



BAM

PRESS RELEASE

S&P Global Ratings Affirms BAM's AA Rating and Stable Outlook

NEW YORK, June 25, 2018 – S&P Global Ratings today announced that it has completed its annual review of Build America Mutual and affirmed BAM's AA rating and Stable outlook, the strongest rating S&P assigns to any active insurer.

In a Research Update published today, S&P said the action reflects BAM's "strong market acceptance in the U.S. municipal sector, prudent underwriting discipline, and proven year-over-year growth in terms of par insured, premiums written, and risk-based pricing." In addition, S&P recognized that BAM's structure as a mutual insurer that is owned by the public-sector issuers whose bonds it guarantees is important because it means that "BAM and its owners are focused on a stable, low-cost source of financial guarantee support, rather than a high return on investment."

"S&P's analysis is an important independent confirmation of BAM's exceptional financial strength," said BAM Chief Executive Officer Seán McCarthy. "That strength is anchored in our low-risk, low-volatility insured portfolio that only includes bonds from U.S. municipal issuers who fund essential public services, and supported by substantial financial resources that have grown consistently – both organically and through innovative approaches like our reinsurance agreement with Fidus Re earlier this year."

About Build America Mutual

BAM is a mutual bond insurance company operated for the benefit of its members – the cities, states and other municipal entities that use BAM's financial guaranty to lower their cost of borrowing. BAM is sponsored by the National League of Cities. Through June 22, 2018, BAM has insured more than \$49 billion of municipal securities for more than 2,900 municipal issuers nationwide. Learn more at <http://buildamerica.com/mission/>

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