



BAM

PRESS RELEASE

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

NEW YORK, June 30, 2020 – S&P Global Ratings announced that it has affirmed Build America Mutual's AA rating and stable outlook, the strongest rating S&P assigns to any active bond insurer.

"BAM is a mutual bond insurer writing business solely in the U.S. public finance market with a broad, well-diversified presence across the U.S.; its insured portfolio comprises primarily general obligation bonds for school districts and municipalities, which somewhat lessens the volatility of its insured portfolio," S&P wrote in its report. In response to the COVID-19 pandemic, S&P performed a stress test on BAM's portfolio and concluded that: "BAM's underwriting and risk-management guidelines result in an insured portfolio that does not reflect the overall U.S. municipal market and may perform better in a stressful economic scenario."

"S&P's analysis recognizes BAM's 'excellent capital and earnings' and low-risk insured portfolio that consists exclusively of bonds from the safest sectors of the U.S. municipal market," said BAM Chief Executive Officer Seán W. McCarthy. "As a mutual insurer, those strengths translate into a strong, durable guaranty for municipal bond investors and our issuer members."

About Build America Mutual

BAM is a mutual bond insurance company operated for the benefit of its members – the cities, states and other municipal entities that use BAM's financial guaranty to lower their cost of borrowing – and BAM is the preferred provider of bond insurance for members of the National League of Cities. Through March 31, 2020, BAM has insured more than \$75 billion of municipal securities in more than 8,500 primary and secondary market transactions.

For more information, please contact:
Michael Stanton, Head of Corporate Strategy and Communications
212-235-2575; mstanton@buildamerica.com