

BAM

Operating Supplement
September 30, 2026

Build America Mutual Assurance Company

Operating Supplement

September 30, 2026

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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 ("BAM Mutual" 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 BAM Mutual'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 BAM Mutual 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 BAM Mutual, 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 BAM Mutual'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 BAM Mutual will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on BAM Mutual or its business or operations. BAM Mutual assumes no obligation to update publicly any such forward looking statements, whether as a result of new information, future events or otherwise.

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Company Profile

Build America Mutual Assurance Company ("BAM Mutual" 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. BAM Mutual'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. BAM Mutual's financial strength and counterparty credit ratings of 'AA/Stable Outlook, from S&P Global Ratings, were reaffirmed on August 4, 2026.

The first mutual bond insurance company, BAM Mutual 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. BAM Mutual's unique corporate structure distinguishes it from traditional financial guaranty insurers, as BAM Mutual'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, BAM Mutual 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 $125,000,000.

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 BAM, all of which are pledged for the benefit of BAM.

In addition to the reinsurance protection provided by HG Re, BAM Mutual 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 BAM Mutual. The excess of loss reinsurance provides total protection of $575,000,000 for 90% of aggregate losses exceeding attachment points ranging from $110,000,000 to $190,000,000 for the covered portions of BAM Mutual's financial guarantee portfolio and covers approximately 69% of the total gross par in force for BAM Mutual's portfolio of financial guaranty policies as of September 30, 2026. 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)	As of September 30, 2026	As of December 31, 2025
ADMITTED ASSETS		
Bonds	$ 490.4	$ 474.0
Common Stock	0.1	0.1
Cash, Cash Equivalents and Short-term Investments	25.3	34.1
Total Cash and Invested Assets	$ 515.8	$ 508.2
Investment Income Due and Accrued	4.2	3.9
Other Assets	1.2	2.0
Total Admitted Assets	$ 521.2	$ 514.1
LIABILITIES		
Unearned Premiums	$ 74.4	$ 70.6
Ceded Reinsurance Premiums Payable	6.0	4.8
Mandatory Contingency Reserve	196.3	178.2
Payable on Unsettled Investment Purchases	-	1.0
Accrued and Payable Expenses	31.4	34.7
Deposit Liabilities	0.8	0.8
Total Liabilities	$ 308.9	$ 290.1
CAPITAL AND SURPLUS		
Surplus Notes	$ 271.5	$ 276.8
Member Surplus Contributions	754.4	701.5
Unassigned Funds - Deficit	(813.6)	(754.3)
Total Capital and Surplus	$ 212.3	$ 224.0
Total Liabilities, Capital and Surplus	$ 521.2	$ 514.1

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Statutory Statement of Operations

(in millions)	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Gross Risk Premiums Written	$ 45.5	$ 49.3
Ceded Risk Premiums Written	(38.1)	(42.0)
Net Risk Premiums Written	$ 7.4	$ 7.3
Premiums Earned, Net	$ 3.6	$ 3.5
Operating Expenses	$ 53.7	$ 50.7
Excise & Premium Taxes	1.6	1.6
Ceding Commission Income	(11.4)	(12.4)
Total Underwriting Expenses	$ 43.9	$ 39.9
Net Underwriting Loss	$ (40.3)	$ (36.4)
Net Investment Expense [1]	(0.5)	(3.3)
Net Realized Capital (Loss) Gain	(0.2)	0.1
Net Investment (Loss)	$ (0.7)	$ (3.2)
Net Loss Before Federal Income Tax Expense	$ (41.0)	$ (39.6)
Federal Income Tax Expense Incurred	-	-
Net Loss	$ (41.0)	$ (39.6)

Adjusted Statutory Operating Income [2]

(in millions)	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Net Loss	$ (41.0)	$ (39.6)
Surplus Note Interest Expense	2.8	2.4
Member Surplus Contributions Collected	52.9	60.1
Adjusted Statutory Income [2]	$ 14.7	$ 22.9

Statutory Comprehensive Income [3]

(in millions)	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Net Loss	$ (41.0)	$ (39.6)
Member Surplus Contributions Collected	52.9	60.1
Statutory Comprehensive Income [3]	$ 11.9	$ 20.5

(1) Net Investment Income for the nine months ended September 30, 2026 and September 30, 2025 is net of Surplus Note Interest Expense of $2.8 miliion and $2.4 million respectively.

(2) In addition to reporting BAM Mutual'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 Mutual'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 Mutual'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 Mutual'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 September 30, 2026	As of December 31, 2025
Member Surplus Contributions	$ 754.4	$ 701.5
Surplus Notes	271.5	276.8
Unassigned Funds [1]	(813.6)	(754.3)
Policyholder's Surplus	**$ 212.3**	**$ 224.0**
Contingency Reserve	196.3	178.2
Qualified Statutory Capital	**$ 408.6**	**$ 402.2**
Collateral Trusts [2]	1,506.0	1,402.2
Total Hard Capital	**$ 1,914.6**	**$ 1,804.4**
Unearned Premiums	74.4	70.6
Loss and Loss Adjustment Expense Reserves	-	-
Present Value of Installment Gross Risk Premiums and Member Surplus Contributions [3]	39.7	29.1
Claims Paying Resources	**$ 2,028.7**	**$ 1,904.1**

Rollforward of Claims Paying Resources

	For the Nine Months Ended September 30, 2026	For the Year Ended December 31, 2025
Claims Paying Resources, Beginning of Period	**$ 1,904.1**	**$ 1,664.1**
Statutory Basis Net Loss	(41.0)	(60.5)
Member Surplus Contributions	52.9	86.6
Payments of Surplus Note Principal	(5.3)	(24.1)
Increase in Collateral Trusts	103.8	233.0
Increase in Unearned Premium Reserve	3.8	5.7
Increase in Present Value of Installment Gross Risk Premiums and Member Surplus Contributions	10.6	0.3
Other	(0.2)	(1.0)
Claims Paying Resources, End of Period	**$ 2,028.7**	**$ 1,904.1**

(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) Represents collateral available to BAM Mutual pursuant to various reinsurance and trust agreements. See details of investments held in the HG Re 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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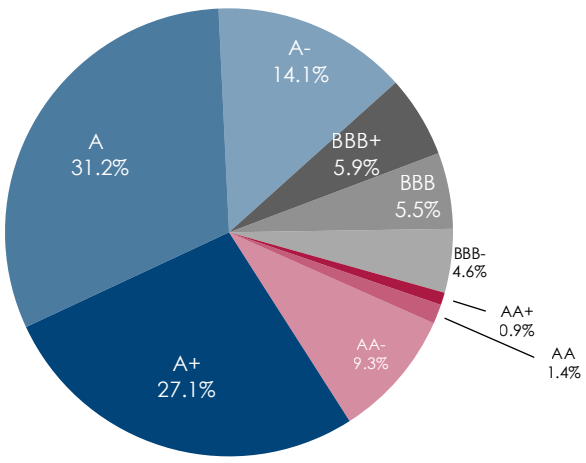
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Leverage Statistics and Rating Distribution of Gross Par Outstanding [1]

(in millions)	As of September 30, 2026	As of December 31, 2025
Gross Par Outstanding		
Investment Grade [1]	$ 145,945.5	$ 136,033.5
Below Investment Grade ("BIG") [1]	7.7	7.7
Total Gross Par Outstanding	**$ 145,953.2**	**$ 136,041.2**
Gross Par Outstanding Leverage Statistics		
Total Gross Par Outstanding ÷ Total Hard Capital	**76.2x**	**75.4x**
BIG Gross Par Outstanding ÷ Total Hard Capital	-	-
Total Gross Par Outstanding ÷ Claims Paying Resources	**71.9x**	**71.4x**
BIG Gross Par Outstanding ÷ Claims Paying Resources	-	-
Gross Total Debt Service ("TDS") Outstanding		
Investment Grade [1]	$ 231,494.6	$ 213,367.7
BIG [1]	8.8	9.0
Total Gross TDS Outstanding	**$ 231,503.4**	**$ 213,376.7**
Gross TDS Outstanding Leverage Statistics		
Total Gross TDS Outstanding ÷ Total Hard Capital	**120.9x**	**118.3x**
BIG Gross TDS Outstanding ÷ Total Hard Capital	**0.0x**	**0.0x**
Total Gross TDS Outstanding ÷ Claims Paying Resources	**114.1x**	**112.1x**
BIG Gross TDS Outstanding ÷ Claims Paying Resources	**0.0x**	**0.0x**
Weighted Average Rating	**A**	**A**

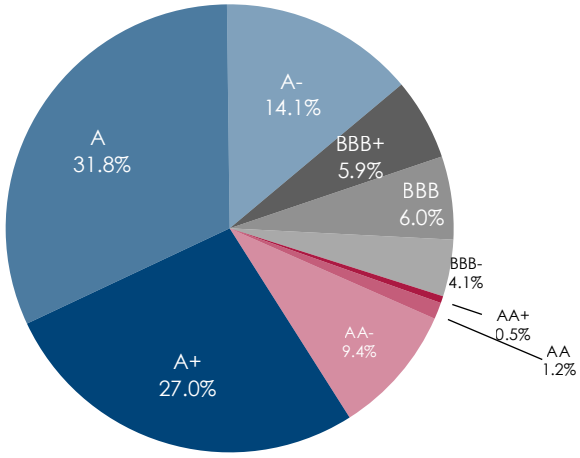
Rating Distribution of Gross Par Outstanding [1]

As of September 30, 2026



Rating Distribution of Gross Par Outstanding [1]

As of December 31, 2025



(1) Based on internal BAM Mutual 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. BAM Mutual credit ratings are subject to revision at any time and do not constitute investment advice. BIG exposure equalled 0.01% of BAM Mutual's portfolio as of September 30, 2026 and December 31, 2025.

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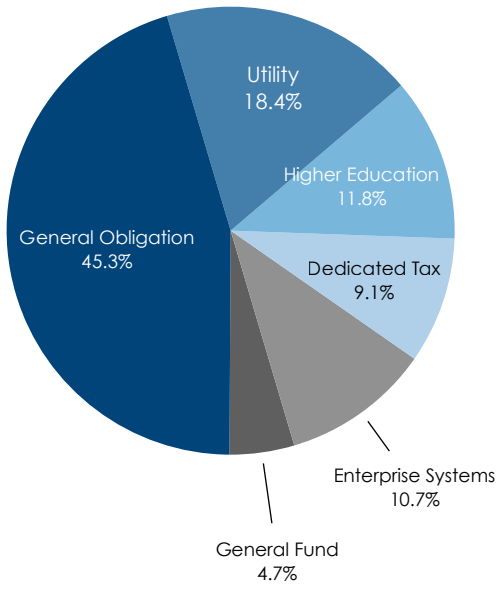
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Business Production

(in millions)	For the Nine Months Ended September 30, 2026	For the Nine Months Ended September 30, 2025
Gross Par Insured		
General Obligation	$ 7,065.4	$ 7,146.5
Utility	2,863.6	2,626.3
Higher Education	1,838.3	1,224.3
Enterprise Systems	1,672.6	1,363.4
Dedicated Tax	1,421.8	1,437.4
General Fund	728.0	951.6
Total Gross Par Insured	**$ 15,589.7**	**$ 14,749.5**
Present Value of New Business Production("PVP") (1)		
Present Value of Gross Risk Premiums	$ 48.6	$ 48.9
Present Value of Member Surplus Contributions	59.7	59.3
Total PVP	**$ 108.3**	**$ 108.2**

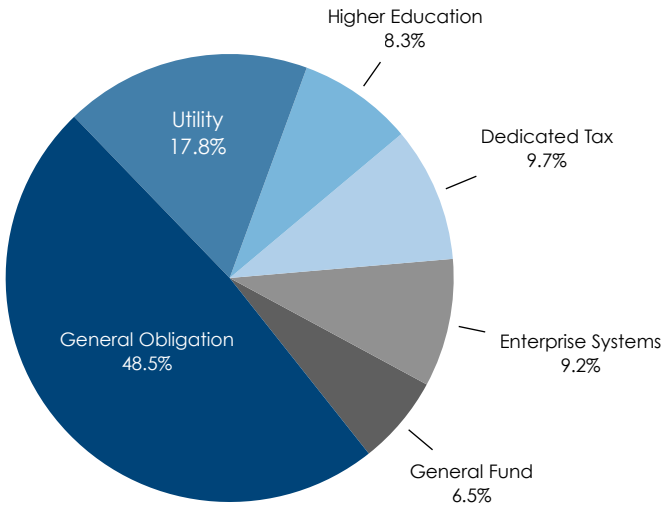
Gross Par Insured

For the Nine Months Ended September 30, 2026



Gross Par Insured

For the Nine Months Ended September 30, 2025



(1) Present Value of Total Premiums from New Business Production is a non-U.S. Statutory measure that management believes is a useful measure in evaluating business production because it takes into account Gross Risk Premiums and Member Surplus Contributions collected for insurance policies issued during the period, as well as the present value of estimated future installment Gross Risk Premiums and Member Surplus Contributions, discounted using a risk free rate. Under U.S. Statutory accounting principles, Gross Risk Premiums are recognized when due and Member Surplus Contributions are recognized as collected.

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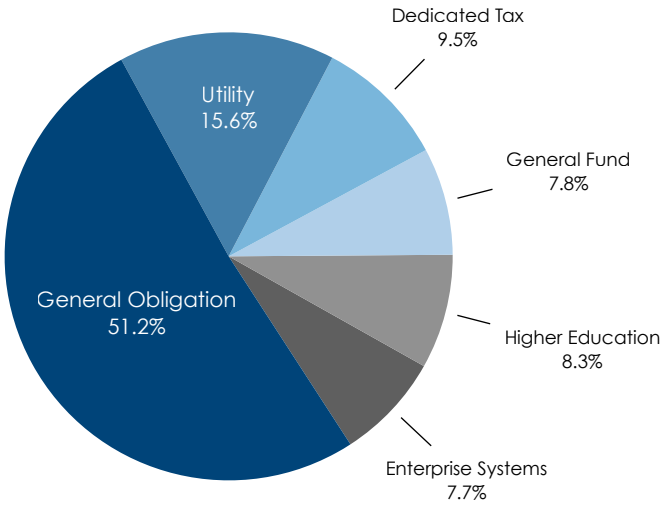
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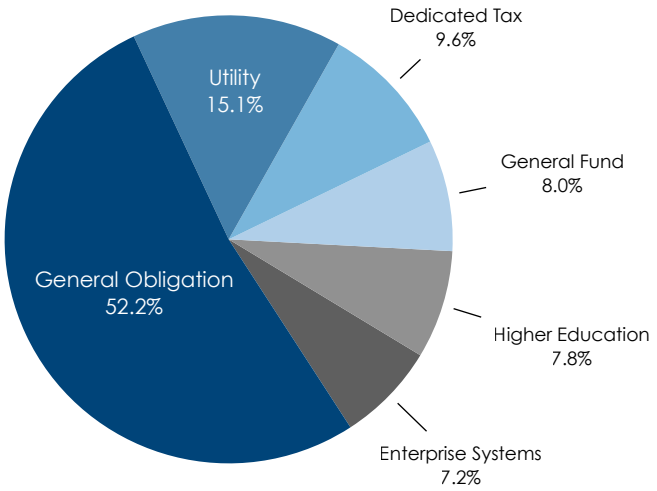
Gross Par Outstanding by Sector

(in millions)	As of September 30, 2026	As of December 31, 2025
Public Finance		
General Obligation	$ 74,722.3	$ 70,997.7
Utility	22,787.7	20,597.2
Dedicated Tax	13,828.2	13,104.3
Higher Education	12,058.9	10,632.4
General Fund	11,318.8	10,923.8
Enterprise Systems	11,237.3	9,785.8
Total Gross Par Outstanding	**$ 145,953.2**	**$ 136,041.2**

Gross Par Outstanding
As of September 30, 2026



Gross Par Outstanding
As of December 31, 2025



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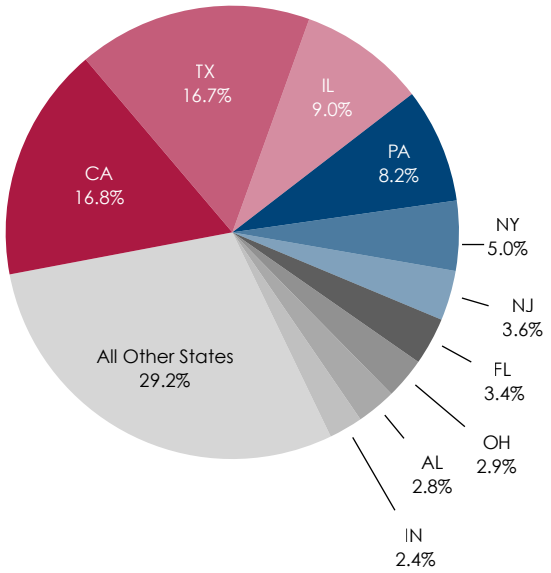
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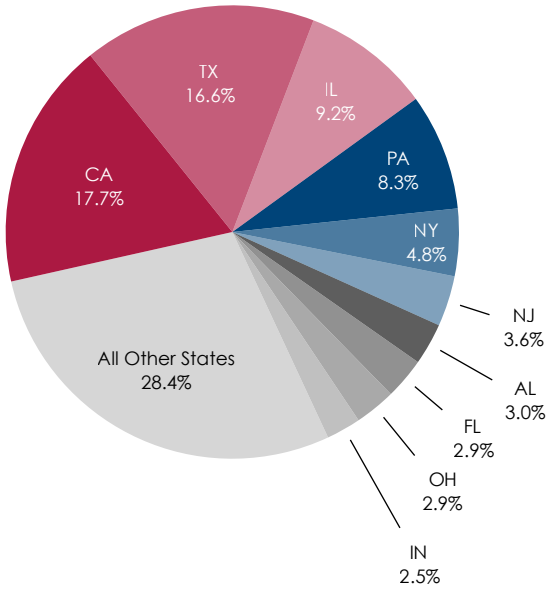
Gross Par Outstanding by State

(in millions)	As of September 30, 2026	% of Total	As of December 31, 2025	% of Total
California	$ 24,478.3	16.8%	$ 24,122.1	17.7%
Texas	24,390.3	16.7%	22,592.7	16.6%
Illinois	13,207.9	9.0%	12,492.7	9.2%
Pennsylvania	11,957.9	8.2%	11,323.3	8.3%
New York	7,270.1	5.0%	6,528.0	4.8%
New Jersey	5,201.5	3.6%	4,914.8	3.6%
Florida	4,950.8	3.4%	4,008.5	2.9%
Ohio	4,279.2	2.9%	3,974.0	2.9%
Alabama	4,118.7	2.8%	4,057.0	3.0%
Indiana	3,516.0	2.4%	3,346.2	2.5%
Colorado	3,496.9	2.4%	3,259.3	2.4%
Michigan	3,381.9	2.3%	3,053.0	2.2%
Kansas	3,096.3	2.1%	2,626.1	1.9%
Arizona	2,793.1	1.9%	2,574.7	1.9%
Wisconsin	2,648.3	1.8%	2,473.1	1.8%
Iowa	2,550.4	1.7%	2,154.6	1.6%
Louisiana	2,521.9	1.7%	2,458.3	1.8%
Connecticut	2,277.8	1.6%	1,947.4	1.4%
Georgia	2,003.7	1.4%	1,897.2	1.4%
Arkansas	1,942.7	1.3%	1,872.7	1.4%
Kentucky	1,665.6	1.1%	1,630.0	1.2%
Mississippi	1,359.1	0.9%	1,254.5	0.9%
Washington	1,246.6	0.9%	1,195.2	0.9%
South Carolina	1,135.8	0.8%	1,125.2	0.8%
Oklahoma	1,112.4	0.8%	1,144.9	0.8%
Missouri	984.7	0.7%	996.5	0.7%
Tennessee	920.8	0.6%	839.3	0.6%
Oregon	887.9	0.6%	768.6	0.6%
Nevada	844.1	0.6%	872.0	0.6%
Utah	806.7	0.6%	777.2	0.6%
New Hampshire	638.8	0.4%	183.4	0.1%
Rhode Island	542.3	0.4%	384.3	0.3%
West Virginia	535.0	0.4%	530.3	0.4%
Massachusetts	443.1	0.3%	342.5	0.3%
Montana	367.8	0.3%	381.2	0.3%
North Carolina	298.0	0.2%	266.6	0.2%
Maryland	278.9	0.2%	267.5	0.2%
Minnesota	263.5	0.2%	184.1	0.1%
Idaho	256.8	0.2%	257.1	0.2%
New Mexico	228.3	0.2%	250.0	0.2%
Virginia	205.7	0.1%	79.4	0.1%
North Dakota	204.2	0.1%	89.7	0.1%
South Dakota	159.2	0.1%	136.6	0.1%
Delaware	93.1	0.1%	92.9	0.1%
District of Columbia	84.6	0.1%	45.8	0.0%
Maine	82.3	0.1%	79.3	0.1%
Nebraska	73.3	0.1%	71.3	0.1%
Hawaii	69.3	0.0%	42.2	0.0%
Vermont	32.1	0.0%	34.0	0.0%
Alaska	26.8	0.0%	20.7	0.0%
Wyoming	22.7	0.0%	23.3	0.0%
Total Gross Par Outstanding	**$ 145,953.2**	**100%**	**$ 136,041.2**	**100%**

Gross Par Outstanding by State
As of September 30, 2026



Gross Par Outstanding by State
As of December 31, 2025



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Contractual Amortization of Gross Par Outstanding

(in millions)	Contractual Par Amortization	Ending Gross Par Outstanding
As of September 30, 2026		$ 145,953.2
Oct 1, 2026 to Dec 31, 2026	$ 1,350.6	144,602.6
2027	5,304.7	139,297.9
2028	5,784.8	133,513.1
2029	5,742.9	127,770.2
2030	5,731.3	122,038.9
Subtotal	$ 23,914.3	
2031-2035	30,848.0	91,190.9
2036-2040	29,982.5	61,208.4
2041-2045	26,226.3	34,982.1
2046-2050	20,310.2	14,672.0
2051-2055	10,691.4	3,980.6
2056-2060	3,096.0	884.6
2061-2065	813.4	71.2
2066-2070	71.2	-
Total	**$ 145,953.2**	

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Top 50 Public Finance Exposures

(in millions)

Obligor	As of September 30, 2026			
	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	A2	$ 586.3	0.4%
Sherman, City of, TX, (Grayson County), Combined Water & Sewer	A-	NR	571.7	0.4%
Chicago, City of, IL (Cook County)	BBB	Baa3	557.1	0.4%
South Carolina Public Service Authority	A	A3	524.0	0.4%
Georgetown, City of, TX (Williamson County), Water, Sewer & Electric	AA-	NR	513.1	0.4%
Los Angeles (City of) Department of Water and Power (LADWP), CA (Los Angeles County), Electric	A	Aa3	498.3	0.3%
Chicago, City of, IL (Cook County), Sales Tax - Local	A+	NR	495.2	0.3%
Westfield Washington Schools, IN (Hamilton County)	BBB+	NR	494.2	0.3%
O'Hare Airport, IL (Cook County) GARB	A+	NR	474.8	0.3%
New Jersey Transportation Trust Fund Authority, System & Program Bonds, NJ, Gas Tax - State	A	A1	472.6	0.3%
Illinois, State of	A	A1	470.1	0.3%
Hayward USD, CA (Alameda County)	A+	A1	465.6	0.3%
Midway Airport, Chicago City of, IL (Cook County), Airport GARBs (2023 Supplemental Indenture)	A	NR	463.9	0.3%
Wichita, City of, KS (Sedgwick County), Water & Sewer	AA-	NR	449.9	0.3%
West Contra Costa Unified School District, CA (Contra Costa County)	A+	A1	449.1	0.3%
Oakland USD, CA (Alameda County)	A-	A1	440.0	0.3%
John F. Kennedy International Airport (JFK NTO), NY (Queens County), Airport GARBs	NR	Baa3	439.8	0.3%
Pinal County, AZ (Pinal County), Excise tax - Local	AA-	NR	431.1	0.3%
Port Authority of NY and NJ	AA-	Aa3	417.5	0.3%
Chicago Transit Authority, IL	AA-	A1	411.4	0.3%
Lower Colorado River Authority (LCRA) Transmission Services Corporation, TX	A+	A1	405.0	0.3%
Atlanta, City of, GA (Fulton County) Water & Sewer	AA-	Aa3	390.9	0.3%
Connecticut, State of, CT (Lottery Revenues)	AA-	Aa2	380.9	0.3%
Bridgeport, City of, CT (Fairfield County)	A+	A3	378.0	0.3%
Chicago Board of Education, IL (Cook County)	BB+	Ba1	368.4	0.3%
Colorado, State of	A+	Aa2	367.4	0.3%
University of Oklahoma (Board of Regents), General Revenue	AA-	NR	366.6	0.3%
Springfield, City of, IL (Sangamon County), Electric	A	A3	360.6	0.2%
Chicago, City of, IL (Cook County), Sewer	A+	Baa2	359.6	0.2%
Community College District No. 508 (City Colleges of Chicago), IL (Cook County)	BBB+	NR	354.3	0.2%
Provident Group - UTK Properties LLC - University of Tennessee Knoxville Project, TN (Knox County), P3 Student Housing Revenue	BBB-	NR	349.9	0.2%
Miami-Dade County School Board, FL (Miami-Dade County)	NR	Aa3	346.5	0.2%
New Jersey Institute of Technology, NJ (Essex County), General Revenue	A	A2	341.6	0.2%
Pennsylvania Turnpike Commission, PA, Toll Roads	A+	A2	338.1	0.2%
Hutto, City Of, TX (Williamson County)	AA-	A1	338.1	0.2%
San Antonio International Airport, TX (Bexar County), Airport GARBs	A+	A2	337.5	0.2%
Sacramento City USD, CA (Sacramento County)	BBB	Ba1	332.8	0.2%
Metropolitan Pier & Exposition Authority, IL (Cook County)	A+	A2	324.6	0.2%
Clark County SD, NV (Clark County)	AA-	A1	321.7	0.2%
Oregon State University, OR, Public Higher Education - Gross Revenue	NR	Aa3	320.7	0.2%
Allentown, City of, PA (Lehigh County), Water & Sewer	A+	NR	319.9	0.2%
Sanger USD, CA (Fresno County)	A+	NR	314.7	0.2%
South Jersey Transportation Auth, NJ (Multi County) Toll Road and Bridges	A-	Baa2	311.0	0.2%
Cape Coral, City of, FL (Lee County), Water & Sewer	A+	A1	310.5	0.2%
Pennsylvania, Commonwealth of	A+	Aa2	305.1	0.2%
New York City, NY	AA	Aa2	304.4	0.2%
Los Angeles (City of) Department of Water and Power (LADWP), CA (Los Angeles County), Water	AA-	Aa3	300.5	0.2%
Kansas, State Of	A+	Aa3	300.2	0.2%
Rowan University, NJ (Gloucester County), Public Higher Education - GO	A	A2	299.8	0.2%
Provident Group — SH II Properties LLC (University of Washington), WA (King County), P3 Student Housing Revenue	BB+	NR	296.8	0.2%
Total - Top 50 Public Finance Exposures			**$ 19,771.8**	**13.5%**

(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 Mutual's credit enhancement.
(2) Represents the rating assigned by Moody's Investor Service, Inc. ("Moody's") on the underlying obligation, excluding BAM Mutual'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 Mutual's credit enhancement.

Build America Mutual Assurance Company

Operating Supplement

September 30, 2026

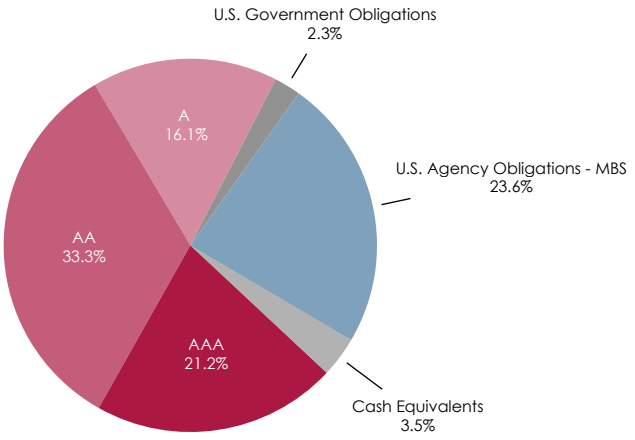
Build America Mutual Assurance Company Fixed Income Investment Portfolio

(in millions)

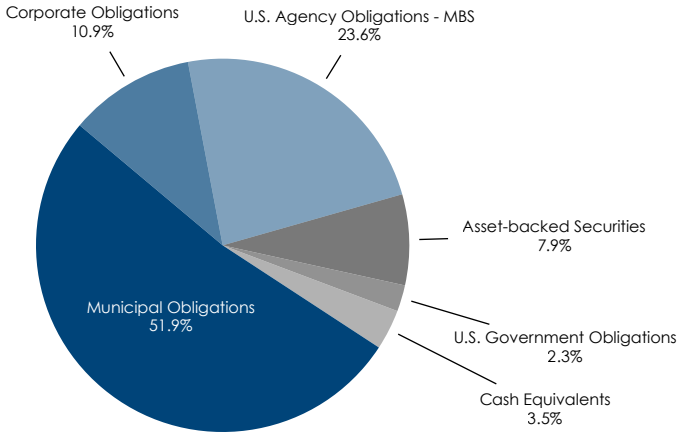
	As of September 30, 2026		
Investment Category	**Fair Value**	**Amortized Cost**	**Book Yield [1]**
Long-term Investments			
Municipal Obligations	$ 243.7	$ 266.3	4.25%
U.S. Agency Obligations - MBS	110.7	123.3	3.81%
Corporate Obligations	51.2	52.7	4.33%
Asset-backed Securities	36.9	37.1	5.10%
U.S. Government Obligations	10.7	11.0	4.02%
Subtotal Long-term Investments	$ 453.2	$ 490.4	4.21%
Short-term Investments and Cash Equivalents	16.4	16.4	3.70%
Total	$ 469.6	$ 506.8	4.19%
Common Stock	$ 0.1	$ 0.1	
Cash	8.9	8.9	
Investment Income Due and Accrued	4.2	4.2	
Total Cash and Investments	$ 482.8	$ 520.0	

	As of September 30, 2026	
Rating Distribution [2]	**Fair Value**	**As a % of Investment Portfolio**
U.S. Agency Obligations - MBS	$ 110.7	23.6%
U.S. Government Obligations	10.7	2.3%
Cash Equivalents	16.4	3.5%
AAA	99.4	21.2%
AA	156.8	33.3%
A	75.6	16.1%
BBB	-	-
Below Investment Grade	-	-
Not Rated	-	-
Total	$ 469.6	100.0%
Weighted Average Rating		AA
Duration		4.8 years

Ratings Distribution of Fixed Income Investment Portfolio [2]
As of September 30, 2026



Fixed Income Investment Portfolio [3]
As of September 30, 2026



(1) Represents the yield to worst of invested assets at September 30, 2026.
(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

Operating Supplement

September 30, 2026

HG Re Ltd. Fixed Income Investment Portfolio

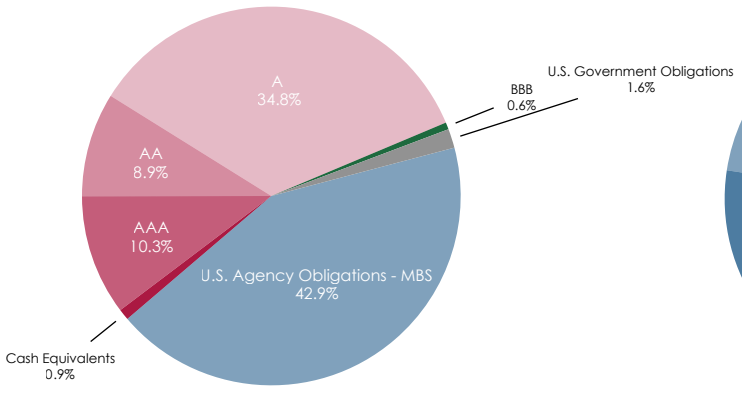
(in millions)

Investment Category	As of September 30, 2026 Fair Value	Amortized Cost (1)
Long-term Investments		
U.S. Agency Obligations - MBS	$ 308.1	$ 339.5
Corporate Obligations	286.1	305.0
Asset Backed securities	64.3	41.8
Collateralized Loan Obligations	41.8	65.6
U.S Government Obligations	11.7	11.9
Subtotal Long-term Investments	$ 712.0	$ 763.8
Cash Equivalents, net of payable for securities purchased	6.8	6.8
Total Fixed Income Investment Portfolio	$ 718.8	$ 770.6

Rating Distribution (2)	As of September 30, 2026 Fair Value	As a % of Investment Portfolio
U.S. Agency Obligations - MBS	$ 308.1	42.9%
U.S. Government Obligations	11.7	1.6%
Cash Equivalents, net of payable for securities purchased	6.8	0.9%
AAA	73.9	10.3%
AA	63.9	8.9%
A	250.1	34.8%
BBB	4.3	0.6%
Below Investment Grade	-	-
Not Rated	-	-
Total	$ 718.8	100.0%
Weighted Average Rating		AA
Duration		4.3 years

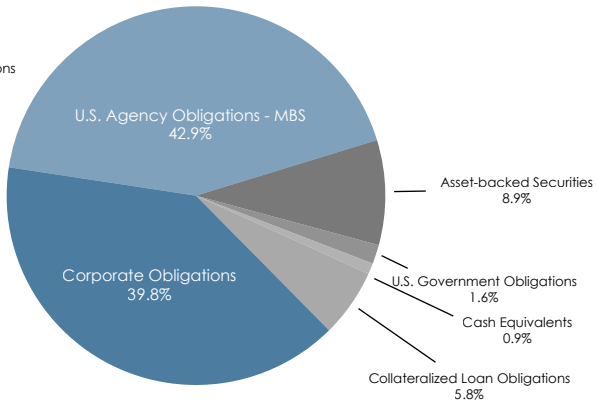
Ratings Distribution of Fixed Income Investment Portfolio (2)

As of September 30, 2026



Fixed Income Investment Portfolio (3)

As of September 30, 2026



(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.

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 BAM Mutual is licensed, established to protect policyholders against the effect of adverse economic developments or cycles or other unforeseen circumstances

Gross Par Outstanding – amount of remaining future contractual bond principal insured by BAM Mutual, net of reductions for legal and economic defeasances of the underlying insured obligations by the issuers, excluding the effect of reinsurance

Gross Par Insured – the principal amount of obligations insured during the period, excluding the effect of reinsurance

Gross Risk Premiums Written – a fee charged by BAM Mutual to insure the contractual principal and interest of a bond, excluding the effect of reinsurance

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

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

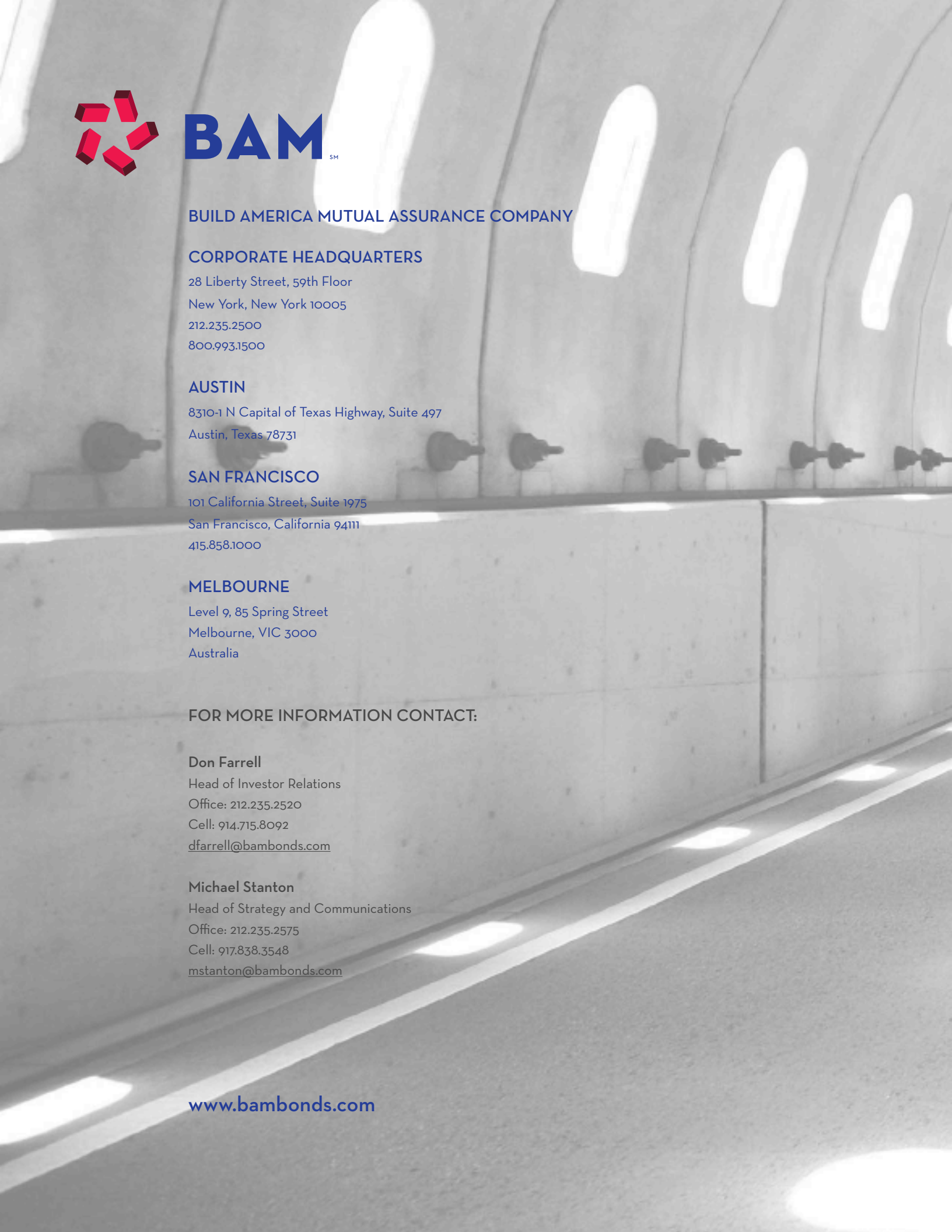
Member Surplus Contribution – a fee charged by BAM Mutual for the bond issuer to become a member of the Company

Present Value of Gross Risk Premiums – represents Gross Risk Premiums Written for policies issued during the period, as well as the present value of estimated future installment payments, discounted at a risk free rate

Present Value of Member Surplus Contributions – represents Member Surplus Contributions for policies issued during the period, as well as the present value of estimated future installment payments, discounted at a risk free rate

Present Value of New Business Production ("PVP") – Gross Risk Premiums and Member Surplus Contributions collected for insurance policies issued during the period, as well as the present value of estimated future installment Gross Risk Premiums and Member Surplus Contributions, discounted at a risk free rate

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



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