

Policy on Trading

September 2019

Introduction

Trading in securities issued by Assured Guaranty Ltd. (“**AGL**”) or its subsidiaries (AGL, together with its subsidiaries, “**Assured Guaranty**”), or in securities issued by third party issuers, including those with obligations that are guaranteed, insured or reinsured by Assured Guaranty (“**Guaranteed Issuers**”), while aware of inside information about the issuer is both unethical and illegal. As a result of your relationship with Assured Guaranty, you may sometimes be in possession of material, non-public information that precludes you from engaging in trading activity with respect to securities issued by Assured Guaranty (“**Assured Guaranty Securities**”) and, on occasion, securities issued by other entities, including Guaranteed Issuers. The following summarizes the guidelines for trading in Assured Guaranty Securities and in certain other securities, such as securities of Guaranteed Issuers, with additional instructions provided with respect to the securities of certain distressed Guaranteed Issuers under the heading “Policy for Securities of Distressed Guaranteed Issuers.”

Buying or selling securities while in possession of material non-public information concerning an issuer’s businesses, operations or prospects may give rise to a variety of civil claims, as well as to Securities and Exchange Commission (“**SEC**”) administrative or court action, and in some circumstances, criminal penalties. Tipping of material undisclosed corporate information by an insider to an outsider may lead to a violation of SEC rules. The SEC has the authority to seek a civil penalty of up to three times the amount of profit gained or loss avoided by a person who trades while in possession of material non-public information. In addition to having serious legal ramifications, the foregoing activities would seriously undermine and damage Assured Guaranty’s reputation for integrity and ethical conduct. Assured Guaranty has adopted this Policy to address these concerns.

Generally speaking, a person is involved in unlawful insider trading if that person trades (*i.e.*, buys or sells or changes a standing buy or sell order) securities while in possession of material non-public information concerning the issuer of those securities. A person is also involved in insider trading if the person discloses material non-public information to another person who uses that information to trade in the issuer’s securities. A person does not have to make a profit from the trade to be guilty of insider trading; using material, non-public information to avoid or minimize a loss is also considered to be insider trading (*i.e.*, selling stock while in possession of material non-public information that, when published, will cause the stock price to drop).

This Policy is applicable to all officers, directors and employees of Assured Guaranty and, to the extent described below, persons under their control, including Family Members (as defined under the heading “Transactions by Family Members and Others”), as well as their designees. Assured Guaranty may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material non-public information.

No Trading on Material Non-Public Information

- You may not trade Assured Guaranty Securities or the securities of another entity while in possession of material non-public information about Assured Guaranty or such other entity.

- This Policy expressly applies to material non-public information related to other publicly traded companies, including our vendors, suppliers, counterparties, Guaranteed Issuers and other customers. You should treat material non-public information about such third parties with the same care required with respect to information directly related to Assured Guaranty.
- You are reminded that, in addition to your obligations under this Policy, Assured Guaranty's Code of Conduct prohibits you from engaging in activities that may give rise to conflicts of interest, requires you to safeguard confidential information and prohibits you from trading in securities if you are aware of material non-public information.
- Violations of our Code of Conduct may result in disciplinary action, which may include dismissal, and also may involve potential criminal or civil liability. For more information, see the complete text of Assured Guaranty's Code of Conduct, which is available on the corporate governance section of Assured Guaranty's website.
- **"Material information"** for these purposes is any information to which an investor would reasonably attach importance in reaching a decision to buy, sell or hold the relevant securities. Either positive or negative information may be material. The test is whether there is a substantial likelihood that a reasonable investor would consider the facts important in making an investment decision. Information about the following areas of business are examples of inside information that could be material: acquisitions, dispositions, joint ventures, regulatory issues, launch of new business lines, entry into new jurisdictions, cybersecurity breaches, significant litigation, government investigations, information about potential legislation, draft budgets, the status of union negotiations, pension analysis or projections, and the status of negotiations involving distressed credits. This is not a complete list. Moreover, the fact that an insider (or a tippee of an insider) has traded on the basis of particular information which has not been made public may itself be regarded as evidence that the information is material. A useful rule of thumb is that if you learn of non-public information, you should assume it is material.
- **"Non-public"** or **"inside"** information about an issuer is, as it sounds, information that is not generally known to the public. Although non-public information generally comes directly from the relevant issuer, it may originate from other parties.

Policy for Trading in Assured Guaranty Securities

Subject to the discussion below under the heading "Trading Plans", the rules for trading in Assured Guaranty Securities are as set forth in this section. These rules apply to all Assured Guaranty officers, employees and directors, and persons under their control, which would include Family Members, as well as their designees and, to the extent so determined by Assured Guaranty, contractors and consultants.

- For the period beginning at the end of each calendar quarter and ending after one full trading day has passed following the filing with the SEC of AGL's quarterly report on Form 10-Q for such quarter, or in the case of the fourth calendar quarter, AGL's annual report on Form 10-K, Assured Guaranty is in "blackout" and you are prohibited from trading Assured Guaranty Securities. Among the types of trading covered by this Policy, this Policy expressly applies to trading in Assured Guaranty Securities that you receive in connection with Assured Guaranty plans in the following circumstances:

- (i) any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option and/or any related tax withholding,
 - (ii) any trade of shares acquired upon the exercise of options,
 - (iii) any trade of shares acquired upon vesting of restricted stock or restricted stock units, or
 - (iv) any trade of shares purchased under the Employee Stock Purchase Plan.
- The restrictions on trading Assured Guaranty Securities contained in this Policy do not apply to:
 - (i) the exercise of employee stock options where the exercise price and any related tax withholding is satisfied by (w) cash from sources other than the sale of Assured Guaranty Securities, (x) attestation of previously-owned Assured Guaranty Securities, (y) delivery of previously-owned Assured Guaranty Securities or (z) electing to have Assured Guaranty withhold Assured Guaranty Securities otherwise deliverable on such exercise to satisfy tax withholding obligations,¹
 - (ii) the vesting of restricted stock or restricted stock units²,
 - (iii) the exercise of a tax withholding right pursuant to which a person has elected to have Assured Guaranty withhold shares upon the vesting of restricted stock or upon the distribution of shares in settlement of restricted stock units to satisfy tax withholding requirements,
 - (iv) purchases under the Employee Stock Purchase Plan resulting from your contribution of money to such plan pursuant to the election you made,
 - (v) any other purchase of Assured Guaranty Securities from Assured Guaranty or sale of Assured Guaranty Securities to Assured Guaranty,
 - (vi) *bona fide* gifts, unless the person making the gift has reason to believe that the recipient intends to sell the Assured Guaranty Securities while the officer, employee or director is aware of material nonpublic information or during a blackout period, or

¹ While the receipt of Assured Guaranty shares upon the exercise of options under these circumstances is not subject to this Policy, as stated above, any sale of Assured Guaranty shares received upon or in connection with the exercise of the options (including as part of a broker-assisted cashless exercise of an option) is subject to this Policy. Therefore, if you want to exercise an option while Assured Guaranty is in "blackout," you should only conduct an exercise *and hold* transaction, using one of the exercise methods designated in this subsection, and in any event, must pre-clear any exercise of employee stock options, regardless of the method of exercise.

² While the receipt of Assured Guaranty Securities on the vesting of restricted stock or restricted stock units is not subject to this Policy, as stated above, any sale of Assured Guaranty Securities received upon vesting is subject to this Policy.

- (vii) transactions in mutual funds that are invested in Assured Guaranty Securities.
- You may not tip others as to material non-public information.
- Even when no blackout period is in effect, you must pre-clear all trades of Assured Guaranty Securities with the AGL General Counsel. For the avoidance of doubt, even the exercise of employee stock options (using any method of exercise) must be pre-cleared.
- From time to time, Assured Guaranty may impose a special blackout period during which you are prohibited from trading in Assured Guaranty Securities. The imposition of any special blackout period for the trading in Assured Guaranty Securities, or the fact that any intended trade has been denied pre-clearance, should itself be treated as material, non-public information.
- You are prohibited from pledging Assured Guaranty Securities as collateral for a loan unless you have obtained approval in advance from the Nominating and Governance Committee of AGL. If you would like to seek such approval, please contact the AGL General Counsel to describe the circumstances that the Nominating and Governance Committee should consider to determine whether to permit you to pledge Assured Guaranty Securities in such situation. No approval will be granted unless you clearly demonstrate the financial capacity to repay the loan (which must not constitute margin debt) without resorting to the pledged securities.
- You are prohibited from:
 - (i) holding Assured Guaranty Securities in a margin account,³
 - (ii) purchasing financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds) or otherwise engaging in transactions that are designed to or have the effect of hedging or offsetting any decrease in the market value of equity securities of Assured Guaranty, including monetization transactions that allow you to lock in all or a part of the value of your holdings of Assured Guaranty Securities in exchange for all or part of the potential for upside appreciation in such securities,⁴
 - (iii) engaging in transactions in puts, calls or other derivative securities with respect to Assured Guaranty Securities,⁵ or

³ Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Because a margin sale may occur at a time when you are aware of material non-public information or otherwise are not permitted to trade in Assured Guaranty Securities, use of Assured Guaranty Securities in these contexts is prohibited.

⁴ These transactions allow you to continue to own Assured Guaranty Securities, but without the full risks and rewards of ownership. When that occurs, you may no longer have the same objectives as other holders of Assured Guaranty Securities.

⁵ A transaction in such options is, in effect, a bet on the short-term movement of an Assured Guaranty Security and therefore creates the appearance that you are trading based on inside information. Transactions in options also may focus your attention on Assured Guaranty's short-term performance at the expense of its long-term objectives.

- (iv) engaging in short sales of Assured Guaranty Securities.⁶

Requests for Pre-clearance for Trading in Assured Guaranty Securities

As noted above, even during the 'window' when no blackout period is in effect, you must pre-clear all trades of Assured Guaranty Securities with the AGL General Counsel. For the avoidance of doubt, even the exercise of employee stock options (using any method of exercise) must be pre-cleared.

Requests for pre-clearance for trading in Assured Guaranty Securities should be sent by e-mail to the AGL General Counsel setting forth the following information:

- Date(s) of proposed trading; and
- Except to the extent that you are exercising options in a manner expressly not subject to this Policy and holding the Assured Guaranty shares received upon such exercise, a statement that you:
 - (i) have read the Policy on Trading,
 - (ii) have given consideration to whether any information in your possession is material non-public information, and
 - (iii) are not currently in possession of material non-public information.

If you are required to provide the statement described in this bullet point and you are in possession of material non-public information, you should not submit the request as you are not permitted to trade. If you are uncertain whether information is material or non-public, please provide a description of the information prior to submitting a request to trade.

Clearance will be valid for no more than seven calendar days, so please time your requests accordingly. If you become aware of material non-public information at any time after obtaining clearance, such clearance becomes void (except to the extent that you are exercising options in a manner expressly not subject to this Policy and holding the Assured Guaranty shares received upon such exercise).

Policy for Trading in Securities of Distressed Guaranteed Issuers

- As noted above, you may not trade securities of another entity while in possession of material non-public information about such other entity. To facilitate compliance with this requirement, to avoid even the appearance of a conflict of interest between personal activities and interests of employees and Assured Guaranty's best interest, to align employees' interests with Assured Guaranty's interests, and to protect Assured Guaranty's reputation:

⁶ Short sales of Assured Guaranty Securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in Assured Guaranty or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve Assured Guaranty's performance. Section 16(c) of the Securities Exchange Act of 1934 prohibits Section 16 reporting officers and directors from engaging in short sales.

- (i) Without advance written consent from the AGL General Counsel, Assured Guaranty officers, employees and directors, and persons under their control, which would include Family Members, as well as their designees and, to the extent so determined by Assured Guaranty, contractors and consultants, may not trade in debt securities of any Guaranteed Issuer that, as of the time of the proposed trade, has outstanding securities that have been assigned by Assured Guaranty to Surveillance categories 5 or 6 or as to which Assured Guaranty has an outstanding loss recoverable (“Distressed Guaranteed Issuer”), whether or not such debt securities are guaranteed, insured or reinsured by Assured Guaranty.
- (ii) Assured Guaranty officers, employees and directors, and persons under their control, including Family Members, as well as their designees and, to the extent so determined by Assured Guaranty, contractors and consultants, may not tip others as to material non-public information regarding Distressed Guaranteed Issuers.

Trading Plans

Pursuant to Rule 10b5-1 trading plans, you may be permitted to trade in Assured Guaranty Securities even during a blackout period or while in possession of material non-public information. In essence, a trading plan consists of irrevocable instructions to a third party at a time when the person adopting the trading plan is not in possession of any material non-public information, directing the third party to make future trades in accordance with pre-established guidelines. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. For example, a trading plan may irrevocably direct a broker to acquire or sell Assured Guaranty Securities on a specified future date, thus making irrelevant that the trader may have come into possession of material non-public information or that a blackout period is in effect when the trade is made. The rules on trading plans are complex; if you are interested in additional information about them, please contact the AGL General Counsel. Trading plans for Assured Guaranty officers, directors and employees need to be sent to the AGL General Counsel for review and approval five business days prior to implementation. If so approved and implemented, no further pre-approval of transactions conducted pursuant to the trading plan will be required.

Transactions by Family Members

This Policy applies to your family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Assured Guaranty Securities or securities of Distressed Guaranteed Issuers are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in such securities (collectively referred to as “**Family Members**”). You are responsible for the transactions of these other persons and therefore should make them aware of the need to confer with you before they trade in Assured Guaranty Securities or securities of Distressed Guaranteed Issuers, and you should treat all such transactions for the purposes of this Policy and applicable securities laws as if the transactions were for your own account. This Policy does not, however, apply to personal securities transactions of Family Members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to you or your Family Members.

Transactions by Entities that You Influence or Control

This Policy applies to any entities that you influence or control, including any corporations, partnerships or trusts (collectively referred to as “**Controlled Entities**”), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account.

This Policy does not apply to any trading account over which you have granted full investment discretion to an independent third party (*i.e.*, with no familial or personal relationship to you and no affiliation with Assured Guaranty) (a “**Third-Party Managed Account**”), and you have no direct or indirect influence or control over the specific trades being made for the account (*i.e.*, no “**Trading Discretion**”). You are presumed to have Trading Discretion over the account if you:

- (i) direct the third party to make, or suggest that the third party make, any particular purchases or sales of securities for the account (including instructions to sell or buy investments when certain trigger events occur, such as a specified price per share); or
- (ii) consult with the third party as to the particular allocation of investments to be made in the account.

You would not be considered to have Trading Discretion in such case if you discuss general policy matters with the third party, such as, for example, your tolerance for investment risk, overall defensive or aggressive postures, asset allocation by broad categories, and preferences, tax matters such as tolerance for gains and losses, and cash disbursement requirements for taxes or otherwise.

Post-Termination Transactions

Even after termination of service to Assured Guaranty, Federal securities laws continue to apply to transactions in Assured Guaranty Securities and securities of other entities to the extent a terminated individual is in possession of material non-public information with respect to such securities. Therefore, if an individual is in possession of material non-public information regarding Assured Guaranty Securities or other entities when his or her service terminates, that individual may not trade in Assured Guaranty Securities or securities of such other entities, as relevant, until that information has become public or is no longer material. If you plan to trade such securities after you leave Assured Guaranty, especially if you leave during a blackout period, you should consider whether to discuss such trading with the AGL General Counsel.

Violations

In addition to any civil or criminal penalties imposed by the SEC or a court for insider trading, Assured Guaranty may take disciplinary action against you, including dismissal or removal for cause, if you or any person or entity for which you are responsible under the terms of this Policy violates this Policy.

If you have any questions about trading in Assured Guaranty Securities or Securities of Distressed Guaranteed Issuers, or about trading in securities of other third party issuers (whether or not

Guaranteed Issuers) for which you obtained material, non-public information in the course of employment with, or performance of services on behalf of, Assured Guaranty, please contact:

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(441) 279-5725 or (212) 261-5525