amounts .....   |              |                                 |
| 13. Statement value at end of current period (Line 11 minus Line 12)                         | 819,056,198  | 811,072,693                     |

SCHEDULE D – VERIFICATION

Bonds and Stocks

|   | 1             | 2                               |
|---|---------------|---------------------------------|
|   | Year To Date  | Prior Year Ended<br>December 31 |
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....                      | 4,332,473,933 | 4,884,698,108                   |
| 2. Cost of bonds and stocks acquired .....  | 211,428,530   | 398,192,794                     |
| 3. Accrual of discount .....  | 15,387,737    | 33,643,785                      |
| 4. Unrealized valuation increase (decrease) .....   | (54,930,905)  | 43,276,514                      |
| 5. Total gain (loss) on disposals .....   | 9,083,080     | 32,092,405                      |
| 6. Deduct consideration for bonds and stocks disposed of .....  | 292,026,730   | 1,010,820,259                   |
| 7. Deduct amortization of premium .....   | 11,862,905    | 25,967,638                      |
| 8. Total foreign exchange change in book/adjusted carrying value .....                                    |               |                                 |
| 9. Deduct current year's other-than-temporary impairment recognized .....                                 | 26,126,844    | 22,804,866                      |
| 10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees ..... | 1,784,791     | 163,090                         |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....              | 4,185,210,687 | 4,332,473,933                   |
| 12. Deduct total nonadmitted amounts .....  |               |                                 |
| 13. Statement value at end of current period (Line 11 minus Line 12)                                      | 4,185,210,687 | 4,332,473,933                   |

STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL 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<br>Book/Adjusted<br>Carrying Value<br>Beginning of<br>Current Quarter | 2<br>Acquisitions<br>During<br>Current Quarter | 3<br>Dispositions<br>During<br>Current Quarter | 4<br>Non-Trading<br>Activity<br>During<br>Current Quarter | 5<br>Book/Adjusted<br>Carrying Value<br>End of<br>First Quarter | 6<br>Book/Adjusted<br>Carrying Value<br>End of<br>Second Quarter | 7<br>Book/Adjusted<br>Carrying Value<br>End of<br>Third Quarter | 8<br>Book/Adjusted<br>Carrying Value<br>December 31<br>Prior Year |
|-----------------------------------|---|--|--|---|---|--|---|---|
| <b>BONDS</b>                      |   |  |  |   |   |  |   |   |
| 1. NAIC 1 (a).....                | 2,889,488,615   | 161,411,070                                    | 153,941,409                                    | (22,705,806)  | 2,889,488,615   | 2,874,252,470  |   | 2,975,239,503   |
| 2. NAIC 2 (a).....                | 106,672,812   | 4,484,895                                      | 11,882,456                                     | 16,556,519  | 106,672,812   | 115,831,770  |   | 124,585,534   |
| 3. NAIC 3 (a).....                | 4,392,037   |  | 3,997,405                                      | 85,137  | 4,392,037   | 479,769  |   |   |
| 4. NAIC 4 (a).....                |   |  |  |   |   |  |   |   |
| 5. NAIC 5 (a).....                |   |  |  |   |   |  |   |   |
| 6. NAIC 6 (a).....                | 48,936,418  |  |  | 1,391,282   | 48,936,418  | 50,327,700   |   | 63,695,387  |
| 7. Total Bonds                    | 3,049,489,882   | 165,895,965                                    | 169,821,270                                    | (4,672,868)   | 3,049,489,882   | 3,040,891,709  |   | 3,163,520,424   |
| <b>PREFERRED STOCK</b>            |   |  |  |   |   |  |   |   |
| 8. NAIC 1 .....                   |   |  |  |   |   |  |   |   |
| 9. NAIC 2 .....                   |   |  |  |   |   |  |   |   |
| 10. NAIC 3 .....                  |   |  |  |   |   |  |   |   |
| 11. NAIC 4 .....                  |   |  |  |   |   |  |   |   |
| 12. NAIC 5 .....                  |   |  |  |   |   |  |   |   |
| 13. NAIC 6 .....                  |   |  |  |   |   |  |   |   |
| 14. Total Preferred Stock.....    |   |  |  |   |   |  |   |   |
| 15. Total Bonds & Preferred Stock | 3,049,489,882   | 165,895,965                                    | 169,821,270                                    | (4,672,868)   | 3,049,489,882   | 3,040,891,709  |   | 3,163,520,424   |

(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 \$ .....1,984,961 ; NAIC 2 \$ ..... ;

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

SCHEDULE DA - PART 1  
Short-Term Investments

|         | 1                               | 2         | 3           | 4                                  | 5  |
|---------|---------------------------------|-----------|-------------|------------------------------------|--|
|         | Book/Adjusted<br>Carrying Value | Par Value | Actual Cost | Interest Collected<br>Year To Date | Paid for Accrued<br>Interest<br>Year To Date |
| 9199999 | 1,984,961                       | XXX       | 1,970,388   | 14,573                             |  |

SCHEDULE DA - VERIFICATION  
Short-Term Investments

|  | 1            | 2                               |
|--|--------------|---------------------------------|
|  | Year To Date | Prior Year<br>Ended December 31 |
| 1. Book/adjusted carrying value, December 31 of prior year.....                          | 5,742,136    |                                 |
| 2. Cost of short-term investments acquired .....   | 3,955,629    | 7,673,809                       |
| 3. Accrual of discount .....   | 28,933       | 68,327                          |
| 4. Unrealized valuation increase (decrease).....   |              |                                 |
| 5. Total gain (loss) on disposals .....  | 8,161        |                                 |
| 6. Deduct consideration received on disposals .....                                      | 7,749,898    | 2,000,000                       |
| 7. Deduct amortization of premium.....   |              |                                 |
| 8. Total foreign exchange change in book/adjusted carrying value.....                    |              |                                 |
| 9. Deduct current year's other-than-temporary impairment recognized.....                 |              |                                 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... | 1,984,961    | 5,742,136                       |
| 11. Deduct total nonadmitted amounts.....  |              |                                 |
| 12. Statement value at end of current period (Line 10 minus Line 11)                     | 1,984,961    | 5,742,136                       |



Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E – PART 2 – VERIFICATION  
(Cash Equivalents)

|   | 1<br>Year To<br>Date | 2<br>Prior Year<br>Ended December 31 |
|---|----------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year.....                           | 146,173,007          | 172,533,559                          |
| 2. Cost of cash equivalents acquired .....  | 259,332,274          | 424,017,972                          |
| 3. Accrual of discount .....  | 21,772               | 120,403                              |
| 4. Unrealized valuation increase (decrease) .....   |                      |                                      |
| 5. Total gain (loss) on disposals.....  |                      | 2,246                                |
| 6. Deduct consideration received on disposals .....                                       | 58,336,207           | 450,500,336                          |
| 7. Deduct amortization of premium .....   |                      |                                      |
| 8. Total foreign exchange change in book/adjusted carrying value .....                    |                      |                                      |
| 9. Deduct current year's other-than-temporary impairment recognized .....                 |                      | 837                                  |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) ..... | 347,190,846          | 146,173,007                          |
| 11. Deduct total nonadmitted amounts .....  |                      |                                      |
| 12. Statement value at end of current period (Line 10 minus Line 11)                      | 347,190,846          | 146,173,007                          |

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE BA - PART 2

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

| 1<br><br>CUSIP<br>Identification  | 2<br><br>Name or Description | Location      |                | 5<br><br>Name<br>of<br>Vendor or<br>General Partner | 6<br><br>NAIC<br>Designation and<br>Administrative<br>Symbol | 7<br><br>Date<br>Originally<br>Acquired | 8<br><br>Type<br>and<br>Strategy | 9<br><br>Actual<br>Cost at Time of<br>Acquisition | 10<br><br>Additional Investment<br>Made After Acquisition | 11<br><br>Amount of<br>Encumbrances | 12<br><br>Commitment<br>for Additional<br>Investment | 13<br><br>Percentage<br>of<br>Ownership |
|---|------------------------------|---------------|----------------|---|--|---|----------------------------------|---|---|-------------------------------------|--|---|
|   |                              | 3<br><br>City | 4<br><br>State |   |  |   |                                  |   |   |                                     |  |   |
| Oil and Gas Production - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Oil and Gas Production - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Transportation Equipment - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Transportation Equipment - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Mineral Rights - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Mineral Rights - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Registered Private Funds with Underlying Assets Having Characteristics of: Bonds - NAIC Designation Assigned by the SVO - Unaffiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Registered Private Funds with Underlying Assets Having Characteristics of: Bonds - NAIC Designation Assigned by the SVO - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Registered Private Funds with Underlying Assets Having Characteristics of: Bonds - NAIC Designation Not Assigned by the SVO - Unaffiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Registered Private Funds with Underlying Assets Having Characteristics of: Bonds - NAIC Designation Not Assigned by the SVO - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Registered Private Funds with Underlying Assets Having Characteristics of: Mortgage Loans - Unaffiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Registered Private Funds with Underlying Assets Having Characteristics of: Mortgage Loans - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Registered Private Funds with Underlying Assets Having Characteristics of: Other Fixed Income Instruments - Unaffiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Registered Private Funds with Underlying Assets Having Characteristics of: Other Fixed Income Instruments - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Fixed Income Instruments - NAIC Designation Assigned by the SVO - Unaffiliated     |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Fixed Income Instruments - NAIC Designation Assigned by the SVO - Affiliated       |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Fixed Income Instruments - NAIC Designation Not Assigned by the SVO - Unaffiliated |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Fixed Income Instruments - NAIC Designation Not Assigned by the SVO - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Common Stocks - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Common Stocks - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Real Estate - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Real Estate - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Mortgage Loans - Unaffiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Mortgage Loans - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Other - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| ...000000-00-0...Petershill Private Equity LP.....Wilmington.....DE.....Direct.....   |                              |               |                |   |  |   |                                  | 12,725,000  | 2,501,926   |                                     | 83,915,032   | 15,000                                  |
| 2599999 - Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Other - Unaffiliated   |                              |               |                |   |  |   |                                  | 12,725,000  | 2,501,926   |                                     | 83,915,032   | XXX                                     |
| Joint Venture, Partnership or Limited Liability Co. Interests for Which the Underlying Assets Have the Characteristics of: Other - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Surplus Debentures, etc. – Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Surplus Debentures, etc. - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Collateral Loans - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Collateral Loans - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-collateral Loans - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-collateral Loans - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Capital Notes - Unaffiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Capital Notes - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Guaranteed Federal Low Income Housing Tax Credit - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Guaranteed Federal Low Income Housing Tax Credit - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Guaranteed Federal Low Income Housing Tax Credit - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Guaranteed Federal Low Income Housing Tax Credit - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Guaranteed State Low Income Housing Tax Credit - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Guaranteed State Low Income Housing Tax Credit - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Guaranteed State Low Income Housing Tax Credit - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Non-Guaranteed State Low Income Housing Tax Credit - Affiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| All Other Low Income Housing Tax Credit - Unaffiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| All Other Low Income Housing Tax Credit - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Working Capital Finance Investment - Unaffiliated   |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Any Other Class of Assets - Unaffiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| Any Other Class of Assets - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  |   |
| 4899999 – Subtotals - Unaffiliated  |                              |               |                |   |  |   |                                  | 12,725,000  | 2,501,926   |                                     | 83,915,032   | XXX                                     |
| 4999999 – Subtotals - Affiliated  |                              |               |                |   |  |   |                                  |   |   |                                     |  | XXX                                     |
| 5099999 Totals  |                              |               |                |   |  |   |                                  | 12,725,000  | 2,501,926   |                                     | 83,915,032   | XXX                                     |





STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL 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<br>Identification  | Description                        | Foreign | Date Acquired | Name of Vendor                           | Number of<br>Shares of Stock | Actual<br>Cost | Par Value  | Paid for Accrued<br>Interest and Dividends | NAIC<br>Designation<br>and<br>Administrative<br>Symbol |
| Bonds - U.S. Governments   |                                    |         |               |  |                              |                |            |  |  |
| Bonds - All Other Governments  |                                    |         |               |  |                              |                |            |  |  |
| Bonds - U.S. States, Territories and Possessions   |                                    |         |               |  |                              |                |            |  |  |
| 57582R-G3-4  | MASSACHUSETTS ST                   |         | 06/26/2020    | BANK OF AMERICA MERRILL LYNCH SECURITIES | XXX                          | 1,000,000      | 1,000,000  |  | 1FE  |
| 882830-AP-7  | TEXAS ST TRANSPRTN COMMISSION      |         | 06/18/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 1,000,000      | 1,000,000  |  | 1FE  |
| 1799999 - Bonds - U.S. States, Territories and Possessions   |                                    |         |               |  |                              | 2,000,000      | 2,000,000  |  | XXX  |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions   |                                    |         |               |  |                              |                |            |  |  |
| 124511-PR-1  | BYRON CENTER MI PUBLIC SCHS        |         | 06/11/2020    | STIFEL NICOLAUS & CO INC                 | XXX                          | 1,148,890      | 1,000,000  |  | 1FE  |
| 230822-SA-7  | CUMBERLAND VLY PA SCH DIST         |         | 06/02/2020    | STIFEL NICOLAUS & CO INC                 | XXX                          | 1,137,790      | 1,000,000  |  | 1FE  |
| 35880C-F5-8  | FRISCO TX INDEP SCH DIST           |         | 06/17/2020    | PIPER SANDLER COMPANIES                  | XXX                          | 1,200,000      | 1,200,000  |  | 1FE  |
| 799055-RJ-9  | SAN MATEO FOST CA SD               |         | 04/29/2020    | RBC CAPITAL MARKETS                      | XXX                          | 1,270,000      | 1,270,000  |  | 1FE  |
| 98816P-EF-5  | YSLETA TX INDEP SCH DIST           |         | 06/24/2020    | PIPER SANDLER COMPANIES                  | XXX                          | 1,000,000      | 1,000,000  |  | 1FE  |
| 2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions   |                                    |         |               |  |                              | 5,756,680      | 5,470,000  |  | XXX  |
| Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions           |                                    |         |               |  |                              |                |            |  |  |
| 160429-YR-1  | CHARLESTON SC WTRWKS & SWR REV     |         | 06/18/2020    | WELLS FARGO BROKER SERVICES LLC          | XXX                          | 1,200,000      | 1,200,000  |  | 1FE  |
| 196711-SE-6  | Colorado COP                       |         | 05/28/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                          | 1,588,145      | 1,325,000  |  | 1FE  |
| 196711-SH-9  | Colorado COP                       |         | 05/28/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                          | 913,228        | 770,000    |  | 1FE  |
| 196711-SF-3  | COLORADO ST COPS - 4% - 12/15/35   |         | 05/28/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                          | 2,386,660      | 2,000,000  |  | 1FE  |
| 23542J-RB-3  | DALLAS TX WTRWKS & SWR SYS REV     |         | 06/10/2020    | JP MORGAN SECURITIES                     | XXX                          | 1,120,000      | 1,120,000  |  | 1FE  |
| 31418D-P9-7  | FN MA4047                          |         | 05/21/2020    | GOLDMAN SACHS                            | XXX                          | 909,295        | 890,000    | 1,286                                      | 1.   |
| 54811B-VA-6  | Lower Col River Auth               |         | 05/13/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 1,206,540      | 1,000,000  |  | 1FE  |
| 54811B-VB-4  | Lower Col River Auth               |         | 05/13/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 300,520        | 250,000    |  | 1FE  |
| 64989K-LF-1  | NEW YORK ST PWR AUTH REVENUE       |         | 04/30/2020    | GOLDMAN SACHS                            | XXX                          | 6,397,680      | 6,000,000  |  | 1FE  |
| 650036-AG-1  | NY NEW YORK ST URBAN DEV           |         | 06/23/2020    | GOLDMAN SACHS                            | XXX                          | 2,598,330      | 2,000,000  |  | 1FE  |
| 650117-AA-2  | NY TDC FULLER RD                   |         | 04/09/2020    | GOLDMAN SACHS                            | XXX                          | 1,640,000      | 1,640,000  |  | 1FE  |
| 679191-JN-7  | OK STATE UNIV                      |         | 04/15/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 490,000        | 490,000    |  | 1FE  |
| 73474T-AT-7  | PORT OF MORROW OR TRANSMISSION     |         | 06/18/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 995,000        | 1,000,000  |  | 1FE  |
| 762232-BW-5  | RI DOT Garvee                      |         | 05/06/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                          | 3,025,015      | 2,485,000  |  | 1FE  |
| 041438-HB-1  | VA Hospital Ctr                    |         | 05/07/2020    | JP MORGAN SECURITIES                     | XXX                          | 359,276        | 345,000    |  | 1FE  |
| 041438-HC-9  | VA Hospital Ctr                    |         | 05/07/2020    | JP MORGAN SECURITIES                     | XXX                          | 1,037,920      | 1,000,000  |  | 1FE  |
| 041438-HD-7  | VA Hospital Ctr                    |         | 05/07/2020    | JP MORGAN SECURITIES                     | XXX                          | 1,536,345      | 1,500,000  |  | 1FE  |
| 928104-MF-2  | VA VA SMALL BUSINESS FIN 95 EXPRES |         | 04/07/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 978,860        | 1,000,000  | 13,611                                     | 2FE  |
| 3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions |                                    |         |               |  |                              | 28,682,814     | 26,015,000 | 14,897                                     | XXX  |
| Bonds - Industrial and Miscellaneous (Unaffiliated)  |                                    |         |               |  |                              |                |            |  |  |
| 001199-AA-6  | AGL CORE CLO (144) 20 Apr 2027     | D       | 04/14/2020    | BARCLAYS CAPITAL                         | XXX                          | 1,980,000      | 2,000,000  |  | 1FE  |
| 14311M-AN-6  | CARLYLE GLOBAL MARKET STRATEG1 15  | D       | 04/17/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 1,455,000      | 1,500,000  | 9,784                                      | 1FE  |
| 00119T-AC-8  | CLO AGL 2020-5A B                  | D       | 05/27/2020    | MIZUHO SECURITIES USA INC                | XXX                          | 2,985,000      | 3,000,000  |  | 1FE  |
| 00119T-AD-6  | CLO AGL 2020-5A C                  | D       | 05/27/2020    | MIZUHO SECURITIES USA INC                | XXX                          | 3,960,000      | 4,000,000  |  | 1FE  |
| 04018B-AE-7  | CLO ARES 2020-55A C                | D       | 05/15/2020    | JP MORGAN SECURITIES                     | XXX                          | 5,000,000      | 5,000,000  |  | 1FE  |
| 04942C-AC-0  | CLO ATCLO 2019-14A A               | D       | 06/01/2020    | BARCLAYS CAPITAL                         | XXX                          | 4,880,000      | 5,000,000  | 15,677                                     | 1FE  |
| 05875P-AE-5  | CLO BALLY 2020-1A A2               | D       | 06/12/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 2,500,000      | 2,500,000  |  | 1FE  |
| 05875P-AG-0  | CLO BALLY 2020-1A B                | D       | 06/12/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 5,500,000      | 5,500,000  |  | 1FE  |
| 05684A-AE-9  | CLO BCC 2019-4A B                  | D       | 06/03/2020    | MIZUHO SECURITIES USA INC                | XXX                          | 3,950,000      | 4,000,000  | 80,144                                     | 1FE  |
| 05683E-AG-7  | CLO BCC 2020-2A C                  | D       | 05/29/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                          | 3,500,000      | 3,500,000  |  | 1FE  |
| 08182F-AG-4  | CLO BSP 2020-20A C                 | D       | 06/18/2020    | BANK OF NEW YORK                         | XXX                          | 4,750,000      | 4,750,000  |  | 1FE  |
| 146865-AE-0  | CLO CARVL 2018-1A C                | D       | 06/24/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                          | 1,430,625      | 1,500,000  | 9,692                                      | 1FE  |
| 61928E-AC-3  | CLO CARVL 2019-11X C               | D       | 06/25/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                          | 2,925,000      | 2,925,000  | 24,941                                     | 1FE  |
| 22846D-AC-7  | CLO CRNPT 2020-9A B                | D       | 06/05/2020    | GOLDMAN SACHS                            | XXX                          | 5,970,000      | 6,000,000  |  | 1FE  |
| 22846D-AE-3  | CLO CRNPT 2020-9A C                | D       | 06/05/2020    | GOLDMAN SACHS                            | XXX                          | 1,485,000      | 1,500,000  |  | 1FE  |
| 44932V-AA-0  | CLO ICG 2019-1A A1A                | D       | 06/12/2020    | MORGAN STANLEY CO                        | XXX                          | 3,430,000      | 3,500,000  | 11,528                                     | 1FE  |
| 47050E-AC-3  | CLO JTNW 2020-15A B1               | D       | 06/12/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                          | 3,884,000      | 4,000,000  | 27,577                                     | 1FE  |
| 48251J-AJ-7  | CLO KKR 18 A                       | D       | 06/01/2020    | MIZUHO SECURITIES USA INC                | XXX                          | 5,593,125      | 5,700,000  | 16,757                                     | 1FE  |
| 55817A-AJ-3  | CLO MDPK 2018-32A C                | D       | 05/29/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                          | 980,000        | 1,000,000  | 4,553                                      | 1FE  |
| 55820B-AE-7  | CLO MDPK 2020-45A C                | D       | 06/16/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                          | 5,500,000      | 5,500,000  |  | 1FE  |
| 64133G-AG-5  | CLO NEUB 2020-37A B                | D       | 06/12/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                          | 1,000,000      | 1,000,000  |  | 1FE  |
| 64133G-AK-6  | CLO NEUB 2020-37A C                | D       | 06/12/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                          | 3,000,000      | 3,000,000  |  | 1FE  |
| 670881-AC-5  | CLO OCP 2020-19A B                 | D       | 06/03/2020    | NATIXIS SECURITIES AMERICA               | XXX                          | 1,000,000      | 1,000,000  |  | 1FE  |
| 670881-AE-1  | CLO OCP 2020-19A C                 | D       | 06/03/2020    | NATIXIS SECURITIES AMERICA               | XXX                          | 2,000,000      | 2,000,000  |  | 1FE  |

STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL 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 and Administrative Symbol |
| 67577V-AE-3   | CLO.OCT46 2020-2A C                | D       | 06/26/2020    | GOLDMAN SACHS                            | XXX                       | 2,500,000   | 2,500,000   |   | 1FE  |
| 67514U-AG-6   | CLO.OCTR 2020-8A C                 | D       | 06/26/2020    | BARCLAYS CAPITAL                         | XXX                       | 3,491,250   | 3,500,000   |   | 1FE  |
| 67113D-AJ-3   | CLO.OZLM 2019-24A A2A              | D       | 05/29/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                       | 3,915,000   | 4,000,000   | 16,174                                  | 1FE  |
| 69701K-AE-2   | CLO.PSTAT 2020-3A B                | D       | 05/19/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                       | 3,980,000   | 4,000,000   |   | 1FE  |
| 74980E-AG-3   | CLO.RRAM 2019-7A A2                | D       | 06/03/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                       | 4,937,500   | 5,000,000   | 22,800                                  | 1FE  |
| 83614X-AG-6   | CLO.SNDPT 2020-1A C                | D       | 06/05/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                       | 2,000,000   | 2,000,000   |   | 1FE  |
| 92328G-BB-1   | CLO.VENTR 2013-14A BRR             | D       | 06/04/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                       | 3,820,000   | 4,000,000   | 2,348                                   | 1FE  |
| 92918E-AC-1   | CLO.VOYA 2020-1A B1                | D       | 06/12/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                       | 1,750,000   | 1,750,000   |   | 1FE  |
| 92918E-AG-2   | CLO.VOYA 2020-1A C                 | D       | 06/12/2020    | CREDIT SUISSE SECURITIES (USA)           | XXX                       | 4,750,000   | 4,750,000   |   | 1FE  |
| 009158-BC-9   | Air Prdcts and Chem                |         | 04/27/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                       | 3,495,240   | 3,500,000   |   | 1FE  |
| 25243Y-BE-8   | Diageo Capital Plc                 | D       | 04/27/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                       | 252,912     | 255,000     |   | 1FE  |
| 316773-DA-5   | Fifth Third Bancorp                |         | 04/30/2020    | MORGAN STANLEY CO                        | XXX                       | 1,981,090   | 1,985,000   |   | 2FE  |
| 369604-BX-0   | General Electric Co                |         | 05/13/2020    | JANE STREET EXECUTION SERVICES,LLC       | XXX                       | 698,925     | 750,000     | 2,036                                   | 2FE  |
| 42218S-AF-5   | Health Care Service Corp A Mutual  |         | 05/28/2020    | JP MORGAN SECURITIES                     | XXX                       | 418,316     | 420,000     |   | 1FE  |
| 43285H-AA-6   | HILTON GRAND VACATIONS TRUST 20-AA |         | 06/02/2020    | BANK OF AMERICA MERRILL LYNCH SECURITIES | XXX                       | 999,935     | 1,000,000   |   | 1FE  |
| 46647P-BR-6   | JPMORGAN CHASE & CO                |         | 05/19/2020    | JP MORGAN SECURITIES                     | XXX                       | 600,000     | 600,000     |   | 1FE  |
| 68235P-AH-1   | ONE GAS INC                        |         | 04/30/2020    | VARIOUS                                  | XXX                       | 4,497,810   | 4,490,000   |   | 1FE  |
| 87264A-AW-5   | T-Mobile USA Inc 144A              |         | 05/13/2020    | JP MORGAN SECURITIES                     | XXX                       | 826,020     | 750,000     | 3,281                                   | 2FE  |
| 882508-BJ-2   | Texas Instruments                  |         | 04/24/2020    | CITIGROUP GLOBAL MARKETS                 | XXX                       | 4,495,050   | 4,500,000   |   | 1FE  |
| 918204-BB-3   | VF CORP                            |         | 04/21/2020    | BANK OF AMERICA SECURITIES LLC           | XXX                       | 988,376     | 990,000     |   | 1FE  |
| 981464-HF-0   | WFMNT 2019-C A                     |         | 05/27/2020    | WELLS FARGO BROKER SERVICES LLC          | XXX                       | 401,297     | 400,000     | 344                                     | 1FE  |
| 3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)                       |                                    |         |               |  |                           | 129,456,471 | 130,515,000 | 247,636                                 | XXX  |
| Bonds - Hybrid Securities   |                                    |         |               |  |                           |             |             |   |  |
| Bonds - Parent, Subsidiaries and Affiliates   |                                    |         |               |  |                           |             |             |   |  |
| Bonds - SVO Identified Funds  |                                    |         |               |  |                           |             |             |   |  |
| Bonds - Unaffiliated Bank Loans   |                                    |         |               |  |                           |             |             |   |  |
| 8399997 - Bonds - Subtotals - Bonds - Part 3  |                                    |         |               |  |                           | 165,895,965 | 164,000,000 | 262,533                                 | XXX  |
| 8399999 - Bonds - Subtotals - Bonds   |                                    |         |               |  |                           | 165,895,965 | 164,000,000 | 262,533                                 | XXX  |
| Preferred Stocks - Industrial and Miscellaneous (Unaffiliated) Perpetual Preferred  |                                    |         |               |  |                           |             |             |   |  |
| Preferred Stocks - Industrial and Miscellaneous (Unaffiliated) Redeemable Preferred |                                    |         |               |  |                           |             |             |   |  |
| Preferred Stocks - Parent, Subsidiaries and Affiliates Perpetual Preferred          |                                    |         |               |  |                           |             |             |   |  |
| Preferred Stocks - Parent, Subsidiaries and Affiliates Redeemable Preferred         |                                    |         |               |  |                           |             |             |   |  |
| Common Stocks - Industrial and Miscellaneous (Unaffiliated) Publicly Traded         |                                    |         |               |  |                           |             |             |   |  |
| Common Stocks - Industrial and Miscellaneous (Unaffiliated) Other                   |                                    |         |               |  |                           |             |             |   |  |
| Common Stocks - Parent, Subsidiaries, and Affiliates Publicly Traded                |                                    |         |               |  |                           |             |             |   |  |
| Common Stocks - Parent, Subsidiaries and Affiliates Other                           |                                    |         |               |  |                           |             |             |   |  |
| Common Stocks - Mutual Funds  |                                    |         |               |  |                           |             |             |   |  |
| Common Stocks - Unit Investment Trusts  |                                    |         |               |  |                           |             |             |   |  |
| Common Stocks - Closed-End Funds  |                                    |         |               |  |                           |             |             |   |  |
| 9999999 Totals  |                                    |         |               |  |                           | 165,895,965 | XXX         | 262,533                                 | XXX  |

STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL 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<br>F<br>o<br>r<br>e<br>i<br>g<br>n | 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<br>Identi-<br>fication   | Description                           |                                      | Disposal<br>Date | Name of Purchaser       | Number of<br>Shares of<br>Stock | Consideration | Par Value  | Actual Cost | Prior Year<br>Book/Adjusted<br>Carrying Value | Unrealized<br>Valuation<br>Increase/<br>(Decrease) | Current Year's<br>(Amortization)/<br>Accretion | Current Year's<br>Other Than<br>Temporary<br>Impairment<br>Recognized | Total Change<br>in<br>B./A.C.V.<br>(11+12-13) | Total Foreign<br>Exchange<br>Change in<br>B./A.C.V. | Book/<br>Adjusted<br>Carrying Value<br>at<br>Disposal Date | Foreign<br>Exchange Gain<br>(Loss) on<br>Disposal | Realized Gain<br>(Loss) on<br>Disposal | Total Gain<br>(Loss) on<br>Disposal | Bond<br>Interest/Stock<br>Dividends<br>Received<br>During Year | Stated<br>Contractual<br>Maturity<br>Date | NAIC<br>Designation<br>and<br>Administrative<br>Symbol |
| Bonds - U.S. Governments   |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| 36241L-BG-9  | GNMA #782735                          |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 18,192        | 18,192     | 19,787      | 20,534  |  |  | (2,342)   |   | (2,342)   | 18,192   |   |  |                                     | 459  | 07/15/2039                                | 1  |
| 36295W-EN-3  | GNMA #682441                          |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 1,233         | 1,233      | 1,325       | 1,277   |  |  | (45)  |   | (45)  | 1,233  |   |  |                                     | 26   | 05/15/2023                                | 1  |
| 36207R-3A-1  | GNMA POOL 440093                      |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 4             | 4          | 4           | 4   |  |  |   |   |   | 4  |   |  |                                     |  | 02/15/2027                                | 1  |
| 36201F-V2-0  | GNMA POOL 582133                      |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 991           |            | 991         | 1,052   |  |  | (27)  |   | (27)  | 991  |   |  |                                     | 29   | 05/15/2032                                | 1  |
| 38381T-KF-1  | GNR 2019-29 CB                        |                                      | 05/20/2020       | VARIOUS                 | XXX                             | 782,755       | 752,673    | 759,024     | 758,921                                       |  |  | (155)   |   | (155)   | 758,766  |   | 23,989                                 | 23,989                              | 10,566   | 10/20/2048                                | 1  |
| 36179T-Z5-7  | GOVERNMENT NATL MTG ASSOC<br>11 #MA52 |                                      | 06/20/2020       | PRINCIPAL RECEIPT       | XXX                             | 181,792       | 181,792    | 186,280     | 186,257                                       |  |  | (4,465)   |   | (4,465)   | 181,792  |   |  |                                     | 3,044  | 06/20/2048                                | 1  |
| 36179U-CB-6  | GOVERNMENT NATL MTG ASSOC<br>11 #MA54 |                                      | 06/20/2020       | PRINCIPAL RECEIPT       | XXX                             | 606,535       | 606,535    | 615,955     | 616,365                                       |  |  | (9,830)   |   | (9,830)   | 606,535  |   |  |                                     | 10,133   | 09/20/2048                                | 1  |
| 0599999 - Bonds - U.S. Governments   |                                       |                                      |                  |                         |                                 | 1,591,502     | 1,561,420  | 1,583,427   | 1,584,376                                     |  |  | (16,864)  |   | (16,864)  | 1,567,513  |   | 23,989                                 | 23,989                              | 24,257   | XXX                                       | XXX  |
| Bonds - All Other Governments  |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| Bonds - U.S. States, Territories and Possessions   |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| 34153P-VG-0  | FL BOE GO C20 S10H                    |                                      | 06/01/2020       | CALLED @ 100.0000000    | XXX                             | 5,090,000     | 5,090,000  | 5,850,497   | 5,127,944                                     |  |  | (37,944)  |   | (37,944)  | 5,090,000  |   |  |                                     | 127,250  | 06/01/2025                                | 1FE  |
| 546415-ZP-8  | LOUISIANA ST-REFUNDED                 |                                      | 05/15/2020       | CALLED @ 100.0000000    | XXX                             | 1,000,000     | 1,000,000  | 1,180,650   | 1,008,002                                     |  |  | (8,002)   |   | (8,002)   | 1,000,000  |   |  |                                     | 25,000   | 11/15/2020                                | 1FE  |
| 70914P-MJ-8  | PA GO                                 |                                      | 06/23/2020       | BARCLAYS CAPITAL        | XXX                             | 1,813,313     | 1,425,000  | 1,654,140   | 1,618,794                                     |  |  | 160,390   |   | 160,390   | 1,779,184  |   | 34,129                                 | 34,129                              | 66,876   | 02/15/2030                                | 1FE  |
| 70914P-VS-8  | PA ST GO C24 S14                      |                                      | 06/08/2020       | BARCLAYS CAPITAL        | XXX                             | 3,550,260     | 3,000,000  | 3,547,290   | 3,260,719                                     |  |  | 305,861   |   | 305,861   | 3,566,580  |   | (16,320)                               | (16,320)                            | 72,917   | 06/15/2027                                | 1FE  |
| 882721-RM-7  | TX TX ST-MULTI MODE-B VAR             |                                      | 04/03/2020       | GOLDMAN SACHS           | XXX                             | 2,000,000     | 2,000,000  | 2,000,000   |   |  |  |   |   |   | 2,000,000  |   |  |                                     | 6,034  | 04/01/2036                                | 1FE  |
| 1799999 - Bonds - U.S. States, Territories and Possessions   |                                       |                                      |                  |                         |                                 | 13,453,573    | 12,515,000 | 14,232,577  | 11,015,459                                    |  |  | 420,305   |   | 420,305   | 13,435,764   |   | 17,809                                 | 17,809                              | 298,077  | XXX                                       | XXX  |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions   |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| 927734-ZJ-5  | VIRGINIA BEACH VA                     |                                      | 06/22/2020       | MERRILL LYNCH           | XXX                             | 1,500,582     | 1,280,000  | 1,543,283   | 1,402,059                                     |  |  | 110,645   |   | 110,645   | 1,512,704  |   | (12,122)                               | (12,122)                            | 41,422   | 05/01/2026                                | 1FE  |
| 2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions   |                                       |                                      |                  |                         |                                 | 1,500,582     | 1,280,000  | 1,543,283   | 1,402,059                                     |  |  | 110,645   |   | 110,645   | 1,512,704  |   | (12,122)                               | (12,122)                            | 41,422   | 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 |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| 16557H-DX-0  | CHESTER CNTY PA HEALTH & ED FA        |                                      | 06/23/2020       | PIPER SANDLER COMPANIES | XXX                             | 5,716,798     | 4,700,000  | 5,405,470   | 5,300,208                                     |  |  | (32,965)  |   | (32,965)  | 5,267,243  |   |  |                                     | 172,333  | 10/01/2035                                | 1FE  |
| 25477G-DY-8  | DC PITS                               |                                      | 06/01/2020       | CALLED @ 100.0000000    | XXX                             | 10,000,000    | 10,000,000 | 11,211,400  | 10,058,524                                    |  |  | (58,524)  |   | (58,524)  | 10,000,000   |   | 449,555                                | 449,555                             | 250,000  | 12/01/2023                                | 1FE  |
| FEDERAL NATIONAL MTG ASSOC   |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| 3140FC-S9-0  | #BD5043                               |                                      | 06/25/2020       | PRINCIPAL RECEIPT       | XXX                             | 94,011        | 94,011     | 93,820      | 93,826  |  |  | 185   |   | 185   | 94,011   |   |  |                                     | 1,405  | 02/01/2047                                | 1  |
| 3128MJ-3U-2  | FGLMC PL#G08810                       |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 168,772       | 168,772    | 175,075     | 174,918                                       |  |  | (6,146)   |   | (6,146)   | 168,772  |   |  |                                     | 3,231  | 04/01/2048                                | 1  |
| 3128MJ-4R-8  | FGLMC PL#G08831                       |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 308,073       | 308,073    | 312,815     | 312,718                                       |  |  | (4,645)   |   | (4,645)   | 308,073  |   |  |                                     | 5,219  | 08/01/2048                                | 1  |
| 3128MJ-4S-6  | FGLMC PL#G08832                       |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 230,273       | 230,273    | 238,944     | 238,857                                       |  |  | (8,585)   |   | (8,585)   | 230,273  |   |  |                                     | 4,330  | 08/01/2048                                | 1  |
| 3128LO-DE-9  | FGOLD 30YR                            |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 1,123         | 1,123      | 1,132       | 1,133   |  |  | (11)  |   | (11)  | 1,123  |   |  |                                     | 28   | 11/01/2037                                | 1  |
| 3128LX-FB-1  | FGOLD 30YR GIANT                      |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 5,616         | 5,616      | 5,386       | 5,347   |  |  | 269   |   | 269   | 5,616  |   |  |                                     | 122  | 12/01/2035                                | 1  |
| 3128M5-HJ-2  | FGOLD 30YR GIANT                      |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 7,763         | 7,763      | 7,839       | 7,851   |  |  | (88)  |   | (88)  | 7,763  |   |  |                                     | 211  | 06/01/2036                                | 1  |
| 3128M5-LE-8  | FGOLD 30YR GIANT                      |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 4,434         | 4,434      | 4,536       | 4,541   |  |  | (107)   |   | (107)   | 4,434  |   |  |                                     | 108  | 11/01/2037                                | 1  |
| 3128M6-EF-1  | FGOLD 30YR GIANT                      |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 3,438         | 3,438      | 3,257       | 3,242   |  |  | 196   |   | 196   | 3,438  |   |  |                                     | 69   | 04/01/2038                                | 1  |
| FGOLD 30YR GIANT POOL #  |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| 3128M5-ME-7  | G03657                                |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 987           | 987        | 1,022       | 1,037   |  |  | (49)  |   | (49)  | 987  |   |  |                                     | 27   | 12/01/2037                                | 1  |
| 31292H-5P-5  | FGOLD POOL # C01754                   |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 6,305         | 6,305      | 6,383       | 6,375   |  |  | (70)  |   | (70)  | 6,305  |   |  |                                     | 142  | 01/01/2034                                | 1  |
| 3128BJ-ZR-0  | FGOLD POOL # C79752                   |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 2,556         | 2,556      | 2,584       | 2,576   |  |  | (20)  |   | (20)  | 2,556  |   |  |                                     | 59   | 05/01/2033                                | 1  |
| 3128LX-BJ-8  | FGOLD POOL # G01841                   |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 4,335         | 4,335      | 4,346       | 4,346   |  |  | (11)  |   | (11)  | 4,335  |   |  |                                     | 101  | 06/01/2035                                | 1  |
| 31292H-KJ-2  | FGOLD POOL 01197                      |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 4,014         | 4,014      | 3,992       | 3,992   |  |  | 7   |   | 7   | 3,999  |   | 15                                     | 15                                  | 105  | 07/01/2031                                | 1  |
| 31287N-HU-7  | FGOLD POOL 62043                      |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 4,755         | 4,755      | 4,816       | 4,796   |  |  | (41)  |   | (41)  | 4,755  |   |  |                                     | 112  | 12/01/2031                                | 1  |
| 31292G-VZ-6  | FGOLD POOL C00632                     |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 23            | 23         | 23          | 23  |  |  |   |   |   | 23   |   |  |                                     | 1  | 07/01/2028                                | 1  |
| 31292H-QR-8  | FGOLD POOL C01364                     |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 1,382         | 1,382      | 1,403       | 1,406   |  |  | (23)  |   | (23)  | 1,382  |   |  |                                     | 36   | 06/01/2032                                | 1  |
| 31293E-EW-6  | FGOLD POOL C18249                     |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 1,173         | 1,173      | 1,156       | 1,164   |  |  | 9   |   | 9   | 1,173  |   |  |                                     | 34   | 11/01/2028                                | 1  |
| 31294E-HK-8  | FGOLD POOL C37434                     |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 2,222         | 2,222      | 2,177       | 2,196   |  |  | 25  |   | 25  | 2,222  |   |  |                                     | 65   | 12/01/2029                                | 1  |
| FHLMC 5/1 6MO LIBOR HYBRID   |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| 31280H-UA-6  | ARM                                   |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 144           | 144        | 146         | 145   |  |  | (2)   |   | (2)   | 144  |   |  |                                     | 2  | 05/01/2037                                | 1  |
| FHLMC Gold 30 Yr P/T Pool  |                                       |                                      |                  |                         |                                 |               |            |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |
| 3128M9-WB-4  | # G07542                              |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 130,027       | 130,027    | 138,844     | 137,991                                       |  |  | (7,964)   |   | (7,964)   | 130,027  |   |  |                                     | 2,436  | 11/01/2043                                | 1  |
| 3128MJ-Y5-3  | FHLMG #G08731                         |                                      | 05/15/2020       | VARIOUS                 | XXX                             | 19,426,746    | 18,597,362 | 17,339,134  | 17,386,947                                    |  |  | 61,109  |   | 61,109  | 17,448,056   |   | 1,978,690                              | 1,978,690                           | 202,258  | 11/01/2046                                | 1  |
| 3128MJ-ZA-1  | FHLMG #G08736                         |                                      | 06/15/2020       | PRINCIPAL RECEIPT       | XXX                             | 787,841       | 787,841    | 734,538     | 737,047                                       |  |  | 50,793  |   | 50,793  | 787,841  |   |  |                                     | 8,283  | 12/01/2046                                | 1  |
| 3128MJ-3D-0  | FHLMG #G08795                         |                                      | 06/15/2020       | VARIOUS                 | XXX                             | 3,897,984     | 3,743,110  | 3,618,242   | 3,620,547                                     |  |  | 38,455  |   | 38,455  | 3,659,003  |   | 238,982                                | 238,982                             | 49,507   | 01/01/2048                                | 1  |
| 3137FN-FU-9  | FHR4911 MB                            |                                      | 05/21/2020       | GOLDMAN SACHS           | XXX                             | 922,819       | 890,000    | 913,397     | 912,752                                       |  |  | (948)   |   | (948)   | 911,805  |   | 11,014                                 | 11,014                              | 13,053   | 09/25/2049                                | 1  |
| 87515E-AU-8  | FL BAYCARE HEALTH                     |                                      | 04/30/2020       | CALLED @ 100.0000000    | XXX                             | 7,000,000     | 7,000,000  | 7,330,610   | 7,023,120                                     |  |  | (20,497)  |   | (20,497)  | 7,002,623  |   | (2,623)                                | (2,623)                             | 175,000  | 11/15/2022                                | 1FE  |
| 31418D-P9-7  | FN MA4047                             |                                      | 06/25/2020       | PRINCIPAL RECEIPT       | XXX                             | 1,840         | 1,840      | 1,880       |   |  |  | (40)  |   | (40)  | 1,840  |   |  |                                     | 3  | 06/01/2050                                | 1  |
| 31418C-WU-4  | FNCL PL#MA3358                        |                                      | 06/25/2020       | PRINCIPAL RECEIPT       | XXX                             | 200,704       | 200,704    | 208,261     | 208,084                                       |  |  | (7,380)   |   | (7,380)   | 200,704  |   |  |                                     | 3,811  | 05/01/2048                                | 1  |
| 31418C-XN-9  | FNCL PL#MA3384                        |                                      | 06/25/2020       | PRINCIPAL RECEIPT       | XXX                             | 188,297       | 188,297    | 191,033     | 190,799                                       |  |  | (2,502)   |   | (2,502)   | 188,297  |   |  |                                     | 3,179  | 06/01/2048                                | 1  |
| 31418C-YM-0  | FNCL PL#MA3415                        |                                      | 06/25/2020       | PRINCIPAL RECEIPT       | XXX                             | 184,654       | 184,654    | 187,395     | 187,189                                       |  |  | (2,536)   |   | (2,536)   | 184,654  |   |  |                                     | 3,121  | 07/01/2048                                | 1  |
| 31418C-YN-8  | FNCL PL#MA3416                        |                                      | 06/25/2020       | VARIOUS                 | XXX                             | 1,267,103     | 1,187,503  | 1,231,014   | 1,231,066                                     |  |  | (9,818)   |   | (9,818)   | 1,221,248  |   | 45,855                                 | 45,855                              | 26,129   | 07/01/2048                                | 1  |
| 31418C-YT-5  | FNJMCK PL#MA3421                      |                                      | 06/25/2020       | PRINCIPAL RECEIPT       | XXX                             | 157,824       | 157,824    | 158,761     | 158,973                                       |  |  | (1,149)   |   | (1,149)   | 157,824  |   |  |                                     | 2,629  | 07/01/2048                                | 1  |
| 31418C-ZL-1  | FNJMCK PL#MA3446                      |                                      | 06/25/2020       | PRINCIPAL RECEIPT       | XXX                             | 254,807       | 254,807    | 256,559     | 256,879                                       |  |  | (2,071)   |   | (2,071)   | 254,807  |   |  |                                     | 4,185  | 08/01/2048                                | 1  |
| 31418C-WS-9  | FNMA #OMA3356 Cnv30                   |                                      | 04/25/2020       | VARIOUS                 | XXX                             | 4,867,008     | 4,620,666  |             |   |  |  |   |   |   |  |   |  |                                     |  |   |  |



STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE D - PART 4

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

| CUSIP Identification | Description                        | Foreign | Disposal Date | Name of Purchaser        | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value    |  |   |                                      |  | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation and Administrative Symbol |
|----------------------|------------------------------------|---------|---------------|--------------------------|---------------------------|---------------|-----------|-------------|---|---|--|---|--------------------------------------|--|--|--|----------------------------------|-------------------------------|--|----------------------------------|--|
|                      |                                    |         |               |                          |                           |               |           |             |   | 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. |  |  |                                  |                               |  |                                  |  |
| 31405R-AK-2          | FNMA 30YR POOL #796610             |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 48,218        | 48,218    | 47,751      | 47,754                                  | 464                                       |  |   | 464                                  |  | 48,218   |  |                                  |                               | 1,169  | 10/01/2034                       | 1  |
| 31406W-AA-1          | FNMA 30YR POOL #814517             |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 6,717         | 6,717     | 6,655       | 6,666                                   | 51  |  |   | 51                                   |  | 6,717  |  |                                  |                               | 154  | 03/01/2035                       | 1  |
| 31385X-O9-1          | FNMA 30YR POOL#555880              |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 13,207        | 13,207    | 13,129      | 13,131                                  | 76  |  |   | 76                                   |  | 13,207   |  |                                  |                               | 304  | 11/01/2033                       | 1  |
| 31402D-P7-9          | FNMA 30YR POOL#725946              |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 18,181        | 18,181    | 17,955      | 17,952                                  | 229                                       |  |   | 229                                  |  | 18,181   |  |                                  |                               | 415  | 11/01/2034                       | 1  |
| 31402D-SZ-5          | FNMA 30YR POOL#735036              |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 20,357        | 20,357    | 20,111      | 20,104                                  | 253                                       |  |   | 253                                  |  | 20,357   |  |                                  |                               | 464  | 12/01/2034                       | 1  |
| 31392C-AV-6          | FNMA 02-14-1A                      |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 2,242         | 2,242     | 2,729       | 2,689                                   | (447)                                     |  |   | (447)                                |  | 2,242  |  |                                  |                               | 64   | 01/25/2042                       | 1  |
| 31407N-ZJ-5          | FNMA 15 YR MBS/POOL                |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 8,371         | 8,371     | 8,367       | 8,370                                   | 1   |  |   | 1                                    |  | 8,371  |  |                                  |                               | 190  | 10/01/2020                       | 1  |
| 31410F-ZZ-4          | FNMA 15YR MBS/POOL                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 379           | 379       | 373         | 378                                     |   |  |   |                                      |  | 379  |  |                                  |                               | 7  | 07/01/2020                       | 1  |
| 31413E-UA-1          | FNMA 30 YEAR POOL                  |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 164           | 164       | 162         | 163                                     | 1   |  |   | 1                                    |  | 164  |  |                                  |                               | 4  | 08/01/2037                       | 1  |
| 31402R-R9-2          | FNMA 30 YR                         |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 5,139         | 5,139     | 5,049       | 5,038                                   | 101                                       |  |   | 101                                  |  | 5,139  |  |                                  |                               | 119  | 10/01/2035                       | 1  |
| 31409G-MP-8          | FNMA 30 YR POOL                    |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 3,395         | 3,395     | 3,396       | 3,397                                   | (1)                                       |  |   | (1)                                  |  | 3,395  |  |                                  |                               | 91   | 07/01/2036                       | 1  |
| 31402C-VP-4          | FNMA 30YR                          |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 10,438        | 10,438    | 10,409      | 10,413                                  | 25  |  |   | 25                                   |  | 10,438   |  |                                  |                               | 245  | 02/01/2034                       | 1  |
| 31402D-WA-5          | FNMA 30YR                          |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 10,517        | 10,517    | 10,277      | 10,276                                  | 241                                       |  |   | 241                                  |  | 10,517   |  |                                  |                               | 241  | 01/01/2035                       | 1  |
| 31410G-AF-0          | FNMA 30YR MBS POOL                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 5,719         | 5,719     | 5,544       | 5,543                                   | 176                                       |  |   | 176                                  |  | 5,719  |  |                                  |                               | 117  | 08/01/2036                       | 1  |
| 31410F-T6-2          | FNMA 30YR MBS/POOL                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 24,687        | 24,687    | 24,398      | 24,424                                  | 263                                       |  |   | 263                                  |  | 24,687   |  |                                  |                               | 594  | 02/01/2035                       | 1  |
| 31403D-DX-4          | FNMA 30YR MBS/POOL# 13442          |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 8,443         | 8,443     | 8,165       | 8,137                                   | 306                                       |  |   | 306                                  |  | 8,443  |  |                                  |                               | 201  | 04/01/2036                       | 1  |
| 31403D-PN-3          | FNMA 30YR POOL                     |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 8,031         | 8,031     | 7,964       | 7,956                                   | 75  |  |   | 75                                   |  | 8,031  |  |                                  |                               | 189  | 08/01/2036                       | 1  |
| 31410G-AE-3          | FNMA 30YR POOL                     |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 13,977        | 13,977    | 13,166      | 13,100                                  | 878                                       |  |   | 878                                  |  | 13,977   |  |                                  |                               | 289  | 12/01/2036                       | 1  |
| 31400Y-4J-2          | FNMA 30YR POOL 702025              |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 498           | 498       | 525         | 528                                     | (30)                                      |  |   | (30)                                 |  | 498  |  |                                  |                               | 12   | 05/01/2033                       | 1  |
| 31402R-UN-7          | FNMA 30YR pool#735989              |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 6,601         | 6,601     | 6,560       | 6,560                                   | 41  |  |   | 41                                   |  | 6,601  |  |                                  |                               | 148  | 02/01/2035                       | 1  |
| 31371L-M3-0          | FNMA POOL # 255178                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 6,618         | 6,618     | 6,637       | 6,638                                   | (20)                                      |  |   | (20)                                 |  | 6,618  |  |                                  |                               | 146  | 04/01/2034                       | 1  |
| 31371L-ZT-9          | FNMA POOL # 255554                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 3,493         | 3,493     | 3,443       | 3,445                                   | 48  |  |   | 48                                   |  | 3,493  |  |                                  |                               | 82   | 01/01/2035                       | 1  |
| 31385X-EC-7          | FNMA POOL # 555531                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 2,717         | 2,717     | 2,715       | 2,716                                   | 1   |  |   | 1                                    |  | 2,717  |  |                                  |                               | 62   | 06/01/2033                       | 1  |
| 31401L-PL-1          | FNMA POOL # 711527                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 165           | 165       | 163         | 163                                     | 1   |  |   | 1                                    |  | 165  |  |                                  |                               | 4  | 06/01/2033                       | 1  |
| 31402B-S7-0          | FNMA POOL # 724242                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 126           | 126       | 124         | 124                                     | 1   |  |   | 1                                    |  | 126  |  |                                  |                               | 3  | 07/01/2033                       | 1  |
| 31402C-4H-2          | FNMA POOL # 725424                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 16,685        | 16,685    | 16,786      | 16,783                                  | (97)                                      |  |   | (97)                                 |  | 16,685   |  |                                  |                               | 389  | 04/01/2034                       | 1  |
| 31402D-JF-8          | FNMA POOL # 725762                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 14,225        | 14,225    | 14,572      | 14,513                                  | (288)                                     |  |   | (288)                                |  | 14,225   |  |                                  |                               | 348  | 08/01/2034                       | 1  |
| 31402U-4B-5          | FNMA POOL # 738918                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 764           | 764       | 757         | 759                                     | 6   |  |   | 6                                    |  | 764  |  |                                  |                               | 18   | 06/01/2033                       | 1  |
| 31407E-ZU-0          | FNMA POOL # 828855                 |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 7,340         | 7,340     | 7,090       | 7,062                                   | 278                                       |  |   | 278                                  |  | 7,340  |  |                                  |                               | 166  | 10/01/2035                       | 1  |
| 31407S-A2-8          | FNMA POOL #838925                  |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 3,140         | 3,140     | 3,014       | 3,034                                   | 106                                       |  |   | 106                                  |  | 3,140  |  |                                  |                               | 66   | 08/01/2035                       | 1  |
| 31371K-GA-3          | FNMA POOL 254093                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 5,392         | 5,392     | 5,957       | 5,855                                   | (464)                                     |  |   | (464)                                |  | 5,392  |  |                                  |                               | 145  | 12/01/2031                       | 1  |
| 31371L-PJ-2          | FNMA POOL 255225                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 6,343         | 6,343     | 6,257       | 6,263                                   | 80  |  |   | 80                                   |  | 6,343  |  |                                  |                               | 149  | 06/01/2034                       | 1  |
| 31385H-4Y-5          | FNMA POOL 545439                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 1,416         | 1,416     | 1,435       | 1,439                                   | (23)                                      |  |   | (23)                                 |  | 1,416  |  |                                  |                               | 38   | 02/01/2032                       | 1  |
| 31385J-K8-0          | FNMA POOL 545819                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 1,114         | 1,114     | 1,215       | 1,201                                   | (87)                                      |  |   | (87)                                 |  | 1,114  |  |                                  |                               | 30   | 08/01/2032                       | 1  |
| 31388W-KN-5          | FNMA POOL 616901                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 462           | 462       | 465         | 465                                     | (2)                                       |  |   | (2)                                  |  | 462  |  |                                  |                               | 11   | 12/01/2031                       | 1  |
| 31388W-PP-5          | FNMA POOL 617030                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 864           | 864       | 869         | 870                                     | (6)                                       |  |   | (6)                                  |  | 864  |  |                                  |                               | 26   | 12/01/2031                       | 1  |
| 31388X-X4-1          | FNMA POOL 618199                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 3,395         | 3,395     | 3,486       | 3,469                                   | (51)                                      |  |   | (51)                                 |  | 3,418  |  | (23)                             | (23)                          | 81   | 11/01/2031                       | 1  |
| 31390B-XK-9          | FNMA POOL 641582                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 9,124         | 9,124     | 9,266       | 9,206                                   | (82)                                      |  |   | (82)                                 |  | 9,124  |  |                                  |                               | 258  | 04/01/2032                       | 1  |
| 31391H-RS-5          | FNMA POOL 667497                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 52            | 52        | 53          | 56                                      | (4)                                       |  |   | (4)                                  |  | 52   |  |                                  |                               | 1  | 01/01/2033                       | 1  |
| 31400P-ZK-4          | FNMA POOL 693846                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 748           | 748       | 765         | 762                                     | (15)                                      |  |   | (15)                                 |  | 748  |  |                                  |                               | 17   | 03/01/2033                       | 1  |
| 31400R-WZ-0          | FNMA POOL 695564                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 346           | 346       | 354         | 352                                     | (6)                                       |  |   | (6)                                  |  | 346  |  |                                  |                               | 8  | 03/01/2033                       | 1  |
| 31404R-XU-6          | FNMA POOL 776591                   |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 455           | 455       | 448         | 447                                     | 8   |  |   | 8                                    |  | 455  |  |                                  |                               | 10   | 04/01/2034                       | 1  |
| 31394E-FT-0          | FNR 2005-64 PL                     |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 10,666        | 10,666    | 11,033      | 10,971                                  | (304)                                     |  |   | (304)                                |  | 10,666   |  |                                  |                               | 244  | 07/25/2035                       | 1  |
| 313680-YH-6          | FNR 2018-1 TE                      |         | 06/25/2020    | PRINCIPAL RECEIPT        | XXX                       | 175,272       | 175,272   | 174,780     | 174,679                                 | 593                                       |  |   | 593                                  |  | 175,272  |  |                                  |                               | 2,564  | 03/25/2044                       | 1  |
| 313686-HH-9          | FNR 2019-58 LP                     |         | 05/19/2020    | CITIGROUP GLOBAL MARKETS | XXX                       | 625,680       | 595,000   | 611,141     | 594,591                                 | (1,496)                                   |  |   | (1,496)                              |  | 608,761  |  | 16,918                           | 16,918                        | 8,267  | 10/25/2049                       | 1  |
| 31283H-GG-5          | FREDDIE MAC POOL # 601771          |         | 06/15/2020    | PRINCIPAL RECEIPT        | XXX                       | 4,157         | 4,157     | 4,165       | 4,165                                   | (8)                                       |  |   | (8)                                  |  | 4,157  |  |                                  |                               | 94   | 02/01/2035                       | 1  |
| 392274-W5-1          | AUTH ARPRT LOWER COLO RIV AUTH TEX |         | 06/08/2020    | PIPER JAFFRAY INC.       | XXX                       | 1,780,275     | 1,500,000 | 1,773,030   | 1,716,703                               | (10,951)                                  |  |   | (10,951)                             |  | 1,705,751                                      |  | 74,524                           | 74,524                        | 51,875   | 10/01/2032                       | 1FE  |
| 54810C-GA-3          | REV LOWER COLO RIV AUTH TEX        |         | 05/15/2020    | CALLED @ 100.0000000     | XXX                       | 1,750,000     | 1,750,000 | 1,740,165   | 1,749,517                               | (6,526)                                   |  |   | (6,526)                              |  | 1,742,991                                      |  | 7,009                            | 7,009                         |  |                                  |  |

## E05.2

## E05.2

## E05.2

## E05.2

## E05.3

## E05.3

## E05.3

## E05.3

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 DB - Part E

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

**STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL CORP.**

## SCHEDULE E - PART 1 - CASH

[illegible]



STATEMENT AS OF JUNE 30, 2020 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE E - PART 2 - CASH EQUIVALENTS

| Show Investments Owned End of Current Quarter  |   |      |                      |                     |                      |                                 |                                     |                                |
|--|---|------|----------------------|---------------------|----------------------|---------------------------------|-------------------------------------|--------------------------------|
| 1  | 2   | 3    | 4                    | 5                   | 6                    | 7                               | 8                                   | 9                              |
| CUSIP  | Description                                   | Code | Date<br>Acquired     | Rate of<br>Interest | Maturity<br>Date     | Book/Adjusted<br>Carrying Value | Amount of Interest<br>Due & Accrued | Amount Received<br>During Year |
| Bonds - U.S. Governments - Issuer Obligations  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Governments - Residential Mortgage-Backed Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Governments - Commercial Mortgage-Backed Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Governments - Other Loan-Backed and Structured Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - All Other Governments - Issuer Obligations   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - All Other Governments - Residential Mortgage-Backed Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - All Other Governments - Commercial Mortgage-Backed Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - All Other Governments - Other Loan-Backed and Structured Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - .S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations                          |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities      |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Commercial Mortgage-Backed Securities       |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Other Loan-Backed and Structured Securities |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Hybrid Securities - Issuer Obligations   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Hybrid Securities - Residential Mortgage-Backed Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Hybrid Securities - Commercial Mortgage-Backed Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Hybrid Securities - Other Loan-Backed and Structured Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Parent, Subsidiaries and Affiliates Bonds - Issuer Obligations   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Parent, Subsidiaries and Affiliates Bonds - Residential Mortgage-Backed Securities   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Parent, Subsidiaries and Affiliates Bonds - Commercial Mortgage-Backed Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Parent, Subsidiaries and Affiliates Bonds - Other Loan-Backed and Structured Securities  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Parent, Subsidiaries and Affiliates Bonds - Affiliated Bank Loans - Issued   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Parent, Subsidiaries and Affiliates Bonds - Affiliated Bank Loans - Acquired   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - SVO Identified Funds - Exchange Traded Funds - as Identified by the SVO  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - SVO Identified Funds - Bond Mutual Funds - as Identified by the SVO  |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Unaffiliated Bank Loans - Unaffiliated Bank Loans - Issued   |   |      |                      |                     |                      |                                 |                                     |                                |
| Bonds - Unaffiliated Bank Loans - Unaffiliated Bank Loans - Acquired   |   |      |                      |                     |                      |                                 |                                     |                                |
| Sweep Accounts   |   |      |                      |                     |                      |                                 |                                     |                                |
| .....XXX.....  | BNY MELLON CASH RESERVE FUND.....             |      | .....06/30/2020..... | .....0.010.....     | .....07/01/2020..... | .....18,293,879.....            |                                     | .....25,169.....               |
| .....XXX.....  | BNY-DDA Sweep Account.....                    |      | .....06/30/2020..... | .....0.100.....     | .....07/01/2020..... | .....191,138,977.....           |                                     | .....262,971.....              |
| 8499999 - Sweep Accounts   |   |      |                      |                     |                      | 209,432,856                     |                                     | 288,140                        |
| Exempt Money Market Mutual Funds - as Identified by SVO  |   |      |                      |                     |                      |                                 |                                     |                                |
| All Other Money Market Mutual Funds  |   |      |                      |                     |                      |                                 |                                     |                                |
|  | Dreyfus Institutional Preferred Governme..... |      | .....06/30/2020..... | .....0.110.....     | .....XXX.....        | .....137,757,990.....           |                                     | .....189,529.....              |
| 8699999 - All Other Money Market Mutual Funds  |   |      |                      |                     |                      | 137,757,990                     |                                     | 189,529                        |
| Other Cash Equivalents   |   |      |                      |                     |                      |                                 |                                     |                                |
| 8899999 Total Cash Equivalents   |   |      |                      |                     |                      | 347,190,846                     |                                     | 477,669                        |