

**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, 2015**

**2015**



**QUARTERLY STATEMENT**  
**AS OF MARCH 31, 2015**  
 OF THE CONDITION AND AFFAIRS OF THE  
**Build America Mutual Assurance Company**

NAIC Group Code	0000 <small>(Current Period)</small>	0000 <small>(Prior Period)</small>	NAIC Company Code	14380	Employer's ID Number	45-4858468
Organized under the Laws of	New York		State of Domicile or Port of Entry	New York		
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 <small>(Street and Number)</small>			New York, NY, US 10281 <small>(City or Town, State, Country and Zip Code)</small>		
Main Administrative Office	New York, NY, US 10281 <small>(City or Town, State, Country and Zip Code)</small>		200 Liberty St., 27th Floor <small>(Street and Number)</small>	(212)235-2500 <small>(Area Code) (Telephone Number)</small>		
Mail Address	200 Liberty St., 27th Floor <small>(Street and Number or P.O. Box)</small>			New York, NY, US 10281 <small>(City or Town, State, Country and Zip Code)</small>		
Primary Location of Books and Records	New York, NY, US 10281 <small>(City or Town, State, Country and Zip Code)</small>		200 Liberty St., 27th Floor <small>(Street and Number)</small>	(212)235-2500 <small>(Area Code) (Telephone Number)</small>		
Internet Web Site Address	www.buildamerica.com					
Statutory Statement Contact	Brian Michael Wymbs <small>(Name)</small>			(212)235-2513 <small>(Area Code)(Telephone Number)(Extension)</small>		
	bwymbs@buildamerica.com <small>(E-Mail Address)</small>			(212)962-1524 <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, Controller

**DIRECTORS OR TRUSTEES**

Raymond Joseph Rene Barrette	Robert Phillips Cochran
Seán Wallace McCarthy	Richard Ravitch
Edward Gene Rendell	Robert Albert Vanosky
Allan Lewis Waters	

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 the 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
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
Managing Director, Secretary and Chairman	Managing Director and Chief Executive Officer	Chief Financial Officer and Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2015

- 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 .....	308,357,008		308,357,008	420,892,608
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 (\$.....6,544,853), cash equivalents (\$.....14,999,855) and short-term investments (\$.....135,285,576) .....	156,830,284		156,830,284	52,115,811
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....	1,713	1,713		
9. Receivables for securities .....	1,316		1,316	17,551
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	465,190,320	1,713	465,188,607	473,025,970
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	1,197,118		1,197,118	2,548,293
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 .....				
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 .....	2,592,405	2,585,652	6,754	10,698
21. Furniture and equipment, including health care delivery assets (\$.....0) .....	204,688	204,688		
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 .....	1,047,245	913,470	133,775	133,779
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	470,231,777	3,705,523	466,526,254	475,718,740
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	470,231,777	3,705,523	466,526,254	475,718,740
<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 .....	913,470	913,470		
2502. Other assets .....	133,775		133,775	133,779
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	1,047,245	913,470	133,775	133,779

**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) .....	8,457,222	15,607,572
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	18,235	97,854
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 \$.....24,781,004 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) .....	7,480,058	6,477,031
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	11,413	14,073
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 .....		
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 .....	6,216,122	4,744,013
26. TOTAL liabilities excluding protected cell liabilities (Lines 1 through 25) .....	22,183,050	26,940,544
27. Protected cell liabilities .....		
28. TOTAL liabilities (Lines 26 and 27) .....	22,183,050	26,940,544
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 .....	38,183,469	33,555,866
33. Surplus notes .....	503,000,000	503,000,000
34. Gross paid in and contributed surplus .....		
35. Unassigned funds (surplus) .....	(96,840,265)	(87,777,670)
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) .....	444,343,204	448,778,196
38. TOTALS (Page 2, Line 28, Col. 3) .....	466,526,254	475,718,740
<b>DETAILS OF WRITE-INS</b>		
2501. Mandatory contingency reserve .....	6,216,122	4,744,013
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	6,216,122	4,744,013
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 .....	38,183,469	33,555,866
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) .....	38,183,469	33,555,866

**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 \$.....4,221,579)	232,063	124,276	723,427
1.2 Assumed (written \$.....0)			
1.3 Ceded (written \$.....3,166,185)	179,696	96,838	564,170
1.4 Net (written \$.....1,055,394)	52,367	27,438	159,256
<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	9,083,785	9,005,528	37,379,652
5. Aggregate write-ins for underwriting deductions			
6. TOTAL underwriting deductions (Lines 2 through 5)	9,083,785	9,005,528	37,379,652
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(9,031,418)	(8,978,090)	(37,220,396)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	989,648	1,423,618	5,653,381
10. Net realized capital gains (losses) less capital gains tax of \$.....0	381,409	6,162	(228,931)
11. Net investment gain (loss) (Lines 9 + 10)	1,371,057	1,429,780	5,424,450
<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)	(7,660,361)	(7,548,310)	(31,795,946)
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)	(7,660,361)	(7,548,310)	(31,795,946)
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19) (to Line 22)	(7,660,361)	(7,548,310)	(31,795,946)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	448,778,196	469,049,395	469,049,395
22. Net income (from Line 20)	(7,660,361)	(7,548,310)	(31,795,946)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0			(1,287)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			
27. Change in nonadmitted assets	69,875	211,067	(1,026,447)
28. Change in provision for reinsurance			
29. Change in surplus notes			
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	3,155,494	4,170,952	12,552,481
38. Change in surplus as regards policyholders (Lines 22 through 37)	(4,434,992)	(3,166,291)	(20,271,199)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	444,343,204	465,883,104	448,778,196
<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	4,627,603	4,779,303	16,222,492
3702. Change in mandatory contingency reserve	(1,472,109)	(608,351)	(3,670,011)
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	3,155,494	4,170,952	12,552,481

**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 .....	1,052,734	(1,018,838)	1,656,797
2.	Net investment income .....	2,987,792	3,444,207	11,160,805
3.	Miscellaneous income .....			
4.	TOTAL (Lines 1 to 3) .....	4,040,525	2,425,369	12,817,602
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 .....	15,724,610	13,303,423	32,438,334
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) .....	15,724,610	13,303,423	32,438,334
11.	Net cash from operations (Line 4 minus Line 10) .....	(11,684,085)	(10,878,054)	(19,620,732)
<b>Cash from Investments</b>				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds .....	123,769,703	7,550,560	65,815,245
12.2	Stocks .....			
12.3	Mortgage loans .....			
12.4	Real estate .....			
12.5	Other invested assets .....			4,998,000
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....			
12.7	Miscellaneous proceeds .....	16,235		
12.8	TOTAL investment proceeds (Lines 12.1 to 12.7) .....	123,785,938	7,550,560	70,813,245
13.	Cost of investments acquired (long-term only):			
13.1	Bonds .....	11,898,100	2,325,000	42,435,068
13.2	Stocks .....			
13.3	Mortgage loans .....			
13.4	Real estate .....			
13.5	Other invested assets .....			5,001,000
13.6	Miscellaneous applications .....	381,409		17,551
13.7	TOTAL investments acquired (Lines 13.1 to 13.6) .....	12,279,509	2,325,000	47,453,619
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) .....	111,506,429	5,225,560	23,359,626
<b>Cash from Financing and Miscellaneous Sources</b>				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes .....			
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) .....	4,892,129	4,969,525	14,728,356
17.	Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	4,892,129	4,969,525	14,728,356
<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) .....	104,714,473	(682,969)	18,467,251
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year .....	52,115,811	33,648,560	33,648,560
19.2	End of period (Line 18 plus Line 19.1) .....	156,830,284	32,965,591	52,115,811

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

20.0001	.....			
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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 July 31, 2014. 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 fixed rate, long-term, essential public purpose municipal bonds in core sectors for municipalities or entities that 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.

Build America collects a payment for every policy that it issues, comprising of (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 amount is credited to the payment due when Build America guaranties 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. Dividend payments to Build America members require regulatory approval through July 30, 2015. The Company’s policies are issued without contingent mutual liability for assessment.

On July 17, 2012, the Company issued, for cash, the Series 2012-A Surplus Notes and Series 2012-B Surplus Notes (collectively, the “Surplus Notes”) to HG Holdings, Ltd. (“HG Holdings”), a Bermuda holding company, and its wholly owned subsidiary HG Re, Ltd. (“HG Re”) in the amount of \$203,000,000 and \$300,000,000, respectively.

The Company’s reinsurance protection is provided by HG Re via a first-loss reinsurance treaty (the “Reinsurance Agreement”), whereby HG Re assumes all directly insured 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, high quality assets held in trusts, which are pledged for the benefit of Build America.

Both HG Holdings and HG Re are wholly owned subsidiaries of HG Global, Ltd. (“HG Global”), a Bermuda corporation. HG Global’s controlling parent is White Mountain Insurance Group, Ltd., a Bermuda-domiciled financial services holding company (“White Mountains”), which owns 89% of HG Global’s common equity and 97% of its preferred equity. Two of the Company’s directors, Mr. Cochran and Mr. McCarthy, along with 11 of the Company’s current and former officers and employees, own individually or through family trusts the remaining common and preferred equity interests in HG Global.

### 1. Summary of Significant Accounting Practices

#### 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 was to expire on January 1, 2015, however the Company has received permission from the Department to continue to utilize this permitted practice until January 1, 2016. This permitted practice has no effect on either net income for the quarter ended March 31, 2015 or the year ended December 31, 2014 or statutory surplus at March 31, 2015 or December 31, 2014.

## 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:

	State of Domicile	March 31, 2015	December 31, 2014
<b>NET INCOME (LOSS)</b>			
(1) Build America's state basis (Page 4, Line 20, Columns 1 and 3)	New York	\$ (7,660,361)	\$ (31,795,946)
(2) Effect of prescribed practices	New York	-	-
(3) Effect of permitted practice - deferred tax liability on MSC	New York	-	-
(4) NAIC SAP		\$ (7,660,361)	\$ (31,795,946)
<b>SURPLUS</b>			
(5) Build America's state basis (Page 3, Line 37, Columns 1 and 2)	New York	\$ 444,343,204	\$ 448,778,196
(6) Effect of prescribed practices	New York	-	-
(7) Effect of permitted practice - deferred tax liability on MSC	New York	-	-
(8) NAIC SAP		\$ 444,343,204	\$ 448,778,196

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

No significant changes from the 2014 Notes to the Financial Statements.

**C. Accounting Policies**

- (1) No significant changes from the 2014 Notes to the Financial Statements.
- (2) No significant changes from the 2014 Notes to the Financial Statements.
- (3) No significant changes from the 2014 Notes to the Financial Statements.
- (4) No significant changes from the 2014 Notes to the Financial Statements.
- (5) No significant changes from the 2014 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 2014 Notes to the Financial Statements.
- (8) No significant changes from the 2014 Notes to the Financial Statements.
- (9) No significant changes from the 2014 Notes to the Financial Statements.
- (10) No significant changes from the 2014 Notes to the Financial Statements.
- (11) No significant changes from the 2014 Notes to the Financial Statements.
- (12) No significant changes from the 2014 Notes to the Financial Statements.
- (13) No significant changes from the 2014 Notes to the Financial Statements.
- (14) No significant changes from the 2014 Notes to the Financial Statements.

**2. Accounting Changes and Corrections of Errors**

No significant changes from the 2014 Notes to the Financial Statements.

**3. Business Combinations and Goodwill**

No significant changes from the 2014 Notes to the Financial Statements.

**4. Discontinued Operations**

No significant changes from the 2014 Notes to the Financial Statements.



**Notes to Financial Statement****5. Investments**

- A. No significant changes from the 2014 Notes to the Financial Statements.
- B. No significant changes from the 2014 Notes to the Financial Statements.
- C. No significant changes from the 2014 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) The Company had no OTTI losses at March 31, 2015 or December 31, 2014.
- (3) The Company had no OTTI losses at March 31, 2015 or December 31, 2014.
- (4) The Company has not recognized other-than-temporary impairment losses on loan-backed securities for the quarter ended March 31, 2015. Gross unrealized losses on loan-backed securities and the related fair values were as follows:

<b>Time in Continuous Unrealized Position</b>	<b>Gross Unrealized Losses</b>	<b>Fair Value</b>	<b>Number of Securities</b>
<u>As of March 31, 2015:</u>			
Less than twelve months	\$ -	\$ -	-
Twelve or more months	498,771	30,723,808	6
Total	<u>\$ 498,771</u>	<u>\$ 30,723,808</u>	<u>6</u>
<u>As of December 31, 2014:</u>			
Less than twelve months	\$ -	\$ -	-
Twelve or more months	619,462	38,588,713	7
Total	<u>\$ 619,462</u>	<u>\$ 38,588,713</u>	<u>7</u>

- (5) The Company had no OTTI losses for the quarter ended March 31, 2015 or the year ended December 31, 2014.
- E. The Company has not engaged in any repurchase agreements or security-lending transactions for the quarter ended March 31, 2015 or the year ended December 31, 2014.
- F. No significant changes from the 2014 Notes to the Financial Statements.
- G. No significant changes from the 2014 Notes to the Financial Statements.

## Notes to Financial Statement

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

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross 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 Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
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	5,659,717	-	-	-	5,659,717	5,666,501	(6,784)	5,659,717	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	133,775	-	-	-	133,775	133,775	-	133,775	0%	0%
n. Other restricted assets	-	-	-	-	-	-	-	-	0%	0%
<b>o. Total Restricted Assets</b>	<b>\$5,793,492</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$5,793,492</b>	<b>\$5,622,421</b>	<b>\$ (6,784)</b>	<b>\$5,793,492</b>	<b>1%</b>	<b>1%</b>

(a) Subset of column 1

(b) Subset of column 3

(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 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 Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
Lease security deposits	\$ 133,775	\$ -	\$ -	\$ -	\$ 133,775	\$ 133,775	\$ -	\$ 133,775	0%	0%
<b>Total Restricted Assets</b>	<b>\$ 133,775</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 133,775</b>	<b>\$ 148,775</b>	<b>\$ -</b>	<b>\$ 133,775</b>	<b>0%</b>	<b>0%</b>

(a) Subset of column 1

(b) Subset of column 3

(3) The Company has no Other Restricted Assets as of March 31, 2015 or December 31, 2014.

### I. Working Capital Finance Investments

The Company held no working capital finance investments at March 31, 2015 or December 31, 2014.

### J. Offsetting and Netting of Assets and Liabilities

The Company held no derivative, repurchase or reverse repurchase or securities borrowing or securities lending assets at March 31, 2015 or December 31, 2014.

### K. Structured Notes

No significant changes from the 2014 Notes to the Financial Statements.

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

No significant changes from the 2014 Notes to the Financial Statements.

## 7. Investment Income

No significant changes from the 2014 Notes to the Financial Statements.

## Notes to Financial Statement

### 8. Derivative Instruments

No significant changes from the 2014 Notes to the Financial Statements.

### 9. Income Taxes

The Company generated tax basis ordinary operating losses of \$18,696,431 and \$17,177,873 for the three months ended March 31, 2015 and March 31, 2014, respectively. The Company has an unused ordinary operating loss carryforward of \$149,370,265 available to offset against future taxable income. Unused ordinary operating losses of \$28,493,873, \$62,004,895, \$40,175,065 and \$18,696,431 expire in 2032, 2033, 2034 and 2035, respectively.

The Company generated tax basis capital gains of \$428,266 and tax basis capital losses of \$13,406 for the three months ended March 31, 2015 and March 31, 2014, respectively. The Company has unused capital loss carryforwards of \$704,803 available to offset against future taxable capital gains. Unused capital losses of \$512,029 and \$192,774 expire in 2018 and 2019, respectively.

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

No significant changes from the 2014 Notes to the Financial Statements.

### 11. Debt

A. No significant changes from the 2014 Notes to the Financial Statements.

B. The Company has no funding agreements with Federal Home Loan Banks (FHLB).

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

A. The Company does not sponsor a defined benefit pension plan.

B. No significant changes from the 2014 Notes to the Financial Statements.

C. No significant changes from the 2014 Notes to the Financial Statements.

D. No significant changes from the 2014 Notes to the Financial Statements.

E. No significant changes from the 2014 Notes to the Financial Statements.

F. No significant changes from the 2014 Notes to the Financial Statements.

G. No significant changes from the 2014 Notes to the Financial Statements.

H. No significant changes from the 2014 Notes to the Financial Statements.

I. No significant changes from the 2014 Notes to the Financial Statements.

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

(1) No significant changes from the 2014 Notes to the Financial Statements.

(2) No significant changes from the 2014 Notes to the Financial Statements.

(3) No significant changes from the 2014 Notes to the Financial Statements.

(4) No significant changes from the 2014 Notes to the Financial Statements.

(5) No significant changes from the 2014 Notes to the Financial Statements.

(6) No significant changes from the 2014 Notes to the Financial Statements.

(7) No significant changes from the 2014 Notes to the Financial Statements.

(8) No significant changes from the 2014 Notes to the Financial Statements.

(9) No significant changes from the 2014 Notes to the Financial Statements.

(10) No significant changes from the 2014 Notes to the Financial Statements.

(11) Surplus Notes

On July 17, 2012, the Company issued, for cash, the Series 2012-A Surplus Notes and Series 2012-B Surplus Notes (collectively, the "Surplus Notes") to HG Holdings and HG Re in the amount of \$203,000,000 and \$300,000,000, respectively.

## Notes to Financial Statement

Pursuant to the Amended and Restated Surplus Note Purchase Agreement (the "Amended Surplus Note Agreement"), effective January 1, 2014, Build America, HG Holdings and HG Re agreed to change the interest rate on the Surplus Notes for the five years ended December 31, 2018 from a fixed 8% rate to a variable rate equal to the one-year U.S. treasury rate plus 300 basis points, set annually. Prior to the end of 2018, Build America has the option to extend the variable rate period for another three years. Following the expiration of the variable rate period, the interest rate adjusts to the higher of the then variable rate or 8%. The Department approved the Amended Surplus Note Agreement on April 25, 2014.

As of March 31, 2015:

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
July 17, 2012	2012-A	variable	\$ 203,000,000	\$ 203,000,000	\$ -	\$ -	\$ 234,606,438.03	April 1, 2042
July 17, 2012	2012-B	variable	\$ 300,000,000	\$ 300,000,000	\$ -	\$ -	\$ 346,709,021.74	April 1, 2042

The Amended Surplus Note Agreement provides for quarterly payments, on every March 1, June 1, September 1, and December 1, until all amounts due on the Surplus Notes have been paid, upon; i.) the Company's request for authority to make payment and ii.) the Department's approval of that request. These conditions to the payment of interest due on the Surplus Notes allow for the deferral of interest without the occurrence of a default under the Amended Surplus Note Agreement. The Company did not request Department approval for the payments through March 31, 2015. No interest shall be accrued on deferred interest payments. The Surplus Notes are expressly subordinate and junior to the Company's policy obligations and all other liabilities other than distribution of assets to members. Because the Company is a mutual company, there is no liquidation preference for the insurer's common and preferred shareholders, as no such shares exist.

As funds become available to make interest and principal payments and subject to approval by the Department, payments will be made pursuant to the Amended Surplus Note Agreement in the following order, satisfying each category of payment in full before beginning payments on the subsequent category: i.) outstanding principal of the Series 2012-A Surplus Notes, plus any interest due and payable thereon, ii.) interest due and payable on Series 2012-B Surplus Notes, and iii.) outstanding principal of the Series 2012-B Surplus Notes.

The Company may not make any payment of principal or interest on the Series 2012-B Surplus Notes, or on any other debt subordinated to the Surplus Notes, until all interest due and all outstanding principal on the Series 2012-A Surplus Notes has been paid. In addition, the Company may not make any payment of principal on any debt subordinated to the Surplus Notes until all interest due and all outstanding principal on all of the Surplus Notes has been paid.

While the scheduled maturity date of the Surplus Notes is April 1, 2042, the Company has the option to pre-pay, in whole or in part, the principal amount of the Surplus Notes at par value prior to such date subject to Department approval and the conditions noted in the previous paragraphs.

(12) No significant changes from the 2014 Notes to the Financial Statements.

(13) No significant changes from the 2014 Notes to the Financial Statements.

#### 14. Liabilities, Contingencies and Assessments

No significant changes from the 2014 Notes to the Financial Statements.

#### 15. Leases

No significant changes from the 2014 Notes to the Financial Statements.

#### 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 domestic public finance obligations. Total principal and interest exposure, net of reinsurance, at March 31, 2015 and December 31, 2014 was \$20,266,692,766 and \$17,560,557,350, respectively.

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

A. No significant changes from the 2014 Notes to the Financial Statements.

B. The Company has not transferred or serviced any financial assets for the quarter ended March 31, 2015 or the year ended December 31, 2014.

C. The Company did not engage in any wash sale transactions for the quarter ended March 31, 2015 or the year ended December 31, 2014.

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

No significant changes from the 2014 Notes to the Financial Statements.

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

No significant changes from the 2014 Notes to the Financial Statements.

## Notes to Financial Statement

### 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, 2015 or December 31, 2014.
- (2) During the quarter ended March 31, 2015 and the year ended December 31, 2014, 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, 2015 and December 31, 2014 was \$32,625,762 and \$31,299,741, 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.

#### Net Financial Guarantee Insurance Contracts

The fair value of net financial guarantee 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, 2015 or December 31, 2014.

- B. The fair values of the Company's financial instruments are reflected in the table in footnote 20(C).

**Notes to Financial Statement**

- C. The admitted assets, fair values and related level classification within the fair value hierarchy of the Company's financial instruments was as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
<b>Fair Value Measurements as of March 31, 2015:</b>						
<b>Financial Assets</b>						
Bonds	\$ 309,441,078	\$ 308,357,008	\$ -	\$ 309,441,078	\$ -	\$ -
Cash, cash equivalents and short-term investments	156,830,284	156,830,284	156,830,284	-	-	-
Investment income due and accrued	1,197,118	1,197,118	1,197,118	-	-	-
<b>Total Financial Assets</b>	<b>\$ 467,468,480</b>	<b>\$ 466,384,410</b>	<b>\$ 158,027,402</b>	<b>\$ 309,441,078</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Financial Liabilities</b>						
Net financial guaranty insurance contracts	\$ 32,625,762	\$ -	\$ -	\$ -	\$ 32,625,762	\$ -
<b>Total Financial Liabilities</b>	<b>\$ 32,625,762</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32,625,762</b>	<b>\$ -</b>
<b>Fair Value Measurements as of December 31, 2014:</b>						
<b>Financial Assets</b>						
Bonds	\$ 419,349,996	\$ 420,892,608	\$ -	\$ 419,349,996	\$ -	\$ -
Cash, cash equivalents and short-term investments	52,115,811	52,115,811	52,115,811	-	-	-
Investment income due and accrued	2,548,293	2,548,293	2,548,293	-	-	-
<b>Total Financial Assets</b>	<b>\$ 474,014,100</b>	<b>\$ 475,556,712</b>	<b>\$ 54,664,104</b>	<b>\$ 419,349,996</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Financial Liabilities</b>						
Net financial guaranty insurance contracts	\$ 31,299,741	\$ -	\$ -	\$ -	\$ 31,299,741	\$ -
<b>Total Financial Liabilities</b>	<b>\$ 31,299,741</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,299,741</b>	<b>\$ -</b>

- D. Not applicable.

**21. Other Items**

No significant changes from the 2014 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 14, 2015 for the quarter ended March 31, 2015, the date in which the statutory financial statements were available for issue. Based on the Company's evaluation, no material items were noted.

**23. Reinsurance**

No significant changes from the 2014 Notes to the Financial Statements.

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

The Company does not issue retrospectively rated contracts or contracts subject to redetermination. The Company's reinsurance contract is not retrospectively rated or subject to redetermination.

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

The Company did not have any losses and loss adjustment expenses for the quarter ended March 31, 2015 or the year ended December 31, 2014.

**26. Intercompany Pooling Arrangements**

No significant changes from the 2014 Notes to the Financial Statements.

**27. Structured Settlements**

No significant changes from the 2014 Notes to the Financial Statements.

**28. Health Care Receivables**

No significant changes from the 2014 Notes to the Financial Statements.

**29. Participating Accident and Health Policies**

No significant changes from the 2014 Notes to the Financial Statements.

**30. Premium Deficiency Reserves**

No significant changes from the 2014 Notes to the Financial Statements.

**31. High Deductibles**

No significant changes from the 2014 Notes to the Financial Statements.

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

No significant changes from the 2014 Notes to the Financial Statements.

**33. Asbestos / Environmental Reserves**

No significant changes from the 2014 Notes to the Financial Statements.

**34. Subscriber Savings Accounts**

No significant changes from the 2014 Notes to the Financial Statements.

**Notes to Financial Statement****35. Multiple Peril Crop Insurance**

No significant changes from the 2014 Notes to the Financial Statements.

**36. Financial Guaranty Insurance**

A. The following disclosures for financial guaranty insurance contracts in force as of March 31, 2015:

(1) The following disclosures are for installment financial guaranty insurance contracts in force as of March 31, 2015:

- 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 \$33,503,410 as of March 31, 2015.
- b. The table below summarizes future, undiscounted premiums expected to be collected under installment contracts as of March 31, 2015:

<u>As of March 31, 2015:</u>	<u>Future Expected Undiscounted Premiums Collections</u>
1. (b) 2nd Quarter 2015	\$ -
(c) 3rd Quarter 2015	-
(d) 4th Quarter 2015	-
(e) Year 2016	-
(f) Year 2017	-
(g) Year 2018	-
(h) Year 2019	-
2. (a) Years 2020 through 2024	193,895
(b) Years 2025 through 2029	524,721
(c) Years 2030 through 2034	329,807
(d) Years 2035 through 2039	164,900
(e) Years 2040 through 2044	19,137
(f) Years 2045 through 2049	-
(g) Years 2050 through 2054	-
Total	<u>\$ 1,232,460</u>

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

<u>As of March 31, 2015:</u>	
1. Expected future premiums - beginning of year	\$ 1,232,460
2. Less: premium payments received for existing installment contracts	-
3. Add: expected premium payments for new installment contracts	-
4. Adjustments to the expected future premium payments	-
5. Expected future premiums - end of year	<u>\$ 1,232,460</u>

(2) The following disclosures are for non-installment financial guaranty insurance contracts in force as of March 31, 2015:

- a. The Company did not recognize any accelerated earned premium revenue on non-installment contracts during the quarter ended March 31, 2015.
- b. The table below summarizes future expected earned premium revenue, net of reinsurance, on non-installment financial guaranty contracts as of March 31, 2015:

<u>As of March 31, 2015:</u>	<u>Future Expected Earned Premiums, Net of Reinsurance</u>
1. (b) 2nd Quarter 2015	\$ 58,202
(c) 3rd Quarter 2015	103,196
(d) 4th Quarter 2015	76,330
(e) Year 2016	328,829
(f) Year 2017	354,327
(g) Year 2018	361,789
(h) Year 2019	366,189
2. (a) Years 2020 through 2024	1,786,674
(b) Years 2025 through 2029	1,460,746
(c) Years 2030 through 2034	1,161,363
(d) Years 2035 through 2039	796,641
(e) Years 2040 through 2044	494,538
(f) Years 2045 through 2049	77,970
(g) Years 2050 through 2054	53,264
(h) Years 2055 through 2059	-
(i) Years 2060 through 2064	-
Total	<u>\$ 7,480,058</u>

## **Notes to Financial Statement**

- (3) The Company did not have any claim liabilities for financial guaranty insurance contracts inforce as of March 31, 2015.
- (4) No significant changes from the 2014 Notes to the Financial Statements.
- B. No significant changes from the 2014 Notes to the Financial Statements.



# 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:
  
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
- 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. ..... 12/31/2013 .....
- 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
.....	.....	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

- 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:  
Cash and securities with a carrying value of \$5,659,717 were on deposit with various state and other regulatory authorities as required by law. In addition, assets with a carrying value of \$96,095 were held in trust to secure letters of credit and assets with a carrying value of \$37,680 were held by lessors to benefit the lease obligations of the Company.
- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$..... 0

## GENERAL INTERROGATORIES (Continued)

### INVESTMENT

13. Amount of real estate and mortgages held in short-term investments: \$ ..... 0

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?  
 If no, attach a description with this statement. Yes[] No[] N/A[X]

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 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
107105 .....	BlackRock Financial Management .....	55 East 52nd Street, New York, NY 10055 .....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[]

18.2 If no, list exceptions:

## 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

## 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>			

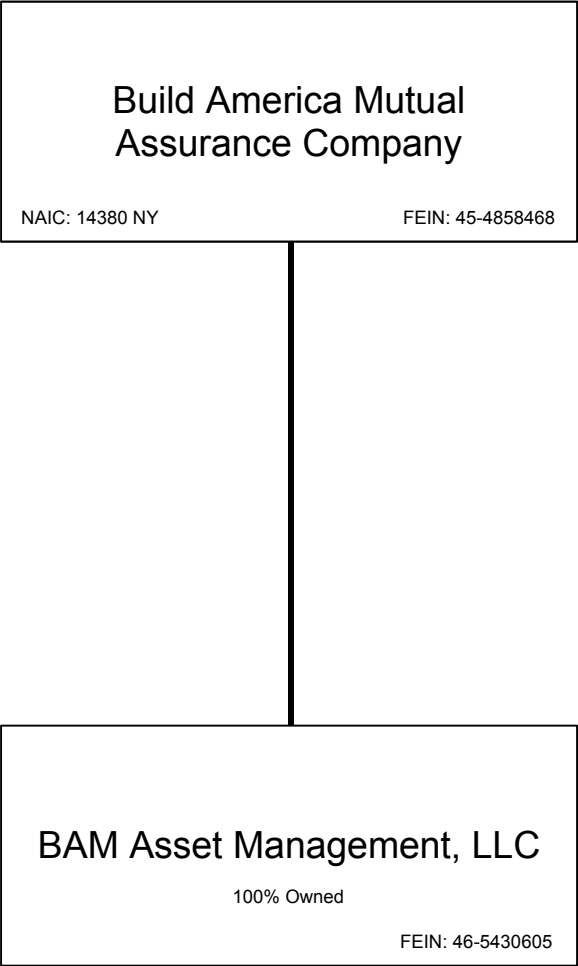
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN****Current Year to Date - Allocated by States and Territories**

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, Etc.	Active Status	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	37,036	6,751				
2. Alaska (AK)	L						
3. Arizona (AZ)	L	14,210	17,385				
4. Arkansas (AR)	L	7,590					
5. California (CA)	L	1,472,339	1,228,202				
6. Colorado (CO)	L						
7. Connecticut (CT)	L	543,990					
8. Delaware (DE)	L						
9. District of Columbia (DC)	L						
10. Florida (FL)	L	118,340					
11. Georgia (GA)	L						
12. Hawaii (HI)	L						
13. Idaho (ID)	L						
14. Illinois (IL)	L	270,286	252,054				
15. Indiana (IN)	L	49,260	19,365				
16. Iowa (IA)	L	22,000					
17. Kansas (KS)	L	17,353					
18. Kentucky (KY)	L	33,327					
19. Louisiana (LA)	L	10,450	193,838				
20. Maine (ME)	L						
21. Maryland (MD)	L						
22. Massachusetts (MA)	L	4,350					
23. Michigan (MI)	L	43,483	37,418				
24. Minnesota (MN)	L	3,163					
25. Mississippi (MS)	L		42,418				
26. Missouri (MO)	L	14,488					
27. Montana (MT)	L						
28. Nebraska (NE)	L						
29. Nevada (NV)	L						
30. New Hampshire (NH)	L						
31. New Jersey (NJ)	L	59,010	21,583				
32. New Mexico (NM)	L	69,205	9,839				
33. New York (NY)	L	446,082	1,338,481				
34. North Carolina (NC)	L						
35. North Dakota (ND)	L						
36. Ohio (OH)	L	89,469					
37. Oklahoma (OK)	L	172,305					
38. Oregon (OR)	L						
39. Pennsylvania (PA)	L	264,931	130,314				
40. Rhode Island (RI)	L						
41. South Carolina (SC)	L		21,158				
42. South Dakota (SD)	L						
43. Tennessee (TN)	L	36,163					
44. Texas (TX)	L	354,213	946,019				
45. Utah (UT)	L	11,372					
46. Vermont (VT)	L						
47. Virginia (VA)	L						
48. Washington (WA)	L		6,820				
49. West Virginia (WV)	L	30,963					
50. Wisconsin (WI)	L	26,203	27,260				
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	(a) 51	4,221,579	4,298,905				
<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						

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

**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
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)	*
.....	.....	14380	45-4858468	.....	.....	.....	Build America Mutual Assurance Company	NY	RE	.....	.....	.....	.....	.....
.....	.....	00000	46-5430605	.....	.....	.....	BAM Asset Management, LLC	DE	DS	Build America Mutual Assurance Company	Ownership	100.0	Build America Mutual Assurance Company	.....

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	232,063			
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	232,063			
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	4,221,579	4,221,579	4,298,905
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	4,221,579	4,221,579	4,298,905
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)	2015 Loss and LAE Payments on Claims Reported as of Prior Year-End	2015 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2015 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. 2012 + Prior .....													
2. 2013 .....													
3. Subtotals 2013 + Prior .....													
4. 2014 .....													
5. Subtotals 2014 + Prior .....													
6. 2015 .....	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 .....											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.....

N O N E

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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.

	<b>RESPONSES</b>
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



14380201549000001                      2015                      Document Code: 490

Supplement A to Schedule T



14380201545500001                      2015                      Document Code: 455

Medicare Part D Coverage Supplement



14380201536500001                      2015                      Document Code: 365

Director and Officer Supplement



14380201550500001                      2015                      Document Code: 505

**NONE**

STATEMENT AS OF **March 31, 2015** 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	1,000
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		5,000,000
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		(1,287)
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		4,998,000
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 .....	420,892,608	450,017,589
2. Cost of bonds and stocks acquired .....	11,898,100	42,435,068
3. Accrual of discount .....	23,974	86,075
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....	381,409	(228,931)
6. Deduct consideration for bonds and stocks disposed of .....	123,769,703	65,815,245
7. Deduct amortization of premium .....	1,069,380	5,601,948
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) .....	308,357,008	420,892,608
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	308,357,008	420,892,608

## 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) .....	455,735,729	200,149,205	196,197,581	(1,044,914)	458,642,439			455,735,729
2. NAIC 2 (a) .....								
3. NAIC 3 (a) .....								
4. NAIC 4 (a) .....								
5. NAIC 5 (a) .....								
6. NAIC 6 (a) .....								
7. Total Bonds .....	455,735,729	200,149,205	196,197,581	(1,044,914)	458,642,439			455,735,729
<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 .....	455,735,729	200,149,205	196,197,581	(1,044,914)	458,642,439			455,735,729

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; 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 .....	135,285,576	X X X	135,285,576	5	

**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 .....	19,843,228	26,901,709
2. Cost of short-term investments acquired .....	158,251,636	174,842,366
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	42,809,288	181,889,842
7. Deduct amortization of premium .....		11,005
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) .....	135,285,576	19,843,228
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	135,285,576	19,843,228

**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 - Verification**  
(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	14,999,889	
2.	Cost of cash equivalents acquired .....	29,999,469	14,999,778
3.	Accrual of discount .....	497	111
4.	Unrealized valuation increase (decrease) .....		
5.	Total gain (loss) on disposals .....		
6.	Deduct consideration received on disposals .....	30,000,000	
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) .....	14,999,855	14,999,889
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	14,999,855	14,999,889



**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 or Market Indicator (a)
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>									
64966LYZ8 .....	CITY OF NEW YORK NY SERIES J-12 3.700% .....		03/12/2015 .....	JP Morgan .....	X X X .....	10,148,100 .....	10,000,000 .....		1FE .....
2499999 Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions .....					X X X .....	10,148,100 .....	10,000,000 .....		X X X .....
<b>Bonds - U.S. Special Revenue, Special Assessment</b>									
91412GXV2 .....	UNIV OF CALIFORNIA CA REVENUES SERIES J .....		03/13/2015 .....	BARCLAY'S .....	X X X .....	1,750,000 .....	1,750,000 .....		1FE .....
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment .....					X X X .....	1,750,000 .....	1,750,000 .....		X X X .....
8399997 Subtotal - Bonds - Part 3 .....					X X X .....	11,898,100 .....	11,750,000 .....		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 .....	11,898,100 .....	11,750,000 .....		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 .....
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 .....
9899999 Subtotal - Preferred and Common Stocks .....					X X X .....	X X X .....	X X X .....		X X X .....
9999999 Total - Bonds, Preferred and Common Stocks .....					X X X .....	11,898,100 .....	X X X .....		X X X .....

(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 .....					16,619,937	16,053,338	6,544,853	X X X
The Bank of New York Mellon .....	Pittsburgh, Pennsylvania .....								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			16,619,937	16,053,338	6,544,853	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories .....									
0299999 Totals - Suspended Depositories .....		X X X	X X X						X X X
0399999 Total Cash On Deposit .....		X X X	X X X			16,619,937	16,053,338	6,544,853	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			16,619,937	16,053,338	6,544,853	X X X

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<b>Bonds - U.S. Governments - Issuer Obligations</b>							
TREASURY BILL .....		01/30/2015 ...	0.000	04/30/2015 ...	14,999,855		
0199999 Subtotals - Bonds - U.S. Governments - Issuer Obligations .....					14,999,855		
0599999 Subtotals - Bonds - U.S. Governments .....					14,999,855		
5599999 Subtotals - Bonds - Parent, Subsidiaries and Affiliates Bonds .....							
7799999 Subtotals - Bonds - Total Bonds - Issuer Obligations .....					14,999,855		
7899999 Subtotals - Bonds - Total Bonds - Residential Mortgage-Backed Securities .....							
7999999 Subtotals - Bonds - Total Bonds - Commercial Mortgage-Backed Securities .....							
8099999 Subtotals - Bonds - Total Bonds - Other Loan-Backed and Structured Securities .....							
8399999 Subtotals - Bonds - Total Bonds .....					14,999,855		
8499999 Sweep Accounts .....							
8599999 Other Cash Equivalents .....							
8699999 Total - Cash Equivalents .....					14,999,855		

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