

# **Bond Case Briefs**

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## **Kroll Bond Rating Agency Affirms Assured Guaranty Municipal's AA+ Financial Strength Rating with Stable Outlook.**

NEW YORK-(BUSINESS WIRE)-Kroll Bond Rating Agency (KBRA) affirmed its insurance financial strength rating of AA+, with a Stable Outlook, for Assured Guaranty Municipal Corp. (AGM), a financial guaranty subsidiary of Assured Guaranty Ltd. (together with its subsidiaries, Assured Guaranty)(NYSE:AGO).

In the report, KBRA noted the following key strengths supporting AGM's AA+ rating:

- AGM demonstrated the ability to withstand KBRA's conservative stress case loss assumptions across the breadth of its insured portfolio.
- AGM has strong governance, credit and risk management protocols and a well-developed governance framework.
- AGM's tested management team is well positioned to address future portfolio risk issues should they develop given their experience through the credit crisis.
- AGM's substantial and continuing runoff in the structured finance components of its insured portfolio, down nearly 95% since the end of 2009, continues to moderate risk.

"Once again, KBRA has affirmed AGM's strong AA+ rating, reflecting the high level of protection available to investors in AGM-insured bonds," said Dominic Frederico, President and CEO of Assured Guaranty. "KBRA subjected AGM's insured portfolio to rigorous statistical modeling with elevated levels of assumed economic stress, including case-by case-stress analysis of our Puerto Rico credits. They found that, even in this highly unlikely scenario, AGM satisfied all claims in full and on time with a comfortable balance remaining."

This most recent affirmation follows KBRA's affirmations last year of Municipal Assurance Corp. at AA+ in July and of Assured Guaranty Corp. at AA in December, both with stable outlooks.

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