

ARTICLES OF MERGER

MERGING

ASSURED GUARANTY MUNICIPAL CORP.
(a corporation of the State of New York)

WITH AND INTO

ASSURED GUARANTY INC.
(a corporation of the State of Maryland)

ASSURED GUARANTY MUNICIPAL CORP., a corporation organized and existing under the laws of the State of New York, and ASSURED GUARANTY INC., a corporation organized and existing under the laws of the State of Maryland, do hereby certify to the State Department of Assessments and Taxation of Maryland (the "SDAT") as follows:

FIRST: Assured Guaranty Municipal Corp., a corporation organized and existing under the general laws of the State of New York (hereinafter referred to as "AGM"), and Assured Guaranty Inc., a corporation organized and existing under the laws of the State of Maryland (hereinafter referred to as "AG"), in exchange for the mutual covenants contained herein, agree to merge in the manner hereinafter set forth and agree that AGM shall be merged into AG.

SECOND: AG shall survive the merger and shall continue under the name "Assured Guaranty Inc."

THIRD: The names and places of incorporation of the parties to these Articles of Merger are "Assured Guaranty Inc.", a corporation organized and existing under the laws of the State of Maryland, and "Assured Guaranty Municipal Corp.", a corporation incorporated on March 16, 1984, under the general laws of the State of New York. AGM is registered to do business in Maryland, and the date of its registration was January 1, 2005.

FOURTH: The total number of shares of stock of all classes or series which AGM has authority to issue is Five Thousand One Hundred Twenty-Two and One Tenth (5,122.1) shares, consisting of (i) One Hundred Twenty-Two (122) shares of common stock having a par value of One Hundred Twenty-Two Thousand Nine Hundred Fifty and 82/100 Dollars (\$122,950.82) per share, and (ii) Five Thousand and One Tenth (5,000.1) shares of perpetual preferred stock having a par value of One Thousand Dollars (\$1,000) per share, consisting of (1) Five Hundred and One Hundredth (500.01) shares designated as Series A Perpetual Preferred Shares, par value \$1,000 per share, (2) Five Hundred and One Hundredth (500.01) shares designated as Series B Perpetual Preferred Shares, par value \$1,000 per share, (3) Five Hundred and One Hundredth (500.01) shares designated as Series C Perpetual Preferred Shares, par value \$1,000 per share, and (4) Five Hundred and One Hundredth (500.01) shares designated as Series D Perpetual

STATE OF MARYLAND
I hereby certify that this is a true and complete copy of the
page document on file in this office. DATED: 8/1/2024 77
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION
BY: [Signature] Custodian
This stamp replaces our previous certification system, Effective 6/95



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Preferred Shares, par value \$1,000 per share. The aggregate par value of all such shares of all classes and series is Twenty Million One Hundred and 04/100 Dollars (\$20,000,100.04). The number of issued and outstanding shares is 122 shares of common stock.

The total number of shares of stock of all classes which AG has authority to issue is Six Hundred Eighty-Eight Thousand Nine Hundred Thirty-One (688,931) shares, consisting of (i) Four Hundred Eighty-Eight Thousand Nine Hundred Twenty-Seven (488,927) shares of Common Stock, par value \$1,536.77697 per share, and (ii) Two Hundred Thousand Four (200,004) shares of Preferred Stock, par value One Thousand Dollars (\$1,000) per share, consisting of (1) Fifty Thousand One (50,001) shares designated as Series A Perpetual Preferred Shares, par value \$1,000 per share, (2) Fifty Thousand One (50,001) shares designated as Series B Perpetual Preferred Shares, par value \$1,000 per share, (3) Fifty Thousand One (50,001) shares designated as Series C Perpetual Preferred Shares, par value \$1,000 per share, and (4) Fifty Thousand One (50,001) shares designated as Series D Perpetual Preferred Shares, par value \$1,000 per share. The aggregate par value of all shares of stock of all classes which AG has authority to issue is Nine Hundred Fifty-One Million Three Hundred Seventy-Five Thousand Seven Hundred Fifty-Three and 61/100 Dollars (\$951,375,753.61). The number of issued and outstanding shares is 9,761 shares of common stock.

FIFTH: All of the issued and outstanding shares of common stock of AGM and AG are owned by Assured Guaranty Municipal Holdings Inc. ("**AGM Holdings**"), which is the parent company of both AGM and AG. The shares of common stock of AG issued and outstanding immediately prior to the effective time of the merger shall not be converted or otherwise affected by the merger, but each said share shall continue to represent one issued and outstanding share of the common stock of the surviving company. No shares of AG are to be issued for shares of AGM, but upon the effective date of these Articles of Merger, the issued and outstanding shares of common stock of AGM shall be surrendered for cancellation to AGM Holdings, the surviving company's parent corporation, which, from and after the effective date of these Articles of Merger, shall continue to be the sole shareholder of AG, as the surviving company.

SIXTH: The terms and conditions of the merger set forth in these Articles of Merger and the Agreement and Plan of Merger, dated as of August 1, 2024, between AG and AGM (the "**Merger Agreement**") were duly advised, authorized and approved by (i) the Board of Directors of AG, and (ii) the sole shareholder of AG, in each case in the manner and by the vote required by its charter and the laws of the State of Maryland. The Board of Directors of AG, at a meeting duly called and held on March 26, 2024, adopted resolutions pursuant to which it determined that the proposed merger set forth in these Articles of Merger and the Merger Agreement was advisable and in the best interests of AG and approved the proposed merger on substantially the terms and conditions set forth or referred to in the resolutions. Each of Assured Guaranty US Holdings Inc. ("**AGUS Holdings**") and AGM Holdings, respectively the shareholder entitled to notice of and to vote on the proposed merger as of April 3, 2024 and immediately prior to the effective time of the merger, pursuant to written consents dated April 3, 2024, each adopted

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resolutions pursuant to which it respectively approved the proposed merger set forth in these Articles of Merger and the Merger Agreement on substantially the terms and conditions set forth or referred to in the resolutions, as recommended and advised by the Board of Directors of AG. AGUS Holdings and AGM Holdings each waived all notice of the time, place, prior written notice and purpose of a meeting to act on the proposed merger.

SEVENTH: The terms and conditions of the merger set forth in these Articles of Merger and the Merger Agreement were duly advised, authorized and approved by (i) the Board of Directors of AGM, and (ii) the sole shareholder of AGM, in each case in the manner and by the vote required by its charter and the laws of the State of New York. The Board of Directors of AGM, at a meeting duly called and held on March 26, 2024, adopted resolutions pursuant to which it determined that the proposed merger set forth in these Articles of Merger and the Merger Agreement was advisable and in the best interests of AGM and approved the proposed merger substantially the terms and conditions set forth or referred to in the resolutions. AGM Holdings, as the sole shareholder entitled to notice of and to vote on the proposed merger, pursuant to a written consent dated April 3, 2024, adopted resolutions pursuant to which it approved the proposed merger set forth in these Articles of Merger and the Merger Agreement on substantially the terms and conditions set forth or referred to in the resolutions, as recommended and advised by the Board of Directors of AGM. The sole shareholder of AGM waived all notice of the time, place, prior written notice and purpose of a meeting to act on the proposed merger.

EIGHTH: The principal Maryland office of AG is located in the City of Lutherville Timonium, the County of Baltimore.

AGM has no office in the State of Maryland. Said corporation also owns no property in the State of Maryland, the title to which could be affected by the recording of an instrument among Land Records.

NINTH: The principal Maryland office of AG, the surviving corporation, upon the effectiveness of the merger shall be 2405 York Road, Suite 201, Lutherville Timonium, Maryland 21093.

TENTH: At the effective time of the merger, all liens upon property of AGM and all rights of creditors of AGM shall be preserved unimpaired as liens upon the property and obligations of AG, the surviving corporation, including, without limitation, the rights of insurance policyholders and certificate holders, and all the debts, liabilities and duties of AGM shall become the debts, liabilities and duties of AG as the surviving corporation, and may be enforced against AG as the surviving corporation to the same extent as if said debts, liabilities and duties has been incurred or contracted by AG as the surviving corporation.

ELEVENTH: At the effective time of the merger, AG, the surviving corporation, shall succeed to and assume all of the rights and obligations of AGM, including all rights

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and obligations of AGM under the put option agreements, each dated June 23, 2003, between AGM (f/k/a Financial Security Assurance Inc.) and Sutton Capital Trust I, Sutton Capital Trust II, Sutton Capital Trust III, and Sutton Capital Trust IV, respectively. AG, the surviving corporation, expressly confirms that each of the foregoing agreements is binding on AGM and shall be binding on AG, the surviving corporation, following the effective time of the merger. At the effective time of the merger, AG, the surviving corporation, shall also retain all of the rights and obligations of AG under the put agreements, each dated April 8, 2005, between AG (f/k/a Assured Guaranty Corp.) and Woodbourne Capital Trust I, Woodbourne Capital Trust II, Woodbourne Capital Trust III and Woodbourne Capital Trust IV, respectively. The merger shall have the other effects set forth in the Maryland General Corporation Law.

TWELFTH: (a) As part of the merger, as permitted by Section 3-109(d) of the Maryland General Corporation Law, the charter of AG shall be amended and restated in the form annexed hereto as **Exhibit A**.

(b) The stock of AG pre-merger is described above in paragraph FOURTH of these Articles of Merger. The stock of AG, as the surviving company, and as changed by the merger, shall be as follows:

(i) The total number of shares of stock of all classes which AG has authority to issue shall be increased from Six Hundred Eighty-Eight Thousand Nine Hundred Thirty-One (688,931) shares to Six Hundred Ninety-Three Thousand Nine Hundred Thirty-One and One Tenth (693,931.1) shares of capital stock, consisting of:

- (1) Four Hundred Eighty-Eight Thousand Nine Hundred Twenty-Seven (488,927) shares of Common Stock, par value \$1,536.77697 per share ("**Common Stock**");
- (2) Two Hundred Thousand Four (200,004) shares of Preferred Stock, par value One Thousand Dollars (\$1,000) per share ("**Woodbourne Preferred Stock**"), consisting of (1) Fifty Thousand One (50,001) shares designated as Woodbourne Series A Perpetual Preferred Shares, par value \$1,000 per share (the "**Woodbourne Series A Perpetual Preferred Stock**"), (2) Fifty Thousand One (50,001) shares designated as Woodbourne Series B Perpetual Preferred Shares, par value \$1,000 per share (the "**Woodbourne Series B Perpetual Preferred Stock**"), (3) Fifty Thousand One (50,001) shares designated as Woodbourne Series C Perpetual Preferred Shares, par value \$1,000 per share (the "**Woodbourne Series C Perpetual Preferred Stock**"), and (4) Fifty Thousand One (50,001) shares designated as Woodbourne Series D Perpetual Preferred Shares, par value \$1,000 per share (the "**Woodbourne Series D Perpetual Preferred Stock**"); and
- (3) Five Thousand and One Tenth (5,000.1) shares of perpetual preferred stock having a par value of One Thousand Dollars (\$1,000) per share ("**Sutton Preferred Stock**"), consisting of (1) Five Hundred and One Hundredth (500.01)

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shares designated as Sutton Series A Perpetual Preferred Shares, par value \$1,000 per share (the “**Sutton Series A Perpetual Preferred Stock**”), (2) Five Hundred and One Hundredth (500.01) shares designated as Sutton Series B Perpetual Preferred Shares, par value \$1,000 per share (the “**Sutton Series B Perpetual Preferred Stock**”), (3) Five Hundred and One Hundredth (500.01) shares designated as Sutton Series C Perpetual Preferred Shares, par value \$1,000 per share (the “**Sutton Series C Perpetual Preferred Stock**”), and (4) Five Hundred and One Hundredth (500.01) shares designated as Sutton Series D Perpetual Preferred Shares, par value \$1,000 per share (the “**Sutton Series D Perpetual Preferred Stock**”).

(ii) The aggregate par value of all shares of stock of all classes which AG has authority to issue shall be increased from Nine Hundred Fifty-One Million Three Hundred Seventy-Five Thousand Seven Hundred Fifty-Three and 61/100 Dollars (\$951,375,753.61) to Nine Hundred Fifty-Six Million Three Hundred Seventy-Five Thousand Eight Hundred Fifty-Three and 61/100 Dollars (\$956,375,853.61).


THIRTEENTH: The merger shall become effective upon the acceptance for record of these Articles of Merger by the SDAT.

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IN WITNESS WHEREOF, Assured Guaranty Municipal Corp. and Assured Guaranty Inc., the parties to the merger, have caused these Articles of Merger to be signed in their respective corporate names and on their behalf by their respective Chief Executive Officers & Presidents and witnessed or attested by their respective General Counsels & Secretaries all as of the 1st day of August, 2024.

ASSURED GUARANTY INC.

By: 
Name: Dominic J. Frederico
Title: Chief Executive Officer & President

Attest: (Witness:)

By: 
Name: Ling Chow
Title: General Counsel & Secretary

ASSURED GUARANTY MUNICIPAL CORP.

By: 
Name: Dominic J. Frederico
Title: Chief Executive Officer & President

Attest: (Witness:)

By: 
Name: Ling Chow
Title: General Counsel & Secretary

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THE UNDERSIGNED, Chief Executive Officer & President of Assured Guaranty Inc., who executed on behalf of said corporation the foregoing Articles of Merger, of which this certificate is made a part, hereby acknowledges, in the name and on behalf of said corporation, the foregoing Articles of Merger to be the corporate act of said corporation and further certifies that, to the best of his knowledge, information and belief, the matters and facts set forth therein with respect to the approval thereof are true in all material respects, under the penalties of perjury.


Dominic J. Frederico

THE UNDERSIGNED, Chief Executive Officer & President of Assured Guaranty Municipal Corp., who executed on behalf of said corporation the foregoing Articles of Merger, of which this certificate is made a part, hereby acknowledges, in the name and on behalf of said corporation, the foregoing Articles of Merger to be the corporate act of said corporation and further certifies that, to the best of his knowledge, information and belief, the matters and facts set forth therein with respect to the approval thereof are true in all material respects, under the penalties of perjury.


Dominic J. Frederico

EXHIBIT A TO ARTICLES OF MERGER

ASSURED GUARANTY INC., a Maryland corporation having its principal office in Lutherville-Timonium, Maryland, desires to amend its Articles of Amendment and Restatement, as filed with, and accepted of record by, the State Department of Assessments and Taxation (the "**SDAT**") on February 14, 2005 (as amended and modified, and as the same may be amended, supplemented, corrected or restated from time to time, the "**Charter**") as part of the merger being effected pursuant to the Articles of Merger to which this **Exhibit A** is attached and forms a part as herein set forth.

* * * * *

FIRST: The name of the corporation (which is hereinafter called the "**Corporation**") is:

Assured Guaranty Inc.

SECOND: (a) The purposes for which the Corporation is formed and the business and objects to be carried on and promoted by it are:

- (1) To engage in the business of writing sureties and surety insurance, limited to:
 - (A) Any contract bond; including a bid, payment or maintenance bond or a performance bond where the bond is guaranteeing the execution of any contract other than a contract of indebtedness or other monetary obligations;
 - (B) Any indemnity bond for the benefit of a public body, railroad or charitable organization; a lost security or a utility bond payment;
 - (C) Becoming surety on, or guaranteeing the performance of, any lawful contract, except (i) mortgage guaranty insurance, (ii) any insurance contract, and (iii) service contract reimbursement insurance; and
 - (D) Becoming surety on, or guaranteeing the performance of, bonds and undertakings required or permitted in all judicial proceedings or otherwise by law allowed, including surety bonds accepted by states and municipal authorities in lieu of deposits as security for the performance of insurance contracts.
- (2) To engage in the business of writing sureties in the form of financial guaranties limited to indemnities or guaranties under which loss is payable upon proof of occurrence of financial loss, to an insured claimant, obligee or indemnitee as a result of any of the following events:

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- (A) Failure of any obligor on or issuer of any debt instrument or other monetary obligation (including equity securities guaranteed under a surety bond, insurance policy or indemnity contract) to pay when due to be paid by the obligor or scheduled at the time insured to be received by the holder of the obligation, principal, interest premium, dividend or purchase price of or on, or other amounts due or payable with respect to, such instrument or obligation, when such failure is the result of a financial default or insolvency or, provided that such payment source is investment grade, any other failure to make payment, regardless of whether such obligation is incurred directly or as guarantor by or on behalf of another obligor that has defaulted;
- (B) Changes in the levels of interest rates, whether short or long term or the differential in interest rates between various markets or products;
- (C) Changes in the rate of exchange of currency;
- (D) Changes in the value of specific assets or commodities, financial or commodity indices, or price levels in general; or,
- (E) Other events substantially similar to the foregoing, permissible by law.

(3) To engage in insurance indemnifying merchants or other persons extending credit against loss or damage resulting from non-payment of debts owed to them, for goods and services provided in the normal course of their business, including the incidental power to acquire and dispose of debts so insured, and to collect any debts owed to such insurer or to the insured.

(4) To engage in insurance that guarantees leases or contracts which set forth a specific termination value at the end of the term of the lease or contract for the property covered by such lease or contract, and which insured against loss of economic value of tangible personal property or real property or improvements thereto except loss due to physical damage to property.

(5) To acquire all or any portion of the securities of any entity engaged in any one or more businesses or transactions and to enter into various investment and similar contracts which the Board of Directors of the Corporation may from time to time authorize or approve, whether or not related to the business described elsewhere in this Article or to any other business at the time or theretofore engaged in by the Corporation.

(b) The foregoing enumerated purposes and objects shall be in no way limited or restricted by reference to, or inference from, the terms of any other clause of this or any other Article of the Charter of the Corporation, and each shall be regarded as independent; and they are intended to be and shall be construed as powers as well as

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purposes and objects of the Corporation and shall be in addition to and not in limitation of the general powers of corporations under the General laws of the State of Maryland.

THIRD: The present address of the principal office of the Corporation in this State is c/o the Corporation Trust, Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, MD 21093.

FOURTH: The name and address of the resident agent of the Corporation in this state is the Corporation Trust Incorporated, 2405 York Road, Suite 201, Lutherville Timonium, MD 21093. The resident agent is a Maryland corporation.

FIFTH: (a) The total number of shares of stock of all classes which the Corporation has authority to issue is Six Hundred Ninety-Three Thousand Nine Hundred Thirty-One and One Tenth (693,931.1) shares of capital stock, consisting of:

(1) Four Hundred Eighty-Eight Thousand Nine Hundred Twenty-Seven (488,927) shares of common stock, par value \$1,536.77697 per share ("**Common Stock**");

(2) Two Hundred Thousand Four (200,004) shares of Preferred Stock, par value One Thousand Dollars (\$1,000) per share ("**Woodbourne Preferred Stock**"), consisting of (1) Fifty Thousand One (50,001) shares designated as Woodbourne Series A Perpetual Preferred Shares, par value \$1,000 per share (the "**Woodbourne Series A Perpetual Preferred Stock**"), (2) Fifty Thousand One (50,001) shares designated as Woodbourne Series B Perpetual Preferred Shares, par value \$1,000 per share (the "**Woodbourne Series B Perpetual Preferred Stock**"), (3) Fifty Thousand One (50,001) shares designated as Woodbourne Series C Perpetual Preferred Shares, par value \$1,000 per share (the "**Woodbourne Series C Perpetual Preferred Stock**"), and (4) Fifty Thousand One (50,001) shares designated as Woodbourne Series D Perpetual Preferred Shares, par value \$1,000 per share (the "**Woodbourne Series D Perpetual Preferred Stock**"); and

(3) Five Thousand and One Tenth (5,000.1) shares of perpetual preferred stock having a par value of One Thousand Dollars (\$1,000) per share ("**Sutton Preferred Stock**"), consisting of (1) Five Hundred and One Hundredth (500.01) shares designated as Sutton Series A Perpetual Preferred Shares, par value \$1,000 per share (the "**Sutton Series A Perpetual Preferred Stock**"), (2) Five Hundred and One Hundredth (500.01) shares designated as Sutton Series B Perpetual Preferred Shares, par value \$1,000 per share (the "**Sutton Series B Perpetual Preferred Stock**"), (3) Five Hundred and One Hundredth (500.01) shares designated as Sutton Series C Perpetual Preferred Shares, par value \$1,000 per share (the "**Sutton Series C Perpetual Preferred Stock**"), and (4) Five Hundred and One Hundredth (500.01) shares designated as Sutton Series D Perpetual Preferred Shares, par value \$1,000 per share (the "**Sutton Series D Perpetual Preferred Stock**").

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The aggregate par value of all shares of stock of all classes which the Corporation has authority to issue is Nine Hundred Fifty-Six Million Three Hundred Seventy-Five Thousand Eight Hundred Fifty-Three and 61/100 Dollars (\$956,375,853.61). The Board of Directors may classify and reclassify any unissued shares of capital stock by setting or changing in any one or more respects, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms or conditions of redemption of such shares of stock.

(b) The following is a description of the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the Common Stock of the Corporation:

(1) Each share of Common Stock shall have one vote, and, except as otherwise provided in respect of any class of stock hereafter classified or reclassified, the exclusive voting power for all purposes shall be vested in the holders of the Common Stock.

(2) Subject to the provisions of law and any preferences of any class of stock hereafter classified or reclassified, dividends, including dividends payable in shares of another class of the Corporation's stock, may be paid on the Common Stock of the Corporation at such time and in such amounts as the Board of Directors may deem advisable.

(3) Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Common Stock shall be entitled, after (i) payment or provision for payment of the debts and other liabilities of the Corporation and (ii) the amount to which the holders of any class of stock hereafter classified or reclassified having a preference on distributions in the liquidation, dissolution or winding up of the Corporation shall be entitled, together with the holders of any other class of stock hereafter classified or reclassified not having a preference on distributions in the liquidation, dissolution or winding up of the Corporation, to share ratably in the remaining net assets of the Corporation.

(c) As to the Woodbourne Preferred Stock of the Corporation and Sutton Preferred Stock of the Corporation:

(1) The terms, preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the Woodbourne Preferred Stock are set forth in Annex A hereto which is incorporated by reference herein.

(2) The terms, preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the Sutton Preferred Stock are set forth in Annex B hereto which is incorporated by reference herein.

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(3) The shares of Woodbourne Preferred Stock and the shares of Sutton Preferred Stock shall rank on a parity with each other in the payment of dividends and in the distribution of assets on any liquidation, dissolution or winding up of the Corporation.

(d) Subject to the foregoing, the power of the Board of Directors to classify and reclassify any of the shares of capital stock shall include, without limitation, subject to the provisions of the Charter, authority to classify or reclassify any unissued shares of such stock into a class or classes of preferred stock, preference stock, special stock or other stock, and to divide and classify shares of any class into one or more series of such class, by determining, fixing, or altering one or more of the following:

(1) The distinctive designation of such class or series and the number of shares to constitute such class or series; provided that, unless otherwise prohibited by the terms of such or any other class or series, the number of shares of any class or series may be decreased by the Board of Directors in connection with any classification or reclassification of unissued shares and the number of shares of such class or series may be increased by the Board of Directors in connection with any such classification or reclassification, and any shares of any class or series which have been redeemed, purchased, otherwise acquired or converted into shares of Common Stock or any other class or series shall become part of the authorized capital stock and be subject to classification and reclassification as provided in this Section.

(2) Whether or not and, if so, the rates, amounts and times at which, and the conditions under which, dividends shall be payable on shares of such class or series, whether any such dividends shall rank senior or junior to or on a parity with the dividends payable on any other class or series of stock, and the status of any such dividends as cumulative, cumulative to a limited extent or non-cumulative and as participating or non-participating.

(3) Whether or not shares of such class or series shall have voting rights, in addition to any voting rights provided by law and, if so, the terms of such voting rights.

(4) Whether or not shares of such class or series shall have conversion or exchange privileges and, if so, the terms and conditions thereof, including provision for adjustment of the conversion or exchange rate in such events or at such times as the Board of Directors shall determine.

(5) Whether or not shares of such class or series shall be subject to redemption and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates; and whether or not there shall be any sinking fund or purchase account in respect thereof, and if so, the terms thereof.

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(6) The rights of the holders of shares of such class or series upon the liquidation, dissolution or winding up of the affairs of, or upon any distribution of the assets of, the Corporation, which rights may vary depending upon whether such liquidation, dissolution or winding up is voluntary or involuntary and, if voluntary, may vary at different dates, and whether such rights shall rank senior or junior to or on a parity with such rights of any other class or series of stock.

(7) Whether or not there shall be any limitations applicable, while shares of such class or series are outstanding, upon the payment of dividends or making of distributions on, or the acquisition of, or the use of moneys for purchase or redemption of any stock of the Corporation, or upon any other action of the Corporation, including action under this Section, and, if so, the terms and conditions thereof.

(8) Any other preferences, rights, restrictions, including restrictions on transferability, and qualifications of shares of such class or series, not inconsistent with law and the Charter of the Corporation.

(e) For the purposes hereof and of any articles supplementary to the Charter providing for the classification or reclassification of any shares of capital stock or of any other Charter document of the Corporation (unless otherwise provided in any such articles or document), any class or series of stock of the Corporation shall be deemed to rank:

(1) prior to another class or series either as to dividends or upon liquidation, if the holders of such class or series *shall* be entitled to the receipt of dividends or of amounts distributable on liquidation, dissolution or winding up, as the case may be, in preference or priority to holders of such other class or series;

(2) on a parity with another class or series either as to dividends or upon liquidation, whether or not the dividend rates, dividend payment dates or redemption or liquidation price per share thereof be different from those of such others, if the holders of such class or series of stock shall be entitled to receipt of dividends or amounts distributable upon liquidation, dissolution or winding up, as the case may be, in proportion to their respective dividend rates or redemption or liquidation prices, without preference or priority over the holders of such other class or series; and

(3) junior to another class or series either as to dividends or upon liquidation, if the rights of the holders of such class or series shall be subject or subordinate to the rights of the holders of such other class or series in respect of the receipt of dividends or the amounts distributable upon liquidation, dissolution or winding up, as the case may be.

(f) The Corporation shall be prohibited from issuing shares of the Corporation's stock that are acquired by the Corporation, and any such shares so acquired by the Corporation shall be retired upon their acquisition by the Corporation.

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SIXTH: The number of directors of the Corporation shall be nine, which number may be increased or decreased pursuant to the By-Laws of the Corporation, but shall never be less than the minimum number permitted by the General Laws of the State of Maryland now or hereafter in force. The following individuals shall act as directors until their successors are duly chosen and qualified:

Robert Adam Bailenson
Laura Ann Bieling
Ashleigh Lyn Bischoff
Gon Ling Chow
Stephen Donnarumma
Dominic John Frederico
Jorge Augusto Gana
Holly Larie Horn
Alfonso John Pisani
Benjamin Gad Rosenblum

SEVENTH: (a) The following provisions are hereby adopted for the purpose of defining, limiting and regulating the powers of the Corporation and of the directors and stockholders:

(1) The Board of Directors of the Corporation is hereby empowered to authorize the issuance from time to time of shares of its stock of any class, whether now or hereafter authorized, or securities convertible into shares of its stock of any class or classes, whether now or hereafter authorized, for such consideration as may be deemed advisable by the Board of Directors and without any action by the stockholders.

(2) No holder of any stock or any other securities of the Corporation, whether now or hereafter authorized, shall have any preemptive right to subscribe for or purchase any stock or any other securities of the Corporation other than such, if any, as the Board of Directors, in its sole discretion, may determine and at such price or prices and upon such other terms as the Board of Directors, in its sole discretion, may fix; and any stock or other securities which the Board of Directors may determine to offer for subscription may, as the Board of Directors in its sole discretion shall determine, be offered to the holders of any class, series or type of stock or other securities at the time outstanding to the exclusion of the holders of any or all other classes, series or types of stock or other securities at the time outstanding.

(3) The Board of Directors of the Corporation shall, consistent with applicable law, have power in its sole discretion to determine from time to time in accordance with sound accounting practice or other reasonable valuation methods what constitutes annual or other net profits, earnings, surplus, assets, liabilities, or net assets in excess of capital; to fix and vary from time to time the amount to be reserved as working capital, or determine that retained earnings or surplus shall remain in the hands of the Corporation; to set apart out of any funds

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of the Corporation such reserve or reserves in such amount or amounts and for such proper purpose or purposes as it shall determine and to abolish any such reserve or any part thereof; to distribute and pay distributions or dividends in stock, cash or other securities or property, out of surplus or any other funds or amounts legally available therefor, at such times and to the stockholders of record on such dates as it may, from time to time, determine; and to determine whether and to what extent and at what times and places and under what conditions and regulations the books, accounts and documents of the Corporation, or any of them, shall be open to the inspection of stockholders, except as otherwise provided by statute or by the By-Laws, and, except as so provided, no stockholder shall have any right to inspect any book, account or document of the Corporation unless authorized so to do by resolution of the Board of Directors.

(4) Unless the By-Laws otherwise provide, any officer or employee of the Corporation (other than a director) may be removed at any time with or without cause by the Board of Directors or by any committee or superior officer upon whom such power of removal may be conferred by the By-Laws or by authority of the Board of Directors.

(5) The Corporation shall indemnify (A) its directors, and officers, whether serving the Corporation or at its request any other entity, to the full extent required or permitted by the General Laws of the State of Maryland now or hereafter in force, including the advance of expenses under the procedures and to the full extent permitted by law and (B) other employees and agents to such extent as shall be authorized by the Board of Directors or the Corporation's By-Laws and be permitted by law. The foregoing rights of indemnification shall not be exclusive of any other rights to which those seeking indemnification may be entitled. The Board of Directors may take such action as is necessary to carry out these indemnification provisions and is expressly empowered to adopt, approve and amend from time to time such by-laws, resolutions or contracts implementing such provisions or such further indemnification arrangements as may be permitted by law. No amendment of the Charter of the Corporation shall limit or eliminate the right to indemnification provided thereunder with respect to acts or omissions occurring prior to such amendment or repeal.

(6) To the fullest extent permitted by Maryland statutory or decisional law, as amended or interpreted, no director or officer of this Corporation shall be personally liable to the Corporation or its stockholders for money damages. No amendment of the Charter of the Corporation or repeal of any of its provisions shall limit or eliminate the benefits provided to directors and officers under this provision with respect to any act or omission which occurred prior to such amendment or repeal.

(7) The Corporation reserves the right from time to time to make any amendments of its Charter which may now or hereafter be authorized by law, including any amendments changing the terms or contract rights, as expressly set

Execution Version

forth in its Charter, of any of its outstanding stock by classification, reclassification or otherwise.

(8) A contract or other transaction between the Corporation and any of its directors or between the Corporation and any other corporation, firm or other entity in which any of its directors is a director or has a material financial interest is not void or voidable solely because of any one or more of the following: the common directorship or interest; the presence of the director at the meeting of the Board of Directors which authorizes, approves, or ratifies the contract or transaction; or the counting of the vote of the director for the authorization, approval, or ratification of the contract or transaction. This Section applies if:

- (A) the fact of the common directorship or interest is disclosed or known to: the Board of Directors and the Board authorizes, approves, or ratifies the contract or transaction by the affirmative vote of the majority of disinterested directors, even if the disinterested directors constitute less than a quorum; or the stockholders entitled to vote, and the contract or transaction is authorized, approved, or ratified by a majority of the votes cast by the stockholders entitled to vote other than the votes of shares owned of record or beneficially by the interested director or Corporation, firm, or other entity; or
- (B) the contract or transaction is fair and reasonable to the Corporation.

Common or interested directors or the stock owned by them or by an interested corporation, firm, or other entity may be counted in determining the presence of the quorum at a meeting of the Board of Directors or at a meeting of the stockholders, as the case may be, at which the contract or transaction is authorized, approved, or ratified. If a contract or transaction is not authorized, approved, or ratified in one of the ways provided for in clause (a) of the second sentence of this Section, the person asserting the validity of the contract or transaction bears the burden of proving that the contract or transaction was fair and reasonable to the Corporation at the time it was authorized, approved, or ratified. The procedures in this Section do not apply to the fixing by the Board of Directors of reasonable compensation for a director, whether as a director or in any other capacity.

(b) The enumeration and definition of particular powers of the Board of Directors included in the foregoing shall in no way be limited or restricted by reference to or inference from the terms of any other clause of this or any other Article of the Charter of the Corporation, or construed as or deemed by inference or otherwise in any manner to exclude or limit any powers conferred upon the Board of Directors under the General Laws of the State of Maryland now or hereafter in force.

Execution Version

EIGHTH: The duration of the Corporation shall be perpetual.

* * * *

ANNEX A TO EXHIBIT A TO ARTICLES OF MERGER

**WOODBOURNE SERIES A PERPETUAL PREFERRED SHARES
WOODBOURNE SERIES B PERPETUAL PREFERRED SHARES
WOODBOURNE SERIES C PERPETUAL PREFERRED SHARES
WOODBOURNE SERIES D PERPETUAL PREFERRED SHARES**

Pursuant to subsection (c)(1) of Article Fifth of the Amended and Restated Charter of Assured Guaranty Inc., the terms, preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the Woodbourne Preferred Stock, as that term is defined in the Amended and Restated Charter of Assured Guaranty Inc., are hereby set forth in this **Annex A**, and shall be as follows:

(a) **Authorization**. There is hereby authorized and created four series of perpetual preferred stock (hereinafter called the “Woodbourne Preferred Stock”), each series to be comprised of 50,001 shares, with a liquidation preference of one thousand dollars (\$1,000) per share with the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions as set forth below.

(b) **Initial Series Designations**. The series shall be designated as follows: “Woodbourne Series A Perpetual Preferred Shares,” “Woodbourne Series B Perpetual Preferred Shares,” “Woodbourne Series C Perpetual Preferred Shares” and “Woodbourne Series D Perpetual Preferred Shares.”

(c) **Definitions**. Unless the context or use indicates another or different meaning or intent, the following terms *shall* have the following meanings within this Annex A, whether used in the singular or plural:

“**Affiliate**” shall mean, as to any Person, any other Person controlled by, in control of, or under common control with, such Person.

“**Agent Member**” shall mean a member of the Securities Depository that will act on behalf of an Existing Holder or a Potential Holder that is identified as such in a Holder’s Purchaser Letter.

“**Auction**” shall mean a periodic implementation of the Auction Procedures.

“**Auction Agent**” shall mean The Bank of New York (Delaware) unless and until (i) another commercial bank or trust company duly organized under the laws of the United States of America and/or any state or territory thereof, having its principal place of business in New York, New York, and having a combined capital stock surplus and undivided profits of at least US\$15,000,000, or (ii) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least US\$15,000,000, and in either case authorized by law to perform all the duties imposed on it under the Auction Agent Agreement and appointed by the Trustee, enters into an agreement with the Custodial

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Trusts and the Broker-Dealers to follow the Auction Procedures for the purpose of determining the Auction Rate and to act as transfer agent, registrar or dividend disbursing agent for the Woodbourne Preferred Stock to the extent such Woodbourne Preferred Stock is not held through a Clearing Agency.

“Auction Agent Agreement” shall mean the agreement entered into among the Custodial Trusts, the Broker-Dealers and the Auction Agent and any similar agreement with a successor Auction Agent, which provides, among other things, that the Auction Agent will follow the Auction Procedures for the purpose of determining the Auction Rate.

“Auction Date” shall mean the last business date next preceding each Distribution Payment Date.

“Auction Procedures” shall mean the procedures set forth in the Auction Agent Agreement for conducting Auctions, substantially as described in Sections (o) through (u), inclusive, below.

“Auction Rate” shall mean a rate per annum equal to the lesser of (i) the rate provided to the Corporation by the Auction Agent, as determined by the Auction Agent pursuant to the Auction Procedures (notwithstanding that such Auction Procedures relate to the CCS Securities) and (ii) the Maximum Rate.

“Broker-Dealer” shall mean any broker-dealer or other entity permitted by law (i) to perform the functions required of a broker-dealer in the Auction Procedures, (ii) that is a member of, or a participant in, the Securities Depository and (iii) that has been selected by the Trustee and has entered into a Broker-Dealer Agreement that remains effective.

“Broker-Dealer Agreement” shall mean any agreement among the Custodial Trusts, the Auction Agent and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the Auction Procedures.

“Business Day” shall mean a day on which the New York Stock Exchange is open for trading and which is not a Saturday, Sunday or any other day on which the banks in The City of New York, New York are authorized or obligated by law to close.

“By-Laws” shall mean the By-Laws of the Corporation.

“CCS Liquidation Amount” means, with respect to each CCS Security, the then current face amount of such CCS Security.

“CCS Security” or “CCS Securities” shall mean each of the Committed Capital Securities issued by Woodbourne Capital Trust I, Woodbourne Capital Trust II, Woodbourne Capital Trust III or Woodbourne Capital Trust IV or all such series, as the context requires.

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“Clearing Agency” shall mean an organization registered as a “clearing agency” pursuant to Section 17A of the Securities Exchange Act of 1934, as amended. The Depository Trust Company will be the initial Clearing Agency.

“Clearing Agency Participant” shall mean a broker, dealer, bank, other financial institution or other Person for whom from time to time a Clearing Agency effects book-entry transfers and pledges of securities deposited with the Clearing Agency.

“Common Stock” means common stock of the Corporation.

“Corporation” means Assured Guaranty Inc., a Maryland domestic stock insurer.

“Custodial Trust” shall mean any issuer of CCS Securities.

“Date of Original Issue” shall mean, for each series of Woodbourne Preferred Stock, the date on which such series was initially issued.

“Delayed Auction” shall mean that following any allocation of any loss of principal or interest with respect to eligible assets held by a Custodial Trust realized on or after the third Business Day preceding an Auction Date or on an Auction Date, the then outstanding aggregate CCS Liquidation Amount of that Custodial Trust’s CCS Securities (other than the Tax Matters Partner Share) will be reduced in integral increments of \$100,000 to reflect such loss and the Auction Date for such CCS Securities will be delayed by three (3) Business Days.

“Delayed Auction Rate” shall mean the rate (expressed as a percentage rounded to one-thousandth (.001) of 1.000%) that is equal to the sum of (A) One-Month CME Term SOFR on the originally scheduled Auction Date for related delayed auction period, plus (B) 2.11448%); provided that if the rating of the CCS Securities drops below “Aa3” or below “AA-,” the Delayed Auction Rate will be One-Month CME Term SOFR on the originally scheduled Auction Date plus 2.61448%).

“Distribution Payment Date” shall mean the first Business Day following the last day of each Distribution Period applicable to a series of Woodbourne Preferred Stock.

“Distribution Period” shall mean, for each series of Woodbourne Preferred Stock (i) the period commencing on, and including, the Distribution Payment Date for a series of Woodbourne Preferred Stock for the preceding Distribution Period and ending on and including the 49th day thereafter, or (ii) following a Fixed Rate Distribution Event, the period commencing on and including the Distribution Payment Date for such series of Woodbourne Preferred Stock for the preceding Distribution Period and ending on and including the 90th day thereafter, in each case, such ending date being the “Reference Date”; provided, that, if the Reference Date is not a Business Day, the Distribution Period for such series of Woodbourne Preferred Stock will continue to but not include the next

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Business Day, in which case the next Distribution Period for such series of Woodbourne Preferred Stock will end on and include the next Reference Date following the date on which the preceding Distribution Period for such series of Woodbourne Preferred Stock would have ended if such normally scheduled date had been a Business Day.

“Distribution Rate” shall mean, as to each share of Woodbourne Preferred Stock of a series, the rate per annum at which a Dividend shall be payable on such share of Woodbourne Preferred Stock in respect of any Distribution Period as determined pursuant to this Annex A, which rate shall be the Initial Distribution Rate, the Auction Rate, the Fixed Rate Distribution or the Maximum Rate, as applicable. For the avoidance of doubt, notwithstanding that the procedures to establish the Auction Rate relate to the CCS Securities, the rates so determined shall also apply to the Woodbourne Preferred Stock as provided herein.

“Dividend” shall mean a payment in cash declared by the Corporation payable to a Holder of Woodbourne Preferred Stock.

“Existing Holder” shall mean, in respect of any Auction, any Person who is listed as the owner of any CCS Securities on the records of the Auction Agent or Clearing Agency, as applicable, at the close of business on the Business Day prior to such Auction.

“Failed Auction” shall mean Sufficient Clearing Bids have not been made (other than because all of the outstanding CCS Securities are subject to Submitted Hold Orders) at [an] Auction scheduled to be held on [an] Auction Date.

“Fixed Rate Distribution” means a Distribution Rate equal to the fixed-rate equivalent of One-Month CME Term SOFR plus 2.61448% (the fixed-rate equivalent shall be determined by using the “bid” 30-year U.S. dollar swap rate quoted on page 19901 on the Reuters Capital Markets at 11:00 A.M. New York time on the SOFR Determination Date; if the 30-year U.S. dollar swap rate is not available, the fixed-rate equivalent will be determined by using the “bid” 10-year U.S. dollar swap rate).

“Fixed Rate Distribution Event” shall have the meaning given to such term in Section (d)(ii) hereof.

“Holder” shall mean a Person identified as a holder of record of shares of Woodbourne Preferred Stock or any CCS Securities in the Register.

“Initial Distribution Rate” shall mean, for each series of Woodbourne Preferred Stock, the Distribution Rate for the corresponding CCS Securities on the Date of Original Issue of such series of Woodbourne Preferred Stock.

“Junior Securities” shall have the meaning given to such term in Section (d)(i) hereof.

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“Liquidation Preference” shall have the meaning given to such term in Section (f)(i) hereof.

“Maximum Rate” shall mean, in respect of any Distribution Period, a rate (expressed as a percentage rounded to the nearest one one-thousandth (0.001) of 1.000%) equal to the sum of (A) the Reference Rate in effect as of the end of the Business Day prior to the Auction Date applicable to such Distribution Period, plus (B)(1) if the CCS Securities are rated at or above “Aa3” and “AA-” by Moody’s and S&P, respectively, 2.00%; or (2) if the CCS Securities are rated below “Aa3” and “AA-” by Moody’s and S&P, respectively, 2.50%; *provided, however*, that if Moody’s and S&P issue “split ratings” (e.g., “Aa3” by Moody’s and “AA” by S&P), then the lower rating shall be used to determine the Maximum Rate. In no event shall the Maximum Rate on any date of determination exceed the maximum rate permitted under applicable law.

“Moody’s” shall mean Moody’s Investor Services, Inc. and its successors.

“One-Month CME Term SOFR” means, with respect to any Dividend Period:

(1) the SOFR Reference Rate for a One-Month period on the day (such day, the “SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the commencement of the first Dividend Period following the Fixed Rate Distribution Event, as such rate is published by the One-Month CME Term SOFR Administrator; or

(2) if as of 5:00 p.m. (New York City time) on any SOFR Determination Day the SOFR Reference Rate for a One-Month period has not been published by the SOFR Administrator and a Benchmark Replacement Date with respect to the SOFR Reference Rate has not occurred, then SOFR will be the SOFR Reference Rate for such tenor as published by the SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such SOFR Reference Rate for such tenor was published by the SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such SOFR Determination Day.

For purposes of the foregoing relating to the determination of One-Month CME Term SOFR:

“SOFR Reference Rate” means the forward-looking term rate based on the Secured Overnight Financing Rate published by the SOFR Administrator.

“SOFR Determination Day” has the meaning specified in the definition of “One-Month CME Term SOFR”.

“SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the SOFR Reference Rate).

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“U.S. Government Securities Business Day” is any day other than a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. Government securities.

“Outstanding” shall mean, as of any date and for any series of Woodbourne Preferred Stock, Woodbourne Preferred Stock theretofore issued by the Corporation except, without duplication, (i) any Woodbourne Preferred Stock theretofore cancelled or delivered to the Corporation for cancellation, (ii) any Woodbourne Preferred Stock as to which the Corporation or any Affiliate thereof (including any Affiliate that is a Broker-Dealer) shall be the owner, (iii) any Woodbourne Preferred Stock represented by any certificate in lieu of which a new certificate has been executed and delivered by the Corporation or (iv) any Woodbourne Preferred Stock previously redeemed by the Corporation.

“Person” shall mean and shall include an individual, a partnership, a limited liability company, a corporation, a trust, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

“Potential Holder” shall mean any Person, including any Existing Holder, who may be interested in acquiring any Woodbourne Preferred Stock (or, in the case of an Existing Holder, additional Woodbourne Preferred Stock) either directly or indirectly through its ownership of CCS Securities.

“Purchaser Letter” shall have the meaning given to such term in Section (j) hereof.

“Redemption Date” shall have the meaning given to such term in Section (e)(i) hereof.

“Redemption Price” shall mean the price paid by the Corporation for shares of Woodbourne Preferred Stock redeemed on any Redemption Date, as determined in accordance with Section (e) hereof.

“Reference Date” shall have the meaning given to such term in this Section (c) within the definition of “Distribution Period.”

“Reference Rate” shall mean, on any date, One-Month CME Term SOFR that appears on Bloomberg Page TSFR3M (or any successor page on such service or any successor service) at approximately 6:00 a.m. (New York City time) on such date.

“Register” shall mean the register of Holders of Woodbourne Preferred Stock and CCS Securities maintained on behalf of the Corporation by the Trustee or any other Person in its capacity as transfer agent and registrar for the Woodbourne Preferred Stock and the CCS Securities.

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“Restated Charter” means that document on file with the Maryland Department of Assessment and Taxation with an effective date of August 1, 2024, as the same may be amended and restated from time to time in accordance with the provisions hereof and applicable law.

“Securities Depository” shall mean The Depository Trust Company or any successor company or other entity selected by the Corporation as securities depository for the Woodbourne Preferred Stock and the CCS Securities that agrees to follow the procedures required to be followed by such securities depository in connection with the Woodbourne Preferred Stock and the CCS Securities.

“S&P” shall mean S&P Global Ratings, a division of S&P Global Inc. and its successors.

“Tax Matters Partner” shall mean the entity acting as tax matters partner of any of the Custodial Trusts.

“Tax Matters Partner Share” shall mean the CCS Securities of a Custodial Trust owned by a Tax Matter Partner in order to qualify such entity to act as tax matters partner of the relevant Custodial Trust.

“Trustee” shall mean The Bank of New York (Delaware), as trustee of the Custodial Trusts, unless and until a successor trustee is appointed pursuant to the organizational documents of the Custodial Trusts, as the case may be.

“Woodbourne Preferred Stock Directors” shall have the meaning given to such term in Section (g)(iii) hereof.

(d) Dividends.

(i) General. Subject to the Maximum Rate for each Distribution Period, Holders of the outstanding Woodbourne Preferred Stock of any series, in preference to the holders of Common Stock and of any other class of shares ranking junior to the Woodbourne Preferred Stock (“Junior Securities”), shall be entitled to receive out of any funds legally available therefor when, as and if declared by the Board of Directors of the Corporation or a duly authorized committee thereof, cash Dividends at a rate per share equal to the Distribution Rate determined for such series of Woodbourne Preferred Stock for the respective Distribution Period. Dividends on the Woodbourne Preferred Stock will accrue from the Date of Original Issue. Absent a Fixed Rate Distribution Event or a redemption in full of the Woodbourne Preferred Stock, the Distribution Rate will be determined pursuant to the Auction Procedures. Except as specified in Section (m) hereof, if on any Auction Date an Auction is not held for any reason (other than because such date is not determined to be an Auction Date until after it has passed, in which case the Distribution Rate for the next Distribution Period shall be the Distribution Rate determined on the previous Auction Date), a Fixed Rate Distribution Event shall be deemed to have occurred on such scheduled Auction Date. So long as

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any Woodbourne Preferred Stock shall be Outstanding, no dividends, shall be paid or declared and no distribution shall be made on the Common Stock or any other shares of Junior Securities, nor shall any Common Stock be purchased, retired or otherwise acquired by the Corporation, unless all accrued and unpaid Dividends on the Woodbourne Preferred Stock for the then-current Distribution Period shall have been declared and paid or a sum sufficient for payment thereof set apart.

(A) No dividend or distribution may be paid upon or declared or set apart for any series of the Corporation's preferred stock ranking on parity as to Dividends with the Woodbourne Preferred Stock for any Distribution Period unless at the same time a like proportionate dividend for the same Distribution Period, ratable in proportion to the respective Distribution Rates fixed therefor, shall be paid upon or declared and set apart for all of the series of the Corporation's preferred stock ranking on parity as to Dividends with the Woodbourne Preferred Stock then issued and outstanding and entitled to receive such dividend or distribution.

(B) If Dividends are not paid in full upon the Woodbourne Preferred Stock or dividends on any other capital stock of the Corporation ranking on a parity as to Dividends with the Woodbourne Preferred Stock, Dividends may be declared upon shares of the Woodbourne Preferred Stock and any other such parity shares, but only if such Dividends are declared *pro rata* so that the amount of Dividends declared per share on the Woodbourne Preferred Stock and such other shares shall in all cases bear to each other the same ratio that the amount of accrued but unpaid Dividends per share on the shares of the Woodbourne Preferred Stock and such other parity shares bear to each other.

(C) Dividends (or amounts equal to accrued and unpaid Dividends) due and payable on a series of Woodbourne Preferred Stock with respect to a Distribution Period will be computed by multiplying the applicable Distribution Rate by a fraction, the numerator of which shall be the number of days in the Distribution Period and the denominator of which shall be 360, and multiplying the amount so obtained by \$1,000.

(D) Dividends shall be non-cumulative.

(E) Each Dividend shall be payable to the Holder or Holders of record of a series of Woodbourne Preferred Stock as of the opening of business on each Distribution Payment Date for each series; provided, that so long as the Woodbourne Preferred Stock is held of record by the nominee of the Securities Depository, Dividends will be paid to the nominee of a Securities Depository for each respective series. The Securities Depository will credit the accounts of the Agent Members of Holders of the Woodbourne Preferred Stock in accordance with the Securities Depository's normal procedures, which provide for payment in same-day funds. The Agent Member of a Holder will be responsible for holding or

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disbursing such payments to such Holder in accordance with the instructions of such Holder.

(ii) Fixed Rate Distribution Event. A “Fixed-Rate Distribution Event” shall occur if, with respect to any Distribution Payment Date, (A) the Corporation has elected to have the Woodbourne Preferred Stock bear the Fixed-Rate Distribution (a “Fixed Rate Election”), which election shall be made at least 10 days prior to such Distribution Payment Date, (B) the Corporation fails to pay the applicable Distribution Rate or (C) the Corporation fails to pay the fees and expenses of the related Custodial Trusts for the related Distribution Period. The Distribution Rate payable upon the occurrence of a Fixed Rate Distribution Event in respect of any series of Woodbourne Preferred Stock shall be the Fixed Rate Distribution for such series.

(e) Redemption.

(i) The Corporation shall have the right to redeem any series of Woodbourne Preferred Stock Outstanding (A) in whole or in part on any Distribution Payment Date (each, a “Redemption Date”); *provided*, that the Corporation shall redeem all of a series of Woodbourne Preferred Stock in whole not in part if after giving effect to a partial redemption, the aggregate Liquidation Preference of Woodbourne Preferred Stock of such series outstanding immediately after such partial redemption would be less than \$20,000,000. Notwithstanding the foregoing, following a Fixed Rate Distribution Event, the Corporation shall not be permitted to redeem that series of Woodbourne Preferred Stock in whole or in part prior to the second anniversary of such Fixed Rate Distribution Event. In the case of any redemption pursuant to this Section (e), the Redemption Price shall be an amount equal to the aggregate Liquidation Preference of the Woodbourne Preferred Stock to be redeemed plus accrued but unpaid Dividends on such Woodbourne Preferred Stock for the then-current Distribution Period to the Redemption Date and any declared and unpaid Dividends for any prior Distribution Period. In the event of a partial redemption of a series of Woodbourne Preferred Stock, the Redemption Price shall be allocated *pro rata* among the Holders of the Woodbourne Preferred Stock of such series. Payment of the Redemption Price will be made on the first Distribution Payment Date after the Corporation elects to redeem shares of Woodbourne Preferred Stock.

(ii) Notice of every such redemption shall be mailed, postage prepaid, to the Holders of the Woodbourne Preferred Stock to be redeemed at their respective addresses then appearing on the Register, not less than thirty (30) days nor more than sixty (60) days prior to Redemption Date. At any time before or after a notice of redemption has been given, the Corporation may deposit the aggregate Redemption Price of the Woodbourne Preferred Stock to be redeemed with any bank or trust company in New York, New York, having capital and surplus of more than \$5,000,000, named in such notice, directed to be paid to the respective Holders of the Woodbourne Preferred Stock to be redeemed, in amounts equal to

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the Redemption Price of all shares of Woodbourne Preferred Stock to be redeemed, on surrender of the stock certificate or certificates held by such Holders, and upon the making of such deposit such Holders shall cease to be shareholders with respect to such shares, and after such notice shall have been given and such deposit shall have been made, such Holders shall have no interest in or claim against the Corporation with respect to such shares except only to receive such money from such bank or trust company without interest.

(iii) If the Holders of the shares of Woodbourne Preferred Stock which shall have been called for redemption shall not, within ten (10) years after such deposit, claim the amount deposited for the redemption thereof, any such bank or trust company shall, upon demand, pay over to the Corporation such unclaimed amounts and thereupon such bank or trust company and the Corporation shall be relieved of all responsibility in respect thereof and to such Holders.

(iv) Any Woodbourne Preferred Stock redeemed by the Corporation pursuant to this Section (e) shall be canceled and resume the status of authorized and unissued capital stock without serial designation.

(f) Liquidation Preference.

(i) In the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation, to the extent allowed by applicable law, Holders will be entitled to receive an amount (the "Liquidation Preference") per share plus declared and unpaid Dividends thereon to and including the date such Liquidation Preference is paid. The Woodbourne Preferred Stock shall have a Liquidation Preference of \$1,000 per share. Payment of the Liquidation Preference will be made on the first Distribution Payment Date after the Board of Directors approves the liquidation of the Corporation.

(ii) In the event that, upon any such voluntary or involuntary dissolution, liquidation or winding up, the available assets of the Corporation are insufficient to pay the amount of the liquidating distributions on all outstanding Woodbourne Preferred Stock, then to the extent allowed by applicable law, the Holders shall share in any such distribution of assets on a *pro rata* basis. Unless and until payment in full has been made to the Holders of the Woodbourne Preferred Stock and to holders of all shares of other classes or series ranking on a parity with the Woodbourne Preferred Stock upon liquidation of the liquidating distributions to which they are entitled, upon liquidation, dissolution or winding up of the Corporation, no dividends or distributions may be made to the holders of the Common Stock or on any other class or series of Junior Securities upon liquidation and no purchase, redemption or other acquisition for any consideration by the Corporation may be made in respect of such stock or any such parity shares. After any payment of the full amount of the liquidating distributions to which they are entitled, the Holders of Woodbourne Preferred Stock will have no right or claim to any of the remaining assets of the Corporation.

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(iii) The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or the sale, lease or conveyance of all or substantially all the property or business of the Corporation, shall not be deemed to be a dissolution, liquidation or winding up, voluntary or involuntary, for the purposes of this Section (f).

(iv) A dividend or distribution of all or substantially all of the assets of the Corporation to the holders of the Corporation's Common Stock or a repurchase or redemption of all or substantially all of the Common Stock of the Corporation shall be deemed to be a dissolution, liquidation or winding up of the Corporation for purposes of this Section (f).

(g) Voting Rights.

(i) Except as set forth herein or otherwise required by applicable law, the Holders of Woodbourne Preferred Stock shall have no voting rights and their consent shall not be required for taking any corporate action.

(ii) The affirmative vote of the Holders of at least a majority of the Woodbourne Preferred Stock at the time outstanding, given in person or by proxy at a meeting called for the purpose at which all Holders of Woodbourne Preferred Stock shall vote separately as a single class, shall be necessary to effect any one or more of the following:

(A) any amendment, alteration or repeal of any of the provisions of the Restated Charter or the By-Laws that would materially adversely affect the rights or preferences of the Holders of Woodbourne Preferred Stock (including without limitation the issuance of any equity securities of the Corporation senior to the Woodbourne Preferred Stock with respect to the right to receive dividends or distribution upon a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation); *provided, however*, that for purposes of this Section (g), neither an amendment to the Restated Charter or the By-Laws so as to authorize or create, or to increase the authorized or outstanding amount of, Woodbourne Preferred Stock or of any shares of any class ranking on a parity with or junior to the Woodbourne Preferred Stock, nor an amendment to the Restated Charter or the By-Laws so as to increase the number of Directors of the Corporation shall be deemed to adversely affect the rights or preferences of the Holders of Woodbourne Preferred Stock; *provided, further*, that if such amendment, alteration or repeal materially adversely affects the rights or preferences of one or more but not all of the series of Woodbourne Preferred Stock at the time outstanding, only the affirmative vote of the holders of at least a majority of the number of the shares at the time outstanding of the series so affected shall be required; and

(B) a merger, sale of all its assets or an agreement to a voluntary liquidation of the Corporation, except if following such merger, sale of assets

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or voluntary liquidation, there would be no other preferred stock outstanding senior in right of payment to the Woodbourne Preferred Stock and the Woodbourne Preferred Stock is exchanged for preferred stock or securities of the surviving entity having the same rights and preferences with respect to such entity as the Woodbourne Preferred Stock have with respect to the Corporation.

(iii) If the Corporation fails to pay Dividends in full on the Woodbourne Preferred Stock for eighteen consecutive months or funds sufficient to pay such dividends in full shall not have been deposited with the Auction Agent, subject to applicable corporation law of the State of Maryland, the authorized number of members of the Board of Directors shall automatically be increased by two and the Holders of the Woodbourne Preferred Stock, voting as a single class, will be entitled to fill the vacancies so created by electing two additional directors (the "Woodbourne Preferred Stock Directors"). The meeting to elect the Woodbourne Preferred Stock Directors shall be held no more than 60 days after the last day of an eighteen consecutive month period during which the Corporation failed to pay Dividends on the Woodbourne Preferred Stock. The terms of the Woodbourne Preferred Stock Directors shall cease upon the Corporation paying dividends in full or the redemption of the Woodbourne Preferred Stock and, at such time, such Woodbourne Preferred Stock Directors will cease to serve on the Corporation's Board of Directors without any further action on the part of the Board of Directors or the Holders of the Woodbourne Preferred Stock.

(h) Conversion. The Woodbourne Preferred Stock may not be converted into Common Stock.

(i) Notice. All notices or communications, unless otherwise specified in the Restated Charter, shall be sufficiently given if in writing and delivered in person, mailed by first-class mail, postage prepaid, or transmitted by facsimile, email or any other standard form of written telecommunication to a Holder of Woodbourne Preferred Stock at the address of such Holder set forth in the Register. Notice shall be deemed given on the earlier of the date received or the date seven days after which such notice is mailed.

(j) Transfer Restrictions. The Woodbourne Preferred Stock may only be sold or otherwise transferred in accordance with the restrictions set forth below:

(i) The Woodbourne Preferred Stock shall bear the following legend:

"THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE OR OTHER SECURITIES LAW. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION

REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF THE SECURITIES ACT AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER AND (2) AGREES THAT IT WILL NOT PRIOR TO (X) THE DATE WHICH IS TWO YEARS (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144(k) UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF (OR OF ANY PREDECESSOR OF THIS SECURITY) OR THE LAST DAY ON WHICH ASSURED GUARANTY INC. ("ASSURED GUARANTY") OR ANY AFFILIATE OF ASSURED GUARANTY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAWS (THE "RESALE RESTRICTION TERMINATION DATE"), OFFER, SELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT (B) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, OR (C) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND: PROVIDED THAT ASSURED GUARANTY AND THE TRUSTEE SHALL HAVE THE RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (B) OR (C) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. AS USED HEREIN, THE TERMS HAVE THE MEANINGS GIVEN TO THEM BY REGULATIONS UNDER THE SECURITIES ACT."

(ii) The purchaser or transferee of any Woodbourne Preferred Stock shall deliver a letter (the "Purchaser Letter") addressed to the Trustee of the relevant Custodial Trust and the related Broker-Dealer in which such Person agrees, among other things, to offer to purchase, purchase, offer to sell and/or sell any Woodbourne Preferred Stock and/or CCS Securities only as set forth in the Auction Procedures or as otherwise required, as applicable.

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(k) Other Rights of Holders of Woodbourne Preferred Stock. Unless otherwise required by law, the Holders of Woodbourne Preferred Stock shall not have any rights other than as set forth in the Restated Charter of the Corporation.

(l) General. For the purpose hereof:

Whenever reference is made to shares “ranking on a parity with the Woodbourne Preferred Stock,” such reference shall mean and include all shares of the Corporation in respect of which the rights of the Holders thereof as to the payment of dividends or as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation rank equally with the rights of the Holders of Woodbourne Preferred Stock; and whenever reference is made to Junior Securities or shares “ranking junior to the Woodbourne Preferred Stock,” such reference shall mean and include all shares of the Corporation in respect of which the rights of the Holders thereof as to the payment of dividends and as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation are junior and subordinate to the rights of the holders of the Woodbourne Preferred Stock.

(m) Act of God, Natural Disaster, Etc.

(i) Notwithstanding anything else set forth herein, if an Auction Date does not occur as scheduled because (x) the New York Stock Exchange is closed or banks in the City of New York are closed for business due to an act of God, natural disaster, act of war, civil or military disturbance, act of terrorism, sabotage, riots or a loss or malfunction of utilities or communications services or the Auction Agent is not able to conduct an Auction in accordance with the Auction Procedures for any such reason or (y) the Auction Agent breaches its obligations or otherwise fails to perform in accordance with the terms of the Auction Agent Agreement, then, in each case, the Distribution Rate for the next Distribution Period shall be the Distribution Rate applicable during the immediately preceding Distribution Period.

(ii) Notwithstanding anything else set forth herein, if a Distribution Payment Date does not occur as scheduled because the New York Stock Exchange is closed or banks in City of New York are closed for business due to an act of God, natural disaster, act of war, civil or military disturbance, act of terrorism, sabotage, riots or a loss or malfunction of utilities or communications services or the Dividend payable on such date can not be paid for any such reason, then:

(A) the Distribution Payment Date for the affected Distribution Period shall be the next Business Day on which the Corporation and its paying agent, if any, are able to cause the Dividend to be paid using their reasonable best efforts;

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(B) the affected Distribution Period shall end on the day it would have ended had such event not occurred and the Distribution Payment Date had remained the scheduled date;

(C) the next Distribution Period will begin and end on the dates on which it would have begun and ended had such event not occurred and the Distribution Payment Date remained the scheduled date; and

(D) no interest shall accrue in respect of such delay in payment of Dividends.

(n) [Intentionally Left Blank]

(o) Certain definitions for Auction Procedures.

The following procedures shall apply equally and separately to each series of CCS Securities. As used in the Auction Procedures, the following terms shall have the following meanings, unless the context otherwise requires:

(i) “Available CCS Securities” shall have the meaning specified in Section (t)(i) hereof.

(ii) “Bid” shall have the meaning specified in Section (p)(i) hereof.

(iii) “Bidder” shall have the meaning specified in Section (p)(i) hereof.

(iv) “Hold Order” shall have the meaning specified in Section (p)(i) hereof.

(v) “Order” shall have the meaning specified in Section (p)(i) hereof.

(vi) “Remaining Amount” shall have the meaning specified in Section (u)(ii)(D) hereof.

(vii) “Sell Order” shall have the meaning specified in Section (p)(i) hereof.

(viii) “Submission Deadline” shall have the meaning set forth in Section (p)(i) hereof.

(ix) “Submitted Bid” shall have the meaning set forth in Section (s)(i) hereof.

(x) “Submitted Hold Order” shall have the meaning specified in Section (s)(i) hereof.

(xi) “Submitted Order” means any Submitted Bid, any Submitted Hold Order or any Submitted Sell Order.

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(xii) “Submitted Sell Order” shall have the meaning specified in Section (s)(i) hereof.

(xiii) “Sufficient Clearing Bids” shall have the meaning specified in Section (t)(i) hereof.

(xiv) “Winning Bid Rate” shall have the meaning specified in Section (t)(ii) hereof.

(p) Orders by Existing Holders and Potential Holders.

(i) Prior to 1:00 p.m. New York City time on each Auction Date or such other time on any Auction Date by which the Broker-Dealers are required to submit Orders to the Auction Agent as specified by the Auction Agent from time to time (the “Submission Deadline”):

(A) each Existing Holder of CCS Securities may submit to the Broker-Dealers an order, by telephone or otherwise, consisting of information as to:

(1) the CCS Liquidation Amount of outstanding CCS Securities, if any, held by such Existing Holder which such Existing Holder desires to continue to hold without regard to the Distribution Rate for the next succeeding Distribution Period (a “Hold Order”);

(2) the CCS Liquidation Amount of outstanding CCS Securities, if any, held by such Existing Holder which such Existing Holder offers to sell if the Distribution Rate for the next succeeding Distribution Period shall be less than the rate per annum specified by such Existing Holder (a “Bid”); or

(3) the CCS Liquidation Amount of outstanding CCS Securities, if any, held by such Existing Holder which such Existing Holder offers to sell without regard to the Distribution Rate for the next succeeding Distribution Period (a “Sell Order”); and

(B) in addition to the information specified in clause (A) above, each Existing Holder that is an investment manager, fiduciary or a Person that is submitting Orders on behalf of more than one beneficial owner of CCS Securities must submit to the Broker-Dealer an Order, by telephone or otherwise, consisting of information as to:

(1) the number of accounts for which the Order is being submitted (including accounts which are not submitting Orders in the Auction, which would be deemed Hold Orders);

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(2) the face amount of outstanding CCS Securities held by such accounts; and

(3) the nature of the Order for each account (i.e., Hold, Bid or Sell Orders), and if there is more than one Order per account, the number of shares of CCS Securities per Order; and

(C) the Broker-Dealers may contact Potential Holders by telephone or otherwise to determine the CCS Liquidation Amount of CCS Securities which each such Potential Holder offers to purchase if the Distribution Rate for the next succeeding Distribution Period is not less than the Bid specified by such Potential Holder.

For the purposes hereof, the communication to a Broker-Dealer of information referred to in clause (A) or (B) of this Section (p)(i) is hereinafter referred to as an “Order” and collectively as “Orders.” Each Existing Holder and each Potential Holder placing an Order is hereinafter referred to as a “Bidder” and collectively as “Bidders.”

(ii)

(A) Subject to the provisions described in Section (r) hereof, a Bid by an Existing Holder will constitute an irrevocable offer to sell:

(1) the CCS Liquidation Amount of CCS Securities specified in such Bid if the Distribution Rate is less than the rate specified in such Bid; or

(2) such CCS Liquidation Amount or a *lesser* CCS Liquidation Amount of CCS Securities to be determined as set forth in Section (u)(ii)(D) hereof, if the Distribution Rate is equal to the rate specified in such Bid.

Subject to the provisions described in Section (r) hereof, a Sell Order by an Existing Holder will constitute an irrevocable offer to sell the CCS Liquidation Amount of outstanding CCS Securities specified in such Sell Order.

(B) Subject to the provisions described in Section (r) hereof, a Bid by a Potential Holder will constitute an irrevocable offer to purchase:

(1) the CCS Liquidation Amount of CCS Securities specified in such Bid if the Distribution Rate is higher than the rate specified in such Bid; or

(2) such CCS Liquidation Amount or a lesser CCS Liquidation Amount of CCS Securities as set forth in Section (u)(ii)(E)

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hereof, if the Distribution Rate is equal to the rate specified in such Bid:

If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent will round such rate down to the next highest one-thousandth (0.001) of 1.000%.

If an Order or Orders covering all outstanding CCS Securities held by any Existing Holder is not submitted to the Auction Agent prior to the Submission Deadline for any reason, including the failure of a Broker-Dealer to submit such Existing Holder's Order to the Auction Agent prior to the Submission Deadline, the Auction Agent will deem a Hold Order to have been submitted on behalf of such Existing Holder covering the CCS Liquidation Amount of outstanding CCS Securities held by such Existing Holder and not subject to an Order submitted to the Auction Agent.

Neither a Custodial Trust nor the Auction Agent will be responsible for any failure of the Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Holder or Potential Holder, nor will any such party be responsible for failure by the Securities Depository, to effect any transfer or to provide the Auction Agent with current information regarding registration of transfers.

Neither the Corporation nor any Affiliate thereof, nor any Holder of a fractional share of the Woodbourne Preferred Stock or the CCS Securities may submit an Order in any Auction.

An Existing Holder may submit different types of Orders in an Auction with respect to the CCS Securities then held by such Existing Holder. An Existing Holder that offers to purchase additional CCS Securities is, for purposes of such offer, treated as a Potential Holder with respect to such securities.

(q) Maximum Rate. Any Bid specifying a rate higher than the Maximum Rate will (i) be treated as a Sell Order if submitted by an Existing Holder and (ii) not be accepted if submitted by a Potential Holder.

(r) Validity of Orders.

(i) If any Existing Holder submits through a Broker-Dealer to the Auction Agent one or more Orders covering in the aggregate more than the CCS Liquidation Amount of outstanding CCS Securities actually held by such Existing Holder, such Orders will be considered valid as follows and in the order of priority set forth below:

(A) all Hold Orders will be considered valid, but only up to and including, in the aggregate, the CCS Liquidation Amount of CCS Securities actually held by such Existing Holder, and if the aggregate CCS Liquidation Amount of CCS Securities subject to such Hold Orders exceeds the aggregate CCS Liquidation Amount of CCS Securities actually held by such

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Existing Holder, the aggregate CCS Liquidation Amount of CCS Securities subject to each such Hold Order will be reduced *pro rata* to cover the aggregate CCS Liquidation Amount of CCS Securities actually held by such Existing Holder;

(B)

(1) any Bid will be considered valid up to and including the excess of the CCS Liquidation Amount of CCS Securities actually held by such Existing Holder over the aggregate CCS Liquidation Amount of CCS Securities subject to any Hold Orders referred to in clause (A) above;

(2) subject to clause (1) above, if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate CCS Liquidation Amount of CCS Securities subject to such Bids is greater than such excess, such Bids will be considered valid up to and including the amount of such excess and the CCS Liquidation Amount of CCS Securities subject to each Bid with the same rate will be reduced *pro rata* to cover the CCS Liquidation Amount of CCS Securities equal to such excess;

(3) subject to clauses (1) and (2) above, if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids will be considered valid first in the ascending order of their respective rates until the highest rate is reached at which such excess exists and then at such rate up to and including the CCS Liquidation Amount of such excess; and

(4) in any event, the aggregate CCS Liquidation Amount of CCS Securities, if any, subject to Bids not valid under this clause (B) will be treated as the subject of a Bid by a Potential Holder at the rate therein specified; and

(C) all Sell Orders will be considered valid up to and including the excess of the aggregate CCS Liquidation Amount of CCS Securities actually held by such Existing Holder over the aggregate CCS Liquidation Amount of CCS Securities subject to Hold Orders referred to in clause (A) above and valid Bids referred to in clause (B) above; *provided, that* if the aggregate CCS Liquidation Amount of CCS Securities subject to such Sell Orders exceeds the aggregate CCS Liquidation Amount of CCS Securities held by such Existing Holder, the aggregate CCS Liquidation Amount of CCS Securities subject to each such Sell Order will be reduced *pro rata* to cover the aggregate CCS Liquidation Amount of CCS Securities held by such Existing Holder.

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If more than one Bid for CCS Securities is submitted on behalf of any Potential Holder, each Bid submitted will be a separate Bid with the rate and amount therein specified. Any Bid or Sell Order submitted by an Existing Holder not equal to an integral multiple of the CCS Liquidation Amount of each share of CCS Securities will be rejected and be deemed a Hold Order. Any Bid submitted by a Potential Holder not equal to an integral multiple of the CCS Liquidation Amount of CCS Securities will be rejected. Any Order submitted in an Auction by a Broker-Dealer to the Auction Agent prior to the Submission Deadline on any Auction Date shall be irrevocable, except in the case of a Delayed Auction, in which the new Orders will be submitted on the date of such Delayed Auction.

(s) Submission of Orders by Broker-Dealers to Auction Agent.

(i) Each Broker-Dealer shall submit in writing or through the Auction Agent's auction processing system to the Auction Agent, prior to the Submission Deadline on each Auction Date, all Orders obtained by such Broker-Dealer and specifying with respect to each Order:

(A) the name or other identifier of the Bidder placing such Order;

(B) the aggregate CCS Liquidation Amount of CCS Securities that are the subject of such Order;

(C) to the extent that such Bidder is an Existing Holder:

(1) the aggregate CCS Liquidation Amount of CCS Securities subject to any Hold Order placed by such Existing Holder (each, a "Submitted Hold Order");

(2) the aggregate CCS Liquidation Amount of CCS Securities subject to any Bid placed by such Existing Holder and the rate specified in such Bid (each, a "Submitted Bid"); and

(3) the aggregate CCS Liquidation Amount of CCS Securities subject to any Sell Order placed by such Existing Holder (each, a "Submitted Sell Order"); and

(D) to the extent such Bidder is a Potential Holder the rate specified in such Potential Holder's Bid.

(ii) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate down to the next one-thousandth (0.001) of 1.000%.

(iii) If an Order or Orders covering the aggregate CCS Liquidation Amount of CCS Securities held by an Existing Holder are not submitted to the Auction Agent prior to the Submission Deadline for any reason, including the failure

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of a Broker-Dealer to contact such Existing Holder or to submit such Existing Holder's Order to the Auction Agent, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the CCS Liquidation Amount of the CCS Securities held by such Existing Holder and not subject to Orders submitted to the Auction Agent.

(iv) If one or more Orders on behalf of an Existing Holder covering in the aggregate more than the CCS Liquidation Amount of the CCS Securities actually held by such Existing Holder are submitted to the Auction Agent, such Orders shall be considered valid as follows and in the following order of priority:

(A) all Hold Orders submitted on behalf of such Existing Holder shall be considered valid, but only up to and including in the aggregate the CCS Liquidation Amount of the CCS Securities actually held by such Existing Holder, and, if the CCS Liquidation Amount of CCS Securities subject to such Hold Orders exceeds the CCS Liquidation Amount of CCS Securities actually held by such Existing Holder, the CCS Liquidation Amount of CCS Securities subject to each such Hold Order shall be reduced *pro rata* to cover the CCS Liquidation Amount of the CCS Securities actually held by such Existing Holder:

(B)

(1) any Bid submitted on behalf of such Existing Holder shall be considered valid up to and including the excess of the CCS Liquidation Amount of the CCS Securities actually held by such Existing Holder over the CCS Liquidation Amount of the CCS Securities subject to any Hold Order referred to in clause (A) above;

(2) subject to Section (s)(iv)(B)(1) hereof, if more than one Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate CCS Liquidation Amount of the CCS Securities subject to such Bids is greater than such excess, such Bids shall be considered valid up to the amount of such excess, and the CCS Liquidation Amount of the CCS Securities subject to each Bid with the same rate shall be reduced *pro rata* to cover the CCS Liquidation Amount of the CCS Securities equal to such excess;

(3) subject to Sections (s)(iv)(B)(1) and (2) hereof, if more than one Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid first in the ascending order of their respective rates until the highest rate is reached at which such excess exists and then at such rate up to and including the CCS Liquidation Amount of such excess; and

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(4) in any such event, the number, if any, of such CCS Securities subject to Bids not valid under Section (s)(iv)(B) hereof shall be treated as the subject of a Bid by a Potential Holder; and

(C) all Sell Orders shall be considered valid but only up to and including in the aggregate the excess of the CCS Liquidation Amount of the CCS Securities actually held by such Existing Holder over the CCS Liquidation Amount of the CCS Securities subject to Hold Orders referred to in Section (s)(iv)(A) hereof and valid Bids referred to in Section (s)(iv)(B) hereof.

(v) If more than one Bid is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate and CCS Liquidation Amount of the CCS Securities therein specified.

(t) Determination of Sufficient Clearing Bids, Winning Bid Rate and Distribution Rate.

(i) Not earlier than the Submission Deadline on each Auction Date, the Auction Agent will assemble all valid Submitted Orders and will determine the excess of the total CCS Liquidation Amount of CCS Securities on such Auction Date over the sum of the aggregate CCS Liquidation Amount of CCS Securities subject to Submitted Hold Orders (such excess being hereinafter referred to as the "Available CCS Securities"), and whether Sufficient Clearing Bids have been made in the Auction. "Sufficient Clearing Bids" will have been made if the number of CCS Securities that are the subject of Submitted Bids by Potential Holders specifying rates not higher than the applicable Maximum Rate (subject to the limitation that the number of Existing Holders of CCS Securities cannot exceed the Maximum Number of Holders) equals or exceeds the number of CCS Securities that are the subject of Submitted Sell Orders (including the number of CCS Securities subject to Bids by Existing Holders specifying rates higher than the applicable Maximum Rate).

(ii) If Sufficient Clearing Bids have been made, the Auction Agent will determine the lowest rate specified in the Submitted Bids (the "Winning Bid Rate") which, taking into account the rates in the Submitted Bids of Existing Holders, would result in Existing Holders continuing to hold an aggregate amount of CCS Securities which, when added to the amount of CCS Securities to be purchased by Potential Holders, based on the rates in their Submitted Bids, would equal not less than the CCS Liquidation Amount of Available CCS Securities. In such event, the Winning Bid Rate will be the Distribution Rate for the next succeeding Distribution Period.

(iii) If a Failed Auction occurs, the Distribution Rate will be the Maximum Rate for the next succeeding Distribution Period.

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(iv) If all of the Existing Holders indicate a desire to hold all of the CCS Securities of a Series without regard to the Distribution Rate, the Distribution Rate payable on such CCS Securities for the next Distribution Period will be a percentage (as selected by the Board of Directors prior to the issuance of the CCS Securities) of the Reference Rate in effect as of the end of the Auction Date. If all outstanding CCS Securities of a Custodial Trust are subject to Hold Orders (as defined in Section (p)(i) hereof), the Distribution Rate for the next Distribution Period will be a rate per annum equal to 95% of the Reference Rate on the Auction Date for such Distribution Period.

(u) Acceptance and Rejection of Orders.

(i) Existing Holders will continue to hold the CCS Liquidation Amount of CCS Securities that are subject to Submitted Hold Orders and, based on the determination made as described under Section (r) hereof, Submitted Bids and Submitted Sell Orders will be accepted or rejected and the Auction Agent will take such other action as set forth below.

(ii) If Sufficient Clearing Bids have been made, all Submitted Sell Orders will be accepted and, subject to the discretion of the Auction Agent to round and allocate certain CCS Securities as described below, Submitted Bids will be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(A) Existing Holders' Submitted Bids specifying any rate that is higher than the Winning Bid Rate will be accepted, thus requiring each such Existing Holder to sell the aggregate CCS Liquidation Amount of CCS Securities subject to such Submitted Bids;

(B) each Existing Holder's Submitted Bid specifying any rate that is lower than the Winning Bid Rate will be rejected, thus entitling each such Existing Holder to continue to hold the aggregate CCS Liquidation Amount of CCS Securities subject to such Submitted Bids;

(C) Potential Holders' Submitted Bids specifying any rate that is lower than the Winning Bid Rate will be accepted;

(D) each Existing Holder's Submitted Bids specifying a rate that is equal to the Winning Bid Rate will be rejected, thus entitling each such Existing Holder to continue to hold the aggregate CCS Liquidation Amount of CCS Securities subject to such Submitted Bid, unless the aggregate CCS Liquidation Amount of CCS Securities subject to all such Submitted Bids is greater than the CCS Liquidation Amount of CCS Securities (the "Remaining Amount") equal to the excess of the Available CCS Securities over the aggregate CCS Liquidation Amount of CCS Securities subject to Submitted Bids described in clauses (B) and (C) above, in which event such Submitted Bid of such Existing Holder will be rejected in part, and such

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Existing Holder will be entitled to continue to hold the CCS Liquidation Amount of CCS Securities subject to such Submitted Bid, but only in a CCS Liquidation Amount equal to the aggregate CCS Liquidation Amount of CCS Securities obtained by multiplying the Remaining Amount by a fraction, the numerator of which is the CCS Liquidation Amount of CCS Securities held by such Existing Holder subject to such Submitted Bid and the denominator of which is the sum of the CCS Liquidation Amount of outstanding CCS Securities subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate; and

(E) each Potential Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate will be accepted but only in a CCS Liquidation Amount equal to the CCS Liquidation Amount of CCS Securities obtained by multiplying the excess of the aggregate CCS Liquidation Amount of Available CCS Securities over the aggregate CCS Liquidation Amount of CCS Securities subject to Submitted Bids described in clauses (B), (C) and (D) above by a fraction, the numerator of which is the aggregate CCS Liquidation Amount of CCS Securities subject to such Submitted Bid and the denominator of which is the sum of the CCS Liquidation Amount of CCS Securities subject to Submitted Bids made by all such Potential Holders that specified a rate equal to the Winning Bid Rate.

(iii) If Sufficient Clearing Bids have not been made (other than because all of the CCS Securities are subject to Submitted Hold Orders), subject to the discretion of the Auction Agent to round and allocate certain CCS Securities as described below, Submitted Orders will be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(A) Existing Holders' Submitted Bids specifying any rate that is equal to or lower than the applicable Maximum Rate will be rejected, thus entitling each such Existing Holder to continue to hold the aggregate CCS Liquidation Amount of CCS Securities subject to such Submitted Bids;

(B) Potential Holders' Submitted Bids specifying any rate that is equal to or lower than the applicable Maximum Rate will be accepted, thus requiring such Potential Holders to purchase the aggregate CCS Liquidation Amount of CCS Securities subject to such Submitted Bids; and

(C) each Existing Holder's Submitted Bids specifying any rate that is higher than the applicable Maximum Rate and the Submitted Sell Order of each Existing holder will be accepted, thus entitling each Existing Holder that submitted any such Submitted Bid or Submitted Sell Order to sell the CCS Securities subject to such Submitted Bid or Submitted Sell Order, but in both cases only in a CCS Liquidation Amount equal to the aggregate CCS Liquidation Amount of CCS Securities obtained by multiplying the aggregate CCS Liquidation Amount of CCS Securities subject to Submitted Bids described in clause (B) above by a fraction, the numerator of which is

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the aggregate CCS Liquidation Amount of CCS Securities held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which is the aggregate CCS Liquidation Amount of CCS Securities subject to all such Submitted Bids and Submitted Sell Orders.

If all CCS Securities are subject to Submitted Hold Orders, all Submitted Bids will be rejected.

If as a result of the procedures described in clause (B) or (C) above, any Existing Holder would be entitled or required to sell, or any Potential Holder would be entitled or required to purchase, a fraction of a security of CCS Securities, the Auction Agent will, in such manner as it will, in its sole discretion, determine, round up or down the number of CCS Securities to be purchased or sold by any Existing Holder or Potential Holder so that only whole securities will be entitled to be purchased or sold by each Potential Holder or Existing Holder even if such allocation results in one or more of such Potential Holders not purchasing any CCS Securities.

Based on the results of each Auction, the Auction Agent will determine the aggregate CCS Liquidation Amount of CCS Securities to be purchased and the aggregate CCS Liquidation Amount of CCS Securities to be sold by Potential Holders and Existing Holders (other than any fractional Tax Matters Partner Share) on whose behalf the Broker-Dealer submitted Bids or Sell Orders.

(v) Maximum Number of Partners.

(i) Unless and until the Broker-Dealer notifies the Auction Agent of a different number, the “maximum number of partners” for a Custodial Trust’s CCS Securities shall be 100. If the Broker-Dealer determines (and provides written notice thereof to the Auction Agent prior to 10:00 a.m., New York City time, on any Auction Date) that as a result of allocations of CCS Securities made by the Auction Agent in an Auction in accordance with the Auction Procedures, there is a significant possibility that the number of partners of a Custodial Trust’s CCS Securities would be greater than the maximum number of partners, the Broker-Dealers shall (1) in consultation with the Auction Agent, review the ownership of the CCS Securities to determine whether any Person has been counted more than once in determining the number of partners and (2) in consultation with the Auction Agent and with any other Persons that the Auction Agent determines would become Existing Holders of CCS Securities on behalf of more than one Holder, determine the number of beneficial Holders of CCS Securities on behalf of which such Broker-Dealer and other Persons would hold CCS Securities, and if after completing such determination and eliminating all Persons that have been counted more than once, the number of partners of CCS Securities would nonetheless be greater than the maximum number of partners, then the Auction Agent, in consultation with the Broker-Dealers, shall make a new determination of the results of such Auction as follows, in the following order of priority:

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(A) if one or more Bids of Existing Holders specifying the Winning Bid Rate would have been accepted in part, or one or more Bids of Potential Holders specifying the Winning Bid Rate would have been rejected in part, and the Auction Agent determines (in consultation with the Broker-Dealer) that the acceptance in whole or in part of one or more Bids of Existing Holders specifying the Winning Bid Rate or the rejection in whole or in part of one or more Bids of Potential Holders specifying the Winning Bid Rate would cause the number of Holders to be less than or equal to the maximum number of partners, to that extent such Bids shall be accepted or rejected, as the case may be; and if necessary;

(B) if the Auction Agent determines (in consultation with the Broker-Dealer) that (1) the rejection in whole or in part of one or more Bids of Existing Holders specifying a rate or rates lower than the maximum rate but higher than the rate which would have been the Winning Bid Rate, or the acceptance in whole or in part of one or more Bids of Potential Holders specifying such a rate or rates and (2) the rejection in whole or in part of one or more Bids of Potential Holders specifying a rate or rates equal to or lower than the rate which would have been the Winning Bid Rate, would cause the number of partners to be less than or equal to the maximum number of partners, to that extent such Bid of any Existing Holder that is so rejected or any such Bid of any Potential Holder that is so accepted and the highest rate specified in any such Bid of any Existing Holder that is so rejected or any such Bid of any Potential Holder that is so accepted shall be the Winning Bid Rate; provided, that, to the extent practicable, Bids of Existing Holders which would have been accepted specifying a lower rate shall be rejected, and Bids of Potential Holders specifying a lower rate shall be accepted, before such Bids specifying a higher distribution rate; and provided, further, that subject to the foregoing proviso, to the extent practicable, Bids of Potential Holders which would have been accepted specifying a higher rate shall be rejected before such Bids specifying a lower rate, and Bids of Existing Holders specifying a rate shall be rejected before Bids of Potential Holders specifying the same rate are accepted;

(ii) if the Broker-Dealers, in consultation with the Auction Agent, determine that the application of the foregoing procedures could not result in the number of Holders being less than or equal to the maximum number of partners, then sufficient clearing Bids shall be deemed not to exist for such Auction and the “maximum rate” shall be the rate for the next succeeding distribution period for the CCS Securities held by the Custodial Trust and sell orders shall be accepted, in the sole discretion of the Auction Agent, only to the extent that their acceptance would not cause the number of Holders to exceed the maximum number of Holders for such Custodial Trust; provided, that to the extent practicable, Bids of Potential Holders specifying a lower rate shall be accepted before Bids of Potential Holders specifying a higher rate; or

Execution Version

(iii) in the event that the Auction Agent has been notified by a Broker-Dealer that the application of the Auction Procedures would cause the number of Existing Holders of CCS Securities to exceed the Maximum Number of Holders, the Auction Agent shall consult with each Broker-Dealer and review, prior to the completion of the Auction, the beneficial ownership of the outstanding CCS Securities to determine the number of Existing Holders for purposes of implementing the procedures specified in Sections (v)(i) and (ii) above. In making such determinations and implementing the procedures specified in Sections (v)(i) and (ii) above, the Auction Agent may conclusively rely upon the information supplied to it by the Broker-Dealers, in each case in the absence of bad faith or manifest error on their respective parts.

(w) Effect of a Benchmark Transition Event.

If the Corporation or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then current Benchmark for all purposes relating to One-Month CME Term SOFR in respect of such determination on such date and all determinations on all subsequent dates.

In connection with the implementation of a Benchmark Replacement, the Corporation or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

Any determination, decision or election that may be made by the Corporation or its designee pursuant to this Section (w), including a determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error; (ii) will be made in our or our designee's sole discretion; and (iii) notwithstanding anything to the contrary in the documentation relating to the One-Month CME Term SOFR notes, shall become effective without consent from the holders of the Series 2 PPS notes or any other party.

"Benchmark" means, initially, One-Month CME Term SOFR, as such term is defined above; provided that if the Corporation or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the One-Month CME Term SOFR rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

"Benchmark Replacement" means the first alternative set forth in the order below that can be determined by us or our designee as of the Benchmark Replacement Date.

Execution Version

(1) sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;

(2) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or

(3) the sum of: (a) the alternate rate that has been selected by the Corporation or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate securities at such time and (b) the Benchmark Replacement Adjustment.

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Corporation or its designee as of the Benchmark Replacement Date:

(1) the spread adjustment (which may be a positive or negative value or zero), or method for calculating or determining such spread adjustment, that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Corporation or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate securities at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of the interest payment calculation period, timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other technical, administrative or operational matters) that the Corporation or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, the Corporation or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Corporation or its designee determines that no market practice for use of the

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Benchmark Replacement exists, in such other manner as the Corporation or its designee determines is reasonably necessary).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) the Corporation, the auction agent or the Corporation’s designee, after consulting with the Corporation, determines that the use of a forward-looking rate for a tenor of One-Months based on SOFR is not administratively feasible;

(2) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
or

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(4) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

“Reference Time” with respect to any determination of the Benchmark means the SOFR Determination Day.

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

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ANNEX B TO EXHIBIT A TO ARTICLES OF MERGER

**SUTTON SERIES A PERPETUAL PREFERRED SHARES
SUTTON SERIES B PERPETUAL PREFERRED SHARES
SUTTON SERIES C PERPETUAL PREFERRED SHARES
SUTTON SERIES D PERPETUAL PREFERRED SHARES**

Pursuant to subsection (c)(2) of Article Fifth of the Amended and Restated Charter of Assured Guaranty Inc., the terms, preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the Sutton Preferred Stock, as that term is defined in the Amended and Restated Charter of Assured Guaranty Inc., are hereby set forth in this **Annex B**, and shall be as follows:

(a) **Authorization**. The Sutton Preferred Stock may be issued from time to time in one (1) or more series. All shares of Sutton Preferred Stock shall be of equal rank and shall be identical, except in respect of the matters that may be fixed by the Board of Directors (or a designated committee thereof) as hereinafter provided, and each share of each series shall be identical with all other shares of such series. Subject to the provisions of Sections (c) to (l), both inclusive, of this Annex B, which provisions shall apply to all Sutton Preferred Stock, the Board of Directors (or a designated committee thereof) hereby is authorized to cause such shares to be issued in one (1) or more series and with respect to each such series prior to the issuance thereof to fix:

(1) The establishment of an Initial Dividend Payment Date, an Initial Dividend Period, a Reference Rate, a Reference Date and a Subsequent Dividend Period; and

(2) Other than with respect to the series of Sutton Preferred Stock designated in Section (b) below:

(A) The designation of the series, which may be by distinguishing number, letter or title;

(B) The number of shares of the series, which number the Board of Directors (or a designated committee thereof) may (except where otherwise provided in the creation of the series) increase or decrease (but not below the number of shares thereof then outstanding);

(C) Restrictions on the issuance of shares of the same series or of any other class or series; and

(D) The relative preference of the Sutton Preferred Stock vis-a-vis the Common Stock and other classes of shares of the Corporation.

The Board of Directors is authorized to adopt from time to time amendments to the Restated Charter fixing, with respect to each such series, the matters described in clauses (1) and (2) above of this Section (a). A certificate representing each series of

Execution Version

Sutton Preferred Stock shall be in such form as may be approved by an authorized officer of the Corporation.

(b) Initial Series Designations. There shall be four (4) series of Sutton Preferred Stock. The number of shares constituting each such series shall be 500.01. The series shall be designated as follows: "Sutton Series A Perpetual Preferred Shares", "Sutton Series B Perpetual Preferred Shares", "Sutton Series C Perpetual Preferred Shares" and "Sutton Series D Perpetual Preferred Shares".

(c) Definitions. Unless the context or use indicates another or different meaning or intent, the following terms shall have the following meanings within this Annex B, whether used in the singular or plural:

"Affiliate" shall mean, as to any Person, any Person controlled by, in control of or under common control with such Person.

"Agent Member" shall mean a member of the Securities Depository that will act on behalf of an Existing Holder or a Potential Holder that is identified as such in a Holder's Purchaser's Letter.

"AGMH" shall mean Assured Guaranty Municipal Holdings Inc., a New York corporation that is the owner of all of the issued and outstanding Common Stock of the Corporation, and its successors.

"Auction" shall mean a periodic implementation of the Auction Procedures.

"Auction Agent" shall mean The Bank of New York unless and until (i) another commercial bank or trust company duly organized under the laws of the United States of America and/or any state or territory thereof, having its principal place of business in New York, New York, and having a combined capital stock surplus and undivided profits of at least fifteen million dollars (US\$15,000,000), or (ii) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least fifteen million dollars (US\$15,000,000), and, in either case, authorized by law to perform all the duties imposed on it under the Auction Agent Agreement and appointed by the Corporation, enters into an agreement with the Corporation to follow the Auction Procedures for the purpose of determining the Auction Rate and to act as transfer agent, registrar or dividend disbursing agent for the Sutton Preferred Stock.

"Auction Agent Agreement" shall mean the agreement entered into between the Corporation and the Auction Agent and any similar agreement with a successor Auction Agent providing, among other things, that the Auction Agent will follow the Auction Procedures for the purpose of determining the Auction Rate.

"Auction Date" shall mean, for each Subsequent Dividend Period of a series of Sutton Preferred Stock, the last Business Day of the immediately preceding Dividend Period for the respective series of Sutton Preferred Stock.

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“Auction Procedures” shall mean the procedures set forth in the Auction Agent Agreement for conducting Auctions, substantially as described in Sections (n) through (u), inclusive.

“Auction Rate” shall mean a rate per annum equal to the lesser of (i) the rate provided to the Corporation by the Auction Agent, as determined by the Auction Agent pursuant to the Auction Procedures and (ii) the Maximum Rate.

“Broker-Dealer” shall mean any broker-dealer or other entity (i) that is permitted by law to perform the functions required of a broker-dealer in the Auction Procedures, (ii) that is a member of, or a participant in, the Securities Depository, (iii) that has been selected by the Corporation, and (iv) that has entered into a Broker-Dealer Agreement with the Auction Agent that remains in effect.

“Broker-Dealer Agreement” shall mean any agreement among the Corporation, the Auction Agent and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the Auction Procedures.

“Business Day” shall mean a day on which the New York Stock Exchange is open for trading and which is not a Saturday, Sunday or any other day on which the banks in the City of New York, New York are authorized or obligated by law to close.

“Bylaws” shall mean the Bylaws of the Corporation.

“CPS Securities” shall mean each of the Committed Preferred Securities issued as Money Market Committed Preferred Trust Securities issued by Sutton Capital Trust I, Sutton Capital Trust II, Sutton Capital Trust III and Sutton Capital Trust IV or all such series, as the context requires.

“Custodial Trust” shall mean any issuer of the CPS Securities.

“Date of Original Issue” shall mean, for each series of Sutton Preferred Stock, the first Business Day after the Initial Auction Date for the respective series of Sutton Preferred Stock.

“Dividend” shall mean a payment in cash declared by the Corporation payable to a Holder of Sutton Preferred Stock.

“Dividend Payment Date” shall mean the first Business Day following the last day of each Dividend Period applicable to a series of Sutton Preferred Stock.

“Dividend Period” shall mean the Initial Dividend Period and each Subsequent Dividend Period for each series of Sutton Preferred Stock.

“Dividend Rate” shall mean, as to each share of Sutton Preferred Stock of a series, the rate per annum at which a Dividend shall be payable on such share of Sutton

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Preferred Stock for any Dividend Period, which rate shall equal (i) for the Initial Dividend Period, the Initial Dividend Rate, (ii) for each Subsequent Dividend Period prior to a Fixed Rate Distribution Event, the Auction Rate, or (iii) for each Subsequent Dividend Period following a Fixed Rate Distribution Event, a rate equal to the fixed rate equivalent of One-Month CME Term SOFR plus 2.11448%. The fixed rate equivalent shall be determined by using the “bid” 30-year U.S. dollar swap rate quoted on page 19901 on the Reuters Capital Markets Service at 11:00 A.M. New York time on the SOFR Determination Date; provided, however, that if the 30-year U.S. dollar swap rate is not available, the fixed rate equivalent will be determined by using the “bid” 10-year U.S. dollar swap rate.

“Existing Holder” shall mean any Person who is listed as the owner of any Sutton Preferred Stock on the records of the Auction Agent at the close of business on the Business Day prior to such Auction.

“Fixed Rate Distribution Event” shall have the meaning given to such term in Section (d)(ii).

“Holder” shall mean a Person identified as a holder of record of shares of Sutton Preferred Stock in the Register.

“Initial Auction Date” shall mean, for the Initial Dividend Period of each series of Sutton Preferred Stock, the first Business Day following the Initial Dividend Period for the respective series of Sutton Preferred Stock.

“Initial Dividend Payment Date” shall mean, for each series of Sutton Preferred Stock, such date as shall be determined by the Board of Directors or a duly appointed committee thereof prior to the issuance of such Sutton Preferred Stock; provided that (i) such date is a standard date for the Sutton Preferred Stock market and (ii) such day is a Business Day.

“Initial Dividend Period” shall mean, for each series of Sutton Preferred Stock, the period from and including such series’ Date of Original Issue to and excluding its Initial Dividend Payment Date.

“Initial Dividend Rate” shall mean, for each series of Sutton Preferred Stock, the rate determined with respect to the corresponding CPS Securities on the Initial Auction Date of the Sutton Preferred Stock.

“Liquidation Preference” shall have the meaning given to such term in Section (f)(i).

“Maximum Rate” shall mean the maximum dividend rate that can result from an Auction. The Maximum Rate on any Auction Date shall mean the rate (expressed as a percentage rounded to the nearest one one-thousandth (.001) of 1.000%) that is equal to the sum of (A) the Reference Rate in effect as of the end of the Business Day prior to the Auction Date for the applicable Dividend Period, plus (B)(I) if, as of the end of the Business Day prior to the Auction Date for the applicable Dividend Period, the financial strength of

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the Corporation is rated “Aaa” and “AAA” by Moody’s and S&P, respectively, then 1.61448%; or (2) if, as of the end of the Business Day prior to the Auction Date for the applicable Dividend Period, the financial strength of the Corporation is rated below “Aaa” or “AAA” by Moody’s or S&P, respectively, then 2.11448%. In no event shall the Maximum Rate on any date of determination exceed the maximum rate permitted under applicable law. If all outstanding CPS Securities of a Custodial Trust are subject to Hold Orders (as defined in Section (o)(i)), the Dividend Rate for the next Dividend Period will be the Dividend Rate per annum equal to 95% of the Reference Rate on the Auction Date for such Dividend Period.

“Moody’s” shall mean Moody’s Investors Service, Inc. and its successors.

“One-Month CME Term SOFR” means, with respect to any Dividend Period:

(1) the SOFR Reference Rate for a One-Month period on the day (such day, the “SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the commencement of the first Dividend Period following the Fixed Rate Distribution Event, as such rate is published by the One-Month CME Term SOFR Administrator; or

(2) if as of 5:00 p.m. (New York City time) on any SOFR Determination Day the SOFR Reference Rate for a One-Month period has not been published by the SOFR Administrator and a Benchmark Replacement Date with respect to the SOFR Reference Rate has not occurred, then SOFR will be the SOFR Reference Rate for such tenor as published by the SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such SOFR Reference Rate for such tenor was published by the SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such SOFR Determination Day.

For purposes of the foregoing relating to the determination of One-Month CME Term SOFR:

“SOFR Reference Rate” means the forward-looking term rate based on the Secured Overnight Financing Rate published by the SOFR Administrator.

“SOFR Determination Day” has the meaning specified in the definition of “One-Month CME Term SOFR”.

“SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the SOFR Reference Rate).

“U.S. Government Securities Business Day” is any day other than a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. Government securities.

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“Outstanding” shall mean, as of any date and for any series of Sutton Preferred Stock, Sutton Preferred Stock theretofore issued by the Corporation except, without duplication, (i) any Sutton Preferred Stock theretofore cancelled or delivered to the Auction Agent for cancellation, (ii) any Sutton Preferred Stock as to which the Corporation or any Affiliate thereof (including any Affiliate that is a Broker-Dealer) shall be the owner, (iii) any Sutton Preferred Stock represented by any certificate in lieu of which a new certificate has been executed and delivered by the Corporation or (iv) any Sutton Preferred Stock previously redeemed by the Corporation.

“Person” shall mean and shall include an individual, a partnership, a limited liability company, a corporation, a trust, an unincorporated association, a joint venture or other entity or a government or any agency or political subdivision thereof.

“Potential Holder” shall mean any Person, including any Existing Holder, who may be interested in acquiring any Sutton Preferred Stock (or, in the case of an Existing Holder, additional Sutton Preferred Stock).

“Sutton Preferred Stock” shall mean any series, or all series, as the context requires, of the Perpetual Preferred Shares created by [Section (a)].

“Preferred Stock Directors” shall have the meaning given to such term in Section (g)(iii).

“Purchaser’s Letter” shall mean a letter addressed to the related Custodial Trust and the Broker-Dealer in which a Person agrees, among other things, to offer to purchase, purchase, offer to sell and/or sell any CPS Securities of the related series as set forth in the Auction Procedures.

“Put Agreement” shall mean each put option agreement between the Corporation and each of Sutton Capital Trust I, Sutton Capital Trust II, Sutton Capital Trust III and Sutton Capital Trust IV.

“Redemption Date” shall have the meaning given to such term in Section (e)(i).

“Redemption Price” shall mean the price paid by the Corporation for shares of Sutton Preferred Stock redeemed on any Redemption Date, as determined in accordance with Section (e).

“Reference Date” shall have the meaning given to such term in Section (c) within the definition of “Subsequent Dividend Period.”

“Reference Rate” shall mean, on any date, One-Month CME Term SOFR that appears on Bloomberg Page TSFR3M (or any successor page on such service or any successor service) at approximately 6:00 a.m. (New York City time), on such date.

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“Register” shall mean the register of Holders maintained on behalf of the Corporation by the Auction Agent or any other Person in its capacity as transfer agent and registrar for the Sutton Preferred Stock.

“Restated Charter” shall mean that document on file with the Maryland Department of Assessment and Taxation with an effective date of August 1, 2024, as the same may be amended and restated from time to time in accordance with the provisions hereof and applicable law.

“S&P” shall mean S&P Global Ratings, a division of S&P Global Inc. and its successors.

“Securities Depository” shall mean The Depository Trust Company or any successor company or other entity selected by the Corporation as securities depository for the Sutton Preferred Stock that agrees to follow the procedures required to be followed by such securities depository in connection with the Sutton Preferred Stock.

“Subsequent Dividend Period” shall mean, for each series of Sutton Preferred Stock, (i) prior to a Fixed Rate Distribution Event, the period commencing on and including the Dividend Payment Date for a series of Sutton Preferred Stock for the preceding Dividend Period and ending on and including the date which is forty-nine (49) days thereafter, or (ii) following a Fixed Rate Distribution Event, the period commencing on and including the Dividend Payment Date for such series of Sutton Preferred Stock for the preceding Dividend Period for such series of Sutton Preferred Stock and ending on and including the date which is ninety (90) days thereafter (in each case, such ending date the “Reference Date”); provided that, if the Reference Date is not a Business Day, the Subsequent Dividend Period for such series of Sutton Preferred Stock will continue to but not include the next Business Day, in which case the next Subsequent Dividend Period for such series of Sutton Preferred Stock will end on and include the next Reference Date following the date on which the preceding Dividend Period for such series of Sutton Preferred Stock would have ended if such normally scheduled date had been a Business Day.

(d) Dividends.

(i) General. Subject to a Maximum Rate for each Subsequent Dividend Period, Holders of the outstanding Sutton Preferred Stock of any series, in preference to the holders of Common Stock and of any other class of shares ranking junior to the Sutton Preferred Stock, shall be entitled to receive out of any funds legally available therefor when, as and if declared by the Board of Directors of the Corporation or a duly authorized committee thereof, cash Dividends at a rate per share equal to the Dividend Rate determined for such series of Sutton Preferred Stock for the respective Dividend Period. Dividends on the Sutton Preferred Stock will accrue from the Date of Original Issue. Auctions for each Dividend Period prior to a Fixed Rate Distribution Event will be held on each Auction Date. If on any Auction Date an auction is not held for any reason (other than because such date is not determined to be an Auction Date until after it has passed or as otherwise provided in Section (m)(i)), the Dividend Rate for the next succeeding

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Dividend Period shall equal the Maximum Rate on such Auction Date. So long as any Sutton Preferred Stock shall be outstanding, no dividends, except dividends payable in Common Stock or other shares ranking junior to the Sutton Preferred Stock, shall be paid or declared and no distribution shall be made on the Common Stock or any other shares ranking junior to the Sutton Preferred Stock, nor shall any Common Stock be purchased, retired or otherwise acquired by the Corporation, unless all accrued and unpaid Dividends on the Sutton Preferred Stock for the then current Dividend Period shall have been declared and paid or a sum sufficient for payment thereof set apart; provided that dividends on the Common Stock may be made at all times for the purpose of, and only in such amounts as are necessary for, enabling AGMH or any successor thereto (1) to service its indebtedness for borrowed money as such payments become due or (2) to pay its operating expenses; provided that no such dividends may be applied towards the payment of, or setting apart a sum sufficient for the payment of, any accrued and unpaid dividends on the Common Stock of AGMH unless all accrued and unpaid Dividends on the Sutton Preferred Stock shall have been declared and paid or a sum sufficient for payment thereof shall have been set apart.

(A) No dividends may be paid upon or declared or set apart for any series of the Corporation's preferred stock ranking on parity as to Dividends with the Sutton Preferred Stock for any Dividend Period unless at the same time a like proportionate dividend for the same Dividend Period, ratable in proportion to the respective Dividend Rates fixed therefor, shall be paid upon or declared and set apart for all of the series of the Corporation's preferred stock ranking on parity as to Dividends with the Sutton Preferred Stock then issued and outstanding and entitled to receive such dividends.

(B) If Dividends are not paid in full upon the Sutton Preferred Stock or dividends on any other capital stock of the Corporation ranking on a parity as to Dividends with the Sutton Preferred Stock, Dividends may be declared upon shares of the Sutton Preferred Stock and any other such parity shares, but only if such Dividends are declared pro rata so that the amount of Dividends declared per share on the Sutton Preferred Stock and such other shares shall in all cases bear to each other the same ratio that the amount of accrued but unpaid Dividends per share on the shares of the Sutton Preferred Stock and such other parity shares bear to each other.

(C) Dividends (or amounts equal to accrued and unpaid Dividends) due and payable on a series of Sutton Preferred Stock with respect to a Dividend Period will be computed by multiplying the applicable Dividend Rate by a fraction, the numerator of which shall be the number of days in the Dividend Period and the denominator of which shall be three-hundred sixty (360) and multiplying the amount so obtained by the product of one hundred thousand dollars (\$100,000) times the number of such shares of such series outstanding.

(D) Dividends shall be non-cumulative; provided that Dividends shall be cumulative during such period of time commencing on the first day of any Dividend Period in which dividends on the Common Stock have been paid pursuant to

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Section (d)(i)(A) above while all accrued and unpaid Dividends on the Sutton Preferred Stock for the then current Dividend Period shall not be declared and paid on the respective Dividend Payment Date and a sum sufficient for payment thereof shall not have been set apart and ending on the date that all accumulated and unpaid Dividends have been declared and paid or a sum sufficient for payment thereof shall have been set apart (provided that the period during which Dividends shall be cumulative shall not exceed the maximum period permitted under applicable law).

(E) Each Dividend shall be payable to the Holder or Holders of a series of Sutton Preferred Stock as of the opening of business on each Dividend Payment Date for each series; provided that so long as the Sutton Preferred Stock are held of record by a nominee of the Securities Depository, Dividends will be paid to the nominee of the Securities Depository for each respective series. The Securities Depository will credit the accounts of the Agent Members of Existing Holders of the Sutton Preferred Stock in accordance with the Securities Depository's normal procedures, which provide for payment in same-day funds. The Agent Member of an Existing Holder will be responsible for holding or disbursing such payments to such Existing Holder in accordance with the instructions of such Existing Holder.

(ii) Fixed Rate Distribution Event. On any Dividend Payment Date following the exercise by the Corporation of its put option rights under the Put Agreement for a series of Sutton Preferred Stock, Sutton Preferred Stock will be distributed by the related Custodial Trust to the holders of the related Custodial Trust's CPS Securities with a dividend rate described in clause (iii) of the definition of Dividend Rate upon the occurrence of any of the following: (A) the Corporation elects to have the Sutton Preferred Stock bear the fixed rate dividend described in clause (iii) of the definition of Dividend Rate; (B) the Corporation fails to pay the Dividend Rate described in clause (i) or (ii) of the definition of Dividend Rate to the related Custodial Trust for the related Dividend Period; or (C) the Corporation fails to pay the fees and expenses of the Custodial Trust for the related Dividend Period (in each case, a "Fixed Rate Distribution Event").

(iii) Fractional Shares. The Corporation may issue, with respect to each series of Sutton Preferred Stock, one (1) fractional share of Sutton Preferred Stock in an amount equal to one one-hundredth (0.01) of a whole share.

(e) Redemption.

(i) The Corporation shall have the right to redeem all or any part of any series of Sutton Preferred Stock outstanding in whole or in part beginning forty-nine (49) days after issuance of Sutton Preferred Stock Securities and every forty-nine (49) days thereafter consistent with the timing of Auction Dates (each a "Redemption Date"); provided that the Corporation shall redeem all of a series of Sutton Preferred Stock if after giving effect to a partial redemption, the aggregate Liquidation Preference of Sutton Preferred Stock of such series outstanding immediately after such partial redemption would be less than twenty million dollars (\$20,000,000). Notwithstanding the foregoing,

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following a Fixed Rate Distribution Event, the Corporation shall not be permitted to redeem that series of Sutton Preferred Stock until after the second anniversary of such Fixed Rate Distribution Event. In the case of any redemption pursuant to this Section (e), the Redemption Price shall be an amount equal to the aggregate Liquidation Preference of the Sutton Preferred Stock redeemed plus all Dividends accrued but unpaid on such Sutton Preferred Stock as of the Redemption Date for the then current Dividend Period and any previously accumulated dividends payable under Section (d)(i). In the event of a partial redemption of a series of Sutton Preferred Stock, the Redemption Price shall be allocated pro rata among the Holders of the Sutton Preferred Stock of such series. Payment of the Redemption Price will be made on the first Dividend Payment Date after the Corporation elects to redeem shares of Sutton Preferred Stock.

(ii) Notice of every such redemption shall be mailed, postage prepaid, or transmitted by facsimile, e-mail or any other standard form of written telecommunication, to the Holders of the Sutton Preferred Stock to be redeemed at their respective addresses then appearing on the Register (which shall mean the Securities Depository if the Sutton Preferred Stock is held of record by a nominee of the Securities Depository), not less than ten (10) days nor more than fifteen (15) days prior to the Redemption Date. At any time before or after a notice of redemption has been given, the Corporation may deposit the aggregate Redemption Price of the Sutton Preferred Stock to be redeemed with any bank or trust company in New York, New York, having capital and surplus of more than five million dollars (\$5,000,000), named in such notice, directed to be paid to the respective Holders of the Sutton Preferred Stock to be redeemed, in amounts equal to the Redemption Price of all shares of Sutton Preferred Stock to be redeemed, on surrender of the stock certificate or certificates held by such Holders, and upon the making of such deposit such Holders shall cease to be shareholders with respect to such shares, and after such notice shall have been given and such deposit shall have been made, such Holders shall have no interest in or claim against the Corporation with respect to such shares except only to receive such money from such bank or trust company without interest.

(iii) If the Holders of the shares of Sutton Preferred Stock which shall have been called for redemption shall not, within one (1) year after such deposit, claim the amount deposited for the redemption thereof, any such bank or trust company shall, upon demand, pay over to the Corporation such unclaimed amounts and thereupon such bank or trust company shall be relieved of all responsibility in respect thereof and to such Holders; if the Holders of the shares of Sutton Preferred Stock which shall have been called for redemption shall not, within ten (10) years after such deposit, claim the amount deposited for the redemption thereof, the Corporation shall be relieved of all responsibility in respect thereof and to such Holders.

(iv) Any Sutton Preferred Stock that are redeemed by the Corporation pursuant to this Section (e) shall be canceled and resume the status of authorized and unissued Sutton Preferred Stock without serial designation.

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(f) Liquidation Preference.

(i) In the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation, to the extent allowed by applicable law, Holders will be entitled to receive an amount (the "Liquidation Preference") per share plus declared and unpaid Dividends thereon to and including the date such Liquidation Preference is paid. The Sutton Preferred Stock shall have a Liquidation Preference per Sutton Preferred Stock of one hundred thousand dollars (\$100,000) per share. Payment of the Liquidation Preference will be made on the first Dividend Payment Date after the Board of Directors approves the liquidation of the Corporation.

(ii) In the event that, upon any such voluntary or involuntary dissolution, liquidation or winding up, the available assets of the Corporation are insufficient to pay the amount of the liquidating distributions on all outstanding Sutton Preferred Stock, then, to the extent allowed by applicable law, the Holders shall share in any such distribution of assets on a pro rata basis based on aggregate Liquidation Preference. Unless and until payment in full has been made to the Holders of the Sutton Preferred Stock and to holders of all shares of other classes or series ranking on a parity with the Sutton Preferred Stock upon liquidation of the liquidating distributions to which they are entitled, upon liquidation, dissolution or winding up of the Corporation, no dividends or distributions may be made to the holders of the Common Stock or on any other class or series of capital stock ranking junior to the Sutton Preferred Stock upon liquidation and no purchase, redemption or other acquisition for any consideration by the Corporation may be made in respect of such Common Stock or on any other class or series of capital stock ranking junior to the Sutton Preferred Stock upon liquidation. After any payment of the full amount of the liquidating distributions to which they are entitled, the Holders of Sutton Preferred Stock will have no right or claim to any of the remaining assets of the Corporation.

(iii) The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or the sale, lease or conveyance of all or substantially all the property or business of the Corporation, shall not be deemed to be a dissolution, liquidation or winding up, voluntary or involuntary, for the purposes of this Section (f).

(iv) A dividend or distribution of all or substantially all of the assets of the Corporation to the holders of the Corporation's Common Stock or a repurchase or redemption of all or substantially all of the Common Stock of the Corporation shall be deemed to be a dissolution, liquidation or winding up of the Corporation for purposes of this Section (f).

(g) Voting Rights.

(i) Except as set forth herein or otherwise required by applicable law, the Holders of Sutton Preferred Stock shall have no special voting rights and their consent shall not be required for taking any corporate action.

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(ii) The affirmative vote of the Holders of at least a majority of the Sutton Preferred Stock at the time outstanding, given in person or by proxy at a meeting called for the purpose at which the Holders of Sutton Preferred Stock shall vote separately as a class, shall be necessary to effect any one (1) or more of the following:

(A) any amendment, alteration or repeal of any of the provisions of this Restated Charter or the Bylaws that would adversely affect the rights or preferences of the Holders of Sutton Preferred Stock (including without limitation the issuance of any equity securities of the Corporation senior to the Sutton Preferred Stock with respect to the right to receive dividends or distribution upon a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation); provided, however, that for purposes of this Section (g), neither an amendment to this Restated Charter or the Bylaws so as to authorize or create, or to increase the authorized or outstanding amount of, Sutton Preferred Stock or of any shares of any class ranking on a parity with or junior to the Sutton Preferred Stock, nor an amendment to this Restated Charter or the Bylaws so as to increase the number of Directors of the Corporation shall be deemed to adversely affect the rights or preferences of the Holders of Sutton Preferred Stock; provided, further, that if such amendment, alteration or repeal affects adversely the rights or preferences of one (1) or more but not all of the series of Sutton Preferred Stock at the time outstanding, only the affirmative vote of the holders of at least a majority of the number of the shares at the time outstanding of the series so affected shall be required; and

(B) if the Corporation seeks to merge, sell its assets or agrees to a voluntary liquidation, except if following such merger, sale of assets or voluntary liquidation, there would be no other preferred stock outstanding senior in right of payment to the Sutton Preferred Stock and the Sutton Preferred Stock is exchanged for or converted into preferred stock or securities of the surviving entity having the same rights and preferences with respect to such entity as the Sutton Preferred Stock have with respect to the Corporation.

(iii) If the Corporation has failed to pay Dividends in full on the Sutton Preferred Stock for eighteen (18) consecutive months or funds sufficient to pay such dividends in full shall not have been deposited with the Auction Agent, subject to the Maryland Insurance Law and the Maryland General Corporation Law, the number of members of the Board of Directors shall automatically be increased by two (2) and the Holders of the Sutton Preferred Stock, voting as a single class, shall be entitled to fill the vacancies so created by electing two (2) additional directors (the "Preferred Stock Directors"), subject to approval by the Maryland Insurance Administration. The meeting to elect the Preferred Stock Directors shall be held no more than sixty (60) days after the last day of an eighteen (18) consecutive month period during which the Corporation failed to pay Dividends on the Sutton Preferred Stock. The terms of the Preferred Stock Directors shall cease upon the Corporation paying dividends in full on, or the redemption in full of, the Sutton Preferred Stock and, at such time, the Preferred Stock Directors will cease to serve on the Corporation's Board of Directors without any further action on the part of the Board of Directors or the Holders of the Sutton Preferred Stock.

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(h) Conversion. The Sutton Preferred Stock may not be converted into Common Stock.

(i) Notice. All notices or communications, unless otherwise specified in this Restated Charter, shall be sufficiently given if in writing and delivered in person, mailed by first-class mail, postage prepaid, or transmitted by facsimile, e-mail or any other standard form of written telecommunication to a Holder of Sutton Preferred Stock at the address of such Holder set forth in the Register. Notice shall be deemed given on the earlier of the date received or the date five (5) days after which such notice is mailed or transmitted.

(j) Transfer Restrictions. The Sutton Preferred Stock may only be sold or otherwise transferred in accordance with the restrictions set forth in the legend below.

“THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE OR OTHER SECURITIES LAW. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT IT IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A OF THE SECURITIES ACT AND (2) AGREES THAT IT WILL NOT PRIOR TO (X) THE DATE WHICH IS TWO YEARS (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144(k) UNDER THE SECURITIES ACT OR ANY SUCCESSOR PROVISION THEREUNDER) AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF (OR OF ANY PREDECESSOR OF THIS SECURITY) OR THE LAST DAY ON WHICH FINANCIAL SECURITY ASSURANCE INC. (“FSA”) OR ANY AFFILIATE OF FSA WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAWS (THE “RESALE RESTRICTION TERMINATION DATE”), OFFER, SELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, OR (B) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, OR (C) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND; PROVIDED

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THAT FSA AND THE TRUSTEE SHALL HAVE THE RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) OR (C) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. AS USED HEREIN, THE TERMS "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATIONS UNDER THE SECURITIES ACT."

Such restrictive legend shall be placed on the certificates representing the Sutton Preferred Stock issued prior to the Resale Restriction Termination Date.

(k) Other Rights of Holders of Sutton Preferred Stock. Unless otherwise required by law, the Holders of Sutton Preferred Stock shall not have any rights other than as set forth in this Annex B.

(l) Ranking. For the purpose of this Annex B, whenever reference is made to shares "ranking on a parity with the Sutton Preferred Stock," such reference shall mean and include all shares of the Corporation in respect of which the rights of the holders thereof as to the payment of dividends or as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation rank equally with the rights of the holders of Sutton Preferred Stock; and whenever reference is made to shares "ranking junior to the Sutton Preferred Stock," such reference shall mean and include all shares of the Corporation in respect of which the rights of the holders thereof as to the payment of dividends and as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation are junior and subordinate to the rights of the holders of the Sutton Preferred Stock.

(m) Act of God, Natural Disaster, Etc.

(i) Notwithstanding anything else set forth herein, if an Auction Date is not a Business Date because the New York Stock Exchange is closed for business due to an act of God, natural disaster, act of war, civil or military disturbance, act of terrorism, sabotage, riots or a loss or malfunction of utilities or communications services or the Auction Agent is not able to conduct an Auction in accordance with the Auction Procedures for any reason, then the Dividend Rate for the next Dividend Period shall be the Dividend Rate determined on the previous Auction Date.

(ii) Notwithstanding anything else set forth herein, if a Dividend Payment Date is not a Business Day because the New York Stock Exchange is closed for business due to an act of God, natural disaster, act of war, civil or military disturbance, act of terrorism, sabotage, riots or a loss or malfunction of utilities or communications services or the Dividend payable on such date cannot be paid for any such or similar reason, then:

(A) the Dividend Payment Date for the affected Dividend Period shall be the next Business Day on which the Corporation and its paying agent, if any, are able to cause the Dividend to be paid using their reasonable best efforts;

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(B) the affected Dividend Period shall end on the day it would have ended had such event not occurred and the Dividend Payment Date had remained the scheduled date;

(C) the next Dividend Period will begin and end on the dates on which it would have begun and ended had such event not occurred and the Dividend Payment Date remained the scheduled date; and

(D) no interest shall accrue in respect of such delay in payment of Dividends.

(n) Certain Definitions for this Annex B. The following procedures shall apply equally and separately to each series of CPS Securities. Capitalized terms used but not defined shall have the meanings given in this Annex B. As used in the Auction Procedures, the following terms shall have the following meanings, unless the context otherwise requires:

(i) “Available CPS Securities” shall have the meaning specified in Section (s)(i).

(ii) “Bid” shall have the meaning specified in Section (o)(i).

(iii) “Bidder” shall have the meaning specified in Section (o)(i).

(iv) “Hold Order” shall have the meaning specified in Section (o)(i).

(v) “Order” shall have the meaning specified in Section (o)(i).

(vi) “Remaining Amount” shall have the meaning specified in Section (t)(ii)(D).

(vii) “Sell Order” shall have the meaning specified in Section (o)(i).

(viii) “Submission Deadline” shall have the meaning set forth in Section (o)(i).

(ix) “Submitted Bid” shall have the meaning set forth in Section (r)(i).

(x) “Submitted Hold Order” shall have the meaning specified in Section (r)(i).

(xi) “Submitted Order” shall mean any Submitted Bid, any Submitted Hold Order or any Submitted Sell Order.

(xii) “Submitted Sell Order” shall have the meaning specified in Section (r)(i).

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(s)(i). (xiii) “Sufficient Clearing Bids” shall have the meaning specified in Section

(xiv) “Winning Bid Rate” shall have the meaning specified in Section (s)(ii).

(o) Orders by Existing Holders and Potential Holders.

(i) Prior to 1:00 p.m. New York City time on each Auction Date or such other time on any Auction Date by which the Broker-Dealers are required to submit Orders to the Auction Agent as specified by the Auction Agent from time to time (the “Submission Deadline”):

(A) each Existing Holder of CPS Securities may submit to the Broker-Dealers an order, by telephone or otherwise, consisting of information as to:

(1) the Liquidation Preference of outstanding CPS Securities, if any, held by such Existing Holder that such Existing Holder desires to continue to hold without regard to the Dividend Rate for the next succeeding Dividend Period (a “Hold Order”);

(2) the Liquidation Preference of outstanding CPS Securities, if any, held by such Existing Holder that such Existing Holder offers to sell if the Dividend Rate for the next succeeding Dividend Period shall be less than the rate per annum specified by such Existing Holder (a “Bid”); or

(3) the Liquidation Preference of outstanding CPS Securities, if any, held by such Existing Holder that such Existing Holder offers to sell without regard to the Dividend Rate for the next succeeding Dividend Period (a “Sell Order”); and

(B) In addition to the information specified in (A) above, each Existing Holder that is an investment manager, fiduciary or a Person that is submitting Orders to a Broker-Dealer on behalf of more than one (1) beneficial owner of the CPS Securities must submit to the Broker-Dealer an Order, by telephone or otherwise, consisting of information as to:

(1) the number of accounts for which the Order is being submitted (including accounts which are not submitting Orders in the Auction, which would be deemed Hold Orders);

(2) the face amount of outstanding CPS Securities held by such accounts; and

(3) the nature of the Order for each account (i.e., Hold, Bid or Sell Orders), and if there is more than one (1) Order per account, the number of shares of CPS Securities per Order; and

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(C) the Broker-Dealers may contact Potential Holders by telephone or otherwise to determine the Liquidation Preference of CPS Securities which each such Potential Holder offers to purchase if the Dividend Rate for the next succeeding Dividend Period is not less than the Bid specified by such Potential Holder.

For purposes hereof, the communication to a Broker-Dealer of information referred to in clause (A) or (B) of this Section (o)(i) is hereinafter referred to as an “Order” and collectively as “Orders.” Each Existing Holder and each Potential Holder placing an Order is hereinafter referred to as a “Bidder” and collectively as “Bidders.”

(ii) (A) Subject to the provisions described in Section (q) under “Validity of Orders,” a Bid by an Existing Holder will constitute an irrevocable offer to sell:

(1) the Liquidation Preference of CPS Securities specified in such Bid if the Dividend Rate is less than the rate specified in such Bid; or

(2) such Liquidation Preference or a lesser Liquidation Preference of CPS Securities to be determined as set forth in Section (t)(ii)(D) under “Acceptance and Rejection of Orders,” if the Dividend Rate is equal to the rate specified in such Bid.

Subject to the provisions described in Section (q) under “Validity of Orders,” a Sell Order by an Existing Holder will constitute an irrevocable offer to sell the Liquidation Preference of outstanding CPS Securities specified in such Sell Order.

(B) Subject to the provisions described in Section (q) under “Validity of Orders,” a Bid by a Potential Holder will constitute an irrevocable offer to purchase:

(1) the Liquidation Preference of CPS Securities specified in such Bid if the Dividend Rate is higher than the rate specified in such Bid; or

(2) such Liquidation Preference or a lesser Liquidation Preference of CPS Securities as set forth in Section (t)(ii)(E) under “Acceptance and Rejection of Orders,” if the Dividend Rate is equal to the rate specified in such Bid.

If any rate specified in any Bid contains more than three (3) figures to the right of the decimal point, the Auction Agent will round such rate down to the next highest one-thousandth (0.001) of 1.000%.

If an Order or Orders covering all outstanding CPS Securities held by any Existing Holder is not submitted to the Auction Agent prior to the Submission Deadline for any reason, including the failure of a Broker-Dealer to submit such Existing Holder’s Order to the Auction Agent prior to the Submission Deadline, the Auction Agent will deem a Hold

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Order to have been submitted on behalf of such Existing Holder covering the Liquidation Preference of outstanding CPS Securities held by such Existing Holder and not subject to an Order submitted to the Auction Agent.

Neither a Custodial Trust nor the Auction Agent will be responsible for any failure of the Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Holder or Potential Holder, nor will any such party be responsible for failure by the Securities Depository, to effect any transfer or to provide the Auction Agent with current information regarding registration of transfers.

Neither the Corporation nor any Affiliate thereof, nor any Holder of a fractional share, may submit an Order in any Auction.

An Existing Holder may submit different types of Orders in an Auction with respect to the CPS Securities then held by such Existing Holder. An Existing Holder that offers to purchase additional CPS Securities is, for purposes of such offer, treated as a Potential Holder with respect to such securities.

(p) Maximum Rate. Any Bid specifying a rate higher than the Maximum Rate will (i) be treated as a Sell Order if submitted by an Existing Holder and (ii) not be accepted if submitted by a Potential Holder.

(q) Validity of Orders.

(i) If any Existing Holder submits through a Broker-Dealer to the Auction Agent one (1) or more Orders covering in the aggregate more than the Liquidation Preference of outstanding CPS Securities actually held by such Existing Holder, such Orders will be considered valid as follows and in the order of priority set forth below:

(A) all Hold Orders will be considered valid, but only up to and including, in the aggregate, the Liquidation Preference of CPS Securities actually held by such Existing Holder, and if the aggregate Liquidation Preference of CPS Securities subject to such Hold Orders exceeds the aggregate Liquidation Preference of CPS Securities actually held by such Existing Holder, the aggregate Liquidation Preference of CPS Securities subject to each such Hold Order will be reduced to the aggregate Liquidation Preference of CPS Securities actually held by such Existing Holder;

(B) (1) any Bid will be considered valid up to and including the excess of the Liquidation Preference of CPS Securities actually held by such Existing Holder over the aggregate Liquidation Preference of CPS Securities subject to any Hold Orders referred to in paragraph (A) above;

(2) subject to subparagraph (1) above, if more than one (1) Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate Liquidation Preference of CPS Securities subject to such Bids is greater than such excess, such Bids will be considered valid up to and

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including the amount of such excess and the Liquidation Preference of CPS Securities subject to each Bid with the same rate will be reduced to the Liquidation Preference of CPS Securities equal to such excess;

(3) subject to subparagraphs (1) and (2) above, if more than one (1) Bid with different rates is submitted on behalf of such Existing Holder, such Bids will be considered valid first in the ascending order of their respective rates until the highest rate is reached at which such excess exists and then at such rate up to and including the Liquidation Preference of such excess; and

(4) in any event, the aggregate Liquidation Preference of CPS Securities, if any, subject to Bids not valid under this paragraph (B) will be treated as the subject of a Bid by a Potential Holder at the rate therein specified; and

(C) all Sell Orders will be considered valid up to and including the excess of the aggregate Liquidation Preference of CPS Securities actually held by such Existing Holder over the aggregate Liquidation Preference of CPS Securities subject to Hold Orders referred to in paragraph (A) above and valid Bids referred to in paragraph (B) above; provided, that if the aggregate Liquidation Preference of CPS Securities subject to such Sell Orders exceeds the aggregate Liquidation Preference of CPS Securities held by such Existing Holder, the aggregate Liquidation Preference of CPS Securities subject to each such Sell Order will be reduced to the aggregate Liquidation Preference of CPS Securities held by such Existing Holder.

If more than one (1) Bid for CPS Securities is submitted on behalf of any Potential Holder, each Bid submitted will be a separate Bid with the rate and amount therein specified. Any Bid or Sell Order submitted by an Existing Holder not equal to an integral multiple of the Liquidation Preference of each share of CPS Securities will be rejected and be deemed a Hold Order. Any Bid submitted by a Potential Holder not equal to an integral multiple of the Liquidation Preference of CPS Securities will be rejected. Any Order submitted in an Auction by a Broker-Dealer to the Auction Agent prior to the Submission Deadline on any Auction Date shall be irrevocable.

(r) Submission of Orders by Broker-Dealers to Auction Agent.

(i) Each Broker-Dealer shall submit in writing or through the Auction Agent's auction processing system to the Auction Agent, prior to the Submission Deadline on each Auction Date, all Orders obtained by such Broker-Dealer and specifying with respect to each Order:

(A) the name of the Bidder placing such Order;

(B) the aggregate Liquidation Preference of CPS Securities that are the subject of such Order;

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(C) to the extent that such Bidder is an Existing Holder:

(1) the aggregate Liquidation Preference of CPS Securities subject to any Hold Order placed by such Existing Holder (each, a “Submitted Hold Order”);

(2) the aggregate Liquidation Preference of CPS Securities subject to any Bid placed by such Existing Holder and the rate specified in such Bid (each, a “Submitted Bid”); and

(3) the aggregate Liquidation Preference of CPS Securities subject to any Sell Order placed by such Existing Holder (each, a “Submitted Sell Order”); and

(D) to the extent such Bidder is a Potential Holder, the rate specified in such Potential Holder’s Bid.

(ii) If any rate specified in any Bid contains more than three (3) figures to the right of the decimal point, the Auction Agent shall round such rate down to the next one-thousandth (.001) of 1.000%.

(iii) If an Order or Orders covering the aggregate Liquidation Preference of CPS Securities held by an Existing Holder are not submitted to the Auction Agent prior to the Submission Deadline for any reason, including the failure of a Broker-Dealer to contact such Existing Holder or to submit such Existing Holder’s Order to the Auction Agent, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Holder covering the Liquidation Preference of the CPS Securities held by such Existing Holder which are not subject to Orders submitted to the Auction Agent.

(iv) If one (1) or more Orders on behalf of an Existing Holder covering in the aggregate more than the Liquidation Preference of the CPS Securities actually held by such Existing Holder are submitted to the Auction Agent, such Orders shall be considered valid as follows and in the following order of priority:

(A) all Hold Orders submitted on behalf of such Existing Holder shall be considered valid, but only up to and including in the aggregate the Liquidation Preference of the CPS Securities actually held by such Existing Holder, and, if the Liquidation Preference of CPS Securities subject to such Hold Orders exceeds the Liquidation Preference of CPS Securities actually held by such Existing Holder, the Liquidation Preference of CPS Securities subject to each such Hold Order shall be reduced to the Liquidation Preference of the CPS Securities actually held by such Existing Holder;

(B) (1) any Bid submitted on behalf of such Existing Holder shall be considered valid up to and including the excess of the Liquidation Preference of the CPS Securities actually held by such Existing Holder over the Liquidation

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Preference of the CPS Securities subject to any Hold Order referred to in subparagraph (A) above,

(2) subject to Section (r)(iv)(B)(l), if more than one (1) Bid with the same rate is submitted on behalf of such Existing Holder and the aggregate Liquidation Preference of the CPS Securities subject to such Bids is greater than such excess, such Bids shall be considered valid up to the amount of such excess, and the Liquidation Preference of the CPS Securities subject to each Bid with the same rate shall be reduced to the Liquidation Preference of the CPS Securities equal to such excess,

(3) subject to Section (r)(iv)(B)(1) and (2), if more than one (1) Bid with different rates is submitted on behalf of such Existing Holder, such Bids shall be considered valid first in the ascending order of their respective rates until the highest rate is reached at which such excess exists and then at such rate up to and including the Liquidation Preference of such excess, and

(4) in any such event, the number, if any, of such CPS Securities subject to Bids not valid under Section (r)(iv)(B) shall be treated as the subject of a Bid by a Potential Holder; and

(C) all Sell Orders shall be considered valid but only up to and including in the aggregate the excess of the Liquidation Preference of the CPS Securities actually held by such Existing Holder over the Liquidation Preference of the CPS Securities subject to Hold Orders referred to in Section (r)(iv)(A) and valid Bids referred to in Section (r)(iv)(B).

(v) If more than one (1) Bid is submitted on behalf of any Potential Holder, each Bid submitted shall be a separate Bid with the rate and Liquidation Preference of the CPS Securities therein specified.

(s) Determination of Sufficient Clearing Bids, Winning Bid Rate and Dividend Rate.

(i) Not earlier than the Submission Deadline on each Auction Date, the Auction Agent will assemble all valid Submitted Orders and will determine the excess of the total Liquidation Preference of CPS Securities on such Auction Date over the sum of the aggregate Liquidation Preference of CPS Securities subject to Submitted Hold Orders (such excess being hereinafter referred to as the "Available CPS Securities"), and whether Sufficient Clearing Bids have been made in the Auction. "Sufficient Clearing Bids" will have been made if the number of CPS Securities that are the subject of Submitted Bids by Potential Holders specifying rates not higher than the applicable Maximum Rate equals or exceeds the number of CPS Securities that are the subject of Submitted Sell Orders (including the number of CPS Securities subject to Bids by Existing Holders specifying rates higher than the applicable Maximum Rate).

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(ii) If Sufficient Clearing Bids have been made, the Auction Agent will determine the lowest rate specified in the Submitted Bids (the “Winning Bid Rate”) which, taking into account the rates in the Submitted Bids of Existing Holders, would result in Existing Holders continuing to hold an aggregate amount of CPS Securities which, when added to the amount of CPS Securities to be purchased by Potential Holders, based on the rates in their Submitted Bids, would equal not less than the Liquidation Preference of Available CPS Securities. In such event, the Winning Bid Rate will be the Dividend Rate for the next succeeding Dividend Period.

(iii) If Sufficient Clearing Bids have not been made (other than because all of the outstanding CPS Securities are subject to Submitted Hold Orders), the Dividend Rate will be the Maximum Rate for the next succeeding Dividend Period.

(iv) If all of the Existing Holders indicate a desire to hold all of the CPS Securities of a Series without regard to the Dividend Rate, the Dividend Rate payable on such CPS Securities for the next Dividend Period will be a percentage (as selected by the Board of Directors prior to the issuance of the CPS Securities) of the Reference Rate in effect as of the end of the Auction Date.

(t) Acceptance and Rejection of Orders.

(i) Existing Holders will continue to hold the Liquidation Preference of CPS Securities that are subject to Submitted Hold Orders and, based on the determination made as described under Section (r), Submitted Bids and Submitted Sell Orders will be accepted or rejected and the Auction Agent will take such other action as set forth below.

(ii) If Sufficient Clearing Bids have been made, all Submitted Sell Orders will be accepted and, subject to the discretion of the Auction Agent to round and allocate certain CPS Securities as described below, Submitted Bids will be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(A) Each Existing Holder’s Submitted Bid specifying any rate that is higher than the Winning Bid Rate will be accepted, thus requiring each such Existing Holder to sell the aggregate Liquidation Preference of CPS Securities subject to such Submitted Bids;

(B) Each Existing Holder’s Submitted Bid specifying any rate that is lower than the Winning Bid Rate will be rejected, thus entitling each such Existing Holder to continue to hold the aggregate Liquidation Preference of CPS Securities subject to such Submitted Bids;

(C) Potential Holders’ Submitted Bids specifying any rate that is lower than the Winning Bid Rate will be accepted;

(D) Each Existing Holder’s Submitted Bids specifying a rate that is equal to the Winning Bid Rate will be rejected, thus entitling each such Existing Holder

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to continue to hold the aggregate Liquidation Preference of CPS Securities subject to such Submitted Bid, unless the aggregate Liquidation Preference of CPS Securities subject to all such Submitted Bids is greater than the Liquidation Preference of CPS Securities (the "Remaining Amount") equal to the excess of the Available CPS Securities over the aggregate Liquidation Preference of CPS Securities subject to Submitted Bids described in subparagraphs (B) and (C) above, in which event such Submitted Bid of such Existing Holder will be rejected in part, and such Existing Holder will be entitled to continue to hold the Liquidation Preference of CPS Securities subject to such Submitted Bid, but only in a Liquidation Preference equal to the aggregate Liquidation Preference of CPS Securities obtained by multiplying the Remaining Amount by a fraction, the numerator of which is the Liquidation Preference of CPS Securities held by such Existing Holder subject to such Submitted Bid and the denominator of which is the sum of the Liquidation Preference of outstanding CPS Securities subject to such Submitted Bids made by all such Existing Holders that specified a rate equal to the Winning Bid Rate; and

(E) Each Potential Holder's Submitted Bid specifying a rate that is equal to the Winning Bid Rate will be accepted but only in a Liquidation Preference equal to the Liquidation Preference of CPS Securities obtained by multiplying the excess of the aggregate Liquidation Preference of Available CPS Securities over the aggregate Liquidation Preference of CPS Securities subject to Submitted Bids described in subparagraphs (B), (C) and (D) above by a fraction, the numerator of which is the aggregate Liquidation Preference of CPS Securities subject to such Submitted Bid and the denominator of which is the sum of the Liquidation Preference of CPS Securities subject to Submitted Bids made by all such Potential Holders that specified a rate equal to the Winning Bid Rate.

(iii) If Sufficient Clearing Bids have not been made (other than because all of the CPS Securities are subject to Submitted Hold Orders), subject to the discretion of the Auction Agent to round and allocate certain CPS Securities as described below, Submitted Orders will be accepted or rejected as follows in the following order of priority and all other Submitted Bids shall be rejected:

(A) Existing Holders' Submitted Bids specifying any rate that is equal to or lower than the applicable Maximum Rate will be rejected, thus entitling each such Existing Holder to continue to hold the aggregate Liquidation Preference of CPS Securities subject to such Submitted Bids;

(B) Potential Holders' Submitted Bids specifying any rate that is equal to or lower than the applicable Maximum Rate will be accepted, thus requiring such Potential Holders to purchase the aggregate Liquidation Preference of CPS Securities subject to such Submitted Bids; and

(C) Each Existing Holder's Submitted Bids specifying any rate that is higher than the applicable Maximum Rate and the Submitted Sell Order of each

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Existing Holder will be accepted, thus entitling each Existing Holder that submitted any such Submitted Bid or Submitted Sell Order to sell the CPS Securities subject to such Submitted Bid or Submitted Sell Order, but in both cases only in a Liquidation Preference equal to the aggregate Liquidation Preference of CPS Securities obtained by multiplying the aggregate Liquidation Preference of CPS Securities subject to Submitted Bids described in clause (B) above by a fraction, the numerator of which is the aggregate Liquidation Preference of CPS Securities held by such Existing Holder subject to such Submitted Bid or Submitted Sell Order and the denominator of which is the aggregate Liquidation Preference of CPS Securities subject to all such Submitted Bids and Submitted Sell Orders.

If as a result of the procedures described in subparagraph (B) or (C) above, any Existing Holder would be entitled or required to sell, or any Potential Holder would be entitled or required to purchase, a fraction of a security of CPS Securities, the Auction Agent will, in such manner as it will, in its sole discretion, determine, round up or down the number of CPS Securities to be purchased or sold by any Existing Holder or Potential Holder so that only whole securities will be entitled to be purchased or sold by each Potential Holder or Existing Holder even if such allocation results in one (1) or more of such Potential Holders not purchasing any CPS Securities.

Based on the results of each Auction, the Auction Agent will determine the aggregate Liquidation Preference of CPS Securities to be purchased and the aggregate Liquidation Preference of CPS Securities to be sold by Potential Holders and Existing Holders on whose behalf the Broker-Dealer submitted Bids or Sell Orders.

(u) Maximum Number of Holders.

(i) Unless and until the Corporation obtains the approval of the Broker-Dealer and notifies the Auction Agent of a different number, the “maximum number of Holders” for a Custodial Trust’s CPS Securities shall be one hundred (100). If the Corporation or the Broker-Dealer determines (and provides written notice thereof to the Auction Agent prior to 10:00 a.m., New York City time, on any Auction Date) or if the Auction Agent determines, that as a result of allocations of CPS Securities made by the Auction Agent in an Auction in accordance with the Auction Procedures, there is a significant possibility that the number of Holders of a Custodial Trust’s CPS Securities would be greater than the maximum number of Holders, the Auction Agent shall (1) in consultation with the Corporation and the Broker-Dealer, review the ownership of the CPS Securities to determine whether any Person has been counted more than once in determining the number of Holders and (2) in consultation with the Broker-Dealer and with any other Persons that the Auction Agent determines would become Existing Holders of CPS Securities on behalf of more than one (1) Holder, determine the number of beneficial Holders of CPS Securities on behalf of which such Broker-Dealer and other Persons would hold CPS Securities, and if, after completing such determination and eliminating all Persons that have been counted more than once, the number of Holders of CPS Securities would nonetheless be greater than the maximum number of Holders, then the Auction Agent shall make a new determination of the results of such Auction as follows, in the following order of priority:

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(A) if one (1) or more Bids of Existing Holders specifying the Winning Bid Rate would have been accepted in part, or one (1) or more Bids of Potential Holders specifying the Winning Bid Rate would have been rejected in part, and the Auction Agent determines (in consultation with the Broker-Dealer) that the acceptance in whole or in part of one (1) or more Bids of Existing Holders specifying the Winning Bid Rate or the rejection in whole or in part of one (1) or more Bids of Potential Holders specifying the Winning Bid Rate would cause the number of Holders to be less than or equal to the maximum number of Holders, to that extent such Bids shall be accepted or rejected, as the case may be;

(B) if the Auction Agent determines (in consultation with the Broker-Dealer) that (1) the rejection in whole or in part of one (1) or more Bids of Existing Holders specifying a rate or rates lower than the maximum rate but higher than the rate which would have been the Winning Bid Rate, or the acceptance in whole or in part of one (1) or more Bids of Potential Holders specifying such a rate or rates and (2) the rejection in whole or in part of one (1) or more Bids of Potential Holders specifying a rate or rates equal to or lower than the rate which would have been the Winning Bid Rate, would cause the number of Holders to be less than or equal to the maximum number of Holders, to that extent such Bid of any Existing Holder that is so rejected or any such Bid of any Potential Holder that is so accepted and the highest rate specified in any such Bid of any Existing Holder that is so rejected or any such Bid of any Potential Holder that is so accepted shall be the Winning Bid Rate; provided that, to the extent practicable, Bids of Existing Holders which would have been accepted specifying a lower rate shall be rejected, and Bids of Potential Holders specifying a lower rate shall be accepted, before such Bids specifying a higher distribution rate; and provided, further, that subject to the foregoing proviso, to the extent practicable, Bids of Potential Holders which would have been accepted specifying a higher rate shall be rejected before such Bids specifying a lower rate, and Bids of Existing Holders specifying a rate shall be rejected before Bids of Potential Holders specifying the same rate are accepted; or

(ii) If the Auction Agent determines, in its sole discretion, that the application of the foregoing procedures could not result in the number of Holders being less than or equal to the maximum number of Holders, then Sufficient Clearing Bids shall be deemed not to exist for such Auction and the "Maximum Rate" shall be the rate for the next succeeding distribution period for the CPS Securities held by the Custodial Trust and sell orders shall be accepted, in the sole discretion of the Auction Agent, only to the extent that their acceptance would not cause the number of Holders to exceed the maximum number of Holders for such Custodial Trust; provided that to the extent practicable, Bids of Potential Holders specifying a lower rate shall be accepted before Bids of Potential Holders specifying a higher rate.

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(v) Effect of a Benchmark Transition Event.

If the Corporation or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then current Benchmark for all purposes relating to One-Month CME Term SOFR in respect of such determination on such date and all determinations on all subsequent dates.

In connection with the implementation of a Benchmark Replacement, the Corporation or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

Any determination, decision or election that may be made by the Corporation or its designee pursuant to this Section (v), including a determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error; (ii) will be made in our or our designee's sole discretion; and (iii) notwithstanding anything to the contrary in the documentation relating to the One-Month CME Term SOFR notes, shall become effective without consent from the holders of the Sutton Preferred Stock notes or any other party.

"Benchmark" means, initially, One-Month CME Term SOFR, as such term is defined above; provided that if the Corporation or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the One-Month CME Term SOFR rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

"Benchmark Replacement" means the first alternative set forth in the order below that can be determined by us or our designee as of the Benchmark Replacement Date.

(1) sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;

(2) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or

(3) the sum of: (a) the alternate rate that has been selected by the Corporation or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate securities at such time and (b) the Benchmark Replacement Adjustment.

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“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Corporation or its designee as of the Benchmark Replacement Date:

(1) the spread adjustment (which may be a positive or negative value or zero), or method for calculating or determining such spread adjustment, that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Corporation or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate securities at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of the interest payment calculation period, timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other technical, administrative or operational matters) that the Corporation or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, the Corporation or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Corporation or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Corporation or its designee determines is reasonably necessary).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference

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Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) the Corporation, the auction agent or the Corporation’s designee, after consulting with the Corporation, determines that the use of a forward-looking rate for a tenor of One-Months based on SOFR is not administratively feasible;

(2) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(4) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence

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of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

“Reference Time” with respect to any determination of the Benchmark means the SOFR Determination Day.

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

* * * * *

CERTIFICATE OF INSURANCE COMMISSIONER

I **HEREBY CERTIFY**, that the attached Articles of Merger of Assured Guaranty Inc. (a Maryland Corporation), have been submitted to me for examination and have been found to be in accordance with the Insurance Laws of the State of Maryland.



IN WITNESS WHEREOF, I have hereunto set my Hand and Affixed the Official Seal of my Office in the City of Baltimore, this 12th day of July, 2024.

A handwritten signature in black ink, appearing to read "Joy Y. Hatchette", written over a horizontal line.

Joy Y. Hatchette
Acting Insurance Commissioner