

Policy on Trading in Assured Guaranty Ltd. Securities

Introduction

Trading in Assured Guaranty Ltd. (“**Assured Guaranty**”) securities based on inside information is both unethical and illegal. The following summarizes the guidelines for trading in securities issued by or related to Assured Guaranty, such as common shares, debt securities and credit default swaps. Buying or selling securities while in possession of material non-public information concerning Assured Guaranty’s businesses, operations or prospects may give rise to a variety of civil claims, as well as to Securities and Exchange Commission (“**SEC**”) administrative or court action, and in some circumstances criminal penalties. Tipping of material undisclosed corporate information by an insider to an outsider may lead to a violation of SEC rules. The SEC has the authority to seek a civil penalty of up to three times the amount of profit gained or loss avoided by a person who trades while in possession of material non-public information. In addition to having serious legal ramifications, the foregoing activities would seriously undermine and damage Assured Guaranty’s reputation for integrity and ethical conduct. For these reasons, Assured Guaranty has adopted this policy to address these concerns.

Generally speaking, a person is involved in unlawful insider trading if that person trades (i.e. buys or sells or changes a standing buy or sell order) securities while in possession of material non-public information concerning the issuer of those securities. A person is also involved in insider trading if the person discloses material non-public information to another person who uses that information to trade in Assured Guaranty securities. A person does not have to make a profit in the trade to be guilty of insider trading; using material, non-public information to avoid or minimize a loss is also insider trading (i.e. selling stock while in possession of material non-public information that, when published, will cause the stock price to drop).

- “**Material information**” for these purposes is any information to which an investor would reasonably attach importance in reaching a decision to buy, sell or hold Assured Guaranty securities. The test is whether there is a substantial likelihood that a reasonable investor would consider the facts important in making an investment decision. Information about the following areas of Assured Guaranty’s business are examples of inside information that could be material: acquisitions, dispositions, joint ventures, regulatory issues, launch of new business lines, entry into new jurisdictions, significant litigation and government investigations. This is not a complete list. A useful rule of thumb is that if you learn of non-public information, you should assume it is material.
- “**Non-public**” information about a company is, as it sounds, information that is not generally known to the public.

Assured Guaranty’s Policy

Subject to the trading plan discussion below, the rules are as follows. These rules apply to all Assured Guaranty officers, employees and directors and persons under their control, which would include spouses, minor children or other family members living in the same household.

- For the period beginning at the end of each calendar quarter and ending one full business day following each earnings release, Assured Guaranty is in “blackout” and

you are prohibited from trading Assured Guaranty securities. This does not apply to the exercise of employee stock options, or purchases under the Employee Stock Purchase Plan provided that securities so acquired are not immediately traded.

- You may not trade while in possession of material nonpublic information or tip others as to material non-public information.
- Even when no blackout period is in effect, you must pre-clear all trades with Assured Guaranty's General Counsel.
- You are prohibited from holding Assured Guaranty securities in a margin account or pledging Assured Guaranty securities as collateral for a loan unless approved in advance by the Nominating and Governance Committee of Assured Guaranty Ltd¹. An exception to this prohibition may be granted where a person wishes to pledge Assured Guaranty securities as collateral for a loan (not including margin debt) and clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities. Any person who wishes to pledge Assured Guaranty securities as collateral for a loan must submit a request for approval to the General Counsel at least two weeks prior to the proposed execution of documents evidencing the proposed pledge.
- You are strongly discouraged from engaging in hedging or monetization transactions that allow you to lock in all or a part of the value of your stock holdings in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow you to continue to own Assured Guaranty securities, but without the full risks and rewards of ownership. When that occurs, you may no longer have the same objectives as holders of Assured Guaranty securities. Therefore, any person wishing to enter into such an arrangement must first pre-clear the proposed transaction with the General Counsel. Any request for pre-clearance of a hedging or similar arrangement must be submitted to the General Counsel at least two weeks prior to the proposed execution of documents evidencing the proposed transaction and must set forth a justification for the proposed transaction.
- You are prohibited in engaging in transactions in puts, calls or other derivative securities with respect to Assured Guaranty securities. A transaction in such options is, in effect, a bet on the short-term movement of an Assured Guaranty security and therefore creates the appearance that you are trading based on inside information. Transactions in options also may focus your attention on Assured Guaranty's short-term performance at the expense of its long-term objectives.
- You are prohibited from engaging in short sales of Assured Guaranty securities. Short sales of Assured Guaranty securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in Assured Guaranty or its short-term prospects. In addition, short

¹ Securities held in a margin account may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material nonpublic information or otherwise is not permitted to trade in Assured Guaranty securities, use of such securities in these contexts is prohibited.

sales may reduce the seller's incentive to improve Assured Guaranty's performance. Section 16(c) of the Securities Exchange Act of 1934 prohibits Section 16 reporting officers and directors from engaging in short sales.

Requests for Pre-clearance

Requests for pre-clearance should be sent by e-mail to James M. Michener setting forth the following information:

- Name;
- Title;
- Date of proposed trading; and
- A statement that you (1) have read the Policy on Trading in Assured Guaranty Ltd. Securities, (2) have given consideration to whether any information in your possession is material nonpublic information and (3) are not currently in possession of material nonpublic information.

If you are in possession of material nonpublic information you should not submit the request as you are not permitted to trade. If you are uncertain whether information is material or nonpublic, please provide a description of the information prior to submitting a request to trade. Clearance will be valid for no more than seven days, so please time your requests accordingly. If you become aware of material nonpublic information any time after obtaining clearance, such clearance becomes void.

Trading Plans

Pursuant to so-called trading plans, you may be permitted to trade in Assured Guaranty securities even during a blackout period or while in possession of material nonpublic information. In essence, a trading plan consists of irrevocable instructions to a third party to make future trades in accordance with pre-established guidelines. For example, a trading plan may irrevocably direct a broker to acquire or sell Assured Guaranty securities on a specified future date, thus making irrelevant that the trader may have come into possession of material nonpublic information or that a blackout period is in effect when the trade is made. The rules on trading plans are complex; if you are interested in additional information about them please contact the General Counsel. Trading plans for Assured Guaranty officers, directors and employees need to be sent to the General Counsel for review and approval prior to implementation.

If you have any questions about trading in Assured Guaranty securities, please contact:

James M. Michener - General Counsel, Assured Guaranty Ltd.

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