



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2016
OF THE CONDITION AND AFFAIRS OF THE

ASSURED GUARANTY MUNICIPAL CORP.

NAIC Group Code	0194 (Current Period)	0194 (Prior Period)	NAIC Company Code	18287	Employer's ID Number	13-3250292
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 (Street and Number)		New York, NY, US 10019 (City or Town, State, Country and Zip Code)			
Main Administrative Office	1633 Broadway (Street and Number)		New York, NY, US 10019 (City or Town, State, Country and Zip Code)		212-974-0100 (Area Code) (Telephone Number)	
Mail Address	1633 Broadway (Street and Number or P.O. Box)		New York, NY, US 10019 (City or Town, State, Country and Zip Code)		212-974-0100 (Area Code) (Telephone Number)	
Primary Location of Books and Records	1633 Broadway (Street and Number)		New York, NY, US 10019 (City or Town, State, Country and Zip Code)		212-974-0100 (Area Code) (Telephone Number)	
Internet Web Site Address	www.assuredguaranty.com					
Statutory Statement Contact	John Mahlon Ringler (Name)		212-974-0100 (Area Code) (Telephone Number) (Extension)			
	jringler@agltd.com (E-Mail Address)		212-339-3589 (Fax Number)			

OFFICERS

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

OTHER OFFICERS

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

DIRECTORS OR TRUSTEES

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

State of New York

County of New York

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

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

Subscribed and sworn to before me this
11th day of November, 2016

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

a. Is this an original filing?

Yes [X] No []

b. If no:

1. State the amendment number
2. Date filed
3. Number of pages attached

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE ASSURED GUARANTY MUNICIPAL CORP.

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	4,393,651,203		4,393,651,203	4,234,301,549
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	508,413,748		508,413,748	674,888,644
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$2,784,756), cash equivalents (\$141,876,676) and short-term investments (\$39,267,842)	183,929,274		183,929,274	255,392,138
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives	0		0	0
8. Other invested assets	374,917,536		374,917,536	471,565,485
9. Receivables for securities	20		20	20
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	5,460,911,781	0	5,460,911,781	5,636,147,836
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	40,419,269		40,419,269	40,080,658
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	12,443,357	164,440	12,278,917	13,751,686
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	6,138,751		6,138,751	293,002
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	177,830,135	42,319,857	135,510,278	91,892,582
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	395,705	227,488	168,217	0
21. Furniture and equipment, including health care delivery assets (\$)	19,309,548	19,309,548	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	2,716,722		2,716,722	1,061,717
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	9,046,044	2,917,320	6,128,724	5,248,935
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	5,729,211,312	64,938,653	5,664,272,659	5,788,476,416
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	5,729,211,312	64,938,653	5,664,272,659	5,788,476,416
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Miscellaneous receivables	677,468		677,468	(49,068)
2502. Prepaid Expenses	1,506,669	1,506,669	0	0
2503. Other Assets	6,861,907	1,410,651	5,451,256	5,298,003
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	9,046,044	2,917,320	6,128,724	5,248,935

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$0)	361,889,667	434,889,622
2. Reinsurance payable on paid losses and loss adjustment expenses	4,886	0
3. Loss adjustment expenses	2,407,134	3,244,160
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)	30,065,689	17,394,714
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(3,701,254)	(4,052,407)
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	85,833,039	15,424,038
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$769,837,374 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)	1,186,661,760	1,341,062,967
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	4,897,209	13,490,006
13. Funds held by company under reinsurance treaties	41,504,942	110,471,832
14. Amounts withheld or retained by company for account of others	10,619	(528)
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified)	1,138,500	0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	33,769,474	32,522,076
20. Derivatives	0	0
21. Payable for securities	60,706,012	2,313,564
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	1,392,937,940	1,380,907,441
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	3,198,125,617	3,347,667,485
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	3,198,125,617	3,347,667,485
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	15,000,000	15,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	777,186,985	776,953,016
35. Unassigned funds (surplus)	1,673,960,057	1,648,855,913
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	2,466,147,042	2,440,808,929
38. Totals (Page 2, Line 28, Col. 3)	5,664,272,659	5,788,476,414
DETAILS OF WRITE-INS		
2501. Contingency Reserve.....	1,235,212,251	1,182,629,041
2502. Deferred Investment Gain.....	72,410,089	76,317,394
2503. Miscellaneous Liability.....	85,315,600	121,961,006
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,392,937,940	1,380,907,441
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 112,344,989)	318,246,181	302,701,148	384,377,691
1.2 Assumed (written \$ 17,033,994)	41,176,119	32,453,725	39,076,321
1.3 Ceded (written \$ 44,819,117)	142,164,223	154,500,898	200,495,590
1.4 Net (written \$ 84,559,866)	217,258,077	180,653,975	222,958,422
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 35,533):			
2.1 Direct	51,183,156	107,572,196	140,147,275
2.2 Assumed		0	0
2.3 Ceded	35,407,476	30,016,316	27,283,435
2.4 Net	15,775,680	77,555,880	112,863,840
3. Loss adjustment expenses incurred	19,574,064	16,028,655	20,077,513
4. Other underwriting expenses incurred	62,689,599	56,166,769	74,200,670
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	98,039,343	149,751,304	207,142,023
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	119,218,734	30,902,671	15,816,399
INVESTMENT INCOME			
9. Net investment income earned	137,791,028	147,288,794	240,195,458
10. Net realized capital gains (losses) less capital gains tax of \$ 1,198,523	(27,909,237)	(23,820,963)	(40,785,729)
11. Net investment gain (loss) (Lines 9 + 10)	109,881,791	123,467,831	199,409,729
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		0	0
13. Finance and service charges not included in premiums		0	0
14. Aggregate write-ins for miscellaneous income	32,358,144	54,961,150	55,329,971
15. Total other income (Lines 12 through 14)	32,358,144	54,961,150	55,329,971
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	261,458,669	209,331,652	270,556,099
17. Dividends to policyholders		0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	261,458,669	209,331,652	270,556,099
19. Federal and foreign income taxes incurred	69,444,447	50,166,645	53,860,965
20. Net income (Line 18 minus Line 19)(to Line 22)	192,014,222	159,165,007	216,695,134
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	2,440,808,930	2,266,850,430	2,266,850,430
22. Net income (from Line 20)	192,014,222	159,165,007	216,695,134
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	17,073,508	13,271,066	47,079,391
25. Change in net unrealized foreign exchange capital gain (loss)	28,170,636	11,227,728	18,676,053
26. Change in net deferred income tax	(3,461,643)	(706,437)	(15,553,136)
27. Change in nonadmitted assets	37,029,130	(5,014,214)	17,697,976
28. Change in provision for reinsurance	(1,138,500)	(2,176,539)	1,439,504
29. Change in surplus notes		(25,000,000)	(25,000,000)
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in	233,969	132,618	76,885
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders	(192,000,000)	(163,000,000)	(214,800,000)
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	(52,583,210)	(106,323,320)	127,646,693
38. Change in surplus as regards policyholders (Lines 22 through 37)	25,338,112	(118,424,091)	173,958,500
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	2,466,147,042	2,148,426,339	2,440,808,930
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income	32,358,144	54,961,150	55,329,971
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	32,358,144	54,961,150	55,329,971
3701. Change in Contingency Reserve	(52,583,210)	(105,803,407)	128,166,606
3702. Other adjustment		(519,913)	(519,913)
3703.		0	
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	(52,583,210)	(106,323,320)	127,646,693

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	77,431,786	86,681,640	155,216,670
2. Net investment income	118,679,223	123,331,934	200,566,343
3. Miscellaneous income	8,948,555	54,961,150	59,395,825
4. Total (Lines 1 to 3)	205,059,564	264,974,724	415,178,838
5. Benefit and loss related payments	205,603,962	152,296,258	167,387,627
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	63,468,304	58,416,592	106,024,192
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	71,839,410	102,189,284
10. Total (Lines 5 through 9)	269,072,266	282,552,260	375,601,103
11. Net cash from operations (Line 4 minus Line 10)	(64,012,702)	(17,577,536)	39,577,735
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	589,493,841	955,957,029	1,319,408,826
12.2 Stocks	23,281,657	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	2,002,000	31,137,317	31,137,317
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	1,857	4,956	4,979
12.7 Miscellaneous proceeds	0	11,227,728	1,825,722
12.8 Total investment proceeds (Lines 12.1 to 12.7)	614,779,355	998,327,030	1,352,376,844
13. Cost of investments acquired (long-term only):			
13.1 Bonds	412,427,622	946,308,079	1,225,217,913
13.2 Stocks	0	0	212,450
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	3,363,318	0	0
13.6 Miscellaneous applications	14,438,577	0	5,814,584
13.7 Total investments acquired (Lines 13.1 to 13.6)	430,229,517	946,308,079	1,231,244,947
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	184,549,838	52,018,951	121,131,897
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	(25,000,000)	(25,000,000)
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	192,000,000	163,000,000	214,800,000
16.6 Other cash provided (applied).....	0	0	0
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(192,000,000)	(188,000,000)	(239,800,000)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(71,462,864)	(153,558,585)	(79,090,368)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	255,392,138	334,482,506	334,482,506
19.2 End of period (Line 18 plus Line 19.1)	183,929,274	180,923,921	255,392,138

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

1. Summary of Significant Accounting Policies

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, 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 the NYSDFS and NAIC SAP is shown below:

	Nine Months Ended September 30, 2016	Year Ended December 31, 2015
Net Income (Loss), New York Basis	\$ 192,014,222	\$ 216,695,133
Net Income (Loss), NAIC SAP	192,014,222	216,695,133
Statutory Surplus, New York Basis	2,466,147,042	2,440,808,929
Statutory Surplus, NAIC SAP	2,466,147,042	2,440,808,929

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

There has been no significant change since the 2015 Annual Statement.

C. Accounting Policies

There has been no significant change since the 2015 Annual Statement.

2. Accounting Changes and Corrections of Errors

There have been no accounting changes or corrections of errors since the 2015 Annual Statement.

3. Business Combinations and Goodwill

- A. Statutory Purchase Method. There have been no statutory purchases since the 2015 Annual Statement.
- B. Statutory Merger. There have been no statutory mergers since the 2015 Annual Statement.
- C. Impairment Loss. There have been no impairment losses since the 2015 Annual Statement.

4. Discontinued Operations

There have been no discontinued operations since the 2015 Annual Statement.

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans. The Company did not hold investments in mortgage loans at September 30, 2016.
- B. Debt Restructuring. The Company has no investments in restructured debt in which the Company is a creditor at September 30, 2016.
- C. Reverse Mortgages. The Company did not hold reverse mortgages as investments at September 30, 2016.
- D. Loan-Backed Securities
 - 1. Prepayment assumptions for loan backed and structured securities were obtained from publicly available sources and internal models.
 - 2. The following table summarizes by quarter other-than-temporary-impairments ("OTTI") for loan-backed securities recorded during the year because the Company had either the intent to sell the securities or the inability or lack of intent to retain for the time sufficient to recover the amortized cost as cited in the table:

	(1)	(2)	(3)
Description	Amortized cost Before OTTI	OTTI Recognized	Fair Value 1 - 2
OTTI Recognized 1st Quarter			
a. Intent To Sell	\$ 1,694,816	\$ 5,888	\$ 1,688,928
b. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
c. Total 1st Quarter	\$ 1,694,816	\$ 5,888	\$ 1,688,928
OTTI Recognized 2nd Quarter			
d. Intent To Sell	\$ 1,390,217	\$ 12,315	\$ 1,377,902
e. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
f. Total 2nd Quarter	\$ 1,390,217	\$ 12,315	\$ 1,377,902
OTTI Recognized 3rd Quarter			
g. Intent To Sell	\$ 1,104,314	\$ 10,809	\$ 1,093,505
h. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
i. Total 3rd Quarter	\$ 1,104,314	\$ 10,809	\$ 1,093,505
OTTI Recognized 4th Quarter			
j. Intent To Sell	\$ —	\$ —	\$ —
k. Inability or Lack of Intent to Retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
l. Total 4th Quarter	\$ —	\$ —	\$ —
m. Annual Aggregate Total		\$ 29,012	

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

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

CUSIP	Amortized Cost Before Other-Than-Temporary Impairment	Present Value of Projected Cash Flows	Other-Than-Temporary Impairment	Amortized Cost After Other-Than-Temporary Impairment	Fair Value @ Time of OTTI	Date of Financial Statement Where Reported
026934AC3	\$ 49,175,651	\$ 49,166,095	\$ 9,555	\$ 49,166,095	\$ 47,277,875	03/31/2016
12627HAF7	4,169,438	4,030,217	139,221	4,030,217	4,030,217	03/31/2016
12628LAG5	3,899,349	3,711,671	187,679	3,711,671	3,511,493	03/31/2016
12666UAF0	34,466,144	34,237,467	228,677	34,237,467	32,373,213	03/31/2016
576456AA5	21,589,267	18,332,742	737,833	20,851,434	20,545,802	03/31/2016
576456AB3	123,803,199	116,792,866	6,035,288	117,767,912	117,499,617	03/31/2016
57645NAD2	958,745	626,493	10,805	947,941	947,941	03/31/2016
57645NAR1	17,504,140	17,396,563	107,578	17,396,563	15,320,371	03/31/2016
64352VMP3	4,867,479	4,768,051	99,428	4,768,051	4,689,595	03/31/2016
65537BAP5	1,525,500	1,473,117	52,383	1,473,117	1,468,484	03/31/2016
68403BAC9	604,662	595,494	9,168	595,494	584,147	03/31/2016
88156VAA6	64,257	64,214	44	64,214	59,025	03/31/2016
88157VAB3	10,160,761	9,632,875	527,886	9,632,875	8,827,973	03/31/2016
026934AC3	50,120,341	48,962,128	1,158,213	48,962,128	47,801,866	06/30/2016
23242LAB9	24,463,712	24,238,164	225,548	24,238,164	19,625,375	06/30/2016
576456AA5	20,618,914	20,095,851	506,494	20,112,421	20,112,421	06/30/2016
576456AB3	11,693,391	11,366,469	95,420	11,597,971	11,597,971	06/30/2016
57645NAD2	887,747	355,687	23,459	864,288	864,288	06/30/2016
57645NAR1	17,622,393	16,916,895	705,498	16,916,895	14,742,467	06/30/2016
65537BAP5	1,428,220	1,426,385	1,835	1,426,385	1,406,687	06/30/2016
68403BAC9	576,130	574,078	2,052	574,078	547,294	06/30/2016
88156VAB4	764,397	758,545	5,852	758,545	754,889	06/30/2016
88157VAB3	12,711,952	12,153,861	558,092	12,153,861	11,233,165	06/30/2016
00083BAB1	1,217,035	1,208,829	8,206	1,208,829	1,124,163	09/30/2016
12666UAF0	34,109,021	34,016,688	92,333	34,016,688	31,725,262	09/30/2016
23242LAB9	1,523,476	1,418,482	104,994	1,418,482	1,116,032	09/30/2016
576456AA5	43,111,668	41,934,736	689,375	42,422,293	41,930,280	09/30/2016
576456AB3	105,202,406	100,301,737	787,646	104,414,760	104,414,760	09/30/2016
57645NAD2	884,108	617,947	129,403	754,705	754,705	09/30/2016
57645NAR1	16,904,562	16,851,128	53,434	16,851,128	14,871,997	09/30/2016
68403BAC9	554,911	554,313	598	554,313	548,190	09/30/2016
88156VAB4	474,761	456,275	18,485	456,275	443,938	09/30/2016
			\$ 13,312,482			

The Company also had loan-backed and structured securities whose carrying value was written to market value as they had an NAIC designation of 3 through 6. The year-to-date amount that was written down was approximately \$15 thousand.

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

	Less than 12 months	12 Months or More
Residential mortgage-backed securities	\$ (1,038,381)	\$ (11,538,721)
Commercial mortgage-backed securities	(468,248)	—
Other loan backed & structured securities	(88,977)	(13,066,632)
Total	1. \$ (1,595,606)	2. \$ (24,605,353)

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

	Less than 12 months	12 Months or More
Residential mortgage-backed securities	\$ 52,239,168	\$ 153,800,699
Commercial mortgage-backed securities	34,506,326	—
Other loan backed & structured securities	11,118,914	268,553,250
Total	1. \$ 97,864,408	2. \$ 422,353,949

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 September 30, 2016, the Company has not made a decision to sell any such securities and does not intend to sell such securities. The Company has evaluated its cash flow requirements and believes that its liquidity is adequate and it will not be required to sell these securities before recovery of their cost basis. This unrealized loss is primarily attributable to an increase in interest rates since acquisition, market illiquidity and volatility in the U.S. economy and not specific to individual issuer credit.

- E. Repurchase Agreements - The Company did not enter into repurchase agreements at September 30, 2016.
- F. Real Estate - The Company did not hold investments in real estate, recognize any real estate impairments, or engage in any retail land sales at September 30, 2016.
- G. Low Income Housing Tax Credits (LIHTC) – The Company did not hold investments in LIHTC at September 30, 2016.
- H. Restricted Assets

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

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

Restricted Asset Category		Gross Restricted							8	Percentage	
		Current Year					6	7		9	10
		1	2	3	4	5					
		Total General Account (G/ A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)		Total Current Year Admitted Restricted	Gross Restricted to Total Assets
(a)	Subj to contractual oblig by which liability is not shown	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%	
(b)	Collateral held under sec. lending arrangements					—		—	—%	—%	
(c)	Subject to repurchase agreements					—		—	—%	—%	
(d)	Subject to reverse repurchase agreements					—		—	—%	—%	
(e)	Subject to dollar repurchase agreement					—		—	—%	—%	
(f)	Subject to dollar reverse repurchase agreement					—		—	—%	—%	
(g)	Placed under option contracts					—		—	—%	—%	
(h)	Letter stock or securities restricted as to sale - excl. FHLB capital stock					—		—	—%	—%	
(i)	FHLB capital stock					—		—	—%	—%	
(j)	On deposit with state	6,592,381				6,592,381	6,661,791	(69,410)	6,592,381	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	206,403,016				206,403,016	253,154,992	(46,751,976)	206,403,016	3.6%	3.7%
(n)	Other restricted assets	—				—		—	—	—%	—%
(o)	Total restricted assets	\$ 212,995,397	\$ —	\$ —	\$ —	\$ 212,995,397	\$ 259,816,783	\$ (46,821,386)	\$ 212,995,397	3.7%	3.8%

- (a) Subset of Column 1
(b) Subset of Column 3

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

Collateral Agreement	Gross Restricted							8	Percentage	
	Current Year								9	10
	1	2	3	4	5					
	Total General Account (G/ A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/ A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)		Total Current Year Admitted Restricted	Gross Restricted to Total Assets
Collateral pledged for reinsurance	\$206,403,016	\$ —	\$ —	\$ —	\$206,403,016	\$253,154,992	\$ (46,751,976)	\$206,403,016	3.6%	3.7%
					—		—		—%	—%
Total	\$206,403,016	\$ —	\$ —	\$ —	\$206,403,016	\$253,154,992	\$ (46,751,976)	\$206,403,016	3.6%	3.7%

- (a) Subset of Column 1
(b) Subset of Column 3

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

Other Restricted Assets	Gross Restricted								Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)		Total Current Year Admitted Restricted	Gross Restricted to Total Assets
					—	—		—%	—%	
					—	—		—%	—%	
Total	—	—	—	—	—	—	—	—%	—%	

- (a) Subset of Column 1
(b) Subset of Column 3

- I. Working Capital Finance Investments ("WCFI")– The Company did not hold investments for WCFI at September 30, 2016.
- J. Offsetting and Netting of Assets and Liabilities - The Company has no derivative, repurchase and reverse repurchase, and securities borrowing and securities lending assets and liabilities that are offset and reported net in accordance to SSAP No. 64 at September 30, 2016.
- K. Structured Notes - The following table separately identifies structured notes on a cusip basis, with information by cusip for actual cost, fair value, book/adjusted carrying value, and whether the structured note is a mortgage referenced security:

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage Referenced Security (YES/NO)
167485-J4-4	\$ 419,953	\$ 531,484	\$ 525,000	NO
167485-J6-9	763,468	1,326,362	1,310,000	NO
59333N-KK-8	687,670	1,040,980	1,002,976	NO
597851-Y7-3	10,550,400	10,560,800	10,519,589	NO
646139-YX-7	3,002,750	5,051,850	5,000,000	NO
771902-FZ-1	1,808,608	1,859,008	1,796,324	NO
771902-GB-3	3,389,847	3,484,311	3,376,148	NO
837227-D5-3	2,540,825	2,653,175	2,507,494	NO
837227-D6-1	1,013,980	1,060,960	1,002,569	NO
	\$ 24,177,501	\$ 27,568,930	\$ 27,040,100	

6. Joint Ventures, Partnerships and Limited Liability Companies

There has been no change since the 2015 Annual Statement.

7. Investment Income

A. Accrued Investment Income

Accrued investment income was \$40,419,269 and \$40,080,658 as of September 30, 2016 and December 31, 2015, 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 have been no new derivative instruments since the 2015 Annual Statement.

9. Income Taxes

There has been no significant change since the 2015 Annual Statement.

10. Information Concerning Parent, Subsidiaries and Affiliates

A, C through H, J through L. There has been no significant change from the 2015 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 \$192 million in the first nine months of 2016 to Assured Guaranty Municipal Holdings Inc. (the "Parent" or "AGMH").
2. On December 18, 2009, the Company purchased a surplus note of \$300 million from an affiliate, Assured Guaranty Corp ("AGC"), a Maryland domiciled insurance company, which surplus note was outstanding at September 30, 2016. This note was interest bearing at a rate of 5% per annum through December 31, 2015. In April 2016, AGC executed an amendment to change the interest rate to 3.5% per annum, effective January 1, 2016. The amendment was approved by the Maryland Insurance Administration and received non-disapproval by the NYSDFS.
3. On June 30, 2016, Municipal Assurance Corp. ("MAC") obtained approval from the NYSDFS to repay its \$300 million surplus note to Municipal Assurance Holdings Inc. ("MAC Holdings") and its \$100 million surplus note (plus accrued interest) to AGM. Accordingly, on June 30, 2016, MAC transferred cash and marketable securities to (i) MAC Holdings in an aggregate amount equal to \$300 million, and (ii) AGM in an aggregate amount equal to \$102.5 million. MAC Holdings, upon receipt of such \$300 million from MAC, distributed cash and marketable securities in an aggregate amount of \$300 million to its shareholders, AGM and AGC, in proportion to their respective 60.7% and 39.3% ownership interests such that AGM received \$182.1 million and AGC received \$117.9 million.

I. Detail of Investments in Affiliates greater than 10% of Admitted Assets

The Company's investment in its subsidiary MAC Holdings, recorded at its statutory equity value of \$242,196,225, represents 4.3% of the Company's admitted assets as of September 30, 2016.

11. Debt

There has been no change since the 2015 Annual Statement.

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

There has been no change since the 2015 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 2015 Annual Statement.
4. The Company paid dividends to AGMH of \$95 million on March 17, 2016, \$32 million on June 22, 2016 and \$65 million on September 28, 2016.
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 2016 for AGM to distribute as dividends without regulatory approval is estimated to be approximately \$246.6 million, of which approximately \$55 million is available for distribution in the fourth quarter of 2016.
10. The portion of unassigned funds (surplus) represented by cumulative unrealized gains is 65,777,831.

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

14. Liabilities, Contingencies and Assessments

A. through F. There has been no significant change since the 2015 Annual Statement.

G. All Other Contingencies:

Uncollected Premiums:

As of September 30, 2016, the Company had uncollected premiums of \$12,443,357. Uncollected premiums more than 90 days past due were \$164,440.

Legal Proceedings

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

In addition, in the ordinary course of its business, the Company asserts claims in legal proceedings against third parties to recover losses paid in prior periods or prevent losses in the future, as described in the "Recovery Litigation" section below. For example, in January 2016, the Company commenced an action for declaratory judgment and injunctive relief in the U.S. District Court for the District of Puerto Rico to invalidate executive orders issued by the Governor of Puerto Rico directing the retention or transfer of certain taxes and revenues pledged to secure the payment of certain bonds insured by the Company, and in July 2016, the Company filed a motion and form of complaint in the U.S. District Court for the District of Puerto Rico seeking relief from the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA") stay in order to file a complaint to protect its interest in certain pledged Puerto Rico Highways and Transportation Authority ("PRHTA") toll revenues. The amounts, if any, the Company will recover in these and other proceedings to recover losses are uncertain, and recoveries, or failure to obtain recoveries, in any one or more of these proceedings during any quarter or year could be material to the Company's results of operations in that particular quarter or year.

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

There have been no significant changes since the 2015 Annual Statement, except for the following:

Proceedings Relating to the Company's Financial Guaranty Business

On September 25, 2013, Wells Fargo Bank, N.A., as trust administrator of the MASTR Adjustable Rate Mortgages Trust 2007-3, filed an interpleader complaint in the U.S. District Court for the Southern District of New York seeking adjudication of a dispute between Wales LLC and Assured Guaranty Municipal Corp. as to whether AGM is entitled to reimbursement payments from certain cashflows for principal claims paid in respect of insured certificates. On September 30, 2016, the court issued an opinion denying the motion for judgment on the pleadings filed by Wales. The Company estimates that an adverse outcome to the interpleader proceeding could increase losses on the transaction by approximately \$10 - \$20 million, net of expected settlement payments and reinsurance in force.

Proceedings Related to AGMH's Former Financial Products Business

The following is a description of legal proceedings involving AGMH's former Financial Products Business. Although the Company did not acquire AGMH's former Financial Products Business, which included AGMH's former GIC business, medium term notes business and portions of the leveraged lease businesses, certain legal proceedings relating to those businesses were against entities that the Company did acquire. While Dexia SA and Dexia Crédit Local S.A. (together, "Dexia") have paid all expenses and settlement amounts due to date as a result of the proceedings described below, such indemnification might not be sufficient to fully hold the Company harmless against any injunctive relief or civil or criminal sanction that is imposed against AGMH or its subsidiaries as a result of any potential newly asserted claims related to these matters.

AGMH and/or AGM received subpoenas duces tecum and interrogatories or civil investigative demands from the Attorneys General of the States of Connecticut, Florida, Illinois, Massachusetts, Missouri, New York, Texas and West Virginia relating to their investigations of alleged bid rigging of municipal GICs. In addition, AGMH received a subpoena from the Antitrust Division of the Department of Justice in November 2006 issued in connection with an ongoing criminal investigation of bid rigging of awards of municipal GICs and other municipal derivatives. AGMH responded to such requests when they were received several years ago. While it is possible AGMH may receive additional inquiries from these or other regulators, the Company is not currently aware that any governmental authority, including such Attorneys General or the Department of Justice, are actively pursuing or contemplating legal proceedings with respect to AGMH's former Financial Products Business.

From 2008 through 2010, complaints were brought on behalf of a purported class of state, local and municipal government entities alleging federal antitrust violations in the municipal derivatives industry, seeking damages and alleging, among other things, a conspiracy to fix the pricing of, and manipulate bids for, municipal derivatives, including GICs. These actions were consolidated before one judge in the Southern District of New York as Municipal Derivatives Antitrust Litigation ("MDL 1950"). Following motions to dismiss, amended class action complaints were filed on behalf of a putative class of plaintiffs. The most recently amended, operative class action complaint does not list AGMH or its affiliates as defendants or co-conspirators. On July 8, 2016, the MDL 1950 Court entered an order approving settlement of the remaining class claims, resolving the putative class case.

In addition, the Attorney General of the State of West Virginia filed a lawsuit that, as amended, named AGM and Assured Guaranty US Holdings as defendants and alleged a conspiracy to decrease the returns that West Virginia public entities earned on municipal derivative instruments. Also, approximately 19 California and New York government entities brought individual lawsuits that were not a part of the class action and that did not dismiss AGMH or its affiliates. All these cases were transferred to the Southern District of New York and consolidated with MDL 1950 for pretrial purposes. In June and July 2016, Dexia executed settlement agreements covering the action brought by the Attorney General of the State of West Virginia and the actions brought by the individual California and New York plaintiffs, and on July 1, 2016 and July 27, 2016, respectively, the MDL 1950 court dismissed with prejudice the claims against Assured Guaranty US Holdings and AGM in all such actions. Those settlements release all claims as to Assured Guaranty US Holdings, AGMH and AGM, as well as their parents, subsidiaries and affiliates.

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

Recovery Litigation

Public Finance Transactions

On January 7, 2016, AGM, AGC and Ambac Assurance Corporation ("Ambac") commenced an action for declaratory judgment and injunctive relief in the U.S. District Court for the District of Puerto Rico to invalidate the executive orders issued by the Governor on November 30, 2015 and December 8, 2015 directing that the Secretary of the Treasury of the Commonwealth of Puerto Rico and the Puerto Rico Tourism Company retain or transfer (in other words, "claw back") certain taxes and revenues pledged to secure the payment of bonds issued by PRHTA, PRCCDA and 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 PROMESA automatic stay.

On July 21, 2016, AGC and AGM filed a motion and form of complaint in the U.S. District Court for the District of Puerto Rico seeking relief from the stay provided by PROMESA. Upon a grant of relief from the PROMESA stay, the lawsuit further seeks a declaration that the Moratorium Act is preempted by Federal bankruptcy law and that certain gubernatorial executive orders diverting PRHTA pledged toll revenues (which are not subject to the Clawback) are preempted by PROMESA and violate the U.S. Constitution. Additionally, it seeks damages for the value of the PRHTA toll revenues diverted and injunctive relief prohibiting the defendants from taking any further action under these executive orders. On October 28, 2016, the Oversight Board filed a motion seeking leave to intervene in the action, which motion was denied on November 1, 2016, without prejudice, on procedural grounds. On November 2, 2016, the Court denied AGC's and AGM's motion for relief from the PROMESA stay on procedural grounds. The PROMESA stay expires on February 15, 2017.

15. Leases

In 2015, AGM entered into an operating lease for new office space comprising one full floor and one partial floor at 1633 Broadway in New York City. On September 23, 2016, AGM entered into an amendment to that lease to include the remaining portion of the partial floor for the remainder of the lease term. The fixed annual rent, which commences after an initial rent holiday, begins at \$1.1 million per annum, rising in two steps to \$1.3 million for the last five years of the initial term.

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 September 30, 2016 was \$183.4 billion (\$169.6 billion for public finance and \$13.8 billion for structured finance exposures).

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

- A. The Company has not sold or transferred any receivables during the first nine months of 2016.
- B. The Company has not transferred or serviced any financial assets during the first nine months of 2016.
- C. The Company did not engage in any wash sale transactions during the first nine months of 2016.

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 2015 Annual Statement.

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

There has been no change since the 2015 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 assets measured at fair value as of September 30, 2016.

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

Description for each class of asset or liability	Level 1	Level 2	Level 3	TOTAL
a. Assets at fair value				
Bonds				
Municipal	\$ —	\$ —	\$ —	\$ —
Industrial & Miscellaneous	—	—	58,545,226	58,545,226
Total Bonds	—	—	58,545,226	58,545,226
Other Invested Assets				
Industrial & Miscellaneous	—	\$ 3,992,990	\$ 22,805,709	\$ 26,798,699
Total Other Invested Assets	—	3,992,990	22,805,709	26,798,699
Total Assets at Fair Value	\$ —	\$ 3,992,990	\$ 81,350,935	\$ 85,343,925

Cash and Short Term Investments

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

Bonds

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

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

Stocks

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

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 January 1, 2016	Transfers Into Level 3	Transfers Out of Level 3	Total Gains & Losses incl in Net Income	Total Gains & Loss incl in Surplus	Purchases	Issuance	Sales	Settle-ment	Ending Balance at September 30, 2016
Corporate securities	\$70,693,574	\$ —	\$ —	\$ (12,148,348)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 58,545,226
Other invested assets	22,306,744	—	477,853	40,332	936,486	—	—	—	—	22,805,709
TOTAL	\$93,000,318	\$ —	\$ 477,853	\$ (12,108,016)	\$ 936,486	\$ —	\$ —	\$ —	\$ —	\$ 81,350,935

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 first nine months of 2016, one other invested asset was transferred out of Level 3 of the fair value hierarchy due to an increase in market value to a level 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); house price depreciation/appreciation rates based on macroeconomic forecasts and recent trading activity. The yield used to discount the projected cash flows is determined by reviewing various attributes of the bond, including collateral type, weighted average life, sensitivity to losses, vintage and convexity, in conjunction with market data on comparable securities. Significant changes to any of these inputs could materially change the expected timing of cash flows within these securities which is a significant factor in determining the fair value of the securities.

5. Derivative Fair Values

The Company does not own derivatives at September 30, 2016.

B. Other Fair Value Disclosures

The fair value of the Company’s financial guaranty contracts accounted for as insurance was approximately \$4.5 billion at September 30, 2016 and was based on management’s estimate of what a similarly rated financial guaranty insurance company would demand to acquire the Company’s in-force book of financial guaranty insurance business. This amount was based on the pricing assumptions management has observed for portfolio transfers and acquisitions that have occurred in the financial guaranty market

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

and included adjustments to the carrying value of unearned premium reserve for stressed losses, ceding commissions and return on capital. The significant inputs were not readily observable. The Company accordingly classified this fair value measurement as Level 3.

- C. Fair Values for All Financial Instruments by Levels 1, 2 and 3
The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method. The fair values are also categorized into the three-level fair value hierarchy as described in Note 20A.

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	\$ 4,579,265,395	\$ 4,393,653,581	\$ —	\$ 3,825,993,556	\$ 753,271,838	\$ —
Cash, cash equivalents and short-term investments	183,931,983	183,928,291	144,760,451	39,171,532	—	—
Other invested assets	376,677,488	376,677,488	24,277,667	3,992,990	348,406,831	—
Total assets	\$ 5,139,874,866	\$ 4,954,259,360	\$ 169,038,118	\$ 3,869,158,078	\$ 1,101,678,669	\$ —

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

21. Other Items

- A, B, C, D, E. There has been no change since the 2015 Annual Statement.
F. Subprime Mortgage-Related Risk Exposure
(1) through (3)

The Company purchased securities with subprime mortgage related exposures that it has insured, and for which it has loss reserves, in order to mitigate the economic effect of insured losses ("loss mitigation bonds"). These securities were purchased at a discount and are accounted for excluding the effects of the Company's insurance on the securities. Securities rated lower than A-/A3 by S&P or Moody's are not eligible to be purchased for the Company's portfolio unless acquired for loss mitigation or risk management strategies.

As of September 30, 2016	Actual Cost	Book Value	Fair Value	OTTI Losses Recognized
Residential Mortgage Backed Securities	\$ 244,909,678	\$ 247,451,338	\$ 250,530,595	\$ 28,397,291
Structured Securities	—	—	—	—
Total	\$ 244,909,678	\$ 247,451,338	\$ 250,530,595	\$ 28,397,291

- (4) Underwriting Exposure

Selected U.S. Public Finance Transactions

The Company has insured exposure to general obligation bonds of the Commonwealth of Puerto Rico and various obligations of its related authorities and public corporations aggregating \$2.0 billion net par as of September 30, 2016, 95% of which is rated below investment grade ("BIG").

Puerto Rico has experienced significant general fund budget deficits in recent years. In addition to high debt levels, Puerto Rico faces a challenging economic environment; the economy has declined nearly every year since 2007, while the population has shrunk every year since 2006 as residents have emigrated.

On June 28, 2015, Governor García Padilla of Puerto Rico (the "Governor") publicly stated that the Commonwealth's public debt, considering the current level of economic activity, was unpayable and that a comprehensive debt restructuring might be necessary.

On November 30, 2015, and December 8, 2015, the Governor issued executive orders ("Clawback Orders") directing the Puerto Rico Department of Treasury and the Puerto Rico Tourism Company to retain or transfer certain taxes pledged to secure the payment of bonds issued by PRHTA. On January 7, 2016, the Company sued various Puerto Rico governmental officials in the United States District Court, District of Puerto Rico asserting that this attempt to "claw back" pledged taxes is unconstitutional, and demanding declaratory and injunctive relief.

On April 6, 2016, the Governor signed into law the Puerto Rico Emergency Moratorium & Financial Rehabilitation Act (the "Moratorium Act"). The Moratorium Act purportedly empowers the Governor to declare, entity by entity, states of emergencies and moratoriums on debt service payments on obligations of the Commonwealth and its related authorities and public corporations, as well as instituting a stay against related litigation, among other things. The Governor has used the authority of the Moratorium Act to take a number of actions related to issuers of obligations the Company insures. National Public Finance Guarantee Corporation ("National") (another financial guarantor), holders of the Commonwealth general obligation bonds and certain Puerto Rico residents have filed suits to invalidate the Moratorium Act, and on July 21, 2016, the Company filed a motion and form of complaint in the U.S. District Court for the District of Puerto Rico seeking relief from the PROMESA stay to seek a declaration that the Moratorium Act is preempted by Federal bankruptcy law; that motion was denied on November 2, 2016, on procedural grounds. The PROMESA stay expires on February 15, 2017.

On June 13, 2016, the Supreme Court of the United States affirmed rulings of lower courts finding that the Puerto Rico Public Corporation Debt Enforcement and Recovery Act, which was enacted by Puerto Rico in June 2014 in order to provide a legislative framework for certain public corporations experiencing severe financial stress to restructure their debt, was preempted by the U.S. Bankruptcy Code and therefore void.

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

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

Moratorium Act and appears to stay debt-related litigation, possibly including the Company's litigation regarding the Clawback Orders. On August 31, 2016, the President of the United States appointed the seven members of the Oversight Board.

The Oversight Board has begun meeting. Press reports indicate that the Oversight Board has set a target of mid-January 2017 for hiring an executive director and is considering intervening in certain litigation relating to the Moratorium Act or otherwise related to Puerto Rico's debt problems. On October 28, 2016, the Oversight Board filed a motion to intervene in the litigation noted above initiated by the Company on July 21, 2016, and seeking relief from the PROMESA stay. That motion was denied on November 1, 2016, without prejudice, on procedural grounds. The Oversight Board also may seek in the future to intervene in litigation initiated by the Company.

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

The Company groups its Puerto Rico exposure into three categories:

- *Constitutionally Guaranteed.* The Company includes in this category public debt benefiting from Article VI of the Constitution of the Commonwealth, which expressly provides that interest and principal payments on the public debt are to be paid before other disbursements are made.
- *Public Corporations - Certain Revenues Potentially Subject to Clawback.* The Company includes in this category the debt of public corporations for which applicable law permits the Commonwealth to claw back, subject to certain conditions and for the payment of public debt, at least a portion of the revenues supporting the bonds the Company insures. As a Constitutional condition to clawback, available Commonwealth revenues for any fiscal year must be insufficient to pay Commonwealth debt service before the payment of any appropriations for that year. The Company believes that this condition has not been satisfied to date, and accordingly that the Commonwealth has not to date been entitled to clawback revenues supporting debt insured by the Company. As noted above, the Company sued various Puerto Rico governmental officials in the United States District Court, District of Puerto Rico asserting that Puerto Rico's recent attempt to "claw back" pledged taxes is unconstitutional, and demanding declaratory and injunctive relief.
- *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 September 30, 2016, the Company had \$680 million insured net par outstanding of the general obligations of Puerto Rico, which are supported by the good faith, credit and taxing power of the Commonwealth. On July 1, 2016, despite the requirements of Article VI of its Constitution but pursuant to an executive order issued by the Governor under the Moratorium Act, the Commonwealth defaulted on most of the debt service payment due that day, and the Company made its first claim payments on these bonds.

Puerto Rico Public Buildings Authority ("PBA"). As of September 30, 2016, the Company had \$11 million insured net par outstanding of PBA bonds, which are supported by a pledge of the rents due under leases of government facilities to departments, agencies, instrumentalities and municipalities of the Commonwealth, and that benefit from a Commonwealth guaranty supported by a pledge of the Commonwealth's good faith, credit and taxing power. On July 1, 2016, despite the requirements of Article VI of its Constitution but pursuant to an executive order issued by the Governor under the Moratorium Act, the PBA defaulted on most of the debt service payment due that day, and the Company made its first claim payments on these bonds.

Public Corporations - Certain Revenues Potentially Subject to Clawback

PRHTA. As of September 30, 2016, the Company had \$273 million insured net par outstanding of PRHTA (Transportation revenue) bonds and \$213 million insured net par of PRHTA (Highways revenue) bonds. The transportation revenue bonds are secured by a subordinate gross pledge of gasoline and gas oil and diesel oil taxes, motor vehicle license fees and certain tolls, plus a first lien on up to \$120 million annually of taxes on crude oil, unfinished oil and derivative products. The highways revenue bonds are secured by a gross pledge of gasoline and gas oil and diesel oil taxes, motor vehicle license fees and certain tolls. The Clawback Orders cover Commonwealth-derived taxes that are allocated to PRHTA. The Company believes that such sources represented a substantial majority of PRHTA's revenues in 2015. The PRHTA bonds are subject to executive orders issued pursuant to the Moratorium Act. As noted above, the Company filed a motion and form of complaint in the U.S. District Court for the District of Puerto Rico seeking relief from the PROMESA stay to seek a declaration that the Moratorium Act is preempted by Federal bankruptcy law and that certain gubernatorial executive orders diverting PRHTA pledged toll revenues (which are not subject to the Clawback Orders) are preempted by PROMESA and violate the U.S. Constitution, and also seeking damages and injunctive relief. That motion was denied on November 2, 2016, on procedural grounds. The PROMESA stay expires on February 15, 2017. There were sufficient funds in the PRHTA bond accounts to make the July 1, 2016, PRHTA debt service payments guaranteed by the Company, and those payments were made in full.

Other Public Corporations

Puerto Rico Electric Power Authority ("PREPA"). As of September 30, 2016, the Company had \$415 million insured net par outstanding of PREPA obligations, which are payable from a pledge of net revenues of the electric system.

On December 24, 2015, AGM and AGC entered into a Restructuring Support Agreement ("RSA") with PREPA, an ad hoc group of uninsured bondholders and a group of fuel-line lenders that would, subject to certain conditions, result in, among other things, modernization of the utility and a restructuring of current debt. Upon finalization of the contemplated restructuring transaction, insured PREPA revenue bonds (with no reduction to par or stated interest rate or extension of maturity) will be supported by securitization bonds issued by a special purpose corporation and secured by a transition charge assessed on ratepayers. To facilitate the securitization transaction and in exchange for a market premium, Assured Guaranty will issue surety insurance policies in an aggregate amount not expected to exceed \$113 million (\$14 million for AGC and \$99 million for AGM) to support a portion of the reserve fund for the securitization bonds. Certain of the creditors also agreed, subject to certain conditions, to participate in a bridge financing, which was closed in two tranches on May 19, 2016, and June 22, 2016. AGM's and AGC's share of the bridge financing was approximately \$15 million (\$2 million for AGC and \$13 million for AGM). Legislation meeting the requirements of the RSA was enacted on February 16, 2016, and a transition charge to be paid by PREPA rate payers for debt service on the securitization bonds as contemplated by the RSA was approved by the Puerto Rico Energy Commission on June 20, 2016. The closing of the restructuring transaction and the issuance of the surety bonds are subject to certain conditions, including execution of acceptable documentation and legal opinions.

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

On July 1, 2016, PREPA made full payment of the \$41 million of principal and interest due on PREPA revenue bonds insured by AGM and AGC. That payment was funded in part by AGM’s purchase of \$26 million of PREPA bonds maturing in 2020. Upon finalization of the RSA, these new PREPA revenue bonds will be supported by securitization bonds contemplated by the RSA. In early 2016, PREPA repaid in full the \$74 million in aggregate principal amount of PREPA revenue bonds purchased by AGM and AGC in July 2015 to replenish some of the operating funds PREPA used to make the July 2015 payments on the PREPA revenue bonds insured by AGM and AGC.

There can be no assurance that the conditions in the RSA will be met or that, if the conditions are met, the RSA's other provisions, including those related to the insured PREPA revenue bonds, will be implemented. In addition, the impact of PROMESA and the Moratorium Act or any attempt to exercise the power purportedly granted by the Moratorium Act on the implementation of the RSA is uncertain. PREPA, during the pendency of the agreements, has suspended deposits into its debt service fund.

Municipal Finance Agency ("MFA"). As of September 30, 2016, the Company had \$175 million net par outstanding of bonds issued by MFA secured by a pledge of local property tax revenues. There were sufficient funds in the MFA bond accounts to make the July 1, 2016 MFA bond payments guaranteed by the Company, and those payments were made in full.

Puerto Rico Sales Tax Financing Corporation (“COFINA”). As of September 30, 2016, the Company had \$262 million insured net par outstanding of junior COFINA bonds, which are secured primarily by a second lien on certain sales and use taxes. There were no debt service payments due on July 1, 2016 on Company-insured COFINA bonds, and as of the date of this filing, all payments on Company-insured COFINA bonds had been made.

Selected U.S. Public Finance Transactions

On February 25, 2015, a plan of adjustment resolving the bankruptcy filing of the City of Stockton, California under chapter 9 of the U.S. Bankruptcy Code became effective. As of September 30, 2016, the Company’s net par subject to the plan consists of \$60 million of pension obligation bonds. As part of the plan settlement, the City will repay the pension obligation bonds from certain fixed payments and certain variable payments contingent on the City's revenue growth.

U.S. Public Finance Loss and LAE

The Company has loss and LAE reserves across its troubled U.S. public finance credits, including those mentioned above, which incorporated the likelihood of the various outcomes, as of September 30, 2016 of \$158.6 million compared to \$144.0 million as of December 31, 2015. The higher loss reserves are primarily attributable to Puerto Rico exposures.

Third Quarter and Nine Months 2016 U.S. 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, the Company chose to use the same general assumptions to project RMBS losses as of September 30, 2016 as it used as of December 31, 2015, except it (1) increased severities for specific vintages of Alt-A first lien, Option ARM and subprime transactions, (2) decreased liquidation rates for certain vintages of subprime and (3) increased liquidation rates for second lien transactions based on observed data.

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

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

First Lien Liquidation Rates

	September 30, 2016	December 31, 2015
Current Loans Modified in the Previous 12 Months	25%	25%
Current Loans Delinquent in the Previous 12 Months	25	25
30 - 59 Days Delinquent		
Alt-A	35	35
Option ARM	40	40
Subprime	45	45
60 - 89 Days Delinquent		
Alt-A	45	45
Option ARM	50	50
Subprime	50	55
90+ Days Delinquent		
Alt-A	55	55
Option ARM	60	60
Subprime	55	60
Bankruptcy		
Alt-A	45	45
Option ARM	50	50
Subprime	40	40
Foreclosure		
Alt-A	65	65
Option ARM	70	70
Subprime	65	70
Real Estate Owned		
All	100	100%

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

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 base case, after the initial 36-month CDR plateau period, each transaction’s CDR is projected to improve over 12 months to an intermediate CDR (calculated as 20% of its CDR plateau); that intermediate CDR is held constant for 36 months and then trails off in steps to a final CDR of 5% of the CDR plateau. In the base case, the Company assumes the final CDR will be reached 7 years after the initial 36-month CDR plateau period. Under the Company’s methodology, defaults projected to occur in the first 36 months represent defaults that can be attributed to loans that were modified or delinquent in the last 12 months or that are currently delinquent or in foreclosure, while the defaults projected to occur using the projected CDR trend after the first 36-month period represent defaults attributable to borrowers that are currently performing or are projected to re-perform.

Another important driver of loss projections is loss severity, which is the amount of loss the transaction incurs on a loan after the application of net proceeds from the disposal of the underlying property. Loss severities experienced in first lien transactions have reached historically high levels, and the Company is assuming in the base case that these high levels generally will continue for another 18 months. The Company determines its initial loss severity based on actual recent experience. As a result, as of September 30, 2016, the Company updated severities for certain vintages of Alt-A first lien and subprime transactions, as well as Option ARM. The Company then assumes that loss severities begin returning to levels consistent with underwriting assumptions beginning after the initial 18 month period, declining to 40% in the base case over 2.5 years.

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

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

	As of September 30, 2016		As of December 31, 2015	
	Range	Weighted Average	Range	Weighted Average
Alt-A First Lien				
Plateau CDR	3.9% - 10.7%	6.1%	4.0% - 12.0%	7.7%
Intermediate CDR	0.8% - 2.1%	1.2%	0.8% - 2.4%	1.5%
Period until intermediate CDR	48 months		48 months	
Final CDR	0.2% - 0.5%	0.3%	0.2% - 0.6%	0.4%
Initial loss severity:				
2005 and prior	60.0%		60.0%	
2006	80.0%		70.0%	
2007	70.0%		65.0%	
Initial conditional prepayment rate ("CPR")	1.8% - 16.8%	6.7%	2.7% - 14.3%	6.2%
Final CPR (2)	15.0%		15.0%	
Option ARM				
Plateau CDR	3.4% - 9.1%	7.2%	3.5% - 10.3%	7.9%
Intermediate CDR	0.7% - 1.8%	1.4%	0.7% - 2.1%	1.6%
Period until intermediate CDR	48 months		48 months	
Final CDR	0.2% - 0.5%	0.4%	0.2% - 0.5%	0.4%
Initial loss severity:				
2005 and prior	60.0%		60.0%	
2006	70.0%		70.0%	
2007	75.0%		65.0%	
Initial CPR	1.7% - 7.5%	4.0%	1.5% - 6.5%	2.7%
Final CPR (2)	15.0%		15.0%	
Subprime				
Plateau CDR	4.5% - 10.7%	8.2%	5.4% - 13.2%	9.7%
Intermediate CDR	0.9% - 2.1%	1.6%	1.1% - 2.6%	1.9%
Period until intermediate CDR	48 months		48 months	
Final CDR	0.2% - 0.5%	0.4%	0.3% - 0.7%	0.5%
Initial loss severity:				
2005 and prior	80.0%		75.0%	
2006	90.0%		90.0%	
2007	90.0%		90.0%	
Initial CPR	0.4% - 7.6%	3.8%	0.0% - 6.7%	3.4%
Final CPR (2)	15.0%		15.0%	

- (1) Represents variables for most heavily weighted scenario (the “base case”).
- (2) 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.

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 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, 2015.

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

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 September 30, 2016. The Company used a similar approach to establish its pessimistic and optimistic scenarios as of September 30, 2016 as it used as of December 31, 2015, increasing and decreasing the periods of stress from those used in the base case.

In a somewhat more stressful environment than that of the base case, where the CDR plateau was extended six months (to be 42 months long) before the same more gradual CDR recovery and loss severities were assumed to recover over 4.5 rather than 2.5 years (and subprime loss severities were assumed to recover only to 60% and Option ARM and Alt A loss severities to only 45%), expected loss to be paid would increase from current projections by approximately \$7.9 million for Alt-A first liens, \$4.7 million for Option ARM and \$25.0 million for subprime transactions.

In an even more 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 and other assumptions were the same as the other stress scenario, loss reserves would increase from current projections by approximately \$19.9 million for Alt-A first liens, \$9.1 million for Option ARM and \$33.8 million for subprime transactions.

In a scenario with a somewhat less stressful environment than the base case, where CDR recovery was somewhat less gradual, loss reserves would decrease from current projections by approximately \$2.1 million for Alt-A first lien, \$11.4 million for Option ARM and \$7.7 million for subprime transactions.

In an even less 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 \$9.0 million for Alt-A first liens, \$18.7 million for Option ARM and \$23.4 million for subprime 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 transactions. The Company believes the primary variable affecting its loss reserves in second lien RMBS transactions is the amount and timing of future losses in the collateral pool supporting the transactions. Loss reserves are also a function of the structure of the transaction; the voluntary prepayment rate (typically also referred to as CPR of the collateral); the interest rate environment; and assumptions about the draw rate and loss severity.

In second lien transactions the projection of near-term defaults from currently delinquent loans is relatively straightforward because loans in second lien transactions are generally "charged off" (treated as defaulted) by the securitization's servicer once the loan is 180 days past due. The Company estimates the amount of loans that will default over the next six months by calculating current representative liquidation rates. A liquidation rate is the percent of loans in a given cohort (in this instance, delinquency category) that ultimately default. Similar to first liens, the Company then calculates a CDR for six months, which is the period over which the currently delinquent collateral is expected to be liquidated. That CDR is then used as the basis for the plateau CDR period that follows the embedded five months of losses. Liquidation rates assumed as of September 30, 2016, were from 25% to 100%, which were the same as December 31, 2015.

For the base case scenario, the CDR (the "plateau CDR") was held constant for six months. Once the plateau period has ended, the CDR is assumed to gradually trend down in uniform increments to its final long-term steady state CDR. (The long-term steady state CDR is calculated as the constant CDR that would have yielded the amount of losses originally expected at underwriting.) In the base case scenario, the time over which the CDR trends down to its final CDR is 28 months. Therefore, the total stress period for second lien transactions is 34 months, comprising five months of delinquent data, a one month plateau period and 28 months of decrease to the steady state CDR the same as of December 31, 2015.

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, and so increase the borrower's aggregate monthly payment. Some of the HELOC loans underlying the Company's insured HELOC transactions have reached their principal amortization period. The Company has observed that the increase in monthly payments occurring when a loan reaches its principal amortization period, even if mitigated by borrower relief offered by the servicer, is associated with increased borrower defaults. Thus, most of the Company's HELOC projections incorporate an assumption that a percentage of loans reaching their amortization periods will default around the time of the payment increase. These projected defaults are in addition to those generated using the CDR curve as described above. This assumption is similar to the one used at December 31, 2015. For September 30, 2016, the Company used the same general approach it used as of December 31, 2015.

When a second lien loan defaults, there is generally a very low recovery. The Company had assumed as of September 30, 2016 that it will generally recover only 2% of the collateral defaulting in the future and declining additional amounts of post-default receipts on previously defaulted collateral. This is the same assumption used as of December 31, 2015.

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, which is lower than the historical average but reflects the Company's continued uncertainty about the projected performance of the borrowers in these transactions. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant and the final CPR is not used. This pattern is generally consistent with how the Company modeled the CPR as of December 31, 2015. To the extent that prepayments differ from projected levels it could materially change the Company's projected excess spread and losses.

The Company uses a number of other variables in its second lien loss projections, including the spread between relevant interest rate indices. These variables have been relatively stable and in the relevant ranges have less impact on the projection results than the variables discussed above. However, in a number of HELOC transactions the servicers have been modifying poorly performing loans from floating to fixed rates, and, as a result, rising interest rates would negatively impact the excess spread available from these modified loans to support the transactions. The Company incorporated these modifications in its assumptions.

In estimating loss reserves, the Company modeled and probability weighted five possible CDR curves applicable to the period preceding the return to the long-term steady state CDR. The Company used five scenarios at September 30, 2016 and December 31, 2015. The Company believes that the level of the elevated CDR and the length of time it will persist, the ultimate prepayment rate,

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

and the amount of additional defaults because of the expiry of the interest only period, are the primary drivers behind the likely amount of losses the collateral will suffer. The Company continues to evaluate the assumptions affecting its modeling results.

Most of the Company's projected second lien RMBS losses are from HELOC transactions. The following table shows the range as well as the average, weighted by outstanding net insured par, for key assumptions for the calculation of expected loss to be paid for individual transactions for direct vintage 2004 - 2008 HELOCs.

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

	As of September 30 2016		As of December 31, 2015	
	Range	Weighted Average	Range	Weighted Average
Plateau CDR	5.1% - 20.6%	12.8%	4.9% - 23.5%	11.0%
Final CDR trended down to	0.6% - 3.2%	1.2%	0.6% - 3.2%	1.2%
Period until final CDR	34 months		34 months	
Initial CPR	11.5% - 17.7%	12.7%	10.9%	
Final CPR (2)	15.0% - 17.7%	15.4%	10.0% - 15.0%	13.3%
Loss severity	98.0%		98.0%	

- (1) Represents variables for most heavily weighted scenario (the “base case”).
- (2) 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.

The Company’s base case assumed a six month CDR plateau and a 28 month ramp-down (for a total stress period of 34 months). The Company also modeled a scenario with a longer period of elevated defaults and another with a shorter period of elevated defaults. Increasing the CDR plateau to eight months and increasing the ramp-down by three months to 31 months (for a total stress period of 39 months), and doubling the defaults relating to the end of the interest only period would increase the loss reserves by approximately \$26.1 million for HELOC transactions. On the other hand, reducing the CDR plateau to four months and decreasing the length of the CDR ramp-down to 25 months (for a total stress period of 29 months), and lowering the ultimate prepayment rate to 10% would decrease the loss reserves by approximately \$16.6 million for HELOC transactions.

Breaches of Representations and Warranties

The Company entered into agreements with R&W providers under which those providers made payments to the Company, agreed to make payments to the Company in the future, and / or repurchased loans from the transactions, all in return for releases of related liability by the Company.

As of September 30, 2016, the Company had a net R&W payable of \$43.2 million to R&W counterparties, compared to an R&W recoverable of \$66.2 million as of December 31, 2015. The decrease represents improvements in underlying collateral performance and the termination of the Deutsche Bank agreement described below. 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. Most of the amount projected to be received pursuant to agreements with R&W providers benefits from eligible assets placed in trusts to collateralize the R&W provider’s future reimbursement obligation, with the amount of such collateral subject to increase or decrease from time to time as determined by rating agency requirements. Currently the Company has agreements with two counterparties where a future reimbursement obligation is collateralized by eligible assets held in trust:

- Bank of America.** Under Assured Guaranty's agreement with Bank of America Corporation and certain of its subsidiaries (“Bank of America”), Bank of America agreed to reimburse Assured Guaranty for 80% of claims on the first lien transactions covered by the agreement that Assured Guaranty pays in the future, until the aggregate lifetime collateral losses (not insurance losses or claims) on those transactions reach \$6.6 billion. As of September 30, 2016, aggregate lifetime collateral losses on those transactions was \$4.5 billion (\$4.2 billion for AGM and \$0.3 billion for AGC), and Assured Guaranty was projecting in its base case that such collateral losses would eventually reach \$5.2 billion (\$4.8 billion for AGM and \$0.4 billion for AGC). Bank of America's reimbursement obligation is secured by \$143 million of collateral held in trust for the Company's benefit and \$370 million of collateral held in trust that is available for either AGM or AGC.
- UBS.** Under the Company's agreement with UBS Real Estate Securities Inc. and affiliates ("UBS"), UBS agreed to reimburse the Company for 85% of future losses on three first lien RMBS transactions, and such reimbursement obligation is secured by \$38 million of collateral held in trust for the Company's benefit.

Under the Company's previous agreement with Deutsche Bank AG and certain of its affiliates (collectively, “Deutsche Bank”), Deutsche Bank agreed to reimburse the Company for certain claims it pays in the future on eight first and second lien transactions, including 80% of claims it pays on those transactions until the aggregate lifetime claims (before reimbursement) reach \$319 million. In May 2016, Deutsche Bank's reimbursement obligations under the May 2012 agreement were terminated in return for a cash payment to the Company.

The Company uses the same RMBS projection scenarios and weightings to project its future R&W benefit as it uses to project RMBS losses on its portfolio. To the extent the Company increases its loss projections, the R&W benefit generally will also increase, subject to the agreement limits and thresholds described above. Similarly, to the extent the Company decreases its loss projections, the R&W benefit generally will also decrease, subject to the agreement limits and thresholds described above.

Other structured finance

The Company's other structured finance exposures include \$491 million net par rated BIG. The Company has loss and LAE reserves of \$117.8 million for other structured finance transactions as of September 30, 2016 compared to \$46.4 million as of December 31, 2015.

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

Underwriting exposure to subprime mortgage risk through Financial Guaranty insurance coverage

The following table summarizes U.S. subprime loss (benefit) activity at September 30, 2016:

	Losses Paid (Received) in the Current Year	Losses Incurred (Recovered) 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	4,792,927	(37,208,035)	123,828,023	—
c. Other lines (specify):	—	—	—	—
d. Total	\$ 4,792,927	\$ (37,208,035)	\$ 123,828,023	\$ —

22. Events Subsequent

Subsequent events have been considered through November 14, 2016 for these statutory financial statements which are to be issued on November 14, 2016. There were no material events occurring subsequent to September 30, 2016 that have not already been disclosed in these financial statements.

23. Reinsurance

- A. The Company has no unsecured reinsurance recoverable at September 30, 2016.
- B. The Company has no reinsurance recoverable in dispute at September 30, 2016.
- C. Reinsurance Assumed and Ceded

The following table summarizes ceded and assumed unearned premiums and the related commission equity at September 30, 2016:

	Assumed Reinsurance		Ceded Reinsurance		NET	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. AFFILIATES	\$ 249,074,664	\$ 74,466,769	\$ 682,920,878	\$ 145,957,229	\$ (433,846,214)	\$ (71,490,460)
b. ALL OTHER	2,998,862	—	86,916,496	23,121,644	(83,917,634)	(23,121,644)
c. TOTAL	252,073,526	74,466,769	769,837,374	169,078,873	(517,763,848)	(94,612,104)
d. Direct Unearned Premium Reserve	\$ 1,704,425,608					

The Company has no protected cells at September 30, 2016.

- D. The Company has no uncollectible reinsurance at September 30, 2016.
- E. Commutation of Ceded Reinsurance. The Company has reported in its results of operations on September 30, 2016 as a result of commutations of reinsurance with companies listed below, amounts that are reflected as:

	Tokio Marine & Nichido	American Overseas Re	AGC	Assured Guaranty Re	Amount
Paid losses	\$ 14,689,846	\$ 2,817,231	\$ 7,495,846	\$ 9,457,846	\$ 34,460,769
Change in reserves	(14,689,846)	(2,817,231)	(7,495,846)	(9,457,846)	(34,460,769)
(1) Losses incurred	—	—	—	—	—
Paid LAE	—	—	—	—	—
Change in LAE reserves	—	—	—	—	—
(2) Loss adjustment expenses incurred	—	—	—	—	—
Ceded written premium	10,315	1,978	5,264	6,641	24,198
Change in unearned premium reserve	(10,315)	(1,978)	(5,264)	(6,641)	(24,198)
(3) Premiums earned	—	—	—	—	—
Return of ceding commission	(3,095)	(653)	(1,737)	(2,192)	(7,677)
Other income (expense)	2,740,426	762,731	1,533,591	1,935,001	6,971,749
(4) Other	2,737,331	762,078	1,531,854	1,932,809	6,964,072
Total	\$ 2,737,331	\$ 762,078	\$ 1,531,854	\$ 1,932,809	\$ 6,964,072
(5) Companies:					
Tokio Marine & Nichido Fire Ins. Co.					\$ 2,737,331
American Overseas Reinsurance Co.					762,078
Assured Guaranty Corp.					1,531,854
Assured Guaranty Re Ltd.					1,932,809
					\$ 6,964,072

- F. The Company has no retroactive reinsurance in effect at September 30, 2016.
- 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 September 30, 2016.
- I. The Company has no certified reinsurance downgraded or status subject to revocation at September 30, 2016.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

There has been no change since the 2015 Annual Statement.

25. Changes in Incurred Losses and Loss Adjustment Expenses

STATEMENT AS OF SEPTEMBER 30, 2016 OF ASSURED GUARANTY MUNICIPAL CORP.

Incurred losses and loss expenses attributable to insured events of prior years were \$35,269,872 for the first nine months ended September 30, 2016. The current year adjustment 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 2015 Annual Statement.

27. Structured Settlements

There has been no change since the 2015 Annual Statement.

28. Health Care Receivables

There has been no change since the 2015 Annual Statement.

29. Participating Policies

There has been no change since the 2015 Annual Statement.

30. Premium Deficiency Reserves

There has been no change since the 2015 Annual Statement.

31. High Deductibles

There has been no change since the 2015 Annual Statement.

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

The net loss and LAE reserves of \$364,296,801 are discounted at a rate of 5% amounting to a total discount of \$160,277,130.

B. Nontabular Discount:	Case	IBNR	Defense & Cost Containment Expense	Adjusting & Other Expense
Financial Guaranty	\$ 160,277,130	\$ —	\$ —	\$ —

33. Asbestos and Environmental Reserves

There has been no change since the 2015 Annual Statement.

34. Subscriber Savings Accounts

There has been no change since the 2015 Annual Statement.

35. Multiple Peril Crop Insurance

There has been no change since the 2015 Annual Statement.

36. Financial Guaranty Insurance

A. There has been no significant change since the 2015 Annual Statement.

B. Schedule of BIG insured financial obligations as of September 30, 2016:

	Surveillance Categories			
	BIG 1	BIG 2	BIG 3	Total
(Dollars in Thousands)				
1. Number of risks	61	11	48	120
2. Remaining weighted-average contract period (in yrs)	8.5	11.0	8.4	9.1
Insured contractual payments outstanding:				
3a. Principal	\$ 3,005,203	\$ 2,199,189	\$ 4,069,158	\$ 9,273,550
3b. Interest	1,426,293	1,247,013	1,757,623	4,430,929
3c. Total	\$ 4,431,496	\$ 3,446,202	\$ 5,826,781	\$ 13,704,479
4. Gross claim liability	\$ 131,214	\$ 594,465	\$ 776,908	\$ 1,502,587
Less:				
5a1. Gross potential recoveries - subrogation	328,225	95,284	455,762	879,271
5a2. Ceded claim liability	(38,501)	123,616	13,627	98,742
5a. Total gross potential recoveries	289,724	218,900	469,389	978,013
5b. Discount, net	(71,362)	161,491	70,148	160,277
6. Net claim liability	\$ (87,148)	\$ 214,074	\$ 237,371	\$ 364,297
7. Unearned premium revenue	\$ 34,843	\$ 21,484	\$ 11,623	\$ 67,950
8. Reinsurance recoverables	\$ (521)	\$ 113	\$ 6,531	\$ 6,123

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

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

Yes ☐ No ☒
- 1.2

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

Yes ☐ No ☐
- 2.1

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

Yes ☐ No ☒
- 2.2

If yes, date of change:
- 3.1

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

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

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

Yes ☒ No ☐
- 3.3

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

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

Yes ☐ No ☒
- 4.2

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

<div>1</div> <div>Name of Entity</div>	<div>2</div> <div>NAIC Company Code</div>	<div>3</div> <div>State of Domicile</div>

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.

12/31/2011
- 6.2

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

12/31/2011
- 6.3

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

06/27/2013
- 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.]

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

GENERAL INTERROGATORIES

9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [X] No []

9.11

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

9.2

Has the code of ethics for senior managers been amended?

Yes [X] No []

9.21

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

9.3

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

Yes [] No [X]

9.31

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

FINANCIAL

10.1

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

Yes [X] No []

10.2

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

INVESTMENT

11.1

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

Yes [] No [X]

11.2

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

12.

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

13.

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

14.1

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

Yes [X] No []

14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$674,888,644	\$508,413,748
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$674,888,644	\$508,413,748
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

15.1

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

Yes [] No [X]

15.2

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

Yes [] No []

If no, attach a description with this statement.

GENERAL INTERROGATORIES

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

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
- \$

\$

\$

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	2
Name of Custodian(s)	Custodian Address
The Bank of New York Mellon.....	One Wall Street, New York, NY 10286.....

- 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	2	3
Name(s)	Location(s)	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	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

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

1	2	3
Central Registration Depository	Name(s)	Address
107-105.....	Blackrock Financial Management Inc.....	40 East 52nd St., New York, NY 10022.....
105-900.....	New England Asset Management Inc.....	Pond View Corporate Center, 74 Batterson Park Road, Farmington, Ct 06032.....
106-595.....	Wellington Management Company LLP.....	280 Congress Street, Boston, MA 02210.....
107-738.....	Goldman Sachs Asset Management, L.P.....	200 West Street, 37th Floor, New York, NY 10282.....

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

Yes [] No [X]

- 18.2 If no, list exceptions:
See Footnote 2.....

1. (for question 3.3) On July 1, 2016, the reporting entity acquired CIFG Holding Inc. ("CIFG Holding"), and its subsidiaries, CIFG Assurance North America, Inc. ("CIFGNA"), CIFG Services, LLC and CIFG Europe S.A. Following the acquisition, CIFG Holding was converted to a limited liability company and, effective July 5, 2016, CIFG NA merged with and into AGC, an affiliate of the reporting entity, with AGC being the surviving entity of the merger. Following completion of the merger, each of CIFG Holding, CIFG Services, LLC and CIFG Europe S.A. is a direct, wholly-owned subsidiary of AGC.

2. (for question 18.2) During the reporting period, the NAIC notified the reporting entity that following a review of the reporting entity's Schedule D, Part 6, Section 1 for the year ended December 31, 2015, filings in respect of certain SCAs were required to be submitted. The reporting entity (i) filed the required SUB-1 forms in respect of the relevant SCAs on November 8 and November 10, 2016, and, (ii) following the NAIC's review of such forms, intends to file the required SUB-2 forms in respect of such SCAs promptly upon instruction from the NAIC.

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

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

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

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
Financial Guaranty.....		.5.000	160,277,130			160,277,130	(50,795,751)			(50,795,751)
TOTAL			160,277,130	0	0	160,277,130	(50,795,751)	0	0	(50,795,751)

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

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

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]

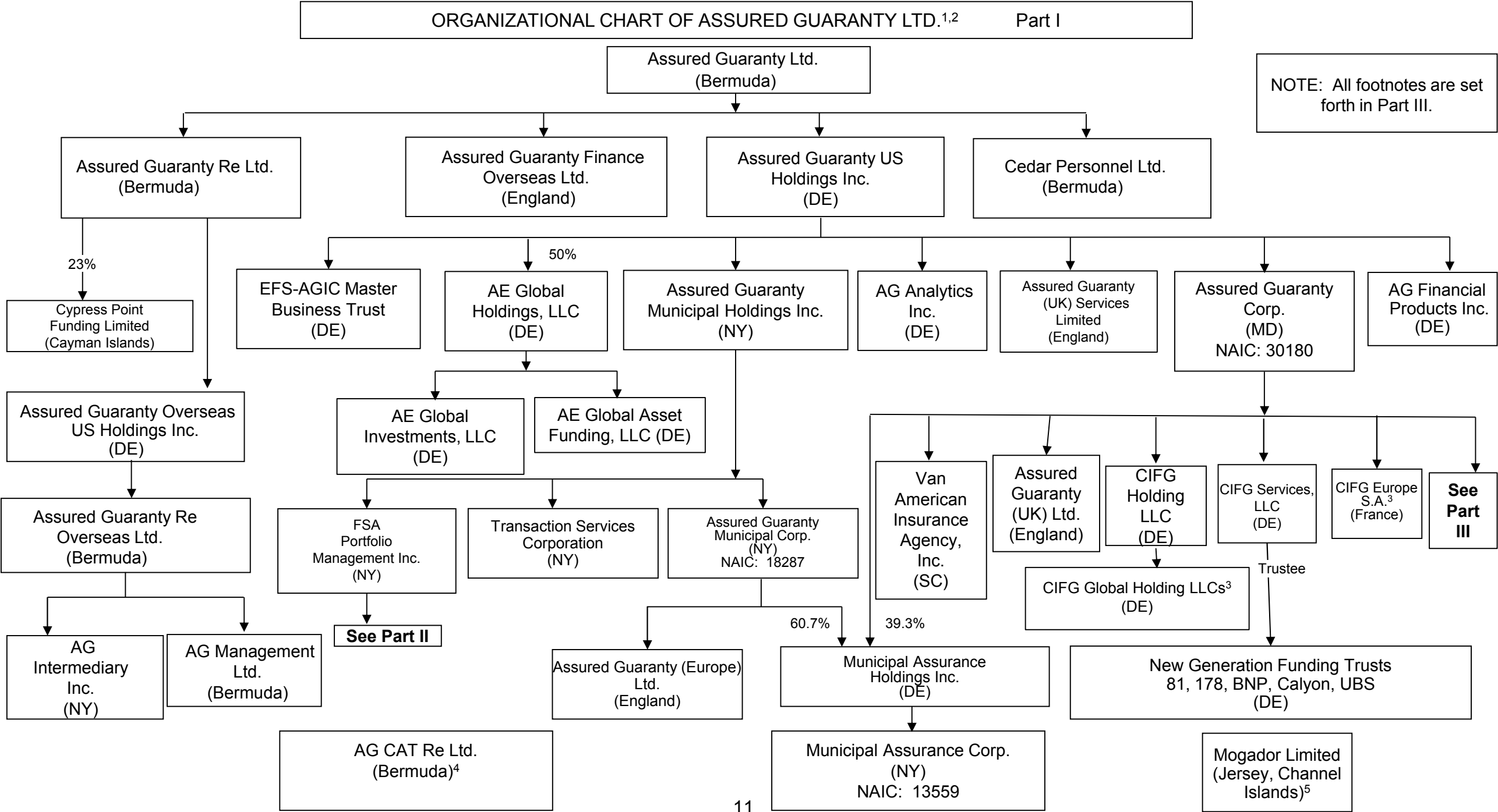
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

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	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	1,425,270	902,911	35,124	67,627	4,464,555	4,998,813
2. Alaska	AK L		0		0		0
3. Arizona	AZ L	829,642	1,838,061		0		0
4. Arkansas	AR L	181,068	750,748		0		0
5. California	CA L	19,906,699	25,491,477	7,768,608	4,985,775	17,555,465	34,517,396
6. Colorado	CO L	860,084	405,533	(869,809)	(479,972)		0
7. Connecticut	CT L	712,139	746,839		0		0
8. Delaware	DE L	4,860,770	10,403,709	(45,001,830)	5,514,005	220,994,085	188,488,936
9. Dist. Columbia	DC L	104,773	112,972		0		0
10. Florida	FL L	1,547,678	2,625,681	718,312	251,668	928,535	1,790,695
11. Georgia	GA L	93,115	450,695		0		0
12. Hawaii	HI L	98,225	101,894		0		0
13. Idaho	ID L		130,267		0		0
14. Illinois	IL L	7,058,420	4,890,067	(7,143)	0		0
15. Indiana	IN L	207,518	447,396		0		0
16. Iowa	IA L	78,279	59,185		0		0
17. Kansas	KS L	653,427	519,906		0		0
18. Kentucky	KY L	1,917,778	1,009,723		0		0
19. Louisiana	LA L	1,755,267	4,195,284		0		0
20. Maine	ME L	23,900	38,000		0		0
21. Maryland	MD L	2,997,211	1,173,645	133,271,005	117,380,706	(136,718,780)	36,099,293
22. Massachusetts	MA L	68,982	129,165	(3,505,146)	(7,427,642)		0
23. Michigan	MI L	940,089	765,302	10,761,423	1,410,976		10,579,226
24. Minnesota	MN L	247,875	251,064	(410,033)	(37,170)	1,260,054	2,142,923
25. Mississippi	MS L	304,952	179,912		0		0
26. Missouri	MO L		268,432		0		0
27. Montana	MT L		41,171		0		0
28. Nebraska	NE L	227,427	58,678		0		0
29. Nevada	NV L		247,412		0		0
30. New Hampshire	NH L		0		0		0
31. New Jersey	NJ L	3,694,254	1,878,619		0		0
32. New Mexico	NM L	106,263	5,795		0		0
33. New York	NY L	42,034,376	42,463,312	(18,438,297)	14,338,667	146,285,667	131,746,752
34. No. Carolina	NC L	112,995	168,685		0		0
35. No. Dakota	ND L		127,588		0		0
36. Ohio	OH L	837,963	2,073,472		0		0
37. Oklahoma	OK L		0		0		0
38. Oregon	OR L	474,986	1,085,362		0		0
39. Pennsylvania	PA L	4,960,414	3,693,980	(87,487)	118,597		0
40. Rhode Island	RI L	19,576	792,040		0		0
41. So. Carolina	SC L	48,918	211,399		0		0
42. So. Dakota	SD L	20,976	0		0		0
43. Tennessee	TN L	54,927	40,069		0		0
44. Texas	TX L	3,933,490	4,276,272		0		0
45. Utah	UT L	660,711	341,035		0		0
46. Vermont	VT L	16,940	34,790		0		0
47. Virginia	VA L	123,282	161,559		0		0
48. Washington	WA L	239,057	144,329		0		0
49. West Virginia	WV L		76,295		0		0
50. Wisconsin	WI L	1,319,141	101,010		0		0
51. Wyoming	WY L		0		0		0
52. American Samoa	AS N		0		0		0
53. Guam	GU L		0		0		0
54. Puerto Rico	PR L	663	830	102,291,385	20,521,958	198,821,359	183,817,504
55. U.S. Virgin Islands	VI L		0		0		0
56. Northern Mariana Islands	MP N		0		0		0
57. Canada	CAN N	960,379	1,035,237		0		0
58. Aggregate Other Alien	OT XXX	5,625,090	4,588,407	0	0	0	0
59. Totals	(a) 54	112,344,989	121,535,214	186,526,111	156,645,195	453,590,940	594,181,538
DETAILS OF WRITE-INS							
58001. AUS Australia	XXX	686,459	889,461		0		0
58002. AUT Austria	XXX		0		0		0
58003. CYM Cayman Islands	XXX	1,457,733	1,416,440		0		0
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX	3,480,898	2,282,506	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	5,625,090	4,588,407	0	0	0	0

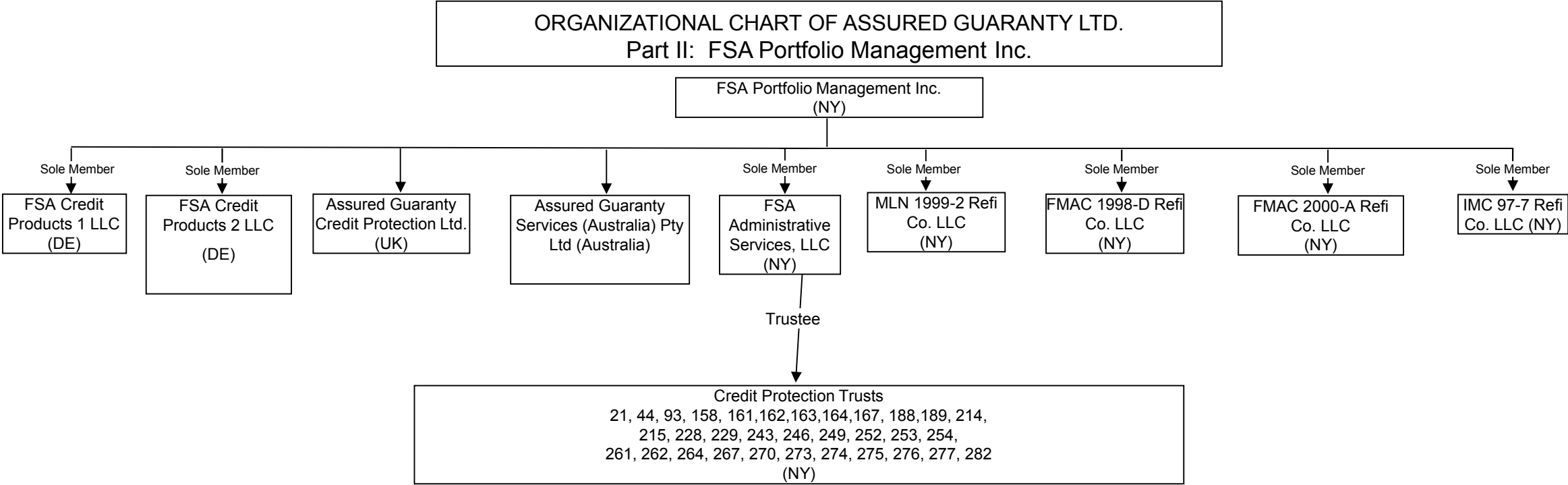
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

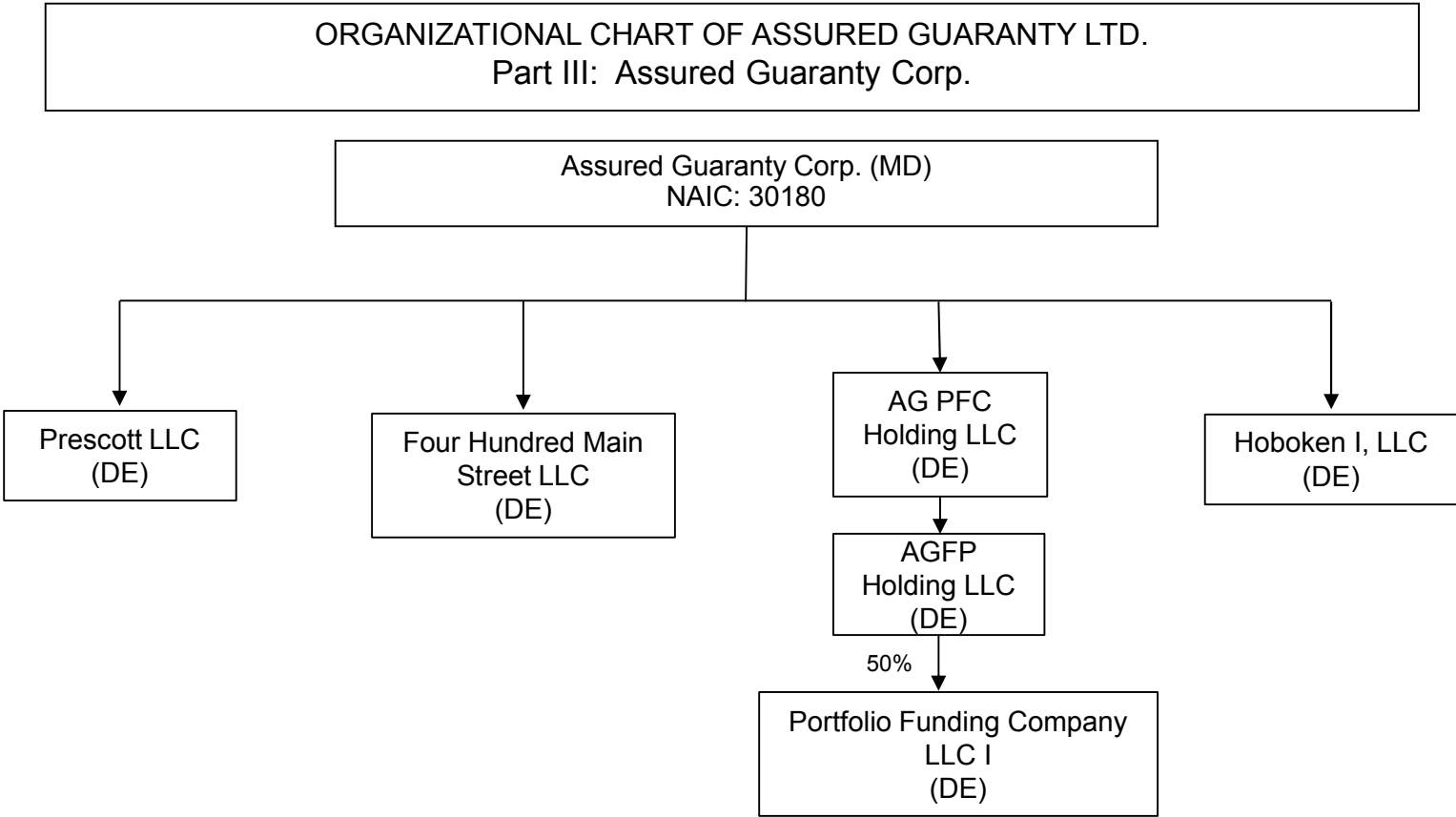
STATEMENT as of SEPTEMBER 30, 2016 of the ASSURED GUARANTY MUNICIPAL CORP.
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



STATEMENT as of SEPTEMBER 30, 2016 of the ASSURED GUARANTY MUNICIPAL CORP.
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



STATEMENT as of SEPTEMBER 30, 2016 of the ASSURED GUARANTY MUNICIPAL CORP.
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



Footnotes:

1. Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%. Percentages shown represent voting control, except that percentages in parentheses represent economic interest where voting control and economic interest are different..
2. All companies listed are corporations, except for (i) limited liability companies (designated as LLCs) , (ii) EFS-AGIC Master Business Trust and the New Generation Funding Trusts (which are Delaware trusts;) and (iii) the Credit Protection Trusts (which are New York trusts).
3. In order to comply with a French law mandating that corporations have at least seven (7) shareholders, AGC has loaned one share of CIFG Europe S.A. to each of the following six Delaware limited liability companies, each of which is wholly owned by CIFG Holding LLC, a direct, wholly owned subsidiary of AGC: CIFG Global Holdings I, LLC, CIFG Global Holdings II, LLC, CIFG Global Holdings III, LLC, CIFG Global Holdings IV, LLC, CIFG Global Holdings V, LLC, and CIFG Global Holdings VI, LLC.
4. AG CAT Re Ltd. is wholly owned by Codan Trust Company Limited, an entity that is not owned or controlled by Assured Guaranty Ltd. The insurance manager of AG CAT Re Ltd. is AG Management Ltd.
5. Mogador Limited is wholly owned by Sanne Nominees Limited and Sanne Nominees 2 Limited, which companies are organized under the laws of Jersey, Channel Islands and are not owned or controlled by Assured Guaranty Ltd. Mogador Limited is the depositor of the New Generation Funding Trusts and the seller of protection on derivatives guaranteed by CIFG Europe S.A.

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00194.....	Assured Guaranty Ltd.....	00000.....	98-0429991.....	.....	0001573813.....	NYSE.....	Assured Guaranty Ltd.....	BMU.....	UIP.....	.....	.....	0.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	20-1082002.....	.....	0001289244.....	.....	Assured Guaranty US Holdings Inc.....	DE.....	UIP.....	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
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.....	.....
00194.....	Assured Guaranty Ltd.....	18287.....	13-3250292.....	.....	.....	.....	Assured Guaranty Municipal Corp.....	NY.....	RE.....	Assured Guaranty Municipal Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	13-3693815.....	.....	.....	.....	FSA Portfolio Management Inc.....	NY.....	OTH.....	Assured Guaranty Municipal Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	13-3866939.....	.....	.....	.....	Transaction Services Corporation.....	NY.....	NIA.....	Assured Guaranty Municipal Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	46-3047895.....	.....	.....	.....	Municipal Assurance Holdings Inc.....	DE.....	DS.....	Assured Guaranty Municipal Corp.....	Ownership.....	60.7	Assured Guaranty Ltd.....	(1)
00194.....	Assured Guaranty Ltd.....	00000.....	13-3896538.....	.....	.....	.....	Assured Guaranty (Europe) Ltd.....	GBR.....	DS.....	Assured Guaranty Municipal Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	.....	.....	.....	.....	Cypress Point Funding Ltd.....	CYM.....	NIA.....	Assured Guaranty Re Ltd.....	Ownership.....	23.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	98-0203985.....	.....	.....	.....	Assured Guaranty Re Ltd.....	BMU.....	IA.....	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	.....	.....	.....	.....	Assured Guaranty Finance Overseas Ltd.....	GBR.....	NIA.....	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	.....	.....	.....	.....	Cedar Personnel Ltd.....	BMU.....	NIA.....	Assured Guaranty Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
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.....	.....
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.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	.....	.....	.....	.....	AG Management Ltd.....	BMU.....	NIA.....	Assured Guaranty Re Overseas Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	13-3339307.....	.....	.....	.....	AG Intermediary Inc.....	NY.....	NIA.....	Assured Guaranty Re Overseas Ltd.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	13559.....	26-2999764.....	.....	.....	.....	Municipal Assurance Corp.....	NY.....	DS.....	Municipal Assurance Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	27-1251323.....	.....	.....	.....	AG Analytics Inc.....	DE.....	NIA.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	.....	.....	.....	.....	Assured Guaranty (UK) Services Limited.....	GBR.....	NIA.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	30180.....	52-1533088.....	.....	.....	.....	Assured Guaranty Corp.....	MD.....	IA.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	13-4031196.....	.....	.....	.....	AG Financial Products Inc.....	DE.....	NIA.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	.....	.....	.....	.....	Prescott LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	52-1533088.....	.....	.....	.....	AG PFC Holding LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....
00194.....	Assured Guaranty Ltd.....	00000.....	.....	.....	.....	.....	Assured Guaranty (UK) Ltd.....	GBR.....	IA.....	Assured Guaranty Corp.....	Ownership.....	100.0	Assured Guaranty Ltd.....	.....

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00194.....	Assured Guaranty Ltd.....	00000.....	27-3047677.....				AGFP Holding LLC.....	DE.....	NIA.....	AG PFC Holding LLC.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Portfolio Funding Company LLC 1.....	DE.....	NIA.....	AGFP Holding LLC.....	Ownership.....	50.0.....	Assured Guaranty Ltd.....	
00000.....	Codan Trust Company Ltd.....	00000.....					AG CAT Re Ltd.....	BMU.....	OTH.....	Codan Trust Company Limited.....	Other.....	0.0.....	Codan Trust Company Limited.....	(2)
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Credit Products 1 LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Credit Products 2 LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Assured Guaranty Credit Protection Ltd.....	GBR.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Assured Guaranty Services (Australia) Pty Ltd.....	AUS.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Administrative Services, LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					MLN 1992-2 Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FMAC 1998-D Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FMAC 2000-A Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					IMC 97-7 Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Credit Protection Trusts.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Other.....	100.0.....	Assured Guaranty Ltd.....	
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.....	
00194.....	Assured Guaranty Ltd.....	00000.....	36-4446928.....				AE Global Holdings, LLC.....	DE.....	NIA.....	Assured Guaranty US Holdings Inc.....	Ownership.....	50.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					AE Global Investments, LLC.....	DE.....	NIA.....	AE Global Holdings, LLC.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					AE Global Asset Funding, LLC.....	DE.....	NIA.....	AE Global Holdings, LLC.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Four Hundred Main Street, LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....	20-3759337.....				Van American Insurance Agency, Inc.....	SC.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Hoboken I, LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....	13-4173364.....				CIFG Services, LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	
00194.....	Assured Guaranty Ltd.....	00000.....	98-0647426.....				CIFG Europe S.A.....	FRA.....	IA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	(3)
00194.....	Assured Guaranty Ltd.....	00000.....	98-0609455.....				CIFG Holding LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	

12.2

[illegible]

Asterisk	Explanation
(1)	The remaining 39.3% of Municipal Assurance Holdings Inc. is directly owned by Assurance Guaranty Corp.
(2)	AG CAT Re Ltd. is wholly owned by Codan Trust Company Limited, an entity that is not owned or controlled by Assured Guaranty Ltd. The insurance manager of AG CAT Re Ltd. is AG Management Ltd.
(3)	In order to comply with a French law mandating that corporations have at least seven (7) shareholders, AGC has loaned one share of CIFG Europe S.A. to each of the following six Delaware limited liability companies, each of which is wholly owned by CIFG Holding LLC, a direct, wholly owned subsidiary of AGC: CIFG Global Holdings I, LLC, CIFG Global Holdings II, LLC, CIFG Global Holdings III, LLC, CIFG Global Holdings IV, LLC, CIFG Global Holdings V, LLC, and CIFG Global Holdings VI, LLC.
(4)	Mogador Limited is wholly owned by Sanne Nominees Limited and Sanne Nominees 2 Limited, which companies are organized under the laws of Jersey, Channel Islands and are not owned or controlled by Assured Guaranty Ltd. Mogador Limited is the depositor of the New Generation Funding Trusts and the seller of protection on derivatives guaranteed by CIFG Europe S.A.

PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire			0.0	0.0
2.	Allied lines			0.0	0.0
3.	Farmowners multiple peril			0.0	0.0
4.	Homeowners multiple peril			0.0	0.0
5.	Commercial multiple peril			0.0	0.0
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine			0.0	0.0
10.	Financial guaranty	318,246,181	51,183,156	16.1	35.5
11.1	Medical professional liability -occurrence			0.0	0.0
11.2	Medical professional liability -claims made			0.0	0.0
12.	Earthquake			0.0	0.0
13.	Group accident and health			0.0	0.0
14.	Credit accident and health			0.0	0.0
15.	Other accident and health			0.0	0.0
16.	Workers' compensation			0.0	0.0
17.1	Other liability occurrence			0.0	0.0
17.2	Other liability-claims made			0.0	0.0
17.3	Excess Workers' Compensation			0.0	0.0
18.1	Products liability-occurrence			0.0	0.0
18.2	Products liability-claims made			0.0	0.0
19.1,19.2	Private passenger auto liability			0.0	0.0
19.3,19.4	Commercial auto liability			0.0	0.0
21.	Auto physical damage			0.0	0.0
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft			0.0	0.0
27.	Boiler and machinery			0.0	0.0
28.	Credit			0.0	0.0
29.	International			0.0	0.0
30.	Warranty			0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	318,246,181	51,183,156	16.1	35.5
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0		0
2.	Allied lines	0		0
3.	Farmowners multiple peril	0		0
4.	Homeowners multiple peril	0		0
5.	Commercial multiple peril	0		0
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	0		0
10.	Financial guaranty	30,452,851	112,344,989	121,535,214
11.1	Medical professional liability-occurrence	0		0
11.2	Medical professional liability-claims made	0		0
12.	Earthquake	0		0
13.	Group accident and health	0		0
14.	Credit accident and health	0		0
15.	Other accident and health	0		0
16.	Workers' compensation	0		0
17.1	Other liability occurrence	0		0
17.2	Other liability-claims made	0		0
17.3	Excess Workers' Compensation	0		0
18.1	Products liability-occurrence	0		0
18.2	Products liability-claims made	0		0
19.1,19.2	Private passenger auto liability	0		0
19.3,19.4	Commercial auto liability	0		0
21.	Auto physical damage	0		0
22.	Aircraft (all perils)	0		0
23.	Fidelity	0		0
24.	Surety	0		0
26.	Burglary and theft	0		0
27.	Boiler and machinery	0		0
28.	Credit	0		0
29.	International	0		0
30.	Warranty	0		0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	TOTALS	30,452,851	112,344,989	121,535,214
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2016 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. 2013 + Prior	435,912		435,912	108,708		108,708	350,969			350,969	23,765	.0	23,765
2. 2014	2,192		2,192	289		289	13,027			13,027	11,124	.0	11,124
3. Subtotals 2014 + prior	438,104	.0	438,104	108,997	.0	108,997	363,996	.0	.0	363,996	34,889	.0	34,889
4. 2015.....	30		30	110		110	300			300	380	.0	380
5. Subtotals 2015 + prior	438,134	.0	438,134	109,107	.0	109,107	364,296	.0	.0	364,296	35,269	.0	35,269
6. 2016	XXX	XXX	XXX	XXX	.80	.80	XXX	.1		.1	XXX	XXX	XXX
7. Totals	438,134	0	438,134	109,107	80	109,187	364,296	1	0	364,297	35,269	0	35,269
8. Prior Year-End Surplus As Regards Policy-holders	2,440,809										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 8.0	2. 0.0	3. 8.0
											Col. 13, Line 7 Line 8		
											4.	1.4	

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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


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

Explanation:

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

Bar Code:

1.



18287201649000003

2.



18287201645500003

3.



18287201636500003

4.



18287201650500003

OVERFLOW PAGE FOR WRITE-INS

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

	1	2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
58004. CHL Chile.....	.XXX.....	577,424	720,200		.0		0
58005. FRA France.....	.XXX.....	9,892	10,984		.0		0
58006. DEU Germany.....	.XXX.....		0		.0		0
58007. IRL Ireland.....	.XXX.....	1,368,252	0		.0		0
58008. NZL New Zealand.....	.XXX.....	42,108	43,847		.0		0
58009. PER Peru.....	.XXX.....		0		.0		0
58010. PRT Portugal.....	.XXX.....		0		.0		0
58011. GBR United Kingdom.....	.XXX.....	1,483,222	1,507,475		.0		0
Summary of remaining write-							
58997. ins for Line 58 from Page 10	XXX	3,480,898	2,282,506	0	0	0	0

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other-than-temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	471,565,485	507,982,891
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition	3,363,318	0
3. Capitalized deferred interest and other		0
4. Accrual of discount	50,348	4,278,729
5. Unrealized valuation increase (decrease)	1,448,402	(8,447,415)
6. Total gain (loss) on disposals	502,000	580,000
7. Deduct amounts received on disposals	102,002,000	31,137,316
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other-than-temporary impairment recognized	10,017	1,691,404
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	374,917,536	471,565,485
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	374,917,536	471,565,485

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	4,909,190,193	4,950,365,895
2. Cost of bonds and stocks acquired	749,838,215	1,206,760,586
3. Accrual of discount	42,700,830	65,208,944
4. Unrealized valuation increase (decrease)	15,625,104	55,526,805
5. Total gain (loss) on disposals	2,920,495	10,951,599
6. Deduct consideration for bonds and stocks disposed of	771,720,803	1,311,228,949
7. Deduct amortization of premium	22,748,245	27,780,190
8. Total foreign exchange change in book/adjusted carrying value	6,467,640	1,855,420
9. Deduct current year's other-than-temporary impairment recognized	30,208,478	42,469,917
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	4,902,064,951	4,909,190,193
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	4,902,064,951	4,909,190,193

STATEMENT AS OF SEPTEMBER 30, 2016 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 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	4,494,676,817	432,077,548	460,141,911	(61,768,706)	4,273,706,752	4,494,676,817	4,404,843,748	4,343,145,084
2. NAIC 2 (a).....	11,402,536		2,662,479	(16,812)	6,090,271	11,402,536	8,723,245	4,262,161
3. NAIC 3 (a).....	0			63,928,921	0	0	63,928,921	0
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	95,587,793		74,238	1,786,258	79,200,013	95,587,793	97,299,813	137,730,490
7. Total Bonds	4,601,667,146	432,077,548	462,878,628	3,929,661	4,358,997,036	4,601,667,146	4,574,795,727	4,485,137,735
PREFERRED STOCK								
8. NAIC 1	0				0	0	0	0
9. NAIC 2	0				0	0	0	0
10. NAIC 3	0				0	0	0	0
11. NAIC 4	0				0	0	0	0
12. NAIC 5	0				0	0	0	0
13. NAIC 6	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	4,601,667,146	432,077,548	462,878,628	3,929,661	4,358,997,036	4,601,667,146	4,574,795,727	4,485,137,735

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$142,241,683 ; NAIC 2 \$;

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

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	39,267,842	XXX	39,255,267	9,277	11,048

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	59,970,399	80,090,567
2. Cost of short-term investments acquired	41,004,158	140,206,262
3. Accrual of discount	15,235	27,834,201
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals	126	4,640
6. Deduct consideration received on disposals	61,719,967	183,961,617
7. Deduct amortization of premium.....	2,109	23,748
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other-than-temporary impairment recognized.....		4,179,906
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	39,267,842	59,970,399
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	39,267,842	59,970,399

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E - VERIFICATION
(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	190,865,789	248,702,310
2. Cost of cash equivalents acquired	724,096,301	542,518,405
3. Accrual of discount	76,528	10,398
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals.....	1,731	338
6. Deduct consideration received on disposals	773,163,673	600,365,662
7. Deduct amortization of premium		0
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	141,876,676	190,865,789
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	141,876,676	190,865,789

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

EO3

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

[illegible]

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

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value						15	16	17	18	19	20	
		3	4					9	10	11	12	13	14							
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/ Adjusted Carrying Value Less Encumbrances Prior Year	Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income	
Any Other Class of Assets - Unaffiliated																				
760841-20-5	RESCAP	Fort Washington	PA	Direct	12/31/2013	07/27/2016	820,000	(70,000)				(70,000)		750,000	986,000		236,000	236,000		
760841-20-5	RESCAP	Fort Washington	PA	Direct	12/31/2013	08/30/2016	820,000	(70,000)				(70,000)		750,000	1,016,000		266,000	266,000		
4299999 - Any Other Class of Assets - Unaffiliated							1,640,000	(140,000)	0	0	0	(140,000)	0	1,500,000	2,002,000	0	502,000	502,000	0	
4499999 – Subtotals - Unaffiliated							1,640,000	(140,000)	0	0	0	(140,000)	0	1,500,000	2,002,000	0	502,000	502,000	0	
4599999 – Subtotals - Affiliated							0	0	0	0	0	0	0	0	0	0	0	0	0	0
4699999 Totals							1,640,000	(140,000)	0	0	0	(140,000)	0	1,500,000	2,002,000	0	502,000	502,000	0	

STATEMENT AS OF SEPTEMBER 30, 2016 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 or Market Indicator ^(a)
Bonds - U.S. Governments									
912828-L4-0	US TREASURY N/B		09/30/2016	BNP PARISBAS SEC CORP		5,020,720	5,000,000	2,486	1
0599999 - Bonds - U.S. Governments						5,020,720	5,000,000	2,486	XXX
Bonds - U.S. States, Territories and Possessions									
419792-LS-3	Hawaii GO		09/30/2016	CITIGROUP GLOBAL MARKETS		3,088,663	2,750,000		1FE
419792-LT-1	Hawaii GO		09/30/2016	CITIGROUP GLOBAL MARKETS		2,518,695	2,250,000		1FE
57582R-LC-8	MASSACHUSETTS ST		08/25/2016	BARCLAYS CAPITAL		1,430,450	1,250,000		1FE
70914P-E5-7	PENNSYLVANIA ST		08/09/2016	MERRILL LYNCH, PIERCE, FENNER & SMITH		3,088,525	2,500,000		1FE
93974D-A2-4	WA GO		09/27/2016	WELLS FARGO BROK SER LLC		2,155,400	1,770,000	2,458	1FE
93974D-A3-2	WA GO		09/27/2016	CITIGROUP GLOBAL MARKETS		4,283,030	3,520,000	4,889	1FE
93974D-ZY-7	WA GO		09/27/2016	CITIGROUP GLOBAL MARKETS		4,717,890	3,865,000	5,368	1FE
93974D-UJ-5	Washington St for Issues DTD		07/27/2016	CITIGROUP GLOBAL MARKETS		6,281,550	5,000,000	20,833	1FE
1799999 - Bonds - U.S. States, Territories and Possessions						27,564,203	22,905,000	33,548	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
022447-G6-7	ALVIN TX INDEPENDENT SCHOOL DIST		08/04/2016	US BANCORP PIPER JAFFRAY		1,262,620	1,000,000	1,389	1FE
088281-VA-5	Bexar County, TX		07/22/2016	LOOP CAPITAL MARKETS, LLC		10,054,151	8,865,000	41,370	1FE
181070-ET-6	CLARK CNTY NV WTR RECLAMATION		08/04/2016	MERRILL LYNCH		1,439,638	1,260,000		1FE
478164-HJ-8	JOHNSON & MIAMI CNTYS KS UNIF		09/29/2016	PIPER JAFFREY INC		1,395,338	1,250,000		1FE
478740-TD-5	JOHNSON CNTY KS UNIF SCH DIST 512		09/21/2016	GEORGE K BAUM		1,148,710	1,000,000		1FE
495260-E7-2	KING CNTY WA SCH DIST #414		08/10/2016	DA DAVIDSON & COMPANY		1,154,620	1,000,000		1FE
655867-UB-3	NORFOLK VA		09/29/2016	MERRILL LYNCH		1,267,380	1,000,000		1FE
798025-NH-1	San Jacinto TX CC Ltd Tax Ref Bds		08/19/2016	MERRILL LYNCH, PIERCE, FENNER & SMITH		2,193,163	1,945,000		1FE
89453P-YE-3	TRAVIS CNTY TEX		07/28/2016	CITIGROUP GLOBAL MARKETS		5,197,016	4,040,000		1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						25,112,636	21,360,000	42,759	XXX
Bonds - U.S. Special Revenue									
02765U-MB-7	AMERICAN MUNI PWR-OHIO INC REV		09/20/2016	RBC CAPITAL MARKETS		1,657,650	1,500,000		1FE
050589-NM-8	AUBURN UNIV AL GEN FEE REVENUE		08/03/2016	STIFEL NICOLAUS & CO INC		1,252,340	1,000,000		1FE
050589-NP-1	AUBURN UNIV AL GEN FEE REVENUE		08/03/2016	STIFEL NICOLAUS & CO INC		1,130,430	1,000,000		1FE
117467-EP-1	BRUSHY CREEK REGIONAL UTILITY AUTH		09/19/2016	CITIGROUP GLOBAL MARKETS		3,458,042	2,780,000		1FE
153476-BK-1	CENTRAL FL EXPWY AUTH SR LIEN REV		09/23/2016	MERRILL LYNCH, PIERCE, FENNER & SMITH		5,612,800	5,000,000		1FE
153476-BL-9	CENTRL FL EXPRESSWAY AUTH FL		09/23/2016	MERRILL LYNCH		1,391,875	1,250,000		1FE
153476-BM-7	CENTRL FL EXPRESSWAY AUTH FL		09/23/2016	MERRILL LYNCH		1,660,800	1,500,000		1FE
181108-YP-0	Clark Cnty WA Pub Util Dist Elec		08/26/2016	BARCLAYS CAPITAL		621,210	500,000		1FE
181108-YO-8	Clark Cnty WA Pub Util Dist Elec		08/26/2016	BARCLAYS CAPITAL		803,875	650,000		1FE
181108-YR-6	Clark Cnty WA Pub Util Dist Elec		08/26/2016	BARCLAYS CAPITAL		553,986	450,000		1FE
181108-YN-5	Clark Cnty WA Pub Util Distr Elec		08/26/2016	BARCLAYS CAPITAL		1,000,800	800,000		1FE
414005-WR-5	County of Harris TX		07/25/2016	MERRILL LYNCH, PIERCE, FENNER & SMITH		4,452,912	3,600,000	8,000	1FE
3138WH-SW-3	FEDERAL NATIONAL MTG ASSOC #AS7732		08/09/2016	SUNTRUST CAPITAL MARKETS INC		15,611,043	14,973,313	12,478	1
31307R-Z8-1	FG J35267		09/30/2016	CITIGROUP GLOBAL MARKETS		10,503,982	10,121,272	11,949	1
3128MJ-YY-0	FHLMG #G08726		09/30/2016	BANK OF AMERICA SECURITIES LLC		855,961	823,040	274	1
45204E-HT-8	Illinois St Fin Auth Rev Depaul U		08/25/2016	GOLDMAN SACHS		1,534,475	1,250,000		1FE
45505M-EU-6	INDIANA ST FIN AUTH WASTEWATER		09/09/2016	JP MORGAN SECURITIES		1,557,377	1,230,000		1FE
45505M-EV-4	INDIANA ST FIN AUTH WASTEWATER		09/09/2016	JP MORGAN SECURITIES		1,573,663	1,250,000		1FE
455114-MG-0	INDIANA ST UNIV REVS STUDENT FEE		09/08/2016	BARCLAYS CAPITAL		1,561,544	1,240,000		1FE
517039-TP-8	Laredo TX Wtrwks Impt & Ref Bds		08/23/2016	JEFFERIES		1,651,458	1,480,000		1FE
517039-TN-3	Laredo TX Wtrwks Impt & Rev Bds		08/23/2016	JEFFERIES		1,230,290	1,000,000		1FE
59259N-SR-0	MET TRANSPORT AUTH NY DED TAX FUND		09/21/2016	JEFFERIES		3,330,877	2,635,000		1FE
592647-DD-0	METROPOLITAN WASH DC AIRPORTS AUTH		07/21/2016	CITIGROUP GLOBAL MARKETS		2,400,455	1,975,000	5,212	1FE
594612-DJ-9	MI DOT Garvee		07/15/2016	LOOP CAPITAL MARKETS, LLC		2,928,298	2,290,000		1FE
594653-7N-1	MICHIGAN ST HSG DEV AUTH		09/23/2016	BARCLAYS CAPITAL		1,594,755	1,500,000		1FE
650035-U6-3	NEW YORK ST URBAN DEV CORP REV		09/16/2016	RAMIREZ		1,539,675	1,250,000	1,042	1FE
65956N-GS-9	NORTH HARRIS CNTY REGL WTR AUT		07/28/2016	JP MORGAN SECURITIES		1,893,225	1,500,000		1FE
67759H-JB-1	Ohio St Approp		09/28/2016	KEYBANK CAPITAL MARKETS INC		6,348,927	5,065,000		1FE
677581-GK-0	Ohio State Infrastructure Revenue		07/27/2016	FIFTH THIRD SECURITIES		3,356,941	2,650,000		1FE
735389-XG-8	PORT SEATTLE WASH REV		09/27/2016	VARIOUS		4,016,267	3,245,000	8,056	1FE
735439-PL-9	PORT TACOMA WA REVENUE		08/17/2016	BARCLAYS CAPITAL		1,309,396	1,065,000		1FE
735439-PW-7	PORT TACOMA WA REVENUE		08/17/2016	BARCLAYS CAPITAL		1,371,328	1,120,000		1FE
735439-PN-5	PORT TACOMA WA REVENUE		08/17/2016	BARCLAYS CAPITAL		1,431,561	1,175,000		1FE
735439-PQ-8	PORT TACOMA WA REVENUE		08/17/2016	BARCLAYS CAPITAL		1,509,175	1,250,000		1FE

E04.1

E04.1

E04.1

E04.1

E04.1

STATEMENT AS OF SEPTEMBER 30, 2016 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	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
36178C-7C-1...	GNMA #0AA5391 SF30.....		09/15/2016	PRINCIPAL RECEIPT.....		636,719	636,719	684,821	685,214		(48,496)		(48,496)		636,719			.0	13,622	06/15/2042	1
36241L-BC-9...	GNMA #782735.....		09/15/2016	PRINCIPAL RECEIPT.....		129,393	129,393	140,735	144,757		(15,363)		(15,363)		129,393			.0	4,855	07/15/2039	1
36295W-EN-3...	GNMA #682441.....		09/15/2016	PRINCIPAL RECEIPT.....		1,571	1,571	1,688	1,706		(136)		(136)		1,571			.0	50	05/15/2023	1
36225C-BQ-8...	GNMA 11 ARM POOL 080046.....		09/20/2016	PRINCIPAL RECEIPT.....		406	406	410	408		(2)		(2)		406			.0	2	02/20/2027	1
36207R-3A-1...	GNMA POOL 440093.....		09/15/2016	PRINCIPAL RECEIPT.....		332	332	321	325		7		7		332			.0	12	02/15/2027	1
36201F-V2-0...	GNMA POOL 582133.....		09/15/2016	PRINCIPAL RECEIPT.....		785	785	834	818		(33)		(33)		785			.0	35	05/15/2032	1
0599999 - Bonds - U.S. Governments						769,206	769,205	828,809	833,228	0	(64,023)	0	(64,023)	0	769,206	0	0	0	18,576	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
416415-AP-2...	HARTFORD CT.....		08/23/2016	HUTCHINSON SHOCKEY & ERLY.....		2,879,475	2,500,000	2,768,875	2,679,112		(16,633)		(16,633)		2,662,479		216,996	216,996	112,847	04/01/2026	2FE
544290-GB-9...	LOS ALTOS CALIF SCH DIST PRERFD.....		08/01/2016	CALLED @ 100.0000000.....		2,095,000	2,095,000	2,221,161	2,103,818		(8,818)		(8,818)		2,095,000			.0	104,750	08/01/2021	1FE
544290-GK-9...	LOS ALTOS CALIF SCH DIST UNREFUNDE.....		08/01/2016	CALLED @ 100.0000000.....		2,905,000	2,905,000	3,079,939	2,917,228		(12,228)		(12,228)		2,905,000			.0	145,250	08/01/2021	1FE
64966F-SN-5...	NEW YORK N Y.....		08/01/2016	MATURITY.....		4,500,000	4,500,000	4,876,830	4,525,385		(25,385)		(25,385)		4,500,000			.0	236,250	08/01/2016	1FE
74176F-BR-9...	PRINCE WILLIAMS CNTY CTFS.....		09/01/2016	CALLED @ 100.0000000.....		1,725,000	1,725,000	1,778,699	1,729,353		(4,353)		(4,353)		1,725,000			.0	86,250	09/01/2023	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						14,104,475	13,725,000	14,725,504	13,954,896	0	(67,417)	0	(67,417)	0	13,887,479	0	216,996	216,996	685,347	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																					
040654-MZ-5...	ARIZONA ST TRANS BRD HWY REV.....		07/01/2016	MATURITY.....		10,070,000	10,070,000	10,725,960	10,070,000				.0		10,070,000			.0	503,500	07/01/2016	1
161045-GB-9...	CHARLOTTE N C WTR & SWR SYS REV.....		07/01/2016	CALLED @ 100.0000000.....		1,000,000	1,000,000	1,048,640	1,002,977		(2,977)		(2,977)		1,000,000			.0	50,000	07/01/2021	1FE
226706-AA-7...	CRISP CNTY GA SOL WST MGMT AUTH.....		07/01/2016	Sink PMT @ 100.0000000.....		74,238	74,238	61,357	60,770		13,610	143	13,467		74,238			.0		01/01/2023	6AM
246395-TY-3...	DE HSG-SR-SFM-B.....		07/01/2016	CALLED @ 100.0000000.....		5,000	5,000	5,000	5,000				.0		5,000			.0	144	07/01/2039	1FE
29270C-C3-7...	ENERGY N W WA ELEC REVENUE PRERE.....		07/01/2016	CALLED @ 100.0000000.....		4,025,000	4,025,000	3,984,832	4,018,638		6,362		6,362		4,025,000			.0	201,250	07/01/2023	1
29270C-C8-6...	ENERGY N W WA ELEC REVENUE UNREF.....		07/01/2016	CALLED @ 100.0000000.....		8,835,000	8,835,000	8,746,830	8,821,035		13,965		13,965		8,835,000			.0	441,750	07/01/2023	1FE
3136A6-N5-9...	FANNIE MAE 12-76 A.....		09/25/2016	PRINCIPAL RECEIPT.....		115,682	115,682	120,508	120,017		(4,336)		(4,336)		115,682			.0	2,718	08/25/2038	1
3136AK-KB-8...	FANNIE MAE 14-41 CG.....		09/25/2016	PRINCIPAL RECEIPT.....		55,910	55,910	57,255	57,145		(1,235)		(1,235)		55,910			.0	1,141	06/25/2040	1
3136AK-UV-3...	FANNIE MAE 14-46 TA.....		09/25/2016	PRINCIPAL RECEIPT.....		58,430	58,430	59,679	59,612		(1,182)		(1,182)		58,430			.0	1,173	10/25/2040	1
31402V-LU-2...	Fannie Mae POOL # 739339.....		09/25/2016	PRINCIPAL RECEIPT.....		13,465	13,465	13,751	13,539		(74)		(74)		13,465			.0	487	09/01/2018	1
31405U-M8-9...	Fannie Mae POOL # 799683.....		09/25/2016	PRINCIPAL RECEIPT.....		5,016	5,016	5,121	5,057		(41)		(41)		5,016			.0	184	11/01/2019	1
31406C-MA-3...	Fannie Mae POOL# 805953.....		09/25/2016	PRINCIPAL RECEIPT.....		7,700	7,700	7,876	7,774		(74)		(74)		7,700			.0	280	12/01/2019	1
31349U-JL-3...	FED* HOME LOAN MTGE CORP # 782967.....		09/15/2016	PRINCIPAL RECEIPT.....		70,217	70,217	70,616	71,030		(812)		(812)		70,217			.0	1,004	01/01/2035	1
31320Q-TT-9...	FEDERAL HOME LN MTG CORP #Q34161.....		09/15/2016	PRINCIPAL RECEIPT.....		125,369	125,369	129,659	129,608		(4,239)		(4,239)		125,369			.0	2,859	06/01/2045	1
3138WE-KW-8...	FEDERAL NATIONAL MTG ASSOC #AS4808.....		09/25/2016	PRINCIPAL RECEIPT.....		44,212	44,212	46,430	46,379		(2,167)		(2,167)		44,212			.0	1,089	04/01/2045	1
3138WH-SW-3...	FEDERAL NATIONAL MTG ASSOC #AS7732.....		09/25/2016	PRINCIPAL RECEIPT.....		33,867	33,867	35,310			(1,442)		(1,442)		33,867			.0	85	08/01/2041	1
3138YR-OX-9...	FEDERAL NATIONAL MTG ASSOC #AZ0469.....		09/25/2016	PRINCIPAL RECEIPT.....		26,414	26,414	27,755	27,749		(1,335)		(1,335)		26,414			.0	618	05/01/2045	1
3128PU-EW-8...	FG J14649.....		09/15/2016	PRINCIPAL RECEIPT.....		227,437	227,437	226,336	226,093		1,344		1,344		227,437			.0	4,913	04/01/2026	1
3128M1-BA-6...	FGOLD 15YR GIANT.....		09/15/2016	PRINCIPAL RECEIPT.....		9,057	9,057	8,938	8,970		.87		.87		9,057			.0	290	04/01/2021	1
3128MB-FN-2...	FGOLD 15YR GIANT MBS/POOL.....		09/15/2016	PRINCIPAL RECEIPT.....		2,434	2,434	2,413	2,419		.15		.15		2,434			.0	78	09/01/2021	1
3128LO-DE-9...	FGOLD 30YR.....		09/15/2016	PRINCIPAL RECEIPT.....		23,551	23,551	23,691	23,683		(132)		(132)		23,551			.0	949	11/01/2037	1
3128LX-FB-1...	FGOLD 30YR GIANT.....		09/15/2016	PRINCIPAL RECEIPT.....		21,177	21,177	20,311	20,260		918		918		21,177			.0	677	12/01/2035	1
3128MS-HJ-2...	FGOLD 30YR GIANT.....		09/15/2016	PRINCIPAL RECEIPT.....		7,920	7,920	7,998	7,995		(74)		(74)		7,920			.0	285	06/01/2036	1
3128MS-LE-8...	FGOLD 30YR GIANT.....		09/15/2016	PRINCIPAL RECEIPT.....		31,775	31,775	32,502	32,591		(817)		(817)		31,775			.0	1,357	11/01/2037	1
3128MG-EF-1...	FGOLD 30YR GIANT.....		09/15/2016	PRINCIPAL RECEIPT.....		7,568	7,568	7,170	7,201		367		367		7,568			.0	256	04/01/2038	1
3128MJ-TP-5...	FGOLD 30YR GIANT.....		09/15/2016	PRINCIPAL RECEIPT.....		455,631	455,631	453,745	453,692		1,940		1,940		455,631			.0	10,385	11/01/2043	1
3128M5-ME-7...	FGOLD 30YR GIANT POOL # G03657.....		09/15/2016	PRINCIPAL RECEIPT.....		41,254	41,254	42,705	43,260		(2,007)		(2,007)		41,254			.0	1,682	12/01/2037	1
3128K9-KT-0...	FGOLD POOL # A48406.....		09/15/2016	PRINCIPAL RECEIPT.....		7,584	7,584	7,460	7,439		145		145		7,584			.0	278	03/01/2036	1
31292H-5P-5...	FGOLD POOL # C01754.....		09/15/2016	PRINCIPAL RECEIPT.....		11,624	11,624	11,767	11,762		(138)		(138)		11,624			.0	426	01/01/2034	1
3128BJ-ZR-0...	FGOLD POOL # C79752.....		09/15/2016	PRINCIPAL RECEIPT.....		21,156	21,156	21,383	21,328		(173)		(173)		21,156			.0	698	05/01/2033	1
3128LX-BJ-8...	FGOLD POOL # G01841.....		09/15/2016	PRINCIPAL RECEIPT.....		13,045	13,045	13,078	13,079		(34)		(34)		13,045			.0	484	06/01/2035	1
31292H-KJ-2...	FGOLD POOL 01197.....		09/15/2016	PRINCIPAL RECEIPT.....		9,443	9,443	9,388	9,382		24		24		9,406		37	37	352	07/01/2031	1
31287M-HU-7...	FGOLD POOL 62043.....		09/15/2016	PRINCIPAL RECEIPT.....		899	899	910			(9)		(9)		899			.0	35	12/01/2031	1
31292G-VZ-6...	FGOLD POOL C00632.....		09/15/2016	PRINCIPAL RECEIPT.....		107	107	104			2		2		107			.0	5	07/01/2028	1
31292H-QR-8...	FGOLD POOL C01364.....		09/15/2016	PRINCIPAL RECEIPT.....		3,589	3,589	3,644	3,672		(82)		(82)		3,589			.0	150	06/01/2032	1
31293C-EW-6...	FGOLD POOL C18249.....		09/15/2016	PRINCIPAL RECEIPT.....		1,675	1,675	1,652	1,660		15		15		1,675			.0	78	11/01/2028	1
31294E-HK-8...	FGOLD POOL C37434.....		09/15/2016	PRINCIPAL RECEIPT.....		3,010	3,010	2,950	2,964		46		46		3,010			.0	131	12/01/2029	1

STATEMENT AS OF SEPTEMBER 30, 2016 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	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
31286P-T6-0	FGOLD POOL E86873..... FHLMC 5/1 6MO LIBOR		09/15/2016	PRINCIPAL RECEIPT.....		3,395	3,395	3,476	3,420		(25)		(25)		3,395			.0	123	..01/01/2017..	1
31286Q-UA-6	HYBRID ARM..... FHLMC Gold 15 Yr P/T Pool # G14800		09/15/2016	PRINCIPAL RECEIPT.....		25,288	25,288	25,748	25,716		(428)		(428)		25,288			.0	402	..05/01/2037..	1
31286D-RV-7	FHLMC Gold 15 Yr P/T Pool # G14800		09/15/2016	PRINCIPAL RECEIPT.....		162,797	162,797	173,837	172,524		(9,727)		(9,727)		162,797			.0	4,100	..06/01/2025..	1
31286D-VL-4	FHLMC Gold 30 Yr P/T Pool # G14919		09/15/2016	PRINCIPAL RECEIPT.....		177,640	177,640	189,519	189,643		(12,004)		(12,004)		177,640			.0	4,418	..06/01/2026..	1
31286M-WB-4	# G07542.....		09/15/2016	PRINCIPAL RECEIPT.....		108,846	108,846	116,227	115,808		(6,962)		(6,962)		108,846			.0	3,354	..11/01/2043..	1
31395W-HN-0	FHR 3005 ED.....		09/15/2016	PRINCIPAL RECEIPT.....		85,008	85,008	94,306	92,599		(7,591)		(7,591)		85,008			.0	2,857	..07/15/2025..	1
3137A7-VZ-0	FHR 3828 VE.....		09/15/2016	PRINCIPAL RECEIPT.....		57,230	57,230	60,863	59,423		(2,193)		(2,193)		57,230			.0	1,649	..01/15/2024..	1
3137AN-AA-3	FHR 4016 KV.....		09/15/2016	PRINCIPAL RECEIPT.....		12,459	12,459	13,347	13,056		(597)		(597)		12,459			.0	319	..02/15/2025..	1
3137BD-ZX-7	FHR 4387 KG.....		09/15/2016	PRINCIPAL RECEIPT.....		267,851	267,851	275,525	278,789		(7,508)	3,430	(10,938)		267,851			.0	6,929	..02/15/2039..	1
34073N-7G-9	FL HSG FIN-HMOWNER-3.....		07/01/2016	CALLED @ 100,0000000.....		45,000	45,000	45,000	45,000				0		45,000			.0	1,131	..07/01/2023..	1FE
31376K-JR-8	FNMA POOL# 357672.....		09/25/2016	PRINCIPAL RECEIPT.....		93,181	93,181	89,985	91,876		1,305		1,305		93,181			.0	2,818	..12/01/2019..	1
31371L-TQ-2	FNMA 15YR.....		09/25/2016	PRINCIPAL RECEIPT.....		4,411	4,411	4,415	4,413		(2)		(2)		4,411			.0	163	..09/01/2019..	1
31410F-YJ-8	FNMA 30YR.....		09/25/2016	PRINCIPAL RECEIPT.....		37,511	37,511	36,734	36,737		774		774		37,511			.0	1,228	..05/01/2036..	1
31403D-T8-2	FNMA 30YR POOL # 745875.....		09/25/2016	PRINCIPAL RECEIPT.....		67,703	67,703	69,359	69,480		(1,777)		(1,777)		67,703			.0	2,900	..09/01/2036..	1
31414U-6M-5	FNMA 30YR POOL # 977076.....		09/25/2016	PRINCIPAL RECEIPT.....		33,898	33,898	32,521	32,514		1,384		1,384		33,898			.0	1,142	..01/01/2038..	1
31405R-AK-2	FNMA 30YR POOL #796610.....		09/25/2016	PRINCIPAL RECEIPT.....		140,639	140,639	139,278	139,231		1,408		1,408		140,639			.0	4,886	..10/01/2034..	1
31406M-4A-1	FNMA 30YR POOL #814517.....		09/25/2016	PRINCIPAL RECEIPT.....		6,053	6,053	5,998	5,996		58		58		6,053			.0	222	..03/01/2035..	1
31385X-09-1	FNMA 30YR POOL#555880.....		09/25/2016	PRINCIPAL RECEIPT.....		38,011	38,011	37,787	37,784		227		227		38,011			.0	1,387	..11/01/2033..	1
31402D-P7-9	FNMA 30YR POOL#725946.....		09/25/2016	PRINCIPAL RECEIPT.....		51,211	51,211	50,574	50,554		657		657		51,211			.0	1,888	..11/01/2034..	1
31402S-SZ-5	FNMA 30YR POOL#735036.....		09/25/2016	PRINCIPAL RECEIPT.....		58,479	58,479	57,773	57,743		736		736		58,479			.0	2,141	..12/01/2034..	1
31392C-AV-6	FNMA 02-14: 1A.....		09/25/2016	PRINCIPAL RECEIPT.....		6,072	6,072	6,604	6,593		(9)		(9)		6,583		(512)	(512)	267	..01/25/2042..	1
31407N-ZJ-5	FNMA 15 YR MBS/POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		56,511	56,511	56,484	56,490		21		21		56,511			.0	2,269	..10/01/2020..	1
31403D-PU-7	FNMA 15 YR POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		7,611	7,611	7,553	7,570		41		41		7,611			.0	254	..03/01/2021..	1
31407K-VF-3	FNMA 15YR MBS/POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		28,411	28,411	28,380	28,390		21		21		28,411			.0	1,081	..09/01/2020..	1
31410F-ZZ-4	FNMA 15YR MBS/POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		21,050	21,050	20,747	20,912		138		138		21,050			.0	696	..07/01/2020..	1
31413E-UA-1	FNMA 30 YEAR POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		41,909	41,909	41,446	41,424		485		485		41,909			.0	1,597	..08/01/2037..	1
31402R-R9-2	FNMA 30 YR.....		09/25/2016	PRINCIPAL RECEIPT.....		14,671	14,671	14,414	14,388		283		283		14,671			.0	538	..10/01/2035..	1
31418N-ZW-3	FNMA 30 Yr P/T Pool # AD1656.....		09/25/2016	PRINCIPAL RECEIPT.....		466,160	466,160	503,598	505,322		(39,162)		(39,162)		466,160			.0	14,116	..03/01/2040..	1
31419A-3M-7	FNMA 30 Yr P/T Pool # AE0803.....		09/25/2016	PRINCIPAL RECEIPT.....		214,566	214,566	232,184	233,686		(19,121)		(19,121)		214,566			.0	6,513	..10/01/2040..	1
31419E-J6-7	FNMA 30 Yr P/T Pool # AE3884.....		09/25/2016	PRINCIPAL RECEIPT.....		218,099	218,099	235,990	236,560		(18,461)		(18,461)		218,099			.0	6,493	..11/01/2040..	1
31409G-MP-8	FNMA 30 YR POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		18,625	18,625	18,631	18,631		(7)		(7)		18,625			.0	715	..07/01/2036..	1
31410G-CP-6	FNMA 30 YR POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		17,128	17,128	16,989	16,979		149		149		17,128			.0	669	..07/01/2037..	1
3138X3-EG-3	FNMA 30YR.....		09/25/2016	PRINCIPAL RECEIPT.....		344,999	344,999	352,330	352,487		(7,488)		(7,488)		344,999			.0	6,682	..08/01/2043..	1
31402C-VP-4	FNMA 30YR.....		09/25/2016	PRINCIPAL RECEIPT.....		30,340	30,340	30,258	30,269		71		71		30,340			.0	1,127	..02/01/2034..	1
31402Q-WA-5	FNMA 30YR.....		09/25/2016	PRINCIPAL RECEIPT.....		32,621	32,621	31,876	31,845		776		776		32,621			.0	1,196	..01/01/2035..	1
31410G-AF-0	FNMA 30YR MBS POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		14,783	14,783	14,332	14,352		432		432		14,783			.0	495	..08/01/2036..	1
31410F-T6-2	FNMA 30YR MBS/POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		87,591	87,591	86,568	86,758		833		833		87,591			.0	3,332	..02/01/2035..	1
31403D-DX-4	FNMA 30YR MBS/POOL# 13442.....		09/25/2016	PRINCIPAL RECEIPT.....		28,686	28,686	27,743	27,827		859		859		28,686			.0	1,057	..04/01/2036..	1
31403D-PN-3	FNMA 30YR POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		29,515	29,515	29,279	29,283		232		232		29,515			.0	1,244	..08/01/2036..	1
31409V-D3-4	FNMA 30YR POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		3,891	3,891	3,867	3,867		24		24		3,891			.0	149	..03/01/2036..	1
31410G-AE-3	FNMA 30YR POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		60,644	60,644	57,173	57,373		3,272		3,272		60,644			.0	2,025	..12/01/2036..	1
31410S-QE-0	FNMA 30YR POOL.....		09/25/2016	PRINCIPAL RECEIPT.....		93	93	92	92		1		1		93			.0	3	..07/01/2036..	1
31400Y-4J-2	FNMA 30YR POOL 702025.....		09/25/2016	PRINCIPAL RECEIPT.....		32,806	32,806	34,538	34,899		(2,094)		(2,094)		32,806			.0	1,473	..05/01/2033..	1
31402R-UN-7	FNMA 30YR pool#735989.....		09/25/2016	PRINCIPAL RECEIPT.....		19,395	19,395	19,275	19,278		117		117		19,395			.0	7		

STATEMENT AS OF SEPTEMBER 30, 2016 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	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
31385X-F9-3...	FNMA POOL 555592.....		09/25/2016	PRINCIPAL RECEIPT		.808	.808	.829	.829		(21)		(21)		.808			.0	.27	07/01/2033	1
31388W-KN-5...	FNMA POOL 616901.....		09/25/2016	PRINCIPAL RECEIPT		.273	.273	.275	.275		(2)		(2)		.273			.0	.11	12/01/2031	1
31388W-PP-5...	FNMA POOL 617030.....		09/25/2016	PRINCIPAL RECEIPT		.110	.110	.110	.111		(1)		(1)		.110			.0	.4	12/01/2031	1
31388X-X4-1...	FNMA POOL 618199.....		09/25/2016	PRINCIPAL RECEIPT		9,234	9,234	9,481	9,450	(152)			(152)		9,297			.0	.338	11/01/2031	1
31390B-XK-9...	FNMA POOL 641582.....		09/25/2016	PRINCIPAL RECEIPT		34,360	34,360	34,894	34,711	(352)			(352)		34,360		(63)	.0	1,628	04/01/2032	1
31390W-3E-2...	FNMA POOL 650697.....		09/25/2016	PRINCIPAL RECEIPT		5,717	5,717	5,872	5,750	(33)			(33)		5,717			.0	.210	07/01/2017	1
31390Y-2V-9...	FNMA POOL 660588.....		09/25/2016	PRINCIPAL RECEIPT		.902	.902	.905	.903	(1)			(1)		.902			.0	.34	09/01/2017	1
31391H-RS-5...	FNMA POOL 667497.....		09/25/2016	PRINCIPAL RECEIPT		.180	.180	.185	.193	(13)			(13)		.180			.0	.7	01/01/2033	1
31391Y-5G-8...	FNMA POOL 681347.....		09/25/2016	PRINCIPAL RECEIPT		2,492	2,492	2,555	2,506	(14)			(14)		2,492			.0	.81	02/01/2018	1
31400A-MX-3...	FNMA POOL 681774.....		09/25/2016	PRINCIPAL RECEIPT		5,089	5,089	5,088	5,089						5,089			.0	.169	01/01/2018	1
31400P-ZK-4...	FNMA POOL 693846.....		09/25/2016	PRINCIPAL RECEIPT		22,237	22,237	22,757	22,683	(446)			(446)		22,237			.0	.772	03/01/2033	1
31400R-WZ-0...	FNMA POOL 695564.....		09/25/2016	PRINCIPAL RECEIPT		4,180	4,180	4,272	4,254	(74)			(74)		4,180			.0	.170	03/01/2033	1
31404R-XU-6...	FNMA POOL 776591.....		09/25/2016	PRINCIPAL RECEIPT		13,538	13,538	13,334	13,330	209			209		13,538			.0	.421	04/01/2034	1
31388A-L9-3...	FNMA POOL 98952.....		09/25/2016	PRINCIPAL RECEIPT		.236	.236	.239	.236						.236			.0	.9	08/01/2017	1
313602-G0-1...	FNMA REMIC 88-25B TAC.....		09/25/2016	PRINCIPAL RECEIPT		.406	.406	.411	.407						.406			.0	.25	10/25/2018	1
31394E-FT-0...	FNR 2005-64 PL.....		09/25/2016	PRINCIPAL RECEIPT		30,292	30,292	31,333	31,717		(1,425)		(1,425)		30,292			.0	1,112	07/25/2035	1
3136A3-ED-9...	FNR 2011-143 PA.....		09/25/2016	PRINCIPAL RECEIPT		177,923	177,923	194,575	184,562	(6,639)			(6,639)		177,923			.0	5,430	02/25/2038	1
3136A3-C2-5...	FNR 2012-5 VC.....		09/25/2016	PRINCIPAL RECEIPT		32,774	32,774	35,155	33,836	(1,063)			(1,063)		32,774			.0	.766	02/25/2025	1
3137B5-6H-1...	FREDDIE MAC -4257 A.....		09/15/2016	PRINCIPAL RECEIPT		69,745	69,745	71,227	71,134	(1,389)			(1,389)		69,745			.0	1,127	10/15/2027	1
3137BB-N9-7...	FREDDIE MAC -4358 DA.....		09/15/2016	PRINCIPAL RECEIPT		254,494	254,494	258,660	258,382	(3,888)			(3,888)		254,494			.0	4,925	06/15/2040	1
3137BC-BB-3...	FREDDIE MAC -4366 DK.....		09/15/2016	PRINCIPAL RECEIPT		539,418	539,418	551,976	550,104	(10,687)			(10,687)		539,418			.0	11,127	05/15/2033	1
3137BC-BE-7...	FREDDIE MAC -4366 GA.....		09/15/2016	PRINCIPAL RECEIPT		234,988	234,988	238,954	238,579	(3,591)			(3,591)		234,988			.0	4,552	03/15/2040	1
3137BC-TN-8...	FREDDIE MAC -4376 HA.....		09/15/2016	PRINCIPAL RECEIPT		304,115	304,115	309,152	308,651	(4,535)			(4,535)		304,115			.0	5,975	04/15/2040	1
3137BD-CR-5...	FREDDIE MAC -4377 LA.....		09/15/2016	PRINCIPAL RECEIPT		606,201	606,201	615,484	614,680	(8,479)			(8,479)		606,201			.0	11,691	06/15/2040	1
3137A0-Y8-2...	FREDDIE MAC 3704 CLASS ED.....		09/15/2016	PRINCIPAL RECEIPT		50,417	50,417	53,323	53,386	(2,969)			(2,969)		50,417			.0	1,294	12/15/2036	1
31283H-G6-5...	Freddie Mac pool # G01771.....		09/15/2016	PRINCIPAL RECEIPT		12,436	12,436	12,461	12,461	(25)			(25)		12,436			.0	.446	02/01/2035	1
542690-ZP-0...	ELEC SYS.....		09/08/2016	CALLED @ 100.0000000		1,740,000	1,740,000	1,837,370	1,747,790		(7,790)		(7,790)		1,740,000			.0	.87,000	09/01/2017	1FE
576049-R7-7...	MASSACHUSETTS ST WTR RES.....		08/01/2016	CALLED @ 100.0000000		5,390,000	5,390,000	5,498,555	5,403,758		(13,758)		(13,758)		5,390,000			.0	269,500	08/01/2036	1FE
59333N-KL-6...	MIAMI-DADE CNTY FLA SPL.....		09/05/2016	CALLED @ 100.0000000		1,000,000	1,000,000	.861,920	1,000,000					.0	1,000,000			.0	.46,389	10/01/2035	1FE
59447P-W4-9...	MICHIGAN FIN AUTH REV 4.5.....		09/14/2016	CALLED @ 100.0000000		5,657	5,657	5,673	5,657					.0	5,657			.0	.243	04/01/2020	1FE
59447P-W7-2...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		5,657	5,657	5,674	5,657					.0	5,657			.0	.249	04/01/2022	1FE
59447P-W9-8...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		16,970	16,970	17,020	16,970					.0	16,970			.0	.748	04/01/2023	1FE
59447P-R4-5...	MICHIGAN FIN AUTH REV 5.0.....		09/14/2016	CALLED @ 100.0000000		75,480	75,480	75,726	75,528		(48)		(48)		75,480			.0	3,596	04/01/2017	1FE
59447P-R5-2...	MICHIGAN FIN AUTH REV 5.0.....		09/14/2016	CALLED @ 100.0000000		79,320	79,320	79,585	79,320					.0	79,320			.0	3,779	04/01/2018	1FE
59447P-R6-0...	MICHIGAN FIN AUTH REV 5.0.....		09/14/2016	CALLED @ 100.0000000		83,280	83,280	83,558	83,280					.0	83,280			.0	3,967	04/01/2019	1FE
59447P-T2-7...	MICHIGAN FIN AUTH REV 5.0.....		09/14/2016	CALLED @ 100.0000000		289,213	289,213	290,162	289,213					.0	289,213			.0	13,778	04/01/2019	1FE
59447P-T3-5...	MICHIGAN FIN AUTH REV 5.0.....		09/14/2016	CALLED @ 100.0000000		289,213	289,213	290,162	289,213					.0	289,213			.0	13,778	04/01/2020	1FE
59447P-T4-3...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		289,213	289,213	290,162	289,213					.0	289,213			.0	13,778	04/01/2021	1FE
59447P-T7-6...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		66,932	66,932	67,733	66,932					.0	66,932			.0	3,268	04/01/2021	1FE
59447P-T8-4...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		70,341	70,341	71,182	70,341					.0	70,341			.0	3,435	04/01/2022	1FE
59447P-V9-9...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		35,636	35,636	35,757	35,636					.0	35,636			.0	1,783	04/01/2017	1FE
59447P-W2-3...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		37,503	37,503	37,634	37,503					.0	37,503			.0	1,876	04/01/2018	1FE
59447P-W3-1...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		39,483	39,483	39,620	39,483					.0	39,483			.0	1,975	04/01/2019	1FE
59447P-W5-6...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		35,920	35,920	36,045	35,920					.0	35,920			.0	1,797	04/01/2020	1FE
59447P-W6-4...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		43,669	43,669	43,821	43,669					.0	43,669			.0	2,184	04/01/2021	1FE
59447P-W8-0...	MICHIGAN FIN AUTH REV.....		09/14/2016	CALLED @ 100.0000000		40,331	40,331	40,471	40,331					.0	40,331			.0	2,017	04/01/2022	1FE

STATEMENT AS OF SEPTEMBER 30, 2016 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	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
59447P-X2-2...	MICHIGAN FIN AUTH REV 5.25 01APR23		09/14/2016	CALLED @ 100.0000000		31,394	31,394	31,708	31,394				.0		31,394			.0	1,570	04/01/2023	1FE
59447P-S8-5...	MICHIGAN FIN AUTH REV 5.375 01APR1		09/14/2016	CALLED @ 100.0000000		136,343	136,343	136,819	136,343				.0		136,343			.0	6,982	04/01/2017	1FE
59447P-S9-3...	MICHIGAN FIN AUTH REV 5.375 01APR1		09/14/2016	CALLED @ 100.0000000		289,213	289,213	290,245	289,213				.0		289,213			.0	14,811	04/01/2018	1FE
60416S-GV-6...	MINNESOTA ST HSG FIN AGY		09/01/2016	CALLED @ 100.0000000		300,000	300,000	326,745		(1,393)			(1,393)		321,188		(21,188)	(21,188)	8,643	01/01/2038	1FE
647200-YP-3...	NM MTG-SFM-D2		07/01/2016	CALLED @ 100.0000000		90,000	90,000	90,000	90,000				.0		90,000			.0	2,475	07/01/2039	1FE
64990E-Z0-3...	NY Dorm PIT REFUNDED		09/15/2016	CALLED @ 100.0000000		9,770,000	9,770,000	10,649,691	9,888,830	(118,830)			(118,830)		9,770,000			.0	488,500	03/15/2018	1
64990E-A2-3...	NY Dorm PIT UNREFUNDED		09/15/2016	CALLED @ 100.0000000		230,000	230,000	250,709	232,797	(2,797)			(2,797)		230,000			.0	11,500	03/15/2018	1FE
677560-LD-7...	OHIO ST HSG FIN AGY		09/01/2016	CALLED @ 100.0000000		15,000	15,000	15,000	15,000				.0		15,000			.0	.854	03/01/2040	1FE
67886M-JG-5...	OKLAHOMA HSG FIN AGY		09/01/2016	CALLED @ 100.0000000		20,000	20,000	20,000	20,000				.0		20,000			.0	1,129	09/01/2034	1FE
67886M-JJ-9...	OKLAHOMA HSG FIN AGY		09/01/2016	CALLED @ 100.0000000		100,000	100,000	100,000	100,000				.0		100,000			.0	5,783	03/01/2039	1FE
745260-C3-4...	PUERTO RICO ELEC PWR AUTH B SERIES		07/01/2016	Sink PMT @ 100.0000000		16,082	16,082	10,877		5,205			5,205		16,082			.0		07/01/2019	1FE
745260-B7-6...	PUERTO RICO ELECTRIC		07/01/2016	Sink PMT @ 100.0000000		75,049	75,049	47,851		27,198			27,198		75,049			.0		07/01/2019	1FE
83703F-BL-5...	POWER A1		08/15/2016	MATURITY		3,550,000	3,550,000	3,807,979	3,572,570	(22,570)			(22,570)		3,550,000			.0	177,500	08/15/2016	1FE
880461-DK-1...	TENNESSEE HSG DEV AGY		09/01/2016	CALLED @ 100.0000000		5,000	5,000	5,000	5,000				.0		5,000			.0	202	01/01/2034	1FE
880461-DL-9...	TENNESSEE HSG DEV AGY		09/01/2016	CALLED @ 100.0000000		140,000	140,000	152,953	150,951	(756)			(756)		150,195		(10,195)	(10,195)	5,671	07/01/2039	1FE
91412G-ZJ-7...	UNIVERSITY OF CALIFORNIA CITIGROUP GLOBAL MARKETS		08/04/2016	JANNEY MONTGOMERY SCOTT LLC		867,274	770,000	869,530		(3,236)			(3,236)		866,294		980	(980)	9,433	05/15/2039	1
917567-AR-0...	UTAH ST TRANSIT AUTH		08/10/2016	SALES TAX		3,168,800	2,500,000	3,131,425		(17,772)			(17,772)		3,113,653		55,147	55,147	83,333	06/15/2029	1FE
92817S-CE-6...	VIRGINIA ST PUB SCH AUTH SER A		08/01/2016	CALLED @ 100.0000000		5,670,000	5,670,000	5,971,134	5,690,944	(20,944)			(20,944)		5,670,000			.0	283,500	08/01/2019	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						65,459,914	64,693,841	67,729,400	61,674,456	0	(330,173)	3,573	(333,746)	0	65,435,707	0	24,206	24,206	2,967,438	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
00083B-AB-1...	ACE 2007-D1 A2		09/25/2016	PRINCIPAL RECEIPT		10,322	10,322	8,381			1,941		1,941		10,322			.0	13	02/25/2038	1FM
00083B-AA-3...	ACE SECURITIES CORP		09/25/2016	PRINCIPAL RECEIPT		552,954	552,954	479,317	477,082	75,872			75,872		552,954			.0		02/25/2038	1FM
026934-AC-3...	AHMA 2007-4 A3		09/25/2016	PRINCIPAL RECEIPT		1,775,339	1,775,339	1,301,571	1,277,705	528,677	31,043		497,634		1,775,339			.0		08/25/2037	1FM
02007C-AC-6...	ALLY AUTO RECEIVABLES		09/15/2016	PRINCIPAL RECEIPT		2,547,854	2,547,854	2,547,854					.0		2,547,854			.0	12,882	08/15/2018	1FE
07401W-AP-4...	TRUST 16-1 A		09/25/2016	PRINCIPAL RECEIPT		99,871	99,871	16,883	24,288		75,583		75,583		99,871			.0		08/25/2037	1FM
14313Y-AH-1...	BEAR STEARNS SECOND LIEN		09/25/2016	PRINCIPAL RECEIPT														.0			
23242L-AB-9...	2007-1 2A		09/15/2016	PRINCIPAL RECEIPT		378,414	378,414	378,414					.0		378,414			.0	2,224	04/15/2019	1FE
126682-AA-1...	CARMAX AUTO OWNER TRUST		09/25/2016	PRINCIPAL RECEIPT		2,876,652	2,876,652	1,990,094	2,030,298	860,711	14,357		846,354		2,876,652			.0		07/15/2036	1FM
12666U-AF-0...	16-1 A2B		09/15/2016	PRINCIPAL RECEIPT		409,271	409,271	256,931	276,842	132,429			132,429		409,271			.0		04/15/2037	1FM
126698-AC-3...	CWHL 2006-F 2A1A		09/25/2016	PRINCIPAL RECEIPT		408,530	408,530	243,696	243,473	166,685	1,628		165,057		408,530			.0		10/25/2046	1FM
126698-AB-5...	CWHL 2006-15 A5B		09/25/2016	PRINCIPAL RECEIPT		1,414,595	1,414,595	943,975	953,634	460,961			460,961		1,414,595			.0		02/25/2036	1FM
12668W-AD-9...	CWL 2007-13 2A1		09/25/2016	PRINCIPAL RECEIPT		138,924	138,924	18,644	120,173	18,751			18,751		138,924			.0		10/25/2047	1FM
233050-AN-3...	CWL 2007-13 2A2M		09/25/2016	PRINCIPAL RECEIPT		13,504	13,504	9,207	32,013	4,297			4,297		13,504			.0	18	04/25/2047	1FM
41162C-AE-1...	CWL 2007-4 A4M		09/25/2016	PRINCIPAL RECEIPT		31,958	31,958	32,276	31,958	(55)			(55)		31,958			.0	888	11/10/2046	1FM
576456-AA-5...	DBUBS 11-LC1AA1 144A		09/13/2016	PRINCIPAL RECEIPT		21,019	21,019	11,084	7,222	9,935			9,935		21,019			.0	3	12/19/2037	1AM
57645N-AR-1...	MABS 2007-NCW A1		09/25/2016	PRINCIPAL RECEIPT		751,832	751,832	576,865	241,522	179,206	19,962		159,244		751,832			.0	133	05/25/2037	1FM
64352Y-MP-3...	WARM 2007-3 12A2		08/25/2016	PRINCIPAL RECEIPT		13,482	13,482	12,381	12,515	1,445			1,445		13,482			.0		05/25/2047	1FM
65538P-AD-0...	WARM 2007-3 22A3		09/25/2016	PRINCIPAL RECEIPT		45,191	45,191	35,681	36,706	10,217	1,732		8,485		45,191			.0		05/25/2047	1FM
68403B-AC-9...	MASTR ASSET BACKED		09/25/2016	PRINCIPAL RECEIPT		3,005,681	3,005,681	2,181,352	1,962,561	781,136	102,950		678,186		3,005,681			.0	298	05/25/2037	1FM
68403B-AD-7...	SECURITIES TRUS		09/25/2016	PRINCIPAL RECEIPT		72,061	72,061	43,312	29,208	903			28,305		72,061			.0	199	08/25/2035	1FM
68403B-AE-5...	NOMURA ASSET ACCEPTANCE CORP		09/25/2016	PRINCIPAL RECEIPT		12,565	12,565	7,615	8,397	4,168			4,168		12,565			.0		03/25/2047	1FM
83613G-AA-7...	NOMURA ASSET CORP NAA		09/25/2016	PRINCIPAL RECEIPT		83,639	83,639	62,394	63,925	22,005	2,291		19,714		83,639			.0		06/25/2036	1FM
88156V-AB-4...	2006-WF1W A5		09/25/2016	PRINCIPAL RECEIPT		97,255	97,255	70,829	71,988	25,651	384		25,267		97,255			.0		03/25/2037	1FM
	00MLT 2007-FXD2 2A2		09/25/2016	PRINCIPAL RECEIPT		149,168	149,168	108,925	108,925	40,243			40,243		149,168			.0	695	03/25/2037	1FM
	00MLT 2007-FXD2 2A3		09/25/2016	PRINCIPAL RECEIPT		92,747	92,747	66,352	67,907	24,840			24,840		92,747			.0		03/25/2037	1FM
	00MLT 2007-FXD2 2A4		09/25/2016	PRINCIPAL RECEIPT		71,440	71,440	42,856	47,967	23,473			23,473		71,440			.0		02/25/2038	1FM
	SVHE 2008-1 A1		09/25/2016	PRINCIPAL RECEIPT		143,871	143,871	128,956	75,753	15,828	587		15,241		143,871			.0	611	10/25/2037	1FM

SCHEDULE D - PART 4

[illegible]

E05.4

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE ASSURED GUARANTY MUNICIPAL CORP.

SCHEDULE E - PART 1 - CASH

[illegible]

E13

E13

E13