

**QUARTERLY STATEMENT**  
**OF THE**  
**Build America Mutual Assurance Company**

**of**  
**New York**  
**in the state of**  
**New York**

**TO THE**  
**Insurance Department**  
**OF THE STATE OF**  
**New York**

**FOR THE QUARTER ENDED**  
**MARCH 31, 2019**

**2019**



**QUARTERLY STATEMENT**  
**AS OF MARCH 31, 2019**  
 OF THE CONDITION AND AFFAIRS OF THE  
**Build America Mutual Assurance Company**

NAIC Group Code	0000	0000	NAIC Company Code	14380	Employer's ID Number	45-4858468
	<small>(Current Period)</small>	<small>(Prior Period)</small>				
Organized under the Laws of	New York		State of Domicile or Port of Entry	NY		
Country of Domicile	United States of America					
Incorporated/Organized	03/16/2012		Commenced Business	07/20/2012		
Statutory Home Office	200 Liberty St., 27th Floor			New York, NY, US 10281		
	<small>(Street and Number)</small>			<small>(City or Town, State, Country and Zip Code)</small>		
Main Administrative Office	200 Liberty St., 27th Floor			New York, NY, US 10281		
	<small>(Street and Number)</small>			<small>(City or Town, State, Country and Zip Code)</small>		
Mail Address	200 Liberty St., 27th Floor			New York, NY, US 10281		
	<small>(Street and Number or P.O. Box)</small>			<small>(City or Town, State, Country and Zip Code)</small>		
Primary Location of Books and Records	200 Liberty St., 27th Floor			New York, NY, US 10281		
	<small>(Street and Number)</small>			<small>(City or Town, State, Country and Zip Code)</small>		
Internet Web Site Address	www.buildamerica.com			(212)235-2500		
	<small>(City or Town, State, Country and Zip Code)</small>			<small>(Area Code) (Telephone Number)</small>		
Statutory Statement Contact	Brian Michael Wymbs			(212)235-2513		
	<small>(Name)</small>			<small>(Area Code)(Telephone Number)(Extension)</small>		
	bwymbs@buildamerica.com			(212)962-1710		
	<small>(E-Mail Address)</small>			<small>(Fax Number)</small>		

**OFFICERS**

Name	Title
Robert Phillips Cochran	Managing Director, Secretary and Chairman
Seán Wallace McCarthy	Managing Director and Chief Executive Officer
Elizabeth Ann Keys	Chief Financial Officer and Treasurer

**OTHERS**

Suzanne Marie Finnegan Bouton, Chief Credit Officer	Laura Levenstein, Chief Risk Officer
Alexander George Makowski, Jr., General Counsel and Assistant Secretary	Brian Michael Wymbs, Chief Accounting Officer

**DIRECTORS OR TRUSTEES**

Reid Tarlton Campbell	Robert Phillips Cochran
Natalie Rena Cohen #	Seán Wallace McCarthy
George Manning Rountree	Robert Albert Vanosky
Francis John White	

State of           New York            
 County of           New York           ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Robert Phillips Cochran	Seán Wallace McCarthy	Elizabeth Ann Keys
<small>(Printed Name)</small>	<small>(Printed Name)</small>	<small>(Printed Name)</small>
1.	2.	3.
Managing Director, Secretary and Chairman	Managing Director and Chief Executive Officer	Chief Financial Officer and Treasurer
<small>(Title)</small>	<small>(Title)</small>	<small>(Title)</small>

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2019

- a. Is this an original filing?  
 b. If no, 1. State the amendment number  
 2. Date filed  
 3. Number of pages attached

Yes[X] No[ ]

\_\_\_\_\_  
(Notary Public Signature)

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	473,536,905		473,536,905	477,687,716
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....5,844,113), cash equivalents (\$.....3,614,479) and short-term investments (\$.....20,354,700) .....	29,813,292		29,813,292	44,931,455
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....	1,713	1,713		
9. Receivables for securities .....	5,983,338		5,983,338	10,998
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	509,335,248	1,713	509,333,535	522,630,169
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	3,883,892		3,883,892	3,527,699
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....				
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....	3,184,082	3,122,866	61,216	73,272
21. Furniture and equipment, including health care delivery assets (\$.....0) .....	741,576	741,576		
22. Net adjustments in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$.....0) and other amounts receivable .....				
25. Aggregate write-ins for other-than-invested assets .....	1,498,032	902,021	596,011	73,048
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	518,642,830	4,768,176	513,874,654	526,304,188
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	518,642,830	4,768,176	513,874,654	526,304,188
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. Prepaid assets .....	902,021	902,021		
2502. Other assets .....	596,011		596,011	73,048
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	1,498,032	902,021	596,011	73,048

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$.....0) .....		
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....		
4. Commissions payable, contingent commissions and other similar charges .....		
5. Other expenses (excluding taxes, licenses and fees) .....	13,736,107	23,339,022
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	52,474	227,449
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)) .....		
7.2 Net deferred tax liability .....		
8. Borrowed money \$.....0 and interest thereon \$.....0 .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....154,854,561 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act) .....	36,926,143	36,233,633
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....		
13. Funds held by company under reinsurance treaties .....		
14. Amounts withheld or retained by company for account of others .....		
15. Remittances and items not allocated .....		
16. Provision for reinsurance (including \$.....0 certified) .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....		
20. Derivatives .....		
21. Payable for securities .....		2,244,070
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$.....0 and interest thereon \$.....0 .....		
25. Aggregate write-ins for liabilities .....	54,297,072	50,525,665
26. TOTAL liabilities excluding protected cell liabilities (Lines 1 through 25) .....	105,011,796	112,569,839
27. Protected cell liabilities .....		
28. TOTAL liabilities (Lines 26 and 27) .....	105,011,796	112,569,839
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....		
31. Preferred capital stock .....		
32. Aggregate write-ins for other-than-special surplus funds .....	199,729,479	191,796,223
33. Surplus notes .....	481,262,739	481,262,739
34. Gross paid in and contributed surplus .....		
35. Unassigned funds (surplus) .....	(272,129,360)	(259,324,613)
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$.....0) .....		
36.2 .....0 shares preferred (value included in Line 31 \$.....0) .....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	408,862,858	413,734,349
38. TOTALS (Page 2, Line 28, Col. 3) .....	513,874,654	526,304,188
<b>DETAILS OF WRITE-INS</b>		
2501. Mandatory contingency reserve .....	54,097,072	50,325,665
2502. Deposit liability .....	200,000	200,000
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	54,297,072	50,525,665
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....		
3201. Member surplus contributions .....	199,729,479	191,796,223
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above) .....	199,729,479	191,796,223

**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned			
1.1 Direct (written \$.....7,713,119)	2,056,633	1,591,303	7,846,158
1.2 Assumed (written \$.....0)	15,660		88,723
1.3 Ceded (written \$.....6,610,914)	1,662,599	1,263,236	6,314,972
1.4 Net (written \$.....1,102,205)	409,694	328,067	1,619,909
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$.....0)			
2.1 Direct			
2.2 Assumed			
2.3 Ceded			
2.4 Net			
3. Loss adjustment expenses incurred			
4. Other underwriting expenses incurred	12,374,886	11,561,802	38,561,191
5. Aggregate write-ins for underwriting deductions			
6. TOTAL underwriting deductions (Lines 2 through 5)	12,374,886	11,561,802	38,561,191
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(11,965,192)	(11,233,735)	(36,941,282)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	2,674,203	2,477,980	2,573,759
10. Net realized capital gains (losses) less capital gains tax of \$.....0	26,086		(189,502)
11. Net investment gain (loss) (Lines 9 + 10)	2,700,289	2,477,980	2,384,257
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income			
15. TOTAL other income (Lines 12 through 14)			
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(9,264,903)	(8,755,755)	(34,557,025)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(9,264,903)	(8,755,755)	(34,557,025)
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19) (to Line 22)	(9,264,903)	(8,755,755)	(34,557,025)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	413,734,349	427,315,050	427,315,050
22. Net income (from Line 20)	(9,264,903)	(8,755,755)	(34,557,025)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0			
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			
27. Change in nonadmitted assets	231,563	594,387	601,682
28. Change in provision for reinsurance			
29. Change in surplus notes			(17,740,069)
30. Surplus (contributed to) withdrawn from Protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	4,161,849	1,765,979	38,114,711
38. Change in surplus as regards policyholders (Lines 22 through 37)	(4,871,491)	(6,395,389)	(13,580,701)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	408,862,858	420,919,661	413,734,349
<b>DETAILS OF WRITE-INS</b>			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
3701. Member surplus contributions	7,933,256	4,890,214	53,675,499
3702. Change in mandatory contingency reserve	(3,771,407)	(3,124,235)	(15,560,788)
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	4,161,849	1,765,979	38,114,711

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	1,102,204	798,416	7,294,955
2. Net investment income .....	2,647,738	2,382,640	3,393,120
3. Miscellaneous income .....			
4. TOTAL (Lines 1 to 3) .....	3,749,942	3,181,056	10,688,075
5. Benefit and loss related payments .....			
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	21,856,101	21,204,201	35,374,623
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....			
10. TOTAL (Lines 5 through 9) .....	21,856,101	21,204,201	35,374,623
11. Net cash from operations (Line 4 minus Line 10) .....	(18,106,159)	(18,023,145)	(24,686,548)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	28,854,760	33,630,541	135,228,012
12.2 Stocks .....			
12.3 Mortgage loans .....			
12.4 Real estate .....			
12.5 Other invested assets .....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....			
12.7 Miscellaneous proceeds .....		16,110,750	1,737,814
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7) .....	28,854,760	49,741,291	136,965,826
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	25,007,591	44,725,759	167,406,481
13.2 Stocks .....			
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....			
13.6 Miscellaneous applications .....	8,216,410		
13.7 TOTAL investments acquired (Lines 13.1 to 13.6) .....	33,224,001	44,725,759	167,406,481
14. Net increase (or decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(4,369,241)	5,015,532	(30,440,655)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			(17,740,069)
16.2 Capital and paid in surplus, less treasury stock .....			
16.3 Borrowed funds .....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5 Dividends to stockholders .....			
16.6 Other cash provided (applied) .....	7,357,237	5,102,293	52,867,936
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	7,357,237	5,102,293	35,127,867
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(15,118,163)	(7,905,320)	(19,999,336)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	44,931,455	64,930,791	64,930,791
19.2 End of period (Line 18 plus Line 19.1) .....	29,813,292	57,025,471	44,931,455

**Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:**

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## Notes to Financial Statement

Build America Mutual Assurance Company (“Build America” or the “Company”) is a New York domiciled mutual financial guaranty insurance company. The Company was capitalized on July 17, 2012 and received its license to write financial guaranty insurance from the New York State Department of Financial Services (the “Department”) and commenced operations on July 20, 2012. Build America is also licensed in the District of Columbia and the remaining 49 states. Build America’s financial strength and counterparty credit ratings of ‘AA/Stable Outlook’, from Standard & Poor’s Ratings Services, were reaffirmed on June 25, 2018. Build America is not licensed to write financial guaranty insurance in Puerto Rico or any other territory or possession of the United States, and it has no exposure to debt issued in Puerto Rico or any other territory or possession of the United States.

The first mutual bond insurance company, Build America is owned by and operated for the benefit of the cities, states and other municipal agencies—the municipal issuers—that use the Company’s ‘AA/Stable Outlook’ rated financial guaranty to lower their cost of funding in the U.S. municipal market. Build America’s unique corporate structure distinguishes it from traditional financial guaranty insurers in many important ways:

- Build America’s charter, underwriting guidelines and credit policies permit the Company to insure only long-term, essential public purpose municipal bonds in core sectors for municipalities or entities that otherwise qualify for tax exemption under Section 115 of the Internal Revenue Code;
- Build America’s mutual model permits capital growth to track insured portfolio growth, eliminating the need to “go public” to raise capital, to drive earnings growth to satisfy equity markets, or to engage in mission creep by taking on risks outside of the core municipal market; and
- In addition to its own strong capital base, Build America has the benefit of collateralized first loss reinsurance protection for losses up to the first 15% of par outstanding on each policy written and \$100,000,000 of collateralized excess of loss reinsurance.

Build America collects a payment for every policy that it issues, comprising i.) a risk premium and ii.) a Member Surplus Contribution (“MSC”) that is recognized as an addition to other than special surplus funds when collected. An issuer’s MSC is creditable to the payment due when Build America guarantees debt that refunds a debt issue insured by the Company. Issuers whose debt is insured by Build America become members of the Company for as long as they have debt outstanding insured by Build America, and as members have the right to vote and to receive dividends, if declared, and other benefits of mutual membership. The Company’s policies are issued without contingent mutual liability for assessment.

The Company’s first-loss reinsurance protection is provided by HG Re, Ltd. (“HG Re”) via a reinsurance treaty (the “Reinsurance Agreement”), whereby HG Re assumes losses in an amount up to 15% of the par outstanding for each insurance policy. HG Re’s obligations under the Reinsurance Agreement are secured by, and limited to the value of the assets held in trusts, which include a beneficial interest in the Series 2018 Surplus Notes as well as other high quality assets, which are pledged for the benefit of Build America.

In addition to the first-loss protection provided by HG Re, BAM is party to a collateralized excess of loss reinsurance agreement provided by Fidus Re, Ltd. (“Fidus”), a Bermuda based special purpose insurer created solely to provide reinsurance protection to BAM. Fidus was capitalized by the issuance of \$100,000,000 of insurance linked securities. Fidus provides prospective reinsurance for 90% of aggregate losses exceeding \$165,000,000 on a portion of BAM’s financial guarantee portfolio (“Covered Portfolio”) up to a total reimbursement of \$100,000,000. The Covered Portfolio consists of approximately 68% of gross par in force for BAM’s portfolio of financial guaranty policies as of March 31, 2019. The Company’s excess of loss reinsurance protection provided by Fidus is accounted for using deposit accounting.

### 1. Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The accompanying statutory-basis financial statements have been prepared on the basis of accounting practices prescribed or permitted by the State of New York.

The Department recognizes only statutory accounting practices prescribed or permitted by the State of New York for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under New York State Insurance Law (“NYSIL”). The National Association of Insurance Commissioners (“NAIC”) Accounting Practices and Procedures manual (“NAIC SAP”) has been adopted as a component of prescribed practices by the Department.

The Department has the right to permit other specific practices that deviate from prescribed practices. During 2012, the Company received permission from the Department to defer the recognition of the deferred tax liabilities attributable to MSC received until such time as the MSC are included in the Company’s taxable income, to the extent that the total gross deferred tax liabilities exceed the total gross admitted deferred tax assets. The Department’s permission to utilize this permitted practice expires on December 31, 2019. The permitted practice had no effect on net income for the three months ended March 31, 2019 or March 31, 2018 or the year ended December 31, 2018, and had no effect on surplus as of March 31, 2019 or December 31, 2018.

## Notes to Financial Statement

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices permitted by the Department is shown below:

<u>NET INCOME (LOSS)</u>	<u>SSAP #</u>	<u>Page</u>	<u>E/S</u> <u>Line #</u>	<u>March 31, 2019</u>	<u>December 31, 2018</u>
(1) Build America's state basis (Page 4, Line 20, Columns 1 & 2)				\$ (9,264,903)	\$ (34,557,025)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:					
Not applicable	N/A	N/A	N/A	-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP:					
Deferred tax liability on MSC	101	N/A	N/A	-	-
(4) NAIC SAP (1 - 2 - 3 = 4)				<u>\$ (9,264,903)</u>	<u>\$ (34,557,025)</u>
 <u>SURPLUS</u>					
(5) Build America's state basis (Page 3, Line 37, Columns 1 & 2)				\$ 408,862,858	\$ 413,734,349
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:					
Not applicable	N/A	N/A	N/A	-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP:					
Deferred tax liability on MSC	101	3	7.2	-	-
(8) NAIC SAP (5 - 6 - 7 = 8)				<u>\$ 408,862,858</u>	<u>\$ 413,734,349</u>

### B. Use of Estimates in the Preparation of the Financial Statements

No significant changes from the 2018 Notes to the Financial Statements.

### C. Accounting Policies

- (1) No significant changes from the 2018 Notes to the Financial Statements.
- (2) No significant changes from the 2018 Notes to the Financial Statements.
- (3) No significant changes from the 2018 Notes to the Financial Statements.
- (4) No significant changes from the 2018 Notes to the Financial Statements.
- (5) No significant changes from the 2018 Notes to the Financial Statements.
- (6) Loan-backed securities with an NAIC designation of 1 or 2 are reported at amortized cost.

Changes in estimated cash flows, including the effect of prepayment assumptions, on loan-backed securities are reviewed periodically. Prepayment assumptions are applied consistently to securities backed by similar collateral. Loan-backed securities are revalued using the estimated cash flows, including new prepayment assumptions using the retrospective adjustment method. If there is an increase in expected cash flows, the Company will recalculate the amount of accretable yield. If there is a decrease in expected cash flows or if the fair value of the loan-backed security has declined below its amortized cost basis, the Company determines whether an other-than-temporary-impairment ("OTTI") has occurred.

For loan-backed securities for which the fair value has declined below its amortized cost basis and the Company either: i.) has the intent to sell the security, or ii.) does not have the intent or ability to hold security for a period of time sufficient to recover the amortized cost basis, an OTTI shall have occurred. The amount of the OTTI recognized in earnings as a realized loss will equal the entire difference between security's amortized cost basis and its fair value at the balance sheet date.

When an OTTI has occurred because the Company does not expect to recover the entire amortized cost basis of the security, even if the Company has no intent to sell and the Company has the intent and ability to hold, the amount of the OTTI recognized in earnings as a realized loss shall be equal to the difference between the security's amortized cost basis and the present value of cash flows expected to be collected.

- (7) No significant changes from the 2018 Notes to the Financial Statements.
- (8) No significant changes from the 2018 Notes to the Financial Statements.
- (9) No significant changes from the 2018 Notes to the Financial Statements.
- (10) The Company anticipates investment income as a factor in premium deficiency calculations.
- (11) No significant changes from the 2018 Notes to the Financial Statements.
- (12) No significant changes from the 2018 Notes to the Financial Statements.
- (13) No significant changes from the 2018 Notes to the Financial Statements.
- (14) No significant changes from the 2018 Notes to the Financial Statements.
- (15) No significant changes from the 2018 Notes to the Financial Statements.



## Notes to Financial Statement

### D. Going Concern

Management has evaluated the Company's ability to continue as a going concern and does not believe there are conditions or events, considered in the aggregate, that raise substantial doubt regarding the Company's ability to continue as a going concern within one year of the issuance of the March 31, 2019 Quarterly Statement.

### 2. Accounting Changes and Corrections of Errors

There were no changes in the Company's accounting policies or corrections of errors for the three months ended March 31, 2019.

### 3. Business Combinations and Goodwill

No significant changes from the 2018 Notes to the Financial Statements.

### 4. Discontinued Operations

No significant changes from the 2018 Notes to the Financial Statements.

### 5. Investments

A. No significant changes from the 2018 Notes to the Financial Statements.

B. No significant changes from the 2018 Notes to the Financial Statements.

C. No significant changes from the 2018 Notes to the Financial Statements.

D. Loan-Backed Securities

(1) The Company consistently uses the retrospective method to revalue loan-backed securities using current prepayment assumptions. Prepayment assumptions for single class and multi-class loan-backed securities are obtained from publicly available resources. There were no changes in the methodology utilized by the Company to revalue loan-backed securities.

(2) No significant changes from the 2018 Notes to the Financial Statements.

(3) No significant changes from the 2018 Notes to the Financial Statements.

(4) The Company has not recognized OTTI losses on loan-backed securities for the three months ended March 31, 2019 or the year ended December 31, 2018. Gross unrealized losses on loan-backed securities and the related fair values were as follows:

<u>Time in Continuous Unrealized Position</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>	<u>Number of Securities</u>
<u>As of March 31, 2019:</u>			
Less than twelve months	\$ 13,743	\$ 5,729,183	2
Twelve or more months	1,181,118	67,415,101	26
Total	<u>\$ 1,194,861</u>	<u>\$73,144,284</u>	<u>28</u>
<u>As of December 31, 2018</u>			
Less than twelve months	\$ 166,474	\$12,782,041	7
Twelve or more months	2,133,605	64,540,398	25
Total	<u>\$ 2,300,079</u>	<u>\$77,322,439</u>	<u>32</u>

(5) The Company had no OTTI losses as of March 31, 2019 or December 31, 2018.

E. No significant changes from the 2018 Notes to the Financial Statements.

F. No significant changes from the 2018 Notes to the Financial Statements.

G. No significant changes from the 2018 Notes to the Financial Statements.

H. No significant changes from the 2018 Notes to the Financial Statements.

I. No significant changes from the 2018 Notes to the Financial Statements.

J. No significant changes from the 2018 Notes to the Financial Statements.

K. No significant changes from the 2018 Notes to the Financial Statements.

## Notes to Financial Statement

## L. The Company's restricted assets were as follows:

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted									Percentage	
	Current Year									10	11
	1	2	3	4	5	6	7	8	9		
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Current Year Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)	
a. Subject to contractual obligations for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	0%	0%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0%	0%
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	0%	0%
h. Letter stock or securities restricted as to sale	-	-	-	-	-	-	-	-	-	0%	0%
i. FHLB capital stock	-	-	-	-	-	-	-	-	-	0%	0%
j. On deposit with states	6,111,365	-	-	-	6,111,365	6,109,787	1,578	-	6,111,365	1%	1%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	0%	0%
l. Pledged as collateral to FHLB	-	-	-	-	-	-	-	-	-	0%	0%
m. Pledged as collateral not captured in other categories	792,589	-	-	-	792,589	792,589	-	-	792,589	0%	0%
n. Other restricted assets	-	-	-	-	-	-	-	-	-	0%	0%
<b>o. Total Restricted Assets</b>	<b>\$ 6,903,954</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,903,954</b>	<b>\$ 6,902,376</b>	<b>\$ 1,578</b>	<b>\$ -</b>	<b>\$ 6,903,954</b>	<b>1%</b>	<b>1%</b>

(a) Subset of column 1

(b) Subset of column 3

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 5 divided by Asset Page, Column 3, Line 28

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted								Percentage	
	Current Year								9	10
	1	2	3	4	5	6	7	8		
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
Held in trust for reinsurance	\$ 720,000	\$ -	\$ -	\$ -	\$ 720,000	\$ 720,000	\$ -	\$ 720,000	0%	0%
Lease security deposits	72,589	-	-	-	72,589	72,589	-	72,589	0%	0%
<b>Total (c)</b>	<b>\$ 792,589</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 792,589</b>	<b>\$ 792,589</b>	<b>\$ -</b>	<b>\$ 792,589</b>	<b>0%</b>	<b>0%</b>

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5H(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5H(1)m Columns 9 through 11 respectively

(3) The Company has no Other Restricted Assets as of March 31, 2019 or December 31, 2018.

(4) The Company has no Collateral Received and Reflected as Assets as of March 31, 2019 or December 31, 2018.

## M. Working Capital Finance Investments

No significant changes from the 2018 Notes to the Financial Statements.

## N. Offsetting and Netting of Assets and Liabilities

No significant changes from the 2018 Notes to the Financial Statements.

## O. Structured Notes

No significant changes from the 2018 Notes to the Financial Statements.

## P. 5\* Securities

No significant changes from the 2018 Notes to the Financial Statements.

## Q. Short Sales

No significant changes from the 2018 Notes to the Financial Statements.

## R. Prepayment Penalty and Acceleration Fees

No significant changes from the 2018 Notes to the Financial Statements.

## 6. Joint Ventures, Partnerships and Limited Liability Companies

No significant changes from the 2018 Notes to the Financial Statements.

## Notes to Financial Statement

### 7. Investment Income

No significant changes from the 2018 Notes to the Financial Statements.

### 8. Derivative Instruments

No significant changes from the 2018 Notes to the Financial Statements.

### 9. Income Taxes

The Company generated tax basis ordinary operating losses of \$20,119,371 and \$19,655,983 for the three months ended March 31, 2019 and March 31, 2018, respectively. The Company has an unused ordinary operating loss carryforward of \$296,207,293 available to offset against future taxable income. Unused ordinary operating losses of \$250,680,383 expire beginning in 2033 through 2038 and unused ordinary operating losses of \$45,526,910 may be carried forward indefinitely.

The Company generated no tax basis capital losses for the three months ended March 31, 2019 or March 31, 2018. The Company has an unused capital loss carryforward of \$398,006. Unused capital loss carryforwards expire beginning in 2019 through 2023.

### 10. Information Concerning Parent, Subsidiaries and Affiliates and Other Related Parties

No significant changes from the 2018 Notes to the Financial Statements.

### 11. Debt

No significant changes from the 2018 Notes to the Financial Statements.

### 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant changes from the 2018 Notes to the Financial Statements.

### 13. Capital and Surplus and Dividend Restrictions and Quasi-Reorganizations

- (1) No significant changes from the 2018 Notes to the Financial Statements.
- (2) No significant changes from the 2018 Notes to the Financial Statements.
- (3) No significant changes from the 2018 Notes to the Financial Statements.
- (4) No significant changes from the 2018 Notes to the Financial Statements.
- (5) No significant changes from the 2018 Notes to the Financial Statements.
- (6) No significant changes from the 2018 Notes to the Financial Statements.
- (7) No significant changes from the 2018 Notes to the Financial Statements.
- (8) No significant changes from the 2018 Notes to the Financial Statements.
- (9) No significant changes from the 2018 Notes to the Financial Statements.
- (10) No significant changes from the 2018 Notes to the Financial Statements.
- (11) Surplus Notes

As of March 31, 2019:

Date Issued	Series	Interest Rate	Par Value (Face Amount of the Note)	Carrying Value of Note	Principal and/or Interest Paid Current Year	Total Principal and/or Interest Paid	Total Unapproved Principal and/or Interest	Date of Maturity
December 3, 2018	2018	variable	\$ 481,262,739	\$ 481,262,739	\$ -	\$ 28,000,000	\$ 631,787,719	April 1, 2042

The Company has not requested approval for payment of the Series 2018 Surplus Notes during the three months ended March 31, 2019.

- (12) No significant changes from the 2018 Notes to the Financial Statements.
- (13) No significant changes from the 2018 Notes to the Financial Statements.

### 14. Liabilities, Contingencies and Assessments

No significant changes from the 2018 Notes to the Financial Statements.

### 15. Leases

No significant changes from the 2018 Notes to the Financial Statements.

## Notes to Financial Statement

### 16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Build America provides financial guaranty insurance for U.S. public finance obligations. Total principal and interest exposure, net of first-loss reinsurance, as of March 31, 2019 and December 31, 2018 was \$72,904,621,811 and \$70,830,254,400, respectively, excluding the benefit of \$100,000,000 of excess of loss reinsurance provided by Fidus.

### 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

No significant changes from the 2018 Notes to the Financial Statements.

### 18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant changes from the 2018 Notes to the Financial Statements.

### 19. Direct Premium Written or Produced by Managing General Agents or Third Party Administrators

No significant changes from the 2018 Notes to the Financial Statements.

### 20. Fair Value Measurements

- A. The fair values of the Company's financial instruments are determined primarily through the use of observable inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from external independent sources. Unobservable inputs reflect management's assumptions about what market participants' assumptions would be in pricing the asset or liability based on the best information available. The Company classifies financial assets in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement. This classification requires judgment in assessing the market and pricing methodologies for a particular security. The fair value hierarchy is comprised of the following three levels:

Level 1: Valuations are based on unadjusted quoted prices in active markets for identical financial assets or liabilities;

Level 2: Valuations of financial assets and liabilities are based on prices obtained from independent index providers, pricing vendors or broker-dealers using observable inputs; and

Level 3: Valuations are based on unobservable inputs for assets and liabilities where there is little or no market activity. Management's assumptions and/or internal valuation pricing models are used to determine the fair value of financial assets or liabilities.

- (1) The Company did not record any of its assets or liabilities at fair value as of March 31, 2019 or December 31, 2018.
- (2) During the three months ended March 31, 2019 and the year ended December 31, 2018, the Company did not transfer any assets or liabilities into or out of Level 3. The estimated fair value of the liability for net financial guaranty insurance contracts as of March 31, 2019 and December 31, 2018 was \$184,289,789 and \$179,545,907, respectively.
- (3) Transfers of assets and liabilities into or out of Level 3 are reflected at their fair values as of the end of each reporting period, consistent with the date of determination of fair value.
- (4) The following inputs, methods and assumptions were used to determine the fair value of each class of financial instrument for which it is practicable to estimate that value:

#### Bonds

The estimated fair values generally represent prices received from third party pricing services or alternative pricing sources. The pricing services prepare estimates of fair value measurements using their pricing applications, which include available relevant market information, benchmark curves, benchmarking of like securities and matrix pricing. The observable inputs used in the valuation of these securities may include the spread above the risk-free yield curve, reported trades, broker-dealer quotes, bids, prepayment speeds, delinquencies, loss severity and default rates. In cases where specific market quotes are unavailable, interpreting market data and estimating market values require considerable judgment by management. Accordingly, the estimates presented are not necessarily indicative of the amount the Company could realize in the market. In these cases, the fair value measurements are primarily classified as Level 2.

#### Cash and Short-Term Investments

The fair value of cash and short-term investments approximates its amortized cost. The fair value measurements were classified as Level 1.

#### Investment Income Due and Accrued

The fair value of investment income due and accrued approximates carrying value, and the fair value measurements were classified as Level 1.

# Notes to Financial Statement

## Net Financial Guaranty Insurance Contracts

The fair value of net financial guaranty insurance contracts represents the Company's estimate of the cost to Build America to completely transfer its insurance obligations to another financial guarantor under current market conditions. Theoretically, this amount should be the same amount that another financial guarantor would hypothetically charge in the market place to provide the same protection as of the balance sheet date. The cost to transfer these insurance obligations is based on pricing assumptions observed in the financial guaranty market and includes adjustments to the carrying value of unearned premium reserves, member surplus contributions and ceding commissions. The significant inputs are not observable. The Company accordingly classified this fair value measurement as Level 3.

- (5) The Company did not hold any derivative assets or liabilities as of March 31, 2019 or December 31, 2018.
- B. The fair values of the Company's financial instruments are reflected in the table in footnote 20(C).
- C. The admitted assets, fair values and related level classification within the fair value hierarchy of the Company's financial instruments was as follows:

<u>Type of Financial Instrument</u>	<u>Aggregate Fair Value</u>	<u>Admitted Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Not Practicable (Carrying Value)</u>
<b><u>Fair Value Measurements as of March 31, 2019:</u></b>						
<b>Financial Assets</b>						
Bonds	\$ 478,152,258	\$ 473,536,905	\$ -	\$ 478,152,258	\$ -	\$ -
Cash, cash equivalents and short-term investments	29,813,292	29,813,292	29,813,292	-	-	-
Investment income due and accrued	3,883,892	3,883,892	3,883,892	-	-	-
<b>Total Financial Assets</b>	<b>\$ 511,849,442</b>	<b>\$ 507,234,089</b>	<b>\$ 33,697,184</b>	<b>\$ 478,152,258</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Financial Liabilities</b>						
Net financial guaranty insurance contracts	\$ 184,289,789	\$ -	\$ -	\$ -	\$ 184,289,789	\$ -
<b>Total Financial Liabilities</b>	<b>\$ 184,289,789</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 184,289,789</b>	<b>\$ -</b>
<b><u>Fair Value Measurements as of December 31, 2018:</u></b>						
<b>Financial Assets</b>						
Bonds	\$ 475,584,201	\$ 477,687,716	\$ -	\$ 475,584,201	\$ -	\$ -
Cash, cash equivalents and short-term investments	44,931,455	44,931,455	44,931,455	-	-	-
Investment income due and accrued	3,527,699	3,527,699	3,527,699	-	-	-
<b>Total Financial Assets</b>	<b>\$ 524,043,355</b>	<b>\$ 526,146,870</b>	<b>\$ 48,459,154</b>	<b>\$ 475,584,201</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Financial Liabilities</b>						
Net financial guaranty insurance contracts	\$ 179,545,907	\$ -	\$ -	\$ -	\$ 179,545,907	\$ -
<b>Total Financial Liabilities</b>	<b>\$ 179,545,907</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 179,545,907</b>	<b>\$ -</b>

- D. The Company had no items for which it was not practicable to estimate fair values as of March 31, 2019 or December 31, 2018.
- E. The Company had no items measured using the NAV practical expedient pursuant to SSAP No. 100R – Fair Value as of March 31, 2019 or December 31, 2018.

## 21. Other Items

No significant changes from the 2018 Notes to the Financial Statements.

## 22. Events Subsequent

Pursuant to Statement of Statutory Accounting Principles ("SSAP") No. 9, Subsequent Events, the date through which Type I or Type II subsequent events have been evaluated was May 9, 2019 for the three months ended March 31, 2019, the date in which the statutory financial statements were available for issue. Based on the evaluation, no material items were noted.

## 23. Reinsurance

No significant changes from the 2018 Notes to the Financial Statements.

## 24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No significant changes from the 2018 Notes to the Financial Statements.

## 25. Changes in Incurred Losses and Loss Adjustment Expenses

No significant changes from the 2018 Notes to the Financial Statements.

## 26. Intercompany Pooling Arrangements

No significant changes from the 2018 Notes to the Financial Statements.

## 27. Structured Settlements

No significant changes from the 2018 Notes to the Financial Statements.

## 28. Health Care Receivables

No significant changes from the 2018 Notes to the Financial Statements.

## Notes to Financial Statement

### 29. Participating Accident and Health Policies

No significant changes from the 2018 Notes to the Financial Statements.

### 30. Premium Deficiency Reserves

No significant changes from the 2018 Notes to the Financial Statements.

### 31. High Deductibles

No significant changes from the 2018 Notes to the Financial Statements.

### 32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No significant changes from the 2018 Notes to the Financial Statements.

### 33. Asbestos / Environmental Reserves

No significant changes from the 2018 Notes to the Financial Statements.

### 34. Subscriber Savings Accounts

No significant changes from the 2018 Notes to the Financial Statements.

### 35. Multiple Peril Crop Insurance

No significant changes from the 2018 Notes to the Financial Statements.

### 36. Financial Guaranty Insurance

A. The following disclosures for financial guaranty insurance contracts in force as of March 31, 2019:

(1) The following disclosures are for installment financial guaranty insurance contracts:

- a. The gross unearned premium reserve on an undiscounted basis for the entire book of business that would have been reported had all installment premiums been received at inception would have been \$202,092,228 as of March 31, 2019.
- b. The table below summarizes future, undiscounted premiums expected to be collected under installment contracts:

<u>As of March 31, 2019:</u>	Future Expected Undiscounted Premiums Collections
1. (b) 2nd Quarter 2019	\$ -
(c) 3rd Quarter 2019	-
(d) 4th Quarter 2019	34,277
(e) Year 2020	33,238
(f) Year 2021	35,534
(g) Year 2022	390,617
(h) Year 2023	587,675
2. (a) Years 2024 through 2028	3,018,511
(b) Years 2029 through 2033	1,912,117
(c) Years 2034 through 2038	1,295,710
(d) Years 2039 through 2043	874,369
(e) Years 2044 through 2048	572,263
(f) Years 2049 through 2053	444,202
(g) Years 2054 through 2058	-
Total	\$ 9,198,513

- c. The table below provides a roll forward of the expected future, undiscounted premiums:

<u>As of March 31, 2019:</u>	
1. Expected future premiums - beginning of year	\$ 8,836,673
2. Less: premium payments received for existing installment contracts	-
3. Add: expected premium payments for new installment contracts	361,840
4. Adjustments to the expected future premium payments	-
5. Expected future premiums - March 31, 2019	\$ 9,198,513

(2) The following disclosures are for non-installment financial guaranty insurance contracts in force:

- a. Accelerated net unearned premiums for non-installment contracts were \$56,523 for the three months ended March 31, 2019. These accelerations were the result of insured bonds refunding earlier than the initial debt service scheduled at the policy date.

## Notes to Financial Statement

- b. The table below summarizes future expected earned premium revenue, net of reinsurance, on non-installment financial guaranty contracts:

<u>As of March 31, 2019:</u>	<u>Future Expected Earned Premiums, Net of Reinsurance</u>
1. (b) 2nd Quarter 2019	\$ 389,273
(c) 3rd Quarter 2019	525,065
(d) 4th Quarter 2019	427,021
(e) Year 2020	1,762,710
(f) Year 2021	1,847,069
(g) Year 2022	1,803,482
(h) Year 2023	1,785,478
2. (a) Years 2024 through 2028	8,741,819
(b) Years 2029 through 2033	7,456,355
(c) Years 2034 through 2038	7,082,416
(d) Years 2039 through 2043	3,831,088
(e) Years 2044 through 2048	872,909
(f) Years 2049 through 2053	276,207
(g) Years 2054 through 2058	125,251
(h) Years 2059 through 2063	-
Total	<u>\$ 36,926,143</u>

- (3) The Company did not have any claim liabilities for financial guaranty insurance contracts in force as of March 31, 2019 or December 31, 2018.
- (4) Insured obligations are monitored periodically with the objective of identifying emerging trends, updating the external and internal ratings and surveillance categories and avoiding or minimizing losses. The Company classifies each credit in its insured portfolio using the following surveillance categories:

#### I – Performing – Standard Oversight

Credit is performing well. No losses are expected.

#### II – Performing – Enhanced Oversight

Credit experiencing financial, legal, or administrative problems, causing overall credit quality deterioration or a breach of one or more covenants or triggers. Issuers in this category are, to the extent possible, taking all necessary remedial actions. For some issuers, factors outside of their control are the cause, at least in part, of the deterioration in their credit profile. Issuers in this category are more closely monitored by Surveillance. Despite the current credit difficulties, BAM does not expect any interruption of debt service payments and no losses are expected.

#### III – Watchlist – Deteriorated

Credit experiencing financial, legal, or administrative problems, causing overall credit quality deterioration or a breach of one or more covenants or triggers, which if not corrected could lead to a loss on the policy. Issuers in this category are not taking conclusive remedial action or are unable to do so to due to external factors, requiring Surveillance to employ enhanced surveillance and loss mitigation procedures. This may include the development of a remediation plan in consultation with internal and/or external attorneys, and/or outside consultants. The objectives of any remediation plan would be to address the problems the issuer is facing and any external factors impacting the credit, as well as ensuring that creditor's rights are enforced and curing any breaches that may have occurred with respect to any credit triggers or covenants. BAM may work with other insurers, bondholders, and/or interested parties on remediation efforts, as applicable. Probability of a loss is remote.

#### IV – Watchlist – Distressed

A loss is expected or losses have been paid and have not been recovered or are not recoverable. Surveillance is employing enhanced surveillance and loss mitigation procedures, and may include a remediation plan developed in consultation internal and/or external attorneys, and/or outside consultants. Probability of a loss is elevated.

All of the Company's credits are deemed Performing and have been assigned to either category "I – Performing – Standard Oversight" or "II – Performing – Enhanced Oversight."

- B. The Company has no gross claim liabilities or potential recoveries as of March 31, 2019 or December 31, 2018.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[ ] No[ ] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[ ] No[X]
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[ ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[ ] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes[ ] No[X]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]  
If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....	.....	.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[ ] No[ ] N/A[X]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/2018 .....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ..... 12/31/2013 .....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ..... 04/02/2015 .....
- 6.4 By what department or departments?  
New York State Department of Financial Services
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[ ] No[ ] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[ ] No[X] N/A[ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
.....	.....	..... No .....	..... No .....	..... No .....	..... No .....

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

### FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ ..... 0

### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[X] No[ ]
- 11.2 If yes, give full and complete information relating thereto:  
The Company has \$720,000 of US Treasury money market funds held in an account for the benefit of a reinsurer and \$72,590 of cash held in accounts as deposits for various rental properties.
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ ..... 0
13. Amount of real estate and mortgages held in short-term investments: \$ ..... 0



## GENERAL INTERROGATORIES (Continued)

### INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[X] No[]  
 14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....		
14.22 Preferred Stock .....		
14.23 Common Stock .....		
14.24 Short-Term Investments .....		
14.25 Mortgages Loans on Real Estate .....		
14.26 All Other .....	1,713	1,713
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	1,713	1,713
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes[] No[X]  
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[] No[] N/A[X]  
 If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:  
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ ..... 0  
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ ..... 0  
 16.3 Total payable for securities lending reported on the liability page \$ ..... 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[]  
 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
The Bank of New York Mellon .....	500 Grant Street, Pittsburgh, PA 15258 .....

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes[] No[X]  
 17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

17.5 Investment management - Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. [" that have access to the investment accounts"; " handle securities"]

1 Name of Firm or Individual	2 Affiliation
MacKay Shields LLC .....	U .....

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes[X] No[]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes[X] No[]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107717 .....	MacKay Shields LLC .....		Securities and Exchange Commission .....	NO .....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes[X] No[]  
 18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:  
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.  
 b. Issuer or obligor is current on all contracted interest and principal payments.  
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.  
 Has the reporting entity self-designated 5GI securities? Yes[] No[X]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements for each self-designated PLGI security:

## **GENERAL INTERROGATORIES (Continued)**

- a. The security was purchased prior to January 1, 2018 .
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
  - d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
- Has the reporting entity self-designated PLGI securities?

Yes[ ] No[X]

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?  
If yes, attach an explanation. Yes[ ] No[ ] N/A[X]
2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?  
If yes, attach an explanation. Yes[ ] No[X]
- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes[ ] No[X]
- 3.2 If yes, give full and complete information thereto
- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes[ ] No[X]
- 4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
04.2999 Total .....			.....	.....	.....	.....	.....	.....	.....	.....

5. Operating Percentages:
- 5.1 A&H loss percent ..... 0.000%
- 5.2 A&H cost containment percent ..... 0.000%
- 5.3 A&H expense percent excluding cost containment expenses ..... 0.000%
- 6.1 Do you act as a custodian for health savings accounts? Yes[ ] No[X]
- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ ..... 0
- 6.3 Do you act as an administrator for health savings accounts? Yes[ ] No[X]
- 6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ ..... 0
7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes[X] No[ ]
- 7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes[ ] No[X]

**SCHEDULE F - CEDED REINSURANCE**  
**Showing all new reinsurers - Current Year to Date**

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
			<b>NONE</b>			

# SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

## Current Year to Date - Allocated by States and Territories

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, etc.	Active Status (a)	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama (AL)	L	212,905					
2. Alaska (AK)	L		96,731				
3. Arizona (AZ)	L		71,737				
4. Arkansas (AR)	L	18,256	27,742				
5. California (CA)	L	618,715	610,144				
6. Colorado (CO)	L	28,000					
7. Connecticut (CT)	L	221,800					
8. Delaware (DE)	L						
9. District of Columbia (DC)	L						
10. Florida (FL)	L		20,654				
11. Georgia (GA)	L						
12. Hawaii (HI)	L						
13. Idaho (ID)	L						
14. Illinois (IL)	L	185,625	181,251				
15. Indiana (IN)	L	24,141	123,445				
16. Iowa (IA)	L		20,000				
17. Kansas (KS)	L	54,680	179,099				
18. Kentucky (KY)	L	21,178	69,432				
19. Louisiana (LA)	L		22,620				
20. Maine (ME)	L						
21. Maryland (MD)	L						
22. Massachusetts (MA)	L	19,800					
23. Michigan (MI)	L	32,897	68,217				
24. Minnesota (MN)	L						
25. Mississippi (MS)	L	27,050	16,191				
26. Missouri (MO)	L						
27. Montana (MT)	L						
28. Nebraska (NE)	L						
29. Nevada (NV)	L						
30. New Hampshire (NH)	L						
31. New Jersey (NJ)	L	40,100	79,930				
32. New Mexico (NM)	L	27,708	20,666				
33. New York (NY)	L	5,336,145	2,922,050				
34. North Carolina (NC)	L						
35. North Dakota (ND)	L						
36. Ohio (OH)	L	121,819	33,935				
37. Oklahoma (OK)	L						
38. Oregon (OR)	L						
39. Pennsylvania (PA)	L	214,888	280,474				
40. Rhode Island (RI)	L						
41. South Carolina (SC)	L						
42. South Dakota (SD)	L						
43. Tennessee (TN)	L	9,900	74,210				
44. Texas (TX)	L	489,808	672,862				
45. Utah (UT)	L		29,671				
46. Vermont (VT)	L						
47. Virginia (VA)	L						
48. Washington (WA)	L		33,680				
49. West Virginia (WV)	L						
50. Wisconsin (WI)	L	7,704	12,866				
51. Wyoming (WY)	L						
52. American Samoa (AS)	N						
53. Guam (GU)	N						
54. Puerto Rico (PR)	N						
55. U.S. Virgin Islands (VI)	N						
56. Northern Mariana Islands (MP)	N						
57. Canada (CAN)	N						
58. Aggregate other alien (OT)	X X X						
59. Totals	X X X	7,713,119	5,667,607				
<b>DETAILS OF WRITE-INS</b>							
58001	X X X						
58002	X X X						
58003	X X X						
58998 Summary of remaining write-ins for Line 58 from overflow page	X X X						
58999 TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X						

(a) Active Status Counts:

L Licensed or Chartered - Licensed insurance carrier or domiciled RRG

E Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile See DSLI)

D Domestic Surplus Lines Insurer (DSLII) Reporting entities authorized to write surplus lines in the state of domicile.

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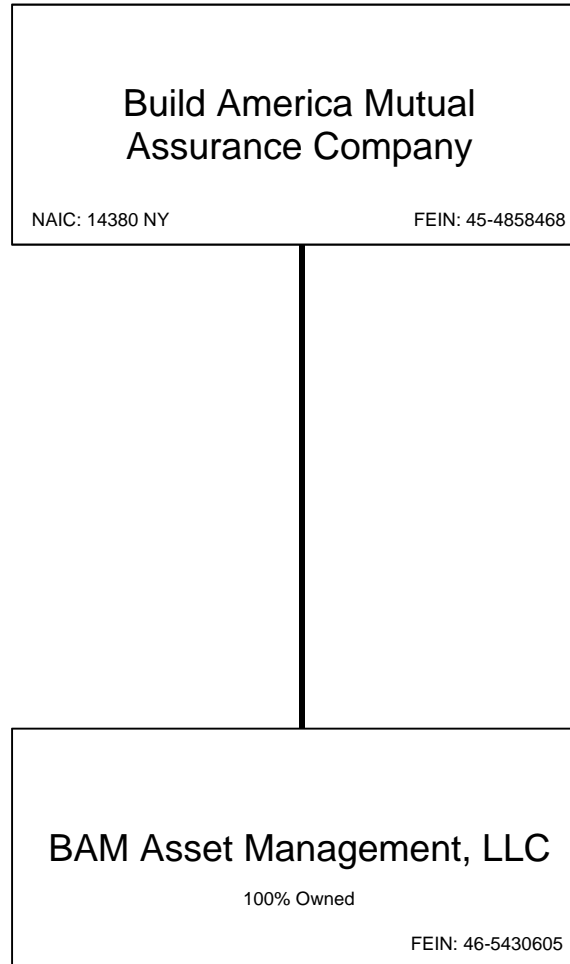
R Registered - Non-domiciled RRGs

Q Qualified - Qualified or accredited reinsurer

N None of the above Not allowed to write business in the state

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**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER**  
**MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**



## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
.....	.....	14380	45-4858468	.....	.....	.....	Build America Mutual Assurance Company	.. NY ..	.. RE ..	.....	.....	.....	.....	.. N ..	.....
.....	.....	00000	46-5430605	.....	.....	.....	BAM Asset Management, LLC	.. DE ..	.. DS ..	Build America Mutual Assurance Company	Ownership	100.0	Build America Mutual Assurance Company	.. N ..	.....

Asterisk	Explanation
0000001	.....

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty	2,056,633			
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence				
17.2 Other liability - claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability - occurrence				
18.2 Products liability - claims made				
19.1 19.2 Private passenger auto liability				
19.3 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business				
35. TOTALS	2,056,633			
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty	7,713,119	7,713,119	5,667,607
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability - occurrence			
17.2 Other liability - claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability - occurrence			
18.2 Products liability - claims made			
19.1 19.2 Private passenger auto liability			
19.3 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business			
35. TOTALS	7,713,119	7,713,119	5,667,607
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)			



**PART 3 (000 omitted)**  
**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2019 Loss and LAE Payments on Claims Reported as of Prior Year-End	2019 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2019 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2016 + Prior .....													
2. 2017 .....													
3. Subtotals 2017 + Prior .....													
4. 2018 .....													
5. Subtotals 2018 + Prior .....													
6. 2019 .....	X X X	X X X	X X X	X X X			X X X				X X X	X X X	X X X
7. Totals .....													
8. Prior Year-End Surplus As Regards Policyholders .....	413,734,349										Col. 11, Line 7 As % of Col. 1 Line 7 1.....	Col. 12, Line 7 As % of Col. 2 Line 7 2.....	Col. 13, Line 7 As % of Col. 3 Line 7 3.....
													Col. 13, Line 7 Line 8 4.....

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# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

**RESPONSES**

- |  |    |
|--|----|
| 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?                         | No |
| 2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?                         | No |
| 3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?                | No |
| 4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | No |

Explanations:

Bar Codes:

Trusteed Surplus Statement



Supplement A to Schedule T



Medicare Part D Coverage Supplement



Director and Officer Supplement



**NONE**

STATEMENT AS OF **March 31, 2019** OF THE **Build America Mutual Assurance Company**  
**SCHEDULE A - VERIFICATION**

**Real Estate**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other-than-temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10) .....		

**NONE**

**SCHEDULE B - VERIFICATION**

**Mortgage Loans**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage interest points .....		
9. Total foreign exchange change in book value/recorded investment .....		
10. Deduct current year's other-than-temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14) .....		

**NONE**

**SCHEDULE BA - VERIFICATION**

**Other Long-Term Invested Assets**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	1,713	1,713
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other-than-temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....	1,713	1,713
12. Deduct total nonadmitted amounts .....	1,713	1,713
13. Statement value at end of current period (Line 11 minus Line 12) .....		

**SCHEDULE D - VERIFICATION**

**Bonds and Stocks**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	477,687,716	447,003,248
2. Cost of bonds and stocks acquired .....	25,007,591	167,406,481
3. Accrual of discount .....	88,640	214,794
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....	26,086	(189,502)
6. Deduct consideration for bonds and stocks disposed of .....	28,854,760	135,228,012
7. Deduct amortization of premium .....	418,368	1,519,293
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other-than-temporary impairment recognized .....		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10) .....	473,536,905	477,687,716
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12) .....	473,536,905	477,687,716

## SCHEDULE D - PART 1B

**Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	481,201,320	36,176,525	28,828,674	(309,335)	488,239,836			481,201,320
2. NAIC 2 (a) .....	5,648,999			2,770	5,651,769			5,648,999
3. NAIC 3 (a) .....								
4. NAIC 4 (a) .....								
5. NAIC 5 (a) .....								
6. NAIC 6 (a) .....								
7. Total Bonds .....	486,850,319	36,176,525	28,828,674	(306,565)	493,891,605			486,850,319
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....								
9. NAIC 2 .....								
10. NAIC 3 .....								
11. NAIC 4 .....								
12. NAIC 5 .....								
13. NAIC 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	486,850,319	36,176,525	28,828,674	(306,565)	493,891,605			486,850,319

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....20,354,699; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

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**SCHEDULE DA - PART 1****Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals .....	20,354,700	X X X	20,325,681	131,287	62,151

**SCHEDULE DA - Verification****Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	9,162,603	25,185,431
2. Cost of short-term investments acquired .....	11,168,936	14,406,745
3. Accrual of discount .....	25,211	5,858
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....		30,340,000
7. Deduct amortization of premium .....	2,050	95,431
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other-than-temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	20,354,700	9,162,603
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	20,354,700	9,162,603

**SI04 Schedule DB - Part A Verification ..... NONE**

**SI04 Schedule DB - Part B Verification ..... NONE**

**SI05 Schedule DB Part C Section 1 ..... NONE**

**SI06 Schedule DB Part C Section 2 ..... NONE**

**SI07 Schedule DB - Verification ..... NONE**

**SCHEDULE E - PART 2 - VERIFICATION**

(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	29,227,662	16,088,293
2.	Cost of cash equivalents acquired .....	25,996,840	302,065,680
3.	Accrual of discount .....		
4.	Unrealized valuation increase (decrease) .....		
5.	Total gain (loss) on disposals .....		
6.	Deduct consideration received on disposals .....	51,610,023	288,926,311
7.	Deduct amortization of premium .....		
8.	Total foreign exchange change in book/adjusted carrying value .....		
9.	Deduct current year's other-than-temporary impairment recognized .....		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	3,614,479	29,227,662
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	3,614,479	29,227,662



**E01 Schedule A Part 2 ..... NONE**

**E01 Schedule A Part 3 ..... NONE**

**E02 Schedule B Part 2 ..... NONE**

**E02 Schedule B Part 3 ..... NONE**

**E03 Schedule BA Part 2 ..... NONE**

**E03 Schedule BA Part 3 ..... NONE**

## SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation and Administrative Symbol/ Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
912828D72	US TREASURY N B 2.000% 08/31/21		02/28/2019	CITADEL SECURITIES LLC	X X X	5,679,697	5,750,000	313	1
912828WY2	US TREASURY N B 2.250% 07/31/21		01/31/2019	RBC DOMINION SECURITIES	X X X	596,953	600,000	37	1
0599999 Subtotal - Bonds - U.S. Governments					X X X	6,276,650	6,350,000	350	X X X
<b>Bonds - U.S. States, Territories and Possessions</b>									
605581LF2	MISSISSIPPI ST SERIES B 3.875% 11/01/2		03/21/2019	Stifel Nicolaus	X X X	766,298	750,000	11,141	1FE
605581LG0	MISSISSIPPI ST SERIES B 3.875% 11/01/2		03/21/2019	Stifel Nicolaus	X X X	775,785	750,000	11,141	1FE
1799999 Subtotal - Bonds - U.S. States, Territories and Possessions					X X X	1,542,083	1,500,000	22,282	X X X
<b>Bonds - U.S. Special Revenue, Special Assessment</b>									
3140Q9T94	FNMA POOL CA2375 4.000% 09/01/48		02/25/2019	BANK OF AMERICA INTL NY UNITED	X X X	1,710,435	1,673,052	2,231	1
45462THC9	INDIANA BOND BANK REVENUE SERIES A 2.8		01/25/2019	STIFEL, NICOLAUS AND COMPANY,	X X X	1,425,000	1,425,000		1FE
45462THD7	INDIANA BOND BANK REVENUE SERIES A 2.8		01/25/2019	STIFEL, NICOLAUS AND COMPANY,	X X X	3,525,000	3,525,000		1FE
544587C30	LOS ANGELES CA MUNI IMPT CORPL SERIES A		02/07/2019	Citigroup Global Markets	X X X	2,008,180	2,000,000	17,478	1FE
59333P3W6	MIAMI DADE CNTY FL AVIATION RE SERIES F		03/21/2019	MERRILL LYNCH PIERCE FENNER +	X X X	2,041,400	2,000,000	41,373	1FE
717893L33	PHILADELPHIA PA WTR & WSTWTR SERIES A		02/14/2019	LOOP CAPITAL MARKETS LLC	X X X	1,500,000	1,500,000		1FE
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					X X X	12,210,015	12,123,052	61,082	X X X
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
06050TMJ8	BANK OF AMERICA NA 3.335% 01/25/23		01/22/2019	BANK OF AMERICA INTL NY UNITED	X X X	2,000,000	2,000,000		1FE
14313YAD0	CARMAX AUTO OWNER TRUST SERIES 2016-1 CL		01/22/2019	TORONTO DOMINION SECURITIES (US	X X X	1,236,475	1,250,000	588	1FE
65478NAE5	NISSAN AUTO RECEIVABLES OWNE SERIES 2018		03/25/2019	BNP PARIBAS U.S.A NEW YORK BRA	X X X	1,742,367	1,700,000	1,853	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	4,978,842	4,950,000	2,441	X X X
8399997 Subtotal - Bonds - Part 3					X X X	25,007,590	24,923,052	86,155	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	25,007,590	24,923,052	86,155	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8999999 Subtotal - Preferred Stocks					X X X	X X X	X X X	X X X	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9799999 Subtotal - Common Stocks					X X X	X X X	X X X	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	X X X	X X X	X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	25,007,590	X X X	86,155	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

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# SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture Date	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Administrative Symbol/Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
36176XKU2	GNMA POOL 779107 4.000% 04/15/42		03/01/2019	Paydown	X X X	83,956	83,956	92,102	91,644		(7,688)		(7,688)		83,956				430	04/15/2042	1
36179MC24	GNMA POOL MA0089 4.000% 05/20/42		03/01/2019	Paydown	X X X	72,654	72,654	79,959	79,444		(6,790)		(6,790)		72,654				475	05/20/2042	1
36179ME30	GNMA POOL MA0154 3.500% 06/20/42		03/01/2019	Paydown	X X X	63,994	63,994	69,369	68,953		(4,959)		(4,959)		63,994				366	06/20/2042	1
36179MG61	GNMA POOL MA0221 4.000% 07/20/42		03/01/2019	Paydown	X X X	120,307	120,307	130,007	129,303		(8,996)		(8,996)		120,307				758	07/20/2042	1
36179MMX5	GNMA POOL MA0374 2.500% 09/20/27		03/01/2019	Paydown	X X X	152,175	152,175	161,258	158,438		(6,262)		(6,262)		152,175				641	09/20/2027	1
36179QPH8	GNMA POOL MA2224 4.000% 09/20/44		03/01/2019	Paydown	X X X	137,375	137,375	145,961	145,631		(8,256)		(8,256)		137,375				916	09/20/2044	1
912828C24	US TREASURY N/B 1.500% 02/28/19		02/28/2019	Maturity	X X X	5,925,000	5,925,000	6,018,735	5,931,066		(6,066)		(6,066)		5,925,000				44,438	02/28/2019	1
912828C65	US TREASURY N B 1.625% 03/31/19		03/31/2019	Maturity	X X X	5,925,000	5,925,000	6,038,408	5,935,850		(10,850)		(10,850)		5,925,000				48,141	03/31/2019	1
0599999	Subtotal - Bonds - U.S. Governments				X X X	12,480,461	12,480,461	12,735,799	12,540,329		(59,867)		(59,867)		12,480,461				96,165	X X X	X X X
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																					
5922112LQ7	MET GOVT NASHVILLE & DAVIDSON SERIES B		01/25/2019	UBS FINANCIAL SERVICES INC	X X X	2,862,735	2,900,000	2,830,458	2,835,817		833		833		2,836,649		26,086	26,086	46,363	07/01/2024	1FE
602366VCT	MILWAUKEE WI SERIES T4 2.000%		03/01/2019	Maturity	X X X	1,330,000	1,330,000	1,361,933	1,331,895		(1,895)		(1,895)		1,330,000				13,300	03/01/2019	1FE
2499999	Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions				X X X	4,192,735	4,230,000	4,192,391	4,167,712		(1,062)		(1,062)		4,166,649		26,086	26,086	59,663	X X X	X X X
<b>Bonds - U.S. Special Revenue, Special Assessment</b>																					
091096LX3	BIRMINGHAM AL WTRWKS BRD WTR R SERIES C		01/01/2019	Maturity	X X X	1,700,000	1,700,000	1,700,000	1,700,000						1,700,000				12,827	01/01/2019	1FE
167562MJ3	CHICAGO IL MIDWAY ARPT REVENUE SERIES C		01/01/2019	Maturity	X X X	4,000,000	4,000,000	4,112,000	4,000,000						4,000,000				60,240	01/01/2019	1FE
3128M9DF6	FREDDIE MAC GOLD POOL G07002 4.500% 12		03/01/2019	Paydown	X X X	35,506	35,506	38,274	38,018		(2,512)		(2,512)		35,506				292	12/01/2041	1
3128MJQK9	FREDDIE MAC GOLD POOL G08457 4.500% 08		03/01/2019	Paydown	X X X	63,267	63,267	67,854	67,592		(4,326)		(4,326)		63,267				538	08/01/2041	1
3128MMV59	FHLMC GOLD POOL G18635 2.500%		03/01/32	Paydown	X X X	126,327	126,327	126,979	126,934		(607)		(607)		126,327				533	03/01/2032	1
3128MMVU4	FHLMC GOLD POOL G18626 2.500%		03/01/31	Paydown	X X X	160,700	160,700	161,089	161,039		(339)		(339)		160,700				679	12/01/2031	1
3128MMWZ2	FHLMC GOLD POOL G18663 3.000%		03/01/32	Paydown	X X X	159,737	159,737	161,649	161,546		(1,809)		(1,809)		159,737				784	10/01/2032	1
3128MMXN8	FHLMC GOLD POOL G18684 3.000%		03/01/33	Paydown	X X X	42,421	42,421	42,136	42,141		279		279		42,421				220	04/01/2033	1
31307CLJ5	FHLMC POOL J23929 2.500% 05/01/28		03/01/2019	Paydown	X X X	219,340	219,340	214,679	215,696		3,644		3,644		219,340				953	05/01/2028	1
31307S2E2	FHLMC GOLD POOL J36173 2.500%		03/01/32	Paydown	X X X	124,588	124,588	125,678	125,584		(996)		(996)		124,588				512	01/01/2032	1
3138EJJR0	FNMA POOL AL2071 5.500% 03/01/40		03/01/2019	Paydown	X X X	44,923	44,923	49,429	49,089		(4,166)		(4,166)		44,923				391	03/01/2040	1
3138LVWX7	FNMA POOL A05161 3.500% 06/01/27		03/01/2019	Paydown	X X X	35,116	35,116	37,733	37,337		(2,221)		(2,221)		35,116				198	06/01/2027	1
3138WJEU7	FNMA POOL AS8250 2.000% 11/01/31		03/01/2019	Paydown	X X X	152,442	152,442	153,240	153,131		(689)		(689)		152,442				506	11/01/2031	1
31402CU67	FNMA POOL 725205 5.000% 03/01/34		03/01/2019	Paydown	X X X	31,115	31,115	34,236	33,746		(2,631)		(2,631)		31,115				262	03/01/2034	1
31403DGY9	FNMA POOL 745515 5.000% 05/01/36		03/01/2019	Paydown	X X X	38,294	38,294	41,860	41,443		(3,149)		(3,149)		38,294				301	05/01/2036	1
3140FMTD8	FNMA POOL BE2347 3.000% 02/01/32		03/01/2019	Paydown	X X X	185,538	185,538	190,756	190,200		(4,663)		(4,663)		185,538				1,209	02/01/2032	1
3140FMT6E	FNMA POOL BE2348 3.000% 02/01/32		03/01/2019	Paydown	X X X	229,599	229,599	235,913	235,188		(5,589)		(5,589)		229,599				1,497	02/01/2032	1
31410KJY1	FNMA POOL 889579 6.000% 05/01/38		03/01/2019	Paydown	X X X	15,871	15,871	17,492	17,359		(1,488)		(1,488)		15,871				151	05/01/2038	1
31410KXL3	FNMA POOL 889983 6.000% 10/01/38		03/01/2019	Paydown	X X X	17,900	17,900	19,824	19,666		(1,766)		(1,766)		17,900				166	10/01/2038	1
31412QFE4	FNMA POOL 931765 4.500% 08/01/39		03/01/2019	Paydown	X X X	139,432	139,432	148,843	148,631		(9,200)		(9,200)		139,432				1,086	08/01/2039	1
31417C7D1	FNMA POOL AB6291 3.000% 09/01/27		03/01/2019	Paydown	X X X	105,666	105,666	111,428	109,688		(4,022)		(4,022)		105,666				559	09/01/2027	1
31418CJH8	FNMA POOL MA2963 2.500% 04/01/32		03/01/2019	Paydown	X X X	114,135	114,135	115,098	114,998		(862)		(862)		114,135				470	04/01/2032	1
386166GQ9	GRAND PRAIRIE TX SALES TAX REV 4.000%		01/01/2019	Maturity	X X X	700,000	700,000	737,639	700,000						700,000				14,000	01/01/2019	1FE
45528UR2	INDIANAPOLIS IN LOCAL PUBLIC SERIES A-2		01/01/2019	Maturity	X X X	700,000	700,000	700,000	700,000						700,000				5,779	01/01/2019	1FE
3199999	Subtotal - Bonds - U.S. Special Revenue, Special Assessment				X X X	9,141,917	9,141,917	9,343,829	9,189,026		(47,112)		(47,112)		9,141,917				104,153	X X X	X X X
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
43814LAC3	HONDA AUTO RECEIVABLES OWNER T SERIES 20		01/21/2019	Paydown	X X X	66,868	66,868	66,859	66,868						66,868				69	09/23/2019	1FE
44918LAE2	HYUNDAI AUTO RECEIVABLES TRUST SERIES 20		03/15/2019	Paydown	X X X	672,781	672,781	671,099	672,598		182		182		672,781				2,221	11/15/2021	1FE
68389XAR6	ORACLE CORP 2.997% 01/15/19		01/15/2019	Maturity	X X X	2,300,000	2,300,000	2,300,000	2,300,000						2,300,000				17,729	01/15/2019	1FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	3,039,649	3,039,649	3,037,958	3,039,466		182		182		3,039,649				20,019	X X X	X X X

QE05

## SCHEDULE D - PART 4

### Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation and Admini- strative Symbol/ Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.								
8399997	Subtotal - Bonds - Part 4				XXX	28,854,762	28,892,027	29,309,977	28,936,533		(107,859)		(107,859)		28,828,676		26,086	26,086	280,000	XXX	XXX	
8399998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999	Subtotal - Bonds				XXX	28,854,762	28,892,027	29,309,977	28,936,533		(107,859)		(107,859)		28,828,676		26,086	26,086	280,000	XXX	XXX	
8999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999	Subtotal - Preferred Stocks				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999	Subtotal - Common Stocks				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9899999	Subtotal - Preferred and Common Stocks				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9999999	Total - Bonds, Preferred and Common Stocks				XXX	28,854,762	28,892,027	29,309,977	28,936,533		(107,859)		(107,859)		28,828,676		26,086	26,086	280,000	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

**E06 Schedule DB Part A Section 1 ..... NONE**

**E07 Schedule DB Part B Section 1 ..... NONE**

**E08 Schedule DB Part D Section 1 ..... NONE**

**E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity ..... NONE**

**E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity ..... NONE**

**E10 Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE**

**E11 Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE**

**SCHEDULE E - PART 1 - CASH****Month End Depository Balances**

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
<b>open depositories</b>									
First Republic Bank .....	San Francisco, California .....					5,090,180	4,042,980	5,766,006	X X X
Bank of New York Mellon .....	New York, New York .....					39,355	69,869	78,107	X X X
									X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories .....		X X X	X X X						X X X
0199999 Totals - Open Depositories .....		X X X	X X X			5,129,535	4,112,849	5,844,113	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories .....		X X X	X X X						X X X
0299999 Totals - Suspended Depositories .....		X X X	X X X						X X X
0399999 Total Cash On Deposit .....		X X X	X X X			5,129,535	4,112,849	5,844,113	X X X
0499999 Cash in Company's Office .....		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash .....		X X X	X X X			5,129,535	4,112,849	5,844,113	X X X

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8	9
Cusip	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<b>Exempt Money Market Mutual Funds - as Identified by SVO</b>								
261941108	DREYFUS TRSY PRIME CASH MGMT		03/25/2019	0.000	X X X	2,894,479		17,484
8599999	Subtotal - Exempt Money Market Mutual Funds - as Identified by SVO					2,894,479		17,484
<b>All Other Money Market Mutual Funds</b>								
000000000	GOLDMAN FS TRSY INST		04/18/2018	0.000	X X X	720,000		
8699999	Subtotal - All Other Money Market Mutual Funds					720,000		
8899999	Total - Cash Equivalents					3,614,479		17,484

## **Amended Statement Cover**

**NONE**



## **INDEX TO PROPERTY & CASUALTY QUARTERLY STATEMENT**

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