



QUARTERLY STATEMENT

AS OF JUNE 30, 2012
OF THE CONDITION AND AFFAIRS OF THE

ASSURED GUARANTY MUNICIPAL CORP.

NAIC Group Code 0194 (Current Period) , 00194 (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 31 West 52nd St. , New York, NY 10019
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 31 West 52nd St. New York, NY 10019 212-826-0100
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 31 West 52nd St. , New York, NY 10019
(Street and Number or P.O. Box) (City or Town, State and Zip Code)

Primary Location of Books and Records 31 West 52nd St. New York, NY 10019 212-826-0100
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.assuredguaranty.com

Statutory Statement Contact John Mahlon Ringler 212-974-0100
(Name) (Area Code) (Telephone Number) (Extension)

JRingler@assuredguaranty.com 212-339-3589
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OFFICERS

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

OTHER OFFICERS

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

DIRECTORS OR TRUSTEES

<u>Howard Wayne Albert</u>	<u>Robert Adam Bailenson</u>	<u>Richard John Bauerfeld</u>	<u>Russell Brown Brewer II</u>
<u>Gon Ling Chow</u>	<u>Stephen Donnarumma</u>	<u>Dominic John Frederico</u>	<u>Philip Richard Kastellec</u>
<u>James Michael Michener</u>	<u>Robert Bruce Mills</u>	<u>Donald Hal Paston</u>	<u>Andrew Hoyt Pickering</u>
<u>Bruce Elliot Stern</u>			

State of

County ofss

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

DOMINIC JOHN FREDERICO
President

JAMES MICHAEL MICHENER
Secretary

DONALD HAL PASTON
Treasurer

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 _____

Subscribed and sworn to before me this _____ day of _____,

STATEMENT AS OF JUNE 30, 2012 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	2,904,366,593		2,904,366,593	2,778,465,903
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	539,162,722		539,162,722	626,259,355
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 (\$51,106,730), cash equivalents (\$222,691,170) and short-term investments (\$101,427,508)	375,225,408		375,225,408	319,756,872
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	337,082,440		337,082,440	337,082,440
9. Receivables for securities	41,494,009		41,494,009	3,917,525
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)	4,197,331,172	0	4,197,331,172	4,065,482,095
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	31,717,374		31,717,374	32,204,912
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	27,027,450	2,386,244	24,641,206	24,376,471
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			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	39,061,501		39,061,501	80,859,470
16.2 Funds held by or deposited with reinsured companies	9,357,702		9,357,702	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	10,039,971		10,039,971	123,015,209
18.2 Net deferred tax asset	199,433,344	76,099,392	123,333,952	52,438,034
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	17,141	16,232	909	3,634
21. Furniture and equipment, including health care delivery assets (\$)	16,024,270	16,024,270	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	2,373,905	599,183	1,774,722	1,738,135
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	5,814,924	4,076,128	1,738,796	5,505,746
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	4,538,198,754	99,201,449	4,438,997,305	4,385,623,706
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	4,538,198,754	99,201,449	4,438,997,305	4,385,623,706
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	1,436,353	278,616	1,157,737	4,603,042
2502. Prepaid Expenses	3,136,861	3,136,861	0	0
2503. Other Assets	1,241,710	660,651	581,059	902,704
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)	5,814,924	4,076,128	1,738,796	5,505,746

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$10,551,082)	208,165,572	198,617,696
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	10,938,424	13,423,865
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)	18,316,815	19,051,620
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	2,723,564	3,606,569
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
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 \$1,544,406,589 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)	1,419,432,453	1,398,563,863
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)	27,820,386	33,206,349
13. Funds held by company under reinsurance treaties	144,316,806	103,089,601
14. Amounts withheld or retained by company for account of others	11,624	11,624
15. Remittances and items not allocated		0
16. Provision for reinsurance	8,700,000	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	23,832,690	16,763,797
20. Derivatives		0
21. Payable for securities	47,483,630	8,110,296
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	1,552,540,386	1,381,874,444
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	3,464,282,350	3,176,319,724
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	3,464,282,350	3,176,319,724
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	125,000,000	175,000,000
34. Gross paid in and contributed surplus	776,884,430	776,884,430
35. Unassigned funds (surplus)	57,830,525	242,419,552
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)	974,714,955	1,209,303,982
38. Totals (Page 2, Line 28, Col. 3)	4,438,997,305	4,385,623,706
DETAILS OF WRITE-INS		
2501. Contingency Reserve	1,415,426,756	1,238,030,526
2502. Miscellaneous Liability	137,113,630	143,843,918
2503.		
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)	1,552,540,386	1,381,874,444
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 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 123,135,148)	219,289,252	226,617,817	455,884,282
1.2 Assumed (written \$ 12,883,209)	37,056,058	21,709,141	39,461,737
1.3 Ceded (written \$ (2,694,130))	137,108,258	128,476,383	261,749,000
1.4 Net (written \$ 138,712,487)	119,237,052	119,850,575	233,597,019
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 10,551,082):			
2.1 Direct	96,444,835	(202,344,990)	(146,355,255)
2.2 Assumed	159,277,139	0	24,472,078
2.3 Ceded	122,504,363	(68,504,759)	(24,868,190)
2.4 Net	133,217,611	(133,840,231)	(97,014,987)
3. Loss adjustment expenses incurred	7,260,601	9,629,783	28,500,590
4. Other underwriting expenses incurred	31,232,986	28,413,460	53,003,750
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	171,711,198	(95,796,988)	(15,510,647)
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(52,474,146)	215,647,563	249,107,666
INVESTMENT INCOME			
9. Net investment income earned	76,885,930	66,830,117	152,504,681
10. Net realized capital gains (losses) less capital gains tax of \$ 2,787,181	(4,823,773)	(17,559,218)	(49,295,212)
11. Net investment gain (loss) (Lines 9 + 10)	72,062,157	49,270,899	103,209,469
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)			0
13. Finance and service charges not included in premiums			0
14. Aggregate write-ins for miscellaneous income	48,821,976	(19,624,623)	(84,182,344)
15. Total other income (Lines 12 through 14)	48,821,976	(19,624,623)	(84,182,344)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	68,409,987	245,293,839	268,134,791
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)	68,409,987	245,293,839	268,134,791
19. Federal and foreign income taxes incurred	27,892,514	(82,753,917)	(130,402,819)
20. Net income (Line 18 minus Line 19)(to Line 22)	40,517,473	328,047,756	398,537,610
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	1,209,303,982	927,039,157	927,039,158
22. Net income (from Line 20)	40,517,473	328,047,756	398,537,610
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(87,105,854)	177,533,543	170,505,677
25. Change in net unrealized foreign exchange capital gain (loss)	5,022,165	(9,119,883)	364,258
26. Change in net deferred income tax	58,210,744	(174,969,937)	(186,963,162)
27. Change in nonadmitted assets	(28,068,028)	168,823,137	154,312,731
28. Change in provision for reinsurance	(8,700,000)	0	0
29. Change in surplus notes	(50,000,000)	(25,000,000)	(50,000,000)
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		0	0
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	(30,000,000)	0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	(134,465,527)	(88,505,662)	(204,492,290)
38. Change in surplus as regards policyholders (Lines 22 through 37)	(234,589,027)	376,808,954	282,264,824
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	974,714,955	1,303,848,111	1,209,303,982
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	48,821,976	(19,624,623)	(84,182,344)
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)	48,821,976	(19,624,623)	(84,182,344)
3701. Change in Contingency Reserve	(177,396,232)	(107,583,692)	(203,793,851)
3702. Change in net unrealized on other assets	(261,005)	0	(722,285)
3703. Change in Accounting SAP 101 (Taxes)	43,191,710	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	19,078,030	23,846
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	(134,465,527)	(88,505,662)	(204,492,290)

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.....	135,083,274	61,452,060	131,226,475
2. Net investment income	56,821,444	60,355,934	130,776,247
3. Miscellaneous income	48,821,976	(19,624,623)	(84,182,344)
4. Total (Lines 1 to 3)	240,726,694	102,183,371	177,820,378
5. Benefit and loss related payments	81,871,766	(193,181,616)	(3,873,305)
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	42,176,311	41,705,733	73,912,160
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(82,295,543)	107,118,400	107,118,400
10. Total (Lines 5 through 9)	41,752,534	(44,357,483)	177,157,255
11. Net cash from operations (Line 4 minus Line 10)	198,974,160	146,540,854	663,123
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	553,261,243	365,493,611	1,027,948,345
12.2 Stocks	0	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(32,111)	21,056	29,366
12.7 Miscellaneous proceeds	6,819,014	54,359,451	4,889,396
12.8 Total investment proceeds (Lines 12.1 to 12.7)	560,048,146	419,874,118	1,032,867,107
13. Cost of investments acquired (long-term only):			
13.1 Bonds	660,986,148	527,843,189	1,162,679,312
13.2 Stocks	9,227	276,819	200,629
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	19,054,183	19,054,183
13.6 Miscellaneous applications	48,769	28,126,620	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	661,044,144	575,300,811	1,181,934,124
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)	(100,995,998)	(155,426,693)	(149,067,017)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	(50,000,000)	(25,000,000)	(50,000,000)
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	30,000,000	0	0
16.6 Other cash provided (applied).....	37,490,373	1,269,387	(35,572,598)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(42,509,627)	(23,730,613)	(85,572,598)
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)	55,468,535	(32,616,452)	(233,976,492)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	319,756,873	553,733,365	553,733,365
19.2 End of period (Line 18 plus Line 19.1)	375,225,408	521,116,913	319,756,873

NOTES TO FINANCIAL STATEMENTS

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 Company is a wholly owned subsidiary of Assured Guaranty Municipal Holdings Inc. ("AGMH" or the "Parent"), an indirect wholly-owned subsidiary of Assured Guaranty Ltd. ("AGL" and, together with its subsidiaries, "Assured Guaranty"). The NYSDFS recognizes only statutory accounting practices prescribed or permitted by the state of New York for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the New York Insurance Law ("NYIL"). 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 Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

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

	Six Months Ended June 30, 2012
Net Income (Loss), New York Basis.....	<u>\$ 40,517,473</u>
Net Income (Loss), NAIC SAP.....	<u>\$ 40,517,473</u>
Statutory Surplus, New York Basis.....	\$ 974,714,955
Effect of New York prescribed limitation under NYIL 1408 recorded as change in unrealized on investment in subsidiaries.....	<u>53,693,276</u>
Statutory Surplus, NAIC SAP.....	<u>\$1,028,408,231</u>

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

There has been no change since the 2011 Annual Statement.

C. Accounting Policies

There has been no significant change since the 2011 Annual Statement except for the adoption of SSAP No. 101. See Note 2.

2. Accounting Changes and Corrections of errors

On November 6, 2011, the NAIC adopted SSAP No. 101, Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10, effective for reporting periods beginning on or after January 1, 2012. SSAP No. 101 provides for a three year realization period for financial guaranty companies if certain adjusted surplus limits are met which expands the one year realization period under SSAP No. 10. SSAP No. 101 also modified the applicable guidance for contingent tax liabilities as per SSAP No. 5R by applying a more likely than not threshold. The impact of adopting SSAP No. 101 on January 1, 2012, was to increase admitted deferred tax assets by \$51.2 million, tax liabilities by \$8.0 million and surplus to policyholders by \$43.2 million.

3. Business Combinations and Goodwill

There has been no change since the 2011 Annual Statement.

4. Discontinued Operations

There has been no change since the 2011 Annual Statement.

5. Investments

A, B, C, E, F, G - Not applicable

D. Loan-Backed Securities

1. Prepayment assumptions for residential/commercial asset backed 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 recording during the year because the Company had either the intent to sell the securities or the inability or lack of intent to retain as cited in the table:

Description	Amortized Cost		Fair Value
	Before OTTI	OTTI	
OTTI Recognized 1st Quarter			
a. Intent To Sell	\$ -	\$ -	\$ -
b. Lack of Intent to retain security	5,516,258	4,420,563	1,095,696
c. Total 1st Quarter	\$5,516,258	\$4,420,563	\$1,095,696
OTTI Recognized 2nd Quarter			
d. Intent To Sell	\$ -	\$ -	\$ -
e. Lack of Intent to retain security	-	-	-
f. Total 2nd Quarter	\$ -	\$ -	\$ -
g. Total Year to Date	\$5,516,258	\$4,420,563	\$1,095,696

NOTES TO FINANCIAL STATEMENTS

3. The following table summarizes other-than-temporary-impairments recorded for loan-backed securities which the Company still owns at the end of the quarter 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 OTTI	Present Value of Projected Cash Flows	OTTI	Amortized Cost After OTTI	Fair Value @ Time of OTTI	Date of Financial Statement Where Reported
126682AA1	12,097,466	11,891,063	206,403	11,891,063	4,083,176	3/31/2012
126686AH7	13,096,288	12,754,851	341,437	12,754,851	7,070,506	3/31/2012
23242LAB9	55,495,589	53,905,407	1,590,182	53,905,407	39,272,190	3/31/2012
576431AC4	338,970	212,686	126,284	212,686	147,267	3/31/2012
53957DAC7	26,259,626	26,246,113	13,513	26,246,113	26,301,713	3/31/2012
88156VAA6	11,178,377	10,506,412	671,965	10,506,412	6,538,335	3/31/2012
88157GAA8	27,802,294	27,662,709	139,585	27,662,709	8,136,973	3/31/2012
88156VAB4	415,733	372,324	43,409	372,324	223,893	3/31/2012
88157DAB3	4,089,555	3,620,164	469,392	3,620,164	2,654,596	3/31/2012
126682AA1	11,393,728	11,274,777	118,951	11,274,777	3,936,611	6/30/2012
576431AC4	190,747	128,753	61,995	128,753	120,826	6/30/2012
88156VAA6	11,699,545	11,220,678	478,866	11,220,678	7,208,197	6/30/2012
88156VAB4	354,813	341,656	13,158	341,656	222,153	6/30/2012
88157DAA5	28,524,211	27,003,499	1,520,712	27,003,499	13,761,898	6/30/2012
88157DAB3	2,664,103	2,653,334	10,770	2,653,334	2,000,513	6/30/2012
Total	\$205,601,045	\$199,794,429	\$5,806,622	\$199,794,429	\$121,678,847	

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.

	Less than 12 months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Residential Mortgage Backed Securities	\$80,354,672	\$(31,345,842)	\$116,103,773	\$(90,160,352)	\$196,458,446	\$(121,506,195)
Total	\$80,354,672	\$(31,345,842)	\$116,103,773	\$(90,160,352)	\$196,458,446	\$(121,506,195)

5. All loan-backed securities in an unrealized loss position were reviewed to determine whether an other-than-temporary impairment should be recognized. For those securities in an unrealized loss position as of June 30, 2012, the Company has not made a decision to sell any such securities. The Company has evaluated its cash flow requirements and believes that its liquidity is adequate and it will not be required to sell these securities before recovery of their cost basis. This unrealized loss is primarily attributable to the market illiquidity and volatility in the U.S. economy and not specific to individual issuer credit.

6. Joint Ventures, Partnerships and Limited Liability Companies

There has been no change since the 2011 Annual Statement.

7. Investment Income

There has been no change since the 2011 Annual Statement.

8. Derivative Instruments

There has been no change since the 2011 Annual Statement.

9. Income Taxes

On November 6, 2011, the NAIC adopted SSAP No. 101, Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10, effective for reporting periods beginning on or after January 1, 2012. SSAP No. 101 provides for a three year realization period for financial guaranty companies if certain adjusted surplus limits are met which expands the one year realization period under SSAP No. 10. SSAP No. 101 also modified the applicable guidance for contingent tax liabilities as per SSAP No. 5R by applying a more likely than not threshold. The impact of adopting SSAP No. 101 on January 1, 2012, was to increase admitted deferred tax assets by \$51.2 million, tax liabilities by \$8.0 million and surplus to policyholders by \$43.2 million.

10. Information Concerning Parent, Subsidiaries and Affiliates

There has been no significant change since the 2011 Annual Statement.

11. Debt

There has been no change since the 2011 Annual Statement.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

There has been no change since the 2011 Annual Statement.

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

There has been no significant change since the 2011 Annual Statement.

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14. Contingencies

There have been no changes since the 2011 Annual Statement except as follows:

Proceedings Relating to the Company's Financial Guaranty Business

The Company receives subpoenas duces tecum and interrogatories from regulators from time to time and is in the process of satisfying those requests.

With respect to the complaints filed against AGM, its affiliate AGC and various other financial guarantors in the Superior Court, San Francisco County, California and the anti-SLAPP ("Strategic Lawsuit Against Public Participation") motion to strike such complaints under California's Code of Civil Procedure, on May 1, 2012, the court ruled in favor of the bond insurer defendants on the first stage of the anti-SLAPP motion as to the causes of action arising from the alleged conspiracy, but denied the motion as to those causes of action based on transaction specific representations and omissions about the bond insurer defendants' credit ratings and financial health.

With respect to the interpleader complaint filed by Wells Fargo Bank, N.A., as trust administrator, against AGM, AGM appealed the court's December 13, 2011 judgment, which was described in the 2011 Annual Statement, and in July 2012, the judge granted AGM's motion that the judgment be stayed pending the appeal.

Proceedings Relating to AGMH's Former Financial Products Business

Governmental Investigations into Former Financial Products Business

In July 2010, a former employee of AGM who had been involved in AGMH's former Financial Products Business was indicted along with two other persons with whom he had worked at Financial Guaranty Insurance Company. In May 2012, such former employee and the other two persons were convicted of wire fraud and conspiracy to commit fraud.

Recovery Litigation

RMBS Transactions

In May 2012, AGM brought a lawsuit on the GMAC RFC Home Equity Loan-Backed Notes, Series 2006-HSA3 and GMAC Home Equity Loan-Backed Notes, Series 2004-HE3 second lien transactions that it had insured, seeking damages, including indemnity or reimbursement, for losses. AGM sued GMAC Mortgage, LLC (formerly GMAC Mortgage Corporation); Residential Asset Mortgage Products, Inc.; Ally Bank (formerly GMAC Bank); Residential Funding Company, LLC (formerly Residential Funding Corporation); Residential Capital, LLC (formerly Residential Capital Corporation ("ResCap")); Ally Financial (formerly GMAC, LLC); and Residential Funding Mortgage Securities II, Inc. On May 14, 2012, ResCap and several of its affiliates (the "Debtors") filed for Chapter 11 protection with the U.S. Bankruptcy Court. The automatic stay of Bankruptcy Code Section 362(a) stays lawsuits (such as the suit brought by AGM) against the Debtors. On May 25, 2012, ResCap filed an adversary proceeding in the United States Bankruptcy Court in the Southern District of New York against 42 defendants (including AGM) who are plaintiffs in 27 lawsuits arising from the Debtors' issuance or sale of mortgage backed securities (the "MBS Actions") that have asserted claims against non-debtor affiliates of ResCap. ResCap's adversary proceeding seeks declaratory relief or injunctive relief to extend the automatic stay to stay or enjoin the continuation of actions against the non-debtor affiliates based on the MBS Actions.

With respect to (i) the IndyMac IMSC Mortgage Loan Trust, Series 2007-HOA-1a first lien transaction, as to which AGM has filed a lawsuit against UBS Securities LLC, as underwriter, as well as several named and unnamed control persons of IndyMac Bank, FSB and related IndyMac entities, and (ii) the IndyMac Home Equity Mortgage Loan Asset-Backed Trust, Series 2007-H1 second lien transaction, as to which AGM had withdrawn its lawsuit against Deutsche Bank Securities, Inc., as underwriter, in connection with the Deutsche Bank settlement, on August 9, 2012, AGM filed suit against OneWest Bank, FSB (OneWest), as servicer, in the Superior Court of the State of California, County of Los Angeles, Central District. In this lawsuit, AGM seeks damages, specific performance and declaratory relief in connection with OneWest's failure to properly service the mortgage loans, its refusal to permit AGM to conduct an examination of the servicing of the transactions and its refusal to continue funding HELOC draws, all in violation of the related agreements.

Public Finance Transactions

With respect to the complaint that AGM, together with TD Bank, National Association and Manufacturers and Traders Trust Company, as trustees, had filed against The Harrisburg Authority, The City of Harrisburg, Pennsylvania, and the Treasurer of the City in connection with certain Resource Recovery Facility bonds and notes issued by The Harrisburg Authority, in March 2012, the Court of Common Pleas of Dauphin County, Pennsylvania issued an order granting the motion for the appointment of a receiver for the resource recovery facility, which order has been appealed by The Harrisburg Authority.

15. Leases

There has been no change since the 2011 Annual Statement.

16. Information about Financial Instruments with Off-Balance Sheet Risk, Financial Instruments with Concentrations of Credit

There has been no significant change since the 2011 Annual Statement.

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

There has been no change since the 2011 Annual Statement.

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

There has been no change since the 2011 Annual Statement.

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

There has been no change since the 2011 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 has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

- Level 1 – Quoted prices for identical instruments in active markets. The Company generally defines an active market as a market in which trading occurs at significant volumes. Active markets generally are more liquid and have a lower bid-ask spread than an inactive market.

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- 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.

The following table presents information about the financial instruments carried at fair value and indicates the level of the fair value measurement on the levels of the inputs used. Bonds are generally recorded at amortized cost. Stocks, excluding those for investments in subsidiaries, are reported at fair value on a recurring basis. The following fair value hierarchy table presents information about the Company's asset measured at fair value as of June 30, 2012.

As of June 30, 2012	Level 1	Level 2	Level 3	TOTAL
Bonds	-	-	-	
Stocks	\$24,614	-	-	\$24,614
TOTAL	\$24,614	-	-	\$24,614

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

Stocks

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

- 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 during the period:

Description:	Ending Balance as of Prior Qtr End	Transfers Into Level 3	Transfers Out of Level 3	Total Gains & Losses incl in Net Income	Total Gains & Loss incl in Surplus	Purchase	Issuance	Sales	Settlement	Ending Balance for Current Quarter
Residential Mortgage	\$1,095,696	-	\$1,095,696	-	-	-	-	-	-	-
TOTAL	\$1,095,696	-	\$1,095,696	-	-	-	-	-	-	-

- Policy on Transfers Into and Out of Level 3
Transfers between Levels 1, 2 and 3 are recognized at the beginning of the period when the transfers occur. The Company reviews the classification between Levels 1,2 and 3 quarterly, based on the definition provided, whether a transfer is necessary. There were no securities carried at fair value at June 30, 2012.
- Inputs and Techniques Used for Level 2 and Level 3 Fair Values

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

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5. Derivative Fair Values

The Company does not own derivatives at June 30, 2012.

B. Other Fair Value Disclosures

Not applicable

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.

(in thousands of dollars)

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3
Bonds	\$3,021,296	\$2,904,367	\$ -	\$2,544,288	\$477,008
Common stocks	25	25	25	-	-
Cash equivalents and short-term investments	324,119	324,119	167,563	156,556	-
Other invested assets	<u>337,082</u>	<u>337,082</u>	<u>37,082</u>	<u>-</u>	<u>300,000</u>
Total assets	<u>\$3,682,522</u>	<u>\$3,565,593</u>	<u>\$204,670</u>	<u>\$2,700,844</u>	<u>\$777,008</u>

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

Not applicable

21. Other Items

A, B, C, E, F. There has been no change since the 2011 Annual Statement.

D. As of June 30, 2012, the Company had uncollected premiums of \$27,027,450. Uncollected premiums more than 90 days past due were \$2,386,244.

G. Subprime Mortgage-Related Exposure

(1) through (3) Not applicable.

(4) Underwriting Exposure

Second Quarter-End 2012 U.S. RMBS Loss Projections

The Company retained the same general approach and methodology to projecting RMBS performance at June 30, 2012 as it did at March 31, 2012 and December 31, 2011. The approach combines using each transaction's observed data with the Company's estimate of how the transaction will ultimately perform based on the Company's view of the magnitude and timing of a recovery in the mortgage market. During the quarter the Company observed both positive and negative developments in the market. These developments were reflected by moderately lowering the initial conditional default rates ("CDR") which are a function of the observed delinquency data, and by adjusting the scenarios used to project the amount of time until the RMBS market stabilizes.

The scenarios the Company used to project first and second lien RMBS collateral losses at June 30, 2012 were essentially the same as those it used at March 31, 2012 and December 31, 2011, except that (i) based on its observation of the continued elevated levels of early stage delinquencies, the Company updated its projections to reflect a slower recovery in its base cases and (ii) the Company reduced the time until the market stabilizes in its most optimistic case by three months, so it assumed that the recovery projected last quarter was occurring at the expected pace and (iii) the Company adjusted its most pessimistic case, where it assumed the recovery would happen six months more slowly than what was assumed last quarter.

The Company also used generally the same methodology and assumptions to project the credit received for recoveries in R&W at June 30, 2012 as March 31, 2012 and December 31, 2011. The primary differences relate to a change in assumption regarding the likelihood and amount of recovery from certain R&W providers.

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

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

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

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

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The following table shows the key assumptions used in the calculation of loss reserves for vintage 2004 - 2008 second lien U.S. RMBS.

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

<u>HELOC key assumptions</u>	<u>As of June 30, 2012</u>	<u>As of December 31, 2011</u>
Plateau CDR.....	2.9 – 20.9%	4.0 – 27.4%
Final CDR trended down to.....	0.4 – 3.2%	0.4 – 3.2%
Expected period until final CDR.....	36 months	36 months
Initial CPR.....	2.7 – 16.4%	1.4 – 25.8%
Final CPR.....	10%	10%
Loss severity.....	98%	98%
Initial draw rate.....	0.0 – 4.1%	0.0 – 15.3%

<u>Closed-end second lien key assumptions</u>	<u>As of June 30, 2012</u>	<u>As of December 31, 2011</u>
Plateau CDR.....	14.8 – 21.1%	16.9 – 29.5%
Final CDR trended down to.....	3.3 – 8.6%	3.3 – 8.6%
Expected period until final CDR.....	36 months	36 months
Initial CPR.....	2.7 – 5.3%	1.6 – 5.1%
Final CPR.....	10%	10%
Loss severity.....	98%	98%

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

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

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

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected (which is a function of the CDR and the loan balance over time) as well as the amount of excess spread (which is the excess of the interest paid by the borrowers on the underlying loan over the amount of interest and expenses owed on the insured obligations). In the base case, the current CPR is assumed to continue until the end of the plateau before gradually increasing to the final CPR over the same period the CDR decreases. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant. The final CPR is assumed to be 10% for both HELOC and closed-end second lien transactions. This level is much higher than current rates for most transactions, but lower than the historical average, which reflects the Company’s continued uncertainty about the projected performance of the borrowers in these transactions. This pattern is consistent with how the Company modeled the CPR at March 31, 2012 and December 31, 2011. To the extent that prepayments differ from projected levels it could materially change the Company’s projected excess spread and losses.

The Company uses a number of other variables in its second lien loss projections, including the spread between relevant interest rate indices, and HELOC draw rates (the amount of new advances provided on existing HELOCs expressed as a percentage of current outstanding advances). For HELOC transactions, the draw rate is assumed to decline from the current level to a final draw rate over a period of three months. The final draw rates were assumed to range from 0.0% to 2.1%.

In estimating loss reserves, the Company modeled and probability weighted three possible CDR curves applicable to the period preceding the return to the long-term steady state CDR. The Company believes that the level of the elevated CDR and the length of time it will persist is the primary driver behind the likely amount of losses the collateral will suffer (before considering the effects of repurchases of ineligible loans). The Company continues to evaluate the assumptions affecting its modeling results.

At June 30, 2012, the Company’s base case assumed a one month CDR plateau and a 30 month ramp-down (for a total stress period of 36 months), the same as March 31, 2012 and December 31, 2011. The Company also modeled a scenario with a longer period of elevated defaults and another with a shorter period of elevated defaults and weighted them the same as of March 31, 2012 and December 31, 2011, but in each case changed the length of the ramp-downs by three months (and so the length of elevated defaults) in order to reflect both positive and negative developments observed by the Company in the market. Increasing the CDR plateau to four months and increasing the ramp-down by three months to 33 months (rather than 30 months at March 31, 2012 and December 31, 2011, for a total stress period of 42 months rather than 39 months as at March 31, 2012 and December 31, 2011) would increase the loss reserves by approximately \$32.8 million for HELOC transactions and \$5.4 million for closed-end second lien transactions. On the other hand, keeping the CDR plateau at one month but decreasing the length of the CDR ramp-down to a 21 months (rather than 24 months as at March 31, 2012 and December 31, 2011, for a total stress period of 33 months rather than 30 months as at March 31, 2012 and December 31, 2011) would decrease the loss reserves by approximately \$28.7 million for HELOC transactions and \$1.2 million for closed-end second lien transactions.

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

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

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may be composed primarily of loans made to prime borrowers. First lien RMBS sometimes include a portion of loan collateral that differs in priority from the majority of the collateral.

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

The majority of projected losses in first lien RMBS transactions are expected to come from non-performing mortgage loans (those that are delinquent or in foreclosure or where the loan has been foreclosed and the RMBS issuer owns the underlying real estate). Changes in the amount of non-performing loans from the amount projected in the previous period is one of the primary drivers of loss development in this portfolio. In order to determine the number of defaults resulting from these delinquent and foreclosed loans, the Company applies a liquidation rate assumption to loans in each of various delinquency categories. The Company arrived at its liquidation rates based on data purchased from a third party, and assumptions about how delays in the foreclosure process may ultimately affect the rate at which loans are liquidated. The liquidation rate is a standard industry measure that is used to estimate the number of loans in a given aging category that will default within a specified time period. The Company projects these liquidations to occur over two years. The Company used the same liquidation rates for June 30, 2012 as it did for March 31, 2012 and December 31, 2011. The following table shows liquidation assumptions for various delinquency categories.

First Lien Liquidation Rates

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

While the Company uses liquidation rates as described above to project defaults of non-performing loans, it projects defaults on presently current loans by applying a CDR trend. The start of that CDR trend is based on the defaults the Company projects will emerge from currently nonperforming loans. The total amount of expected defaults from the non-performing loans is translated into a constant CDR (*i.e.*, the CDR plateau), which, if applied for each of the next 24 months, would be sufficient to produce approximately the amount of defaults that were calculated to emerge from the various delinquency categories. The CDR thus calculated individually on the delinquent collateral pool for each RMBS is then used as the starting point for the CDR curve used to project defaults of the presently performing loans.

In the base case, each transaction's CDR is projected to improve over 12 months to an intermediate CDR (calculated as 20% of its CDR plateau); that intermediate CDR is held constant for 36 months and then trails off in steps to a final CDR of 5% of the CDR plateau. Under the Company's methodology, defaults projected to occur in the first 24 months represent defaults that can be attributed to loans that are currently delinquent or in foreclosure, while the defaults projected to occur using the projected CDR trend after the first 24 month period represent defaults attributable to borrowers that are currently performing.

Another important driver of loss projections is loss severity, which is the amount of loss the transaction incurs on a loan after the application of net proceeds from the disposal of the underlying property. Loss severities experienced in first lien transactions have reached historic high levels, and the Company is assuming that these high levels generally will continue for another year (in the case of subprime loans, the Company assumes the unprecedented 90% loss severity rate will continue for six months then drop to 80% for six months before following the ramp described below). The Company determines its initial loss severity based on actual recent experience. The Company's loss severity assumptions for June 30, 2012 were the same as it used for March 31, 2012 and December 31, 2011. The Company then assumes that loss severities begin returning to levels consistent with underwriting assumptions beginning in June 2013, and in the base case scenario, decline over two years to 40%.

NOTES TO FINANCIAL STATEMENTS

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

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

	As of June 30, 2012	As of December 31, 2011
Alt-A First Lien		
Plateau CDR.....	6.9% – 23.0%	5.7% – 41.3%
Intermediate CDR.....	1.4% – 4.6%	1.1% – 8.3%
Final CDR.....	0.3% – 1.2%	0.3% – 2.1%
Initial loss severity.....	65%	65%
Initial CPR.....	0.0% – 7.9%	0.0% – 15.2%
Final CPR.....	15%	15%
Option ARM		
Plateau CDR.....	9.3% – 30.2%	11.7% – 31.5%
Intermediate CDR.....	1.9% – 6.0%	2.3% – 6.3%
Final CDR.....	0.5% – 1.5%	0.6% – 1.6%
Initial loss severity.....	65%	65%
Initial CPR.....	0.6% – 4.9%	0.3% – 10.8%
Final CPR.....	15%	15%
Subprime		
Plateau CDR.....	7.2% – 24.0%	10.4% – 29.9%
Intermediate CDR.....	1.4% – 4.8%	2.1% – 6.0%
Final CDR.....	0.5% – 1.5%	0.5% – 1.5%
Initial loss severity.....	90%	90%
Initial CPR.....	0.0% – 7.4%	0.0% – 10.6%
Final CPR.....	15%	15%

The rate at which the principal amount of loans is prepaid may impact both the amount of losses projected (since that amount is a function of the 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 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 either 10% or 15% depending on the scenario run. For transactions where the initial CPR is higher than the final CPR, the initial CPR is held constant.

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

In estimating loss reserves, the Company modeled and probability weighted sensitivities for first lien transactions by varying its assumptions of how fast a recovery is expected to occur. One of the variables used to model sensitivities was how quickly the CDR returned to its modeled equilibrium, which was defined as 5% of the current CDR. The Company also stressed CPRs and the speed of recovery of loss severity rates. The Company probability weighted a total of five scenarios (including its base case) at June 30, 2012, the same number of scenarios as March 31, 2012 and December 31, 2011. For June 30, 2012 the Company assumed in the most stressful scenario that the recovery would occur three months more slowly and in the most optimistic scenario that it would occur three months more quickly than it had for March 31, 2012 and December 31, 2011, but otherwise used the same scenarios and weightings for June 30, 2012 as March 31, 2012 and December 31, 2011. In a somewhat more stressful environment than that of the base case, where the CDR plateau was extended three months (to be 27 months long) before the same more gradual CDR recovery and loss severities were assumed to recover over four rather than two years (and subprime loss severities were assumed to recover only to 60%), loss reserves would increase from current projections by approximately \$10.7 million for Alt-A first liens, \$10.4 million for Option ARM, \$57.1 million for subprime and \$0.0 million for prime transactions. In an even more stressful scenario where Alt-A and Option ARM loss severities were assumed to rise, the recovery in all first lien sectors occurs over eight years, the initial ramp-down of the CDR was assumed to occur over 15 months (rather than 12 months as at March 31, 2012 and December 31, 2011) and other assumptions were the same as the other stress scenario, loss reserves would increase from current projections by approximately \$30.4 million for Alt-A first liens, \$24.1 million for Option ARM, \$88.9 million for subprime and \$0.0 million for prime transactions. The Company also considered two scenarios where the recovery was faster than in its base case. In a scenario with a somewhat less stressful environment than the base case, where CDR recovery was somewhat less gradual and the initial subprime loss severity rate was assumed to be 80% for 12 months and was assumed to recover to 40% over two years, loss reserves would decrease from current projections by approximately \$2.4 million for Alt-A first lien, \$13.3 million for Option ARM, \$15.4 million for subprime and \$0.0 million for prime transactions. In an even less stressful scenario where the CDR plateau was three months shorter (21 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 rather than 12 months as at March 31, 2012 and December 31, 2011), loss reserves would decrease from current projections by approximately \$12.8 million for Alt-A first lien, \$32.8 million for Option ARM, \$27.7 million for subprime and \$0.0 million for prime transactions.

Breaches of Representations and Warranties

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

The Company has included in its net loss reserves as of June 30, 2012 an estimated benefit from loan repurchases related to breaches of R&W of \$635.2 million, which includes \$276.2 million from Bank of America and Deutsche Bank AG under their respective agreements and \$359.0 million in transactions where the Company does not yet have such an agreement. Proceeds projected to be reimbursed to the Company on transactions where the Company has already paid claims are viewed as a recovery on paid losses. For transactions where the Company has not already paid claims, projected recoveries reduce projected loss estimates. In either case, projected recoveries have no effect on the amount of the Company's exposure. These amounts reflect payments made pursuant to the negotiated transaction agreements and not payments made pursuant to legal settlements. See "Recovery Litigation" in Note 14 for a description of the related legal proceedings the Company has commenced.

The Company's success in pursuing breaches of R&W is based upon a detailed review of loan files. The Company reviewed approximately 21,018 second lien and 6,092 first lien loan files (representing approximately \$1,626 million and \$2,044 million, respectively, of loans) in financial guaranty transactions as to which it eventually reached agreements, including the agreements with Bank of America and Deutsche Bank. For the RMBS transactions as to which the Company had not settled its claims for breaches of R&W as of June 30, 2012, the Company had performed a detailed review of approximately 10,091 second lien and 16,938 first lien loan files, representing approximately \$750 million in second lien and \$5,523 million in first lien outstanding par of loans underlying insured transactions. In the majority of its loan file reviews, the Company identified breaches of one or more R&W regarding the characteristics of the loans, such as misrepresentation of income or employment of the borrower, occupancy, undisclosed debt and non-compliance with underwriting guidelines at loan origination.

NOTES TO FINANCIAL STATEMENTS

Through June 30, 2012 the Company has caused entities providing R&Ws to pay or agree to pay approximately \$1,125.3 million in respect of their R&W liabilities for transactions in which the Company has provided a financial guaranty. Of this, \$887.4 million are payments made or to be made directly to the Company pursuant to agreements with R&W providers (e.g. the Bank of America Agreement and Deutsche Bank Agreement) and approximately \$237.9 million are amounts paid (or committed to be paid) into the relevant RMBS financial guaranty transactions pursuant to the transaction documents.

The \$887.4 million of payments made or to be made directly to the Company by R&W providers under agreements with the Company includes \$611.2 million that has already been received by the Company as well as \$276.2 million the Company projects receiving in the future pursuant to such currently existing agreements. Because most of that \$276.2 million is projected to be received through loss-sharing arrangements, the exact amount the Company will receive will depend on actual losses experienced by the covered transactions. This amount is included in the Company's calculated credit for R&W recoveries, described below.

The \$237.9 million paid, or committed to be paid, by R&W providers into the relevant RMBS transactions pursuant to the transaction documents flow through the transaction "waterfalls." Because the Company may insure only a portion of the capital structure of a transaction, such payments will not necessarily directly benefit the Company dollar-for-dollar, especially in first lien transactions. However, such payments do reduce collateral pool losses and so usually reduce the Company's loss reserves.

The calculation of expected recovery from breaches of R&W involved a variety of scenarios which ranged from the Company recovering substantially all of the losses it incurred due to violations of R&W to the Company realizing limited recoveries. The Company did not include any recoveries related to breaches of R&W in amounts greater than the losses it paid or expected to pay under any given cash flow scenario. These scenarios were probability weighted in order to determine the recovery incorporated into the Company's estimate of loss reserves. This approach was used for both loans that had already defaulted and those assumed to default in the future.

The Company assumes that recoveries on transactions backed by HELOC and closed-end second lien loans that were not subject to the Bank of America Agreement or Deutsche Bank Agreement will occur in two to four years from the balance sheet date depending on the scenarios and that recoveries on transactions backed by Alt-A first lien, Option ARM and Subprime loans will occur as claims are paid over the life of the transactions. Recoveries on second lien transactions subject to the Bank of America Agreement were paid in full by March 31, 2012.

As of June 30, 2012, cumulative collateral losses on Assured Guaranty's 21 first lien RMBS transactions (of which twelve are insured by AGM) subject to a comprehensive agreement with Bank of America Corporation and its subsidiaries, including Countrywide Financial Corporation and its subsidiaries (collectively, "Bank of America") (the "Bank of America Agreement"), were approximately \$2.6 billion (\$2.4 billion related to AGM). Assured Guaranty estimates that cumulative projected collateral losses for these 21 first lien transactions will be \$5.2 billion (\$4.7 billion related to AGM). The Bank of America Agreement covers cumulative collateral losses up to \$6.6 billion for all these transactions. Bank of America had placed approximately \$1.0 billion of eligible assets in trust in order to collateralize the reimbursement obligation relating to these transactions. The amount of assets required to be posted may increase or decrease from time to time as determined by rating agency requirements. Based on Assured Guaranty's assumptions, Assured Guaranty projects a recovery of approximately \$442.4 million (\$241.2 million from AGM) from Bank of America under the Bank of America Agreement.

On May 8, 2012, Assured Guaranty reached a settlement with Deutsche Bank, resolving claims related to certain RMBS transactions issued, underwritten or sponsored by Deutsche Bank that were insured by Assured Guaranty under financial guaranty insurance policies.

Assured Guaranty received a cash payment of \$165.6 million from Deutsche Bank upon signing of the Deutsche Bank Agreement, a portion of which partially reimbursed Assured Guaranty for past losses on certain transactions. Assured Guaranty and Deutsche Bank also entered into loss sharing arrangements covering future RMBS related losses, which are described below. Under the Deutsche Bank Agreement, Deutsche Bank AG placed approximately \$282.7 million of eligible assets in trust in order to collateralize the obligations of a reinsurance affiliate under the loss-sharing arrangements, and the Deutsche Bank reinsurance affiliate may post additional collateral in the future to satisfy rating agency requirements.

The settlement includes eight RMBS transactions ("Covered Transactions") that Assured Guaranty has insured through financial guaranty insurance policies, of which six are insured by AGM. The Covered Transactions are backed by first lien and second lien mortgage loans. Under the Deutsche Bank Agreement, the Deutsche Bank reinsurance affiliate will reimburse 80% of Assured Guaranty's future losses on the Covered Transactions until Assured Guaranty's aggregate losses (including those to date that are partially reimbursed by the \$165.6 million cash payment) reach \$318.8 million. Assured Guaranty currently projects that the Covered Transactions will not generate aggregate losses in excess of \$318.8 million. In the event aggregate losses exceed \$388.8 million, the Deutsche Bank reinsurance affiliate is required to resume reimbursement at the rate of 85% of Assured Guaranty's losses in excess of \$388.8 million until such losses reach \$600.0 million. The Covered Transactions represented \$463.6 million of the Company's par outstanding as of June 30, 2012.

U.S. Public Finance Transactions

U.S. municipalities and related entities have been under increasing pressure over the last few quarters, and a few have filed for protection under the U.S. Bankruptcy Code, entered into state processes designed to help municipalities in fiscal distress or otherwise indicated they may consider not meeting their obligations to make timely payments on their debts. The Company expects that bondholder rights will be enforced. However, due to the early stage of these developments, and the circumstances surrounding each instance, the ultimate outcome cannot be certain. The Company will continue to analyze developments in each of these matters closely.

The Company has net exposure to Jefferson County, Alabama of \$186.9 million. On November 9, 2011, Jefferson County filed for bankruptcy under Chapter 9 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Northern District of Alabama (Southern Division). A portion of the Company's net exposure relates to \$81.7 million in Jefferson County sewer revenue exposure. The sewer revenue warrants are secured by a pledge of the net revenues of the sewer system. The bankruptcy court has affirmed that the net revenues constitute a "special revenue" under Chapter 9. Therefore, the net revenues of the sewer system are not subject to an automatic stay during the pendency of Jefferson County's bankruptcy case. BNY Mellon, as trustee, had brought a lawsuit regarding the amount of net revenues to which it is entitled. Since its bankruptcy filing, Jefferson County had been withholding estimated bankruptcy-related legal expenses and an amount representing a monthly reserve for future expenditures and depreciation and amortization from the monthly payments it had been making to the trustee from sewer revenues for debt service. On June 29, 2012 the Bankruptcy Court ruled that "Operating Expenses" as determined under the bond indenture do not include (1) a reserve for depreciation, amortization, or future expenditures, or (2) an estimate for professional fees and expenses, such that, after payment of Operating Expenses (as defined in the indenture), monies remaining in the revenue account created under the bond indenture must be distributed in accordance with the waterfall set forth in the indenture without withholding any monies for depreciation, amortization, reserves, or estimated expenditures that are the subject of this litigation. The court did not rule on whether actual incurred legal and professional fees constituted Operating Expenses that could be paid prior to debt service and Jefferson County filed a motion in July 2012 to clarify this point. Whether sufficient net revenues will be available for the payment of regularly scheduled debt service ultimately depends on the bankruptcy court's valuation of the sewer revenue stream. The Company's remaining net exposure of \$105.2 million to Jefferson County relates to obligations that are secured by, or payable from, certain taxes that may have the benefit of a statutory lien or a lien on "special revenues" or other collateral.

On June 26, 2012, the City of Stockton filed for bankruptcy under Chapter 9 of the U.S. Bankruptcy Code due to drains on the general fund and projected deficits. The Company's net exposure to Stockton's general fund is \$42.1 million, consisting of a pension obligation bond. As of June 30, 2012 the Company has not paid any net claims.

The Company has \$82.9 million of net par exposure to The City of Harrisburg, Pennsylvania, of which \$47.6 million is below investment grade ("BIG"). The Company has paid \$5.3 million in net claims to date, and expects a full recovery.

The Company has net loss recoverables from troubled U.S. public finance credits of \$11.6 million as of June 30, 2012, down from \$18.2 million as of March 31, 2012. This decrease in the recoverable was due primarily to the establishment of a loss reserve on the Company's guaranty of lease obligation bonds issued by the City of Stockton, as well as changes to Jefferson County sewer obligations and other credits.

NOTES TO FINANCIAL STATEMENTS

Other Notable Loss or Claim Transactions

The Company projects losses on, or is monitoring particularly closely, a number of other individual transactions, the most significant of which are described in the following paragraphs.

As of June 30, 2012 the Company had exposure to sovereign debt of Greece through financial guarantees of €105.5 million of debt (€68.9 million on a net basis) due in 2057 with a 4.5% fixed coupon and €36.3 million of inflation-linked debt (€23.6 million on a net basis) due in 2057 with a 2.085% coupon. On February 24, 2012, Greece announced the terms of exchange offers and consent solicitations that requested the voluntary participation by holders of certain Greek bonds, including the insured 2037 and 2057 bonds, in an exchange that would result in the cancellation of such bonds in exchange for a package of replacement securities with lower principal amounts, and requested the consent of holders to amendments of the bonds that could be used to impose the same terms on holders that do not voluntarily participate in the exchange. In March 2012, the exchange was imposed through collective action clauses on the Company's exposure to the 2037 bonds. In April 2012, Assured Guaranty consented to the exchange with respect to its exposure on the 2057 bonds. The exchanges have caused the Company to recognize a loss reserve of \$185.8 million gross of reinsurance and \$121.3 million net of reinsurance as of June 30, 2012, an increase from the equivalent amounts of \$24.5 million gross of reinsurance and \$16.0 million net of reinsurance as of December 31, 2011. The Company recorded \$6.5 million in gains due to changes in foreign exchange rates on its Greece reserve, which was recorded in change in net unrealized foreign exchange gains. Assured Guaranty accelerated claims under its financial guaranty on the July payment date with respect to the 2057 bonds and intends to accelerate claims on or after the September payment date with respect to the 2037 bonds.

The Company insures a total of \$151.7 million net par of securities backed by manufactured housing loans, a total of \$88.5 million rated below investment grade ("BIG"). The Company has loss reserves of \$10.9 million as of June 30, 2012 compared to \$9.5 million as of December 31, 2011.

The following summarizes U.S. subprime loss activity:

- The aggregate amount of U.S. subprime related net losses paid in the first six months of 2012 were \$9,871,472;
- The aggregate amount of U.S. subprime related net losses incurred in the first six months of 2012 was \$4,264,158;
- The aggregate amount of U.S. subprime related net case reserves at the end of the current reporting period were \$59,116,101, and
- The Company does not establish IBNR reserves.

22. Events Subsequent

Subsequent events have been considered through August 14, 2012 for these statutory financial statements which are to be issued August 14, 2012. There were no material events occurring subsequent to June 30, 2012 that have not already been disclosed in these notes to the financial statements.

23. Reinsurance

A. The Company has no unsecured reinsurance recoverable at June 30, 2012.

B. The Company has no reinsurance recoverable in dispute at June 30, 2012.

C. Reinsurance Assumed and Ceded

The following table summarizes ceded and assumed unearned premiums and the related commission equity at June 30, 2012.

	Assumed		Ceded		Net	
	Unearned Premium	Commission Equity	Unearned Premium	Commission Equity	Unearned Premium	Commission Equity
Affiliates	\$ 339,455,661	\$101,836,698	\$1,278,121,450	\$ 383,436,435	\$ (938,665,789)	\$ (281,599,737)
Non Affiliates	1,968,863	590,659	266,285,139	79,885,542	(264,316,276)	(79,294,883)
Total	\$ 341,424,524	\$102,427,357	\$1,544,406,589	\$ 463,321,977	\$ (1,202,982,065)	\$ (360,894,620)
Direct Unearned Premium Reserve \$2,622,414,518						

D. The Company has no uncollectible reinsurance at June 30, 2012.

E. The effect of the Company's commutation and reassumption of ceded business is summarized in the table below:

	Radian Asset Assurance Inc.	The Tokio Marine and Fire Ins Co. Ltd.	TOTAL
Ceded Premiums written	86,332,445	53,610,119	139,942,564
Change in UPR	(86,332,445)	(53,610,119)	(139,942,564)
Premiums Earned	-	-	-
Return of Ceding Commission	-	(15,074,784)	(15,074,784)
Other Income	-	63,400,000	63,400,000
Pre-Tax Gain	-	48,325,216	48,325,216

F. The Company has no retroactive reinsurance in effect at June 30, 2012.

G. The Company does not utilize the deposit method to account for any of its reinsurance transactions.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

There has been no change since the 2011 Annual Statement.

25. Changes in Incurred Losses and Loss Adjustment Expenses ("LAE")

Incurred losses and LAE attributable to insured events of prior years were \$128,401,888 for the first six months of 2012. The current year increase is a result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

There has been no change since the 2011 Annual Statement.

NOTES TO FINANCIAL STATEMENTS

27. Structured Settlements

There has been no change since the 2011 Annual Statement.

28. Health Care Receivables

There has been no change since the 2011 Annual Statement.

29. Participating Policies

There has been no change since the 2011 Annual Statement.

30. Premium Deficiency Reserves

There has been no change since the 2011 Annual Statement.

31. High Deductibles

There has been no change since the 2011 Annual Statement.

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

The net loss and LAE reserves of \$219,103,996 are discounted at a rate of 5.0%, the approximate taxable equivalent yield on the Company's investment portfolio, amounting to a total discount taken of \$116,168,913.

33. Asbestos/Environmental Reserves

There has been no change since the 2011 Annual Statement.

34. Subscriber savings Accounts

There has been no change since the 2011 Annual Statement.

35. Multiple Peril Crop Insurance

There has been no change since the 2011 Annual Statement.

36. Financial Guaranty Insurance

A. There has been no significant change since the 2011 Annual Statement.

B. Schedule of insured financial obligations as of June 30, 2012:

Dollars in thousands

	Surveillance Categories			Total
	BIG 1	BIG 2	BIG 3	
Number of risks	78	26	61	165
Remaining weighted-average contract period (in years)	7.9	11.6	6.3	8.0
Insured contractual payments outstanding:				
Principal	\$6,312,084	\$2,634,247	\$4,986,490	\$13,392,821
Interest	<u>2,121,708</u>	<u>1,805,467</u>	<u>1,393,593</u>	<u>5,320,769</u>
Total	<u>\$8,433,792</u>	<u>\$4,439,715</u>	<u>\$6,380,083</u>	<u>\$19,253,590</u>
Gross claim liability	\$ 452,450	\$1,159,339	\$2,056,325	\$3,668,114
Less: Gross potential recoveries - subrogation	544,499	523,096	1,896,391	2,963,986
Ceded claim liability	(42,364)	275,017	136,203	368,856
Discount, net	<u>(4,310)</u>	<u>142,061</u>	<u>(21,583)</u>	<u>116,168</u>
Net liability reported in the balance sheet	<u>\$(45,375)</u>	<u>\$219,165</u>	<u>\$ 45,314</u>	<u>\$ 219,104</u>
Reinsurance recoverables	\$583	\$271	\$38,194	\$39,048
Unearned premium reserve	\$42,929	\$2,774	\$6,934	\$52,637

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [X] No []
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [] NA [X]
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2011
- 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. 12/31/2007
- 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). 03/13/2009
- 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 [X] No [] NA []
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] 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 [X]
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes No
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.

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

- 9.2 Has the code of ethics for senior managers been amended? Yes No

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

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No

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

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No

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

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

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

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$ 626,210,915	\$ 539,138,107
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).....	\$ 626,210,915	\$ 539,138,107
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

- 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. 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 No

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

1 Name of Custodian(s)	2 Custodian Address
The Bank of New York Mellon.....	One Wall Street, 14th Floor, New York, NY 10286.....

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

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes No

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

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

16.5 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 Central Registration Depository	2 Name(s)	3 Address
104518.....	Deutsche Investment Management Americas Inc.....	345 Park Ave., New York, NY 10154.....
105900.....	General Re-New England Asset Mgmt Inc.....	76 Batterson Park Road, Farmington, CT 06032.....
106595.....	Wellington Management LLP.....	75 State Street, Boston, MA 02109.....
107105.....	Blackrock Financial Mgmt Inc.....	40 East 52nd St., New York, NY 10022.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes No

17.2 If no, list exceptions:

.....

STATEMENT AS OF JUNE 30, 2012 OF THE ASSURED GUARANTY MUNICIPAL CORP.

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	498,207	2,505,622		0	10,511,076	5,885,467
2. Alaska	AK L		39,378		0		0
3. Arizona	AZ L	885,015	785,144		0		0
4. Arkansas	AR L	1,609,277	0		0		0
5. California	CA L	7,411,383	13,272,031	8,227,741	10,996,382	40,831,163	32,941,779
6. Colorado	CO L	1,334,889	1,962,760	(22,141)	0		0
7. Connecticut	CT L	1,711,188	0	1,974,285	2,871,090	(68,022,856)	(35,834,032)
8. Delaware	DE L	3,207,082	13,981,269	42,685,101	(512,191,223)	60,450,886	87,052,475
9. District of Columbia	DC L	89,111	92,717		0		0
10. Florida	FL L	1,979,867	3,551,714		0	1,165,186	0
11. Georgia	GA L	896,163	1,697,681		1,938,429		35,936,150
12. Hawaii	HI L	56,525	58,084		0		0
13. Idaho	ID L		180,649		0		0
14. Illinois	IL L	2,660,551	1,251,046		0		0
15. Indiana	IN L	64,000	629,002		0		0
16. Iowa	IA L	361,000	0		0		0
17. Kansas	KS L	312,971	90,915		0		0
18. Kentucky	KY L	166,000	81,534		0		0
19. Louisiana	LA L	583,539	1,330,004		0		0
20. Maine	ME L		42,000		0		0
21. Maryland	MD L	228,719	1,425,961	79,478,804	103,815,902	81,418,626	292,317,003
22. Massachusetts	MA L	221,607	1,012,000	(5,106,935)	(829,518)	(28,053,730)	(27,450,844)
23. Michigan	MI L	2,359,407	392,381		0		0
24. Minnesota	MN L	174,976	212,610	19,395,990	44,464,743	(92,841,940)	(85,406,793)
25. Mississippi	MS L	301,087	339,099		0		0
26. Missouri	MO L	341,246	110,307		0		0
27. Montana	MT L		580,350		0		0
28. Nebraska	NE L		0		0		0
29. Nevada	NV L		(618)		0		0
30. New Hampshire	NH L	290,546	0		0		0
31. New Jersey	NJ L	7,755,983	6,066,864		684,406	24,598,000	24,925,600
32. New Mexico	NM L	48,000	18,098		0		0
33. New York	NY L	39,607,191	73,128,361	58,621,180	(9,292,378)	226,960,126	313,488,731
34. North Carolina	NC L	86,488	101,635		0		0
35. North Dakota	ND L		0		0		0
36. Ohio	OH L	3,193,174	207,235		0		0
37. Oklahoma	OK L	297,226	135,154		0		0
38. Oregon	OR L	1,226,570	169,779		0		0
39. Pennsylvania	PA L	9,843,094	7,670,303	2,030,889	598,428	(9,496,193)	(4,638,313)
40. Rhode Island	RI L	103,429	755,595		0		0
41. South Carolina	SC L	769,436	2,311,842		0		0
42. South Dakota	SD L		141,741		0		0
43. Tennessee	TN L	94,401	177,534		0		0
44. Texas	TX L	14,567,194	5,866,365		0		0
45. Utah	UT L	535,014	676,454		0		0
46. Vermont	VT L	96,570	168,009		0		0
47. Virginia	VA L	171	200		2,845		0
48. Washington	WA L	313,290	104,066		0		0
49. West Virginia	WV L		0		0		0
50. Wisconsin	WI L	1,809,239	161,294		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	7,147,185	9,269,926		0		0
55. U.S. Virgin Islands	VI L		0		0		0
56. Northern Mariana Islands	MP N		0		0		0
57. Canada	CN N	739,625	363,750		0		0
58. Aggregate Other Alien	OT XXX	7,157,512	6,733,788	8,115,833	1,069,054	31,585,594	7,783,799
59. Totals	(a) 54	123,135,148	159,851,633	215,400,747	(355,871,840)	279,105,938	647,001,022
DETAILS OF WRITE-INS							
5801. Australia	XXX	2,535,389	1,182,704		0	31,635,420	0
5802. Bermuda	XXX		178		0		0
5803. Cayman Island	XXX	2,248,749	3,287,590	8,115,833	1,069,054	(49,826)	7,783,799
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	2,373,374	2,263,316	0	0	0	0
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	7,157,512	6,733,788	8,115,833	1,069,054	31,585,594	7,783,799

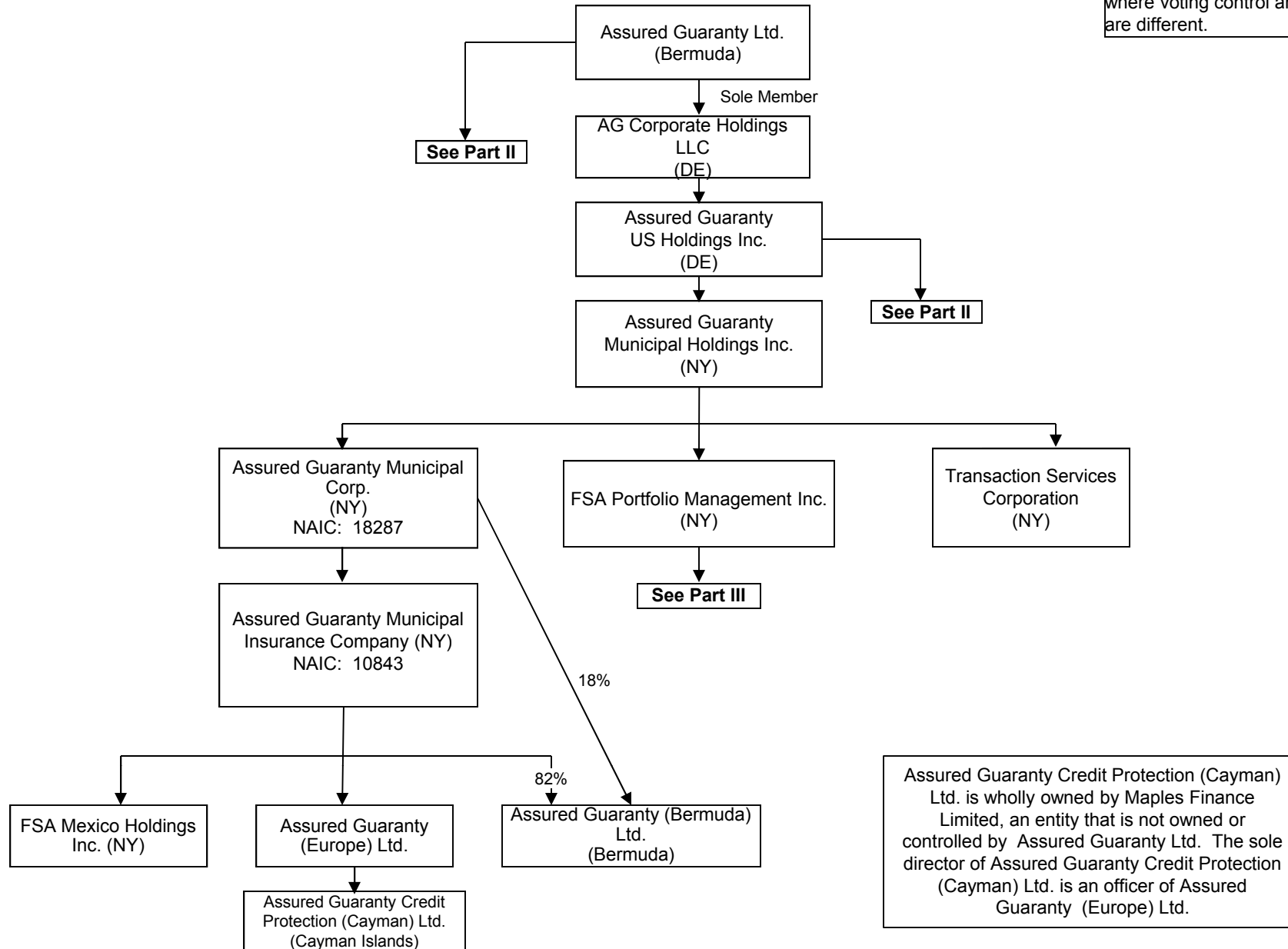
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

Amended
06/30/2012

ORGANIZATIONAL CHART OF
ASSURED GUARANTY LTD.
Part I

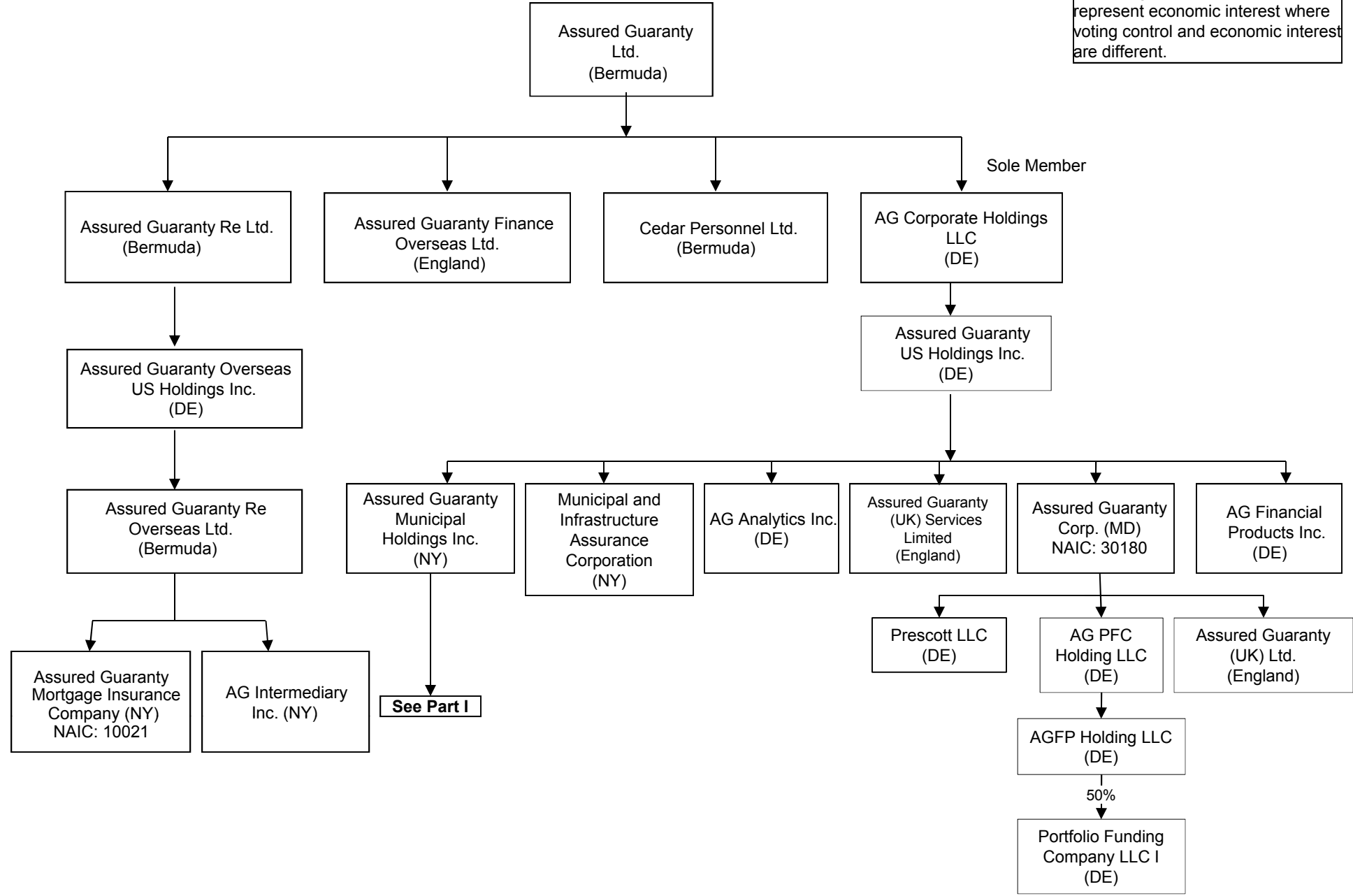
Notes: Unless otherwise indicated by percentage ownership or other relationship, the ownership interest is 100%. Percentages shown represent voting control, except that percentages in parentheses represent economic interest where voting control and economic interest are different.



Assured Guaranty Credit Protection (Cayman) Ltd. is wholly owned by Maples Finance Limited, an entity that is not owned or controlled by Assured Guaranty Ltd. The sole director of Assured Guaranty Credit Protection (Cayman) Ltd. is an officer of Assured Guaranty (Europe) Ltd.

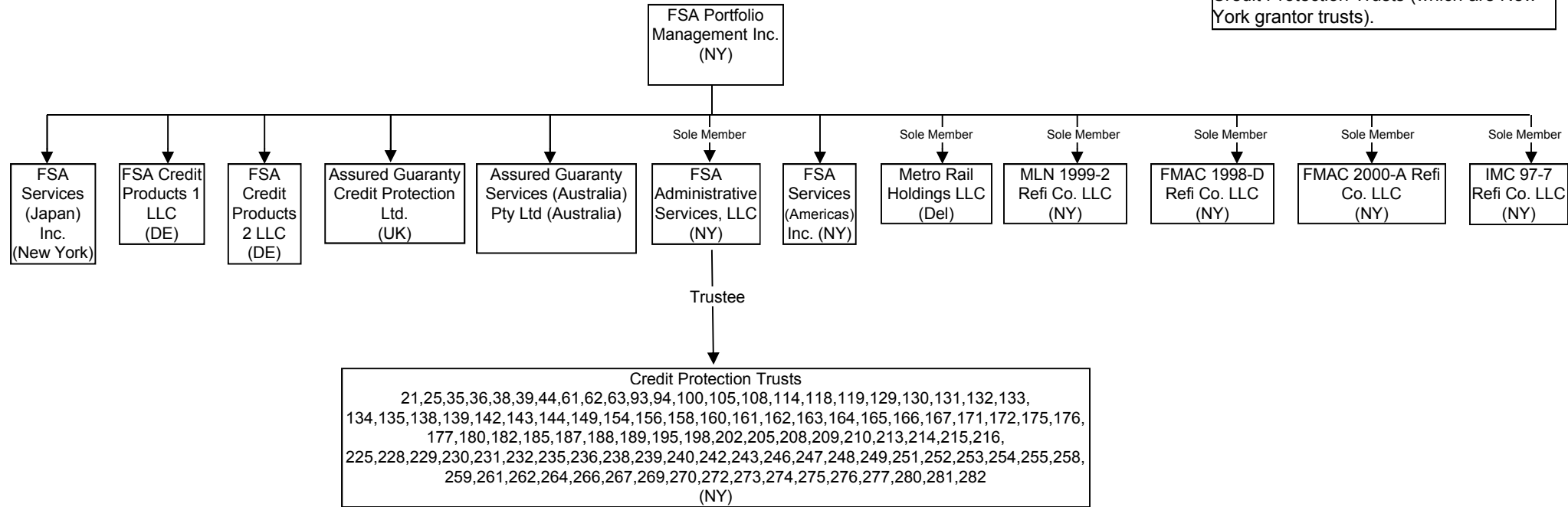
ORGANIZATIONAL CHART OF
ASSURED GUARANTY LTD.
Part II

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



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

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



STATEMENT AS OF JUNE 30, 2012 OF THE ASSURED GUARANTY MUNICIPAL CORP.

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00194	Assured Guaranty Ltd				0001273813	NYSE	Assured Guaranty Ltd	BM	UDP				Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						AG Corporate Holdings LLC	DE	DS	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd				0001289244		Assured Guaranty US Holdings Inc	DE	DS	AG Corporate Holdings LLC	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd	01945			0000913357		Assured Guaranty Municipal Holdings Inc	NY	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd	18287	13-3250292				Assured Guaranty Municipal Corp	NY	DS	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FSA Portfolio Management Inc	NY	DS	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Transaction Services Corporation	NY	DS	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd	10843	13-3954813				Assured Guaranty Municipal Insurance Co	NY	DS	Assured Guaranty Municipal Corp	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FSA Mexico Holdings Inc	NY	DS	Assured Guaranty Municipal Insurance Co	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Assured Guaranty (Bermuda) Ltd	BM	DS	Assured Guaranty Municipal Insurance Co	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Assured Guaranty (Europe) Ltd	GB	DS	Assured Guaranty Municipal Insurance Co	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd		AA-3190809				Assured Guaranty Credit Protection (Cayman) Ltd (Cayman Islands)	CI	DS	Assured Guaranty (Europe) Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd		AA-3190809				Assured Guaranty Re Ltd	BM	DS	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Assured Guaranty Finance Overseas Ltd	GB	DS	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd		AA-3190538				Assured Guaranty Overseas US Holdings Inc	DE	DS	Assured Guaranty Re Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd		AA-3190538				Assured Guaranty Re Overseas Ltd	BM	DS	Assured Guaranty Re Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd		06-1384770				Assured Guaranty Mortgage Insurance Company	NY	DS	Assured Guaranty Re Overseas Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						AG Intermediary Inc	NY	DS	Assured Guaranty Re Overseas Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd		AA-1120078				Cedar Personnel Ltd. (Bermuda)	BM	DS	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						AG Corporate Holdings LLC (DE)	DE	DS	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Assured Guaranty US Holdings Inc	DE	DS	AG Corporate Holdings LLC	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Assured Guaranty Municipal Holdings Inc	NY	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd	13559	26-2999764				Municipal and Infrastructure Assurance Corporation	NY	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						AG Analytics Inc	DE	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	

STATEMENT AS OF JUNE 30, 2012 OF THE ASSURED GUARANTY MUNICIPAL CORP.

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00194	Assured Guaranty Ltd						Assured Guaranty (UK) Services Limited	GB	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd	30180	52-1533088				Assured Guaranty Corp	MD	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						AG Financial Products Inc	DE	DS	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Prescott LLC	DE	DS	Assured Guranty Corp	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd		AA-1120078				Assured Guaranty (UK) Ltd	GB	DS	Assured Guaranty Corp	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						AG PFC Holding LLC	DE	DS	AG PFC Holding LLC	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Portfolio Funding Company LLC	DE	DS	AG PFC Holding LLC	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FSA Services (Japan) Inc	NY	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FSA Credit Products 1 LLC	DE	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FSA Credit Products 2 LLC	DE	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Assured Guaranty Credit Protection Ltd	GB	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FSA Administrative Services, LLC	NY	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FSA Servies (Americas) Inc	NY	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						Metro Rail HoldingsLLC	DE	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						MLN 1992-2 Refi Co. LLC	NY	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FMAC 1998-D Refi Co. LLC	NY	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FMAC 1998-D Refi Co. LLC	NY	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						FMAC 2000-A Refi Co. LLC	NY	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	
00194	Assured Guaranty Ltd						IMC 97-7 Refi Co. LLC	NY	DS	FSA Portfolio Management Inc	Ownership	100.0	Assured Guaranty Ltd	

12.1

Asterisk	Explanation
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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	219,289,252	96,444,835	44.0	(89.3)
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	219,289,252	96,444,835	44.0	(89.3)
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	2	3
	Current Quarter	Current Year to Date	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	77,329,982	123,135,148	159,851,633
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	77,329,982	123,135,148	159,851,633
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

STATEMENT AS OF JUNE 30, 2012 OF THE ASSURED GUARANTY MUNICIPAL CORP.

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)	2012 Loss and LAE Payments on Claims Reported as of Prior Year-End	2012 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2012 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. 2009 + Prior	206,606		206,606	129,724		129,724	77,927			77,927	1,045	0	1,045
2. 2010	(27,063)		(27,063)	3,665		3,665	(12,609)			(12,609)	18,119	0	18,119
3. Subtotals 2010 + prior	179,543	0	179,543	133,389	0	133,389	65,318	0	0	65,318	19,164	0	19,164
4. 2011	32,499		32,499	(6,447)		(6,447)	141,709			141,709	102,763	0	102,763
5. Subtotals 2011 + prior	212,042	0	212,042	126,942	0	126,942	207,027	0	0	207,027	121,927	0	121,927
6. 2012	XXX	XXX	XXX	XXX		0	XXX	12,076		12,076	XXX	XXX	XXX
7. Totals	212,042	0	212,042	126,942	0	126,942	207,027	12,076	0	219,103	121,927	0	121,927
8. Prior Year-End Surplus As Regards Policy-holders	1,209,304										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. 57.5	2. 0.0	3. 57.5
													Col. 13, Line 7 Line 8
													4. 10.1

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.

	<u>Response</u>
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 Supplement be filed with the state of domicile and the NAIC with this statement?NO.....

Explanation:

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

Bar Code:

1.	 1 8 2 8 7 2 0 1 2 4 9 0 0 0 0 0 2
2.	 1 8 2 8 7 2 0 1 2 4 5 5 0 0 0 0 2
3.	 1 8 2 8 7 2 0 1 2 3 6 5 0 0 0 0 2
4.	 1 8 2 8 7 2 0 1 2 5 0 5 0 0 0 0 2

OVERFLOW PAGE FOR WRITE-INS

PQ004 Additional Aggregate Lines for Page 04 Line 37.

*STMTINCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
3704. Tax and Loss Bonds.....		19,054,183	0
3705. Other Adjustment.....		23,847	23,846
3797. Summary of remaining write-ins for Line 37 from Page 04	0	19,078,030	23,846

PQ010 Additional Aggregate Lines for Page 10 Line 58.

*SCT

	1 Active Status	2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
5804. Chile.....	.XXX	1,228,726	1,437,653		.0		0
5805. France.....	.XXX		0		.0		0
5806. Japan.....	.XXX	548,864	19,038		.0		0
5807. Jersey Island.....	.XXX		548,864		.0		0
5808. Mexico.....	.XXX		7,189		.0		0
5809. New Zealand.....	.XXX	30,553	31,727		.0		0
5810. Peru.....	.XXX	278,431			.0		0
5811. United Kingdom.....	.XXX	286,800	218,845		.0		0
5897. Summary of remaining write-ins for Line 58 from Page 10	.XXX	2,373,374	2,263,316	0	0	0	0

SCHEDULE A – VERIFICATION

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	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

NONE

SCHEDULE B – VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	337,082,440	318,028,257
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		19,054,183
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 depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	337,082,440	337,082,440
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	337,082,440	337,082,440

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	3,404,725,256	3,125,235,931
2. Cost of bonds and stocks acquired	660,995,364	1,162,879,941
3. Accrual of discount	25,828,351	30,047,077
4. Unrealized valuation increase (decrease)	(87,094,262)	170,508,821
5. Total gain (loss) on disposals	8,199,062	2,969,781
6. Deduct consideration for bonds and stocks disposed of	553,188,828	1,027,948,345
7. Deduct amortization of premium	5,696,854	7,519,620
8. Total foreign exchange change in book/adjusted carrying value	(11,591)	(3,138)
9. Deduct current year's other than temporary impairment recognized	10,227,184	51,445,192
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	3,443,529,314	3,404,725,256
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	3,443,529,314	3,404,725,256

STATEMENT AS OF JUNE 30, 2012 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 Rating Class

	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. Class 1 (a).....	2,995,022,129	543,136,952	601,524,767	2,170,843	2,995,022,129	2,938,805,157	0	2,789,150,689
2. Class 2 (a).....	30,584,556	5,279,995	5,320,111	(26,389)	30,584,556	30,518,051	0	31,653,302
3. Class 3 (a).....	5,070,098			(4,521)	5,070,098	5,065,577	0	33,754,780
4. Class 4 (a).....	46,297,319			(207,056)	46,297,319	46,090,263	0	17,822,676
5. Class 5 (a).....	1,095,696		384,092	(711,604)	1,095,696	0	0	0
6. Class 6 (a).....	201,768,666		1,616,321	7,853,884	201,768,666	208,006,229	0	179,975,289
7. Total Bonds	3,279,838,464	548,416,947	608,845,291	9,075,157	3,279,838,464	3,228,485,277	0	3,052,356,736
PREFERRED STOCK								
8. Class 1.....	0				0	0	0	0
9. Class 2.....	0				0	0	0	0
10. Class 3.....	0				0	0	0	0
11. Class 4.....	0				0	0	0	0
12. Class 5.....	0				0	0	0	0
13. Class 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	3,279,838,464	548,416,947	608,845,291	9,075,157	3,279,838,464	3,228,485,277	0	3,052,356,736

(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 \$167,563,056 ; NAIC 2 \$;
NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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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	101,427,508	XXX	101,388,389	118,208	

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.....	132,727,769	80,543,081
2. Cost of short-term investments acquired	163,038,263	260,148,704
3. Accrual of discount	49,527	29,109
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals	(32,097)	361,626
6. Deduct consideration received on disposals	194,339,619	207,895,463
7. Deduct amortization of premium.....	16,335	126,933
8. Total foreign exchange change in book/adjusted carrying value.....		(332,355)
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).....	101,427,508	132,727,769
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	101,427,508	132,727,769

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.....	141,163,063	440,348,970
2. Cost of cash equivalents acquired	290,475,933	1,213,209,307
3. Accrual of discount	9,574	51,223
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals.....	(14)	95
6. Deduct consideration received on disposals	208,957,387	1,512,446,532
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)	222,691,169	141,163,063
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	222,691,169	141,163,063

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF JUNE 30, 2012 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. States, Territories and Possessions									
452152-WH-1	ILLINOIS ST		05/02/2012	JEFFRIES		28,309,500	25,000,000		1FE
452152-MK-4	ILLINOIS ST		05/02/2012	JEFFRIES		28,154,250	25,000,000		1FE
1799999 - Bonds - U.S. States, Territories and Possessions						56,463,750	50,000,000	0	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
006614-DD-0	ADDISON NY CENTRL SCH DIST		06/04/2012	VARIOUS		1,197,746	1,220,000		1FE
006614-DE-8	ADDISON NY CENTRL SCH DIST		06/04/2012	ASSURED GUARANTY CORP		1,326,854	1,340,000		1FE
14946N-CV-7	CATTARAUGUS-LITTLE VLY NY CENT		06/01/2012	VENDOR CODE ROOS NOT IN T		1,302,576	1,270,000		1FE
14946N-CW-5	CATTARAUGUS-LITTLE VLY NY CENT		05/31/2012	VENDOR CODE ROOS NOT IN T		1,921,833	1,895,000		1FE
14946N-CX-3	CATTARAUGUS-LITTLE VLY NY CENT		05/31/2012	VENDOR CODE ROOS NOT IN T		1,969,192	1,960,000		1FE
14946N-CY-1	CATTARAUGUS-LITTLE VLY NY CENT		05/31/2012	VENDOR CODE ROOS NOT IN T		2,028,862	2,040,000		1FE
14946N-CZ-8	CATTARAUGUS-LITTLE VLY NY CENT		05/31/2012	VENDOR CODE ROOS NOT IN T		2,066,310	2,105,000		1FE
420524-NR-7	HAWTHORNE CA SCH DIST		04/25/2012	Goldman Sachs		894,940	2,000,000		1FE
420524-NS-5	HAWTHORNE CA SCH DIST		04/25/2012	Goldman Sachs		2,365,760	4,000,000		1FE
423542-LC-1	HEMET CA UNIF SCH DIST		06/27/2012	De LaRosa		1,407,169	1,480,000		1FE
423542-LD-9	HEMET CA UNIF SCH DIST		06/27/2012	De LaRosa		504,549	530,000		1FE
586603-EP-3	MENDOCINO CNTY CA COPS		05/01/2012	RAYMOND JAMES & ASSOC		770,203	780,000		1FE
586603-EQ-1	MENDOCINO CNTY CA COPS		05/01/2012	RAYMOND JAMES & ASSOC		542,630	550,000		1FE
586603-ER-9	MENDOCINO CNTY CA COPS		05/01/2012	RAYMOND JAMES & ASSOC		1,627,217	1,635,000		1FE
586603-ES-7	MENDOCINO CNTY CA COPS		05/01/2012	RAYMOND JAMES & ASSOC		1,381,730	1,400,000		1FE
586603-EV-0	MENDOCINO CNTY CA COPS		05/02/2012	RAYMOND JAMES & ASSOC		541,094	550,000		1FE
586603-EW-8	MENDOCINO CNTY CA COPS		05/02/2012	RAYMOND JAMES & ASSOC		441,629	450,000		1FE
586603-EX-6	MENDOCINO CNTY CA COPS		05/01/2012	RAYMOND JAMES & ASSOC		243,855	250,000		1FE
59333M-H4-0	MIAMI-DADE CNTY FL SCH BRD		05/25/2012	ASSURED GUARANTY CORP		13,109,445	13,500,000		1FE
682454-6C-2	ONEIDA CNTY NY		04/17/2012	THE MUNICENTER		1,779,333	1,805,000		1FE
74514L-D8-7	PUERTO RICO CMWLTH		06/20/2012	UBS Securities		609,792	600,000	5,808	1FE
724791-BJ-6	PITTSBURGH & ALLEGHENY CNTY PA		06/06/2012	PNC SECURITIES INC		4,971,050	5,000,000		1FE
724791-BK-3	PITTSBURGH & ALLEGHENY CNTY PA		06/06/2012	PNC SECURITIES INC		1,237,950	1,250,000		1FE
732098-FB-9	POMONA CA UNIF SCH DIST		04/04/2012	THE MUNICENTER		1,123,232	1,100,000		1FE
732098-FC-7	POMONA CA UNIF SCH DIST		04/04/2012	Goldman Sachs		2,490,971	2,460,000		1FE
732098-FD-5	POMONA CA UNIF SCH DIST		04/04/2012	Goldman Sachs		1,408,148	1,400,000		1FE
736746-XU-7	PORTLAND OR URBAN RENEWAL & RE		05/09/2012	CICTIBANK		5,175,000	5,175,000		1FE
797355-R3-0	SAN DIEGO CA UNIF SCH DIST		05/10/2012	De LaRosa		3,528,200	10,000,000		1FE
797355-R4-8	SAN DIEGO CA UNIF SCH DIST		05/10/2012	De LaRosa		3,442,900	10,000,000		1FE
953140-K7-4	WEST HAVEN CT		05/24/2012	VENDOR CODE WACH NOT IN T		1,125,060	1,000,000		1FE
953140-K9-0	WEST HAVEN CT		05/25/2012	VARIOUS		1,804,691	1,625,000		1FE
953140-L2-4	WEST HAVEN CT		05/25/2012	VENDOR CODE WACH NOT IN T		747,549	675,000		1FE
953140-L3-2	WEST HAVEN CT		05/25/2012	VENDOR CODE WACH NOT IN T		329,046	300,000		1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						65,416,516	81,345,000	5,808	XXX
Bonds - U.S. Special Revenue									
04780M-ST-7	ATLANTA GA ARPT REVENUE		04/19/2012	Merrill Lynch		1,059,670	1,000,000		1FE
120525-CJ-7	BUNCOMBE CNTY NC LTD OBLIG		06/21/2012	Added by SunGard		3,127,675	2,630,000		1FE
120525-CX-4	BUNCOMBE CNTY NC LTD OBLIG		06/21/2012	Added by SunGard		1,650,320	1,400,000		1FE
120827-CW-8	BURBANK GLENDALE PASADENA CA A		05/03/2012	CICTIBANK		3,000,000	3,000,000		1FE
145339-KG-1	CARROLLTON GA PAYROLL DEV AUTH		06/29/2012	VENDOR CODE WACH NOT IN T		589,344	600,000		1FE
145339-KH-9	CARROLLTON GA PAYROLL DEV AUTH		06/29/2012	VENDOR CODE WACH NOT IN T		5,394,338	5,025,000		1FE
167736-ZN-0	CHICAGO IL WTR REVENUE		05/11/2012	VARIOUS		1,485,844	1,295,000		1FE
251237-B8-5	DETROIT MI SWR DISP SYS REVENUE		06/21/2012	Added by SunGard		2,239,760	2,000,000	51,042	1FE
251250-AK-2	DETROIT MI WTR & SEWERAGE DEPT		06/21/2012	Added by SunGard		5,207,900	5,000,000		1FE
251250-AN-6	DETROIT MI WTR & SEWERAGE DEPT		06/21/2012	Added by SunGard		1,041,080	1,000,000		1FE
251250-AQ-9	DETROIT MI WTR & SEWERAGE DEPT		06/21/2012	Added by SunGard		1,987,460	2,000,000		1FE
251250-AR-7	DETROIT MI WTR & SEWERAGE DEPT		06/21/2012	Added by SunGard		4,964,250	5,000,000		1FE
251250-AS-5	DETROIT MI WTR & SEWERAGE DEPT		06/22/2012	Added by SunGard		9,570,830	9,500,000	625	1FE
251250-AT-3	DETROIT MI WTR & SEWERAGE DEPT		06/25/2012	Goldman Sachs		5,150,628	4,860,000		1FE
295533-MT-7	ERIE PA SWR AUTH		05/10/2012	PNC SECURITIES INC		4,651,992	4,035,000		1FE
295533-MU-4	ERIE PA SWR AUTH		05/10/2012	PNC SECURITIES INC		4,834,865	4,170,000		1FE
295533-MV-2	ERIE PA SWR AUTH		05/10/2012	PNC SECURITIES INC		3,981,871	3,425,000		1FE
295533-MW-0	ERIE PA SWR AUTH		05/10/2012	PNC SECURITIES INC		3,760,085	3,240,000		1FE
343136-X2-8	FLORIDA ST TURNPIKE AUTH		05/02/2012	UBS Securities		1,370,013	1,250,000	21,875	1FE

E04

STATEMENT AS OF JUNE 30, 2012 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)	
34073T-FA-0	FLORIDA ST HGR EDUCNTL FACS FI		04/05/2012	Goldman Sachs		2,094,500	2,000,000		1FE	
34073T-FB-8	FLORIDA ST HGR EDUCNTL FACS FI		04/05/2012	Goldman Sachs		2,032,340	2,000,000		1FE	
34073T-FC-6	FLORIDA ST HGR EDUCNTL FACS FI		04/05/2012	THE MUNICENTER		2,252,947	2,235,000		1FE	
34073T-FD-4	FLORIDA ST HGR EDUCNTL FACS FI		04/20/2012	VARIOUS		1,336,960	1,330,000		1FE	
34073T-FG-7	FLORIDA ST HGR EDUCNTL FACS FI		04/20/2012	VARIOUS		1,461,901	1,460,000		1FE	
34073T-FJ-1	FLORIDA ST HGR EDUCNTL FACS FI		04/05/2012	THE MUNICENTER		1,191,553	1,185,000		1FE	
396080-JK-0	Greenville Hosp SC		05/23/2012	BARCLAYS CAPITAL		1,998,724	1,820,000		1FE	
396080-JP-9	Greenville Hosp SC		05/23/2012	BAIRD		2,395,511	2,105,000		1FE	
396080-JQ-7	Greenville Hosp SC		05/23/2012	BARCLAYS CAPITAL		2,987,160	2,650,000		1FE	
40727T-CL-6	HAMILTON CNTY OH HLTH CARE FAC		06/20/2012	RBC		5,729,270	5,650,000		1FE	
40727T-CT-9	HAMILTON CNTY OH HLTH CARE FAC		06/20/2012	RBC		1,944,760	2,000,000		1FE	
40727T-CU-6	HAMILTON CNTY OH HLTH CARE FAC		06/20/2012	RBC		1,928,300	2,000,000		1FE	
40727T-CW-2	HAMILTON CNTY OH HLTH CARE FAC		06/21/2012	RBC		8,549,755	8,700,000		1FE	
45505M-AT-3	INDIANA FIN AUTH IN WSTWTR		04/04/2012	JANNEY		2,242,440	2,000,000	2,625	1FE	
544525-OE-1	LOS ANGELES CA DEPT OF WTR & P		05/24/2012	RBC		3,663,563	3,250,000		1FE	
56040P-CR-7	MAINE ST EDUCNTL AUTH STUDENT		06/08/2012	RBC		1,805,000	1,805,000		1FE	
562334-FF-4	MANCHESTER NH GEN ARPT REVENUE		06/07/2012	RAYMOND JAMES & ASSOC		9,049,310	8,225,000		1FE	
562334-FG-2	MANCHESTER NH GEN ARPT REVENUE		06/07/2012	RAYMOND JAMES & ASSOC		293,736	300,000		1FE	
562334-FH-0	MANCHESTER NH GEN ARPT REVENUE		06/07/2012	RAYMOND JAMES & ASSOC		2,708,228	2,750,000		1FE	
562334-FP-2	MANCHESTER NH GEN ARPT REVENUE		06/07/2012	RAYMOND JAMES & ASSOC		3,128,748	2,800,000		1FE	
562334-FO-0	MANCHESTER NH GEN ARPT REVENUE		06/07/2012	RAYMOND JAMES & ASSOC		3,223,035	2,885,000		1FE	
562334-FR-8	MANCHESTER NH GEN ARPT REVENUE		06/07/2012	RAYMOND JAMES & ASSOC		2,890,732	2,600,000		1FE	
575831-BL-5	MASSACHUSETTS ST CLG BLDG AUTH		05/02/2012	Added by SunGard		1,119,200	1,000,000	833	1FE	
592646-3R-2	MET WASHINGTON DC ARPTS AUTH A		06/06/2012	BARCLAYS CAPITAL		1,246,025	1,100,000		1FE	
660043-AB-6	N HUDSON NJ SEWERAGE AUTH GROS		05/18/2012	Morgan Stanley Co.		2,000,000	2,000,000		1FE	
660043-AG-5	N HUDSON NJ SEWERAGE AUTH GROS		05/18/2012	Morgan Stanley Co.		1,000,000	1,000,000		1FE	
645918-J5-3	NEW JERSEY ST ECON DEV AUTH RE		04/03/2012	Goldman Sachs		2,657,475	2,500,000		2FE	
645918-J6-1	NEW JERSEY ST ECON DEV AUTH RE		04/03/2012	Goldman Sachs		1,053,690	1,000,000		2FE	
645918-J8-7	NEW JERSEY ST ECON DEV AUTH RE		04/03/2012	Goldman Sachs		1,047,830	1,000,000		2FE	
645918-J9-5	NEW JERSEY ST ECON DEV AUTH RE		04/03/2012	Goldman Sachs		521,000	500,000		2FE	
645918-K3-6	NEW JERSEY ST ECON DEV AUTH RE		04/10/2012	VARIOUS		12,695,479	11,200,000		1FE	
64971Q-TA-1	NEW YORK CITY NY TRANSITIONALF		04/11/2012	BARCLAYS CAPITAL		1,107,570	1,000,000		1FE	
649906-XL-3	NEW YORK ST DORM AUTH REVENUES		05/24/2012	VENDOR CODE ROOS NOT IN T		991,358	1,020,000		1FE	
649906-XN-9	NEW YORK ST DORM AUTH REVENUES		05/24/2012	VENDOR CODE ROOS NOT IN T		1,336,555	1,390,000		1FE	
649906-XP-4	NEW YORK ST DORM AUTH REVENUES		05/24/2012	VENDOR CODE ROOS NOT IN T		5,541,854	5,770,000		1FE	
650009-YM-9	NEW YORK ST THRUWAY AUTH		06/27/2012	CITIBANK		1,945,060	2,000,000		1FE	
68608J-OC-8	OREGON ST FACS AUTH REVENUE		04/05/2012	THE MUNICENTER		380,000	380,000		1FE	
68608J-OD-6	OREGON ST FACS AUTH REVENUE		04/05/2012	Goldman Sachs		503,940	500,000		1FE	
68608J-OE-4	OREGON ST FACS AUTH REVENUE		04/05/2012	THE MUNICENTER		500,000	500,000		1FE	
709223-U3-3	PENNSYLVANIA ST TURNPIKE COMM		04/12/2012	THE MUNICENTER		2,672,900	2,500,000		1FE	
709223-X4-8	PENNSYLVANIA ST TURNPIKE COMM		04/23/2012	JP Morgan Securities		5,196,643	4,750,000	1,319	1FE	
79765R-XL-8	SAN FRANCISCO CITY & CNTY CA P		05/24/2012	WELLS FARGO BROK SER LLC		4,745,423	4,250,000		1FE	
812631-JZ-3	SEATTLE WA DRAIN & WSTWTR REVE		06/21/2012	MURIEL SIEBURT & CO		2,421,620	2,000,000		1FE	
837227-P6-8	SOUTH CENTRAL CT REGL WTR AUTH		04/26/2012	VARIOUS		2,274,920	2,000,000		1FE	
91754R-VV-6	UTAH ST BRD OF RGTS REVENUE		06/22/2012	RBC		1,150,260	1,000,000		1FE	
940093-3K-1	WASHINGTON ST UNIV		05/22/2012	RBC		1,402,600	1,250,000	15,972	1FE	
3199999	Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions						185,487,800	173,790,000	94,291	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)										
12627H-AF-7	CSAB 2006-2 A3A		04/10/2012	FSA		1,122,141	1,588,958	2,979	1FM	
372546-AR-2	GEORGE WASHINGTON UNIVERSITY		06/19/2012	BARCLAYS CAPITAL		4,250,000	4,250,000		1FE	
75971F-AW-3	RENAISSANCE HOME EQUITY 07-3W AF4		04/26/2012	FSA		14,179,140	22,490,952		1FM	
75971F-AY-9	RENAISSANCE HOME EQUITY 07-3W AF6		04/27/2012	FSA		38,809,865	58,654,713	6,718	1FM	
88156V-AA-6	TMTS.06-10SL A1		06/08/2012	FSA		656,812	971,079	1,675	1FM	
3899999	Bonds - Industrial and Miscellaneous (Unaffiliated)						59,017,958	87,955,703	11,372	XXX
8399997	Subtotals- Bonds - Part 3						366,386,024	393,090,703	111,471	XXX
8399999	Subtotals - Bonds						366,386,024	393,090,703	111,471	XXX
9999999	Totals						366,386,024	XXX	111,471	XXX

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

STATEMENT AS OF JUNE 30, 2012 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)
Bonds - U.S. States, Territories and Possessions																					
452152-MH-1	ILLINOIS ST		05/17/2012	VARIOUS		28,510,450	25,000,000	28,309,500			(6,295)		(6,295)		28,303,205		207,245	207,245	17,500	08/01/2020	1FE
452152-MK-4	ILLINOIS ST		05/04/2012	VARIOUS		28,392,190	25,000,000	28,154,250			(967)		(967)		28,153,283		238,907	238,907	2,361	08/01/2022	1FE
74514L-D2-0	PUERTO RICO CMMWLTH		04/05/2012	Goldman Sachs		19,987,862	19,605,000	19,605,000					0		19,605,000		382,862	382,862	15,458	07/01/2035	1FE
74514L-D5-3	PUERTO RICO CMMWLTH		04/05/2012	Goldman Sachs		5,097,300	5,000,000	4,939,900			311		311		4,940,211		157,089	157,089	4,583	07/01/2023	1FE
74514L-D8-7	PUERTO RICO CMMWLTH		06/20/2012	VARIOUS		2,219,798	2,210,000	2,175,630			134		134		2,175,764		44,034	44,034	6,188	07/01/2027	1FE
1799999 - Bonds - U.S. States, Territories and Possessions						84,207,600	76,815,000	83,184,280	0	0	(6,817)	0	(6,817)	0	83,177,463	0	1,030,137	1,030,137	46,090	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
006614-DD-0	ADDISON NY CENTRL SCH DIST		06/19/2012	VARIOUS		1,211,847	1,220,000	1,197,746			58		58		1,197,804		14,042	14,042	345	06/01/2023	1FE
006614-DE-8	ADDISON NY CENTRL SCH DIST		06/20/2012	VARIOUS		1,342,362	1,340,000	1,326,854			25		25		1,326,879		15,483	15,483	439	06/01/2024	1FE
14946N-CV-7	CATTARAUGUS-LITTLE VLY NY CENT		06/25/2012	VARIOUS		1,300,994	1,270,000	1,302,576			(226)		(226)		1,302,350		(1,356)	(1,356)	1,023	06/15/2021	1FE
14946N-CW-5	CATTARAUGUS-LITTLE VLY NY CENT		06/19/2012	VARIOUS		1,922,229	1,895,000	1,921,833			(159)		(159)		1,921,675		554	554	1,002	06/15/2022	1FE
14946N-CX-3	CATTARAUGUS-LITTLE VLY NY CENT		06/14/2012	VARIOUS		1,963,696	1,960,000	1,969,192			(41)		(41)		1,969,151		(5,455)	(5,455)	649	06/15/2023	1FE
14946N-CY-1	CATTARAUGUS-LITTLE VLY NY CENT		06/12/2012	VARIOUS		2,017,563	2,040,000	2,028,862			23		23		2,028,884		(11,321)	(11,321)		06/15/2024	1FE
14946N-CZ-8	CATTARAUGUS-LITTLE VLY NY CENT		06/12/2012	VARIOUS		2,055,623	2,105,000	2,066,310			71		71		2,066,381		(10,758)	(10,758)		06/15/2025	1FE
341535-PJ-5	FLORIDA STATE BRD ED PUB ED		06/01/2012	CALLED @ 100.0000000		6,000,000	6,000,000	6,251,340	6,012,512		(12,512)		(12,512)		6,000,000				161,250	06/01/2017	1FE
420524-NR-7	HAWTHORNE CA SCH DIST		06/14/2012	Morgan Stanley Co		882,400	2,000,000	894,940			6,459		6,459		901,399		(18,999)	(18,999)		08/01/2037	1FE
420524-NS-5	HAWTHORNE CA SCH DIST		06/06/2012	VARIOUS		2,381,280	4,000,000	2,365,760			13,864		13,864		2,379,624		1,656	1,656		08/01/2042	1FE
484873-LC-6	KANSAS CITY MO		05/21/2012	VENDOR CODE HUTC NOT IN T		1,535,025	1,250,000	1,508,750			(7,060)		(7,060)		1,501,690		33,335	33,335	10,764	02/01/2019	1FE
545896-J9-4	LOUDON COUNTY VA		05/01/2012	CALLED @ 100.0000000		175,000	175,000	182,446	175,314		(314)		(314)		175,000				4,594	05/01/2020	1FE
545896-J8-6	LOUDON COUNTY VA		05/01/2012	CALLED @ 100.0000000		175,000	175,000	183,845	175,422		(422)		(422)		175,000				4,594	05/01/2019	1FE
586603-EP-3	MENDOCINO CNTY CA COPS		05/03/2012	RAYMOND JAMES & ASSOC		776,318	780,000	770,203			5		5		770,208		6,111	6,111		06/01/2022	1FE
586603-EO-1	MENDOCINO CNTY CA COPS		05/03/2012	RAYMOND JAMES & ASSOC		547,245	550,000	542,630			3		3		542,633		4,612	4,612		06/01/2023	1FE
586603-ER-9	MENDOCINO CNTY CA COPS		05/04/2012	Merrill Lynch		1,645,742	1,635,000	1,627,217			4		4		1,627,222		18,520	18,520	182	06/01/2024	1FE
586603-ES-7	MENDOCINO CNTY CA COPS		05/04/2012	Merrill Lynch		1,397,144	1,400,000	1,381,730			9		9		1,381,739		15,405	15,405	156	06/01/2025	1FE
586603-EV-0	MENDOCINO CNTY CA COPS		05/04/2012	Merrill Lynch		548,702	550,000	541,094			3		3		541,097		7,605	7,605	63	06/01/2028	1FE
586603-EW-8	MENDOCINO CNTY CA COPS		05/03/2012	RAYMOND JAMES & ASSOC		445,500	450,000	441,629			2		2		441,631		3,869	3,869		06/01/2029	1FE
586603-EX-6	MENDOCINO CNTY CA COPS		05/04/2012	Merrill Lynch		248,750	250,000	243,855			2		2		243,857		4,893	4,893	30	06/01/2030	1FE
59333M-H4-0	MIAMI-DADE CNTY FL SCH BRD		05/29/2012	UBS Securities		13,292,040	13,500,000	13,109,445			186		186		13,109,631		182,409	182,409		08/01/2028	1FE
64184P-CP-1	NEW ALBANY PLAIN LOC SCH DIST OHIO		06/01/2012	CALLED @ 100.0000000		1,155,000	1,155,000	1,121,135	1,128,210		26,790		26,790		1,155,000				28,875	12/01/2029	1FE
682454-6C-2	ONEIDA CNTY NY		04/19/2012	THE MUNICENTER		1,779,333	1,805,000	1,779,333			7		7		1,779,340		(7)	(7)		05/01/2027	1FE
724791-BJ-6	PITTSBURGH & ALLEGHENY CNTY PA		06/21/2012	VARIOUS		4,994,401	5,000,000	4,971,050			42		42		4,971,092		23,309	23,309	4,722	02/01/2028	1FE
724791-BK-3	PITTSBURGH & ALLEGHENY CNTY PA		06/13/2012	VARIOUS		1,242,513	1,250,000	1,237,950			8		8		1,237,958		4,555	4,555	528	02/01/2029	1FE
732098-FB-9	POMONA CA UNIF SCH DIST		04/18/2012	THE MUNICENTER		1,133,398	1,100,000	1,123,232			(72)		(72)		1,123,160		10,237	10,237	611	08/01/2025	1FE
732098-FC-7	POMONA CA UNIF SCH DIST		04/18/2012	Goldman Sachs		2,508,474	2,460,000	2,490,971			(95)		(95)		2,490,876		17,597	17,597	1,356	08/01/2026	1FE
732098-FD-5	POMONA CA UNIF SCH DIST		04/23/2012	Goldman Sachs		1,423,726	1,400,000	1,408,148			(31)		(31)		1,408,117		15,610	15,610	1,125	08/01/2027	1FE
744829-CL-4	PUEBLO CNTY CO COPS		04/17/2012	Goldman Sachs		1,199,854	1,055,000	1,231,417			(2,202)		(2,202)		1,229,215		(29,361)	(29,361)	4,618	09/15/2026	1FE
744829-CM-2	PUEBLO CNTY CO COPS		04/17/2012	Goldman Sachs		658,196	580,000	671,918			(1,223)		(1,223)		670,696		(12,500)	(12,500)	2,819	09/15/2027	1FE
736746-XU-7	PORTLAND OR URBAN RENEWAL & RE		06/07/2012	VARIOUS		5,227,313	5,175,000	5,175,000			0		0		5,175,000		52,313	52,313	14,391	06/15/2023	1FE
797355-R3-0	SAN DIEGO CA UNIF SCH DIST		05/22/2012	Morgan Stanley Co		3,480,900	10,000,000	3,528,200			6,130		6,130		3,534,330		(53,430)	(53,430)		07/01/2042	1FE
797355-R4-8	SAN DIEGO CA UNIF SCH DIST		05/22/2012	Morgan Stanley Co		3,417,900	10,000,000	3,442,900			6,124		6,124		3,449,024		(31,124)	(31,124)		07/01/2047	1FE
953140-K7-4	WEST HAVEN CT		06/29/2012	VARIOUS		281,344	245,000	275,640			(170)		(170)		275,470		5,874	5,874	615	08/01/2021	1FE
953140-K9-0	WEST HAVEN CT		06/28/2012	VARIOUS		539,289	475,000	526,476			(338)		(338)		526,138		13,151	13,151	1,646	08/01/2023	1FE
953140-L2-4	WEST HAVEN CT		06/27/2012	VARIOUS		755,931	675,000	747,549			(557)		(557)		746,992		8,939	8,939	2,899	08/01/2024	1FE
953140-L3-2	WEST HAVEN CT		06/25/2012	UBS Securities		333,171	300,000	329,046			(216)		(216)		328,830		4,341	4,341	1,167	08/01/2025	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						71,995,203	87,220,000	71,918,222	7,491,458	0	34,177	0	34,177	0	71,705,093	0	290,109	290,109	250,463	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																					
01170P-EW-2	AK HFC SER C		06/01/2012	Sink PMT @ 100.0000000		1,130,000	1,130,000	1,126,757	1,126,924		3,076		3,076		1,130,000				29,708	12/01/2034	1FE
114894-FZ-6	BROWARD CNTY FLA ARPT SYS REV		06/29/2012	CALLED @ 101.0000000		2,777,500	2,750,000	2,853,950	2,758,950		18,550		18,550		2,777,500				117,715	10/01/2018	1FE

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STATEMENT AS OF JUNE 30, 2012 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)
120827-CW-8.	BURBANK GLENDALE PASADENA CA A		05/03/2012.	CICTIBANK		3,039,270	3,000,000	3,000,000					.0		3,000,000		39,270	39,270		07/01/2041.	1FE
167685-LU-8.	CHICAGO IL SINGLE FAMIL MTG REV.		05/01/2012.	VARIOUS		173,800	165,000	178,943	165,000		8,800		8,800		173,800			.0	6,277	04/01/2033.	1FE
186398-FY-4.	CLEVELAND OHIO PUB PWR SYS REV.		04/26/2012.	Merrill Lynch		7,619,806	6,880,000	7,119,355	7,006,359		(7,470)		(7,470)		6,998,889		620,917	620,917	158,622	11/15/2020.	1FE
235036-CW-8.	DALLAS FORT WORT TX INTL.		04/03/2012.	Sink PMT @ 100.0000000.		625,000	625,000	638,788	626,413		(1,413)		(1,413)		625,000			.0		11/01/2019.	1FE
246395-TY-3.	DE HSG-SR-SFM-B		06/01/2012.	Sink PMT @ 100.0000000.		120,000	120,000	120,000	120,000				.0		120,000			.0	3,297	07/01/2039.	1FE
251250-AQ-9.	DETROIT MI WTR & SEWERAGE DEPT		06/26/2012.	Added by SunGard		2,021,960	2,000,000	1,987,460			(255)		(255)		1,987,205		34,756	34,756	833	07/01/2032.	1FE
251250-AS-5.	DETROIT MI WTR & SEWERAGE DEPT		06/27/2012.	VARIOUS		9,680,485	9,500,000	9,570,830			(66)		(66)		9,570,764		109,721	109,721	6,868	07/01/2039.	1FE
295533-MT-7.	ERIE PA SWR AUTH.		05/15/2012.	RBC		4,666,760	4,035,000	4,651,992			(1,326)		(1,326)		4,650,666		16,094	16,094		06/01/2018.	1FE
295533-MU-4.	ERIE PA SWR AUTH.		05/15/2012.	RBC		4,852,379	4,170,000	4,834,865			(1,202)		(1,202)		4,833,663		18,716	18,716		06/01/2019.	1FE
295533-MV-2.	ERIE PA SWR AUTH.		06/29/2012.	VARIOUS		3,987,853	3,425,000	3,981,871			(4,830)		(4,830)		3,977,041		10,812	10,812	10,099	06/01/2020.	1FE
295533-MW-0.	ERIE PA SWR AUTH.		06/29/2012.	VARIOUS		3,761,270	3,240,000	3,760,085			(4,872)		(4,872)		3,755,213		6,057	6,057	11,877	06/01/2021.	1FE
3128PU-EW-8.	FG J14649		06/15/2012.	PRINCIPAL RECEIPT		482,454	482,454	480,117	480,132		(154)		(154)		482,454			.0	6,711	04/01/2026.	1FE
3128LO-DE-9.	FGOLD 30YR		06/15/2012.	PRINCIPAL RECEIPT		16,093	16,093	16,271	16,247		(406)		(406)		16,093			.0	436	11/01/2037.	1FE
3128M5-HJ-2.	FGOLD 30YR GIANT		06/15/2012.	PRINCIPAL RECEIPT		34,991	34,991	35,330	35,396		(406)		(406)		34,991			.0	883	06/01/2036.	1FE
3128M6-EF-1.	FGOLD 30YR GIANT		06/15/2012.	PRINCIPAL RECEIPT		62,180	62,180	58,916	58,282		3,898		3,898		62,180			.0	1,270	04/01/2038.	1FE
3128M5-ME-7.	GO3657		06/15/2012.	PRINCIPAL RECEIPT		169,326	169,326	175,332	174,421		(5,095)		(5,095)		169,326			.0	4,746	12/01/2037.	1FE
34073T-FA-0.	FLORIDA ST HGH EDC FAC		06/11/2012.	VARIOUS		2,143,209	2,000,000	2,094,500			(1,238)		(1,238)		2,093,262		49,946	49,946		06/01/2023.	1FE
34073T-FB-8.	FLORIDA ST HGH EDC FAC		06/11/2012.	VARIOUS		2,068,559	2,000,000	2,032,340			(435)		(435)		2,031,905		36,654	36,654	9,094	04/01/2024.	1FE
34073T-FC-6.	FLORIDA ST HGH EDC FAC		06/07/2012.	VARIOUS		2,314,793	2,235,000	2,252,947			(218)		(218)		2,252,729		62,064	62,064	8,913	04/01/2025.	1FE
34073T-FD-4.	FLORIDA ST HGH EDC FAC		06/07/2012.	VARIOUS		1,366,862	1,330,000	1,336,960			(74)		(74)		1,336,885		29,976	29,976	4,865	04/01/2026.	1FE
34073T-FG-7.	FLORIDA ST HGH EDC FAC		06/07/2012.	VARIOUS		1,488,011	1,460,000	1,461,901			(39)		(39)		1,461,862		26,149	26,149	5,526	04/01/2027.	1FE
34073T-FJ-1.	FLORIDA ST HGH EDC FAC		04/12/2012.	THE MUNT CENTER		1,208,736	1,185,000	1,191,553			(10)		(10)		1,191,543		17,193	17,193		04/01/2029.	1FE
34073N-8N-3.	FL HSG-4-HOMEOWNER		04/02/2012.	Sink PMT @ 100.0000000.		300,000	300,000	300,000	300,000				.0		300,000			.0	11,859	07/01/2038.	1FE
3138AB-SL-1.	FN AH6822		06/25/2012.	PRINCIPAL RECEIPT		469,577	469,577	473,392	473,290		(3,713)		(3,713)		469,577			.0	6,784	03/01/2026.	1FE
31403D-T8-2.	FNMA 30YR POOL # 745875		06/25/2012.	PRINCIPAL RECEIPT		62,633	62,633	64,238	64,364		(1,731)		(1,731)		62,633			.0	1,719	09/01/2036.	1FE
31414U-6M-5.	FNMA 30YR POOL # 977076		06/25/2012.	PRINCIPAL RECEIPT		97,709	97,709	94,014	92,322		5,387		5,387		97,709			.0	1,970	01/01/2038.	1FE
31405R-AK-2.	FNMA 30YR POOL #796610		06/25/2012.	PRINCIPAL RECEIPT		385,403	385,403	380,826	380,975		4,427		4,427		385,403			.0	8,581	10/01/2034.	1FE
31406M-4A-1.	FNMA 30YR POOL #814517		06/25/2012.	PRINCIPAL RECEIPT		354,072	354,072	349,868	350,366		3,706		3,706		354,072			.0	9,187	03/01/2035.	1FE
31385X-09-1.	FNMA 30YR POOL#555880		06/25/2012.	PRINCIPAL RECEIPT		57,149	57,149	56,797	56,729		420		420		57,149			.0	1,222	11/01/2033.	1FE
31402D-P7-9.	FNMA 30YR POOL#725946		06/25/2012.	PRINCIPAL RECEIPT		338,956	338,956	334,931	334,162		4,795		4,795		338,956			.0	7,235	11/01/2034.	1FE
31402D-SZ-5.	FNMA 30YR POOL#735036		06/25/2012.	PRINCIPAL RECEIPT		344,918	344,918	340,822	340,214		4,704		4,704		344,918			.0	7,387	12/01/2034.	1FE
31407N-ZJ-5.	FNMA 15 YR MBS/POOL		06/25/2012.	PRINCIPAL RECEIPT		31,729	31,729	31,704	31,729		.0		.0		31,729			.0	679	10/01/2020.	1FE
31409G-MP-8.	FNMA 30 YR POOL		06/25/2012.	PRINCIPAL RECEIPT		69,309	69,309	69,334	69,336		(27)		(27)		69,309			.0	1,760	07/01/2036.	1FE
31402G-VP-8.	FNMA 30YR		06/25/2012.	PRINCIPAL RECEIPT		7,851	7,851	7,830	7,828		23		23		7,851			.0	168	02/01/2034.	1FE
31402Q-WA-5.	FNMA 30YR		06/25/2012.	PRINCIPAL RECEIPT		12,597	12,597	12,186	12,163		434		434		12,597			.0	271	01/01/2035.	1FE
31410F-T6-2.	FNMA 30YR MBS/POOL		06/25/2012.	PRINCIPAL RECEIPT		33,377	33,377	32,944	33,038		339		339		33,377			.0	718	02/01/2035.	1FE
31403D-DX-4.	FNMA 30YR MBS/POOL# 13442		06/25/2012.	PRINCIPAL RECEIPT		35,396	35,396	34,074	33,836		1,560		1,560		35,396			.0	801	04/01/2036.	1FE
31410G-AE-3.	FNMA 30YR POOL		06/25/2012.	PRINCIPAL RECEIPT		78,500	78,500	73,502	72,335		6,165		6,165		78,500			.0	1,516	12/01/2036.	1FE
31390Y-2V-9.	FNMA POOL 660588		06/25/2012.	PRINCIPAL RECEIPT		2,654	2,654	2,672	2,666		(12)		(12)		2,654			.0	64	09/01/2017.	1FE
40727T-CL-6.	CARE FAC HAMILTON CNTY OH HLTH		06/27/2012.	VARIOUS		5,794,593	5,650,000	5,729,270			(50)		(50)		5,729,220		65,374	65,374	1,346	06/01/2042.	1FE
40727T-CT-9.	CARE FAC HAMILTON CNTY OH HLTH		06/29/2012.	VARIOUS		936,230	950,000	923,761			23		23		923,784		12,447	12,447	581	06/01/2028.	1FE
40727T-CU-6.	CARE FAC HAMILTON CNTY OH HLTH		06/21/2012.	RBC		1,967,500	2,000,000	1,928,300			8		8		1,928,308		39,192	39,192		06/01/2029.	1FE
40727T-CW-2.	CARE FAC KENTUCKY HSG CORP HSG REV		06/29/2012.	VARIOUS		4,047,396	4,100,000	4,013,158			48		48		4,013,206		34,189	34,189	1,849	06/01/2030.	1FE
49130T-FD-3.	Sink PMT @ 100.0000000.		06/01/2012.			200,000	200,000	200,000	200,000				.0		200,000			.0	5,455	07/01/2038.	1FE
60636C-SW-5.	MISSOURI ST DEV FIN BRD.		04/30/2012.	Goldman Sachs		2,455,336	2,200,000	2,382,006			(1,165)		(1,165)		2,380,841		74,695	74,695	7,531	06/01/2025.	1FE
60636C-SX-3.	MISSOURI ST DEV FIN BRD.		04/30/2012.	Goldman Sachs		2,542,408	2,315,000	2,486,518			(865)		(865)		2,485,654		56,754	56,754	6,078	06/01/2026.	1FE
60636C-SY-1.	MISSOURI ST DEV FIN BRD.		04/02/2012.	Goldman Sachs		1,878,450	1,750,000	1,867,653			(127)		(127)		1,867,526		10,924	10,924		06/01/2027.	1FE
60636C-SZ-8.	MISSOURI ST DEV FIN BRD.		04/02/2012.	Goldman Sachs		2,191,411	2,055,000	2,179,184			(133)		(133)		2,179,050		12,361	12,361		06/01/2028.	1FE
562334-FF-4.	MANCHESTER NH GEN ARPT REVENUE		06/29/2012.	VARIOUS		654,890	595,000	654,631			(164)		(164)		654,467		422	422	105	01/01/2026.	1FE
562334-FG-2.	MANCHESTER NH GEN ARPT REVENUE		06/08/2012.	RAYMOND JAMES & ASSOC		295,125	300,000	293,736			1		1		293,737		1,388	1,388		01/01/2027.	1FE
562334-FH-0.	MANCHESTER NH GEN ARPT REVENUE		06/12/2012.	VARIOUS		2,721,258	2,750,000	2,708,228			11		11		2,708,239		13,019	13,019			

STATEMENT AS OF JUNE 30, 2012 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)
59465M-TC-9	MI RENTAL HSG-B		04/02/2012	Sink PMT @ 100.0000000		160,000	160,000	160,000	160,000				0		160,000			0	4,000	04/01/2016	1FE
59465E-7N-7	WICHIGAN ST HOSP FIN AUTH REV		05/01/2012	MATURITY		2,000,000	2,000,000	2,163,780	2,008,521	(8,521)			(8,521)		2,000,000			0	50,000	05/01/2012	1FE
660043-AB-6	N HUDSON NJ SEWERAGE AUTH GROS		05/21/2012	Morgan Stanley Co.		2,020,000	2,000,000	2,000,000					0		2,000,000		20,000	20,000		06/01/2042	1FE
660043-AG-5	N HUDSON NJ SEWERAGE AUTH GROS		05/22/2012	VARIOUS		1,004,750	1,000,000	1,000,000					0		1,000,000		4,750	4,750	146	06/01/2032	1FE
647353-CL-3	NEW MEXICO ST HWY COMM REV		06/15/2012	CALLED @ 100.0000000		1,000,000	1,000,000	1,043,603	1,007,064	(7,064)			(7,064)		1,000,000			0	26,875	06/15/2017	1FE
647353-CK-5	NEW MEXICOST HWY COMM REV		06/15/2012	CALLED @ 100.0000000		826,000	826,000	862,016	831,835	(5,835)			(5,835)		826,000			0	22,199	06/15/2016	1FE
645918-J5-3	NEW JERSEY ST ECON DEV AUTH RE		04/04/2012	Goldman Sachs		2,676,675	2,500,000	2,657,475		(34)			(34)		2,657,441		19,234	19,234		06/15/2025	2FE
645918-J6-1	NEW JERSEY ST ECON DEV AUTH RE		04/04/2012	Goldman Sachs		1,061,290	1,000,000	1,053,690		(12)			(12)		1,053,678		7,612	7,612		06/15/2026	2FE
645918-J8-7	NEW JERSEY ST ECON DEV AUTH RE		04/04/2012	Goldman Sachs		1,056,220	1,000,000	1,047,830		(10)			(10)		1,047,820		8,400	8,400		06/15/2028	2FE
645918-J9-5	NEW JERSEY ST ECON DEV AUTH RE		04/04/2012	Goldman Sachs		525,170	500,000	521,000		(5)			(5)		520,995		4,175	4,175		06/15/2029	2FE
645918-K3-6	NEW YORK ST DORM AUTH REVENUES		04/19/2012	THE MUNICENTER		12,736,080	11,200,000	12,695,479		(3,196)			(3,196)		12,692,283		43,797	43,797	9,333	06/15/2022	1FE
649906-XL-3	NEW YORK ST DORM AUTH REVENUES		05/30/2012	THE MUNICENTER		1,001,232	1,020,000	991,358		30			30		991,388		9,844	9,844		04/01/2025	1FE
649906-XN-9	NEW YORK ST DORM AUTH REVENUES		05/30/2012	THE MUNICENTER		1,350,733	1,390,000	1,336,555		50			50		1,336,605		14,128	14,128		04/01/2026	1FE
649906-XP-4	NEW YORK ST THRUWAY AUTH		05/30/2012	VARIOUS		5,599,300	5,770,000	5,541,854		206			206		5,542,060		57,240	57,240		10/01/2026	1FE
650009-YM-9	NV HSG SF-SR-ISSUE B		06/29/2012	CITIGROUP GLOBAL MARKETS		1,980,000	2,000,000	1,945,060		5			5		1,945,065		34,935	34,935		01/01/2042	1FE
641279-EC-4	OREGON ST FAGS AUTH REVENUE		04/02/2012	Sink PMT @ 100.0000000		320,000	320,000	320,000	320,000				0		320,000			0	8,800	04/01/2039	1FE
68608J-QC-8	OREGON ST FAGS AUTH REVENUE		04/12/2012	THE MUNICENTER		389,428	380,000	380,000					0		380,000		9,428	9,428		07/01/2027	1FE
68608J-QD-6	OREGON ST FAGS AUTH REVENUE		04/11/2012	Goldman Sachs		518,165	500,000	503,940		(5)			(5)		503,935		14,230	14,230		07/01/2044	1FE
68608J-QE-4	OREGON ST FAGS AUTH REVENUE		04/11/2012	THE MUNICENTER		514,260	500,000	500,000					0		500,000		14,260	14,260		07/01/2033	1FE
709223-U3-3	PENNSYLVANIA ST TURNPIKE COMMI		04/17/2012	THE MUNICENTER		2,678,175	2,500,000	2,672,900		(204)			(204)		2,672,696		5,479	5,479		12/01/2032	1FE
71883R-ET-6	PHOENIX AR CIVIC IMP WTR SYS		06/26/2012	CITIGROUP GLOBAL MARKETS		2,800,812	2,800,000	2,919,392	2,807,302	(7,095)			(7,095)		2,800,208		604	604	153,144	07/01/2017	1FE
821697-XZ-7	SHELBY CNTY TENN HEALTH EDL & HSG		06/01/2012	MATURITY		4,595,000	4,595,000	4,806,646	4,618,432	(23,432)			(23,432)		4,595,000			0	114,875	06/01/2012	1FE
88045R-HR-6	TENNESSEE HSG DEV AGY		04/02/2012	Sink PMT @ 100.0000000		70,000	70,000	70,000	70,000				0		70,000			0	1,917	07/01/2035	1FE
3199999 - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						131,775,098	125,232,873	130,893,803	27,246,611	0	(24,060)	0	(24,060)	0	130,108,027	0	1,667,070	1,667,070	873,456	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
07401W-AP-4	BEAR STEARNS SECOND LIEN		06/25/2012	PRINCIPAL RECEIPT		102,398	102,398	18,531	93,077				84,083		102,398			0		08/25/2037	5FM
166751-AH-0	CHEVRON CORP		05/21/2012	Added by SunGard		5,301,650	5,000,000	5,250,900	5,134,701	(23,537)			(23,537)		5,111,164		190,486	190,486	143,188	03/03/2014	1FE
20825C-AS-3	CONOCOPHILLIPS		05/21/2012	WELLS FARGO BROK SER LLC		2,459,151	2,308,000	2,499,218	2,405,559	(17,788)			(17,788)		2,387,771		71,380	71,380	89,227	02/01/2014	1FE
12627H-AF-7	CSAB 2006-2 A3A		06/25/2012	PRINCIPAL RECEIPT		445,340	445,340	287,803	267,406	146,727			146,727		445,340			0		09/25/2036	1FM
12628L-AG-5	CSAB 2006-4 A4		06/25/2012	PRINCIPAL RECEIPT		737,991	737,991	483,981	490,983	247,008			247,008		737,991			0		12/25/2036	1FM
23242L-AB-9	CWHEL 2006-F 2A1A		06/15/2012	PRINCIPAL RECEIPT		2,525,170	2,525,170	1,782,528	1,790,676	782,909	48,416		734,493		2,525,170			0		07/15/2036	1FE
126686-AH-7	CWHEL 2006-HW 2A1B		06/15/2012	PRINCIPAL RECEIPT		499,792	499,792	382,015	389,836	120,152	10,196		109,956		499,792			0		11/15/2036	1FM
126682-AA-1	CWHEL 2007-A A		06/15/2012	PRINCIPAL RECEIPT		519,914	519,914	348,749	353,032	173,042	6,160		166,882		519,914			0		04/15/2037	1FM
233050-AN-3	DBUBS 11-LC1AA1 144A		06/12/2012	PRINCIPAL RECEIPT		40,177	40,177	40,578	40,487	(310)			(310)		40,177			0	627	11/10/2046	2AM
369604-AY-9	GENERAL ELECTRIC COMPANY		06/25/2012	Added by SunGard		2,566,175	2,500,000	2,672,450	2,561,328	(27,127)			(27,127)		2,534,201		31,974	31,974	113,542	02/01/2013	1FE
53957D-AC-7	LIMAA 2007-1W A2-1		04/23/2012	PRINCIPAL RECEIPT		1,149,048	1,149,048	279,209	244,490	870,680	124		870,556		1,149,048			0	1,264	10/23/2037	6AM
53957D-AD-5	LIMAA 2007-1W A2-2		04/23/2012	PRINCIPAL RECEIPT		156,416	156,416	36,780	119,636	119,636			119,636		156,416			0		10/23/2037	6AM
576431-AC-4	MARM 2007-1 12A2		06/25/2012	PRINCIPAL RECEIPT		46,354	46,354	18,890	29,219	17,135	11,216		11,216		46,354			0		01/25/2047	1FM
57645N-AD-2	MARM 2007-3 12A2		06/25/2012	PRINCIPAL RECEIPT		2,496,993	2,496,993	1,814,945	1,814,945	682,048			682,048		2,496,993			0		05/25/2047	1FE
65538B-AH-2	2007-S2W A NOMURA ASSET ACCEPTANCE CORP		06/25/2012	PRINCIPAL RECEIPT		166,012	166,012	55,950	55,950	110,062			110,062		166,012			0		07/25/2037	6AM
65538P-AD-0	RENAISSANCE HOME EQUITY 07-3W AF4		06/25/2012	PRINCIPAL RECEIPT		26,084	26,084	20,714	20,738	5,347			5,347		26,084			0		03/25/2047	1FM
75971F-AW-3			06/25/2012	PRINCIPAL RECEIPT		79,889	79,889	50,365					29,524		79,889			0		09/25/2037	5AM

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STATEMENT AS OF JUNE 30, 2012 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)
75971F-AY-9...	RENAISSANCE HOME EQUITY 07-3W AF6		06/25/2012	PRINCIPAL RECEIPT		240,512	240,512	159,139			81,373		81,373		240,512			0		09/25/2037	5AM
75971F-AX-1...	RENAISSANCE HOME EQUITY LOAN TRUST		06/25/2012	PRINCIPAL RECEIPT		715,864	715,864	388,873	414,885		300,978		300,978		715,864			0		09/25/2037	1FE
771196-AQ-5...	ROCHE HLDGS INC		05/21/2012	HSBC SECURITIES INC		1,839,909	1,718,000	1,887,378	1,852,673		(23,884)		(23,884)		1,828,789		11,121	11,121	62,755	03/01/2014	1FE
88156V-AB-4...	TWTS 2006-10SL A2		06/25/2012	PRINCIPAL RECEIPT		164,720	164,720	89,965	92,182		74,304	1,766	72,538		164,720			0		10/25/2037	1FM
88157D-AA-5...	TWTS 2006-12SL A1 35125%		06/25/2012	PRINCIPAL RECEIPT		1,814,921	1,814,921	1,225,657	1,265,590		549,332		549,332		1,814,921			0		11/25/2037	1FE
88157D-AB-3...	TWTS 2006-12SL A2		06/25/2012	PRINCIPAL RECEIPT		96,709	96,709	74,637	84,021		22,470	9,782	12,688		96,709			0		11/25/2037	1FM
88157G-AB-6...	TWTS 2007 1SL A2		06/25/2012	PRINCIPAL RECEIPT		71,451	71,451	58,018	58,255		13,196		13,196		71,451			0		01/25/2038	1FM
88157Y-AB-3...	TWTS 2007-6 ALT A2		06/25/2012	PRINCIPAL RECEIPT		159,261	159,261	102,308	125,832		33,428		33,428		159,261			0		08/25/2038	1FM
88157Y-AC-1...	TWTS 2007-6 ALT A3		06/25/2012	PRINCIPAL RECEIPT		38,027	38,027	22,491	6,440		15,536		15,536		38,027			0	8	08/25/2038	1FM
88156V-AA-6...	TWTS.06-10SL A1		06/25/2012	PRINCIPAL RECEIPT		1,627,287	1,627,287	901,663	926,923		698,430	35,216	663,214		1,627,287			0	200	10/25/2037	1FM
88157G-AA-8...	TWTS2007-1SLA1		06/25/2012	PRINCIPAL RECEIPT		1,348,417	1,348,417	896,702	904,005		448,307	3,895	444,412		1,348,417			0		01/25/2038	1FE
000000-00-0...	ADVANTAGE CAPITAL I I		06/25/2012	USE OF TAX CREDIT		42,321			22,028				22,028		42,321			0		12/01/2020	1FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						27,477,953	26,794,747	21,850,437	21,423,233	0	5,566,305	201,533	5,364,772	0	27,172,993	0	304,961	304,961	410,811	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						315,455,854	316,062,620	307,846,742	56,161,302	0	5,569,605	201,533	5,368,072	0	312,163,576	0	3,292,277	3,292,277	1,580,820	XXX	XXX
8399999 - Subtotals - Bonds						315,455,854	316,062,620	307,846,742	56,161,302	0	5,569,605	201,533	5,368,072	0	312,163,576	0	3,292,277	3,292,277	1,580,820	XXX	XXX
9999999 Totals						315,455,854	XXX	307,846,742	56,161,302	0	5,569,605	201,533	5,368,072	0	312,163,576	0	3,292,277	3,292,277	1,580,820	XXX	XXX

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

E05.3

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

