



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

**ANNUAL STATEMENT**  
**For the Year Ended December 31, 2017**  
**OF THE CONDITION AND AFFAIRS OF THE**  
**MUNICIPAL ASSURANCE CORP.**

NAIC Group Code	0194	0194	NAIC Company Code	13559	Employer's ID Number	26-2999764
	(Current Period)	(Prior Period)				
Organized under the Laws of	New York			State of Domicile or Port of Entry		New York
Country of Domicile	United States					
Incorporated/Organized	08/21/2008		Commenced Business		10/20/2008	
Statutory Home Office	1633 Broadway		New York, NY, US 10019			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	1633 Broadway		New York, NY, US 10019		212-974-0100	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	1633 Broadway		New York, NY, US 10019			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	1633 Broadway		New York, NY, US 10019		212-974-0100	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.assuredguaranty.com					
Statutory Statement Contact	John Mahlon Ringler		212-974-0100			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	jringler@agltd.com		212-581-3268			
	(E-Mail Address)		(Fax Number)			

**OFFICERS**

Name	Title	Name	Title
Dominic John Frederico	President & Chief Executive Officer	Gon Ling Chow #	General Counsel & Secretary
Donald Hal Paston	Treasurer		

**OTHER OFFICERS**

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

**DIRECTORS OR TRUSTEES**

Howard Wayne Albert	Robert Adam Bailenson	Russell Brown Brewer II	David Allan Buzen #
Gon Ling Chow	Stephen Donnarumma	Dominic John Frederico	Donald Hal Paston
Benjamin Gad Rosenblum	Bruce Elliot Stern		

State of .....New York.....

County of .....New York.....ss

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

Dominic John Frederico	Gon Ling Chow	Donald Hal Paston
President & Chief Executive Officer	General Counsel & Secretary	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

23rd day of February, 2018

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

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	772,888,624		772,888,624	1,041,139,558
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....				
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....				
4.3 Properties held for sale (less \$ ..... encumbrances) .....				
5. Cash (\$ .....274,178 , Schedule E-Part 1), cash equivalents (\$ .....12,976,068 , Schedule E-Part 2) and short-term investments (\$ ..... , Schedule DA).....	13,250,246		13,250,246	19,183,711
6. Contract loans (including \$ ..... premium notes).....				
7. Derivatives (Schedule DB).....				
8. Other invested assets (Schedule BA) .....	25,577,338		25,577,338	25,577,338
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets (Schedule DL).....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	811,716,208		811,716,208	1,085,900,607
13. Title plants less \$ ..... charged off (for Title insurers only).....				
14. Investment income due and accrued .....	8,406,399		8,406,399	12,791,741
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	(1,027)		(1,027)	86,561
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums).....				
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....				
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset.....	3,934,168	468,567	3,465,601	6,040,542
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software.....				
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$ ..... ) and other amounts receivable.....				
25. Aggregate write-ins for other-than-invested assets .....	12,142	12,142		
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	824,067,890	480,709	823,587,181	1,104,819,451
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
28. Total (Lines 26 and 27)	824,067,890	480,709	823,587,181	1,104,819,451
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Prepaid expenses.....	12,142	12,142		
2502. Prepaid Assets.....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	12,142	12,142		

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....		
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....	35,369	4,226
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	340,363	
4. Commissions payable, contingent commissions and other similar charges .....		
5. Other expenses (excluding taxes, licenses and fees) .....	809,606	930,968
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	(345,245)	(47,166)
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	72,905,406	14,648,899
7.2 Net deferred tax liability .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ ..... 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) .....	247,884,585	332,918,398
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....		
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19) .....		
14. Amounts withheld or retained by company for account of others .....		
15. Remittances and items not allocated .....		
16. Provision for reinsurance (including \$ ..... certified) (Schedule F, Part 8) .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....	7,657,481	8,905,587
20. Derivatives .....		
21. Payable for securities .....		
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....	223,905,589	260,512,043
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	553,193,154	617,872,955
27. Protected cell liabilities .....		
28. Total liabilities (Lines 26 and 27) .....	553,193,154	617,872,955
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....	15,000,000	15,000,000
31. Preferred capital stock .....		
32. Aggregate write-ins for other-than-special surplus funds .....		
33. Surplus notes .....		
34. Gross paid in and contributed surplus .....	123,670,091	373,670,408
35. Unassigned funds (surplus) .....	131,723,936	98,276,088
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ .....)		
36.2 ..... shares preferred (value included in Line 31 \$ .....)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	270,394,027	486,946,496
38. Totals (Page 2, Line 28, Col. 3)	823,587,181	1,104,819,451
DETAILS OF WRITE-INS		
2501. Contingency reserve .....	223,890,049	260,496,770
2502. Miscellaneous liability .....	15,540	15,273
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	223,905,589	260,512,043
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4) .....	85,769,925	137,219,600
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7) .....	(1,503)	(7,107)
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	400,390	13,037
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	17,089,320	18,661,430
5. Aggregate write-ins for underwriting deductions .....		
6. Total underwriting deductions (Lines 2 through 5) .....	17,488,207	18,667,360
7. Net income of protected cells .....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) .....	68,281,718	118,552,240
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	28,425,887	31,753,639
10. Net realized capital gains (losses) less capital gains tax of \$ .....751,616 (Exhibit of Capital Gains (Losses))...	1,395,857	8,937,557
11. Net investment gain (loss) (Lines 9 + 10) .....	29,821,744	40,691,196
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ ..... amount charged off \$ ..... ) .....		
13. Finance and service charges not included in premiums .....		
14. Aggregate write-ins for miscellaneous income .....	28	(6)
15. Total other income (Lines 12 through 14) .....	28	(6)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	98,103,490	159,243,430
17. Dividends to policyholders .....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) .....	98,103,490	159,243,430
19. Federal and foreign income taxes incurred .....	65,850,487	17,645,980
20. Net income (Line 18 minus Line 19) (to Line 22) .....	32,253,003	141,597,450
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	486,946,496	729,507,549
22. Net income (from Line 20) .....	32,253,003	141,597,450
23. Net transfers (to) from Protected Cell accounts .....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....		
25. Change in net unrealized foreign exchange capital gain (loss) .....		
26. Change in net deferred income tax .....	(5,043,267)	(4,647,958)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) .....	5,652,612	(1,206,566)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....		
29. Change in surplus notes .....		(400,000,000)
30. Surplus (contributed to) withdrawn from protected cells .....		
31. Cumulative effect of changes in accounting principles .....		
32. Capital changes:		
32.1 Paid in .....		
32.2 Transferred from surplus (Stock Dividend) .....		
32.3 Transferred to surplus .....		
33. Surplus adjustments:		
33.1 Paid in .....	(250,000,317)	
33.2 Transferred to capital (Stock Dividend) .....		
33.3 Transferred from capital .....		
34. Net remittances from or (to) Home Office .....		
35. Dividends to stockholders .....	(36,000,000)	
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) .....		
37. Aggregate write-ins for gains and losses in surplus .....	36,585,500	21,696,021
38. Change in surplus as regards policyholders for the year (Lines 22 through 37) .....	(216,552,469)	(242,561,053)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	270,394,027	486,946,496
DETAILS OF WRITE-INS		
0501. ....		
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page .....		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....		
1401. Other income.....	28	(6)
1402. ....		
1403. ....		
1498. Summary of remaining write-ins for Line 14 from overflow page .....		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	28	(6)
3701. Change in contingency reserve.....	36,606,721	21,696,021
3702. Change in accounting.....	(21,221)	
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page .....		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above) .....	36,585,500	21,696,021

CASH FLOW

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	3,999,056	(1,980,415)
2. Net investment income .....	44,406,385	55,598,179
3. Miscellaneous income .....	28	(6)
4. Total (Lines 1 through 3) .....	48,405,469	53,617,758
5. Benefit and loss related payments .....	(1,503)	(7,107)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	18,832,527	18,025,133
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	8,345,597	27,296,606
10. Total (Lines 5 through 9) .....	27,176,621	45,314,632
11. Net cash from operations (Line 4 minus Line 10) .....	21,228,848	8,303,126
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	212,477,450	198,849,664
12.2 Stocks .....		
12.3 Mortgage loans .....		
12.4 Real estate .....		
12.5 Other invested assets .....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	1,235	234
12.7 Miscellaneous proceeds .....		
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	212,478,685	198,849,898
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	99,858,564	40,548,870
13.2 Stocks .....		
13.3 Mortgage loans .....		
13.4 Real estate .....		
13.5 Other invested assets .....		10,577,338
13.6 Miscellaneous applications .....		
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	99,858,564	51,126,208
14. Net increase (decrease) in contract loans and premium notes .....		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	112,620,121	147,723,690
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....		(141,181,657)
16.2 Capital and paid in surplus, less treasury stock .....	(103,782,434)	
16.3 Borrowed funds .....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5 Dividends to stockholders .....	36,000,000	
16.6 Other cash provided (applied) .....		1
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(139,782,434)	(141,181,656)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(5,933,465)	14,845,160
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	19,183,711	4,338,551
19.2 End of year (Line 18 plus Line 19.1) .....	13,250,246	19,183,711

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire .....				
2.	Allied lines .....				
3.	Farmowners multiple peril .....				
4.	Homeowners multiple peril .....				
5.	Commercial multiple peril .....				
6.	Mortgage guaranty .....				
8.	Ocean marine .....				
9.	Inland marine .....				
10.	Financial guaranty .....	736,112	332,918,398	247,884,585	85,769,925
11.1	Medical professional liability-occurrence .....				
11.2	Medical professional liability-claims-made .....				
12.	Earthquake .....				
13.	Group accident and health .....				
14.	Credit accident and health (group and individual) .....				
15.	Other accident and health .....				
16.	Workers' compensation .....				
17.1	Other liability-occurrence .....				
17.2	Other liability-claims-made .....				
17.3	Excess workers' compensation.....				
18.1	Products liability-occurrence .....				
18.2	Products liability-claims-made .....				
19.1,19.2	Private passenger auto liability .....				
19.3,19.4	Commercial auto liability .....				
21.	Auto physical damage .....				
22.	Aircraft (all perils) .....				
23.	Fidelity .....				
24.	Surety .....				
26.	Burglary and theft .....				
27.	Boiler and machinery .....				
28.	Credit .....				
29.	International .....				
30.	Warranty .....				
31.	Reinsurance-nonproportional assumed property .....				
32.	Reinsurance-nonproportional assumed liability .....				
33.	Reinsurance-nonproportional assumed financial lines .....				
34.	Aggregate write-ins for other lines of business .....				
35.	TOTALS	736,112	332,918,398	247,884,585	85,769,925
DETAILS OF WRITE-INS					
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Sum. of remaining write-ins for Line 34 from overflow page .....				
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3  Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5  Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire .....					
2.	Allied lines .....					
3.	Farmowners multiple peril .....					
4.	Homeowners multiple peril .....					
5.	Commercial multiple peril .....					
6.	Mortgage guaranty .....					
8.	Ocean marine .....					
9.	Inland marine .....					
10.	Financial guaranty .....		247,884,585			247,884,585
11.1	Medical professional liability-occurrence .....					
11.2	Medical professional liability-claims-made .....					
12.	Earthquake .....					
13.	Group accident and health .....					
14.	Credit accident and health (group and individual) ...					
15.	Other accident and health .....					
16.	Workers' compensation .....					
17.1	Other liability-occurrence .....					
17.2	Other liability-claims-made .....					
17.3	Excess workers' compensation .....					
18.1	Products liability-occurrence .....					
18.2	Products liability-claims-made .....					
19.1,19.2	Private passenger auto liability .....					
19.3,19.4	Commercial auto liability .....					
21.	Auto physical damage .....					
22.	Aircraft (all perils) .....					
23.	Fidelity .....					
24.	Surety .....					
26.	Burglary and theft .....					
27.	Boiler and machinery .....					
28.	Credit .....					
29.	International .....					
30.	Warranty .....					
31.	Reinsurance-nonproportional assumed property ....					
32.	Reinsurance-nonproportional assumed liability .....					
33.	Reinsurance-nonproportional assumed financial lines .....					
34.	Aggregate write-ins for other lines of business .....					
35.	TOTALS		247,884,585			247,884,585
36.	Accrued retrospective premiums based on experience .....					
37.	Earned but unbilled premiums .....					
38.	Balance (Sum of Lines 35 through 37)					247,884,585
DETAILS OF WRITE-INS						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Sum. of remaining write-ins for Line 34 from overflow page.....					
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)					

(a) State here basis of computation used in each case.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire .....						
2. Allied lines .....						
3. Farmowners multiple peril .....						
4. Homeowners multiple peril .....						
5. Commercial multiple peril .....						
6. Mortgage guaranty .....						
8. Ocean marine .....						
9. Inland marine .....						
10. Financial guaranty .....	3,566,247	400,865			3,231,000	736,112
11.1 Medical professional liability-occurrence .....						
11.2 Medical professional liability-claims-made .....						
12. Earthquake .....						
13. Group accident and health .....						
14. Credit accident and health (group and individual) .....						
15. Other accident and health .....						
16. Workers' compensation .....						
17.1 Other liability-occurrence .....						
17.2 Other liability-claims-made .....						
17.3 Excess workers' compensation .....						
18.1 Products liability-occurrence .....						
18.2 Products liability-claims-made .....						
19.1,19.2 Private passenger auto liability .....						
19.3,19.4 Commercial auto liability .....						
21. Auto physical damage .....						
22. Aircraft (all perils) .....						
23. Fidelity .....						
24. Surety .....						
26. Burglary and theft .....						
27. Boiler and machinery .....						
28. Credit .....						
29. International .....						
30. Warranty .....						
31. Reinsurance-nonproportional assumed property .....	XXX					
32. Reinsurance-nonproportional assumed liability .....	XXX					
33. Reinsurance-nonproportional assumed financial lines .....	XXX					
34. Aggregate write-ins for other lines of business .....						
35. TOTALS	3,566,247	400,865			3,231,000	736,112
DETAILS OF WRITE-INS						
3401. ....						
3402. ....						
3403. ....						
3498. Sum. of remaining write-ins for Line 34 from overflow page .....						
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)						

(a) Does the company's direct premiums written include premiums recorded on an installment basis?    Yes    [    ]    No    [ X ]

If yes: 1. The amount of such installment premiums \$ .....

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



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business		Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1.	Fire .....								
2.	Allied lines .....								
3.	Farmowners multiple peril .....								
4.	Homeowners multiple peril .....								
5.	Commercial multiple peril .....								
6.	Mortgage guaranty .....								
8.	Ocean marine .....								
9.	Inland marine .....								
10.	Financial guaranty .....		(1,503)		(1,503)			(1,503)	0.0
11.1	Medical professional liability-occurrence .....								
11.2	Medical professional liability-claims-made .....								
12.	Earthquake .....								
13.	Group accident and health .....								
14.	Credit accident and health (group and individual) .....								
15.	Other accident and health .....								
16.	Workers' compensation .....								
17.1	Other liability-occurrence .....								
17.2	Other liability-claims-made .....								
17.3	Excess workers' compensation .....								
18.1	Products liability-occurrence .....								
18.2	Products liability-claims-made .....								
19.1,19.2	Private passenger auto liability .....								
19.3,19.4	Commercial auto liability .....								
21.	Auto physical damage .....								
22.	Aircraft (all perils) .....								
23.	Fidelity .....								
24.	Surety .....								
26.	Burglary and theft .....								
27.	Boiler and machinery .....								
28.	Credit .....								
29.	International .....								
30.	Warranty .....								
31.	Reinsurance-nonproportional assumed property .....	XXX							
32.	Reinsurance-nonproportional assumed liability .....	XXX							
33.	Reinsurance-nonproportional assumed financial lines .....	XXX							
34.	Aggregate write-ins for other lines of business .....								
35.	TOTALS .....		(1,503)		(1,503)			(1,503)	0.0
DETAILS OF WRITE-INS									
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Sum. of remaining write-ins for Line 34 from overflow page .....								
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)								

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

Line of Business		Reported Losses				Incurred But Not Reported			8  Net Losses Unpaid (Cols. 4 +5 + 6 - 7)	9  Net Unpaid Loss Adjustment Expenses
		1	2	3	4	5	6	7		
		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded		
1.	Fire .....									
2.	Allied lines .....									
3.	Farmowners multiple peril .....									
4.	Homeowners multiple peril .....									
5.	Commercial multiple peril .....									
6.	Mortgage guaranty .....									
8.	Ocean marine .....									
9.	Inland marine .....									
10.	Financial guaranty .....									340,363
11.1	Medical professional liability-occurrence .....									
11.2	Medical professional liability-claims-made .....									
12.	Earthquake .....									
13.	Group accident and health .....								(a)	
14.	Credit accident and health (group and individual) .....									
15.	Other accident and health .....								(a)	
16.	Workers' compensation .....									
17.1	Other liability-occurrence .....									
17.2	Other liability-claims-made .....									
17.3	Excess workers' compensation .....									
18.1	Products liability-occurrence .....									
18.2	Products liability-claims-made .....									
19.1,19.2	Private passenger auto liability .....									
19.3,19.4	Commercial auto liability .....									
21.	Auto physical damage .....									
22.	Aircraft (all perils) .....									
23.	Fidelity .....									
24.	Surety .....									
26.	Burglary and theft .....									
27.	Boiler and machinery .....									
28.	Credit .....									
29.	International .....									
30.	Warranty .....									
31.	Reinsurance-nonproportional assumed property .....	XXX				XXX				
32.	Reinsurance-nonproportional assumed liability .....	XXX				XXX				
33.	Reinsurance-nonproportional assumed financial lines .....	XXX				XXX				
34.	Aggregate write-ins for other lines of business .....									
35.	TOTALS .....									340,363
DETAILS OF WRITE-INS										
3401.	.....									
3402.	.....									
3403.	.....									
3498.	Sum. of remaining write-ins for Line 34 from overflow page .....									
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above) .....									

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct .....				
1.2 Reinsurance assumed .....	.400,390			.400,390
1.3 Reinsurance ceded .....				
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	.400,390			.400,390
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....				
2.2 Reinsurance assumed, excluding contingent .....				
2.3 Reinsurance ceded, excluding contingent .....				
2.4 Contingent-direct .....				
2.5 Contingent-reinsurance assumed .....				
2.6 Contingent-reinsurance ceded .....				
2.7 Policy and membership fees .....				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....				
3. Allowances to manager and agents .....				
4. Advertising .....		.947,229		.947,229
5. Boards, bureaus and associations .....		.3,932		.3,932
6. Surveys and underwriting reports .....		1,363,839		1,363,839
7. Audit of assureds' records .....				
8. Salary and related items:				
8.1 Salaries .....		10,480,450		10,480,450
8.2 Payroll taxes .....		420,714		420,714
9. Employee relations and welfare .....		526,933		526,933
10. Insurance .....		77,205		77,205
11. Directors' fees .....				
12. Travel and travel items .....		272,580		272,580
13. Rent and rent items .....		796,437		796,437
14. Equipment .....		538,639		538,639
15. Cost or depreciation of EDP equipment and software .....		213,625		213,625
16. Printing and stationery .....		17,547		17,547
17. Postage, telephone and telegraph, exchange and express .....		17,955		17,955
18. Legal and auditing .....		491,821		491,821
19. Totals (Lines 3 to 18) .....		16,168,906		16,168,906
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....		254,657		254,657
20.2 Insurance department licenses and fees .....		189,562		189,562
20.3 Gross guaranty association assessments .....				
20.4 All other (excluding federal and foreign income and real estate) .....				
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....		444,219		444,219
21. Real estate expenses .....				
22. Real estate taxes .....				
23. Reimbursements by uninsured plans .....				
24. Aggregate write-ins for miscellaneous expenses .....		476,195	932,290	1,408,485
25. Total expenses incurred .....	.400,390	17,089,320	932,290	(a) 18,422,000
26. Less unpaid expenses-current year .....	.340,363	50,914	413,446	804,723
27. Add unpaid expenses-prior year .....		505,109	378,693	883,802
28. Amounts receivable relating to uninsured plans, prior year .....				
29. Amounts receivable relating to uninsured plans, current year .....				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	60,027	17,543,515	897,537	18,501,079
DETAILS OF WRITE-INS				
2401. Investment Management Expense and Interest Expense.....			932,290	932,290
2402. Bank Fees.....		6,688		6,688
2403. Outside Services Fees.....		254,871		254,871
2498. Summary of remaining write-ins for Line 24 from overflow page .....		214,636		214,636
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)		476,195	932,290	1,408,485

(a) Includes management fees of \$ ..... to affiliates and \$ .....932,290 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds .....	(a).....663,107	.....667,589
1.1	Bonds exempt from U.S. tax .....	(a).....29,640,440	.....25,106,965
1.2	Other bonds (unaffiliated) .....	(a).....3,357,422	.....3,501,095
1.3	Bonds of affiliates .....	(a).....	.....
2.1	Preferred stocks (unaffiliated) .....	(b).....	.....
2.11	Preferred stocks of affiliates .....	(b).....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans .....	(c).....	.....
4.	Real estate .....	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	(e).....82,159	.....82,134
7.	Derivative instruments .....	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....394	.....394
10.	Total gross investment income .....	33,743,522	29,358,177
11.	Investment expenses .....		(g).....932,290
12.	Investment taxes, licenses and fees, excluding federal income taxes .....		(g).....
13.	Interest expense .....		(h).....
14.	Depreciation on real estate and other invested assets .....		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	Total deductions (Lines 11 through 15) .....		.....932,290
17.	Net investment income (Line 10 minus Line 16) .....		28,425,887
DETAILS OF WRITE-INS			
0901.	Misc.....	.....394	.....394
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....		
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	394	394
1501.	.....		
1502.	.....		
1503.	.....		
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above) .....		

(a) Includes \$ .....1,286,718 accrual of discount less \$ .....14,961,709 amortization of premium and less \$ .....817,052 paid for accrued interest on purchases.  
(b) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued dividends on purchases.  
(c) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued interest on purchases.  
(d) Includes \$ .....for company's occupancy of its own buildings; and excludes \$ .....interest on encumbrances.  
(e) Includes \$ .....29,508 accrual of discount less \$ .....amortization of premium and less \$ .....paid for accrued interest on purchases.  
(f) Includes \$ .....accrual of discount less \$ .....amortization of premium.  
(g) Includes \$ .....932,290 investment expenses and \$ .....investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
(h) Includes \$ .....interest on surplus notes and \$ .....interest on capital notes.  
(i) Includes \$ .....depreciation on real estate and \$ .....depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....					
1.1	Bonds exempt from U.S. tax .....	2,107,275		2,107,275		
1.2	Other bonds (unaffiliated) .....	38,963		38,963		
1.3	Bonds of affiliates .....					
2.1	Preferred stocks (unaffiliated) .....					
2.11	Preferred stocks of affiliates .....					
2.2	Common stocks (unaffiliated) .....					
2.21	Common stocks of affiliates .....					
3.	Mortgage loans .....					
4.	Real estate .....					
5.	Contract loans .....					
6.	Cash, cash equivalents and short-term investments .....	1,235		1,235		
7.	Derivative instruments .....					
8.	Other invested assets .....					
9.	Aggregate write-ins for capital gains (losses) .....					
10.	Total capital gains (losses) .....	2,147,473		2,147,473		
DETAILS OF WRITE-INS						
0901.	.....					
0902.	.....					
0903.	.....					
0998.	Summary of remaining write-ins for Line 9 from overflow page .....					
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) .....					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
3.2 Other than first liens .....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale .....			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			
6. Contract loans .....			
7. Derivatives (Schedule DB).....			
8. Other invested assets (Schedule BA) .....			
9. Receivables for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL).....			
11. Aggregate write-ins for invested assets .....			
12. Subtotals, cash and invested assets (Lines 1 to 11) .....			
13. Title plants (for Title insurers only).....			
14. Investment income due and accrued .....			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			
15.3 Accrued retrospective premiums and contracts subject to redetermination .....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			
16.2 Funds held by or deposited with reinsured companies .....			
16.3 Other amounts receivable under reinsurance contracts .....			
17. Amounts receivable relating to uninsured plans .....			
18.1 Current federal and foreign income tax recoverable and interest thereon .....			
18.2 Net deferred tax asset.....	468,567	2,925,466	2,456,899
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software.....			
21. Furniture and equipment, including health care delivery assets.....			
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivables from parent, subsidiaries and affiliates .....			
24. Health care and other amounts receivable.....			
25. Aggregate write-ins for other-than-invested assets .....	12,142	3,207,855	3,195,713
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	480,709	6,133,321	5,652,612
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
28. Total (Lines 26 and 27)	480,709	6,133,321	5,652,612
DETAILS OF WRITE-INS			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501. Prepaid expense.....	12,142	32,500	20,358
2502. Miscellaneous receivables.....		3,175,355	3,175,355
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	12,142	3,207,855	3,195,713

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

1. Summary of Significant Accounting Policies

- A. Accounting Practices
- The financial statements of Municipal Assurance Corp. (the "Company" or "MAC"), are presented on the basis of accounting practices prescribed or permitted by the New York State Department of Financial Services ("NYSDFS"). The NYSDFS recognizes only statutory accounting practices prescribed or permitted by the state of New York for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the New York Insurance Law. The National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of New York. The NYSDFS has the right to permit other specific practices that deviate from prescribed practices.

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

	SSAP #	F/S Page	F/S Line #	2017	2016
<b>NET INCOME</b>					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)				\$ 32,253,003	\$ 141,597,450
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					
None				—	—
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:					
None				—	—
(4) NAIC SAP (1-2-3=4)				\$ 32,253,003	\$ 141,597,450
<b>SURPLUS</b>					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)				\$ 270,394,027	\$ 486,946,496
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					
None				—	—
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:					
None				—	—
(8) NAIC SAP (5-6-7=8)				\$ 270,394,027	\$ 486,946,496

- B. Use of Estimates in the Preparation of the Financial Statements
- The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the amounts reported in these financial statements and notes. Actual results could differ from these estimates. Please refer Note 9, Income Taxes for additional information related to the estimate with regards to the effect of Tax Cuts and Jobs Act (the "Tax Act").
- C. Accounting Policies
- All premiums are earned as the related principal and interest expires. Generally, premiums are received either in full at contract inception or in installments over the life of the covered risk. For purposes of earnings recognition, premiums received at contract inception are earned in direct proportion to the payment of debt service. Installment premiums are typically earned on a monthly pro-rata basis over the installment period.

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

In addition, the company uses the following accounting policies:

- Short-term investments and cash equivalents are stated at amortized cost. Money market mutual funds are accounted for at fair value, which approximates amortized cost.
- Investments in long-term bonds not backed by other loans with a NAIC designation of 1 or 2 are stated at amortized cost. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized cost or fair value. The amortized cost basis is adjusted for accretion and amortization (using the effective interest method) with a corresponding entry recorded in net investment income. For bonds purchased at a price below par value, discounts are accreted over the remaining term of the bond. For bonds purchased at a price above par value, which have call features, premiums are amortized on a yield to worst basis. For premium bonds that do not have call features, such premiums are amortized over the remaining terms of the bonds.
- The Company did not hold common stocks at December 31, 2017.
- The Company did not hold preferred stocks at December 31, 2017.
- The Company did not hold investments in mortgage loans at December 31, 2017.
- Loan-backed bonds are reported at amortized cost using the effective interest method. Changes in the estimated cash flows from the original purchase assumptions are accounted for using the retrospective method.
- The Company has no insurance subsidiaries as of December 31, 2017.
- The Company has no ownership interests in joint ventures, partnerships or limited liability companies as of December 31, 2017.
- The Company did not have derivatives as of December 31, 2017.
- The Company does not utilize anticipated investment income as a factor in its premium deficiency calculation. The Company does not have a premium deficiency as of December 31, 2017.
- Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports as calculated by the Company's indirect parents, Assured Guaranty Municipal Corp. ("AGM") and Assured Guaranty Corp. ("AGC"), from whom the Company assumes business. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined. The Company has not written any policies which have been identified as having the potential for the existence of a liability due to toxic waste cleanup, asbestos or environmental losses.
- The Company has not modified its capitalization policy from the prior period.
- The Company did not hold business dealings with pharmaceutical rebate receivables at December 31, 2017.

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

14. The Company is required to establish a mandatory contingency reserve in accordance with NAIC SAP. The reserve amount is established by a charge to surplus for the protection of all policyholders equal to the sum of the following:
- (i) For all policies written prior to July 1, 1989, an amount equal to 50% of cumulative earned premiums less permitted reductions; plus
  - (ii) For all policies written on or after July 1, 1989, an amount equal to the greater of 50% of premiums written for each category of insured obligation or a designated percentage of principal guaranteed for that category. These amounts are provided each quarter as either 1/60<sup>th</sup> or 1/80<sup>th</sup> of the total required for each category, less permitted reductions.

From time to time, the Company's indirect parents AGM and AGC have obtained approval from their regulators to release contingency reserves based on losses or because the accumulated contingency reserve is deemed excessive in relation to the insurer's outstanding insured obligations. In 2017 and 2016, on the latter basis, AGM obtained NYSDFS approval for a contingency reserve release of approximately \$246 million and \$175 million, respectively, and AGC obtained Maryland Insurance Administration ("MIA") non-objection for a contingency reserve release of approximately \$134 million and \$152 million, respectively. In addition, MAC also released approximately \$62 million and \$53 million of contingency reserves in 2017 and 2016, respectively, which consisted of the assumed contingency reserves maintained by MAC, as reinsurer of AGM, in respect of the same obligations that were the subject of AGM's \$246 million and \$175 million releases.

2. **Accounting Changes and Corrections of Errors**

There were no material changes in accounting policy or corrections of errors during 2017.

3. **Business Combinations and Goodwill**

- A. Statutory Purchase Method. There has been no business combinations accounted for under the statutory purchase method at December 31, 2017.
- B. Statutory Merger. There has been no statutory merger transacted at December 31, 2017.
- C. Impairment Loss. The Company did not recognize an impairment loss on the transaction described above at December 31, 2017.

4. **Discontinued Operations**

The Company does not have any discontinued operations in 2017.

5. **Investments**

- A. Mortgage Loans, including Mezzanine Real Estate Loans – The Company did not hold investments in mortgage loans at December 31, 2017.
- B. Debt restructuring – The Company has no investments in restructured debt in which the Company is a creditor at December 31, 2017.
- C. Reverse mortgages – The Company did not hold reverse mortgages as investments at December 31, 2017.
- D. Loan-Backed Securities
  - 1. Prepayment assumptions for loan backed and structured securities were obtained from publicly available sources and internal models.
  - 2. The Company had no loan-backed securities with other-than-temporary impairments ("OTTI") due to either the intent to sell the securities or the inability or lack of intent to retain for the time sufficient to recover the amortized cost basis.
  - 3. The Company had no loan-backed securities with current year OTTI that resulted from the present value of projected cash flows expected to be collected being less than the amortized cost of the securities.
  - 4. The following summarizes gross unrealized investment losses on loan-backed securities by the length of time that securities have continuously been in an unrealized loss position.
    - a. The aggregate amount of unrealized losses:

	Less than 12 months	12 Months or More
Residential mortgage-backed securities	\$ —	\$ (9,617)
Commercial mortgage-backed securities	—	—
Total	1. \$ —	2. \$ (9,617)

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

	Less than 12 months	12 Months or More
Residential mortgage-backed securities	\$ —	\$ 849,188
Commercial mortgage-backed securities	—	—
Total	1. \$ —	2. \$ 849,188

- 5. All loan-backed securities in an unrealized loss position were reviewed to determine whether an other-than-temporary impairment should be recognized. For those securities in an unrealized loss position at December 31, 2017, the Company has not made a decision to sell any such securities and does not intend to sell such securities. The Company has evaluated its cash flow requirements and believes that its liquidity is adequate and it will not be required to sell these securities before recovery of their cost basis. This unrealized loss is primarily attributable to an increase in interest rates since acquisition, market illiquidity and volatility in the U.S. economy and not specific to individual issuer credit.
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - The Company did not enter into dollar repurchase agreements or securities lending transactions at December 31, 2017.
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - The Company did not enter into repurchase agreements accounted for as secured borrowings at December 31, 2017.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - The Company did not enter into reverse repurchase agreements accounted for as secured borrowings at December 31, 2017.
- H. Repurchase Agreements Transactions Accounted for as a Sale - The Company did not enter into repurchase agreements accounted for as a sale at December 31, 2017.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - The Company did not enter into reverse repurchase agreements accounted for as a sale at December 31, 2017.
- J. Real Estate – The Company did not hold investments in real estate, recognize any real estate impairments, or engage in any retail land sales at December 31, 2017.
- K. Low Income Housing Tax Credits (LIHTC) – The Company did not hold investments in LIHTC at December 31, 2017.

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

- L. Restricted Assets  
(1) Restricted assets (including pledged) summarized by restricted asset category

Restricted Asset Category		Gross (Admitted & Nonadmitted) Restricted							8	9	Percentage	
		Current Year					6	7			10	11
		1	2	3	4	5						
		Total General Account (G/ A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/A Activity (b)	Total (1 plus 3)						
						Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Non-admitted Restrict- ed	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)	
(a)	Subj to contractual oblig by which liability is not shown	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%	
(b)	Collateral held under sec. lending arrangements					—	—			—%	—%	
(c)	Subject to repurchase agreements					—	—			—%	—%	
(d)	Subject to reverse repurchase agreements					—	—			—%	—%	
(e)	Subject to dollar repurchase agreement					—	—			—%	—%	
(f)	Subject to dollar reverse repurchase agreement					—	—			—%	—%	
(g)	Placed under option contracts					—	—			—%	—%	
(h)	Letter stock or securities restricted as to sale - excl. FHLB capital stock					—	—			—%	—%	
(i)	FHLB capital stock					—	—			—%	—%	
(j)	On deposit with state	4,092,808				4,092,808	4,016,843	75,965	4,092,808	0.5%	0.5%	
(k)	On deposit with other regulatory bodies					—	—			—%	—%	
(l)	Pledged as collateral to FHLB (incl. assets backing funding agreement)					—	—			—%	—%	
(m)	Pledged as collateral not captured in other categories	—				—	3,266,901	(3,266,901)	—	—%	—%	
(n)	Other restricted assets					—	—			—%	—%	
(o)	Total restricted assets	\$ 4,092,808	\$ —	\$ —	\$ —	\$ 4,092,808	\$ 7,283,744	\$ (3,190,936)	\$ —	0.5%	0.5%	

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

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

Collateral Agreement	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/ A Activity (b)	Total (1 + 3)					
Collateral pledged for reinsurance	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,266,901	\$ (3,266,901)	\$ —	—%	—%
Total (c)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,266,901	\$ (3,266,901)	\$ —	—%	—%

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

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

	Gross (Admitted & Nonadmitted) Restricted								Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Acct Activity (a)	Total Protected Cell Acct. Restricted Assets	Protected Cell Acct. Assets Support G/ A Activity (b)	Total (1 + 3)					
Other Restricted Assets	Total From Prior Year	Increase/ (Decrease) (5 - 6)	Total Current Year Admitted Restricted	Gross (Admitted & Non-admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets					
									—%	—%
					NONE				—%	—%
Total (c)	—	—	—	—		—	—	—	—%	—%

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

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

- M. Working Capital Finance Investments ("WCFI")– The Company did not hold investments for WCFI at December 31, 2017.  
N. Offsetting and Netting of Assets and Liabilities - The Company has no derivative, repurchase and reverse repurchase, and securities borrowing and lending assets and liabilities that are offset and reported net in accordance to SSAP No. 64 at December 31, 2017.



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- O. Structured Notes - The following table separately identifies structured notes on a cusip basis, with information by cusip for actual cost, fair value, book/adjusted carrying value, and whether the structured note is a mortgage referenced security:

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage Referenced Security (YES/NO)
592247-H9-4	\$ 12,406,240	\$ 15,848,280	\$ 14,617,527	NO
592248-EK-0	186,607	238,509	205,000	NO
592248-FH-6	419,732	545,199	470,841	NO
592248-FK9	3,526,101	4,727,765	4,194,366	NO
592248-FN-3	1,385,568	1,758,220	1,552,812	NO
592248-FQ-6	854,149	1,099,615	1,016,026	NO
592248-FS-2	452,956	414,194	414,193	NO
592248-FT-0	218,467	278,671	242,847	NO
592248-FV-5	690,481	633,137	629,569	NO
592248-FW-3	1,870,626	2,334,706	2,079,381	NO
837227-D5-3	1,073,570	1,009,310	1,004,212	NO
837227-D6-1	1,070,870	1,009,310	1,004,063	NO
Total	\$ 24,155,367	\$ 29,896,916	\$ 27,430,837	XXX

- P. 5\* Securities (unrated, but current on principal and interest) - The Company did not hold investments in 5\* investments at December 31, 2017.
- Q. Short Sales - The Company did not sell any securities short in 2017.
- R. Prepayment Penalty and Acceleration Fees - The Company had 18 securities called during 2017 because of a callable feature, which resulted in prepayment penalties and acceleration fees of \$73 thousand.

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

The Company does not own any investments in Joint Ventures, Limited Partnerships, or Limited Liability Companies at December 31, 2017.

7. **Investment Income**

- A. Accrued Investment Income  
Accrued investment income was \$8,406,399 and \$12,791,741 as of December 31, 2017 and 2016, respectively. There are no amounts due and accrued over 90 days included in these balances.
- B. The Company does not admit investment income due and accrued if amounts are over 90 days past due.

8. **Derivative Instruments**

During the year ended December 31, 2017, the Company did not enter into any investment related derivative contracts, and there were no derivative contracts outstanding as of December 31, 2017.

9. **Income Taxes**

- A. The components of the net Deferred Tax Asset ("DTA")/(Deferred Tax Liability ("DTL")) at December 31 are as follows:  
(1)

Description	12/31/2017			12/31/2016			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2)Total	(4) Ordinary	(5) Capital	(6) (Col 4+5)Total	(7) (Col 1-4)Ordinary	(8) (Col 2-5)Capital	(9) (Col 7+8)Total
(a) Gross deferred tax assets	\$ 8,167,999	\$ —	\$ 8,167,999	\$ 18,394,189	\$ 4,010	\$ 18,398,199	\$ (10,226,190)	\$ (4,010)	\$ (10,230,200)
(b) Statutory valuation allowance	—	—	—	—	—	—	—	—	—
(c) Adjusted gross deferred tax assets (1a - 1b)	8,167,999	—	8,167,999	18,394,189	4,010	18,398,199	(10,226,190)	(4,010)	(10,230,200)
(d) Deferred tax asset nonadmitted	468,567	—	468,567	2,921,457	4,010	2,925,467	(2,452,890)	(4,010)	(2,456,900)
(e) Subtotal net admitted deferred tax asset (1c - 1d)	7,699,432	—	7,699,432	15,472,732	—	15,472,732	(7,773,300)	—	(7,773,300)
(f) Deferred tax liabilities	391,633	3,842,198	4,233,831	2,044,645	7,387,545	9,432,190	(1,653,012)	(3,545,347)	(5,198,359)
(g) Net admitted deferred tax asset/ (net deferred tax liab.) (1e - 1f)	\$ 7,307,799	\$ (3,842,198)	\$ 3,465,601	\$ 13,428,087	\$ (7,387,545)	\$ 6,040,542	\$ (6,120,288)	\$ 3,545,347	\$ (2,574,941)

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(2) Admission Calculation Components SSAP No. 101

12/31/2017				12/31/2016			Change			
Description		(1) Ordinary	(2) Capital	(3) (Col 1+2)Total	(4) Ordinary	(5) Capital	(6) (Col 4+5)Total	(7) (Col 1-4)Ordinar y	(8) (Col 2-5)Capital	(9) (Col 7+8)Total
(a)	Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	\$ 3,465,601	\$ —	\$ 3,465,601	\$ 3,756,233	\$ —	\$ 3,756,233	\$ (290,632)	\$ —	\$ (290,632)
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amt of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation. (Lesser of 2(b)1 and 2(b)2 Below)	—	—	—	2,284,309	—	2,284,309	(2,284,309)	—	(2,284,309)
1	Adjusted Gross Deferred Tax Assets Expected to be Realized following the Balance Sheet Date	—	—	—	2,284,309	—	2,284,309	(2,284,309)	—	(2,284,309)
2	Adjusted Gross Deferred Tax Assets Allowed per Limitation	xxx	xxx	39,968,979	xxx	xxx	71,697,073	xxx	xxx	(31,728,094)
(c)	Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2(a) and 2(b) above) offset by Gross Deferred Tax Liabilities	4,233,831	—	4,233,831	9,428,181	4,010	9,432,191	(5,194,350)	(4,010)	(5,198,360)
(d)	Deferred Tax Assets Admitted as the result of Application of SSAP #101 Total (2(a) + 2(b) + 2(c))	\$ 7,699,432	\$ —	\$ 7,699,432	\$ 15,468,723	\$ 4,010	\$ 15,472,733	\$ (7,769,291)	\$ (4,010)	\$ (7,773,301)

(3)

		2017	2016
(a)	Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	332%	358%
(b)	Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 above	\$ 266,459,859	\$ 477,980,488

(4) Impact of Tax Planning Strategies. Not Applicable

(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character as a Percentage.

12/31/2017			12/31/2016			Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col 1-3) Ordinary	(6) (Col 2-4) Capital	
1	Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 8,167,999	\$ —	\$ 18,394,189	\$ 4,010	\$ (10,226,190)	\$ (4,010)
2	Percentage of Adjusted Gross DTAs By Tax Character Attributable to the Impact of Tax Planning Strategies	—%	—%	—%	—%	—%	—%
3	Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	\$ 7,699,432	\$ —	\$ 15,472,732	\$ —	\$ (7,773,300)	\$ —
4	Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because of the Impact of Tax Planning Strategies	—%	—%	—%	—%	—%	—%

(b) Does the Company's tax planning strategies include the use of reinsurance? No

B. Deferred Tax Liabilities that are not recognized. Not Applicable

C. Current income taxes incurred consist of the following major components:

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	(1)	(2)	(3)
	12/31/2017	12/31/2016	(Col 1 - 2)Change
<b>1. Current Income Taxes</b>			
(a) Federal	\$ 64,312,906	\$ 47,183,776	\$ 17,129,130
(b) Foreign	—	—	—
(c) Subtotal	64,312,906	47,183,776	17,129,130
(d) Federal Income Tax on Capital Gains	—	(4,812,530)	4,812,530
(f) Other	2,289,197	(19,912,736)	22,201,933
(g) Federal and foreign income taxes	66,602,103	22,458,510	44,143,593
<b>2. Deferred Tax Assets</b>			
(a) Ordinary			
(1) Unpaid Losses & LAE	71,476	—	71,476
(2) Unearned premium reserve	5,205,871	11,653,001	(6,447,130)
(3) Policyholders reserve	—	—	—
(4) Investments	—	—	—
(5) Deferred acquisition costs	—	—	—
(6) Policyholder dividends accrual	—	—	—
(7) Fixed assets	—	—	—
(8) Compensation and benefits accrual	—	—	—
(9) Pension accrual Receivables - nonadmitted	—	—	—
(10) Nonadmitted assets	2,550	1,122,749	(1,120,199)
(11) Net operating loss carry-forward	—	—	—
(12) Intangible assets	2,109,405	3,889,021	(1,779,616)
(13) Other (incl. items <5% of total ordinary tax assets	778,697	1,729,418	(950,721)
(99) Subtotal	8,167,999	18,394,189	(10,226,190)
(b) Statutory valuation allowance adjustment	—	—	—
(c) Nonadmitted	468,567	2,921,457	(2,452,890)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	7,699,432	15,472,732	(7,773,300)
(e) Capital			
(1) Investments	—	—	—
(2) Unrealized losses	—	—	—
(3) Real estate	—	—	—
(4) Other (incl. items <5% of total capital tax assets	—	4,010	(4,010)
(99) Subtotal	—	4,010	(4,010)
(f) Statutory valuation allowance adjustment	—	—	—
(g) Nonadmitted	—	4,010	(4,010)
(h) Admitted capital DTAs (2e99 - 2f - 2g)	—	—	—
(i) Admitted deferred tax assets (2d + 2h)	7,699,432	15,472,732	(7,773,300)
<b>3. Deferred Tax Liabilities</b>			
(a) Ordinary			
(1) Bond Market Discount	391,633	2,044,645	(1,653,012)
(2) Fixed Assets	—	—	—
(3) Deferred and uncollected premium	—	—	—
(4) Policyholders reserves	—	—	—
(5) Other (incl. items <5% of total capital tax liab.	—	—	—
(99) Subtotal	391,633	2,044,645	(1,653,012)
(b) Capital			
(1) Investments	—	—	—
(2) Tax Investment Basis Difference	3,842,198	7,387,545	(3,545,347)
(3) Other (incl. items <5% of total capital tax liab.	—	—	—
(99) Subtotal	3,842,198	7,387,545	(3,545,347)
(c) Deferred tax liabilities (3a99 + 3b99)	4,233,831	9,432,190	(5,198,359)
<b>4. Net deferred tax assets/liabilities (2i - 3c)</b>	<b>\$ 3,465,601</b>	<b>\$ 6,040,542</b>	<b>\$ (2,574,941)</b>

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

	(1)	(2)	(3)
	12/31/2017	12/31/2016	(Col 1 - 2)Change
Total deferred tax assets	\$ 8,167,999	\$ 18,398,198	\$ (10,230,199)
Total deferred tax liabilities	(4,233,831)	(9,432,190)	5,198,359
Net deferred tax assets/liabilities	3,934,168	8,966,008	(5,031,840)
Statutory valuation allowance	—	—	—
Net deferred tax assets/liabilities after valuation allowance	\$ 3,934,168	\$ 8,966,008	(5,031,840)
Tax effect of unrealized gains/(losses)			—
Statutory valuation allowance on unrealized			—
Change in net deferred income tax [(expense)/benefit]			\$ (5,031,840)

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- D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate  
The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$ 98,855,106	\$ 34,599,287	35.00 %
Tax-exempt interest	(22,595,182)	(7,908,314)	(8.00)%
Write down of deferred tax assets	7,493,653	2,622,779	2.65 %
Tax and loss bond income	116,970,575	40,939,701	41.41 %
Change in deferred taxes on non-admitted assets	3,195,712	1,118,499	1.13 %
Other	748,547	261,991	0.27 %
Total	\$ 204,668,411	\$ 71,633,943	72.46 %
Federal income taxes incurred expense/(benefit)		\$ 66,602,103	67.37 %
Change in net deferred income tax charge (benefit)		5,031,840	5.09 %
Total statutory income taxes		\$ 71,633,943	72.46 %

Effect of the Tax Act

The Tax Act was enacted on December 22, 2017, reducing the U.S. federal corporate rate rate from 35% to 21% effective January 1, 2018. The impact to the provision for federal income taxes is a permanent write down of various tax attributes and other net deferred tax assets for the reduction in the statutory corporate tax rate.

At December 31, 2017, the Company has not completed the accounting for the tax effects of enactment of the Tax Act; however, the Company has made a reasonable estimate of the effects on the existing deferred tax balances. For the items for which the Company could determine a reasonable estimate, it recognized a provisional amount of \$2.6 million, which is included as a component of income tax expense from continuing operations. Consistent with the guidance in Statutory Accounting Principles (SAP) Working Group INT 18-01: Updated Tax Estimates under the Tax Cuts and Jobs Act and the Securities and Exchange Commission (SEC) Staff Accounting Bulletin No. 118, the Company will work in good faith to complete the accounting for the changes adopted under the Tax Act, and all accounting impacts will be completed within one year from the enactment date.

Provisional amounts on deferred tax assets and liabilities

The Company measured certain deferred tax assets and liabilities based on the rate at which they are expected to reverse in the future, which is generally 21%. However, the Company is still analyzing certain aspects of the Tax Act and refining the calculations, which could potentially affect the measurement of these balance or potentially give rise to new deferred tax amounts. The provisional amount recorded related to the remeasurement of the deferred tax balance was \$2.6 million.

Impact of the Tax Act on Components of Surplus

In addition to the impact of the change in statutory tax rate to net deferred income tax as previously discussed, the current year movement in nonadmitted assets considering the new rate resulted in an increase to nonadmitted assets of \$2.4 million. The details of the impact of the tax rate change on the components of surplus are as follows:

Change in net unrealized capital gains/losses	\$ 2,561,465
Change in net deferred income tax	(5,184,244)
Change in nonadmitted assets	2,456,899
Total impact to surplus	\$ (165,880)

- E. Operating Loss and Tax Credit Carryforwards
- At December 31, 2017, the Company had no net operating loss carryforwards.  
At December 31, 2017, the Company had no capital loss carryforwards.  
At December 31, 2017, the Company had no AMT carryforwards, which do not expire.
  - There is \$23.3 million and \$40.2 million of income tax expense for 2017 and 2016 that is available for recoupment in the event of future net losses.
  - The Company did not have any protective tax deposits admitted under IRC §6603.
- F. Consolidated Federal Income Tax Return
- The Company's federal income tax return was consolidated with the following entities in 2017:  
Assured Guaranty US Holdings Inc.  
Assured Guaranty Corp.  
Assured Guaranty Municipal Corp.  
AG Financial Products Inc.  
AG Analytics Inc.  
Assured Guaranty Municipal Holdings Inc.  
FSA Portfolio Management Inc.  
Transaction Services Corporation  
Municipal Assurance Holdings Inc.  
Van American Insurance Agency Inc.  
AG US Group Services Inc.
  - Each company, as a member of its respective consolidated tax return group, pays its proportionate share of the consolidated federal tax burden for its group as if each company filed on a separate return basis with current period credit for net losses to the extent used in consolidation.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. Nature of Relationships  
The Company is a direct, wholly owned subsidiary of Municipal Assurance Holdings Inc. (the "Parent" or "MAC Holdings"), a Delaware insurance holding company, which is owned 60.7% by AGM and 39.3% by AGC. The Parent is an indirect, wholly owned subsidiary of Assured Guaranty Ltd. ("Assured Guaranty"), a Bermuda incorporated holding company. The organization chart is included in Schedule Y.
- B. Transactions with Affiliates  
The Company engaged in the following non-insurance transactions (generally representing greater than 0.5% of admitted assets) with affiliates:
- The Company made dividend payments of \$36 million in 2017 to the Parent.

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2. On September 25, 2017, pursuant to a Plan for the Repurchase and Cancellation of Certain Common Shares of Capital Stock approved by the NYSDFS, the Company repurchased from the Parent 64,322 shares of its common stock for approximately \$250 million, transferring approximately \$104 million in cash and \$146 million in marketable securities to the Parent, which then distributed such assets to its shareholders, AGM and AGC, in proportion to their respective 61% and 39% ownership interests, such that AGM received approximately \$152 million (\$6 million in cash and \$146 million in securities) and AGC received approximately \$98 million (all in cash). The repurchased shares were retired and ceased to be authorized shares of the Company. The par value of the remaining 35,678 shares of the Company's common stock was increased automatically as provided in the Company's Charter, so as to maintain the value of its common capital stock at or above \$15,000,000, as is required under the laws of various states for the Company to be licensed as a financial guaranty insurer.
- C. Change in the Terms of Transactions with Affiliates  
There have been no changes in the methods of establishing terms in respect to any related parties from the prior period.
- D. Amounts Due to or from Related Parties  
At December 31, 2017, the Company reported \$7,657,481 as amounts due to affiliates.
- E. Guarantees or Contingencies for Related Parties  
The Company has no guarantees or contingencies for related parties as of December 31, 2017.
- F. Management, Service Contracts or Cost Sharing Arrangements  
Until December 31, 2016, the Company and various of its affiliates were parties to the Amended and Restated Service Agreement, effective as April 1, 2015 (the "Group Service Agreement"). Under the Group Service Agreement, the Company's Maryland affiliate, AGC, was the payroll company for, and employer of, the U.S. employees of the Assured Guaranty group. AGC's employees made available to its Bermuda, US and UK affiliates, as applicable, equipment, insurance, reinsurance and such other services, including actuarial, marketing, underwriting, claims handling, surveillance, legal, corporate secretarial, information technology, human resources, accounting, tax, financial reporting and investment planning services. In addition, under the Group Service Agreement the Company enjoyed the use of certain equipment and office space leased by its New York affiliate, AGM. Expenses under the Group Service Agreement were allocated directly where appropriate and, where not appropriate, based upon an allocation of employee time and corresponding office overhead. The agreement provided for quarterly settlements and an express right of offset with regard to amounts owing between parties under the Group Service Agreement and other agreements between such parties.
- In the first quarter of 2017, the Company's indirect parent, Assured Guaranty US Holdings Inc. ("AG US Holdings"), formed and capitalized AG US Group Services Inc. ("AG Services"), a Delaware corporation, to act as the payroll company and employer for all U.S. personnel and the central, dedicated service provider within the Assured Guaranty group in place of AGC. This structure is consistent with the way in which numerous other insurance holding companies provide inter-company staff and services. Accordingly, effective January 1, 2017, (i) AGC transferred the employees and the employee benefit, retirement and health plans relating to such employees to AG Services; and (ii) the Group Service Agreement was amended and restated to replace AGC with AG Services as the payroll company and service provider under the agreement. Such amended and restated agreement is substantially identical to the Group Service Agreement except for a few changes primarily related to operational matters, including pre-funding by affiliates who are the largest consumers of group services and inter-company allocation of expenses
- Under these affiliate expense sharing agreements, the total payments made by the Company to AG Services in 2017 were \$13,793,924 and to AGC in 2016 were \$15,580,717.
- MAC and its affiliates, AGM and AGC, entered into a ceding companies allocation agreement dated January 31, 2014 (the "Allocation Agreement") which provides for the fair and reasonable allocation of benefits and liabilities under reinsurance and related agreements entered into jointly by AGM, AGC and MAC or provides for set off of amounts between agreements entered into by such companies. The Allocation Agreement is intended to apply to those instances when AGM, AGC and MAC have entered into a joint reinsurance agreement that reinsures a combined portfolio of such companies and where the benefits and burdens under the reinsurance agreement are expected in the normal course to be allocated randomly and potentially unfairly by the operation of the terms of the agreement based solely on the timing of losses or recoveries received by AGM, AGC or MAC. The Allocation Agreement provides for a methodology to allocate premiums and expenses and losses and recovery in a fair and reasonable manner. As of the date of this filing, the only reinsurance arrangement covered by the 2014 Allocation Agreement is a \$400 million aggregate excess of loss reinsurance facility entered into by AGC, AGM and MAC, effective as of January 1, 2018, of which \$180 million is placed with an unaffiliated reinsurer. This facility replaces a similar \$400 million aggregate excess of loss reinsurance facility, of which \$360 million was placed with unaffiliated reinsurers, that AGC, AGM and MAC had entered into effective January 1, 2016 and which terminated on December 31, 2017. The new facility covers losses occurring either from January 1, 2018 through December 31, 2024, or January 1, 2019 through December 31, 2025, at the option of AGC, AGM and MAC. It terminates on January 1, 2020, unless AGC, AGM and MAC choose to extend it. The new facility covers certain U.S. public finance credits insured or reinsured by AGC, AGM and MAC as of September 30, 2017, excluding credits that were rated non-investment grade as of December 31, 2017 by Moody's or S&P or internally by AGC, AGM or MAC and is subject to certain per credit limits. Among the credits excluded are those associated with the Commonwealth of Puerto Rico and its related authorities and public corporations. The new facility attaches when AGC's, AGM's and MAC's net losses (net of AGC's and AGM's reinsurance (including from affiliates) and net of recoveries) exceed \$0.8 billion in the aggregate. The new facility covers a portion of the next \$400 million of losses, with the reinsurer assuming \$180 million of the \$400 million of losses and AGC, AGM and MAC jointly retaining the remaining \$220 million. The reinsurer is required to be rated at least AA- or to post collateral sufficient to provide AGM, AGC and MAC with the same reinsurance credit as reinsurers rated AA-. AGM, AGC and MAC are obligated to pay the reinsurer its share of recoveries relating to losses during the coverage period in the covered portfolio. AGC, AGM and MAC paid approximately \$3.2 million of premiums in 2018 for the term January 1, 2018 through December 31, 2018 and deposited approximately \$3.2 million of cash into a trust account for the benefit of the reinsurer to be used to pay the premiums for January 1, 2019 through December 31, 2019. The main differences between the new facility and the prior facility that terminated on December 31, 2017 are the reinsurance attachment point (\$0.8 billion versus \$1.25 billion), the total reinsurance coverage (\$180 million part of \$400 million versus \$360 million part of \$400 million) and the annual premium (\$3.2 million versus \$9 million).
- G. Nature of Relationships that Could Affect Operations  
All outstanding shares of the Company's stock are owned by MAC Holdings. Of MAC Holdings' 7,000 shares of outstanding stock, 4,249 shares are owned by AGM and 2,751 shares are owned by AGC, each of which is an indirect, wholly owned subsidiary of Assured Guaranty.
- H. Amount Deducted for Investment in Upstream Company  
The Company does not own any shares in an upstream intermediate entity or the ultimate parent.
- I. Detail of Investments in Affiliates greater than 10% of Admitted Assets  
The Company does not have an investment in a subsidiary.
- J. Impaired Investments in Subsidiaries, Controlled and Affiliated ("SCA")  
There were no write-downs of SCA entities due to impairments during the year ended December 31, 2017.
- K. Foreign insurance subsidiary valued using CARVM  
The Company is not a life insurance company and is not subject to the Commissioner's Annuity Reserve Valuation Method ("CARVM") and the related Actuarial guidelines.
- L. Downstream holding company valued using look-through method  
The Company does not hold any investment in a downstream non-insurance holding company.

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- M. All SCA Investments  
The Company does not have any investments in SCAs.
- N. Investment in Insurance SCAs  
The Company does not have any investments in insurance SCAs.

### 11. Debt

The Company has no debt outstanding nor has it guaranteed any debt of an affiliate as of December 31, 2017.

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

#### A. through D. Defined Benefit Plan.

The Company does not sponsor a defined benefit pension plan.

#### E. Defined Contribution Plan

The employees who provide services to the Company participate in a retirement plan maintained by its affiliate AG Services, which is qualified under Section 401(a) of the Internal Revenue Code. The retirement plan is available to all full-time employees who provide services to the Company and its U.S. affiliates. Eligible participants may contribute a percentage of their compensation subject to Internal Revenue Service ("IRS") limits. Contributions are matched by AG Services up to 6% of the participant's compensation, subject to IRS limits, and are allocated to the Company and its U.S. affiliates. AG Services contributes an additional 6% "core contribution", regardless of whether the participant contributes to the plan, subject to IRS limits, and the contributions are allocated to the Company and its U.S. affiliates. Amounts in excess of those permitted by the IRS limits are contributed to a non-qualified supplemental executive retirement plan ("SERP"). Employees are fully vested after 1 year of service, as defined in both plans and plan eligibility is immediate upon hire, as defined in both plans.

The Company's allocation of its portion of the expense for the retirement plans was \$0.6 million for each of the years ended December 31, 2017 and 2016.

As described in Note 10.F, AGC was the service provider of the employee benefit, retirement and health plans for its U.S. affiliates prior to 2017. On January 1, 2017, AGC transferred the qualified retirement plan and the SERP to AG Services in connection with the transfer of the employees and the employee benefit, retirement and health plans relating to such employees. See Note 10, Information Concerning Parent, Subsidiaries and Affiliates - Management, Service Contracts or Cost Sharing Arrangements.

#### F. Multi-employer Plans

The Company does not participate in a multi-employer pension plan.

#### G. Consolidated/Holding Company Plans

The Company has no consolidated/holding company plan.

#### H. Post-employment Benefits and Compensated Absences

The Company has no post-employment plans.

#### I. Impact of Medicare Modernization Act on Post-retirement Benefits

The Company has no post-retirement plans.

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

1. At December 31, 2017, the Company had 35,678 shares of common stock authorized, issued and outstanding at par value of \$420.43 per share. See Note 10.B.2, Transactions with Affiliates, for a description of the Third Quarter 2017 share repurchase.
2. The Company has no preferred stock.
3. Under New York Insurance Law, the Company may only pay dividends out of "earned surplus," which is the portion of the company's surplus that represents the net earnings, gains or profits (after deduction of all losses) that have not been distributed to shareholders as dividends, transferred to stated capital or capital surplus, or applied to other purposes permitted by law, but does not include unrealized appreciation of assets. The Company may pay dividends without the prior approval of the New York Superintendent of Financial Services ("New York Superintendent") that, together with all dividends declared or distributed by it during the preceding 12 months, do not exceed the lesser of 10% of its policyholders' surplus (as of the last annual or quarterly statement filed with the New York Superintendent) or 100% of its adjusted net investment income during that period.
4. The Company paid dividends to its parent, MAC Holdings, of \$12 million on each of March 17, 2017, June 19, 2017 and August 25, 2017.
5. Within the limitations of (3) above, the maximum amount available during 2018 for MAC to distribute as dividends without regulatory approval is estimated to be approximately \$27 million, of which approximately \$3 million is estimated to be available for distribution in the first quarter of 2018.
6. The Company has no restrictions on unassigned surplus.
7. The Company is not a mutual company; as such, there were no mutual surplus advances during 2017.
8. The Company holds no stock for special purposes.
9. There were no special surplus funds as of December 31, 2017.
10. Unassigned surplus does not contain any cumulative unrealized gains or losses.
11. The Company does not have any issued and outstanding surplus notes as of December 31, 2017.
- 12-13. The Company has not undergone a reorganization or quasi-reorganization.

### 14. Liabilities, Contingencies and Assessments

- A. The Company has no commitments or contingent commitments to any subsidiary.
- B. The Company does not issue life insurance policies and therefore is not subject to guaranty fund assessments.
- C. The Company has not recognized any gain contingencies subsequent to the balance sheet date.
- D. The Company did not incur claims related to extra contractual obligation losses or bad faith losses.

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- E. The Company does not issue product warranties.
- F. The Company does not have any arrangements for joint and several liability.
- G. All Other Contingencies  
Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company

15. **Leases**

The Company has no material lease obligations at December 31, 2017.

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

The Company provides insurance for public finance obligations. Total net principal and interest exposure at December 31, 2017 was \$44.3 billion.

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

- A. The Company has not sold or transferred any receivables during 2017.
- B. The Company has not transferred or serviced any financial assets during 2017.
- C. The Company did not engage in any wash sale transactions during 2017.

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

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

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

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

20. **Fair Value**

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

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

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

- Level 1 – Quoted prices for identical instruments in active markets. The Company generally defines an active market as a market in which trading occurs at significant volumes. Active markets generally are more liquid and have a lower bid-ask spread than an inactive market.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and observable inputs other than quoted prices, such as interest rates or yield curves and other inputs derived from or corroborated by observable market inputs.
- Level 3 – Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Financial instruments are considered Level 3 when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. Level 3 financial instruments also include those for which the determination of fair value requires significant management judgment or estimation. The Company has no assets and liabilities in this category.

An asset or liability's categorization within the fair value hierarchy is based on the lowest level of significant input to its valuation. Bonds are generally recorded at amortized cost. The following fair value hierarchy table presents information about the Company's assets measured at fair value as of December 31, 2017.

Description for each class of asset or liability	Level 1	Level 2	Level 3	TOTAL
a. Assets at fair value				
Cash, cash equivalents and short-term investments	\$ —	\$ 8,580,508	\$ —	\$ 8,580,508
Total Assets at Fair Value	\$ —	\$ 8,580,508	\$ —	\$ 8,580,508

**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 Company had no bonds carried at fair value at December 31, 2017.

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

- 2. Rollforward of Level 3 Items  
Not applicable.

- 3. Policy on transfers into and out of Level 3  
If applicable, transfers in and out of Level 3 are recognized at the end of the quarter when the Company evaluates whether securities with unobservable inputs need to be carried at fair value. There were no transfers between levels at December 31, 2017.



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4. Inputs and Techniques Used for Level 3 Fair Values  
Not applicable.
5. Derivative Fair Values  
The Company does not own derivatives at December 31, 2017.

B. Other Fair Value Disclosures

The fair value of the Company’s financial guaranty contracts accounted for as insurance was approximately \$259 million at December 31, 2017 and was based on management’s estimate of what a similarly rated financial guaranty insurance company would demand to acquire the Company’s in-force book of financial guaranty insurance business. This amount was based on the pricing assumptions management has observed for portfolio transfers and acquisitions that have occurred in the financial guaranty market and included adjustments to the carrying value of unearned premium reserve for stressed losses. The significant inputs were not readily observable. The Company accordingly classified this fair value measurement as Level 3.

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

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

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
(in thousands)						
Bonds	\$ 799,848,658	\$ 772,888,624	\$ —	\$ 791,668,868	\$ 8,179,790	\$ —
Cash, cash equivalents and short-term investments	13,250,229	13,250,246	174,178	13,076,051	—	—
Other invested assets	25,577,338	25,577,338	25,577,338	—	—	—
Total assets	\$ 838,676,225	\$ 811,716,208	\$ 25,751,516	\$ 804,744,919	\$ 8,179,790	\$ —

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

21. Other Items

- A. The Company had no unusual or infrequently occurring items during 2017.
- B. The Company had no debt restructuring during 2017.
- C. The Company had no unusual items to disclose during 2017.
- D. The Company had no business interruption insurance recoveries during 2017.
- E. The Company had no state transferable tax credits during 2017.
- F. The Company had no subprime mortgage-related exposure at December 31, 2017.
- G. The Company had no insurance-linked securities contracts at December 31, 2017.

22. Events Subsequent

Subsequent events have been considered through February 26, 2018 for these statutory financial statements which are to be issued on February 27, 2018. There were no material events occurring subsequent to December 31, 2017 that have not been disclosed elsewhere in these financial statements.

23. Reinsurance

- A. The Company has no unsecured reinsurance recoverable at December 31, 2017.
- B. The Company has no reinsurance recoverable in dispute at December 31, 2017.
- C. Reinsurance Assumed and Ceded  
The following table summarizes assumed unearned premiums and the related commission equity at December 31, 2017:

	Assumed Reinsurance		Ceded Reinsurance		NET	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. AFFILIATES	\$ 234,888,590				\$ 234,888,590	\$ 0
b. ALL OTHER					0	0
c. TOTAL	234,888,590	—	0	0	234,888,590	0
d. Direct Unearned Premium Reserve			\$ 12,995,995			

- D. The Company has no uncollectible reinsurance at December 31, 2017.
- E. The Company has no commutations and reassumptions of ceded business at December 31, 2017.
- F. The Company has no retroactive reinsurance in effect at December 31, 2017.
- G. The Company does not utilize the deposit method to account for any of its reinsurance transactions at December 31, 2017.
- H. The Company has no run-off agreements at December 31, 2017.
- I. The Company has no certified reinsurance downgraded or status subject to revocation at December 31, 2017.
- J. The Company has no reinsurance agreements qualifying for reinsurer aggregation at December31, 2017.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

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

25. Changes in Incurred Losses and Loss Adjustment Expenses

- A. Incurred losses and loss expenses attributable to insured events of prior years were \$24,157 for 2017. The current year increase is a result of ongoing analysis of recent development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.
- B. There were no significant changes in methodologies or assumptions used in calculating the liability for unpaid losses and loss adjustment expenses.

26. Intercompany Pooling Arrangements



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

27. **Structured Settlements**  
The Company had not purchased any annuities in 2017.
28. **Health Care Receivables**  
The Company does not have any healthcare receivables at December 31, 2017.
29. **Participating Policies**  
The Company had no participating accident or health contracts during 2017.
30. **Premium Deficiency Reserves**  
The Company had no premium deficiency reserves during 2017.
31. **High Deductibles**  
The Company had not recorded any reserve credits during 2017.
32. **Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses**  
The Company's net loss adjustment expenses reserves of \$340,363 are not discounted.
33. **Asbestos and Environmental Reserves**  
The Company has not written any policies which have been identified as having the potential for the existence of a liability due to asbestos or environmental losses.
34. **Subscriber Savings Accounts**  
The Company is not a reciprocal exchange and, therefore, does not have subscriber savings accounts.
35. **Multiple Peril Crop Insurance**  
The Company does not write multiple peril crop insurance.
36. **Financial Guaranty Insurance**  
A. (1) Installment Contracts

- a. The gross unearned premium reserve on an undiscounted basis for the entire book of business that would have been reported had all installment premiums been received at inception would have been \$249,169,818 as of December 31, 2017.

Schedule of gross premiums (undiscounted) expected to be collected under all installment contracts:

Period	(in thousands)
1st Quarter 2018	\$ 29
2nd Quarter 2018	43
3rd Quarter 2018	29
4th Quarter 2018	47
2019	144
2020	139
2021	136
2022	130
2023 – 2027	376
2028 – 2032	137
2033 – 2037	54
2038 and thereafter	21
TOTAL	\$ 1,285

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

Expected future premiums – beginning of year	\$ 2,262
Less - premium payments received for existing installment contracts	112
Add - expected premium payments for new installment contracts	—
Add - adjustments to the expected future premium payments	(865)
Expected future premiums – end of year	\$ 1,285

- (2) Non-installment Contracts
- a. The net unearned premium reserve on non-installment contracts that was recognized as earned premium on an accelerated basis was \$62,817,007 for the year ended December 31, 2017. Such accelerations are recognized when an insured issue is retired early, is called by the issuer, or is in substance paid in advance through a refunding accomplished by placing U.S. Government securities in escrow.

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b. Schedule of expected gross future earned premium revenue on non-installment contracts as of December 31, 2017:

Period	(in thousands)
1st Quarter 2018	\$ 4,233
2nd Quarter 2018	4,751
3rd Quarter 2018	5,418
4th Quarter 2018	5,232
2019	17,260
2020	14,888
2021	15,209
2022	14,945
2023 – 2027	60,355
2028 – 2032	47,128
2033 – 2037	31,525
2038 and thereafter	26,901
TOTAL	<u>\$ 247,845</u>

(3) Claim Liability

- a. The Company does not have a reserve for unpaid losses. The Company does not discount its reserve for unpaid loss adjustment expenses.
- b. Significant components of the change in the claim liability for the period (in thousands):

Components	Amount
(1) Accretion of discount	\$ —
(2) Changes of timing estimates	24
(3) New reserves for defaults of insured contracts	340
(4) Claim recoveries/(payments) on prior year reserves	(24)
(5) Development in prior year reserves	—
(6) TOTAL	<u>\$ 340</u>

(4) Risk Management Activities

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

BIG Category 1: BIG transactions showing sufficient deterioration to make future losses possible, but for which none are currently expected.

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

BIG Category 3: BIG transactions for which future losses are expected and on which claims (other than liquidity claims) have been paid.

- b. The Portfolio Risk Management Committee, which includes members of senior management and senior risk and surveillance officers, sets specific risk policies and limits and is responsible for enterprise risk management, establishing the Company's risk appetite, credit underwriting of new business, surveillance and work-out.

All transactions in the insured portfolio are assigned internal credit ratings, which are updated based on changes in transaction credit quality. As part of the surveillance process, the Company monitors trends and changes in transaction credit quality, detects any deterioration in credit quality, and recommends such remedial actions as may be necessary or appropriate. The Company also develops strategies to enforce its contractual rights and remedies and to mitigate its losses, engage in negotiation discussions with transaction participants and, when necessary, manage the Company's litigation proceedings.

Surveillance Categories

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

The Company monitors its insured portfolio and refreshes its internal credit ratings on individual exposures in quarterly, semi-annual or annual cycles based on the Company's view of the exposure's quality, loss potential, volatility and sector. Ratings on exposures in sectors identified as under the most stress or with the most potential volatility are reviewed every quarter. For assumed exposures, the Company may also use the ceding company's credit ratings of transactions where it is impractical for it to assign its own rating.

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

More extensive monitoring and intervention is employed for all BIG surveillance categories, with internal credit ratings reviewed quarterly.

- c. The Company did not have any activity relating to loss adjustment expenses on its direct portfolio in 2017.

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B. Schedule of BIG insured financial obligations as of December 31, 2017:

	Surveillance Categories			
	BIG 1	BIG 2	BIG 3	Total
	(Dollars in Thousands)			
1. Number of risks	19			19
2. Remaining weighted-average contract period (in yrs)	11.1			11.1
Insured contractual payments outstanding:				
3a. Principal	\$ 286,468	\$ —	\$ —	\$ 286,468
3b. Interest	176,619	—	—	176,619
3c. Total	\$ 463,087	\$ —	\$ —	\$ 463,087
4. Gross claim liability	\$ 340	\$ —	\$ —	\$ 340
Less:				
5a1. Gross potential recoveries - subrogation	—	—	—	—
5a2. Ceded claim liability	—	—	—	—
5a. Total gross potential recoveries	—	—	—	—
5b. Discount, net	—	—	—	—
6. Net claim liability	\$ 340	\$ —	\$ —	\$ 340
7. Unearned premium revenue	\$ 3,209	\$ —	\$ —	\$ 3,209
8. Reinsurance recoverables	\$ —	\$ —	\$ —	\$ —

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

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

Yes ☒ No ☐
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2

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

Yes ☒ No ☐ N/A ☐
- 1.3

State Regulating?

New York.....
- 2.1

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

Yes ☒ No ☐
- 2.2

If yes, date of change:

.....08/27/2017
- 3.1

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

.....12/31/2016
- 3.2

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

.....06/30/2012
- 3.3

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

.....06/27/2013
- 3.4

By what department or departments? New York State Department of Financial Services.....
- 3.5

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

Yes ☐ No ☐ N/A ☒
- 3.6

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

Yes ☒ No ☐ N/A ☐
- 4.1

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

Yes ☐ No ☒
- 4.12 renewals?

Yes ☐ No ☒
- 4.2

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

Yes ☐ No ☒
- 4.22 renewals?

Yes ☐ No ☒
- 5.1

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

Yes ☐ No ☒
- 5.2

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

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

- 6.1

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

Yes ☐ No ☒
- 6.2

If yes, give full information .....
- 7.1

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

Yes ☒ No ☐
- 7.2

If yes,
- 7.21

State the percentage of foreign control

.....100.0
- 7.22

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

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

GENERAL INTERROGATORIES

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

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

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

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

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

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

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

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

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [ X ]

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

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

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Benjamin Rosenblum, Chief Actuary of Municipal Assurance Corp., 1633 Broadway, New York, NY 10019.....

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

12.11 Name of real estate holding company .....

12.12 Number of parcels involved .....

12.13 Total book/adjusted carrying value \$.....

12.2 If yes, provide explanation

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

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

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

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

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

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

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

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

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

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

e. Accountability for adherence to the code.

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

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s)  
The Code of Conduct is revised annually to make ordinary course updates.....

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

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

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

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

INVESTMENT

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

GENERAL INTERROGATORIES

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

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

25.21 Subject to repurchase agreements

25.22 Subject to reverse repurchase agreements

25.23 Subject to dollar repurchase agreements

25.24 Subject to reverse dollar repurchase agreements

25.25 Placed under option agreements

25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock

25.27 FHLB Capital Stock

25.28 On deposit with states

25.29 On deposit with other regulatory bodies

25.30 Pledged as collateral – excluding collateral pledged to an FHLB

25.31 Pledged as collateral to FHLB – including assets backing funding agreements

25.32 Other

\$

\$

\$

\$

\$

\$

\$

\$

\$

\$

\$

\$

4,092,808

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES

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

1 Name of Firm or Individual	2 Affiliation
Blackrock Financial Management Inc.....	U.....
General Re-New England Asset Management Inc.....	U.....
Wellington Management Company LLP.....	U.....
Goldman Sachs Asset Management, L.P.....	U.....
Municipal Assurance Corp.....	I.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes [ X ] No [   ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ X ] No [   ]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107-105.....	Blackrock Financial Management Inc.....	549300LVXYIVJKE13M84.....	Securities and Exchange Commission.....	NO.....
105-900.....	General Re-New England Asset Management Inc.....	KUR85E5PS4GQFZTFC130.....	Securities and Exchange Commission.....	NO.....
106-595.....	Wellington Management Company LLP.....	549300YHP12TEZNLCS41.....	Securities and Exchange Commission.....	NO.....
107-738.....	Goldman Sachs Asset Management, L.P.....	CF5M58QA35CFPUX70H7.....	Securities and Exchange Commission.....	NO.....

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

29.2 If yes, complete the following schedule:

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	777,284,199	804,244,200	26,960,001
30.2 Preferred Stocks.....			
30.3 Totals	777,284,199	804,244,200	26,960,001

30.4 Describe the sources or methods utilized in determining the fair values:

The fair value of bonds in the investment portfolio is generally based on prices received from third party pricing services or alternative pricing sources with reasonable levels of price transparency. Estimates of fair value measurements was based on pricing models and sector groupings.....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [   ] No [ X ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [   ] No [   ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

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

32.2 If no, list exceptions:



GENERAL INTERROGATORIES

33. By self-designating 5\*GI securities, the reporting entity is certifying the following elements of each self-designated 5\*GI security:
- a.Documentation necessary to permit a full credit analysis of the security does not exist.
  - b.Issuer or obligor is current on all contracted interest and principal payments.
  - c.The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5\*GI securities? Yes [    ]    No [ X ]

OTHER

- 34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ .....1,181,018
- 34.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
STANDARD & POOR'S.....	\$.....658,518
KROLL BOND RATING AGENCY INC.....	\$.....522,500

- 35.1 Amount of payments for legal expenses, if any? \$ .....22,976
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
SKADDEN, ARPS, SLATE, MEAGHER.....	\$.....17,342

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

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1

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

Yes [ ] No [ X ]

1.2

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

\$

1.3

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

\$

1.31

Reason for excluding

1.4

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

\$

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$

1.62

Total incurred claims

\$

1.63

Number of covered lives

All years prior to most current three years:

1.64

Total premium earned

\$

1.65

Total incurred claims

\$

1.66

Number of covered lives

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$

1.72

Total incurred claims

\$

1.73

Number of covered lives

All years prior to most current three years:

1.74

Total premium earned

\$

1.75

Total incurred claims

\$

1.76

Number of covered lives

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$

\$

2.2

Premium Denominator

\$

\$

2.3

Premium Ratio (2.1/2.2)

2.4

Reserve Numerator

\$

\$

2.5

Reserve Denominator

\$

\$

2.6

Reserve Ratio (2.4/2.5)

3.1

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

Yes [ ] No [ X ]

3.2

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

3.21

Participating policies

\$

3.22

Non-participating policies

\$

4.

For Mutual reporting entities and Reciprocal Exchanges only:

4.1

Does the reporting entity issue assessable policies?

Yes [ ] No [ ]

4.2

Does the reporting entity issue non-assessable policies?

Yes [ ] No [ ]

4.3

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

%

4.4

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

\$

5.

For Reciprocal Exchanges Only:

5.1

Does the exchange appoint local agents?

Yes [ ] No [ ]

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation

Yes [ ] No [ ] N/A [ ]

5.22

As a direct expense of the exchange

Yes [ ] No [ ] N/A [ ]

5.3

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

5.4

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

Yes [ ] No [ ]

5.5

If yes, give full information

16

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss: .....  
Not applicable. The Company does not write Workers' Compensation insurance.....

6.2

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

6.3

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

6.4

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

Yes [ ] No [ X ]

6.5

If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss  
As a financial guaranty insurer, the Company is required by state insurance law to establish contingency reserves. These reserves are established in addition to specific case reserves.....

7.1

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

Yes [ ] No [ X ]

7.2

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

7.3

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

Yes [ ] No [ ]

8.1

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

Yes [ ] No [ X ]

8.2

If yes, give full information

9.1

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

Yes [ ] No [ X ]

9.2

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

Yes [ ] No [ X ]

9.3

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

9.4

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

Yes [ ] No [ X ]

9.5

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

9.6

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

Yes [ X ] No [ ]

Yes [ ] No [ X ]

Yes [ ] No [ X ]

10.

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

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

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1

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

Yes [ ] No [X]

11.2

If yes, give full information

12.1

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

12.11

Unpaid losses

\$

12.12

Unpaid underwriting expenses (including loss adjustment expenses)

\$

12.2

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

\$

12.3

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

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

12.4

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

12.41

From

%

12.42

To

%

12.5

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

Yes [ ] No [X]

12.6

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

12.61

Letters of Credit

\$

12.62

Collateral and other funds

\$

13.1

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

\$169,964,560

13.2

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

Yes [ ] No [X]

13.3

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

14.1

Is the reporting entity a cedant in a multiple cedant reinsurance contract?

Yes [ ] No [X]

14.2

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

14.3

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

Yes [ ] No [ ]

14.4

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

Yes [ ] No [ ]

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [ ] No [X]

15.2

If yes, give full information

16.1

Does the reporting entity write any warranty business?

Yes [ ] No [X]

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

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

\* Disclose type of coverage:

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

	1 2017	2 2016	3 2015	4 2014	5 2013
<b>Gross Premiums Written</b> (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
2. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....					
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	3,967,112	4,403,714	3,315,250	3,096,820	709,934,733
5. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
6. Total (Line 35) .....	3,967,112	4,403,714	3,315,250	3,096,820	709,934,733
<b>Net Premiums Written</b> (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
8. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	736,112	1,172,714	(4,782,826)	(5,001,256)	709,934,733
11. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
12. Total (Line 35) .....	736,112	1,172,714	(4,782,826)	(5,001,256)	709,934,733
<b>Statement of Income</b> (Page 4)					
13. Net underwriting gain (loss) (Line 8) .....	68,281,718	118,552,240	101,319,853	54,850,443	26,793,481
14. Net investment gain (loss) (Line 11) .....	29,821,744	40,691,196	33,193,969	30,767,513	17,910,365
15. Total other income (Line 15) .....	28	(6)		11,851	893
16. Dividends to policyholders (Line 17) .....					
17. Federal and foreign income taxes incurred (Line 19) .....	65,850,487	17,645,980	32,594,594	10,868,276	18,959,678
18. Net income (Line 20) .....	32,253,003	141,597,450	101,919,228	74,761,531	25,745,061
<b>Balance Sheet Lines</b> (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) .....	823,587,181	1,104,819,451	1,509,306,022	1,519,753,850	1,516,209,012
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1) .....	(1,027)	86,561	108,788	337,750	200,790
20.2 Deferred and not yet due (Line 15.2) .....					
20.3 Accrued retrospective premiums (Line 15.3) .....					
21. Total liabilities excluding protected cell business (Page 3, Line 26) .....	553,193,154	617,872,955	779,798,472	908,219,359	1,001,817,106
22. Losses (Page 3, Line 1) .....					
23. Loss adjustment expenses (Page 3, Line 3) .....	340,363				
24. Unearned premiums (Page 3, Line 9) .....	247,884,585	332,918,398	468,965,284	591,805,514	670,694,225
25. Capital paid up (Page 3, Lines 30 & 31) .....	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
26. Surplus as regards policyholders (Page 3, Line 37) .....	270,394,027	486,946,496	729,507,549	611,534,491	514,391,906
<b>Cash Flow</b> (Page 5)					
27. Net cash from operations (Line 11) .....	21,228,848	8,303,126	19,343,517	8,983,138	721,852,117
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital .....					
29. Authorized control level risk-based capital .....					
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b>					
(Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1) .....	95.2	95.9	98.7	97.1	97.4
31. Stocks (Lines 2.1 & 2.2) .....					
32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....					
33. Real estate (Lines 4.1, 4.2 & 4.3) .....					
34. Cash, cash equivalents and short-term investments (Line 5) .....	1.6	1.8	0.3	1.9	1.6
35. Contract loans (Line 6) .....					
36. Derivatives (Line 7) .....					
37. Other invested assets (Line 8) .....	3.2	2.4	1.0	1.0	1.0
38. Receivables for securities (Line 9) .....					
39. Securities lending reinvested collateral assets (Line 10) .....					
40. Aggregate write-ins for invested assets (Line 11) .....					
41. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1) .....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1) .....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1) .....					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) .....					
46. Affiliated mortgage loans on real estate .....					
47. All other affiliated .....					
48. Total of above Lines 42 to 47 .....					
49. Total Investment in parent included in Lines 42 to 47 above .....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)					

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2017	2016	2015	2014	2013
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24) .....					
52. Dividends to stockholders (Line 35) .....	(36,000,000)				
53. Change in surplus as regards policyholders for the year (Line 38) .....	(216,552,469)	(242,561,053)	117,973,058	97,142,585	437,508,065
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	(1,503)	(7,107)			
58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
59. Total (Line 35) .....	(1,503)	(7,107)			
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	(1,503)	(7,107)			
64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
65. Total (Line 35) .....	(1,503)	(7,107)			
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1) .....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2) .....	0.0	0.0			
68. Loss expenses incurred (Line 3) .....	0.5	0.0			
69. Other underwriting expenses incurred (Line 4) .....	19.9	13.6	14.2	25.8	31.7
70. Net underwriting gain (loss) (Line 8) .....	79.6	86.4	85.8	74.2	68.3
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0) .....	2,321.6	1,591.3	(350.0)	(380.4)	1.8
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	0.5	0.0			
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0) .....	0.3	0.2	(0.7)	(0.8)	138.0
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11) .....	24				
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0) .....	0.0				
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) .....					
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0) .....					

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

If no, please explain

.....



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)

NAIC Group Code 0194		BUSINESS IN THE STATE OF Consolidated				DURING THE YEAR 2017				NAIC Company Code 13559			
Line of Business		Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies not Taken		3 Dividends Paid or Credited to Policyholders on Direct Business	4 Direct Unearned Premium Reserves	5 Direct Losses Paid (deducting salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Direct Defense and Cost Containment Expense Paid	9 Direct Defense and Cost Containment Expense Incurred	10 Direct Defense and Cost Containment Expense Unpaid	11 Commissions and Brokerage Expenses	12 Taxes, Licenses and Fees
		1 Direct Premiums Written	2 Direct Premiums Earned										
1.	Fire .....												
2.1	Allied lines .....												
2.2	Multiple peril crop .....												
2.3	Federal flood .....												
2.4	Private crop .....												
2.5	Private flood .....												
3.	Farmowners multiple peril .....												
4.	Homeowners multiple peril .....												
5.1	Commercial multiple peril (non-liability portion) .....												
5.2	Commercial multiple peril (liability portion) .....												
6.	Mortgage guaranty .....												
8.	Ocean marine .....												
9.	Inland marine .....												
10.	Financial guaranty .....	3,566,247	498,191		12,995,995								334,472
11.	Medical professional liability .....												
12.	Earthquake .....												
13.	Group accident and health (b) .....												
14.	Credit A & H (group and individual) .....												
15.1	Collectively renewable A & H (b) .....												
15.2	Non-cancelable A & H (b) .....												
15.3	Guaranteed renewable A & H (b) .....												
15.4	Non-renewable for stated reasons only (b) .....												
15.5	Other accident only .....												
15.6	Medicare Title XVIII exempt from state taxes or fees .....												
15.7	All other A & H (b) .....												
15.8	Federal Employees Health Benefits Plan premium (b) .....												
16.	Workers' compensation .....												
17.1	Other liability-Occurrence .....												
17.2	Other Liability-Claims-Made .....												
17.3	Excess workers' compensation .....												
18.	Products liability .....												
19.1	Private passenger auto no-fault (personal injury protection) .....												
19.2	Other private passenger auto liability .....												
19.3	Commercial auto no-fault (personal injury protection) .....												
19.4	Other commercial auto liability .....												
21.1	Private passenger auto physical damage .....												
21.2	Commercial auto physical damage .....												
22.	Aircraft (all perils) .....												
23.	Fidelity .....												
24.	Surety .....												
26.	Burglary and theft .....												
27.	Boiler and machinery .....												
28.	Credit .....												
30.	Warranty .....												
34.	Aggregate write-ins for other lines of business .....												
35.	TOTAL (a) .....	3,566,247	498,191		12,995,995								334,472
DETAILS OF WRITE-INS													
3401.	.....												
3402.	.....												
3403.	.....												
3498.	Summary of remaining write-ins for Line 34 from overflow page .....												
3499.	Totals (Lines 3401 through 3403 Plus 3498) (Line 34 above) .....												

(a) Finance and service charges not included in Lines 1 to 35 \$ ..... and number of persons insured under indemnity only products .....

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products ..... and number of persons insured under indemnity only products .....



## 20

## 20

20

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## ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

## SCHEDULE F - PART 2

**Premium Portfolio Reinsurance Effected or (Canceled) during Current Year**

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE F - PART 3

Ceded Reinsurance as of December 31, Current Year (\$000 Omitted)

1	2	3	4	5	6	Reinsurance Recoverable On									Reinsurance Payable		18	19
						7	8	9	10	11	12	13	14	15	16	17		
ID Number	NAIC Company Code	Name of Reinsurer	Domiciliary Jurisdiction	Special Code	Reinsurance Premiums Ceded	Paid Losses	Paid LAE	Known Case Loss Reserves	Known Case LAE Reserves	IBNR Loss Reserves	IBNR LAE Reserves	Unearned Premiums	Contingent Commis- sions	Cols. 7 through 14 Totals	Ceded Balances Payable	Other Amounts Due to Reinsurers	Net Amount Recoverable From Reinsurers Cols. 15 - [16 + 17]	Funds Held By Company Under Reinsurance Treaties
Authorized - Affiliates - U.S. Intercompany Pooling																		
Authorized - Affiliates - U.S. Non-Pool - Captive																		
Authorized - Affiliates - U.S. Non-Pool - Other																		
Authorized - Affiliates - Other (Non-U.S.) - Captive																		
Authorized - Affiliates - Other (Non-U.S.) - Other																		
Authorized - Other U.S. Unaffiliated Insurers																		
Authorized - Pools - Mandatory Pools																		
Authorized - Pools - Voluntary Pools																		
Authorized - Other Non-U.S. Insurers																		
Unauthorized - Affiliates - U.S. Intercompany Pooling																		
Unauthorized - Affiliates - U.S. Non-Pool - Captive																		
Unauthorized - Affiliates - U.S. Non-Pool - Other																		
Unauthorized - Affiliates - Other (Non-U.S.) - Captive																		
Unauthorized - Affiliates - Other (Non-U.S.) - Other																		
Unauthorized - Other U.S. Unaffiliated Insurers																		
Unauthorized - Pools - Mandatory Pools																		
Unauthorized - Pools - Voluntary Pools																		
Unauthorized - Other non-U.S. Insurers																		
AA-3194126.....	00000.....	Arch Reins Ltd.....	BMU.....		1,795													
76-0479419.....	00000.....	HCC REINSURANCE COMPANY LIMITED.....	BMU.....		1,346													
AA-1580100.....	00000.....	TOKIO MARINE & NICHIDO FIRE INS CO LTD.....	JPN.....		90													
2599999 - Total Unauthorized - Other Non-U.S. Insurers					3,231													
2699999 - Total Unauthorized - Total Unauthorized					3,231													
Certified - Affiliates - U.S. Intercompany Pooling																		
Certified - Affiliates - U.S. Non-Pool - Captive																		
Certified - Affiliates - U.S. Non-Pool - Other																		
Certified - Affiliates - Other (Non-U.S.) - Captive																		
Certified - Affiliates - Other (Non-U.S.) - Other																		
Certified - Other U.S. Unaffiliated Insurers																		
Certified - Pools - Mandatory Pools																		
Certified - Pools - Voluntary Pools																		
Certified - Other Non-U.S. Insurers																		
4099999 - Total Authorized, Unauthorized and Certified					3,231													
9999999 Totals					3,231													

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

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

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

	1	2	3	4
	Name of Reinsurer	Total Recoverables	Ceded Premiums	Affiliated
1.	.....			Yes [ ] No [ ]
2.	.....			Yes [ ] No [ ]
3.	.....			Yes [ ] No [ ]
4.	.....			Yes [ ] No [ ]
5.	.....			Yes [ ] No [ ]

Schedule F - Part 4

NONE

Schedule F - Part 5

NONE

Schedule F - Part 6 - Section 1

NONE

Schedule F - Part 6 - Section 2

NONE

Schedule F - Part 7

NONE

Schedule F - Part 8

NONE

SCHEDULE F - PART 9

Restatement of Balance Sheet to Identify Net Credit for Reinsurance			
	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 12) .....	811,716,208		811,716,208
2. Premiums and considerations (Line 15) .....	(1,027)		(1,027)
3. Reinsurance recoverable on loss and loss adjustment expense payments (Line 16.1) .....			
4 Funds held by or deposited with reinsured companies (Line 16.2) .....			
5. Other assets .....	11,872,000		11,872,000
6. Net amount recoverable from reinsurers .....			
7. Protected cell assets (Line 27) .....			
8. Totals (Line 28) .....	823,587,181		823,587,181
LIABILITIES (Page 3)			
9. Losses and loss adjustment expenses (Lines 1 through 3) .....	375,732		375,732
10. Taxes, expenses, and other obligations (Lines 4 through 8) .....	73,369,767		73,369,767
11. Unearned premiums (Line 9) .....	247,884,585		247,884,585
12. Advance premiums (Line 10) .....			
13. Dividends declared and unpaid (Line 11.1 and 11.2) .....			
14. Ceded reinsurance premiums payable (net of ceding commissions) (Line 12) .....			
15. Funds held by company under reinsurance treaties (Line 13) .....			
16. Amounts withheld or retained by company for account of others (Line 14) .....			
17. Provision for reinsurance (Line 16) .....			
18. Other liabilities .....	231,563,070		231,563,070
19. Total liabilities excluding protected cell business (Line 26) .....	553,193,154		553,193,154
20. Protected cell liabilities (Line 27) .....			
21. Surplus as regards policyholders (Line 37) .....	270,394,027	X X X	270,394,027
22. Totals (Line 38) .....	823,587,181		823,587,181

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

If yes, give full explanation:

.....

Schedule H - Part 1

NONE

Schedule H - Part 2

NONE

Schedule H - Part 3

NONE

Schedule H - Part 4

NONE

Schedule H - Part 5 - Health Claims

NONE

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

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1  Direct and Assumed	2  Ceded	3  Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10  Salvage and Subrogation Received	11  Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	Number of Claims Reported Direct and Assumed
				4  Direct and Assumed	5  Ceded	6  Direct and Assumed	7  Ceded	8  Direct and Assumed	9  Ceded			
1. Prior	XXX	XXX	XXX									XXX
2. 2008												XXX
3. 2009												XXX
4. 2010												XXX
5. 2011												XXX
6. 2012												XXX
7. 2013	39,241		39,241									XXX
8. 2014	81,986	8,099	73,887									XXX
9. 2015	126,155	8,098	118,057									XXX
10. 2016	140,451	3,231	137,220	(9)		39				1,000	30	XXX
11. 2017	89,001	3,231	85,770			34					34	XXX
12. Totals	XXX	XXX	XXX	(9)		73				1,000	65	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23  Salvage and Subrogation Anticipated	24  Total Net Losses and Expenses Unpaid	25  Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. ....													XXX
2. ....													XXX
3. ....													XXX
4. ....													XXX
5. ....													XXX
6. ....													XXX
7. ....													XXX
8. ....													XXX
9. ....													XXX
10. ....													XXX
11. ....					340							340	XXX
12. ....					340							340	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2. ....											
3. ....											
4. ....											
5. ....											
6. ....											
7. ....											
8. ....											
9. ....											
10. ....	30		30	0.0		0.0					
11. ....	375		375	0.4		0.4					340
12. ....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		340

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	One Year	Two Year
1. Prior												
2. 2008												
3. 2009	XXX											
4. 2010	XXX	XXX										
5. 2011	XXX	XXX	XXX									
6. 2012	XXX	XXX	XXX	XXX								
7. 2013	XXX	XXX	XXX	XXX	XXX							
8. 2014	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.6	.30	.24	XXX
11. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	375	XXX	XXX
12. Totals											24	

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
1. Prior	.000										XXX	XXX
2. 2008											XXX	XXX
3. 2009	XXX										XXX	XXX
4. 2010	XXX	XXX									XXX	XXX
5. 2011	XXX	XXX	XXX								XXX	XXX
6. 2012	XXX	XXX	XXX	XXX							XXX	XXX
7. 2013	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2014	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.6	.30	XXX	XXX
11. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	34	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2008	2 2009	3 2010	4 2011	5 2012	6 2013	7 2014	8 2015	9 2016	10 2017
1. Prior										
2. 2008										
3. 2009	XXX									
4. 2010	XXX	XXX								
5. 2011	XXX	XXX	XXX							
6. 2012	XXX	XXX	XXX	XXX						
7. 2013	XXX	XXX	XXX	XXX	XXX					
8. 2014	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

NONE



Schedule P - Part 1A - Home/Farm

**NONE**

Schedule P - Part 1B - Private Passenger

**NONE**

Schedule P - Part 1C - Comm Auto/Truck

**NONE**

Schedule P - Part 1D - Workers' Comp

**NONE**

Schedule P - Part 1E - Comm Multi Peril

**NONE**

Schedule P - Part 1F - Med Pro Liab Occ

**NONE**

Schedule P - Part 1F - Med Pro Liab Clm

**NONE**

Schedule P - Part 1G - Special Liability

**NONE**

Schedule P - Part 1H - Other Liab Occur

**NONE**

Schedule P - Part 1H - Other Liab Claims

**NONE**

Schedule P - Part 1I - Special Property

**NONE**

Schedule P - Part 1J - Auto Physical

NONE

Schedule P - Part 1K - Fidelity/Surety

NONE

Schedule P - Part 1L - Other

NONE

Schedule P - Part 1M - International

NONE

Schedule P - Part 1N - Reinsurance

NONE

Schedule P - Part 1O - Reinsurance

NONE

Schedule P - Part 1P - Reinsurance

NONE

Schedule P - Part 1R - Prod Liab Occur

NONE

Schedule P - Part 1R - Prod Liab Claims

NONE

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

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	12
				4	5	6	7	8	9			
Direct and Assumed	Ceded	Net (Cols. 1 - 2)	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	Number of Claims Reported Direct and Assumed	
1. Prior	XXX	XXX	XXX									XXX
2. 2016	140,451	3,231	137,220	(9)		39				1,000	30	XXX
3. 2017	89,001	3,231	85,770			34					34	XXX
4. Totals	XXX	XXX	XXX	(9)		73				1,000	65	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23  Salvage and Subrogation Anticipated	24  Total Net Losses and Expenses Unpaid	25  Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21  Direct and Assumed	22  Ceded			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded					
1.													
2.													
3.					340							340	
4.					340							340	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount		
	26	27	28	29	30	31	32	33		35	36	
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid	
1.	XXX	XXX	XXX	XXX	XXX	XXX			XXX			
2.	30		30	0.0		0.0						
3.	375		375	0.4		0.4						340
4.	XXX	XXX	XXX	XXX	XXX	XXX			XXX			340

Schedule P - Part 1T - Warranty

**NONE**

Schedule P - Part 2A

**NONE**

Schedule P - Part 2B

**NONE**

Schedule P - Part 2C

**NONE**

Schedule P - Part 2D

**NONE**

Schedule P - Part 2E

**NONE**

Schedule P - Part 2F - Section 1

**NONE**

Schedule P - Part 2F - Med Pro Liab Clm

**NONE**

Schedule P - Part 2G

**NONE**

Schedule P - Part 2H - Other Liab Occur

**NONE**

Schedule P - Part 2H - Other Liab Claim

**NONE**

Schedule P - Part 2I  
**NONE**

Schedule P - Part 2J  
**NONE**

Schedule P - Part 2K  
**NONE**

Schedule P - Part 2L  
**NONE**

Schedule P - Part 2M  
**NONE**

Schedule P - Part 2N  
**NONE**

Schedule P - Part 2O  
**NONE**

Schedule P - Part 2P  
**NONE**

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

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2008	2 2009	3 2010	4 2011	5 2012	6 2013	7 2014	8 2015	9 2016	10 2017	11 One Year	12 Two Year
1. Prior												
2. 2008												
3. 2009	XXX											
4. 2010	XXX	XXX										
5. 2011	XXX	XXX	XXX									
6. 2012	XXX	XXX	XXX	XXX								
7. 2013	XXX	XXX	XXX	XXX	XXX							
8. 2014	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals												

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

1. Prior												
2. 2008												
3. 2009	XXX											
4. 2010	XXX	XXX										
5. 2011	XXX	XXX	XXX									
6. 2012	XXX	XXX	XXX	XXX								
7. 2013	XXX	XXX	XXX	XXX	XXX							
8. 2014	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals												

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

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6	30	24	XXX
3. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	375	XXX	XXX
4. Totals											24	

SCHEDULE P - PART 2T – WARRANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
2. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
3. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
4. Totals												

Schedule P - Part 3A

**NONE**

Schedule P - Part 3B

**NONE**

Schedule P - Part 3C

**NONE**

Schedule P - Part 3D

**NONE**

Schedule P - Part 3E

**NONE**

Schedule P - Part 3F - Med Pro Liab Occ

**NONE**

Schedule P - Part 3F - Med Pro Liab Clm

**NONE**

Schedule P - Part 3G

**NONE**

Schedule P - Part 3H - Other Liab Occur

**NONE**

Schedule P - Part 3H - Other Liab Claims

**NONE**

Schedule P - Part 3I

**NONE**

Schedule P - Part 3J  
**NONE**

Schedule P - Part 3K  
**NONE**

Schedule P - Part 3L  
**NONE**

Schedule P - Part 3M  
**NONE**

Schedule P - Part 3N  
**NONE**

Schedule P - Part 3O  
**NONE**

Schedule P - Part 3P  
**NONE**



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

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
1. Prior	.000											
2. 2008												
3. 2009	XXX											
4. 2010	XXX	XXX										
5. 2011	XXX	XXX	XXX									
6. 2012	XXX	XXX	XXX	XXX								
7. 2013	XXX	XXX	XXX	XXX	XXX							
8. 2014	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

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

1. Prior	.000											
2. 2008												
3. 2009	XXX											
4. 2010	XXX	XXX										
5. 2011	XXX	XXX	XXX									
6. 2012	XXX	XXX	XXX	XXX								
7. 2013	XXX	XXX	XXX	XXX	XXX							
8. 2014	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

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

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.000			XXX	XXX
2. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.6	.30	XXX	XXX
3. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	34	XXX	XXX

SCHEDULE P - PART 3T - WARRANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.000				
2. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
3. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

Schedule P - Part 4A

**NONE**

Schedule P - Part 4B

**NONE**

Schedule P - Part 4C

**NONE**

Schedule P - Part 4D

**NONE**

Schedule P - Part 4E

**NONE**

Schedule P - Part 4F - Med Pro Liab Occ

**NONE**

Schedule P - Part 4F - Med Pro Liab Clm

**NONE**

Schedule P - Part 4G

**NONE**

Schedule P - Part 4H - Other Liab Occur

**NONE**

Schedule P - Part 4H - Other Liab Claims

**NONE**

Schedule P - Part 4I

**NONE**

Schedule P - Part 4J

NONE

Schedule P - Part 4K

NONE

Schedule P - Part 4L

NONE

Schedule P - Part 4M

NONE

Schedule P - Part 4N

NONE

Schedule P - Part 4O

NONE

Schedule P - Part 4P

NONE

Schedule P - Part 4R - Prod Liab Occur

NONE

Schedule P - Part 4R - Prod Liab Claims

NONE

Schedule P - Part 4S

NONE

Schedule P - Part 4T - Warranty

NONE

Schedule P - Part 5A- SN1  
**NONE**

Schedule P - Part 5A- SN2  
**NONE**

Schedule P - Part 5A- SN3  
**NONE**

Schedule P - Part 5B- SN1  
**NONE**

Schedule P - Part 5B- SN2  
**NONE**

Schedule P - Part 5B- SN3  
**NONE**

Schedule P - Part 5C- SN1  
**NONE**

Schedule P - Part 5C- SN2  
**NONE**

Schedule P - Part 5C- SN3  
**NONE**

Schedule P - Part 5D- SN1  
**NONE**

Schedule P - Part 5D- SN2  
**NONE**

Schedule P - Part 5D- SN3

NONE

Schedule P - Part 5E- SN1

NONE

Schedule P - Part 5E- SN2

NONE

Schedule P - Part 5E- SN3

NONE

Schedule P - Part 5F- SN1A

NONE

Schedule P - Part 5F- SN2A

NONE

Schedule P - Part 5F- SN3A

NONE

Schedule P - Part 5F- SN1B

NONE

Schedule P - Part 5F- SN2B

NONE

Schedule P - Part 5F- SN3B

NONE

Schedule P - Part 5H- SN1A

NONE

Schedule P - Part 5H- SN2A

NONE

Schedule P - Part 5H- SN3A

NONE

Schedule P - Part 5H- SN1B

NONE

Schedule P - Part 5H- SN2B

NONE

Schedule P - Part 5H- SN3B

NONE

Schedule P - Part 5R- SN1A

NONE

Schedule P - Part 5R- SN2A

NONE

Schedule P - Part 5R- SN3A

NONE

Schedule P - Part 5R- SN1B

NONE

Schedule P - Part 5R- SN2B

NONE

Schedule P - Part 5R- SN3B

NONE

Schedule P - Part 5T- SN1

NONE

Schedule P - Part 5T- SN2

NONE

Schedule P - Part 5T- SN3

NONE

Schedule P - Part 6C - SN1

NONE

Schedule P - Part 6C - SN2

NONE

Schedule P - Part 6D - SN1

NONE

Schedule P - Part 6D - SN2

NONE

Schedule P - Part 6E - SN1

NONE

Schedule P - Part 6E - SN2

NONE

Schedule P - Part 6H - SN1A

NONE

Schedule P - Part 6H - SN2A

NONE

Schedule P - Part 6H - SN1B

NONE

Schedule P - Part 6H - SN2B

NONE

Schedule P - Part 6M - SN1

NONE

Schedule P - Part 6M - SN2

NONE

Schedule P - Part 6N - SN1

NONE

Schedule P - Part 6N - SN2

NONE

Schedule P - Part 6O - SN1

NONE

Schedule P - Part 6O - SN2

NONE

Schedule P - Part 6R - SN1A

NONE

Schedule P - Part 6R - SN2A

NONE

Schedule P - Part 6R - SN1B

NONE



Schedule P - Part 6R - SN2B

NONE

Schedule P - Part 7A - Section 1

NONE

Schedule P - Part 7A - Section 2

NONE

Schedule P - Part 7A - Section 3

NONE

Schedule P - Part 7A - Section 4

NONE

Schedule P - Part 7A - Section 5

NONE

Schedule P - Part 7B - Section 1

NONE

Schedule P - Part 7B - Section 2

NONE

Schedule P - Part 7B - Section 3

NONE

Schedule P - Part 7B - Section 4

NONE

Schedule P - Part 7B - Section 5

NONE

Schedule P - Part 7B - Section 6

NONE

Schedule P - Part 7B - Section 7

NONE

SCHEDULE P INTERROGATORIES

1.

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

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

Yes [   ] No [ X ]
- 1.2

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

\$ .....
- 1.3

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

Yes [   ] No [   ]
- 1.4

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

Yes [   ] No [   ]
- 1.5

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

Yes [   ] No [   ] N/A [   ]
- 1.6

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

Years in Which Premiums Were Earned and Losses Were Incurred		DDR Reserve Included in Schedule P, Part 1F, Medical Professional Liability Column 24: Total Net Losses and Expenses Unpaid	
		1 Section 1: Occurrence	2 Section 2: Claims-Made
1.601	Prior .....		
1.602	2008.....		
1.603	2009.....		
1.604	2010.....		
1.605	2011.....		
1.606	2012.....		
1.607	2013.....		
1.608	2014.....		
1.609	2015.....		
1.610	2016.....		
1.611	2017.....		
1.612	Totals		

2.

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

Yes [ X ] No [   ]
3.

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

Yes [ X ] No [   ]
4.

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

Yes [   ] No [ X ]

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

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

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

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

5.1 Fidelity

\$ .....

5.2 Surety

\$ .....
6.

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

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

Yes [   ] No [ X ]
- 7.2

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

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories									
States, etc.	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL L	36,640	5,735						
2. Alaska	AK L								
3. Arizona	AZ L	30,278	7,528						
4. Arkansas	AR L	23,276	1,784						
5. California	CA L	274,250	9,813						
6. Colorado	CO L	88,442	20,614						
7. Connecticut	CT L								
8. Delaware	DE L								
9. Dist. Columbia	DC L								
10. Florida	FL L	43,322	4						
11. Georgia	GA L								
12. Hawaii	HI L								
13. Idaho	ID L								
14. Illinois	IL L	225,939	21,286						
15. Indiana	IN L	31,865	616						
16. Iowa	IA L	47,365	3,371						
17. Kansas	KS L	27,888	4,906						
18. Kentucky	KY L		3,467						
19. Louisiana	LA L	68,511	9,676						
20. Maine	ME L								
21. Maryland	MD L								
22. Massachusetts	MA L								
23. Michigan	MI L	44,038	5,399						
24. Minnesota	MN L	25,378	220						
25. Mississippi	MS L								
26. Missouri	MO L	41,447	163						
27. Montana	MT L								
28. Nebraska	NE L								
29. Nevada	NV L								
30. New Hampshire	NH L								
31. New Jersey	NJ L	144,704	35,132						
32. New Mexico	NM L		454						
33. New York	NY L	1,203,191	119,612						
34. No. Carolina	NC L								
35. No. Dakota	ND L		1,487						
36. Ohio	OH L	56,950	2,590						
37. Oklahoma	OK L								
38. Oregon	OR L		3,284						
39. Pennsylvania	PA L	337,988	102,503						
40. Rhode Island	RI L	17,730	2,306						
41. So. Carolina	SC L								
42. So. Dakota	SD L								
43. Tennessee	TN L	17,500	3,960						
44. Texas	TX L	668,357	122,953						
45. Utah	UT L		1,364						
46. Vermont	VT L								
47. Virginia	VA L								
48. Washington	WA L								
49. West Virginia	WV L	20,315	258						
50. Wisconsin	WI L	90,873	7,706						
51. Wyoming	WY L								
52. American Samoa	AS N								
53. Guam	GU N								
54. Puerto Rico	PR N								
55. U.S. Virgin Islands	VI N								
56. Northern Mariana Islands	MP N								
57. Canada	CAN N								
58. Aggregate other alien	OT XXX								
59. Totals	(a) 51	3,566,247	498,191						
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX								

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

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

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

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

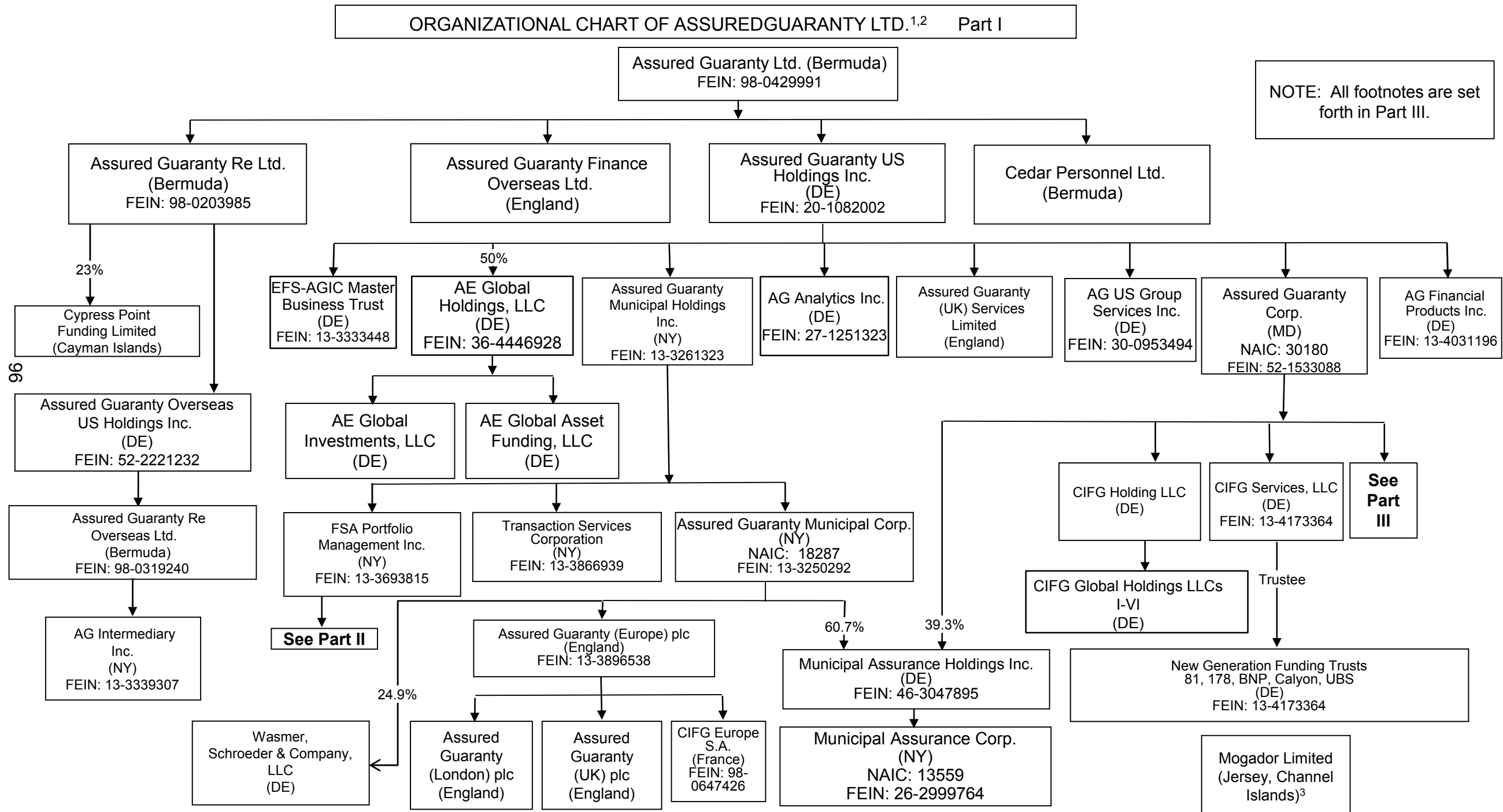
SCHEDULE T – PART 2  
INTERSTATE COMPACT – EXHIBIT OF PREMIUMS WRITTEN

Allocated By States and Territories

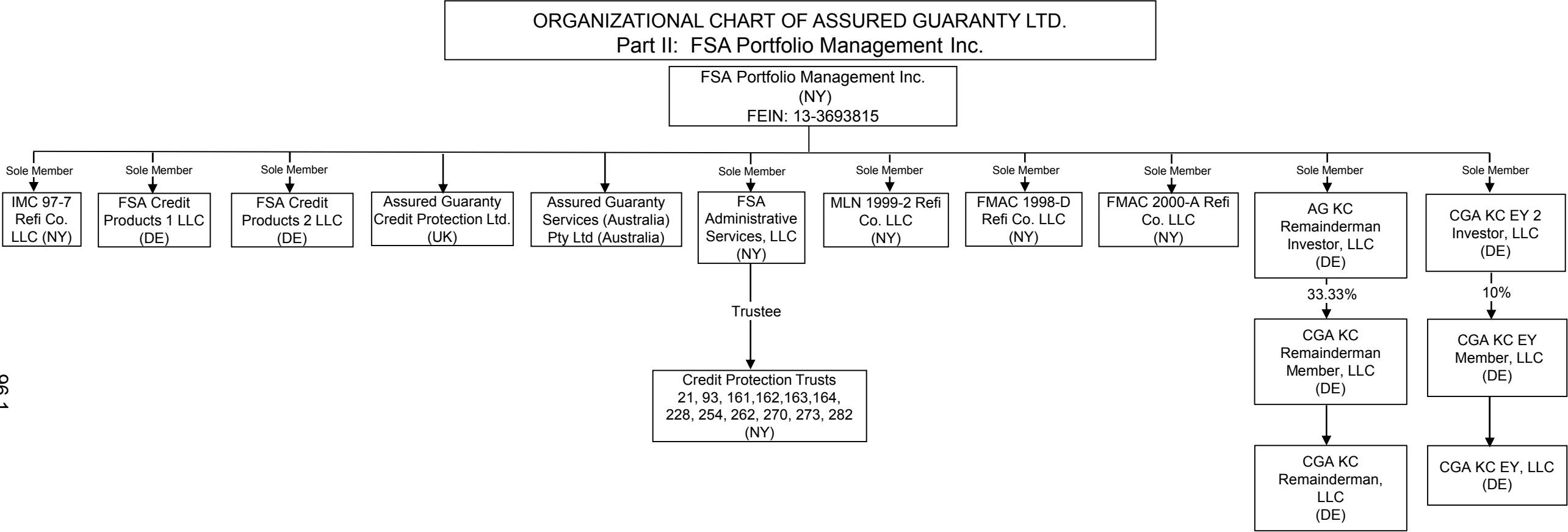
		Direct Business Only					
		1	2	3	4	5	6
States, Etc.		Life (Group and Individual)	Annuities (Group and Individual)	Disability Income (Group and Individual)	Long-Term Care (Group and Individual)	Deposit-Type Contracts	Totals
1. Alabama .....	AL .....						
2. Alaska .....	AK .....						
3. Arizona .....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

NONE

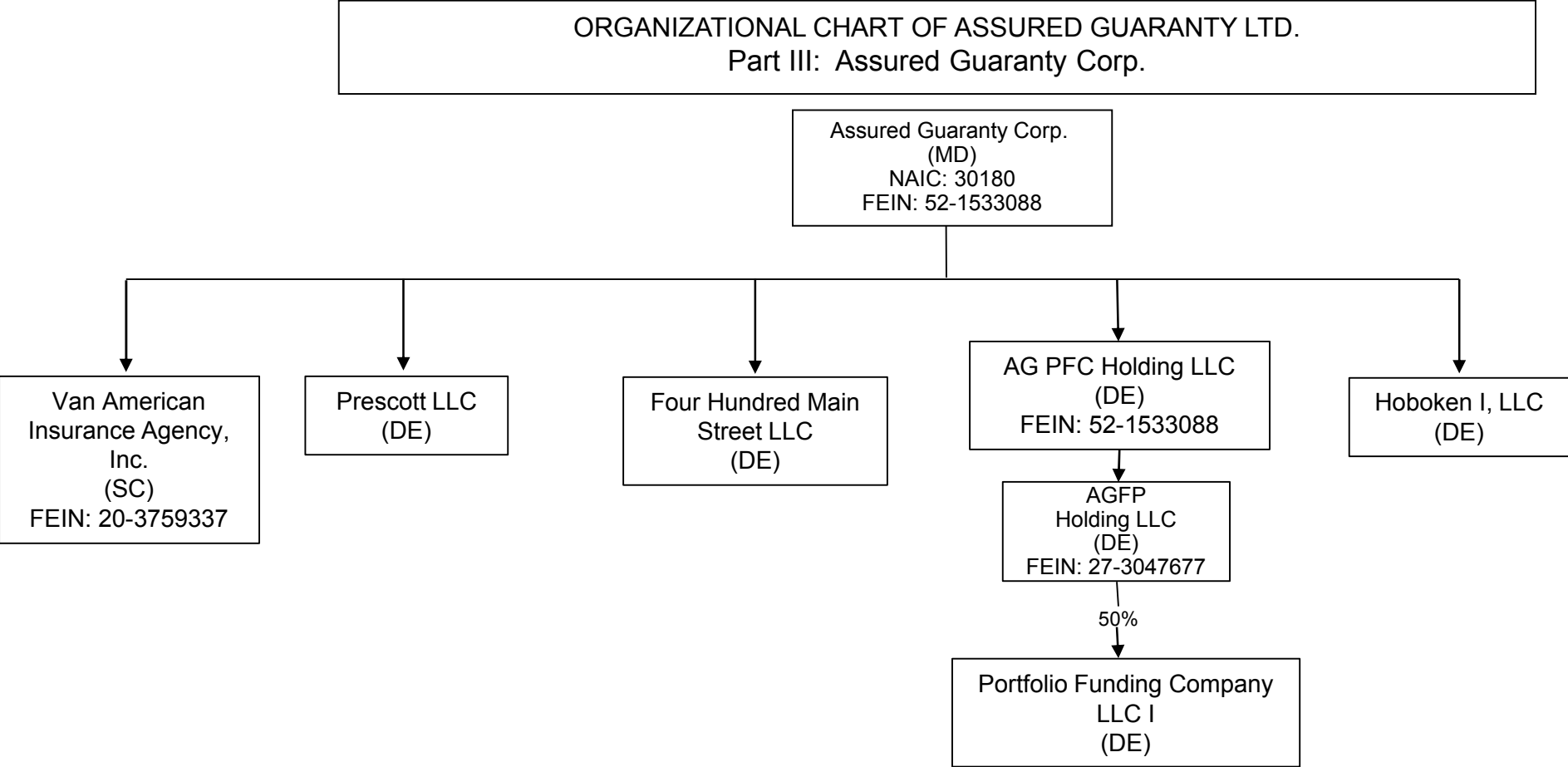
STATEMENT as of DECEMBER 31, 2017 of the MUNICIPAL ASSURANCE CORP.  
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



STATEMENT as of DECEMBER 31, 2017 of the MUNICIPAL ASSURANCE CORP.  
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



STATEMENT as of DECEMBER 31, 2017 of the MUNICIPAL ASSURANCE CORP.  
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP



Footnotes:

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



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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00194	Assured Guaranty Ltd	00000	98-0429991		0001573813	NYSE	Assured Guaranty Ltd	BMU	UIP				Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	20-1082002		0001289244		Assured Guaranty US Holdings Inc	DE	UIP	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	13-3261323		1111913357		Assured Guaranty Municipal Holdings Inc	NY	UIP	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	18287	13-3250292				Assured Guaranty Municipal Corp	NY	UIP	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	13-3693815				FSA Portfolio Management Inc	NY	NIA	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	13-3866939				Transaction Services Corporation	NY	NIA	Assured Guaranty Municipal Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	46-3047895				Municipal Assurance Holdings Inc	DE	UDP	Assured Guaranty Municipal Corp	Ownership	60.7	Assured Guaranty Ltd	N	(1)
00194	Assured Guaranty Ltd	00000	13-3896538				Assured Guaranty (Europe) plc	GBR	IA	Assured Guaranty Municipal Corp	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000					Cypress Point Funding Ltd	CYM	NIA	Assured Guaranty Re Ltd	Ownership	23.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	98-0203985				Assured Guaranty Re Ltd	BMU	IA	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000					Assured Guaranty Finance Overseas Ltd	GBR	NIA	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000					Cedar Personnel Ltd	BMU	NIA	Assured Guaranty Ltd	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	52-2221232				Assured Guaranty Overseas US Holdings Inc	DE	NIA	Assured Guaranty Re Ltd	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	98-0319240				Assured Guaranty Re Overseas Ltd	BMU	IA	Assured Guaranty Overseas US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	13-3339307				AG Intermediary Inc	NY	NIA	Assured Guaranty Re Overseas Ltd	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	13559	26-2999764				Municipal Assurance Corp	NY	RE	Municipal Assurance Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	27-1251323				AG Analytics Inc	DE	NIA	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000					Assured Guaranty (UK) Services Limited	GBR	NIA	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	30180	52-1533088				Assured Guaranty Corp	MD	UIP	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	13-4031196				AG Financial Products Inc	DE	NIA	Assured Guaranty US Holdings Inc	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000					Prescott LLC	DE	NIA	Assured Guaranty Corp	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000	52-1533088				AG PFC Holding LLC	DE	NIA	Assured Guaranty Corp	Ownership	100.0	Assured Guaranty Ltd	N	
00194	Assured Guaranty Ltd	00000					Assured Guaranty (UK) plc	GBR	IA	Assured Guaranty (Europe) plc	Ownership	100.0	Assured Guaranty Ltd	N	

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00194.....	Assured Guaranty Ltd.....	00000.....	27-3047677.....				AGFP Holding LLC.....	DE.....	NIA.....	AG PFC Holding LLC.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Portfolio Funding Company LLC 1.....	DE.....	NIA.....	AGFP Holding LLC.....	Ownership.....	50.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Credit Products 1 LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Credit Products 2 LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Assured Guaranty Credit Protection Ltd.....	GBR.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Assured Guaranty Services (Australia) Pty Ltd.....	AUS.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FSA Administrative Services, LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					MLN 1992-2 Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FMAC 1998-D Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					FMAC 2000-A Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					IMC 97-7 Refi Co. LLC.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Credit Protection Trusts.....	NY.....	NIA.....	FSA Portfolio Management Inc.....	Other.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....	13-3333448.....				EFS-AGIC Master Business Trust.....	DE.....	NIA.....	Assured Guaranty US Holdings, Inc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....	36-4446928.....				AE Global Holdings, LLC.....	DE.....	NIA.....	Assured Guaranty US Holdings Inc.....	Ownership.....	50.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					AE Global Investments, LLC.....	DE.....	NIA.....	AE Global Holdings, LLC.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					AE Global Asset Funding, LLC.....	DE.....	NIA.....	AE Global Holdings, LLC.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Four Hundred Main Street, LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....	20-3759337.....				Van American Insurance Agency, Inc.....	SC.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Hoboken I, LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....	13-4173364.....				CIFG Services, LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....	98-0647426.....				CIFG Europe S. A.....	FRA.....	IA.....	Assured Guaranty (Europe) plc.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Holding LLC.....	DE.....	NIA.....	Assured Guaranty Corp.....	Ownership.....	100.0.....	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....	13-4173364.....				New Generation Funding Trusts.....	DE.....	NIA.....	CIFG Services, LLC.....	Other.....	100.0.....	Assured Guaranty Ltd.....	N.....	

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
00194.....	Assured Guaranty Ltd.....	00000.....					Mogador Limited.....	JEY.....	OTH.....	Sanne Nominees Limited and Sanne Nominees 2 Limited.....	Ownership.....	100.0	Sanne Nominees Limited and Sanne Nominees 2 Limited.....	N.....	(2)
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings I, LLC.....	DE.....	NIA.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings II, LLC.....	DE.....	NIA.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings III, LLC.....	DE.....	NIA.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings IV, LLC.....	DE.....	NIA.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings V, LLC.....	DE.....	NIA.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CIFG Global Holdings VI, LLC.....	DE.....	NIA.....	CIFG Holding LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Assured Guaranty (London) plc.....	GBR.....	IA.....	Assured Guaranty (Europe) plc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....	30-0953494.....				AG US Group Services Inc.....	DE.....	NIA.....	Assured Guaranty US Holdings Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					AG KC Remainderman Investor, LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CGA KC Remainderman Member, LLC.....	DE.....	NIA.....	AG KC Remainderman Investor, LLC.....	Ownership.....	33.3	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CGA KC Remainderman, LLC.....	DE.....	NIA.....	CGA KC Remainderman Member, LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					Wasmer, Schroeder & Company, LLC.....	DE.....	NIA.....	Assured Guaranty Municipal Corp.....	Ownership.....	24.9	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CGA KC EY 2 Investor, LLC.....	DE.....	NIA.....	FSA Portfolio Management Inc.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CGA KC EY Member, LLC.....	DE.....	NIA.....	CGA KC EY 2 Investor, LLC.....	Ownership.....	10.0	Assured Guaranty Ltd.....	N.....	
00194.....	Assured Guaranty Ltd.....	00000.....					CGA KC EY, LLC.....	DE.....	NIA.....	CGA KC EY Member, LLC.....	Ownership.....	100.0	Assured Guaranty Ltd.....	N.....	

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

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ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

28. Will the Supplemental Schedule for Reinsurance Counterparty Reporting Exception – Asbestos and Pollution Contracts be filed with the state of domicile and the NAIC by March 1?

.....NO.....

APRIL FILING

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

.....NO.....

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

.....NO.....

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

.....NO.....

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

.....NO.....

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

.....NO.....

34. Will the Cybersecurity and Identity Theft Insurance Coverage Supplement be filed with the state of domicile and the NAIC by April 1?

.....NO.....

AUGUST FILING

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

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

Explanation:

12. The Company has less than 100 stockholders.

14.

15.

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

17.

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

19.

21.

22. The Company does not file the Reinsurance Attestation Supplement. It is exempt from filing such supplement because the Company does not utilize reinsurance. Accordingly, the Company does not have any exceptions to the Reinsurance Attestation Supplement in 2017.

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35. The Company did not write gross premiums of \$500 million or more in 2017.

Bar Code:

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

3.	 1 3 5 5 9 2 0 1 7 3 9 0 0 0 0 0 0
4.	 1 3 5 5 9 2 0 1 7 3 9 0 0 0 0 0 0
14.	 1 3 5 5 9 2 0 1 7 3 6 0 5 9 0 0 0
15.	 1 3 5 5 9 2 0 1 7 4 5 5 0 0 0 0 0
17.	 1 3 5 5 9 2 0 1 7 3 8 5 0 0 0 0 0
19.	 1 3 5 5 9 2 0 1 7 3 6 5 0 0 0 0 0
21.	 1 3 5 5 9 2 0 1 7 3 9 9 0 0 0 0 0
23.	 1 3 5 5 9 2 0 1 7 5 0 0 0 0 0 0 0
24.	 1 3 5 5 9 2 0 1 7 5 0 5 0 0 0 0 0
25.	 1 3 5 5 9 2 0 1 7 2 2 4 0 0 0 0 0
26.	 1 3 5 5 9 2 0 1 7 2 2 5 0 0 0 0 0
27.	 1 3 5 5 9 2 0 1 7 2 2 6 0 0 0 0 0
28.	 1 3 5 5 9 2 0 1 7 5 5 5 0 0 0 0 0
29.	 1 3 5 5 9 2 0 1 7 2 3 0 5 9 0 0 0
30.	 1 3 5 5 9 2 0 1 7 3 0 6 0 0 0 0 0
31.	 1 3 5 5 9 2 0 1 7 2 1 0 0 0 0 0 0
32.	 1 3 5 5 9 2 0 1 7 2 1 6 5 9 0 0 0
33.	 1 3 5 5 9 2 0 1 7 2 1 7 0 0 0 0 0
34.	 1 3 5 5 9 2 0 1 7 5 5 0 0 0 0 0 0

OVERFLOW PAGE FOR WRITE-INS

P011 Additional Aggregate Lines for Page 11 Line 24.  
\*EXEXP - Underwriting and Investment - Part 3 - Expenses

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
2404. Other Miscellaneous Corp. Expenses.....		214,636		214,636
2405. ....				
2497. Summary of remaining write-ins for Line 24 from page 11		214,636		214,636



SUMMARY INVESTMENT SCHEDULE

	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1	2	3	4	5	6
Investment Categories	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3+4) Amount	Percentage
1. Bonds:						
1.1 U.S. treasury securities .....	18,057,625	2.225	18,057,625		18,057,625	2.225
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies .....						
1.22 Issued by U.S. government sponsored agencies .....						
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities) .....						
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations .....	73,250,380	9.024	73,250,380		73,250,380	9.024
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....	111,540,186	13.741	111,540,186		111,540,186	13.741
1.43 Revenue and assessment obligations .....	458,426,044	56.476	458,426,044		458,426,044	56.476
1.44 Industrial development and similar obligations .....						
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA .....	7,890,536	0.972	7,890,536		7,890,536	0.972
1.512 Issued or guaranteed by FNMA and FHLMC .....	858,805	0.106	858,805		858,805	0.106
1.513 All other .....						
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA .....						
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 .....						
1.523 All other .....	19,079,957	2.351	27,229,957		27,229,957	3.355
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities) .....	66,186,827	8.154	66,186,827		66,186,827	8.154
2.2 Unaffiliated non-U.S. securities (including Canada) .....	17,598,263	2.168	9,448,263		9,448,263	1.164
2.3 Affiliated securities .....						
3. Equity interests:						
3.1 Investments in mutual funds .....						
3.2 Preferred stocks:						
3.21 Affiliated .....						
3.22 Unaffiliated .....						
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated .....						
3.32 Unaffiliated .....						
3.4 Other equity securities:						
3.41 Affiliated .....						
3.42 Unaffiliated .....						
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated .....						
3.52 Unaffiliated .....						
4. Mortgage loans:						
4.1 Construction and land development .....						
4.2 Agricultural .....						
4.3 Single family residential properties .....						
4.4 Multifamily residential properties .....						
4.5 Commercial loans .....						
4.6 Mezzanine real estate loans .....						
5. Real estate investments:						
5.1 Property occupied by company .....						
5.2 Property held for production of income (including \$ .....of property acquired in satisfaction of debt) .....						
5.3 Property held for sale (including \$ ..... property acquired in satisfaction of debt) .....						
6. Contract loans .....						
7. Derivatives .....						
8. Receivables for securities .....						
9. Securities Lending (Line 10, Asset Page reinvested collateral) .....				XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments .....	13,250,247	1.632	13,250,247		13,250,247	1.632
11. Other invested assets .....	25,577,338	3.151	25,577,338		25,577,338	3.151
12. Total invested assets	811,716,208	100.000	811,716,208		811,716,208	100.000

SCHEDULE A – VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31 of prior year.....

2. Cost of acquired:

2.1 Actual cost at time of acquisition (Part 2, Column 6).....

2.2 Additional investment made after acquisition (Part 2, Column 9).....

3. Current year change in encumbrances:

3.1 Totals, Part 1, Column 13.....

3.2 Totals, Part 3, Column 11.....

4. Total gain (loss) on disposals, Part 3, Column 18.....

5. Deduct amounts received on disposals, Part 3, Column 15.....

6. Total foreign exchange change in book/adjusted carrying value:

6.1 Totals, Part 1, Column 15.....

6.2 Totals, Part 3, Column 13.....

7. Deduct current year's other-than-temporary impairment recognized:

7.1 Totals, Part 1, Column 12.....

7.2 Totals, Part 3, Column 10.....

8. Deduct current year's depreciation:

8.1 Totals, Part 1, Column 11.....

8.2 Totals, Part 3, Column 9.....

9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....

10. Deduct total nonadmitted amounts .....

11. Statement value at end of current period (Line 9 minus Line 10).....

NONE

SCHEDULE B – VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....

2. Cost of acquired:

2.1 Actual cost at time of acquisition (Part 2, Column 7).....

2.2 Additional investment made after acquisition (Part 2, Column 8) .....

3. Capitalized deferred interest and other:

3.1 Totals, Part 1, Column 12.....

3.2 Totals, Part 3, Column 11 .....

4. Accrual of discount.....

5. Unrealized valuation increase (decrease):

5.1 Totals, Part 1, Column 9 .....

5.2 Totals, Part 3, Column 8 .....

6. Total gain (loss) on disposals, Part 3, Column 18.....

7. Deduct amounts received on disposals, Part 3, Column 15.....

8. Deduct amortization of premium and mortgage interest points and commitment fees.....

9. Total foreign exchange change in book value/recorded investment excluding accrued interest:

9.1 Totals, Part 1, Column 13 .....

9.2 Totals, Part 3, Column 13 .....

10. Deduct current year's other-than-temporary impairment recognized:

10.1 Totals, Part 1, Column 11 .....

10.2 Totals, Part 3, Column 10 .....

11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....

12. Total valuation allowance.....

13. Subtotal (Line 11 plus Line 12).....

14. Deduct total nonadmitted amounts.....

15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14).....

NONE

SCHEDULE BA – VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year.....	25,577,338
2. Cost of acquired:	
2.1 Actual cost at time of acquisition (Part 2, Column 8) .....	
2.2 Additional investment made after acquisition (Part 2, Column 9) .....	
3. Capitalized deferred interest and other:	
3.1 Totals, Part 1, Column 16.....	
3.2 Totals, Part 3, Column 12.....	
4. Accrual of discount.....	
5. Unrealized valuation increase (decrease):	
5.1 Totals, Part 1, Column 13 .....	
5.2 Totals, Part 3, Column 9 .....	
6. Total gain (loss) on disposals, Part 3, Column 19.....	
7. Deduct amounts received on disposals, Part 3, Column 16.....	
8. Deduct amortization of premium and depreciation.....	
9. Total foreign exchange change in book/adjusted carrying value:	
9.1 Totals, Part 1, Column 17.....	
9.2 Totals, Part 3, Column 14.....	
10. Deduct current year's other-than-temporary impairment recognized:	
10.1 Totals, Part 1, Column 15 .....	
10.2 Totals, Part 3, Column 11.....	
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	25,577,338
12. Deduct total nonadmitted amounts.....	
13. Statement value at end of current period (Line 11 minus Line 12).....	25,577,338

SCHEDULE D – VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year.....	1,041,139,554
2. Cost of bonds and stocks acquired, Part 3, Column 7.....	99,858,567
3. Accrual of discount.....	1,286,718
4. Unrealized valuation increase (decrease):	
4.1 Part 1, Column 12.....	
4.2 Part 2, Section 1, Column 15.....	
4.3 Part 2, Section 2, Column 13.....	
4.4 Part 4, Column 11.....	
5. Total gain (loss) on disposals, Part 4, Column 19.....	2,146,237
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7.....	356,580,743
7. Deduct amortization of premium.....	14,961,709
8. Total foreign exchange change in book/adjusted carrying value:	
8.1 Part 1, Column 15.....	
8.2 Part 2, Section 1, Column 19.....	
8.3 Part 2, Section 2, Column 16.....	
8.4 Part 4, Column 15.....	
9. Deduct current year's other-than-temporary impairment recognized:	
9.1 Part 1, Column 14.....	
9.2 Part 2, Section 1, Column 17.....	
9.3 Part 2, Section 2, Column 14.....	
9.4 Part 4, Column 13.....	
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	772,888,624
11. Deduct total nonadmitted amounts.....	
12. Statement value at end of current period (Line 10 minus Line 11).....	772,888,624

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year					
Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States .....	25,948,161	26,580,380	26,655,718	23,772,037
	2. Canada .....				
	3. Other Countries				
	4. Totals	25,948,161	26,580,380	26,655,718	23,772,037
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	73,250,379	77,616,527	77,930,237	67,760,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	111,540,183	114,274,224	115,925,444	104,615,000
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. Totals	459,284,845	477,289,759	479,507,953	437,931,879
Industrial and Miscellaneous, SVO Identified Funds and Hybrid Securities (unaffiliated)	8. United States .....	85,266,785	86,370,160	87,781,707	83,435,000
	9. Canada .....				
	10. Other Countries	17,598,271	17,717,608	18,244,209	17,430,001
	11. Totals	102,865,056	104,087,768	106,025,916	100,865,001
Parent, Subsidiaries and Affiliates	12. Totals				
	13. Total Bonds	772,888,624	799,848,658	806,045,268	734,943,917
PREFERRED STOCKS Industrial and Miscellaneous (unaffiliated)	14. United States .....				
	15. Canada .....				
	16. Other Countries				
	17. Totals				
Parent, Subsidiaries and Affiliates	18. Totals				
	19. Total Preferred Stocks				
COMMON STOCKS Industrial and Miscellaneous (unaffiliated)	20. United States .....				
	21. Canada .....				
	22. Other Countries				
	23. Totals				
Parent, Subsidiaries and Affiliates	24. Totals				
	25. Total Common Stocks				
	26. Total Stocks				
	27. Total Bonds and Stocks	772,888,624	799,848,658	806,045,268	

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1A - SECTION 1

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

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
1. U.S. Governments												
1.1 NAIC 1	5,857,977	9,480,530	10,973,067	1,430,281	2,601,866	XXX	30,343,721	3.9	27,926,522	2.6	30,343,721	
1.2 NAIC 2						XXX						
1.3 NAIC 3						XXX						
1.4 NAIC 4						XXX						
1.5 NAIC 5						XXX						
1.6 NAIC 6						XXX						
1.7 Totals	5,857,977	9,480,530	10,973,067	1,430,281	2,601,866	XXX	30,343,721	3.9	27,926,522	2.6	30,343,721	
2. All Other Governments												
2.1 NAIC 1						XXX						
2.2 NAIC 2						XXX						
2.3 NAIC 3						XXX						
2.4 NAIC 4						XXX						
2.5 NAIC 5						XXX						
2.6 NAIC 6						XXX						
2.7 Totals						XXX						
3. U.S. States, Territories and Possessions, etc., Guaranteed												
3.1 NAIC 1	11,111,397	17,802,600	32,661,385	11,674,998		XXX	73,250,380	9.4	110,057,531	10.4	73,250,380	
3.2 NAIC 2						XXX						
3.3 NAIC 3						XXX						
3.4 NAIC 4						XXX						
3.5 NAIC 5						XXX						
3.6 NAIC 6						XXX						
3.7 Totals	11,111,397	17,802,600	32,661,385	11,674,998		XXX	73,250,380	9.4	110,057,531	10.4	73,250,380	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed												
4.1 NAIC 1	16,569,604	57,075,267	37,895,314			XXX	111,540,185	14.3	231,293,027	21.8	111,540,186	
4.2 NAIC 2						XXX						
4.3 NAIC 3						XXX						
4.4 NAIC 4						XXX						
4.5 NAIC 5						XXX						
4.6 NAIC 6						XXX						
4.7 Totals	16,569,604	57,075,267	37,895,314			XXX	111,540,185	14.3	231,293,027	21.8	111,540,186	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed												
5.1 NAIC 1	66,067,291	275,491,130	86,524,627	12,361,461	8,147,376	XXX	448,591,885	57.7	597,986,866	56.4	448,591,884	
5.2 NAIC 2		2,130,221	3,284,955			XXX	5,415,176	0.7			5,415,176	
5.3 NAIC 3		2,708,951	2,568,838			XXX	5,277,789	0.7			5,277,789	
5.4 NAIC 4						XXX						
5.5 NAIC 5						XXX						
5.6 NAIC 6						XXX						
5.7 Totals	66,067,291	280,330,302	92,378,420	12,361,461	8,147,376	XXX	459,284,850	59.1	597,986,866	56.4	459,284,849	

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

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

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

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)												
6.1 NAIC 1	8,996,866	44,905,683	19,131,017	4,900,000		XXX	77,933,566	10.0	86,950,184	8.2	46,069,236	31,864,330
6.2 NAIC 2		6,582,589	18,348,908			XXX	24,931,497	3.2	5,150,245	0.5	14,988,434	9,943,064
6.3 NAIC 3						XXX						
6.4 NAIC 4						XXX						
6.5 NAIC 5						XXX						
6.6 NAIC 6						XXX						
6.7 Totals	8,996,866	51,488,272	37,479,925	4,900,000		XXX	102,865,063	13.2	92,100,429	8.7	61,057,670	41,807,394
7. Hybrid Securities												
7.1 NAIC 1						XXX						
7.2 NAIC 2						XXX						
7.3 NAIC 3						XXX						
7.4 NAIC 4						XXX						
7.5 NAIC 5						XXX						
7.6 NAIC 6						XXX						
7.7 Totals						XXX						
8. Parent, Subsidiaries and Affiliates												
8.1 NAIC 1						XXX						
8.2 NAIC 2						XXX						
8.3 NAIC 3						XXX						
8.4 NAIC 4						XXX						
8.5 NAIC 5						XXX						
8.6 NAIC 6						XXX						
8.7 Totals						XXX						
9. SVO-Designated Securities												
9.1 NAIC 1	XXX	XXX	XXX	XXX	XXX							
9.2 NAIC 2	XXX	XXX	XXX	XXX	XXX							
9.3 NAIC 3	XXX	XXX	XXX	XXX	XXX							
9.4 NAIC 4	XXX	XXX	XXX	XXX	XXX							
9.5 NAIC 5	XXX	XXX	XXX	XXX	XXX							
9.6 NAIC 6	XXX	XXX	XXX	XXX	XXX							
9.7 Totals	XXX	XXX	XXX	XXX	XXX							

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

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

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

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.7	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
10. Total Bonds Current Year												
10.1 NAIC 1	(d) 108,603,135	404,755,210	187,185,410	30,366,740	10,749,242		741,659,737	95.4	XXX	XXX	709,795,407	31,864,330
10.2 NAIC 2	(d) 8,712,810	21,633,863					30,346,673	3.9	XXX	XXX	20,403,610	9,943,064
10.3 NAIC 3	(d) 2,708,951	2,568,838					5,277,789	0.7	XXX	XXX	5,277,789	
10.4 NAIC 4	(d)								XXX	XXX		
10.5 NAIC 5	(d)					(c)			XXX	XXX		
10.6 NAIC 6	(d)					(c)			XXX	XXX		
10.7 Totals	108,603,135	416,176,971	211,388,111	30,366,740	10,749,242	(b) 777,284,199		100.0	XXX	XXX	735,476,806	41,807,394
10.8 Line 10.7 as a % of Col. 7	14.0	53.5	27.2	3.9	1.4	100.0		XXX	XXX	XXX	94.6	5.4
11. Total Bonds Prior Year												
11.1 NAIC 1	181,665,049	597,548,500	212,770,494	51,381,148	10,848,939		XXX	XXX	1,054,214,130	99.5	1,030,286,883	23,927,247
11.2 NAIC 2		5,100,256	49,989				XXX	XXX	5,150,245	0.5	5,100,256	49,989
11.3 NAIC 3							XXX	XXX				
11.4 NAIC 4							XXX	XXX				
11.5 NAIC 5							XXX	XXX	(c)			
11.6 NAIC 6							XXX	XXX	(c)			
11.7 Totals	181,665,049	602,648,756	212,820,483	51,381,148	10,848,939	XXX		XXX	(b) 1,059,364,375	100.0	1,035,387,139	23,977,236
11.8 Line 11.7 as a % of Col. 9	17.1	56.9	20.1	4.9	1.0	XXX		XXX	100.0	XXX	97.7	2.3
12. Total Publicly Traded Bonds												
12.1 NAIC 1	108,603,134	381,040,896	183,935,395	25,466,740	10,749,242		709,795,407	91.3	1,030,286,883	97.3	709,795,407	XXX
12.2 NAIC 2		7,197,680	13,205,929				20,403,609	2.6	5,100,256	0.5	20,403,609	XXX
12.3 NAIC 3		2,708,951	2,568,838				5,277,789	0.7			5,277,789	XXX
12.4 NAIC 4												XXX
12.5 NAIC 5												XXX
12.6 NAIC 6												XXX
12.7 Totals	108,603,134	390,947,527	199,710,162	25,466,740	10,749,242		735,476,805	94.6	1,035,387,139	97.7	735,476,805	XXX
12.8 Line 12.7 as a % of Col. 7	14.8	53.2	27.2	3.5	1.5	100.0		XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 7, Section 10	14.0	50.3	25.7	3.3	1.4	94.6		XXX	XXX	XXX	94.6	XXX
13. Total Privately Placed Bonds												
13.1 NAIC 1		23,714,330	3,250,000	4,900,000			31,864,330	4.1	23,927,247	2.3	XXX	31,864,330
13.2 NAIC 2		1,515,130	8,427,934				9,943,064	1.3	49,989	0.0	XXX	9,943,064
13.3 NAIC 3											XXX	
13.4 NAIC 4											XXX	
13.5 NAIC 5											XXX	
13.6 NAIC 6											XXX	
13.7 Totals		25,229,460	11,677,934	4,900,000			41,807,394	5.4	23,977,236	2.3	XXX	41,807,394
13.8 Line 13.7 as a % Col. 7		60.3	27.9	11.7			100.0	XXX	XXX	XXX	XXX	100.0
13.9 Line 13.7 as a % of Line 10.7, Col. 7, Section 10		3.2	1.5	0.6			5.4	XXX	XXX	XXX	XXX	5.4

(a) Includes \$ 41,807,394 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

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

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

(d) Includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1\$ 4,395,560 ; NAIC 2 \$ ; NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues												
Distribution by Type	1	2	3	4	5	6	7	8	9	10	11	12
	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	No Maturity Date	Total Current Year	Col. 7 as a % of Line 10.6	Total from Col. 7 Prior Year	% From Col. 8 Prior Year	Total Publicly Traded	Total Privately Placed (a)
1. U.S. Governments												
1.1 Issuer Obligations .....	4,945,154	6,586,425	8,623,290		2,298,316	XXX	22,453,185	2.9	18,272,467	1.7	22,453,185	
1.2 Residential Mortgage-Backed Securities .....	912,822	2,894,106	2,349,778	1,430,281	303,550	XXX	7,890,537	1.0	9,654,055	0.9	7,890,536	
1.3 Commercial Mortgage-Backed Securities .....						XXX						
1.4 Other Loan-Backed and Structured Securities .....						XXX						
1.5 Totals	5,857,976	9,480,531	10,973,068	1,430,281	2,601,866	XXX	30,343,722	3.9	27,926,522	2.6	30,343,721	
2. All Other Governments												
2.1 Issuer Obligations .....						XXX						
2.2 Residential Mortgage-Backed Securities .....						XXX						
2.3 Commercial Mortgage-Backed Securities .....						XXX						
2.4 Other Loan-Backed and Structured Securities .....						XXX						
2.5 Totals						XXX						
3. U.S. States, Territories and Possessions, Guaranteed												
3.1 Issuer Obligations .....	11,111,397	17,802,600	32,661,385	11,674,998		XXX	73,250,380	9.4	110,057,531	10.4	73,250,380	
3.2 Residential Mortgage-Backed Securities .....						XXX						
3.3 Commercial Mortgage-Backed Securities .....						XXX						
3.4 Other Loan-Backed and Structured Securities .....						XXX						
3.5 Totals	11,111,397	17,802,600	32,661,385	11,674,998		XXX	73,250,380	9.4	110,057,531	10.4	73,250,380	
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed												
4.1 Issuer Obligations .....	16,569,604	57,075,267	37,895,314			XXX	111,540,185	14.3	229,825,837	21.7	111,540,186	
4.2 Residential Mortgage-Backed Securities .....						XXX						
4.3 Commercial Mortgage-Backed Securities .....						XXX						
4.4 Other Loan-Backed and Structured Securities .....						XXX			1,467,190	0.1		
4.5 Totals	16,569,604	57,075,267	37,895,314			XXX	111,540,185	14.3	231,293,027	21.8	111,540,186	
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed												
5.1 Issuer Obligations .....	65,960,975	280,014,624	92,152,625	12,184,061	8,113,759	XXX	458,426,044	59.0	586,842,923	55.4	458,426,044	
5.2 Residential Mortgage-Backed Securities .....	106,315	315,678	225,795	177,400	33,617	XXX	858,805	0.1	1,335,763	0.1	858,805	
5.3 Commercial Mortgage-Backed Securities .....						XXX						
5.4 Other Loan-Backed and Structured Securities .....						XXX			9,808,180	0.9		
5.5 Totals	66,067,290	280,330,302	92,378,420	12,361,461	8,147,376	XXX	459,284,849	59.1	597,986,866	56.4	459,284,849	
6. Industrial and Miscellaneous												
6.1 Issuer Obligations .....	8,996,866	35,477,934	31,160,306			XXX	75,635,106	9.7	72,851,232	6.9	57,988,051	17,647,055
6.2 Residential Mortgage-Backed Securities .....						XXX						
6.3 Commercial Mortgage-Backed Securities .....		16,010,338	3,069,619			XXX	19,079,957	2.5	19,249,197	1.8	3,069,619	16,010,338
6.4 Other Loan-Backed and Structured Securities .....			3,250,000	4,900,000		XXX	8,150,000	1.0				8,150,000
6.5 Totals	8,996,866	51,488,272	37,479,925	4,900,000		XXX	102,865,063	13.2	92,100,429	8.7	61,057,670	41,807,393
7. Hybrid Securities												
7.1 Issuer Obligations .....						XXX						
7.2 Residential Mortgage-Backed Securities .....						XXX						
7.3 Commercial Mortgage-Backed Securities .....						XXX						
7.4 Other Loan-Backed and Structured Securities .....						XXX						
7.5 Totals						XXX						
8. Parent, Subsidiaries and Affiliates												
8.1 Issuer Obligations .....						XXX						
8.2 Residential Mortgage-Backed Securities .....						XXX						
8.3 Commercial Mortgage-Backed Securities .....						XXX						
8.4 Other Loan-Backed and Structured Securities .....						XXX						
8.5 Totals						XXX						



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

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

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues												
Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.6	9 Total from Col. 7 Prior Year	10 % From Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
9. SVO Identified Funds												
9.1 Exchange Traded Funds Identified by the SVO.....	XXX	XXX	XXX	XXX	XXX							
9.2 Bond Mutual Funds Identified by the SVO.....	XXX	XXX	XXX	XXX	XXX							
9.3 Totals	XXX	XXX	XXX	XXX	XXX							
10. Total Bonds Current Year												
10.1 Issuer Obligations .....	107,583,996	396,956,850	202,492,920	23,859,059	10,412,075	XXX	741,304,900	95.4	XXX	XXX	723,657,846	17,647,055
10.2 Residential Mortgage-Backed Securities .....	1,019,137	3,209,784	2,575,573	1,607,681	337,167	XXX	8,749,342	1.1	XXX	XXX	8,749,341	
10.3 Commercial Mortgage-Backed Securities .....		16,010,338	3,069,619			XXX	19,079,957	2.5	XXX	XXX	3,069,619	16,010,338
10.4 Other Loan-Backed and Structured Securities .....			3,250,000	4,900,000		XXX	8,150,000	1.0	XXX	XXX		8,150,000
10.5 SVO Identified Funds .....	XXX	XXX	XXX	XXX	XXX				XXX	XXX		
10.6 Totals .....	108,603,133	416,176,972	211,388,112	30,366,740	10,749,242		777,284,199	100.0	XXX	XXX	735,476,806	41,807,393
10.7 Lines 10.6 as a % Col. 7	14.0	53.5	27.2	3.9	1.4		100.0	XXX	XXX	XXX	94.6	5.4
11. Total Bonds Prior Year												
11.1 Issuer Obligations .....	173,459,005	577,901,694	206,595,390	49,433,892	10,460,009	XXX	XXX	XXX	1,017,849,990	96.1	1,010,044,066	7,805,924
11.2 Residential Mortgage-Backed Securities .....	1,361,256	4,145,168	3,147,208	1,947,256	388,930	XXX	XXX	XXX	10,989,818	1.0	10,989,818	
11.3 Commercial Mortgage-Backed Securities .....		16,171,312	3,077,885			XXX	XXX	XXX	19,249,197	1.8	3,077,885	16,171,312
11.4 Other Loan-Backed and Structured Securities .....	6,844,788	4,430,582				XXX	XXX	XXX	11,275,370	1.1	11,275,370	
11.5 SVO Identified Funds .....	XXX	XXX	XXX	XXX	XXX		XXX	XXX				
11.6 Totals .....	181,665,049	602,648,756	212,820,483	51,381,148	10,848,939		XXX	XXX	1,059,364,375	100.0	1,035,387,139	23,977,236
11.7 Line 11.6 as a % of Col. 9	17.1	56.9	20.1	4.9	1.0		XXX	XXX	100.0	XXX	97.7	2.3
12. Total Publicly Traded Bonds												
12.1 Issuer Obligations .....	107,583,996	387,737,728	194,064,971	23,859,060	10,412,090	XXX	723,657,845	93.1	1,010,044,064	95.3	723,657,845	XXX
12.2 Residential Mortgage-Backed Securities .....	1,019,138	3,209,784	2,575,572	1,607,681	337,167	XXX	8,749,342	1.1	10,989,819	1.0	8,749,342	XXX
12.3 Commercial Mortgage-Backed Securities .....			3,069,619			XXX	3,069,619	0.4	3,077,885	0.3	3,069,619	XXX
12.4 Other Loan-Backed and Structured Securities .....						XXX			11,275,371	1.1		XXX
12.5 SVO Identified Funds .....	XXX	XXX	XXX	XXX	XXX							XXX
12.6 Totals .....	108,603,134	390,947,512	199,710,162	25,466,741	10,749,257		735,476,806	94.6	1,035,387,139	97.7	735,476,806	XXX
12.7 Line 12.6 as a % of Col. 7 .....	14.8	53.2	27.2	3.5	1.5		100.0	XXX	XXX	XXX	100.0	XXX
12.8 Line 12.6 as a % of Line 10.6, Col. 7, Section 10	14.0	50.3	25.7	3.3	1.4		94.6	XXX	XXX	XXX	94.6	XXX
13. Total Privately Placed Bonds												
13.1 Issuer Obligations .....		9,219,121	8,427,934			XXX	17,647,055	2.3	7,805,924	0.7	XXX	17,647,055
13.2 Residential Mortgage-Backed Securities .....						XXX					XXX	
13.3 Commercial Mortgage-Backed Securities .....		16,010,338				XXX	16,010,338	2.1	16,171,312	1.5	XXX	16,010,338
13.4 Other Loan-Backed and Structured Securities .....			3,250,000	4,900,000		XXX	8,150,000	1.0			XXX	8,150,000
13.5 SVO Identified Funds .....	XXX	XXX	XXX	XXX	XXX						XXX	
13.6 Totals .....		25,229,459	11,677,934	4,900,000			41,807,393	5.4	23,977,236	2.3	XXX	41,807,393
13.7 Line 13.6 as a % of Col. 7 .....		60.3	27.9	11.7			100.0	XXX	XXX	XXX	XXX	100.0
13.8 Line 13.6 as a % of Line 10.6, Col. 7, Section 10		3.2	1.5	0.6			5.4	XXX	XXX	XXX	XXX	5.4

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments					
	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....	134,999			134,999	
2. Cost of short-term investments acquired .....	355,000			355,000	
3. Accrual of discount .....					
4. Unrealized valuation increase (decrease) .....					
5. Total gain (loss) on disposals .....					
6. Deduct consideration received on disposals .....	489,999			489,999	
7. Deduct amortization of premium .....					
8. Total foreign exchange change in book/adjusted carrying value .....					
9. Deduct current year's other-than-temporary impairment recognized .....					
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....					
11. Deduct total nonadmitted amounts .....					
12. Statement value at end of current period (Line 10 minus Line 11)					

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

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E – PART 2 – VERIFICATION BETWEEN YEARS

(Cash Equivalents)				
	1	2	3	4
	Total	Bonds	Money Market Mutual Funds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year.....	18,089,818	3,299,904	14,789,914	
2. Cost of cash equivalents acquired.....	89,881,640	70,249,138	19,632,502	
3. Accrual of discount.....	29,508	29,508		
4. Unrealized valuation increase (decrease).....				
5. Total gain (loss) on disposals.....	1,235	1,235		
6. Deduct consideration received on disposals.....	95,026,132	69,184,225	25,841,907	
7. Deduct amortization of premium.....				
8. Total foreign exchange change in book/adjusted carrying value.....				
9. Deduct current year's other-than-temporary impairment recognized.....				
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	12,976,069	4,395,560	8,580,509	
11. Deduct total nonadmitted amounts.....				
12. Statement value at end of current period (Line 10 minus Line 11)	12,976,069	4,395,560	8,580,509	

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

Schedule A - Part 1

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

## E07

## E07

E07

E07

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
Bonds - U.S. Governments - Issuer Obligations																					
912810-PW-2	TREASURY BOND				1	2,341,876	127.8320	2,556,640	2,000,000	2,298,316		(10,246)			4.375	3.378	FA	33,050	87,500	07/01/2013	02/15/2038
912828-M4-9	TREASURY NOTE				1	3,018,990	98.5470	2,956,407	3,000,000	3,017,785		(1,205)			1.875	1.754	AO	9,634	28,125	08/29/2017	10/31/2022
912810-FB-9	U S TREASURY BOND				1	9,303,435	132.5390	8,986,151	6,780,000	8,623,290		(158,866)			6.125	2.954	MN	53,917	415,275	07/01/2013	11/15/2027
912828-A7-5	US Treasury N/B	SD			1	548,049	99.6840	548,260	550,000	549,594		400			1.500	1.581	JD	4,148	8,263	01/30/2014	12/31/2018
912828-F3-9	US Treasury N/B				1	126,187	99.7730	124,717	125,000	125,426		(239)			1.750	1.557	MS	559	2,188	10/08/2014	09/30/2019
912828-K5-8	US Treasury N/B	SD			1	2,944,593	98.7620	2,933,222	2,970,000	2,957,875		5,073			1.375	1.560	AO	8,375	42,895	05/07/2015	04/30/2020
912828-X9-6	US Treasury N/B	SD			1	225,360	99.0430	222,847	225,000	225,291		(69)			1.500	1.449	MN	438	1,688	06/05/2017	05/15/2020
912828-20-2	US TREASURY NOTE	SD			1	260,052	98.8950	257,126	260,000	260,047		(5)			1.500	1.499	FA	1,473		09/14/2017	08/15/2020
0199999 - Bonds - U.S. Governments - Issuer Obligations						18,768,542	XXX	18,585,370	15,910,000	18,057,624		(165,157)			XXX	XXX	XXX	111,594	585,934	XXX	XXX
Bonds - U.S. Governments - Residential Mortgage-Backed Securities																					
36178E-DE-6	GNMA 30YR				1	1,550,538	101.4900	1,606,578	1,582,991	1,554,024		1,507			3.000	3.350	MON	3,957	47,809	07/01/2013	05/15/2043
36290Q-NZ-4	GNMA 30YR				1	1,507,962	103.7100	1,541,151	1,486,019	1,508,190		3,886			3.500	3.350	MON	4,334	52,686	07/01/2013	12/15/2042
36179N-MM-7	GNMA2 15YR				1	2,487,686	100.4370	2,485,357	2,474,540	2,485,347		(481)			2.500	2.418	MON	5,155	62,307	10/08/2013	09/20/2028
36179N-TD-0	GNMA2 30YR				1	573,014	103.9350	590,580	568,219	573,366		68			3.500	3.368	MON	1,657	20,012	12/06/2013	11/20/2043
36179Q-PF-2	GNMA2 30YR				1	1,767,976	101.2040	1,771,344	1,750,268	1,769,610		723			3.000	2.865	MON	4,376	52,861	09/29/2014	09/20/2044
0299999 - Bonds - U.S. Governments - Residential Mortgage-Backed Securities						7,887,176	XXX	7,995,010	7,862,037	7,890,537		5,703			XXX	XXX	XXX	19,479	235,675	XXX	XXX
Bonds - U.S. Governments - Commercial Mortgage-Backed Securities																					
Bonds - U.S. Governments - Other Loan-Backed and Structured Securities																					
0599999 - Bonds - U.S. Governments - Subtotals - U.S. Governments						26,655,718	XXX	26,580,380	23,772,037	25,948,161		(159,454)			XXX	XXX	XXX	131,073	821,609	XXX	XXX
Bonds - All Other Governments - Issuer Obligations																					
Bonds - All Other Governments - Residential Mortgage-Backed Securities																					
Bonds - All Other Governments - Commercial Mortgage-Backed Securities																					
Bonds - All Other Governments - Other Loan-Backed and Structured Securities																					
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																					
13063C-5W-6	CALIFORNIA ST				1FE	1,784,160	123.6260	1,854,390	1,500,000	1,762,285		(21,875)			5.000	2.722	FA	31,250	28,542	03/08/2017	08/01/2026
25476F-NR-5	DISTRICT COLUMBIA			2	1FE	2,375,680	116.2660	2,325,320	2,000,000	2,261,222		(36,719)			5.000	2.784	JD	8,333	100,000	10/14/2014	06/01/2033
419791-YB-8	HI GO NC S10D				1FE	11,336,085	100.2760	9,852,117	9,825,000	9,853,505		(338,213)			5.000	1.520	FA	204,688	491,250	07/01/2013	02/01/2018
57582N-J2-2	MASSACHUSETTS ST				1FE	12,302,400	123.2840	12,328,400	10,000,000	11,489,786		(190,396)			5.500	3.115	JD	45,833	550,000	07/01/2013	12/01/2024
57582P-BC-3	MASSACHUSETTS ST				1FE	5,882,750	121.9590	6,097,950	5,000,000	5,600,523		(66,303)			5.000	3.277	MN	41,667	250,000	07/01/2013	11/01/2025
57582N-UZ-6	MASSACHUSETTS ST GO				1FE	12,105,300	132.3720	13,237,200	10,000,000	11,674,998		(102,038)			5.500	3.848	FA	229,167	550,000	07/01/2013	08/01/2030
649791-CG-3	NEW YORK ST				1FE	1,648,125	103.9520	1,559,280	1,500,000	1,562,706		(27,918)			4.250	2.275	MS	21,250	63,750	11/13/2014	03/01/2020
70914P-ME-9	PENNSYLVANIA ST				1FE	10,201,200	108.7960	10,879,600	10,000,000	10,141,857		(14,219)			4.650	4.489	FA	175,667	465,000	07/01/2013	02/15/2026
880541-PB-7	TENNESSEE ST			2	1FE	1,359,063	100.8550	1,260,688	1,250,000	1,257,892		(23,309)			4.000	2.104	MN	8,333	50,000	07/01/2013	05/01/2021
93974C-FP-0	WASHINGTON ST			2	1FE	4,849,229	103.6280	4,595,902	4,435,000	4,521,180		(76,953)			5.000	3.187	FA	92,396	221,750	07/01/2013	02/01/2034
93974C-GP-9	WASHINGTON ST			2	1FE	1,098,220	103.7380	1,037,380	1,000,000	1,020,395		(18,229)			5.000	3.096	FA	20,833	50,000	07/01/2013	02/01/2031
93974D-JS-8	WASHINGTON ST FOR ISSUES DTD			2	1FE	1,451,725	117.7760	1,472,200	1,250,000	1,405,711		(19,701)			5.000	3.036	JJ	31,250	62,500	08/13/2015	07/01/2032
97705L-C9-6	WI GO C21 S11			2	1FE	11,536,300	111.1610	11,116,100	10,000,000	10,698,319		(196,145)			5.250	3.055	MN	87,500	525,000	07/01/2013	05/01/2026
1199999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations						77,930,237	XXX	77,616,527	67,760,000	73,250,379		(1,132,018)			XXX	XXX	XXX	998,167	3,407,792	XXX	XXX
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																					
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																					
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities																					
1799999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Subtotals - U.S. States, Territories and Possessions (Direct and Guaranteed)						77,930,237	XXX	77,616,527	67,760,000	73,250,379		(1,132,018)			XXX	XXX	XXX	998,167	3,407,792	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																					
012122-8C-4	ALBANY CNTY NY				1FE	2,276,553	101.8380		2,090,000	2,131,671		(58,454)			4.000	1.159	MS	24,616	83,600	11/13/2014	09/15/2018
041826-YS-1	ARLINGTON TEX INDPST SCH DIST			2	1FE	3,796,800	106.9170	3,742,095	3,500,000	3,602,774		(45,811)			5.000	3.583	FA	66,111	175,000	07/01/2013	02/15/2036
054789-XC-1	AZLE TEXAS INDEPENDENT SCHOOL DIST			2	1FE	2,396,660	116.8200	2,482,425	2,125,000	2,373,090		(23,570)			5.000	3.375	FA	40,139	50,764	02/07/2017	02/15/2042
088281-YB-0	BEXAR CNTY TX			2	1FE	1,140,600	118.1000	1,181,000	1,000,000	1,130,689		(9,911)			5.000	3.248	JD	2,222	54,167	04/03/2017	06/15/2041
099032-EF-7	BOONE MCHENRY & DEKALB CNTYS ILL C	@			1FE	1,992,390	85.1410	2,554,230	3,000,000	2,377,694		91,604				4.007	N/A			07/01/2013	12/01/2023



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
		F	o	r			R	F			U	C	C	T	R	E	W	A	A	A	S
CUSIP Identification	Description	Code	g	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
101547-UD-7.	BOULDER VALLEY COLO SCH DIST N GO.....				1FE.....	10,811,000	104.5660	10,456,600	10,000,000	10,660,735		(63,707)			5.000	0.322	JD	41,667	500,000	07/01/2013	12/01/2034
167560-MQ-1.	CHICAGO ILL MET WTR.....				1FE.....	21,911,228	113.9650	21,146,206	18,555,000	20,416,775		(348,453)			5.000	2.821	JD	77,313	927,750	07/01/2013	12/01/2022
199820-Z5-3.	RECLAMATION DI.....			2	1FE.....	96,962	100.3010	90,271	90,000	90,137		(1,608)			5.250	3.442	FA	1,969	4,725	07/01/2013	02/01/2038
216129-CZ-7.	COMAL TX INDEP SCH DIST.....			2	1FE.....	1,159,190	100.2470	1,002,470	1,000,000	1,002,107		(31,681)			5.000	1.390	JD	4,167	50,000	07/01/2013	12/01/2018
216129-DA-1.	COOK CNTY ILL CMNTY COLLEGE DIST N.....			2	1FE.....	1,154,070	100.2440	1,002,440	1,000,000	1,002,045		(30,719)			5.000	1.497	JD	4,167	50,000	07/01/2013	12/01/2019
346843-CD-5.	FORT BEND TEX INDPT SCH DIST F SCH.....			2	1FE.....	4,783,303	102.2450	4,381,198	4,285,000	4,349,110		(100,833)			5.000	2.580	FA	80,939	214,250	07/01/2013	08/15/2031
403755-C2-5.	GWINNETT CNTY GA SCH DIST.....			2	1FE.....	7,040,193	119.9250	7,315,425	6,100,000	6,717,575		(75,956)			5.000	3.409	FA	127,083	305,000	07/01/2013	02/01/2029
419722-U6-8.	HAWAII COUNTY HAWAII.....			2	1FE.....	1,632,447	120.8990	1,632,137	1,350,000	1,621,050		(11,397)			5.000	2.548	MS	22,500	10,313	07/24/2017	09/01/2032
44236P-FG-8.	HOUSTON TEX CMNTY COLLEGE.....			2	1FE.....	1,300,328	106.8090	1,228,304	1,150,000	1,250,051		(21,480)			5.000	0.857	FA	21,722	57,500	07/01/2013	02/15/2028
44236P-FH-6.	HOUSTON TEX CMNTY COLLEGE.....			2	1FE.....	1,004,409	106.7660	960,894	900,000	971,474		(14,806)			5.000	1.203	FA	17,000	45,000	07/01/2013	02/15/2029
528828-6X-9.	LEWISVILLE TX INDEP SCH DIST.....			2	1FE.....	3,655,727	111.3510	3,713,556	3,335,000	3,571,587		(32,064)			4.000	2.838	FA	50,396	133,400	04/24/2015	08/15/2026
54438C-UU-4.	LOS ANGELES CA CMNTY CLG DIST.....			2	1FE.....	1,226,070	124.5190	1,245,190	1,000,000	1,177,700		(18,627)			5.000	2.650	FA	20,833	50,000	05/06/2015	06/01/2026
544646-TQ-5.	LOS ANGELES CALIF UNI SCH DIST GO.....			2	1FE.....	5,177,850	104.9860	5,249,300	5,000,000	5,048,826		(30,854)			5.000	4.367	JJ	125,000	250,000	07/01/2013	01/01/2034
59333R-HQ-0.	MIAMI DADE CNTY FL SCHOOL DIST.....			2	1FE.....	1,212,550	121.0700	1,210,700	1,000,000	1,199,180		(13,370)			5.000	2.574	MS	14,722	18,472	04/18/2017	03/15/2029
597854-CL-0.	MIDLTHIAN TX WATER DIST.....	@		2	1FE.....	2,073,879	95.3180	2,444,907	2,565,000	2,370,036		69,270			3.011	N/A				07/01/2013	09/01/2020
64966J-AS-5.	NEW YORK NY BAM BDS F-1.....			2	1FE.....	3,586,650	112.1300	3,363,900	3,000,000	3,313,148		(101,456)			6.646	2.910	JD	16,615	199,380	03/26/2015	12/01/2031
64966M-BK-4.	NEW YORK NY.....			2	1FE.....	5,355,675	119.3620	5,371,290	4,500,000	5,305,634		(50,041)			5.000	2.672	FA	93,750	112,500	05/24/2017	08/01/2032
64966M-HE-2.	NEW YORK NY.....			2	1FE.....	8,632,531	120.0350	8,660,525	7,215,000	8,552,626		(79,905)			5.000	2.669	JD	30,063	341,710	05/23/2017	12/01/2032
655867-UY-3.	NORFOLK VA.....			2	1FE.....	1,091,170	113.8180	1,138,180	1,000,000	1,084,356		(6,814)			4.000	2.923	A0	10,000	38,000	03/08/2017	10/01/2028
660266-HW-0.	NORTH KANSAS CITY MO SCH DIST.....			2	1FE.....	1,123,620	112.3440	1,123,440	1,000,000	1,109,924		(11,988)			4.000	2.519	MS	13,333	31,556	11/09/2016	03/01/2029
64966L-A6-8.	NY GO C25 S15C.....			2	1FE.....	472,197	116.8300	479,003	410,000	456,495		(5,762)			5.000	3.224	FA	8,542	20,500	03/16/2015	08/01/2033
734260-R2-0.	PORT HOUSTON AUTH TEX HARRIS CNTY.....			2	1FE.....	8,810,013	103.5310	8,122,007	7,845,000	7,994,534		(192,870)			6.250	3.688	A0	122,578	490,313	07/01/2013	10/01/2029
799017-CB-2.	SAN MATEO CAL HIGH SCH DIST G.O.....	@		2	1FE.....	2,908,885	95.5200	3,343,200	3,500,000	3,267,146		83,247			2.615	N/A				07/01/2013	09/01/2020
833153-TY-5.	SNOHOMISH CNTY WA SCH DIST #15.....			2	1FE.....	1,273,954	116.0070	1,276,077	1,100,000	1,217,712		(16,312)			5.000	3.170	JD	4,583	55,000	05/29/2014	12/01/2032
528828-VV-5.	TX LEWISVILLE GO C19 S09.....			2	1FE.....	6,828,540	103.8140	6,228,840	6,000,000	6,174,302		(151,420)			5.000	2.377	FA	113,333	300,000	07/01/2013	08/15/2026
1899999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations						115,925,444	XXX	114,274,224	104,615,000	111,540,183		(1,305,748)			XXX	XXX	XXX	1,155,363	4,568,900	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																					
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																					
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities																					
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Subtotals - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						115,925,444	XXX	114,274,224	104,615,000	111,540,183		(1,305,748)			XXX	XXX	XXX	1,155,363	4,568,900	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations																					
02765U-HU-1.	AMERICAN MUN PWR OHIO INC UNREF.....			2	1FE.....	567,529	100.4520	507,283	505,000	506,752		(14,076)			5.250	2.418	FA	10,016	26,513	07/01/2013	02/15/2021
047870-ND-8.	ATLANTA GA WTR & WSTWTR REVENUE.....			2	1FE.....	1,739,010	116.7140	1,750,710	1,500,000	1,691,786		(23,012)			5.000	3.065	MN	12,500	75,000	11/30/2015	11/01/2035
050589-JD-3.	AUBURN UNIV ALA GEN FEE REV.....			2	1FE.....	2,126,060	110.7500	2,215,000	2,000,000	2,059,359		(15,882)			5.000	4.102	JD	8,333	100,000	07/01/2013	06/01/2036
050589-HT-0.	Auburn University.....			2	1FE.....	2,426,351	110.6100	2,289,627	2,070,000	2,253,648		(43,279)			5.000	2.299	JD	8,625	103,500	07/01/2013	06/01/2022
050589-HV-5.	Auburn University.....			2	1FE.....	2,284,320	110.5400	2,210,800	2,000,000	2,171,988		(32,389)			5.000	2.379	JD	8,333	100,000	07/01/2013	06/01/2024
059231-G6-1.	BALTIMORE MD REVENUE.....			2	1FE.....	1,181,347	121.2820	1,224,948	1,010,000	1,168,907		(12,439)			5.000	3.015	JJ	25,250	12,204	03/07/2017	07/01/2030
130178-SC-1.	CA EDL FAC UNIV SO CA.....			2	1FE.....	9,544,410	102.8470	9,256,230	9,000,000	9,142,642		(95,710)			5.250	4.131	A0	118,125	472,500	07/01/2013	10/01/2039
13033L-EN-3.	CA Health CHW.....			2	1FE.....	11,174,500	106.6420	10,664,200	10,000,000	10,316,539		(202,202)			5.625	3.471	JJ	281,250	562,500	07/01/2013	07/01/2025
914126-YR-0.	CA Univ CA C25 S151.....			2	1FE.....	1,631,182	119.4690	1,672,566	1,400,000	1,574,613		(20,782)			5.000	3.119	MN	8,944	70,000	03/13/2015	05/15/2032
130178-VU-7.	CALIFORNIA EDL FACS AUTH REV.....			2	1FE.....	7,936,370	140.1510	9,109,815	6,500,000	7,785,949		(35,728)			5.250	3.949	A0	85,313	341,250	07/01/2013	04/01/2040

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
		Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
130178-X7-6.	CALIFORNIA EDL FACS AUTH REV.				1FE	336,155	138.2370	345,593	250,000	327,810		(1,959)			5.000	3.227	JD	1,042	12,500	07/01/2013	06/01/2043
13066Y-TN-9.	CALIFORNIA ST DEPT OF WTR RESOURCE			2	1	9,098,988	107.7120	8,428,464	7,825,000	8,300,401		(196,014)			5.000	2.324	MN	65,208	391,250	07/01/2013	05/01/2021
13066Y-TS-8.	CALIFORNIA ST DEPT OF WTR RESOURCE				1FE	5,436,137	107.8560	5,042,268	4,675,000	5,005,139		(110,490)			5.000	1.902	MN	38,958	233,750	07/01/2013	05/01/2021
13066Y-NL-9.	CALIFORNIA ST DEPT WTR RES PWR SUP				1FE	25,539,140	101.1870	22,261,140	22,000,000	22,252,860		(749,941)			5.000	1.540	MN	183,333	1,100,000	07/01/2013	05/01/2018
153476-BK-1.	CENTRAL FL EXPWY AUTH SR LIEN REV			2	1FE	1,122,560	110.1280	1,101,280	1,000,000	1,108,276		(11,260)			4.000	2.590	JJ	20,000	26,556	09/23/2016	07/01/2030
155048-CQ-2.	CENTRAL PUGET SOUND REGIONAL CHARLOTTE DOUGLAS			2	1FE	1,169,210	112.4420	1,124,420	1,000,000	1,085,492		(19,510)			5.000	2.791	FA	20,833	50,000	07/01/2013	02/01/2028
161036-PA-0.	INTERNATIONAL AI CHARLOTTE DOUGLAS INTL ARPRT			2	1FE	790,748	108.9860	817,395	750,000	788,635		(2,112)			4.000	3.390	JJ	15,000	2,500	05/19/2017	07/01/2036
161036-NZ-7.	CHARLOTTE DOUGLAS INTL ARPRT REV			2	1FE	528,480	108.9860	544,930	500,000	527,001		(1,479)			4.000	3.360	JJ	10,000	1,667	05/19/2017	07/01/2035
161036-PB-8.	REV			2	1FE	840,664	108.7260	869,808	800,000	838,560		(2,104)			4.000	3.431	JJ	16,000	2,667	05/19/2017	07/01/2037
19645R-5Y-3.	COLORADO EDU & CULTURAL FACS.			2	1FE	635,208	108.4560	656,159	605,000	633,583		(1,624)			4.000	3.425	MS	8,067	4,302	05/19/2017	03/01/2035
20775C-MP-6.	CONNECTICUT ST HSG FIN AUTH				1FE	1,000,000	99.3550	993,550	1,000,000	1,000,000					2.500	2.516	MN	3,194	25,000	11/02/2016	05/15/2025
23542J-CG-8.	DALLAS TEX WTRWKS & SWR SYS REF			2	1	551,815	111.3040	567,650	510,000	530,638		(5,023)			5.000	3.868	A0	6,375	25,500	07/01/2013	10/01/2036
23542J-DC-6.	DALLAS TEX WTRWKS & SWR SYS UNREF			2	1FE	4,587,638	111.1500	4,712,760	4,240,000	4,411,577		(41,763)			5.000	3.868	A0	53,000	212,000	07/01/2013	10/01/2036
240523-UJ-7.	DE KALB CNTY GA WTR & SEW REV				1FE	7,205,614	124.8600	7,597,731	6,085,000	6,881,212		(76,530)			5.250	3.532	A0	79,866	319,463	07/01/2013	10/01/2026
240523-UK-4.	DE KALB CNTY GA WTR & SEW REV WTR			2	1FE	5,518,100	122.8880	6,144,400	5,000,000	5,373,190		(34,596)			5.250	4.266	A0	65,625	262,500	07/01/2013	10/01/2032
254845-NY-2.	DISTRICT OF COLUMBIA WATER & SEWER			2	1FE	1,235,184	107.8500	1,294,200	1,200,000	1,232,516		(2,668)			4.000	3.686	A0	12,000	29,067	02/01/2017	10/01/2044
307479-CF-0.	FARGO ND HLTHSANFORD				1FE	8,183,129	106.0430	7,391,197	6,970,000	7,339,370		(195,020)			5.250	2.296	MN	60,988	365,925	07/01/2013	11/01/2019
307479-CG-8.	FARGO ND HLTHSANFORD				1FE	2,380,220	109.9500	2,199,000	2,000,000	2,155,629		(52,218)			5.500	2.650	MN	18,333	110,000	07/01/2013	11/01/2020
341080-CS-6.	FL PORT AMT			2	1FE	11,932,793	110.3300	11,750,145	10,650,000	11,244,161		(161,807)			5.000	3.288	JD	44,375	532,500	07/01/2013	06/01/2022
341080-CU-1.	FL PORT AMT			2	1FE	8,939,920	109.9470	8,795,760	8,000,000	8,435,713		(118,552)			5.000	3.329	JD	33,333	400,000	07/01/2013	06/01/2023
341080-DV-8.	FL PORT AMT				1FE	2,757,471	105.9130	2,557,799	2,415,000	2,516,415		(55,952)			5.000	2.549	A0	30,188	120,750	07/01/2013	10/01/2019
341080-DW-6.	FL PORT AMT				1FE	2,887,593	108.6690	2,754,759	2,535,000	2,677,386		(49,063)			5.000	2.883	A0	31,688	126,750	07/01/2013	10/01/2020
345105-AT-7.	FOOTHILL / EASTERN TRANSN CORR REV				1	5,186,673	98.5350	5,665,763	5,750,000	5,638,652		107,118				1.984	MAT			07/01/2013	01/01/2019
377446-AY-5.	GLEN COVE NEW YORK IDA ETM	@			1FE	1,926,161	97.1460	2,117,783	2,180,000	2,104,618		41,035				1.989	N/A			07/01/2013	10/15/2019
392274-ZY-5.	GR ORLANDO AV AUTH			2	1FE	1,084,930	110.9590	1,109,590	1,000,000	1,041,883		(10,204)			5.000	3.828	A0	12,500	50,000	07/01/2013	10/01/2025
414005-EL-8.	HARRIS CNTY TEX			2	1FE	3,262,643	105.4200	3,194,226	3,030,000	3,096,687		(39,210)			5.000	3.624	FA	57,233	151,500	07/01/2013	08/15/2033
442436-5T-4.	HOUSTON TEX WTR & SWR SYS REV REF				1FE	2,015,857	76.1730	2,734,611	3,590,000	2,311,733		73,019				5.129	MAT			07/01/2013	12/01/2028
442436-6D-8.	HOUSTON TEX WTR & SWR SYS REV REF				1FE	771,651	74.3090	1,047,757	1,410,000	889,150		29,102				5.438	MAT			07/01/2013	12/01/2028
45129W-KU-3.	IDAHO HSG & FIN ASSN			2	1FE	2,411,235	109.0400	2,453,400	2,250,000	2,327,258		(19,960)			5.000	3.990	JJ	51,875	112,500	07/01/2013	07/15/2029
462460-SU-6.	IOWA ST HGR EDU LOAN AUTH			2	1FE	1,155,570	119.9460	1,199,460	1,000,000	1,145,200		(10,370)			5.000	3.146	JD	4,167	40,833	04/04/2017	12/01/2041
469495-CC-7.	JACKSONVILLE FLA TRANS REV			2	1FE	1,125,881	112.4980	1,124,980	1,000,000	1,069,539		(13,270)			5.000	3.431	A0	12,500	50,000	07/01/2013	10/01/2023
495289-SX-9.	KING CNTY WASH SWR REV			2	1FE	1,707,615	100.0000	1,625,000	1,625,000	1,625,000		(19,574)			5.000	3.797	JJ	40,625	81,250	07/01/2013	01/01/2038
495289-6C-9.	KING CNTY WASH SWR REV REFUNDED			2	1	4,245,301	107.9240	4,333,149	4,015,000	4,104,760		(33,459)			5.000	4.092	JJ	100,375	200,750	07/01/2013	01/01/2040
495289-6G-0.	KING CNTY WASH SWR REV UNREFUNDED			2	1FE	1,712,923	108.0520	1,750,442	1,620,000	1,656,217		(13,500)			5.000	4.092	JJ	40,500	81,000	07/01/2013	01/01/2040
544435-U9-9.	LOS ANGELES CALIF DEPT ARPTS.			2	1FE	5,267,400	107.8110	5,390,550	5,000,000	5,101,374		(39,716)			5.250	4.389	MN	33,542	262,500	07/01/2013	05/15/2033
544525-OC-5.	LOS ANGELES CALIF DEPT WTR			2	1FE	1,106,677	112.3300	1,123,300	1,000,000	1,057,613		(11,594)			5.000	3.634	JJ	25,000	50,000	07/01/2013	07/01/2043
54810C-6A-3.	LOWER COLO RIV AUTH TEX REV MASSACHUSETTS BAY TRAN AUTH			2	1FE	3,026,469	106.3960	3,085,484	2,900,000	2,947,866		(18,778)			5.000	4.307	MN	18,528	145,000	07/01/2013	05/15/2035
575579-HJ-9.	MASS S				1FE	2,219,400	128.3530	2,567,060	2,000,000	2,178,644		(9,716)			5.000	4.173	JJ	50,000	100,000	07/01/2013	07/01/2031
575579-LK-1.	MASSACHUSETTS BAY TRANS AUTH				1FE	1,143,730	130.4830	1,304,830	1,000,000	1,114,685		(6,917)			5.250	4.112	JJ	26,250	52,500	07/01/2013	07/01/2030
57583R-4M-4.	MASSACHUSETTS ST DEV FIN AGY			2	1FE	1,179,013	106.9870	1,176,857	1,100,000	1,130,649		(11,470)			5.000	3.857	JJ	27,500	55,000	07/01/2013	07/01/2040

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
		F o r e i g n	B o n d	NAIC			Rate Used to Obtain Fair Value	Fair Value			Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
CUSIP Identification	Description	Code	CHAR	Designation	Actual Cost				Par Value	Book/ Adjusted Carrying Value											
576051-RF-5.	MASSACHUSETTS ST WTR RESOURCES		2	1FE	1,194,030		122.5110	1,225,110	1,000,000	1,183,191		(10,839)			5.000	2.826	FA	20,833	10,139	05/05/2017	08/01/2032
592248-EK-0.	MET PIER & EXPOSITION AUTH ILDEDIC		2	1FE	186,607		116.3460	238,509	205,000	205,000		2,247			5.650	5.730	JD	515	5,791	07/01/2013	06/15/2022
592248-FS-2.	MET PIER & EXPOSITION AUTH REF		2	1FE	452,956		101.0230	414,194	410,000	414,193		(4,619)			5.550	4.390	JD	1,011	22,755	07/01/2013	06/15/2021
592248-FT-0.	MET PIER & EXPOSITION AUTH REF			1FE	218,467		116.1130	278,671	240,000	242,847		5,478			5.650	5.419	JD	603	6,780	07/01/2013	06/15/2022
592248-FV-5.	MET PIER & EXPOSITION AUTH UNREF		2	3FE	690,481		101.3020	633,138	625,000	629,569		(8,863)			5.550	5.069	JD	1,542	34,688	07/01/2013	06/15/2021
592248-FW-3.	MET PIER & EXPOSITION AUTH UNREF			3FE	1,870,625		113.6110	2,334,706	2,055,000	2,079,381		46,908			5.650	5.419	JD	5,160	58,054	07/01/2013	06/15/2022
592646-6T-5.	MET WASH DC ARPT AMT		2	1FE	1,655,886		115.9620	1,681,449	1,450,000	1,632,384		(23,502)			5.000	2.954	A0	18,125	72,500	01/10/2017	10/01/2029
592646-V8-3.	METRO WASH DC AIRPORT			1FE	3,744,250		108.3890	3,685,226	3,400,000	3,597,223		(44,076)			5.000	2.814	A0	42,500	170,000	07/01/2013	10/01/2023
592646-W2-5.	METRO WASH DC AIRPORT		2	1FE	1,080,580		107.8580	1,078,580	1,000,000	1,055,571		(5,964)			5.000	4.197	A0	12,500	50,000	07/01/2013	10/01/2025
592646-V6-7.	METRO WASH DC AIRPT			1FE	3,683,843		108.7530	3,534,473	3,250,000	3,454,881		(58,485)			5.000	2.627	A0	40,625	162,500	07/01/2013	10/01/2021
592247-H9-4.	METROPOLITAN PIER & EXPO AUTH		2	1FE	12,406,240		113.2020	15,848,280	14,000,000	14,617,527		237,055			5.750	4.697	JD	35,778	402,500	07/01/2013	06/15/2026
592248-FH-6.	METROPOLITAN PIER & EXPO AUTH REF		2	1FE	419,732		117.2470	545,199	465,000	470,841		11,546			5.700	5.656	JD	1,178	13,253	07/01/2013	06/15/2024
592646-T7-8.	METROPOLITAN WASH DC ARPTS AUTH			1FE	1,081,900		108.2490	1,082,490	1,000,000	1,060,262		(9,519)			5.000	2.730	A0	12,500	50,000	07/01/2013	10/01/2030
592248-FK-9.	METROPOLITON PIER & EXPO AUTH REF		2	1FE	3,526,101		117.4600	4,727,765	4,025,000	4,194,365		77,784			5.750	4.951	JD	126,005		07/01/2013	06/15/2027
592248-FN-3.	METROPOLITN PIER & EXPO AUTH UNREF		2	3FE	1,385,568		114.5420	1,758,220	1,535,000	1,552,811		36,644			5.700	5.559	JD	3,889	43,748	07/01/2013	06/15/2024
592248-FQ-6.	METROPOLITN PIER & EXPO AUTH UNREF		2	3FE	854,149		112.7810	1,099,615	975,000	1,016,026		18,842			5.750	4.951	JD	30,523		07/01/2013	06/15/2027
59465H-MW-3.	MI HOSP ASCENSION			1FE	4,643,840		106.0550	4,242,200	4,000,000	4,198,917		(102,818)			5.000	2.286	MN	25,556	200,000	07/01/2013	11/15/2019
59333P-2W-7.	MIAMI DADE CNTY REFUNDED		2	1FE	3,847,695		102.6730	3,916,975	3,815,000	3,820,221		(6,650)			5.250	5.126	A0	50,072	200,288	07/01/2013	10/01/2038
59333P-2Y-3.	MIAMI DADE CNTY UNREFUNDED		2	1FE	494,199		102.4540	502,025	490,000	490,671		(854)			5.250	5.126	A0	6,431	25,725	07/01/2013	10/01/2038
59334P-EL-7.	MIAMI-DADE CNTY FLA TRAN		2	1FE	1,102,477		110.4760	1,104,760	1,000,000	1,055,404		(11,133)			5.000	3.687	JJ	25,000	50,000	07/01/2013	07/01/2042
60636A-AT-0.	MISSOURI ST HEALTH & EDL FACS		2	1FE	5,244,570		111.4620	5,294,445	4,750,000	4,996,924		(58,471)			5.000	3.583	MN	30,347	237,500	07/01/2013	11/15/2030
622634-FJ-7.	MT PLEASANT SC WTR & SWR REV		2	1FE	1,687,955		123.9910	1,717,275	1,385,000	1,669,962		(17,993)			5.000	2.547	JD	5,771	37,318	04/27/2017	06/01/2029
663903-FA-5.	N E OH REGL SWR DIST		2	1FE	1,202,610		120.0090	1,200,090	1,000,000	1,145,792		(19,088)			5.000	2.682	MN	6,389	50,000	12/10/2014	11/15/2028
66285W-PS-9.	N TX TOLLWAY AUTH REVENUE		2	1FE	2,562,476		100.0000	2,355,000	2,355,000	2,355,000		(48,938)			5.625	3.523	JJ	66,234	132,469	07/01/2013	01/01/2033
66285W-QB-5.	N TX TOLLWAY AUTH REVENUE		2	1FE	2,906,582		100.0000	2,665,000	2,665,000	2,665,000		(57,040)			5.750	3.584	JJ	76,619	153,238	07/01/2013	01/01/2040
66285W-SW-7.	REFUNDED		2	1	4,466,651		100.0000	4,105,000	4,105,000	4,105,000		(85,305)			5.625	3.523	JJ	115,453	230,906	07/01/2013	01/01/2033
66285W-QM-1.	N TX TOLLWAY AUTH REVENUE UNREF		2	1FE	365,368		100.0000	335,000	335,000	335,000		(7,170)			5.750	3.584	JJ	9,631	19,263	07/01/2013	01/01/2040
66285W-TE-6.	UNREFUND		2	1FE	1,463,495		100.0000	1,345,000	1,345,000	1,345,000		(27,950)			5.625	3.523	JJ	37,828	75,656	07/01/2013	01/01/2033
646136-EJ-6.	NEW JERSEY TRANSN TR FD			2FE	3,403,740		113.4580	3,403,740	3,000,000	3,284,955		(42,375)			5.250	3.501	JD	7,000	157,500	07/01/2013	12/15/2023
64972F-ZZ-8.	NEW YORK CITY MUNICI		2	1FE	13,740,960		110.7980	13,295,760	12,000,000	12,806,118		(218,485)			5.000	2.963	JD	26,667	600,000	07/01/2013	06/15/2024
64972G-NC-4.	NEW YORK N Y CITY MUN WTR		2	1FE	1,741,975		118.2640	1,750,307	1,480,000	1,728,356		(13,618)			5.000	2.883	JD	3,289	62,900	06/08/2017	06/15/2047
64972F-ZL-3.	NEW YORK N Y CITY MUN WTR FIN		2	1FE	10,374,500		104.4410	10,444,100	10,000,000	10,100,453		(65,491)			5.000	4.327	JD	22,222	500,000	07/01/2013	06/15/2039
64971W-XH-8.	TRANSITIONAL		2	1FE	587,170		119.6330	598,165	500,000	570,278		(7,856)			5.000	2.998	MN	4,167	25,000	10/23/2015	11/01/2031
64972F-7S-9.	NEW YORK NY CITY WTR		2	1FE	1,160,843		112.9840	1,129,840	1,000,000	1,085,280		(17,661)			5.000	2.965	JD	2,222	50,000	07/01/2013	06/15/2028
64990E-CN-5.	NEW YORK ST DORM AUTH		2	1FE	1,132,356		114.4770	1,144,770	1,000,000	1,074,538		(13,607)			5.000	3.383	JD	2,222	50,000	07/01/2013	12/15/2032
64983S-FU-4.	NEW YORK ST DORM AUTH REVS			1FE	4,716,835		128.3630	5,083,175	3,960,000	4,574,849		(33,775)			5.500	4.040	JJ	108,900	217,800	07/01/2013	07/01/2031
649905-VF-0.	NEW YORK ST DORM AUTH REVS NON REV		2	1FE	6,372,840		105.0010	6,300,060	6,000,000	6,101,313		(64,408)			5.000	3.868	JJ	150,000	300,000	07/01/2013	07/01/2039
64983W-UZ-9.	NEW YORK ST DORM AUTH REVS ST SUPP			1FE	1,138,750		100.2610	1,002,610	1,000,000	1,003,836		(30,956)			5.000	1.863	FA	18,889	50,000	07/01/2013	02/15/2018
64983W-VA-3.	NEW YORK ST DORM AUTH REVS ST SUPP			1FE	1,262,492		102.3660	1,126,026	1,100,000	1,134,057		(29,640)			5.000	2.205	FA	20,778	55,000	07/01/2013	02/15/2019

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
649902-5Z-2.	NEW YORK ST DORM AUTH ST PERS.			2.	1FE	10,474,100	109.1210	10,912,100	10,000,000	10,216,165		(61,631)			5.000	4.317	MS	147,222	500,000	07/01/2013	03/15/2041
	NEW YORK ST ENVIRONMENTAL																				
64986A-6Y-2.	FACS.			2.	1FE	1,168,760	118.2380	1,182,380	1,000,000	1,131,185		(15,468)			5.000	3.045	JD	2,222	50,000	07/07/2015	06/15/2033
650009-ZB-2.	NEW YORK ST TWY AUTH.			2.	1FE	267,616	110.2880	275,720	250,000	259,032		(2,042)			5.000	4.054	JJ	6,250	12,500	07/01/2013	01/01/2042
64465P-MP-0.	NH HAMPSHIRE C20 S10B				1FE	3,629,703	108.4360	3,399,469	3,135,000	3,428,508		(64,436)			5.000	1.359	FA	59,217	156,750	07/01/2013	08/15/2024
64465P-MQ-8.	NH HAMPSHIRE C20 S10B				1FE	3,663,537	108.4360	3,437,421	3,170,000	3,477,813		(63,410)			5.000	1.230	FA	59,878	158,500	07/01/2013	08/15/2025
646135-RC-9.	NJ TRANS TR FD.				2FE	2,406,640	106.1100	2,122,200	2,000,000	2,130,221		(63,955)			5.750	2.357	JD	5,111	115,000	07/01/2013	06/15/2020
66285W-SF-4.	NORTH TEX TWY AUTH REV.			2.	1FE	1,793,288	116.3770	1,803,844	1,550,000	1,761,863		(31,425)			5.000	2.546	JJ	38,750	38,750	01/11/2017	01/01/2027
66285W-GU-4.	NTTA TX DOT.				1FE	1,392,984	108.4390	1,301,268	1,200,000	1,275,915		(27,173)			5.000	2.548	MS	20,000	60,000	07/01/2013	09/01/2020
64990E-C4-7.	NY AUTH REV C25 S15B.			2.	1FE	1,148,990	118.6390	1,186,390	1,000,000	1,114,338		(14,085)			5.000	3.218	FA	18,889	50,000	06/24/2015	02/15/2031
59259Y-3V-9.	NY MET TRN AUTH C25 S15A.			2.	1FE	9,312,264	116.5760	9,092,928	7,800,000	8,922,987		(135,209)			5.000	2.843	MN	49,833	390,000	01/16/2015	11/15/2033
64971W-RE-2.	NY NYC TFA C20 S11C			2.	1FE	5,848,850	110.5920	5,529,600	5,000,000	5,349,514		(116,645)			5.500	2.934	MN	45,833	275,000	07/01/2013	11/01/2027
650009-G5-6.	NY TWY GEN TOLL C25 S14			2.	1FE	2,602,035	117.2820	2,638,845	2,250,000	2,512,372		(33,037)			5.000	2.936	JJ	56,250	112,500	03/17/2015	01/01/2032
199561-GL-9.	OH COLUMBUS SWR C24 S14.			2.	1FE	2,011,766	116.8120	1,962,442	1,680,000	1,917,245		(30,745)			5.000	2.763	JD	7,000	84,000	10/31/2014	06/01/2031
	OHIO ST TPK COMMN TPK REV																				
67760H-CG-4.	REF.				1FE	7,239,660	116.4670	6,988,020	6,000,000	6,764,878		(111,428)			5.500	3.217	FA	124,667	330,000	07/01/2013	02/15/2024
	OKLAHOMA DEV FIN AUTH HEALTH																				
67884X-BM-8.	REV.			2.	1FE	1,418,424	118.7770	1,425,324	1,200,000	1,397,691		(20,733)			5.000	2.620	FA	22,667	60,000	02/09/2017	08/15/2026
392274-ZT-6.	ORLANDO FL ARPT AMT			2.	1FE	1,101,300	111.0740	1,110,740	1,000,000	1,049,731		(12,180)			5.000	3.604	AO	12,500	50,000	07/01/2013	10/01/2024
709224-EW-5.	PA TPK CMSN C24 S14			2.	1FE	2,278,580	116.3270	2,326,540	2,000,000	2,207,100		(26,233)			5.000	3.340	JD	8,333	100,000	03/11/2015	12/01/2032
709223-ZQ-7.	PENNSYLVANIA ST TPK COMMN TPK			2.	1FE	5,205,500	106.3140	5,315,700	5,000,000	5,067,323		(33,010)			5.000	4.307	JD	20,833	250,000	07/01/2013	12/01/2038
	PENNSYLVANIA ST TURNPIKE																				
709224-EY-1.	COMMI501-			2.	1FE	4,076,817	115.7750	4,202,633	3,630,000	3,953,511		(40,611)			5.000	3.568	JD	15,125	181,500	11/06/2014	12/01/2034
	PIEDMONT MUN PWR AGY S C ELEC																				
720175-MP-0.	ELE.				1.	5,135,219	119.2480	5,062,078	4,245,000	4,833,822		(71,870)			5.375	3.106	JJ	114,084	228,169	07/01/2013	01/01/2025
73358W-YA-6.	PORT AUTH N Y & N J				1FE	2,406,100	119.4520	2,389,040	2,000,000	2,324,924		(37,048)			5.000	2.694	AO	21,111	100,000	10/09/2015	10/15/2025
73474T-AP-5.	PORT OF MORGOW OR				1FE	1,115,000	93.7440	1,045,246	1,115,000	1,115,000					2.987	3.009	MS	11,102	33,305	07/14/2016	09/01/2036
	PORT OF PORTLAND OR ARPT																				
735240-L7-6.	REVENUE			2.	1FE	1,174,640	119.3150	1,193,150	1,000,000	1,163,280		(11,360)			5.000	2.945	JJ	25,000	21,667	04/11/2017	07/01/2029
74265L-K2-3.	PRIV CLGS & UNIVS AUTH GA			2.	1FE	1,158,060	118.7460	1,187,460	1,000,000	1,147,816		(10,244)			5.000	3.085	AO	12,500	25,000	04/18/2017	10/01/2046
	REGIONAL TRANSN AUTH ILL																				
759911-PK-0.	G.O.				1FE	5,356,683	102.3110	4,563,071	4,460,000	4,553,745		(184,708)			6.250	2.014	JJ	139,375	278,750	07/01/2013	07/01/2018
76128P-AW-1.	RETAMA TEX DEV CORP SPL FACS.				1FE	6,220,473	107.9560	4,782,451	4,430,000	4,758,707		(336,910)			10.000	2.128	JD	19,689	443,000	07/01/2013	12/15/2018
	RHODE ISLAND HEALTH & EDL																				
762197-KZ-3.	BLDG.			2.	1FE	1,654,536	110.4200	1,656,300	1,500,000	1,584,684		(16,523)			5.000	3.695	FA	28,333	75,000	07/01/2013	08/15/2035
	SALT RIVER PROJ ARIZ AGRIC																				
79575D-B6-6.	IMP REV.			2.	1FE	10,414,950	103.5230	10,093,493	9,750,000	9,880,862		(126,249)			5.000	3.654	JJ	243,750	487,500	07/01/2013	01/01/2034
	SAN ANTONIO TEX ELEC & GAS																				
796253-4E-9.	REV.			2.	1FE	2,048,692	119.0680	2,047,970	1,720,000	1,986,283		(28,915)			5.000	2.863	FA	35,833	86,000	10/21/2015	02/01/2031
	SAN FRAN CALIF CITY & CNTY																				
79765A-G7-5.	5.25%				1FE	6,175,532	108.2810	5,657,682	5,225,000	5,566,852		(140,852)			5.250	2.367	MN	45,719	274,313	07/01/2013	05/01/2020
	SAN JOAQUIN HILLS CALIF																				
798111-AH-3.	TRANSN SR				1FE	7,396,646	98.5350	8,079,870	8,200,000	8,041,207		152,760				1.984	MAT			07/01/2013	01/01/2019
	SAN JOAQUIN HILLS CALIF																				
798111-AW-0.	TRANSN SR				1FE	4,360,050	96.6420	4,832,100	5,000,000	4,783,948		101,172				2.271	MAT			07/01/2013	01/01/2020
	SCOTTSDALE AZ MUNI PROPERTY																				
810489-SA-3.	CO.			2.	1FE	1,194,770	124.3580	1,243,580	1,000,000	1,181,301		(13,469)			5.000	2.832	JJ	25,000	16,667	03/07/2017	07/01/2029
812643-GS-7.	SEATTLE WASH MUN LT&PWR			2.	1FE	1,191,576	113.1920	1,131,920	1,000,000	1,100,369		(21,187)			5.000	2.598	JD	4,167	50,000	07/01/2013	06/01/2024
	SOUTH CENT CONN REGL WTR AUTH																				
837227-D5-3.	WTR			2.	1FE	1,073,570	100.9310	1,009,310	1,000,000	1,004,212		(16,377)			5.250	3.585	FA	21,875	52,500	07/01/2013	08/01/2031
	SOUTH CENT CONN REGL WTR AUTH																				
837227-D6-1.	WTR			2.	1FE	1,070,870	100.9310	1,009,310	1,000,000	1,004,063		(15,790)			5.250	3.646	FA	21,875	52,500	07/01/2013	08/01/2032
592098-J7-3.	TN NASHVILLE CO W&S C20 S10			2.	1FE	5,735,004	107.6190	5,461,664	5,075,000	5,326,287		(95,506)			5.000	2.953	JJ	126,875	253,750	07/01/2013	07/01/2024
592098-J4-0.	TN NASHVILLE W&S C20 S10			2.	1FE	2,597,047	107.5680	2,533,226	2,355,000	2,447,955		(35,079)			5.000	3.369	JJ	58,875	117,750	07/01/2013	07/01/2026
	TRIBOROUGH BRDG & TUNL AUTH																				
89602R-BH-7.	REFUND.			2.	1.	5,027,791	103.0890	4,865,801	4,720,000	4,774,174		(59,982)			5.000	3.686	MN	30,156	236,000	07/01/2013	11/15/2031

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4 F o r e i g n	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code		Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
89602R-BP-9.	TRIBOROUGH BRDG & TUNL AUTH UNREF.			2	1FE	3,030,522		102.8600	2,845,000	2,877,653		(36,154)			5.000	3.686	MN	18,176	142,250	07/01/2013	11/15/2031
89658H-VC-1.	TRINITY RIVER TX AUTH REGL WST.			2	1FE	1,223,180		124.0600	1,000,000	1,210,294		(12,886)			5.000	2.533	FA	20,833	8,472	05/04/2017	08/01/2028
89658H-VF-4.	TRINITY RIVER TX AUTH REGL WST.			2	1FE	1,197,350		121.9360	1,000,000	1,186,076		(11,274)			5.000	2.795	FA	20,833	8,472	05/04/2017	08/01/2031
914301-J6-4.	UNIVERSITY HOUSTON TEX UNIV.			2	1FE	1,672,969		103.7580	1,515,000	1,548,675		(29,064)			5.000	2.995	FA	28,617	75,750	07/01/2013	02/15/2026
91412G-ZJ-7.	UNIVERSITY OF CALIFORNIA.			2	1	916,852		105.0240	840,000	859,399		(13,556)			5.250	3.543	MN	5,635	44,100	07/01/2013	05/15/2039
91412G-K2-0.	UNIVERSITY OF CALIFORNIA-REFUNDED.			2	1	3,116,204		105.0240	2,855,000	2,920,934		(46,075)			5.250	3.543	MN	19,152	149,888	07/01/2013	05/15/2039
91412G-K3-8.	UNIVERSITY OF CALIFORNIA-UNREFUND.			2	1FE	6,041,397		105.0940	5,535,000	5,662,827		(89,325)			5.250	3.543	MN	37,131	290,588	07/01/2013	05/15/2039
915115-X8-7.	UNIVERSITY TEX PERM UNIV FD BOND.				1FE	6,094,650		124.8310	5,000,000	5,765,326		(77,276)			5.250	3.206	JJ	131,250	262,500	07/01/2013	07/01/2026
917565-HN-6.	UTAH TRAN AUTH SALES TAX REV SAL.			2	1FE	5,291,450		101.6170	5,000,000	5,029,079		(62,103)			5.000	3.736	JD	11,111	250,000	07/01/2013	06/15/2036
91802R-AK-5.	UTILITY DEBT SECURITIZATION AU.			2	1FE	1,189,600		117.1780	1,000,000	1,127,897		(19,567)			5.000	2.681	JD	2,222	50,000	10/02/2014	12/15/2031
924166-DG-3.	VERMONT EDL & HEALTH BLDGS.			2	1FE	1,377,661		105.4850	1,285,000	1,314,088		(15,050)			5.000	3.746	MN	10,708	64,250	07/01/2013	11/01/2038
924166-DH-1.	VERMONT EDL & HEALTH BLDGS.			2	1FE	2,657,300		107.7180	2,500,000	2,566,259		(21,657)			5.000	4.042	MN	20,833	125,000	07/01/2013	11/01/2040
956704-TA-8.	WEST VIRGINIA UNIV REV.	@			1FE	895,920		99.6080	1,000,000	994,217		22,736				2.340	N/A			07/01/2013	04/01/2018
956704-TB-6.	WEST VIRGINIA UNIV REVS.	@			1FE	1,897,676		97.6980	2,200,000	2,130,389		54,065				2.604	N/A			07/01/2013	04/01/2019
977092-UC-7.	WISCONSIN ST CLEAN WTR REV.			2	1FE	2,806,977		107.6630	2,490,000	2,608,138		(46,480)			5.000	2.974	JD	10,375	124,500	07/01/2013	06/01/2030
977100-FV-3.	WISCONSIN ST GEN FD ANN APP.			2	1FE	5,129,450		105.4960	4,485,000	4,642,545		(113,991)			5.750	3.066	MN	42,981	257,888	07/01/2013	05/01/2033
977100-FM-3.	WISCONSIN ST GEN FD ANNUAL APP REF.			2	1	589,000		105.4960	515,000	533,090		(13,089)			5.750	3.066	MN	4,935	29,613	07/01/2013	05/01/2033
2599999 - Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations						478,645,880	XXX	476,440,571	437,110,000	458,426,040		(5,505,632)			XXX	XXX	XXX	5,150,355	19,923,860	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities																					
3132L6-VY-4.	FEDERAL HOME LN MTG CORP #V81531				1	862,073		103.3230	821,879	858,805		(326)			3.500	2.765	MON	2,397	28,904	03/22/2016	02/01/2045
2699999 - Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities						862,073	XXX	849,188	821,879	858,805		(326)			XXX	XXX	XXX	2,397	28,904	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Commercial Mortgage-Backed Securities																					
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Other Loan-Backed and Structured Securities																					
3199999 - Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Subtotals - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies of Governments and Their Political Subdivisions						479,507,953	XXX	477,289,759	437,931,879	459,284,845		(5,505,958)			XXX	XXX	XXX	5,152,752	19,952,764	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations																					
03835V-AD-8.	APTIV PLC		C	2	2FE	501,528		106.1220	470,000	500,123		(1,404)			4.250	3.337	JJ	9,211		07/31/2017	01/15/2026
225460-AC-1.	CREDIT SUISSE NEW YORK		C		1FE	1,406,233		104.7230	1,250,000	1,294,154		(26,240)			5.300	3.068	FA	25,396	66,250	07/01/2013	08/13/2019
225460-AP-2.	CREDIT SUISSE/NEW YORK NY		C		1FE	2,717,469		103.4740	2,793,803	2,715,538		(1,931)			3.625	3.559	MS	30,450	97,875	01/18/2017	09/09/2024
68389X-AK-1.	ORACLE CORP NT 144A				1FE	3,206,302		104.2650	3,005,000	3,082,225		(28,939)			3.875	2.839	JJ	53,694	116,444	07/01/2013	07/15/2020
90261X-FA-5.	UBS AG BRH MTN SR DEP NT BE		C		1FE	4,218,009		101.2260	3,650,000	3,689,387		(122,253)			5.750	2.331	AO	38,477	209,875	07/01/2013	04/25/2018
25468P-DK-9.	WALT DISNEY COMPANY				1FE	3,010,830		100.3580	3,000,000	3,010,774		(56)			3.000	2.972	FA	34,500		12/14/2017	02/13/2026
032654-AN-5.	ANALOG DEVICES INC.			2	2FE	479,499		101.1980	470,000	479,128		(371)			3.500	3.268	JD	1,188	8,225	08/07/2017	12/05/2026
00185A-AK-0.	AOPLC		C	2	2FE	748,546		104.5550	710,000	746,751		(1,794)			3.875	3.139	JD	1,223	13,756	08/02/2017	12/15/2025
06051G-FS-3.	BANK OF AMERICA CORP.				1FE	2,010,841		105.4830	1,950,000	2,007,258		(3,583)			3.875	3.462	FA	31,484	37,781	07/26/2017	08/01/2025
06738E-AE-5.	BARCLAYS PLC		C		2FE	502,430		99.8220	500,000	502,310		(120)			3.650	3.609	MS	5,323	9,125	07/26/2017	03/16/2025

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 1

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

1	2	Codes			6	7	Fair Value		10	11	Change in Book / Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F o r e i g n	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change In B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Stated Contractual Maturity Date
14040H-BF-1	CAPITAL ONE FINANCIAL CORP.....			2	2FE	982,500		102,7310	950,000	980,749		(1,751)			3.750	3.199	AO	6,630	17,813	08/09/2017	04/24/2024
141781-AY-0	CARGILL INC.....				1FE	7,924,147		105,3740	7,515,000	7,703,991		(51,944)			4.307	3.540	MN	42,257	323,671	07/01/2013	05/14/2021
14309U-AA-0	CARLYLE HOLDINGS FINANCE LLC.....				2FE	49,984		102,3540	50,000	49,991		2			3.875	3.917	FA	807	1,938	07/01/2013	02/01/2023
126650-CU-2	CVS HEALTH CORP.....			2	2FE	347,165		95,8760	355,000	347,498		333			2.875	3.188	JD	851	5,103	07/26/2017	06/01/2026
23355L-AD-8	DXC TECHNOLOGY CO.....			1	2FE	6,378,120		106,3410	6,380,472	6,364,415		(13,705)			4.750	3.984	AO	60,167	156,750	08/03/2017	04/15/2027
369626-4R-2	GENERAL ELEC CAP CORP NT.....				1FE	1,016,275		105,0430	960,000	982,791		(7,892)			4.375	3.479	MS	12,250	42,000	07/01/2013	09/16/2020
377372-AD-9	GLAXOSMITHKLINE CAPITAL INC.....				1FE	4,059,090		101,3760	3,500,000	3,544,882		(118,637)			5.650	2.189	MN	25,268	197,750	07/01/2013	05/15/2018
38141G-FM-1	GOLDMAN SACHS GROUP INC.....				1FE	1,971,970		101,0520	1,750,000	1,762,596		(49,185)			6.150	3.274	AO	26,906	107,625	07/01/2013	04/01/2018
58013W-EJ-9	MCDONALD'S CORP NT.....				2FE	5,208,174		102,9680	4,980,000	5,067,459		(32,797)			3.500	2.798	JJ	80,372	174,300	07/01/2013	07/15/2020
594918-BY-9	MICROSOFT CORP.....			1	1FE	1,992,900		103,1500	2,000,000	1,993,457		557			3.300	3.370	FA	26,583	33,000	01/30/2017	02/06/2027
61746B-CY-0	Morgan Stanley.....				1FE	604,018		119,3540	480,000	590,311		(10,984)			6.250	3.202	FA	11,833	30,000	09/30/2016	08/09/2026
709599-AW-4	PENSKE TRUCK LEASING 144A PENSKE TRUCK LEASING CO.....			2	2FE	8,373,560		98,7380	8,470,000	8,377,943		4,383			3.400	3.575	MN	36,797	143,990	07/28/2017	11/15/2026
709599-AS-3	LP/BND.....			1	2FE	1,518,600		101,8720	1,500,000	1,515,130		(3,470)			3.375	3.124	FA	21,094	50,625	01/12/2017	02/01/2022
828807-CY-1	SIMON PROPERTY GR LP.....			2	1FE	2,493,425		99,5290	2,488,213	2,494,060		565			3.250	3.308	MN	6,997	82,830	11/15/2016	11/30/2026
931142-CU-5	WAL-MART STORES INC.....				1FE	16,371,665		103,5130	15,500,000	15,832,178		(125,658)			3.625	2.758	JJ	270,012	561,875	07/01/2013	07/08/2020
3299999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations						78,093,280	XXX	76,393,629	74,215,000	75,635,099		(596,874)			XXX	XXX	XXX	859,770	2,488,601	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities																					
Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities																					
36249K-AC-4	GSMS 2010-C1 A2.....				1FM	3,759,403		104,2530	3,500,000	3,597,597		(38,115)			4.592	3.442	MON	13,393	160,720	07/01/2013	08/10/2043
617459-AD-4	MORGAN STANLEY CAPITAL I 11- C2 A4.....				1FM	12,933,336		105,9200	12,000,000	12,412,741		(122,858)			4.661	3.554	MON	46,610	559,320	07/01/2013	06/15/2044
61765D-AU-2	MSC 15-MSI.....				1FM	3,089,897		105,1690	3,000,000	3,069,619		(8,267)			3.779	3.473	MON	9,448	113,370	06/25/2015	05/15/2048
3499999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities						19,782,636	XXX	19,514,349	18,500,000	19,079,957		(169,240)			XXX	XXX	XXX	69,451	833,410	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities																					
12481K-AA-6	CBAM 2017-1 LTD.....				1FE	1,650,000		100,4840	1,650,000	1,650,000					2.631	2.700	MON	14,831		07/31/2017	10/17/2029
55818K-AR-2	MADISON PARK FUNDING XI, LTD.....				1FE	3,250,000		100,4130	3,250,000	3,250,000					2.523	2.572	JAJO	15,905	20,312	08/04/2017	07/23/2029
610332-AU-2	MONROE CAPITAL BSL CLO 2015-1.....				1FE	3,250,000		100,2580	3,250,000	3,250,000					2.566	2.624	FMAN	8,804	20,222	08/15/2017	05/22/2027
3599999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities						8,150,000	XXX	8,179,790	8,150,000	8,150,000					XXX	XXX	XXX	39,540	40,534	XXX	XXX
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) - Subtotals - Industrial and Miscellaneous (Unaffiliated)						106,025,916	XXX	104,087,768	100,865,000	102,865,056		(766,114)			XXX	XXX	XXX	968,761	3,362,545	XXX	XXX
Bonds - Hybrid Securities - Issuer Obligations																					
Bonds - Hybrid Securities - Residential Mortgage-Backed Securities																					
Bonds - Hybrid Securities - Commercial Mortgage-Backed Securities																					
Bonds - Hybrid Securities - Other Loan-Backed and Structured Securities																					
Bonds - Parent, Subsidiaries and Affiliates - Issuer Obligations																					
Bonds - Parent, Subsidiaries and Affiliates - Residential Mortgage-Backed Securities																					
Bonds - Parent, Subsidiaries and Affiliates - Other Loan-Backed and Structured Securities																					
Bonds: SVO Identified Funds - Exchange Traded Funds - as Identified by the SVO																					
Bonds - SVO Identified Funds - Bond Mutual Funds - as Identified by the SVO																					
7799999 - Bonds - Total Bonds - Subtotals - Issuer Obligations						769,363,383	XXX	763,310,321	699,610,000	736,909,325		(8,705,429)			XXX	XXX	XXX	8,275,249	30,975,087	XXX	XXX
7899999 - Bonds - Total Bonds - Subtotals - Residential Mortgage-Backed Securities						8,749,249	XXX	8,844,198	8,683,916	8,749,342		5,377			XXX	XXX	XXX	21,876	264,579	XXX	XXX
7999999 - Bonds - Total Bonds - Subtotals - Commercial Mortgage-Backed Securities						19,782,636	XXX	19,514,349	18,500,000	19,079,957		(169,240)			XXX	XXX	XXX	69,451	833,410	XXX	XXX
8099999 - Bonds - Total Bonds - Subtotals - Other Loan-Backed and Structured Securities						8,150,000	XXX	8,179,790	8,150,000	8,150,000					XXX	XXX	XXX	39,540	40,534	XXX	XXX
8399999 Subtotals - Total Bonds						806,045,268	XXX	799,848,658	734,943,916	772,888,624		(8,869,292)			XXX	XXX	XXX	8,406,116	32,113,610	XXX	XXX

Schedule D - Part 2 - Section 1

NONE

Schedule D - Part 2 - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
Bonds - U.S. Governments								
912828-M4-9	TREASURY NOTE		08/29/2017	GOLDMAN SACHS	XXX	3,018,990	3,000,000	18,648
912828-X9-6	US Treasury N/B		06/05/2017	BARCLAYS CAPITAL	XXX	225,360	225,000	202
912828-20-2	US TREASURY NOTE		09/14/2017	SCOTIA CAPITAL MARKETS	XXX	260,052	260,000	329
0599999 - Bonds - U.S. Governments						3,504,402	3,485,000	19,179
Bonds - All Other Governments								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)								
13063C-5W-6	CALIFORNIA ST		03/08/2017	CITIGROUP GLOBAL MARKETS	XXX	1,784,160	1,500,000	
1799999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)						1,784,160	1,500,000	
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)								
054789-XC-1	AZLE TEXAS INDEPENDENT SCHOOL DIST		02/07/2017	RAYMOND JAMES & ASSOC	XXX	2,396,660	2,125,000	
088281-YB-0	BEXAR CNTY TX		04/03/2017	FIDELITY BANK	XXX	1,140,600	1,000,000	19,583
419722-U6-8	HAWAII COUNTY HAWAII		07/24/2017	RAYMOND JAMES & ASSOC	XXX	1,632,447	1,350,000	3,938
59333R-H0-0	MIAMI DADE CNTY FL SCHOOL DIST		04/18/2017	JEFFERIES	XXX	1,212,550	1,000,000	
64966M-BK-4	NEW YORK NY		05/24/2017	MESIROW	XXX	5,355,675	4,500,000	74,375
64966M-HE-2	NEW YORK NY		05/23/2017	MESIROW	XXX	8,632,531	7,215,000	156,325
655867-UY-3	NORFOLK VA		03/08/2017	JEFFERIES	XXX	1,091,170	1,000,000	16,000
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						21,461,633	18,190,000	270,221
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions								
059231-G6-1	BALTIMORE MD REVENUE		03/07/2017	PIPER JAFFRAY INC	XXX	1,181,347	1,010,000	
161036-PA-0	CHARLOTTE DOUGLAS INTERNATIONAL AI		05/19/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	790,748	750,000	
161036-NZ-7	CHARLOTTE DOUGLAS INTL ARPT REV		05/19/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	528,480	500,000	
161036-PB-8	CHARLOTTE DOUGLAS INTL ARPT REV		05/19/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	840,664	800,000	
19645R-5Y-3	COLORADO EDU & CULTURAL FACS		05/19/2017	RBC CAPITAL MARKETS	XXX	635,208	605,000	
254845-NY-2	DISTRICT OF COLUMBIA WATER & SEWER		02/01/2017	RAMIREZ & CO INC	XXX	1,235,184	1,200,000	
462460-5U-6	IOWA ST HGR EDU LOAN AUTH		04/04/2017	JP MORGAN SECURITIES	XXX	1,155,570	1,000,000	8,333
576051-RF-5	MASSACHUSETTS ST WTR RESOURCES		05/05/2017	BARCLAYS CAPITAL	XXX	1,194,030	1,000,000	
592646-6T-5	MET WASH DC ARPT AMT		01/10/2017	JEFFERIES	XXX	1,655,886	1,450,000	20,542
622634-FJ-7	MT PLEASANT SC WTR & SWR REV		04/27/2017	WELLS FARGO BROKER SERVICES LLC	XXX	1,687,955	1,385,000	
64972G-NC-4	NEW YORK N Y CITY MUN WTR		06/08/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	1,741,975	1,480,000	25,489
66285W-SF-4	NORTH TEX TWY AUTH REV		01/11/2017	LOOP CAPITAL MARKETS, LLC	XXX	1,793,288	1,550,000	3,444
67884X-BM-8	OKLAHOMA DEV FIN AUTH HEALTH REV		02/09/2017	WELLS FARGO BROKER SERVICES LLC	XXX	1,418,424	1,200,000	29,833
735240-L7-6	PORT OF PORTLAND OR ARPT REVENUE		04/11/2017	CITIGROUP GLOBAL MARKETS	XXX	1,174,640	1,000,000	11,389
74265L-K2-3	PRIV CLGS & UNIVS AUTH GA		04/18/2017	BARCLAYS CAPITAL	XXX	1,158,060	1,000,000	2,778
810489-SA-3	SCOTTSDALE AZ MUNI PROPERTY CO		03/07/2017	BANK OF NEW YORK	XXX	1,194,770	1,000,000	1,250
89658H-VC-1	TRINITY RIVER TX AUTH REGL WST		05/04/2017	MORGAN STANLEY CO	XXX	1,223,180	1,000,000	
89658H-VF-4	TRINITY RIVER TX AUTH REGL WST		05/04/2017	MORGAN STANLEY CO	XXX	1,197,350	1,000,000	
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						21,806,759	18,930,000	103,058
Bonds - Industrial and Miscellaneous (Unaffiliated)								
03835V-AD-8	APTIV PLC		07/31/2017	CITIGROUP GLOBAL MARKETS	XXX	501,528	470,000	999
12481K-AA-6	CBAM 2017-1 LTD		07/31/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	1,650,000	1,650,000	
22546Q-AP-2	CREDIT SUISSE/NEW YORK NY		01/18/2017	HSBC SECURITIES, INC	XXX	2,717,469	2,700,000	36,431
55818K-AR-2	MADISON PARK FUNDING XI, LTD		08/04/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	3,250,000	3,250,000	10,045
61033Z-AU-2	MONROE CAPITAL BSL CLO 2015-1		08/15/2017	BNP PARISBAS SEC CORP	XXX	3,250,000	3,250,000	
25468P-DK-9	WALT DISNEY COMPANY		12/14/2017	GOLDMAN SACHS	XXX	3,010,830	3,000,000	31,250
032654-AN-5	ANALOG DEVICES INC		08/07/2017	MARKET TAXESS	XXX	479,499	470,000	2,813
00185A-AK-0	AON PLC		08/02/2017	WELLS FARGO BROKER SERVICES LLC	XXX	748,546	710,000	3,974
06051G-FS-3	BANK OF AMERICA CORP		07/26/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	2,010,841	1,950,000	25,403
06738E-AE-5	BARCLAYS PLC		07/26/2017	MERRILL LYNCH, PIERCE, FENNER & SMITH	XXX	502,430	500,000	6,844
14040H-BF-1	CAPITAL ONE FINANCIAL CORP		08/09/2017	CITIGROUP GLOBAL MARKETS	XXX	982,500	950,000	10,885
126650-CU-2	CVS HEALTH CORP		07/26/2017	MORGAN STANLEY CO	XXX	347,165	355,000	1,701
23355L-AD-8	DXC TECHNOLOGY CO		08/03/2017	BANK OF AMERICA SECURITIES LLC	XXX	6,378,120	6,000,000	102,917
594918-BY-9	MICROSOFT CORP		01/30/2017	HSBC SECURITIES, INC	XXX	1,992,900	2,000,000	
709599-AW-4	PENSKE TRUCK LEASING 144A		07/28/2017	VARIOUS	XXX	8,373,560	8,470,000	41,951
709599-AS-3	PENSKE TRUCK LEASING CO LP/BND		01/12/2017	BARCLAYS CAPITAL	XXX	2,024,800	2,000,000	31,313
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						38,220,188	37,725,000	306,526
Bonds - Hybrid Securities								
Bonds - Parent, Subsidiaries, and Affiliates								
Bonds - SV0 Identified Funds								
8399997 - Bonds - Subtotals - Bonds - Part 3						86,777,142	79,830,000	698,984
8399998 - Bonds - Summary item from Part 5 for Bonds						13,081,425	11,575,000	118,068



**ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.**

## SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks **ACQUIRED** During Current Year[illegible]

### E13.1

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year (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
Bonds - U.S. Governments																				
36178E-DE-6..	GNMA 30YR.....		12/15/2017..	PRINCIPAL RECEIPT.....		264,943	264,943	259,512	259,843		5,100		5,100		264,943				4,503	05/15/2043..
36290Q-NZ-4..	GNMA 30YR.....		12/15/2017..	PRINCIPAL RECEIPT.....		384,094	384,094	389,765	388,820		(4,726)		(4,726)		384,094				5,033	12/15/2042..
36179N-MM-7..	GNMA2 15YR.....		12/20/2017..	PRINCIPAL RECEIPT.....		600,030	600,030	603,218	602,767		(2,737)		(2,737)		600,030				7,629	09/20/2028..
36179N-TD-0..	GNMA2 30YR.....		12/20/2017..	PRINCIPAL RECEIPT.....		133,131	133,131	134,255	134,321		(1,190)		(1,190)		133,131				2,334	11/20/2043..
36179Q-PF-2..	GNMA2 30YR.....		12/20/2017..	PRINCIPAL RECEIPT.....		379,433	379,433	383,272	383,469		(4,036)		(4,036)		379,433				5,809	09/20/2044..
912628-TM-2..	TREASURY NOTE.....		08/31/2017..	MATURITY.....		255,000	255,000	250,887	254,182		819		819		255,000				1,594	08/31/2017..
0599999 - Bonds - U.S. Governments						2,016,631	2,016,632	2,020,909	2,023,402		(6,770)		(6,770)		2,016,631				26,902	XXX
Bonds - All Other Governments																				
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)																				
207726-K2-3..	CONNECTICUT ST.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		10,226,000	10,000,000	11,391,100	10,387,297		(219,178)		(219,178)		10,168,119		57,881	57,881	472,222	04/15/2020..
419791-6Z-6..	HAWAII ST PREREFUNDED.....		04/01/2017..	CALLED @ 100.0000000.....		10,950,000	10,950,000	12,212,973	11,037,055		(87,055)		(87,055)		10,950,000				273,750	04/01/2022..
546415-B7-4..	LOUISIANA ST.....		09/13/2017..	HILLTOP SECURITIES INC.....		1,116,750	1,000,000	1,164,249	1,087,668		(16,138)		(16,138)		1,071,531		45,219	45,219	51,944	09/01/2025..
57582R-HE-9..	MASSACHUSETTS ST FOR ISSUES DTD PR.....		06/15/2017..	UBS SECURITIES.....		3,761,790	3,000,000	3,798,000	3,740,385		(32,208)		(32,208)		3,708,177			53,613	145,000	07/01/2026..
575827-60-8..	MASSACHUSETTS ST G.O.....		09/15/2017..	BANK OF AMERICA SECURITIES LLC.....		5,028,300	5,000,000	5,867,050	5,170,797		(144,428)		(144,428)		5,026,370		1,930	1,930	242,917	11/01/2017..
644682-Y2-6..	NEW HAMPSHIRE ST.....		09/15/2017..	BARCLAYS CAPITAL.....		1,220,210	1,000,000	1,234,750	1,192,025		(15,163)		(15,163)		1,176,862		43,348	43,348	52,500	03/01/2027..
882723-JD-2..	TEXAS ST PREREFUNDED-TRANSPTRN COMM.....		04/01/2017..	CALLED @ 100.0000000.....		190,000	190,000	215,534	191,744		(1,744)		(1,744)		190,000				4,750	04/01/2018..
882723-JX-8..	TEXAS ST UNREFUNDED-TRANSPTRN COMM.....		04/01/2017..	CALLED @ 100.0000000.....		4,610,000	4,610,000	5,229,538	4,652,322		(42,322)		(42,322)		4,610,000				115,250	04/01/2018..
1799999 - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)						37,103,050	35,750,000	41,113,194	37,459,293		(558,236)		(558,236)		36,901,059		201,991	201,991	1,358,333	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)																				
022447-G6-7..	ALVIN TX INDEPENDENT SCHOOL DIST.....		05/17/2017..	LOOP CAPITAL MARKETS, LLC.....		2,103,798	1,750,000	2,209,585	2,191,627		(16,760)		(16,760)		2,174,867		(71,069)	(71,069)	67,326	02/15/2029..
052430-CP-8..	AUSTIN TEX INDPST SCH DIST.....		08/01/2017..	CALLED @ 100.0000000.....		8,625,000	8,625,000	9,351,225	8,733,946		(108,946)		(108,946)		8,625,000				431,250	08/01/2029..
052430-CO-6..	AUSTIN TEX INDPST SCH DIST.....		08/01/2017..	CALLED @ 100.0000000.....		1,000,000	1,000,000	1,081,790	1,012,283		(12,283)		(12,283)		1,000,000				50,000	08/01/2030..
167486-XK-0..	CHICAGO IL UNREFUNDED.....		01/01/2017..	MATURITY.....		105,000	105,000	107,426	105,000						105,000				2,825	01/01/2017..
179093-FF-1..	CLACKAMAS CNTY ORE SCH DIST NO 12.....		06/15/2017..	CALLED @ 100.0000000.....		10,000,000	10,000,000	10,821,000	10,099,262		(99,262)		(99,262)		10,000,000				250,000	06/15/2028..
199820-X6-3..	COMAL TX INDEP SCH DIST.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		4,989,100	4,910,000	5,289,789	5,005,194		(63,995)		(63,995)		4,941,199		47,901	47,901	296,441	02/01/2038..
353172-X6-1..	FRANKLIN CNTY OHIO.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		2,470,409	2,450,000	2,658,373	2,495,498		(36,263)		(36,263)		2,459,234		11,174	11,174	100,042	12/01/2031..
43232V-RN-3..	HILLSBOROUGH CNTY FLA SCH BRD.....		09/13/2017..	JANNEY MONTGOMERY SCOTT LLC.....		1,472,295	1,375,000	1,587,972	1,467,190		(25,277)		(25,277)		1,441,914		30,381	30,381	82,882	07/01/2019..
486063-CF-5..	KATY TEX INDPST SCH DIST.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		6,966,043	6,945,000	7,717,076	6,971,973		(26,973)		(26,973)		6,945,000		21,043	21,043	385,833	02/15/2021..
54438C-HL-9..	LOS ANGELES CALIF CMNTY COLLEGE GO.....		08/01/2017..	CALLED @ 100.0000000.....		10,000,000	10,000,000	10,817,900	10,173,695		(173,695)		(173,695)		10,000,000				500,000	08/01/2032..
544646-LJ-9..	LOS ANGELES CALIF UNI SCH DIST GO.....		02/14/2017..	DA DAVIDSON & COMPANY.....		5,082,200	5,000,000	5,403,150	5,052,927		(12,508)		(12,508)		5,040,419		41,781	41,781	155,556	07/01/2028..
592112-CZ-7..	METROPOLITAN GOVT NASHVILLE & DAVI.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		24,574,922	24,290,000	28,143,609	25,166,694		(641,381)		(641,381)		24,525,312		49,610	49,610	1,497,883	01/01/2021..
592112-DA-1..	METROPOLITAN GOVT NASHVILLE & DAVI.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		25,804,174	25,505,000	29,551,368	26,425,546		(673,464)		(673,464)		25,752,083		52,091	52,091	1,572,808	01/01/2022..
64966L-5B-3..	NEW YORK N Y FOR PREVIOUS ISSUES S.....		05/17/2017..	FENNER.....		3,687,240	3,000,000	3,781,710	3,717,029		(29,076)		(29,076)		3,687,954		(714)	(714)	121,250	08/01/2025..
64966L-JJ-1..	NEW YORK NY PREREFUNDED GO.....		01/01/2017..	CALLED @ 100.0000000.....		6,845,000	6,845,000	7,576,251	6,845,000						6,845,000				171,125	01/01/2021..
64966L-JL-6..	NEW YORK NY UNREFUNDED.....		03/24/2017..	CALLED @ 100.0000000.....		3,155,000	3,155,000	3,492,049	3,155,000						3,155,000				115,246	01/01/2021..
659154-6W-3..	NORTH EAST INDPST SCH DIST TEX.....		08/01/2017..	VARIOUS.....		5,017,613	5,000,000	5,459,300	5,068,679		(58,253)		(58,253)		5,010,426		7,186	7,186	228,819	08/01/2032..
734260-R2-0..	PORT HOUSTON AUTH TEX HARRIS CNTY.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		3,061,124	2,900,000	3,256,729	3,026,574		(52,102)		(52,102)		2,974,472		86,652	86,652	178,229	10/01/2029..
741701-WH-5..	PRINCE GEORGES CNTY MD.....		09/12/2017..	CALLED @ 100.0000000.....		5,545,000	5,545,000	6,227,700	5,639,035		(94,035)		(94,035)		5,545,000				321,148	07/15/2022..
796237-YJ-8..	SAN ANTONIO TX.....		09/13/2017..	FINANCIAL.....		1,350,912	1,200,000	1,417,539	1,321,965		(20,077)		(20,077)		1,301,888		49,024	49,024	67,333	02/01/2024..
812626-6L-8..	SEATTLE WASH.....		10/01/2017..	CALLED @ 100.0000000.....		1,100,000	1,100,000	1,238,391	1,125,256		(25,256)		(25,256)		1,100,000				55,000	10/01/2020..
812626-7B-9..	SEATTLE WASH.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		4,845,711	4,840,000	5,448,920	5,109,357		(50,074)		(50,074)		5,059,284		(213,572)	(213,572)	237,967	10/01/2020..
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						137,800,541	135,540,000	152,638,852	139,908,730		(2,219,680)		(2,219,680)		137,689,052		111,488	111,488	6,888,963	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																				
02765U-GW-8..	AMERICAN MUN PWR OHIO INC PREREF.....		09/15/2017..	ZIEGLER SECURITIES.....		7,630,959	7,495,000	8,423,031	7,729,912		(146,912)		(146,912)		7,583,000		47,959	47,959	430,650	02/15/2021..
05159P-AZ-5..	AURORA COLO WTR IMPT REV WTR.....		08/01/2017..	CALLED @ 100.0000000.....		6,750,000	6,750,000	7,375,523	6,843,502		(93,502)		(93,502)		6,750,000				337,500	08/01/2025..
13033F-Z2-2..	CALIFORNIA HEALTH FACS FING AUTH R.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		10,384,100	10,000,000	10,107,300	10,036,836		(16,294)		(16,294)		10,020,541		363,559	363,559	555,556	08/15/2038..
20775C-ML-5..	CONNECTICUT ST HSG FIN AUTH.....		09/15/2017..	RAMIREZ & CO INC.....		1,260,000	1,250,000	1,250,000	1,250,000						1,250,000		10,000	10,000	23,750	11/15/2023..
20775C-MM-3..	CONNECTICUT ST HSG FIN AUTH HS.....		09/15/2017..	RBC CAPITAL MARKETS.....		1,009,200	1,000,000	1,000,000	1,000,000						1,000,000		9,200	9,200	20,267	05/15/2024..
73358T-Z7-9..	CONS-ONE HUNDRED FIFTY-SECOND.....		09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS.....		6,107,668	5,970,000	6,474,704	6,116,880		(80,011)		(80,011)		6,036,869		70,799	70,799	268,650	11/01/2024..
249182-CG-9..	DENVER CITY & CNTY CO ARPT REV.....		09/15/2017..	DA DAVIDSON & COMPANY.....		1,154,580	1,000,000	1,173,800	1,168,019		(23,503)		(23,503)		1,144,516		10,064	10,064	44,333	11/15/2022..

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year (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
254845-EM-8...	DISTRICT COLUMBIA WTR & SWR AUTH P...		..09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS...		..2,710,734	..2,600,000	..2,715,492	..2,641,249		..(16,947)		..(16,947)		..2,624,303		..86,431	..86,431	..127,833	..10/01/2029..
276771-HX-3...	EASTERN MUN WTR DIST CALIF WTR & S...		..09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS...		..2,993,989	..2,900,000	..3,099,114	..2,963,392		..(30,535)		..(30,535)		..2,932,857		..61,132	..61,132	..178,833	..07/01/2035..
3132L6-VY-4...	FEDERAL HOME LN MTG CORP #V81531...		..12/15/2017..	PRINCIPAL RECEIPT		..86,956	..86,956	..91,209	..90,898		..(3,941)		..(3,941)		..86,956				..1,776	..02/01/2045..
3133XL-4N-0...	FHLB...		..06/05/2017..	MATURITY		..1,750,000	..1,750,000	..2,015,766	..1,779,604		..(29,604)		..(29,604)		..1,750,000				..45,938	..06/05/2017..
3128MJ-VY-0...	FHLMG #G08726		..09/15/2017..	VARIOUS		..374,314	..371,227	..386,076	..385,734		..(1,028)		..(1,028)		..384,706		..(10,392)	..(10,392)	..8,693	..10/11/2046..
341507-TM-3...	FLORIDA ST BRD ED LOTTERY REV REV...		..07/01/2017..	CALLED @ 101.0000000...		..6,736,700	..6,736,700	..7,576,120	..6,844,788		..(108,088)		..(108,088)		..6,736,700				..333,500	..07/01/2018..
31359M-7X-5...	FNMA		..05/11/2017..	MATURITY		..4,500,000	..4,500,000	..5,135,706	..4,560,798		..(60,798)		..(60,798)		..4,500,000				..112,500	..05/11/2017..
455141-NA-5...	INDIANA TRANSN FIN AUTH HWY RE REF...		..09/15/2017..	MERRILL LYNCH, PIERCE, FENNER...		..5,290,304	..5,240,000	..6,097,212	..5,423,093		..(140,595)		..(140,595)		..5,282,498		..7,806	..7,806	..230,560	..12/01/2017..
455393-BX-5...	INDIANAPOLIS IND THERMAL		..09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS...		..6,255,540	..6,000,000	..6,574,980	..6,201,845		..(83,347)		..(83,347)		..6,118,499		..137,041	..137,041	..295,000	..10/01/2025..
54466H-DM-5...	LOS ANGELES CNTY MET TRANSPRT AUTH...		..09/13/2017..	MESIROW...		..2,546,720	..2,000,000	..2,449,020	..2,444,020		..(9,727)		..(9,727)		..2,414,293		..132,427	..132,427	..79,167	..06/01/2026..
592248-EH-7...	MET PIER & EXPOSITION AUTH ILDEDIC...		..06/15/2017..	CALLED @ 101.0000000...		..181,800	..180,000	..200,380	..184,043		..(2,243)		..(2,243)		..181,800				..4,950	..06/15/2020..
592248-EJ-3...	MET PIER & EXPOSITION AUTH ILDEDIC...		..06/15/2017..	CALLED @ 101.0000000...		..469,650	..465,000	..513,718	..474,994		..(5,344)		..(5,344)		..469,650				..12,904	..06/15/2021..
592248-EN-4...	MET PIER & EXPOSITION AUTH UNREFUN...		..09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS...		..830,922	..820,000	..912,840	..838,418		..(10,922)		..(10,922)		..827,496		..3,426	..3,426	..35,078	..06/15/2020..
59333P-X2-9...	MIAMI-DADE CNTY-A REFUNDED		..09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS...		..3,332,481	..3,195,000	..3,222,381	..3,204,942		..(4,064)		..(4,064)		..3,200,878		..131,603	..131,603	..164,942	..10/01/2038..
66285W-PS-9...	N TX TOLLWAY AUTH REVENUE		..11/08/2017..	GOLDMAN SACHS...		..2,209,026	..2,195,000	..2,388,380	..2,240,614		..(38,757)		..(38,757)		..2,201,856		..7,170	..7,170	..167,712	..01/01/2033..
64711N-BM-6...	NEW MEXICO FIN AUTH REV		..09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS...		..5,133,050	..5,000,000	..5,372,950	..5,113,795		..(58,183)		..(58,183)		..5,055,612		..77,438	..77,438	..204,167	..06/01/2033..
64971W-OX-1...	NEW YORK NY CITY TRANSITIONAL PRER...		..11/01/2017..	VARIOUS		..10,622,107	..10,550,000	..11,620,614	..10,765,132		..(173,719)		..(173,719)		..10,591,412		..30,694	..30,694	..446,075	..11/01/2027..
649902-LN-1...	NEW YORK ST DORM AUTH ST PERS INCO...		..03/15/2017..	CALLED @ 100.0000000...		..5,000,000	..5,000,000	..5,564,400	..5,032,402		..(32,402)		..(32,402)		..5,000,000				..125,000	..03/15/2021..
650035-UJ-0...	NEW YORK ST URBAN DEV CORP REV...		..06/14/2017..	UBS SECURITIES		..2,682,184	..2,205,000	..2,757,948	..2,743,271		..(24,150)		..(24,150)		..2,719,120		..(36,936)	..(36,936)	..83,913	..03/15/2029..
65821D-VA-6...	NORTH CAROLINA MED CARE COMMISSION		..06/15/2017..	STERN BROTHERS & CO		..1,521,688	..1,250,000	..1,579,813	..1,567,441		..(14,015)		..(14,015)		..1,553,425		..(31,738)	..(31,738)	..34,375	..06/01/2029..
682001-FA-5...	OMAHA PUB WMR DIST NEB ELEC REV...		..05/17/2017..	WILLIAM BLAIR & CO LLC		..1,207,630	..1,000,000	..1,264,650	..1,254,173		..(9,702)		..(9,702)		..1,244,471		..(36,841)	..(36,841)	..37,222	..02/01/2029..
68607V-L3-7...	OR Dept Rev C25 S15A		..06/15/2017..	FIRST TENNESSEE		..2,712,600	..2,250,000	..2,739,690	..2,690,319		..(12,283)		..(12,283)		..2,678,036		..34,564	..34,564	..80,625	..04/01/2030..
686507-FJ-8...	ORLANDO FLA UTILS COMMN		..09/13/2017..	PIPER JAFFRAY INC		..601,500	..500,000	..620,791	..582,738		..(7,994)		..(7,994)		..574,743		..26,757	..26,757	..23,889	..10/01/2023..
720175-MP-0...	PIEDMONT MUN PWR AGY S C ELEC ELE...		..01/01/2017..	Sink PMT @ 100.0000000...		..25,000	..25,000	..30,243	..28,891		..(3,891)		..(3,891)		..25,000				..672	..01/01/2025..
79575D-XF-2...	SALT RIVER PROJ AZ		..09/18/2017..	VARIOUS		..14,712,944	..14,540,000	..15,096,300	..14,672,462		..(93,471)		..(93,471)		..14,578,990		..133,954	..133,954	..885,842	..01/01/2038..
875290-V0-8...	TAMPA FLA WTR & SWR REV WTR		..09/15/2017..	VARIOUS		..7,907,526	..7,890,000	..8,523,962	..8,077,851		..(107,619)		..(107,619)		..7,990,232		..7,294	..7,294	..373,850	..10/01/2037..
89602N-MT-8...	TRIBOROUGH BRDG & TUNL AUTH N Y RE...		..09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS...		..14,902,520	..14,500,000	..15,115,235	..14,685,637		..(97,864)		..(97,864)		..14,587,773		..314,747	..314,747	..624,306	..11/15/2037..
917565-HP-1...	UTAH TRAN AUTH SALES TAX REV		..09/25/2017..	MUNICIPAL ASSURANCE CORPORATION HOLDINGS...		..5,164,200	..5,000,000	..5,356,850	..5,111,570		..(55,402)		..(55,402)		..5,056,168		..108,032	..108,032	..204,167	..06/15/2038..
29270C-VZ-5...	WA EGY NW NC S10A		..07/01/2017..	VARIOUS		..7,018,285	..7,000,000	..8,016,750	..7,129,915		..(113,170)		..(113,170)		..7,016,745		..1,540	..1,540	..327,917	..07/01/2017..
956704-SZ-4...	WEST VIRGINIA UNIV REVS		..04/01/2017..	MATURITY		..1,200,000	..1,200,000	..1,108,476	..1,193,654		..6,346		..6,346		..1,200,000					..04/01/2017..
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						154,976,877	150,348,184	163,951,424	155,002,832		(1,723,681)		(1,723,681)		153,279,145		1,697,730	1,697,730	6,932,112	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
90261X-EM-0...	UBS AG BRH MTN SR DEP NT BE		..09/15/2017..	KEYBANK CAPITAL MARKETS INC		..4,448,884	..4,400,000	..5,061,109	..4,549,254		..(108,191)		..(108,191)		..4,441,063		..7,821	..7,821	..193,157	..12/20/2017..
48121C-VZ-6...	JP MORGAN CHASE BANK NA		..07/05/2017..	MATURITY		..3,000,000	..3,000,000	..3,380,439	..3,050,743		..(50,743)		..(50,743)		..3,000,000				..180,000	..07/05/2017..
709599-AS-3...	PENSKE TRUCK LEASING CO LP/BND		..12/13/2017..	GOLDMAN SACHS		..509,810	..500,000	..506,200	..506,200		..(1,096)		..(1,096)		..505,104		..4,706	..4,706	..23,109	..02/01/2022..
136375-BR-2...	CANADIAN NATL RY CO		..09/15/2017..	TD SECURITIES		..3,591,526	..3,500,000	..4,041,261	..3,658,331		..(80,777)		..(80,777)		..3,577,553		..13,972	..13,972	..164,033	..05/15/2018..
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						11,550,220	11,400,000	12,989,009	11,258,328		(240,807)		(240,807)		11,523,720		26,499	26,499	560,299	XXX
Bonds - Hybrid Securities																				
Bonds - Parent, Subsidiaries, and Affiliates																				
Bonds - SVO Identified Funds																				
8399997 - Bonds - Subtotals - Bonds - Part 4						343,447,319	335,054,816	372,713,388	345,652,585		(4,749,174)		(4,749,174)		341,409,607		2,037,708	2,037,708	15,766,609	XXX
8399998 - Bonds - Summary item from Part 5 for Bonds						13,133,424	11,575,000	13,081,425			(56,529)		(56,529)		13,024,896		108,529	108,529	272,802	XXX
8399999 - Bonds - Subtotals - Bonds						356,580,743	346,629,816	385,794,813	345,652,585		(4,805,703)		(4,805,703)		354,434,503		2,146,237	2,146,237	16,039,411	XXX
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																				
Preferred Stocks - Parent, Subsidiaries, and Affiliates																				
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																				
Common Stocks - Parent, Subsidiaries, and Affiliates																				
Common Stocks - Mutual Funds																				
9999999 Totals						356,580,743	XXX	385,794,813	345,652,585		(4,805,703)		(4,805,703)		354,434,503		2,146,237	2,146,237	16,039,411	XXX

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE D - PART 5

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

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value					17	18	19	20	21
											12	13	14	15	16					
CUSIP Identification	Description	F o r e i g n	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stocks)	Actual Cost	Consideration	Book/ Adjusted Carrying Value at Disposal	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change In B./A. C.V. (12 + 13 - 14)	Total Foreign Exchange Change in B./A. C.V.	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends
Bonds - U.S. Governments																				
Bonds - All Other Governments																				
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)																				
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)																				
022171-AR-3	ALUM ROCK CA UNION ELEM SCH DIST		..07/12/2017	US BANK	..12/26/2017	THE MUNICENTER	125,000	135,075	128,300	133,339		(1,736)		(1,736)			(5,039)	(5,039)	3,932	874
022171-AS-1	ALUM ROCK CA UNION ELEM SCH DIST		..07/12/2017	THE MUNICENTER	..07/12/2017	US BANK	125,000	135,075	135,075	135,075									874	874
346843-JW-6	FORT BEND TX INDEP SCH DIST		..04/13/2017	STIEBURT, BRANDFORD, SHANK	..09/15/2017	STIFEL NICOLAUS & CO INC	500,000	604,585	613,195	600,395		(4,190)		(4,190)			12,800	12,800	8,889	
358232-3B-0	FRESNO CALIFORNIA UNIFIED SCHOOL		..07/26/2017	BARCLAYS CAPITAL	..09/18/2017	FIRST TRYON SECURITIES, LLC	800,000	968,184	974,272	965,772		(2,412)		(2,412)			8,500	8,500	25,444	20,000
591852-A8-1	METROPOLITAN COUNCIL MINN		..06/08/2017	RBC CAPITAL MARKETS	..09/13/2017	JP MORGAN SECURITIES	1,495,000	1,869,961	1,851,602	1,857,868		(12,093)		(12,093)			(6,265)	(6,265)	40,282	21,179
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)							3,045,000	3,712,880	3,702,444	3,692,449		(20,431)		(20,431)			9,996	9,996	79,421	42,927
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																				
13032U-MR-6	CALIFORNIA HEALTH FACILITIES FIN		..07/21/2017	BARCLAYS CAPITAL	..09/18/2017	VINING-SPARKS IBG, LP	570,000	718,286	723,051	716,239		(2,047)		(2,047)			6,812	6,812	10,846	6,571
662835-XV-4	N TEXAS ST MUNI WTR DIST REV		..04/19/2017	OPPENHEIMER & CO., INC	..09/15/2017	VINING-SPARKS IBG, LP	1,000,000	1,239,030	1,244,320	1,230,493		(8,537)		(8,537)			13,827	13,827	20,000	
759136-RV-2	REGL TRANSPRTN DIST CO SALES TAX		..04/12/2017	JEFFERIES	..09/15/2017	FINANCIAL SECURITIES CORPORAT	1,250,000	1,555,525	1,591,425	1,536,387		(19,138)		(19,138)			55,038	55,038	55,208	28,993
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions							2,820,000	3,512,841	3,558,796	3,483,119		(29,722)		(29,722)			75,677	75,677	86,054	35,564
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
225433-AT-8	CREDIT SUISSE GROUP FUNDING		..07/26/2017	MARKET TAXESS	..11/13/2017	BARCLAYS CAPITAL	2,000,000	2,088,780	2,067,140	2,084,641		(4,139)		(4,139)			(17,501)	(17,501)	32,511	10,767
90131H-CB-9	21ST CENTURY FOX AMR		..08/03/2017	WELLS FARGO BROKER SERVICES LLC	..12/14/2017	JP MORGAN SECURITIES	3,000,000	3,032,550	3,077,940	3,031,412		(1,138)		(1,138)			46,528	46,528	59,906	23,344
00287Y-AQ-2	ABBVIE INC		..07/26/2017	CITIGROUP GLOBAL MARKETS	..12/13/2017	CITIGROUP GLOBAL MARKETS	710,000	734,374	727,104	733,275		(1,099)		(1,099)			(6,171)	(6,171)	14,910	5,467
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)							5,710,000	5,855,704	5,872,184	5,849,328		(6,376)		(6,376)			22,856	22,856	107,327	39,578
Bonds - Hybrid Securities																				
Bonds - Parent, Subsidiaries, and Affiliates																				
Bonds - SVO Identified Funds																				
8399998 - Bonds - Subtotals - Bonds							11,575,000	13,081,425	13,133,424	13,024,896		(56,529)		(56,529)			108,529	108,529	272,802	118,069
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)																				
Preferred Stocks - Parent, Subsidiaries, and Affiliates (Unaffiliated)																				
Common Stocks - Industrial and Miscellaneous (Unaffiliated)																				
Common Stocks - Parent, Subsidiaries, and Affiliates																				
Common Stocks - Mutual Funds																				
9999999 Totals								13,081,425	13,133,424	13,024,896		(56,529)		(56,529)			108,529	108,529	272,802	118,069

# ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

## SCHEDULE D - PART 6 - SECTION 1

[illegible]

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

## SCHEDULE D - PART 6 - SECTION 2

1	2	3	4	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
CUSIP Identification	Name of Lower-Tier Company	Name of Company Listed in Section 1 Which Controls Lower-Tier Company	Total Amount of Intangible Assets Included in Amount Shown in Column 8, Section 1	5 Number of Shares	6 % of Outstanding
NONE					
0399999 Totals - Preferred and Common				xxx	xxx

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE DA - PART 1

Showing all **SHORT-TERM INVESTMENTS** Owned December 31 of Current Year

1	Codes		4	5	6	7	Change In Book/Adjusted Carrying Value				12	13	Interest						20
	2	3					8	9	10	11			14	15	16	17	18	19	
Description	Code	Foreign	Date Acquired	Name of Vendor	Maturity Date	Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Par Value	Actual Cost	Amount Due And Accrued Dec. 31 of Current Year On Bond Not In Default	Non-Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest
Bonds - U.S. Governments Issuer Obligations																			
Bonds - U.S. Governments - Residential Mortgage-Backed Securities																			
Bonds - U.S. Governments - Commercial Mortgage-Backed Securities																			
Bonds - U.S Governments - Other Loan-Backed and Structured Securities																			
Bonds - All Other Governments - Issuer Obligations																			
Bonds - All Other Governments - Residential Mortgage-Backed Securities																			
Bonds - All Other Governments - Single Class Mortgage-Backed/Asset-Backed Securities																			
Bonds - All Other Governments - Other Loan-Backed and Structured Securities																			
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																			
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																			
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																			
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities																			
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																			
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities																			
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities																			
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities																			
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions - Issuer Obligations																			
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions - Residential Mortgage-Backed Securities																			
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions - Commercial Mortgage-Backed Securities																			
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions - Other Loan-Backed and Structured Securities																			
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations																			
Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities																			
Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities																			
Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities																			
Bonds - Hybrid Securities - Issuer Obligations																			
Bonds - Hybrid Securities - Residential Mortgage-Backed Securities																			
Bonds - Hybrid Securities - Commercial Mortgage-Backed Securities																			
Bonds - Hybrid Securities - Other Loan-Backed and Structured Securities																			
Bonds - Parent, Subsidiaries and Affiliates Bonds - Issuer Obligations																			
Bonds - Parent, Subsidiaries and Affiliates Bonds - Residential Mortgage-Backed Securities																			
Bonds - Parent, Subsidiaries and Affiliates Bonds - Commercial Mortgage-Backed Securities																			
Bonds - Parent, Subsidiaries and Affiliates Bonds - Other Loan-Backed and Structured Securities																			
Bonds - SVO Identified Funds - Bond Mutual Funds - as Identified by the SVO																			
Parent, Subsidiaries and Affiliates - Mortgage Loans																			
Parent, Subsidiaries and Affiliates - Other Short-Term Invested Assets																			
Mortgage Loans																			
Other Short-Term Invested Assets																			
9199999 Totals											XXX				XXX	XXX	XXX		

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part A - Section 2

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part B - Section 2

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE





ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year								
1	2	3	4	5	6	7	8	9
CUSIP	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Bonds - U.S. Governments - Issuer Obligations								
	TREASURY BILL		12/27/2017		01/25/2018	2,398,136		388
	TREASURY BILL		12/21/2017		02/08/2018	1,997,424		744
0199999	Bonds - U.S. Governments - Issuer Obligations					4,395,560		1,132
Bonds - U.S. Governments - Residential Mortgage-Backed Securities								
Bonds - U.S. Governments - Commercial Mortgage-Backed Securities								
Bonds - U.S. Governments - Other Loan-Backed and Structured Securities								
0599999	Bonds - U.S. Governments - Subtotals - U.S. Governments					4,395,560		1,132
Bonds - All Other Governments - Issuer Obligations								
Bonds - All Other Governments - Residential Mortgage-Backed Securities								
Bonds - All Other Governments - Commercial Mortgage-Backed Securities								
Bonds - All Other Governments - Other Loan-Backed and Structured Securities								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities								
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities								
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations								
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Residential Mortgage-Backed Securities								
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Commercial Mortgage-Backed Securities								
Bonds - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Other Loan-Backed and Structured Securities								
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Issuer Obligations								
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Residential Mortgage-Backed Securities								
U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Commercial Mortgage-Backed Securities								
Bonds - U.S. Special Revenue and Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions - Other Loan-Backed and Structured Securities								
Bonds - Industrial and Miscellaneous - Issuer Obligations								
Bonds - Industrial and Miscellaneous (Unaffiliated) - Residential Mortgage-Backed Securities								
Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities								
Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities								
Bonds - Hybrid Securities - Issuer Obligations								
Bonds - Hybrid Securities - Residential Mortgage-Backed Securities								
Bonds - Hybrid Securities - Commercial Mortgage-Backed Securities								
Bonds - Hybrid Securities - Other Loan-Backed and Structured Securities								
Bonds - Parent, Subsidiaries and Affiliates Bonds - Issuer Obligations								
Bonds - Parent, Subsidiaries and Affiliates Bonds - Residential Mortgage-Backed Securities								
Bonds - Parent, Subsidiaries and Affiliates Bonds - Commercial Mortgage-Backed Securities								
Bonds - Parent, Subsidiaries and Affiliates Bonds - Other Loan-Backed and Structured Securities								
Bonds - SV0 Identified Funds - Bond Mutual Funds - as Identified by the SV0								
7799999	Bonds - Total Bonds - Subtotals - Issuer Obligations					4,395,560		1,132
8399999	Bonds - Total Bonds - Subtotals - Bonds					4,395,560		1,132
Sweep Accounts								
Exempt Money Market Mutual Funds - as Identified by SV0								
61747C-52-5	MORGAN STANLEY INSTITUTIONAL LIQUIDITY		12/31/2017			18		
26200X-10-0	DREYFUS INSTITUTIONAL PREFERRED GOVERNME		12/31/2017			5,231,651		31,240
8599999	Exempt Money Market Mutual Funds - as Identified by SV0					5,231,669		31,240
All Other Money Market Mutual Funds								
000000-00-0	CASH RESERVE FUNDS		12/31/2017			3,348,839		19,997
8699999	All Other Money Market Mutual Funds					3,348,839		19,997
Other Cash Equivalents								
8899999	Total Cash Equivalents					12,976,068		52,369

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE MUNICIPAL ASSURANCE CORP.

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

States, etc.	1 Type of Deposits	2 Purpose of Deposits	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama.....AL						
2. Alaska.....AK						
3. Arizona.....AZ						
4. Arkansas.....AR	.B	Financial Guaranty.....			104,571	103,700
5. California.....CA						
6. Colorado.....CO						
7. Connecticut.....CT						
8. Delaware.....DE						
9. District of Columbia.....DC						
10. Florida.....FL	.C	FINANCIAL GUARANTY.....			100,000	100,000
11. Georgia.....GA	.B	Financial Guaranty.....			34,857	34,567
12. Hawaii.....HI						
13. Idaho.....ID						
14. Illinois.....IL						
15. Indiana.....IN						
16. Iowa.....IA						
17. Kansas.....KS						
18. Kentucky.....KY						
19. Louisiana.....LA						
20. Maine.....ME						
21. Maryland.....MD						
22. Massachusetts.....MA	.B	Financial Guaranty.....			104,571	103,700
23. Michigan.....MI						
24. Minnesota.....MN						
25. Mississippi.....MS						
26. Missouri.....MO						
27. Montana.....MT						
28. Nebraska.....NE						
29. Nevada.....NV	.B	Financial Guaranty.....			199,184	197,523
30. New Hampshire.....NH	.B	Financial Guaranty.....			497,959	493,809
31. New Jersey.....NJ						
32. New Mexico.....NM	.B	Financial Guaranty.....			225,291	222,847
33. New York.....NY	.B	Financial Guaranty.....	1,493,876	1,481,426		
34. North Carolina.....NC	.B	Financial Guaranty.....			249,972	249,209
35. North Dakota.....ND						
36. Ohio.....OH						
37. Oklahoma.....OK						
38. Oregon.....OR	.B	Financial Guaranty.....			299,623	299,051
39. Pennsylvania.....PA						
40. Rhode Island.....RI						
41. South Carolina.....SC						
42. South Dakota.....SD						
43. Tennessee.....TN						
44. Texas.....TX						
45. Utah.....UT						
46. Vermont.....VT						
47. Virginia.....VA	.B	Financial Guaranty.....			522,857	518,499
48. Washington.....WA						
49. West Virginia.....WV						
50. Wisconsin.....WI						
51. Wyoming.....WY	.B	FINANCIAL GUARANTY.....			260,047	257,126
52. American Samoa.....AS						
53. Guam.....GU						
54. Puerto Rico.....PR						
55. US Virgin Islands.....VI						
56. Northern Mariana Islands.....MP						
57. Canada.....CAN						
58. Aggregate Other Alien.....OT	XXX	XXX				
59. Total	XXX	XXX	1,493,876	1,481,426	2,598,932	2,580,031
DETAILS OF WRITE-INS						
5801. ....						
5802. ....						
5803. ....						
5898. Sum of remaining write-ins for Line 58 from overflow page .....	XXX	XXX				
5899. Totals (Lines 5801 - 5803 + 5898) (Line 58 above)	XXX	XXX				

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