

BAM

BUILD AMERICA MUTUAL

Quarterly Operating Supplement
June 30, 2024

Build America Mutual Assurance Company

Quarterly Operating Supplement

June 30, 2024

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CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

The information contained in this report may contain "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included or referenced in this report which address activities, events or developments which Build America Mutual Assurance Company ("Build America" or the "Company") expects or anticipates will or may occur in the future are forward-looking statements. The words "will," "believe," "intend," "expect," "anticipate," "project," "estimate," "predict" and similar expressions are also intended to identify forward looking statements. These forward looking statements include, among others, statements with respect to Build America's:

- changes in U.S. statutory basis surplus or claims paying resources;
- business strategy;
- financial and operating targets or plans;
- incurred losses and the adequacy of its loss and loss adjustment expense reserves and related reinsurance;
- projections of revenues, income (or loss), earnings (or loss), dividends, market share or other financial forecasts;
- expansion and growth of its business and operations; and
- future capital expenditures.

These statements are based on certain assumptions and analyses made by Build America in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate in the circumstances. However, whether actual results and developments will conform with its expectations and predictions is subject to a number of risks and uncertainties that could cause actual results to differ materially from expectations, including:

- claims arising from catastrophic events, such as hurricanes, earthquakes, floods or terrorist attacks;
- the continued availability of capital and financing;
- general economic, market or business conditions;
- business opportunities (or lack thereof) that may be presented to it and pursued;
- competitive forces, including the conduct of other property and casualty insurers and reinsurers;
- changes in domestic or foreign laws or regulations, or their interpretation, applicable to Build America, its competitors or its clients;
- an economic downturn or other economic conditions adversely affecting its financial position, including the impact of the COVID-19 pandemic;
- recorded loss reserves subsequently proving to have been inadequate;
- actions taken by ratings agencies from time to time, such as financial strength or credit ratings downgrades or placing ratings on negative watch; and
- other factors, most of which are beyond Build America's control.

Consequently, all of the forward looking statements made in this report are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by Build America will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on Build America or its business or operations. Build America assumes no obligation to update publicly any such forward looking statements, whether as a result of new information, future events or otherwise.

Build America Mutual Assurance Company

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Company Profile

Build America Mutual Assurance Company ("Build America" or the "Company") is a New York domiciled mutual financial guaranty insurance company licensed in all of the 50 states and the District of Columbia. The Company 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's charter and underwriting guidelines permit the Company to insure only municipal bonds as defined in Section 6901(o) of the New York State Insurance Code. Build America's financial strength and counterparty credit ratings of 'AA/Stable Outlook', from Standard & Poor's Ratings Services, were reaffirmed on May 29, 2024.

The first mutual bond insurance company, Build America is owned by and operated for the benefit of the issuers that use the Company's 'AA/Stable Outlook' rated financial guaranty to lower their cost of funding. Build America's unique corporate structure distinguishes it from traditional financial guaranty insurers, as 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. 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 as well as collateralized excess of loss reinsurance (as described below).

The Company benefits from both first loss and excess of loss reinsurance protection provided by HG Re, Ltd. ("HG Re"). The first loss reinsurance protection is provided via a reinsurance treaty (the "First Loss Reinsurance Treaty"), whereby HG Re assumes losses in an amount up to 15% of the par outstanding for each insurance policy. The excess of loss reinsurance treaty (the "Excess of Loss Reinsurance Treaty") provides last dollar protection for exposures on municipal bonds insured by the Company in excess of regulatory single issuer limits, subject to an aggregate limit equal to \$125 million.

HG Re's obligations under both the First Loss Reinsurance Treaty and the Excess of Loss Reinsurance Treaty are secured by and limited to the assets held in trusts which include a beneficial interest in surplus notes issued by Build America, all of which are pledged for the benefit of Build America.

In addition to the reinsurance protection provided by HG Re, Build America benefits from collateralized excess of loss reinsurance agreements with Fidus Re, Ltd. ("Fidus"), a Bermuda based special purpose insurer created solely to provide reinsurance protection to Build America. The excess of loss reinsurance provides total protection of \$400,000,000 for 90% of aggregate losses exceeding attachment points ranging from \$110,000,000 to \$165,000,000 for the covered portions of Build America's financial guarantee portfolio and covers approximately 72% of the total gross par in force for Build America's portfolio of financial guaranty policies as of June 30, 2024. The Company uses deposit accounting for the excess of loss reinsurance protection provided by Fidus and HG Re.

The Company became a member of the Federal Home Loan Bank of New York ("FHLB of NY") on September 13, 2019.

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Statutory Statements of Assets, Liabilities and Capital and Surplus

(in millions)	<u>As of June 30, 2024</u>	<u>As of December 31, 2023</u>
ADMITTED ASSETS		
Bonds	\$ 463.7	\$ 464.4
Common Stock	0.1	0.1
Cash, Cash Equivalents and Short-term Investments	17.3	31.4
Total Cash and Invested Assets	\$ 481.1	\$ 495.9
Investment Income Due and Accrued	3.3	3.5
Other Assets	1.5	0.6
Total Admitted Assets	<u>\$ 485.9</u>	<u>\$ 500.0</u>
LIABILITIES		
Unearned Premiums	\$ 62.1	\$ 60.7
Ceded Reinsurance Premiums Payable	0.2	-
Contingency Reserve	145.8	136.2
Accounts Payable and Accrued Expenses	23.9	33.1
Deposit Liabilities	0.6	0.7
Total Liabilities	\$ 232.6	\$ 230.7
CAPITAL AND SURPLUS		
Surplus Notes	\$ 317.1	\$ 322.2
Member Surplus Contributions	571.1	545.2
Unassigned Funds - Deficit	(634.9)	(598.1)
Total Capital and Surplus	\$ 253.3	\$ 269.3
Total Liabilities, Capital and Surplus	<u>\$ 485.9</u>	<u>\$ 500.0</u>

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Statutory Statement of Operations

(in millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Gross Risk Premiums Written	\$ 23.3	\$ 21.1
Ceded Risk Premiums Written	(19.9)	(17.9)
Net Risk Premiums Written	\$ 3.4	\$ 3.2
Premiums Earned, Net	\$ 1.9	\$ 1.6
Operating Expenses	\$ 31.0	\$ 27.4
Excise & Premium Taxes	0.6	0.8
Ceding Commission Income	(6.0)	(5.3)
Total Underwriting Expenses	\$ 25.6	\$ 22.9
Net Underwriting Loss	\$ (23.7)	\$ (21.3)
Net Investment Expense ⁽¹⁾	(1.0)	(0.2)
Net Realized Capital (Losses) Gains	(3.1)	1.2
Net Investment (Loss) Gain	\$ (4.1)	\$ 1.0
Net Loss Before Federal Income Tax Expense	\$ (27.8)	\$ (20.3)
Federal Income Tax Expense Incurred	-	-
Net Loss	\$ (27.8)	\$ (20.3)

Adjusted Statutory Operating Income ⁽²⁾

(in millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net Loss	\$ (27.8)	\$ (20.3)
Surplus Note Interest Expense	2.9	-
Member Surplus Contributions Collected	25.9	26.4
Adjusted Statutory Net Income ⁽²⁾	\$ 1.0	\$ 6.1

Statutory Comprehensive Income ⁽³⁾

(in millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net Loss	\$ (27.8)	\$ (20.3)
Member Surplus Contributions Collected	25.9	26.4
Statutory Comprehensive (Loss) Income ⁽³⁾	\$ (1.9)	\$ 6.1

(1) Net Investment Income for the six months ended June 30, 2024 is net of Surplus Note Interest Expense of \$2.9 million.

(2) In addition to reporting BAM's financial results in accordance with the U.S. Statutory basis of accounting ("Statutory"), the Company reports Adjusted Statutory Operating Income, a non-Statutory financial measure. A non-Statutory financial measure of financial performance or financial position that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with the U.S. Statutory basis of accounting. We are presenting this non-Statutory financial measure because it provides greater transparency and enhanced visibility into the underlying drivers of our business. Adjusted Statutory Operating Income is not a substitute for BAM's U.S. Statutory basis of accounting, should not be viewed in isolation and may differ from similar reporting provided by other companies, which may define non-Statutory financial measures differently.

(3) In addition to reporting BAM's financial results in accordance with the U.S. Statutory basis of accounting ("Statutory"), the Company reports Statutory Comprehensive Income, a non-Statutory financial measure. A non-Statutory financial measure of financial performance or financial position that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with the U.S. Statutory basis of accounting. We are presenting this non-Statutory financial measure because it provides greater transparency and enhanced visibility into the underlying drivers of our business. Statutory Comprehensive Income is not a substitute for BAM's U.S. Statutory basis of accounting, should not be viewed in isolation and may differ from similar reporting provided by other companies, which may define non-Statutory financial measures differently.

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Claims Paying Resources

(in millions)	As of June 30, 2024	As of December 31, 2023
Member Surplus Contributions	\$ 571.1	\$ 545.2
Surplus Notes	317.1	322.2
Unassigned Funds ⁽¹⁾	(634.9)	(598.1)
Policyholder's Surplus	\$ 253.3	\$ 269.3
Contingency Reserve	145.8	136.2
Qualified Statutory Capital	\$ 399.1	\$ 405.5
HG Re, Ltd. Collateral Trusts ⁽²⁾	651.0	623.5
Fidus Re, Ltd. Collateral Trusts	400.0	400.0
Total Hard Capital	\$ 1,450.1	\$ 1,429.0
Unearned Premiums, Net of Reinsurance	62.1	60.7
Loss and Loss Adjustment Expense Reserves	-	-
Present Value of Installment Gross Risk	-	-
Premiums and Member Surplus Contributions ⁽³⁾	12.6	10.9
Claims Paying Resources	\$ 1,524.8	\$ 1,500.6

Rollforward of Claims Paying Resources

	For the Six Months Ended June 30, 2024	For the Year Ended December 31, 2023
Claims Paying Resources, Beginning of Year	\$ 1,500.6	\$ 1,423.2
Statutory Basis Net Loss	(27.8)	(51.1)
Member Surplus Contribution	25.9	72.8
Payments of Surplus Notes Principal	(5.1)	(17.8)
Increase in HG Re Collateral Trusts	27.5	70.4
Increase in Unearned Premium Reserve, Net of Reinsurance	1.4	5.5
Increase (Decrease) in Present Value of Installment Gross Risk Premiums and Member Surplus Contributions	1.7	(2.4)
Other	0.6	-
Claims Paying Resources, End of Period	\$ 1,524.8	\$ 1,500.6

(1) Represents the sum of inception to date Statutory Net (Loss) and direct charges relating to contributions to the Contingency Reserve and for the non-admission of certain assets.

(2) See details of investments held in the HG Re, Ltd. Collateral Trusts on page 15.

(3) Represents the present value of future installment Gross Risk Premiums and Member Surplus Contributions, discounted at a risk-free rate.

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Leverage Statistics and Rating Distribution of Gross Par Outstanding ⁽¹⁾

(in millions)

Gross Par Outstanding

	As of June 30, 2024	As of December 31, 2023
Investment Grade ⁽¹⁾	\$ 114,511.3	\$ 108,140.0
Below Investment Grade ("BIG") ⁽¹⁾	10.0	10.0
Total Gross Par Outstanding	\$ 114,521.3	\$ 108,150.0

Gross Par Outstanding Leverage Statistics

Total Gross Par Outstanding ÷ Total Hard Capital	79.0x	75.7x
BIG Gross Par Outstanding ÷ Total Hard Capital	-	-
Total Gross Par Outstanding ÷ Claims Paying Resources	75.1x	72.1x
BIG Gross Par Outstanding ÷ Claims Paying Resources	-	-

Gross Total Debt Service ("TDS") Outstanding

Investment Grade ⁽¹⁾	\$ 173,863.1	\$ 163,247.9
Below Investment Grade ("BIG") ⁽¹⁾	11.8	12.0
Total Gross TDS Outstanding	\$ 173,874.9	\$ 163,259.9

Gross TDS Outstanding Leverage Statistics

Total Gross TDS Outstanding ÷ Total Hard Capital	119.9x	114.2x
BIG Gross TDS Outstanding ÷ Total Hard Capital	0.0x	0.0x
Total Gross TDS Outstanding ÷ Claims Paying Resources	114.0x	108.8x
BIG Gross TDS Outstanding ÷ Claims Paying Resources	0.0x	0.0x

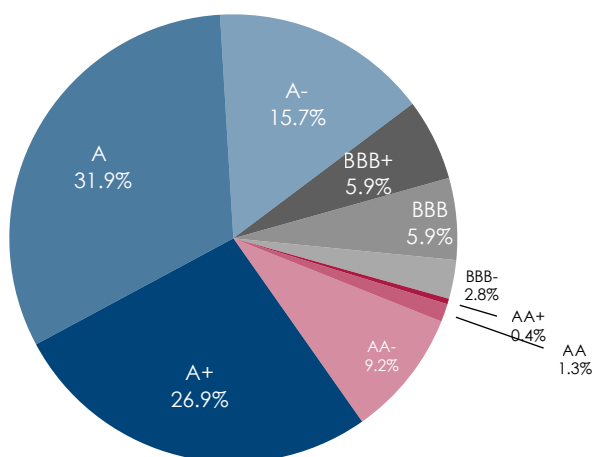
Weighted Average Rating

A

A

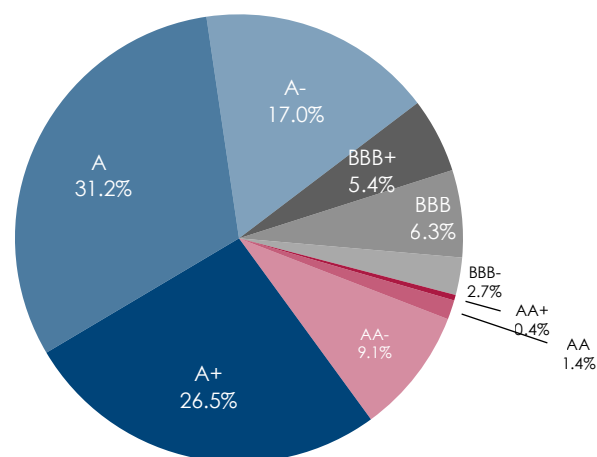
Rating Distribution of Gross Par Outstanding ⁽¹⁾

As of June 30, 2024



Rating Distribution of Gross Par Outstanding ⁽¹⁾

As of December 31, 2023



⁽¹⁾ Based on internal Build America ratings, which are provided in this Operating Supplement solely to indicate the underlying credit quality of guaranteed obligations, without the benefit of financial guaranty insurance, based on the view of the Company. Build America credit ratings are subject to revision at any time and do not constitute investment advice.

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Business Production

(in millions)

Gross Par Insured

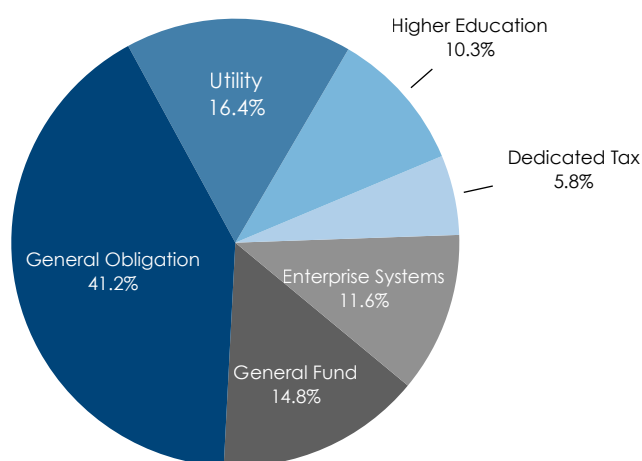
	For the Six Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
General Obligation	\$ 3,641.5	\$ 3,342.4
Utility	1,444.9	699.0
General Fund	1,308.8	349.5
Enterprise Systems	1,021.0	576.7
Higher Education	906.4	445.4
Dedicated Tax	509.2	867.2
Total Gross Par Insured	\$ 8,831.8	\$ 6,280.2

Gross Risk Premiums Written and Member Surplus Contributions Collected

Gross Risk Premiums Written	\$ 23.3	\$ 21.1
Member Surplus Contributions Collected	25.9	26.4
Total Gross Risk Premiums and Member Surplus Contributions Collected	\$ 49.2	\$ 47.5

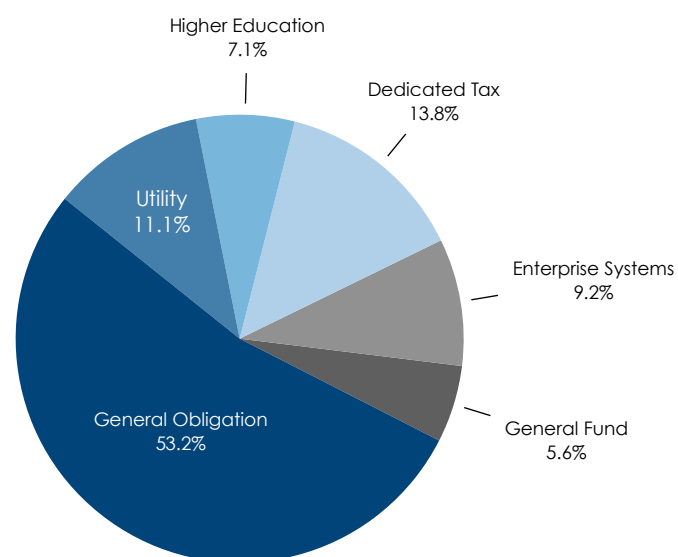
Gross Par Insured

For the Six Months Ended June 30, 2024



Gross Par Insured

For the Six Months Ended June 30, 2023



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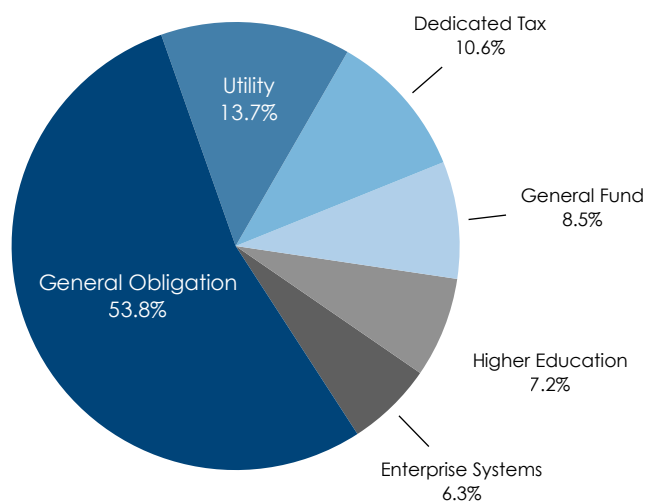
June 30, 2024

Gross Par Outstanding by Sector

(in millions)	<u>As of June 30, 2024</u>	<u>As of December 31, 2023</u>
Public Finance		
General Obligation	\$ 61,560.0	\$ 59,493.0
Utility	15,708.8	14,493.5
Dedicated Tax	12,110.0	11,825.0
General Fund	9,682.6	8,743.2
Higher Education	8,296.4	7,373.1
Enterprise Systems	7,163.5	6,222.2
Total Gross Par Outstanding	\$ 114,521.3	\$ 108,150.0

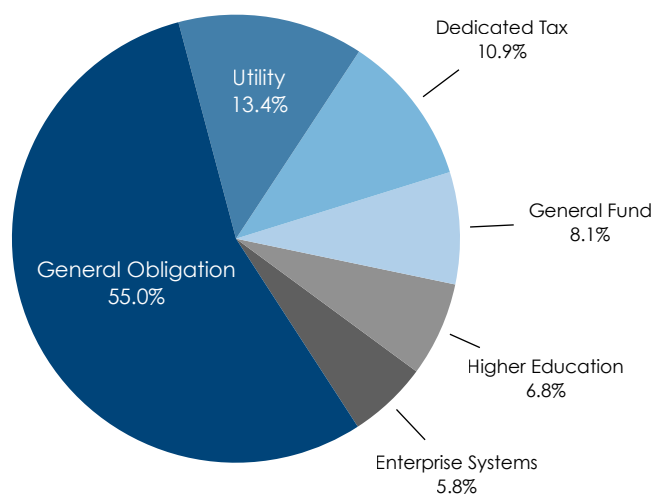
Gross Par Outstanding

As of June 30, 2024



Gross Par Outstanding

As of December 31, 2023



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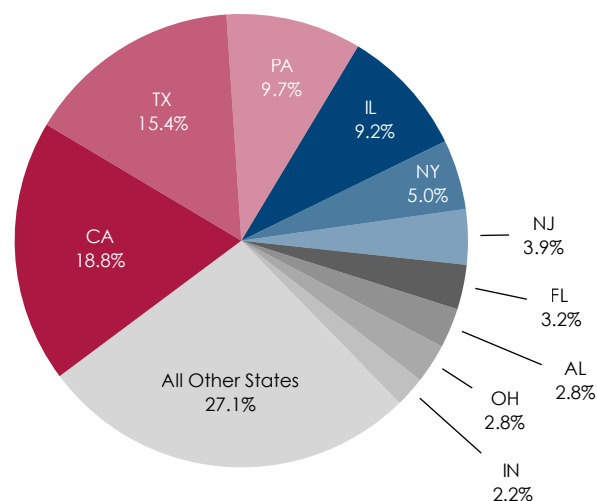
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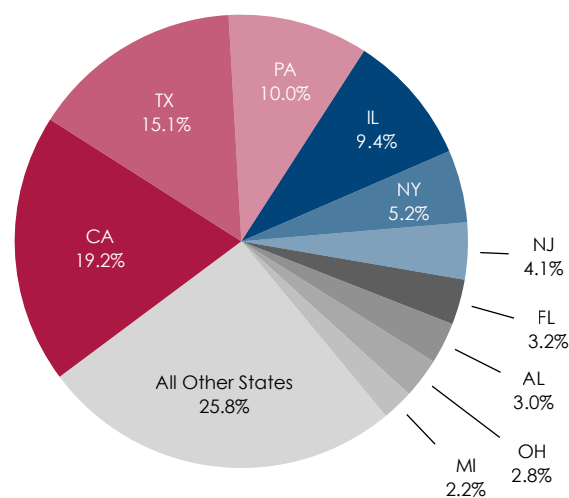
Gross Par Outstanding by State

(in millions)	As of June 30, 2024	% of Total	As of December 31, 2023	% of Total
California	\$ 21,473.4	18.8%	\$ 20,791.4	21.5%
Texas	17,625.0	15.4%	16,299.2	13.0%
Pennsylvania	11,069.7	9.7%	10,831.0	12.3%
Illinois	10,495.8	9.2%	10,135.7	9.3%
New York	5,711.7	5.0%	5,592.4	5.5%
New Jersey	4,515.2	3.9%	4,388.5	4.7%
Florida	3,643.4	3.2%	3,495.8	2.4%
Alabama	3,260.0	2.8%	3,195.7	3.1%
Ohio	3,209.7	2.8%	3,077.2	2.8%
Indiana	2,473.1	2.2%	2,441.4	1.7%
Michigan	2,453.8	2.1%	2,427.7	2.1%
Louisiana	2,339.3	2.0%	2,300.9	2.0%
Kansas	2,156.2	1.9%	1,979.1	1.6%
Arizona	2,120.4	1.9%	1,944.1	2.0%
Connecticut	2,118.5	1.8%	2,082.8	2.0%
Colorado	2,038.8	1.8%	1,779.7	1.4%
Wisconsin	1,785.5	1.6%	1,518.4	1.0%
Iowa	1,652.5	1.4%	1,492.6	1.3%
Arkansas	1,604.4	1.4%	1,554.5	1.5%
Kentucky	1,359.8	1.2%	1,223.3	0.9%
South Carolina	1,091.8	1.0%	1,063.2	0.7%
Georgia	1,026.7	0.9%	1,014.3	0.3%
Oklahoma	1,022.3	0.9%	249.7	0.3%
Missouri	952.3	0.8%	893.4	0.5%
Nevada	817.9	0.7%	812.9	0.7%
Mississippi	814.2	0.7%	814.8	0.9%
Oregon	737.6	0.6%	729.5	0.7%
Tennessee	696.2	0.6%	368.2	0.5%
Washington	686.9	0.6%	503.9	0.5%
Utah	617.5	0.5%	505.9	0.4%
Massachusetts	370.3	0.3%	349.9	0.4%
West Virginia	363.1	0.3%	366.0	0.3%
Maryland	261.2	0.2%	199.9	0.1%
New Mexico	238.5	0.2%	241.3	0.3%
North Carolina	232.5	0.2%	220.3	0.2%
Idaho	224.1	0.2%	133.4	0.2%
Montana	196.2	0.2%	171.4	0.0%
New Hampshire	185.1	0.2%	168.5	0.0%
Rhode Island	178.9	0.2%	179.2	0.1%
Minnesota	155.1	0.1%	140.9	0.1%
South Dakota	99.9	0.1%	88.6	0.1%
North Dakota	97.2	0.1%	98.6	0.2%
Delaware	82.3	0.1%	63.3	0.0%
Maine	79.4	0.2%	78.6	0.1%
Hawaii	42.2	0.0%	42.2	0.0%
Nebraska	41.2	0.0%	14.2	0.0%
Vermont	38.5	0.1%	38.5	0.1%
District of Columbia	28.0	0.0%	28.0	0.0%
Wyoming	23.5	0.0%	5.5	0.1%
Virginia	14.5	0.0%	14.5	0.1%
Total Gross Par Outstanding	\$ 114,521.3	100%	\$ 108,150.0	100%

Gross Par Outstanding by State
As of June 30, 2024



Gross Par Outstanding by State
As of December 31, 2023



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Contractual Amortization of Gross Par Outstanding

(in millions)	<u>Contractual Par Amortization</u>		<u>Ending Gross Par Outstanding</u>
As of June 30, 2024			\$ 114,521.3
Jul. 1, 2024 to Dec. 31, 2024	\$	2,748.3	111,773.0
2025		4,871.5	106,901.5
2026		4,820.7	102,080.9
2027		5,100.3	96,980.6
2028		5,485.9	91,494.7
Subtotal	\$	23,026.6	
2029-2033		26,108.0	65,386.7
2034-2038		23,562.2	41,824.4
2039-2043		19,084.9	22,739.5
2044-2048		12,957.8	9,781.7
2049-2053		7,485.1	2,296.6
2054-2058		1,720.9	575.7
2059-2063		444.6	131.1
2064-2068		131.1	-
Total	\$	114,521.3	

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Top 50 Public Finance Exposures

(in millions)

Obligor	As of June 30, 2024			
	S&P Rating ⁽¹⁾⁽³⁾	Moody's Rating ⁽²⁾⁽³⁾	Gross Par Outstanding	% of Total Gross Par Outstanding
Metropolitan Transportation Authority (MTA), NY, Mass Transit - Farebox	A-	A3	\$ 530.0	0.5%
Midway Airport, Chicago City of, IL (Cook County), Airport GARBs (2023 Supplemental Indenture)	A	NR	513.5	0.4%
Chicago, City of, IL (Cook County), Sales Tax - Local	AA-	NR	477.4	0.4%
South Carolina Public Service Authority	A-	A3	463.5	0.4%
Chicago Transit Authority, IL	AA-	A2	434.6	0.4%
Pennsylvania Turnpike Commission, PA, Toll Roads	A+	A2	427.5	0.4%
Port Authority of NY and NJ	AA-	Aa3	420.0	0.4%
Sherman, City of, TX, (Grayson County), Combined Water & Sewer	A	NR	418.7	0.4%
Wichita, City of, KS (Sedgwick County), Water & Sewer	AA-	NR	413.6	0.4%
Connecticut, State of, CT (Lottery Revenues)	AA-	Aa3	380.9	0.3%
Clark County SD, NV (Clark County)	AA-	A1	365.6	0.3%
Miami-Dade County School Board, FL (Miami-Dade County)	A+	Aa3	359.9	0.3%
Illinois, State of	A-	A3	355.2	0.3%
Sacramento City USD, CA (Sacramento County)	BBB+	A3	353.1	0.3%
Provident Group - UTK Properties LLC - University of Tennessee Knoxville Project, TN (Knox County), P3 Student Housing Revenue	BBB-	NR	349.9	0.3%
Chicago Board of Education, IL (Cook County)	BB+	Ba1	346.6	0.3%
Pennsylvania, Commonwealth of	A+	A1	340.1	0.3%
Hutto, City Of, TX (Williamson County)	AA-	A1	334.7	0.3%
Rowan University, NJ (Gloucester County), Public Higher Education - GO	A	A2	323.4	0.3%
Oregon State University, OR, Public Higher Education - Gross Revenue	NR	Aa3	320.7	0.3%
Allentown, City of, PA (Lehigh County), Water & Sewer	A+	NR	319.9	0.3%
Chicago, City of, IL (Cook County)	BBB+	Baa3	319.4	0.3%
Municipal Authority of Westmoreland County, PA (Westmoreland County) Water	A+	NR	317.6	0.3%
Springdale, City of, AR (Washington County), Sales Tax - Local (2023 Tax)	A+	NR	314.9	0.3%
New Jersey Transportation Trust Fund Authority, System & Program Bonds, NJ, Gas Tax - State	A-	A2	313.8	0.3%
Bridgeport, City of, CT (Fairfield County)	A	A3	306.7	0.3%
Illinois (State of) Build Illinois Bonds (Sales Tax Revenue Bonds)	A	A3	306.1	0.3%
Chicago Park District, IL (Cook County)	AA-	NR	305.1	0.3%
Yonkers, City of, NY (Westchester County)	A+	Aa3	302.9	0.3%
Kansas, State Of	A+	Aa3	301.2	0.3%
Oxnard SD, CA (Ventura County)	A+	NR	292.0	0.3%
San Francisco CCD, CA (San Francisco County)	A+	A1	286.9	0.3%
Oakland USD, CA (Alameda County)	A-	A1	284.4	0.2%
Cape Coral, City of, FL (Lee County), Water & Sewer	A+	A1	283.9	0.2%
Hayward USD, CA (Alameda County)	A+	NR	274.9	0.2%
CHF-Davis II, L.L.C. - Orchard Park Student Housing Project, CA (Yolo County), P3 Student Housing Revenue	NR	Baa3	273.0	0.2%
Pennsylvania State System of Higher Education, PA, General Revenue	NR	Aa3	270.6	0.2%
Metropolitan Pier & Exposition Authority, IL (Cook County)	A	Baa1	267.4	0.2%
CHF-Davis I, L.L.C. - West Village Student Housing Project, CA (Yolo County), Public Higher Education - Auxilliary	NR	Baa3	266.1	0.2%
Community College District No. 508 (City Colleges of Chicago), IL (Cook County)	BBB+	NR	265.6	0.2%
New Jersey Turnpike, NJ (State-Wide), Toll Roads	AA-	A2	261.2	0.2%
New Jersey, State Of	A	A2	261.1	0.2%
Indianapolis, City of, IN (Marion County)	AA-	Aaa	249.8	0.2%
Suffolk County, NY (Suffolk County)	AA-	NR	247.0	0.2%
Northern Illinois University, IL (De Kalb County)	NR	Baa3	246.0	0.2%
Compton USD, CA (Los Angeles County)	A+	Aa3	235.8	0.2%
Hamden, Town of, CT (New Haven County)	BBB+	Baa2	234.9	0.2%
O'Hare Airport, IL (Cook County) GARB	A+	NR	234.5	0.2%
Midwest City-Del City Public Schools ISD No. 52, OK (Oklahoma County)	A+	A1	233.3	0.2%
Chicago, City of, IL (Cook County), Sewer	A+	Baa2	232.2	0.2%
Total - Top 50 Public Finance Exposures			\$ 16,237.2	14.2%

- (1) Represents the rating assigned by S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P") on the underlying obligation, excluding BAM's credit enhancement.
- (2) Represents the rating assigned by Moody's Investor Service, Inc. ("Moody's") on the underlying obligation, excluding BAM's credit enhancement.
- (3) For single risks with multiple obligations, the rating shown represents a weighted average of the ratings on the underlying obligations, excluding BAM's credit enhancement.

Build America Mutual Assurance Company

Quarterly Operating Supplement

June 30, 2024

Build America Mutual Assurance Company Fixed Income Investment Portfolio

(in millions)

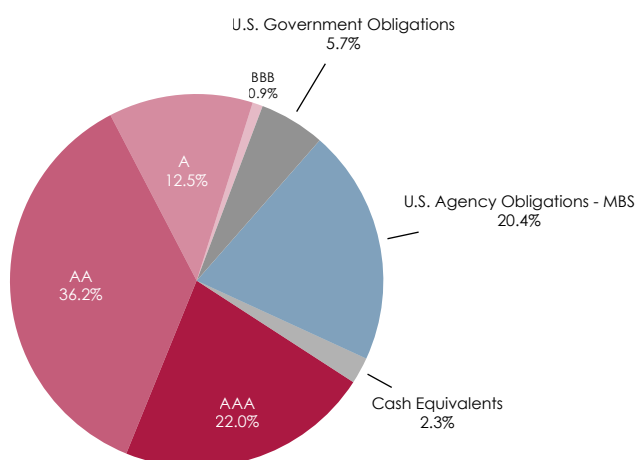
Investment Category	As of June 30, 2024		
	Fair Value	Amortized Cost	Book Yield ⁽¹⁾
Long-term Investments			
Municipal Obligations	\$ 235.4	\$ 249.9	3.93%
U.S. Agency Obligations - MBS	91.6	103.4	3.20%
U.S. Government Obligations	25.5	25.7	4.08%
Corporate Obligations	26.0	26.5	4.15%
Asset-backed Securities	57.8	58.2	4.67%
Subtotal Long-term Investments	\$ 436.3	\$ 463.7	3.88%
Short-term Investments and Cash Equivalents	13.2	13.2	3.18%
Total	\$ 449.5	\$ 476.9	3.86%
Common Stock	\$ 0.1	\$ 0.1	
Cash	4.1	4.1	
Investment Income Due and Accrued	3.3	3.3	
Total Cash and Investments	\$ 457.0	\$ 484.4	

Rating Distribution of Fixed Income Investment Portfolio

Rating ⁽²⁾	As of June 30, 2024	
	Fair Value	As a % of Investment Portfolio
U.S. Government Obligations	\$ 25.5	5.7%
U.S. Agency Obligations - MBS	91.6	20.4%
Cash Equivalents	10.2	2.3%
AAA	98.7	22.0%
AA	162.6	36.2%
A	56.8	12.5%
BBB	3.9	0.9%
Below Investment Grade	-	-
Not Rated	0.2	-
Total	\$ 449.5	100.0%
Weighted Average Rating		AA
Duration		4.8 years

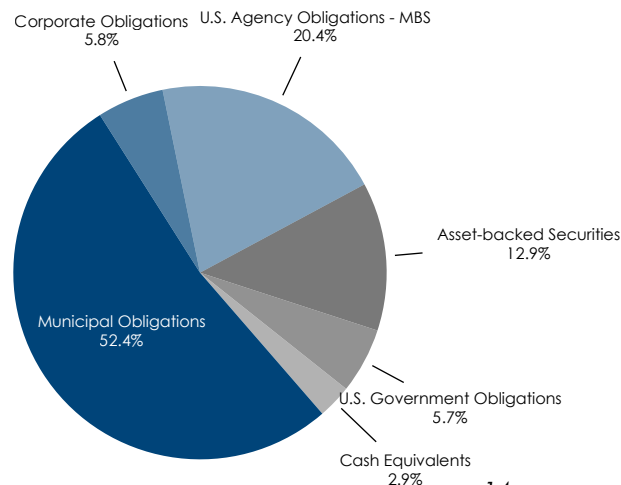
Ratings Distribution of Fixed Income Investment Portfolio ⁽²⁾

As of June 30, 2024



Fixed Income Investment Portfolio ⁽³⁾

As of June 30, 2024



(1) Represents the yield to worst of invested assets at June 30, 2024.

(2) Ratings are based on the lower of S&P's or Moody's rating. Rating distribution is calculated based on fair value.

(3) Based on fair value.

Build America Mutual Assurance Company

Quarterly Operating Supplement

June 30, 2024

HG Re Ltd. Fixed Income Investment Portfolio

(in millions)

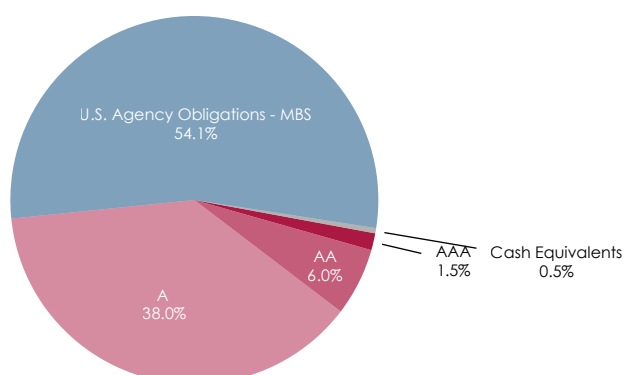
Investment Category	As of June 30, 2024	
	Fair Value	Amortized Cost ⁽¹⁾
Long-term Investments		
Corporate Obligations	\$ 296.8	317.7
U.S. Agency Obligations - MBS	309.5	\$ 330.4
Subtotal Long-term Investments	\$ 606.3	\$ 648.1
Cash Equivalents, net of payable for securities purchased	2.9	2.9
Total Fixed Income Investment Portfolio	\$ 609.2	\$ 651.0

Rating Distribution of Fixed Income Investment Portfolio

Rating ⁽²⁾	As of June 30, 2024	
	Fair Value	As a % of Investment Portfolio
U.S. Agency Obligations	\$ 309.5	50.8%
Cash Equivalents, net of payable for securities purchased	2.9	0.5%
AAA	9.6	1.6%
AA	38.8	6.4%
A	248.4	40.8%
BBB	-	-
Below Investment Grade	-	-
Not Rated	-	-
Total	\$ 609.2	100.0%
Weighted Average Rating		AA-
Duration		4.3 years

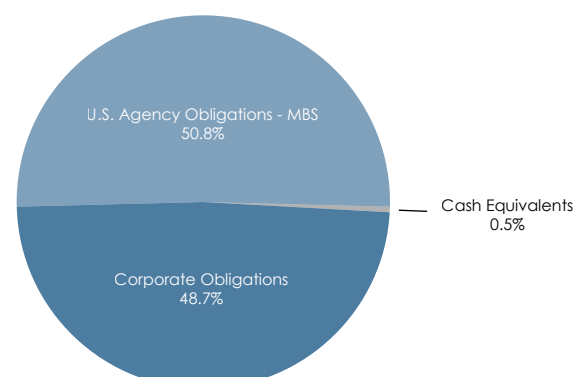
Ratings Distribution of Fixed Income Investment Portfolio ⁽²⁾

As of June 30, 2024



Fixed Income Investment Portfolio ⁽³⁾

As of June 30, 2024



(1) Amortized cost includes the accrued investment income.

(2) Ratings are based on the lower of Standard & Poor's or Moody's rating. Rating distribution is calculated based on fair value.

(3) Based on fair value.

Build America Mutual Assurance Company

Quarterly Operating Supplement

June 30, 2024

Glossary

Adjusted Statutory Operating Income – Statutory net income (loss) less Surplus Note Interest Expense, plus Member Surplus Contributions collected during the period

Contingency Reserve – a mandatory liability, required by New York State Insurance Law and the insurance laws of the other states in which Build America is licensed, established to protect policyholders against the effect of adverse economic developments or cycles or other unforeseen circumstances

Fidus Re Ltd. Collateral Trusts - trusts established by Fidus for the sole benefit of Build America to fund Fidus' obligations to the Company

Gross Par Outstanding – amount of remaining future contractual bond principal insured by Build America, net of reductions for legal and economic defeasances of the underlying insured obligations by the issuers

Gross Par Written – the principal amount of obligations insured during the period, excluding the effect of the first loss reinsurance treaty with HG Re

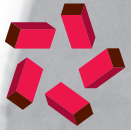
Gross Risk Premiums Written – a fee charged by Build America to insure the contractual principal and interest of a bond

Gross Total Debt Service Outstanding – amount of remaining future contractual bond principal and interest insured by Build America, net of reductions for legal and economic defeasances of the underlying insured obligations by the issuers

HG Re Ltd. Collateral Trusts – trusts established by HG Re for the sole benefit of Build America to fund HG Re's first loss and excess of loss reinsurance claim obligations to the Company

Member Surplus Contribution – a fee charged by Build America for the bond issuer to become a member of the Company

Statutory Comprehensive Income – Statutory net income plus Member Surplus Contributions collected during the period



BAMSM

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COMPANY**

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