

ASSURED GUARANTY LTD  
Form DEF 14A  
March 22, 2017  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of**  
**the Securities Exchange Act of 1934**  
**(Amendment No.     )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

**Assured Guaranty Ltd.**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

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**DEAR SHAREHOLDERS:**

March 23, 2017

It is with great pleasure that we invite you to our 2017 Annual General Meeting of shareholders on Wednesday, May 3, 2017, at 6 Bevis Marks in London. Whether or not you plan to attend the meeting in person, please vote your shares; your vote is important to us.

Assured Guaranty's 2016 financial performance was excellent. Our shareholders' equity per share, non-GAAP operating shareholder's equity per share and non-GAAP adjusted book value per share<sup>1</sup> all reached record levels, at \$50.82, \$49.89 and \$66.46, respectively. Our net income, at \$881 million, was at its third highest level since we went public in 2004, while our operating income (non-GAAP)<sup>1</sup>, at \$895 million, was at its highest level since we went public. These records reflect the great strides we continued to make on our four main strategies:

*Growing our new business production.* Our gross written premium, at \$154 million, was the second highest in four years, while our premium production (PVP)<sup>1</sup>, a non-GAAP financial measure we use to measure our new business production, was at \$214 million and the highest it has been in that period. All three of our business lines again contributed to our premium production. As the leading financial guarantor in the market today, we believe we are well positioned for growth when interest rates normalize.

*Managing capital efficiently.* During 2016, we returned to our shareholders approximately \$375 million through purchases of our common shares and dividend payments. We also obtained regulatory approval for our subsidiary Assured Guaranty Municipal Corp. to redeem \$300 million of its common stock from its parent; we will use those funds predominantly to repurchase more of our common shares.

*Alternative strategies.* In 2016, we purchased the parent of financial guaranty insurer CIFG Assurance North America, Inc., resulting in an initial net gain of \$259 million. We agreed to purchase the European operating subsidiary of MBIA Insurance Corporation, and we closed that acquisition in 2017. We also formed a group to evaluate alternative investments in order to locate opportunities we believe to be accretive for our shareholders.

*Proactive loss mitigation.* We continued to manage our exposure to the Commonwealth of Puerto Rico and its related authorities and public corporations, including by actively lobbying Congress on the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA) legislation. We also continued to manage all other risks within our insured portfolio and reduced our below investment grade exposure by 14%.

We provide further detail about our accomplishments and plans for the future in the Letter to Shareholders accompanying our 2016 Annual Report. We encourage you to review that letter and our 2016 Annual Report, as well as the Proxy Statement that follows this letter.

We look forward to seeing you at the meeting.

Sincerely,

Francisco L. Borges  
Chairman of the Board

Dominic J. Frederico  
President and Chief Executive Officer

<sup>1</sup> Non-GAAP operating shareholder's equity per share, non-GAAP adjusted book value per share, operating income (non-GAAP) and PVP are non-GAAP financial measures. An explanation of these measures, which are considered when setting executive compensation, and a reconciliation to the most comparable GAAP measures, may be found

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on pages 94 to 98 of our Annual Report on Form 10-K for the year ended December 31, 2016.

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March 23, 2017

Hamilton, Bermuda

**NOTICE OF ANNUAL**

**GENERAL MEETING**

TO THE SHAREHOLDERS OF ASSURED GUARANTY LTD.:

The Annual General Meeting of Assured Guaranty Ltd., which we refer to as AGL, will be held on Wednesday, May 3, 2017, at 8:00 a.m. London Time, at 6 Bevis Marks, London, EC3A 7BA, United Kingdom, for the following purposes:

- 1. To elect our board of directors;**
- 2. To approve, on an advisory basis, the compensation paid to AGL's named executive officers;**
- 3. To approve, on an advisory basis, the frequency of the advisory vote on the compensation paid to AGL's named executive officers;**
- 4. To appoint PricewaterhouseCoopers LLP as AGL's independent auditor for the fiscal year ending December 31, 2017, and to authorize the Board of Directors, acting through its Audit Committee, to set the fees for the independent auditor;**
- 5. To direct AGL to vote for directors of, and the appointment of the independent auditor for, its subsidiary Assured Guaranty Re Ltd.; and**
- 6. To transact such other business, if any, as lawfully may be brought before the meeting.**

Shareholders of record are being mailed a Notice Regarding the Availability of Proxy Materials on or around March 24, 2017, which provides shareholders with instructions on how to access the proxy materials and our 2016 annual report on the Internet, and if they prefer, how to request paper copies of these materials.

Only shareholders of record, as shown by the transfer books of AGL, at the close of business on March 8, 2017, are entitled to notice of, and to vote at, the Annual General Meeting.

**SHAREHOLDERS OF RECORD MAY VOTE UP UNTIL 12:00 NOON EASTERN DAYLIGHT TIME ON MAY 2, 2017. BENEFICIAL OWNERS MUST SUBMIT THEIR VOTING INSTRUCTIONS SO THAT THEIR BROKERS WILL BE ABLE TO VOTE BY 11:59 P.M. EASTERN DAYLIGHT TIME ON MAY 1, 2017.**

**WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL GENERAL MEETING IN PERSON AND REGARDLESS OF THE NUMBER OF SHARES YOU OWN, PLEASE VOTE AS PROMPTLY AS POSSIBLE VIA THE INTERNET OR BY TELEPHONE. ALTERNATIVELY, IF YOU HAVE REQUESTED WRITTEN PROXY MATERIALS, PLEASE SIGN, DATE AND RETURN THE PROXY CARD IN THE RETURN ENVELOPE PROVIDED AS PROMPTLY AS POSSIBLE. IF YOU LATER DESIRE TO REVOKE YOUR PROXY FOR ANY REASON, YOU MAY DO SO IN THE MANNER DESCRIBED IN THE ATTACHED PROXY STATEMENT. FOR FURTHER INFORMATION CONCERNING THE INDIVIDUALS NOMINATED AS DIRECTORS, THE PROPOSALS BEING VOTED UPON, USE OF THE PROXY AND OTHER RELATED MATTERS, YOU ARE URGED TO READ THE ATTACHED PROXY STATEMENT.**

By Order of the Board of Directors,

**James M. Michener**

Secretary



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Assured Guaranty Ltd.

March 23, 2017

**SUMMARY**

This summary highlights information contained elsewhere in this proxy statement and does not contain all of the information that you should consider before voting. For more complete information about the following topics, please review the complete proxy statement and the Annual Report on Form 10-K of Assured Guaranty Ltd. (which we refer to as AGL, we, us or our; we use Assured Guaranty, our Company or the Company to refer to AGL and its subsidiaries).

We intend to begin distribution of the Notice Regarding the Availability of Proxy Materials to shareholders on or about March 24, 2017.

**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**Time and Date** 8:00 a.m. London time, May 3, 2017

**Place** 6 Bevis Marks

London, EC3A 7BA

United Kingdom

**Record Date** March 8, 2017

**Voting** Shareholders as of the record date are entitled to vote. Each Common Share is entitled to one vote for each director nominee and one vote for each of the proposals to be voted on. Shareholders of record may vote up until 12:00 noon Eastern Daylight Time on May 2, 2017. Beneficial owners must submit their voting instructions so that their broker will be able to vote by 11:59 p.m. Eastern Daylight Time on May 1, 2017. In spite of deadlines, holders who attend the Annual General Meeting will be able to vote in person.

<b>Agenda Item</b>	<b>Board Vote Recommendation</b>	<b>Page Reference (for More Detail)</b>
Election of directors	For each director nominee	Page 12
To approve, on an advisory basis, the compensation paid to AGL's named executive officers	For	Page 60
To approve, on an advisory basis, the frequency of the advisory vote on the compensation paid to AGL's named executive officers	For one year	Page 61
	For	Page 62

Appointment of PricewaterhouseCoopers as AGL's independent auditor for 2017

Direction of AGL to vote for directors of, and the appointment of the independent auditor of, AGL's subsidiary, Assured Guaranty Re Ltd.

For each director nominee and for the independent auditor

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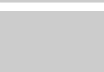



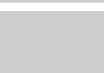

We will also transact any other business that may properly come before the meeting.



**2017 Proxy Statement**

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The following table provides summary information about each director nominee. Each director nominee will be elected for a one-year term by a majority of votes cast.

Nominee	Age	Director Since	Principal Occupation	Committees					
				A	C	F	NG	RO	E
 <b>Francisco L. Borges</b>	65	2007	Chairman, Landmark Partners, LLC				«		«
 <b>G. Lawrence Buhl</b>	70	2004	Former Regional Director for Insurance Services, Ernst & Young LLP	«					
 <b>Dominic J. Frederico</b>	64	2004	President and Chief Executive Officer, Assured Guaranty Ltd.						
 <b>Bonnie L. Howard</b>	63	2012	Former Chief Auditor and Global Head of Control and Emerging Risk, Citigroup						«
 <b>Thomas W. Jones</b>	67	2015	Founder and Senior Partner of TWJ Capital, LLC						
 <b>Patrick W. Kenny</b>	74	2004	Former President and Chief Executive Officer, International Insurance Society		«				
 <b>Alan J. Kreczko</b>	65	2015	Former Executive Vice President and General Counsel of The Hartford Financial Services Group, Inc.						
 <b>Simon W. Leathes</b>	69	2013	Independent non-executive director of HSBC Bank plc						

	<b>Michael T. O Kane</b>	71	2005	Former Senior Managing Director, Securities Division, TIAA CREF	«
	<b>Yukiko Omura</b>	61	2014	Former Undersecretary General and Vice President, International Fund for Agricultural Development	

2016 Meetings 4 5 4 4 4 1

A: Audit; C: Compensation; F: Finance; NG: Nominating and Governance; RO: Risk Oversight; E: Executive;

«: Chair; : Member

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**CORPORATE GOVERNANCE**

**OVERVIEW**

**THE BOARD OF DIRECTORS**

Our Board of Directors maintains strong corporate governance policies.

The Board and management have reviewed the rules of the Securities and Exchange Commission (which we refer to as the SEC) and the New York Stock Exchange (which we refer to as the NYSE) listing standards regarding corporate governance policies and processes, and we