

FACTS ABOUT **Assured Guaranty's Municipal Bond Insurance**

Assured Guaranty Increases Financial Stability

- Approximately \$12 billion in claims-paying resources across the Assured Guaranty group.¹
- Three decades of experience.
- The only longstanding municipal bond insurer to continue to write new business throughout the financial crisis and recession.
- Insured more than 11,600 new municipal issues since beginning of the financial crisis in January 2008, with an aggregate par amount exceeding \$200 billion.
- Insurance in force on approximately 8,800 municipal credits through its operating subsidiaries, including Assured Guaranty Municipal (AGM), Municipal Assurance Corp. (MAC) and Assured Guaranty Corp. (AGC).

Assured Guaranty Protects Investors in Distress Situations

- Unconditionally and irrevocably guarantees timely payment of principal and interest when due.
- Proven record of paying investors' claims as contractually obligated. Investors in Assured Guaranty-wrapped obligations of Harrisburg, Pennsylvania; Jefferson County, Alabama; Stockton, California; Detroit, Michigan; and Puerto Rico have all received timely debt service payments, despite issuer defaults and even a trustee's refusal to draw on insurance policies. (See case history at right.)

Assured Guaranty Manages Risk

- Insures only transactions that meet its disciplined underwriting criteria and diversification requirements.
- Provides continuous surveillance of every credit in its insured portfolio, works with issuers to address financial problems before they become serious and takes remedial action when appropriate.

Assured Guaranty Provides Enhanced Market Liquidity for Investors' Bonds

- An average of \$500 million of bonds insured by Assured Guaranty trade each day, \$2.5 billion each week.
- Assured Guaranty-insured bonds have historically tended to demonstrate greater price stability than comparable uninsured bonds of the same issuer when that issuer was under financial stress.
- AGM is rated AA by S&P Global Ratings, A2 by Moody's Investors Service and AA+ by Kroll Bond Rating Agency (KBRA), and AGC is rated AA by S&P, A3 by Moody's and AA by KBRA. All the ratings have Stable Outlooks.

Assured Guaranty Provides Transparency

- AGM and AGC are subsidiaries of a public company that is subject to New York Stock Exchange and SEC regulation and therefore held to higher legal standards of disclosure, oversight and transparency than non-public companies.
- Credit Summaries on its website provide financial and economic data on insured new-issue obligations.

COMMITMENT TO INVESTORS A Case History

On Friday, February 1, 2013, Bank of New York Mellon, the trustee for the sewer revenue warrants issued by Jefferson County, Alabama, suspended principal and interest payments to warrant holders, including draws on AGM's insurance policy. To protect its policyholders, AGM paid all the scheduled principal and interest payments due on the AGM-insured sewer warrants directly to The Depository Trust Company (DTC), where the ownership accounts were maintained. DTC credited holders' accounts on the following Monday.

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The table below provides an overview of AGM and AGC, two of our direct insurance operating companies currently licensed in all 50 states and certain other U.S. jurisdictions. Our third platform, MAC, is licensed in all 50 states and the District of Columbia. Launched in July 2013, MAC has ratings of AA+ stable from KBRA and AA stable from S&P.

PROVEN STRENGTH. PROVEN STRATEGIES. PROVEN VALUE.		
As of 12/31/2016 (except ratings)	Assured Guaranty Municipal (AGM)	Assured Guaranty Corp. (AGC)
Operating since	1985	1988
Markets served	Public finance only*	Public finance, structured finance
Insured net par outstanding	\$123 billion	\$37.5 billion
Insured portfolio by sector		
Insured portfolio by rating of underlying transactions**		
Claims-paying Resources [§]	\$5.4 billion	\$3.6 billion
S&P Ratings	AA Stable	AA Stable
Moody's Ratings [†]	A2 Stable	A3 Stable
KBRA Ratings [‡]	AA+ Stable	AA Stable
<p>*As of December 31, 2016, AGM's legacy global structured finance portfolio is expected to amortize 51% by year-end 2017, 60% by year-end 2018 and 66% by year-end 2019.</p> <p>** Ratings are Assured Guaranty's internal ratings. Assured Guaranty's rating scale is similar to that used by the nationally recognized rating agencies; however, our internal ratings may be different from the ratings assigned by the nationally recognized rating agencies. Exposures rated below investment grade are designated BIG. Percentages in graphs may not add due to rounding.</p> <p>§ Excludes effect of respective ownership shares in MAC. See footnote 1 below.</p> <p>† AGC is requesting that Moody's Investors Service Inc. withdraw AGC's rating.</p> <p>‡ KBRA is Kroll Bond Rating Agency.</p>		

¹ As of December 31, 2016. Consolidated claims-paying resources of the Assured Guaranty group include those of AGM and AGC shown in the table, \$1.4 billion at MAC and \$2.2 billion at Assured Guaranty Re Ltd., less intercompany eliminations of \$1.0 billion.

© Assured Guaranty Ltd. 2017. Published April 25, 2017. Data as of December 31, 2016, except ratings, which are as of the publication date. The information in this fact sheet should be read in conjunction with the Securities and Exchange Commission (SEC) filings of Assured Guaranty Ltd. (AGL or, together with its subsidiaries, Assured Guaranty), including the risk factors set forth therein, all of which speak only as of the dates indicated therein. Any forward-looking statements made in this fact sheet reflect Assured Guaranty's current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties that may cause actual results to differ materially from those set forth in these statements. For example, Assured Guaranty's financial strength and ratings, and its financial performance and condition, could deteriorate and it may be unable to execute its business model and strategies. The materials in this fact sheet do not constitute advice with respect to any municipal financial products, or the issuance of any municipal securities, including with respect to the structuring, timing or terms of any such financial products or issuances. You should not rely on such material to make any decision with respect to these topics. Neither we nor any of our affiliates is acting as an advisor in connection with any municipal financial product or any offering of municipal securities. We encourage you to consult your own financial and legal advisors and to make your own independent investigation regarding any municipal financial product and the structure, timing and terms of any offering of municipal securities. Municipal financial product includes any municipal derivative, guaranteed investment contract, plan or program for the investment of the proceeds of municipal securities, or the recommendation and brokerage of municipal escrow investments.



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