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PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2023

OF THE CONDITION AND AFFAIRS OF THE

ACA Financial Guaranty Corporation

NAIC Group Code 0000 (Current Period), 0000 (Prior Period) NAIC Company Code 22896 Employer's ID Number 52-1474358

Organized under the Laws of Maryland, State of Domicile or Port of Entry Maryland

Country of Domicile United States

Incorporated/Organized 06/25/1986 Commenced Business 10/31/1986

Statutory Home Office 7 Saint Paul Street, Suite 1660 (Street and Number), Baltimore, MD, US 21202 (City or Town, State, Country and Zip Code)

Main Administrative Office 555 Theodore Fremd Ave., Suite B-302 (Street and Number) Rye, NY, US 10580 (City or Town, State, Country and Zip Code) 212-375-2000 (Area Code) (Telephone Number)

Mail Address 555 Theodore Fremd Ave., Suite B-302 (Street and Number or P.O. Box), Rye, NY, US 10580 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 555 Theodore Fremd Ave., Suite B-302 (Street and Number) Rye, NY, US 10580 (City or Town, State, Country and Zip Code) 212-375-2000 (Area Code) (Telephone Number)

Internet Web Site Address http://www.aca.com

Statutory Statement Contact Sean Thomas Leonard (Name) 212-375-2021 (Area Code) (Telephone Number) (Extension)

sleonard@aca.com (E-Mail Address) 212-375-2100 (Fax Number)

OFFICERS

Name	Title	Name	Title
Steven Joseph Berkowitz	President and CEO	Brendan Patrick Malone	Secretary and CAO
Sean Thomas Leonard	Treasurer and CFO		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Steven Joseph Berkowitz	John Raymond Brecker	Thomas Joseph Gandolfo	Eric Herry Hsiao
Michael Joseph Keegan	Charles Richard Schuler		

State of New York

County of Westchester ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of 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.

Steven Joseph Berkowitz	Brendan Patrick Malone	Sean Thomas Leonard
President and CEO	Secretary and CAO	Treasurer and CFO

a. Is this an original filing? Yes [X] No [ ]

b. If no:
1. State the amendment number
2. Date filed
3. Number of pages attached

Subscribed and sworn to before me this 8th day of August, 2023

Luis Lozada, Notary Public
1/14/2025

LUIS LOZADA
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01LO6274617
QUALIFIED IN WESTCHESTER COUNTY
MY COMMISSION EXPIRES JANUARY 14, 2025

ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	38,243,231		38,243,231	57,919,005
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less $ encumbrances)			0	0
4.2 Properties held for the production of income (less $ encumbrances)			0	0
4.3 Properties held for sale (less $ encumbrances)			0	0
5. Cash ($ 2,393,792), cash equivalents ($ 31,761,249) and short-term investments ($ 0)	34,155,041		34,155,041	42,710,150
6. Contract loans (including $ premium notes)			0	0
7. Derivatives	0		0	0
8. Other invested assets	2,227,565	78,658	2,148,907	4,740,064
9. Receivables for securities	80,000		80,000	130,000
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	74,705,838	78,658	74,627,179	105,499,220
13. Title plants less $ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	2,051,345		2,051,345	1,481,865
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums ($) and contracts subject to redetermination ($)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	(2,747,751)	(2,747,751)	0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets ($)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care ($) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	149,322	149,322	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	74,158,754	(2,519,770)	76,678,524	106,981,085
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	74,158,754	(2,519,770)	76,678,524	106,981,085
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Prepaid Expenses	121,422	121,422	0	0
2502. Security Deposit	27,900	27,900	0	0
2503. Other Assets			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	149,322	149,322	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year $)	(1,378,687)	(1,378,687)
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	311,772	271,835
4. Commissions payable, contingent commissions and other similar charges	0	0
5. Other expenses (excluding taxes, licenses and fees)	4,244,513	2,206,798
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	0	0
7.1 Current federal and foreign income taxes (including $ on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	0	0
8. Borrowed money $ and interest thereon $	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of $ and including warranty reserves of $ and accrued accident and health experience rating refunds including $ for medical loss ratio rebate per the Public Health Service Act)	510,197	(33,215)
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)		0
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		0
16. Provision for reinsurance (including $ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	78,658	79,157
20. Derivatives	0	0
21. Payable for securities	4,962,625	0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes $ and interest thereon $		0
25. Aggregate write-ins for liabilities	1,232,993	1,060,504
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	9,962,072	2,206,392
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	9,962,072	2,206,392
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	15,000,000	15,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	363,974,000	363,974,000
35. Unassigned funds (surplus)	(312,257,549)	(274,199,307)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 $)		0
36.2 shares preferred (value included in Line 31 $)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	66,716,451	104,774,693
38. Totals (Page 2, Line 28, Col. 3)	76,678,523	106,981,085
DETAILS OF WRITE-INS		
2501. Contingency Reserve		0
2502. Other Payables	(585)	(151)
2503. Liability - Payments to Surplus Note Holders	1,233,577	1,060,654
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,232,993	1,060,504
2901.		0
2902.		0
2903.		0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written $ 0)	1,799,899	1,393,141	2,789,088
1.2 Assumed (written $)		(890,672)	(890,672)
1.3 Ceded (written $)	2,343,311	0	156,689
1.4 Net (written $ 0)	(543,412)	502,470	1,741,727
DEDUCTIONS:			
2. Losses incurred (current accident year $):			
2.1 Direct	(10,844)	4,953,479	3,851,320
2.2 Assumed		0	0
2.3 Ceded		0	0
2.4 Net	(10,844)	4,953,479	3,851,320
3. Loss adjustment expenses incurred	60,548	79,678	(25,574)
4. Other underwriting expenses incurred	7,452,480	3,052,585	6,534,391
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	7,502,184	8,085,741	10,360,137
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(8,045,596)	(7,583,272)	(8,618,410)
INVESTMENT INCOME			
9. Net investment income earned	2,651,343	3,461,403	5,356,618
10. Net realized capital gains (losses) less capital gains tax of $	581,631	4,537,795	(2,822,216)
11. Net investment gain (loss) (Lines 9 + 10)	3,232,974	7,999,198	2,534,402
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $ amount charged off $)		0	0
13. Finance and service charges not included in premiums		0	0
14. Aggregate write-ins for miscellaneous income	0	24,215	24,215
15. Total other income (Lines 12 through 14)	0	24,215	24,215
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(4,812,623)	440,141	(6,059,793)
17. Dividends to policyholders		0	0
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)	(4,812,623)	440,141	(6,059,793)
19. Federal and foreign income taxes incurred		0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(4,812,623)	440,141	(6,059,793)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	104,774,693	117,193,705	117,193,705
22. Net income (from Line 20)	(4,812,623)	440,141	(6,059,793)
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of $	(54,156)	(3,943,360)	(5,979,412)
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(320,197)	(75,076)	(4,795,921)
27. Change in nonadmitted assets	528,734	308,278	4,849,432
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	(33,400,000)	0	(433,318)
38. Change in surplus as regards policyholders (Lines 22 through 37)	(38,058,241)	(3,270,017)	(12,419,012)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	66,716,451	113,923,688	104,774,693
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Other Income		24,215	24,215
1402.		0	0
1403.		0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	24,215	24,215
3701. Change in Contingency Reserve		0	19,566,682
3702. Payments to Surplus Note Holders	(33,400,000)	0	(20,000,000)
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	(33,400,000)	0	(433,318)

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	0	(1,500,000)	(4,000,000)
2. Net investment income	1,832,733	1,703,402	3,967,154
3. Miscellaneous income	0	24,215	24,215
4. Total (Lines 1 to 3)	1,832,733	227,616	(8,631)
5. Benefit and loss related payments	(10,844)	12,931,693	27,243,499
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	5,368,111	4,002,769	7,009,065
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of $ .... tax on capital gains (losses)	0	(389,980)	(389,980)
10. Total (Lines 5 through 9)	5,357,267	16,544,482	33,862,584
11. Net cash from operations (Line 4 minus Line 10)	(3,524,534)	(16,316,865)	(33,871,215)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	21,184,893	51,682,827	96,179,412
12.2 Stocks	0	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	2,625,228	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	2,150	565,469	536,300
12.7 Miscellaneous proceeds	5,012,625	0	12,258,309
12.8 Total investment proceeds (Lines 12.1 to 12.7)	28,824,896	52,248,296	108,974,021
13. Cost of investments acquired (long-term only):			
13.1 Bonds	835,200	10,184,025	22,042,924
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	2,148,906
13.6 Miscellaneous applications	0	20,178,071	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	835,200	30,362,096	24,191,830
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	27,989,696	21,886,200	84,782,191
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	(33,227,077)	0	(19,321,177)
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	206,805	236,496	55,833
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(33,020,272)	236,496	(19,265,344)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(8,555,109)	5,805,831	31,645,632
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	42,710,152	11,064,520	11,064,520
19.2 End of period (Line 18 plus Line 19.1)	34,155,042	16,870,351	42,710,152

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001. Loss recovered		0	0
20.0002. Net realized gain/loss		722,789	5,257,393
20.0003. Contingency Reserve		(722,789)	19,566,682
20.0004. Costs of investments acquired/OTTI		0	(5,257,393)
20.0005. Surplus as regards policyholders		0	(19,566,682)
20.0006. Cost of bonds acquired		0	0

NOTES TO FINANCIAL STATEMENTS

1. Basis of Accounting, Use of Estimates, and Summary of Significant Accounting Policies:

A. Basis of Accounting

ACA Financial Guaranty Corporation (“ACA” or the "Company", a Maryland domiciled financial guaranty insurance company – see Note 21.C.(4) for a description of financial guaranty insurance) prepares its statutory basis financial statements in accordance with accounting practices prescribed or permitted by the Maryland Insurance Administration (the “MIA”). The MIA recognizes only statutory accounting practices prescribed or permitted by the State of Maryland for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under insurance law. The National Association of Insurance Commissioners (“NAIC”) Accounting Practices and Procedures manual ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the State of Maryland. The state has adopted certain prescribed accounting practices that differ with those found in NAIC SAP. The Maryland Insurance Commissioner has the right to permit other specific practices which deviate from prescribed practices.

There are no differences between amounts reported in the accompanying financial statements, which are prepared as prescribed or permitted by the MIA, and NAIC SAP.

	SSAP #	F/S Page	F/S Line #	June 30 2023	December 31 2022
Net Income:					
(1) The Company's state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	$ (4,812,623)	$ (6,059,793)
(2) State Prescribed Practices that increase/(decrease) NAIC statutory accounting principles ("SAP"):	N/A	N/A	N/A	-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP:	N/A	N/A	N/A	-	-
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	$ (4,812,623)	$ (6,059,793)
Surplus:					
(5) The Company's state basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	$ 66,716,451	$ 104,774,693
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:	N/A	N/A	N/A	-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP:	N/A	N/A	N/A	-	-
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	$ 66,716,451	$ 104,774,693

In connection with ACA’s Restructuring Transactions and Global Settlement Agreement in 2008 (see Note 21.C.(2)), the Company made a cash payment and issued non-interest bearing surplus notes with a principal amount of $1 billion to settle counterparty claims. Due to the unique nature of the transaction, and in consultation with the MIA, the Company recorded the issuance of surplus notes with a fully offsetting contra account. This accounting treatment has resulted in a net balance of $0 reported as surplus notes. Payment of principal, or any other distributions, on the surplus notes may not be recognized until approved by the MIA. Upon the MIA’s approval, unassigned funds (surplus) and the contra account will be adjusted to reflect the amount approved. Upon payment, the principal amount of the surplus notes would be reduced by the amount of such payment.

B. Use of Estimates

The preparation of financial statements in conformity with accounting practices prescribed or permitted by the MIA requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results may differ from estimates and those differences may be material.

C. Summary of Significant Accounting Policies

(1) Premiums charged in connection with the issuance of the Company’s guaranties are received either upfront or in installments. Such premiums are recognized as written when due. Installment premiums written are earned ratably over the installment period, generally one year or less, which is consistent with the expiration of the underlying risk or amortization of the underlying insured principal. Upfront premiums written are earned based on the proportion of principal and interest scheduled to be paid on the underlying insured obligation during the period, as compared to the total amount of principal and interest to be paid over the contractual life of the insured debt obligation. When a full loss on a guaranteed obligation is reflected in the financial statements and no further variability exists as to the measurement of the loss, the remaining unearned premiums are recognized as earned since the Company is no longer exposed to insurance risk. Unearned premiums, net of prepaid reinsurance premiums, represent the unearned portion of upfront and installment premiums written.

In addition, when an insured issue is retired early, is called by the issuer or is, in substance, paid in advance through a refunding accomplished by placing U.S. Government securities in escrow (hereafter referred to collectively as “Refundings”), the remaining unearned premium revenue relating to such insured issue is earned at that time since there is no longer risk to the Company. For the years ended June 30, 2023 and 2022, the Company recorded earned premiums of $.95 million and $1.63 million, respectively, related to Refundings.

(2) Short-term investments are stated at amortized cost.

(3) Bonds and loan-backed securities assigned an NAIC Designation of 1 or 2 are valued at cost, adjusted for amortization of any premium, or accretion of any discount, which is calculated using the constant yield method. Bonds and loan-backed securities assigned an NAIC rating of 3 or lower are valued at the lower of amortized cost (adjusted for amortization of any premium, or accretion of any discount, which is calculated using the constant yield method) or fair value. The prospective method is used to adjust book value for loan-backed securities. Clearwater Analytics, LLC, a third-party investment accounting service provider uses Bloomberg L.P. as the source to determine prepayment assumptions.

NOTES TO FINANCIAL STATEMENTS

The following table summarizes the carrying amount of the Company's bonds by NAIC Designation at June 30, 2023:

NAIC Designation 1	$ 18,241,883
NAIC Designation 2	-
NAIC Designation 3	-
NAIC Designation 4	-
NAIC Designation 5	-
NAIC Designation 6	33,868,629
Total	$ 52,110,513

Realized capital gains and losses on the sale of investments are determined on the basis of specific identification and are included in net income. Decreases in the fair value of bond and stock investments below their carrying value which are determined to be "other than temporary" are reflected as realized capital losses and are recorded in the Statement of Income. Factors considered in evaluating whether a decline in value is other than temporary include: 1) whether the decline is attributable to credit related or interest rate related factors, 2) whether the decline is substantial; 3) the amount of time that the fair value has been continuously less than cost; 4) the financial condition and near-term prospects of the issuer; and 5) the Company's ability and intent to retain the investment for a period of time sufficient to allow for an anticipated recovery in value. For the six month periods ended June 30, 2023 and 2022, the Company recorded no "other than temporary" adjustments.

Net investment income includes interest and dividends received and accrued on investments. It also includes amortization of any purchase premium or discount using the constant yield method, adjusted prospectively for any change in estimated yield to maturity. Investment income is recognized when earned. Investment income due and accrued that is deemed uncollectible is charged against net investment income in the period such determination is made, while investment income greater than 90 days past due is non-admitted and charged directly to surplus. Net investment income is reduced by investment management expenses.

(4) The Company has no investments in common stock or other similar equity interests, other than the common stock or other similar equity interests of subsidiary, controlled or affiliated insurance and non-insurance entities. See (7) below.

(5) The Company has one preferred stock holding with a carrying value of zero at June 30, 2023.

(6) The Company has no investments in mortgage loans.

(7) Investments in the common stocks or other similar equity interests of its subsidiary, controlled or affiliated insurance or non-insurance entities are accounted for and reported in accordance with the equity method as prescribed by SSAP No. 97, "Investments in Subsidiary, Controlled and Affiliated Entities", and valued in accordance with section 3(ii)(D) of the NAIC Valuations Securities manual. Changes in the carrying value of such investments are reflected as unrealized capital gains or losses in capital and surplus. Dividends received from such investments are reported in investment income. ACA Service L.L.C. derives its earnings from its wholly owned subsidiary, ACA Management, L.L.C. ("ACA Management"). ACA Management receives management fees on asset management contracts which were sold on a forward revenue sharing basis in connection with the termination of the company's prior CDO/CLO asset management business. For the six-month periods ended June 30, 2023 and 2022, investment income includes dividends received from ACA Service L.L.C., relating to its share of fees from certain managed CDO's of $0 thousand and $15 thousand, respectively. See Note 6 below.

(8) The Company has no investments in joint ventures.

(9) The Company has no investments in derivatives.

(10) The Company has no premium deficiencies.

(11) The Company records a loss with respect to an insurance guaranty upon a payment default by the issuer of the insured obligation (a payment default is generally considered the incident which gives rise to a claim under the Company's insurance policies and triggers loss recognition relating to the incident). The Company may also establish a reserve component for incurred but not reported claims ("IBNR"). The Company's liability for losses (also known as "loss reserves", "reserves for unpaid losses", "case reserves", or "case basis reserves"), reported on the accompanying Statement of Assets, Liabilities, Surplus and Other Funds, represents the best estimate of the present value of the Company's ultimate claim payments under the policy, net of its best estimate of the present value of any recoveries from salvage and subrogation rights under the policy, remaining unpaid at the balance sheet date. Loss adjustment expenses ("LAE") are recorded by the Company in regard to insurance guaranties when costs are incurred or expected to be incurred to remediate probable losses under its policies. Accordingly, LAE may be recorded on policies for which claims have been paid or losses have been recognized, as well as on policies where no claim payments have been made or losses have been recorded but may be incurred in the future. LAE represents the estimated ultimate cost of remediating losses or potential losses under policies. The Company does not discount LAE.

Losses on the Company's insurance guaranties and related case reserves are determined using cash flow models to estimate the net present value of the anticipated shortfall between (i) scheduled payments on the insured obligation and (ii) anticipated cash flow from the obligor or the collateral supporting the obligation and other anticipated recoveries or cash flows. A number of quantitative and qualitative factors are considered when determining whether the Company will incur a loss and the amount of any case reserve. These factors may include the creditworthiness of the underlying issuer of the insured obligation, whether the obligation is secured or unsecured, the projected cash flow or market value of any assets that collateralize or secure the insured obligation, and the historical and projected recoveries from such assets. Other factors that may affect the actual ultimate loss include the state of the economy, market conditions for municipal bond issuance, changes in interest rates, rates of inflation, willingness of the obligor or sponsor to honor its commitments and the salvage values of specific collateral. Such factors and management's assessment thereof will be subject to the specific facts and circumstances associated with the specific insured transaction being considered for loss recognition. Losses and related case reserves are discounted at a rate reflecting the weighted average rate of return on the Company's admitted assets at the end of the year. Recognition of losses and related case reserves requires the use and exercise of significant judgment by management, including estimates regarding the amount and timing of a loss on an insured obligation. Actual experience may, and likely will, differ from those estimates and such difference may be material due to the fact that the ultimate dispositions of claims are subject to the

NOTES TO FINANCIAL STATEMENTS

outcome of events that have not yet occurred, are difficult to predict, and, in certain cases, will occur over many years in the future. Examples of these events include changes in the level of interest rates, credit deterioration of guaranteed obligations, changes in the value of specific assets supporting guaranteed obligations, and changes in the expected timing of claims payments and recoveries, and the amounts of expected claims payments and recoveries. Any estimate of future costs is subject to the inherent limitation on the Company's ability to predict the aggregate course of future events. It should therefore be expected that the actual emergence of losses and LAE will vary, perhaps materially, from any estimate.

Reference should be made to Note 21.C.(1) for further information regarding significant risks and uncertainties relating to the Company's accounting policy for loss recognition on its in-force insurance guaranties, as well as in regard to losses expected to be incurred by the Company on its credit quality classification 4 insurance guaranties which have not yet been recorded in the accompanying Statement of Assets, Liabilities, Surplus and Other Funds because a payment default by the issuer of the insured obligation has not yet occurred.

(12) A statutorily mandated contingency reserve is established net of reinsurance by an appropriation of unassigned surplus and is reflected in "Aggregate write-ins for liabilities" in the Statement of Assets, Liabilities, Surplus and Other Funds. This reserve is calculated as the greater of a prescribed percentage applied to original insured principal or 50% of premiums written, net of ceded reinsurance. The prescribed percentage varies by the type of business. Once the reserve is calculated, as described above, it is incrementally recognized in the financial statements over a prescribed time period based on type of business. Under SSAP 60, contributions to the contingency reserve may be discontinued if the total contingency reserve already recorded exceeds a calculated amount based upon unpaid principal guaranteed and prescribed percentages by bond category. The Company has discontinued its contributions in the fourth quarter of 2014. Reductions in the contingency reserve may be recognized under certain stipulated conditions, subject to the approval of the MIA. In May 2015, the Company requested the MIA's approval to release contingency reserves equal to the amount in excess of the calculated maximum amount at December 31, 2014. The MIA denied the request in November 2015. In July 2018, the Company requested the MIA's approval to release contingency reserves equal to the amount in excess of the high-end of the off-balance sheet reserve range. In October 2018, the Company revised its request to reflect an updated off-balance sheet reserve range. In June 2019, the Company received the MIA's approval to release $32.0 million of its contingency reserve. In July 2019, the Company made another request to release additional contingency reserves that was revised in January 2020. In November 2020, the Company received the MIA's approval to release $38.3 million of its contingency reserve. In December 2021, the Company received the MIA's approval of its October 2021 request for a contingency reserve release of $6.1 million. In a letter dated September 8th, the Company requested release of the remaining $19,566,682 of its contingency reserve. On November 7th, the MIA approved this request.

(13) There has been no change to the Company's capitalization policy.

(14) The Company has no pharmaceutical rebate receivables.

(15) For claims related extra-contractual obligations and bad faith contingency losses stemming from lawsuits, the Company recognizes a loss contingency when it determines that an estimated loss is deemed probable to occur and can be reasonably estimated. The Company recognizes a gain contingency when settled.

(16) The Company discloses restrictions placed upon its assets in Note 5(l). Currently there are two types of restrictions that apply to the Company's transactions, (1) admitted assets, typically bonds and cash equivalents, on deposit with states, and (2) a non-admitted receivable relating to a lease security deposit.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

Not applicable.

3. BUSINESS COMBINATION AND GOODWILL

The Company was not party to any business combinations and has not recorded any goodwill.

4. DISCONTINUED OPERATIONS

The Company had no discontinued operations.

5. INVESTMENTS

A. Mortgage Loans

The Company had no investments in mortgage loans or mezzanine real estate loans as of June 30, 2023 and December 31, 2022.

B. Debt Restructuring

(1) - (4) Not applicable

As a result of claims paid under certain of its insurance policies, the Company has received salvage in the form of investment securities. Such investment securities represent restructured debt issued in place of that originally guaranteed by the Company. The Company has recorded such investment securities at fair value at the date received. The aggregate carrying value of such restructured debt as of June 30, 2023 and December 31, 2022 was $15.4 million and $15.5 million, respectively. The Company has no other restructured debt and has not been a party to a troubled debt restructuring by virtue of its ownership of its invested assets.

C. Reverse Mortgages

The Company does not invest in reverse mortgages.

D. Loan-Backed Securities

(1) Prepayment assumptions are derived from an average of those forecast by a number of Wall Street dealers as tabulated by Bloomberg L.P. and referred to as Bloomberg consensus estimates.

NOTES TO FINANCIAL STATEMENTS

(2) During the six month period ending June 30, 2023, the Company did not recognize any other than temporary impairment charges on loan-backed securities.

(3) Not applicable.

(4) During the quarter ended June 30, 2023, the Company disposed of all previously held loan-backed and structured security positions applicable to this disclosure.

(5) None

E. Repurchase Agreements and/or Securities Lending Transactions

The Company has not used repurchase agreements and has not engaged in any securities lending transactions.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company had no repurchase agreement transactions accounted for as secured borrowing.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company had no reverse repurchase agreement transactions accounted for as secured borrowing.

H. Repurchase Agreements Transactions Accounted for as a Sale

The Company had no repurchase agreement transactions accounted for as a sale.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

The Company had no reverse repurchase agreement transactions accounted for as a sale.

J. Real Estate

The Company has no real estate investments.

K. Investments in Low-Income Housing Tax Credits

The Company has no low-income housing tax credit investments.

L. Restricted Assets

The following table summarizes the Company's restricted assets:

(1) Restricted Assets (including Pledged):

	Gross (Admitted & Non-Admitted) Restricted							Current Year			
	Current Year									Percentage	
	1	2	3	4	5	6	7	8	9	10	11
Restricted Asset Category	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 Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	0.00%
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	0.00%	0.00%
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	0.00%	0.00%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	0.00%	0.00%
i. FHLB capital stock	-	-	-	-	-	-	-	-	-	0.00%	0.00%
j. On deposit with states	3,917,825	-	-	-	3,917,825	4,548,475	(630,650)	-	3,917,825	5.29%	5.11%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	0.00%	0.00%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-	-	-	0.00%	0.00%
m. Pledged as collateral not captured in other categories	-	-	-	-	-		-	-	-	0.00%	0.00%
n. Other restricted assets	27,900	-	-	-	27,900	27,900	-	27,900	-	0.04%	0.00%
o. Total restricted assets	$ 3,945,725	$ -	$ -	$ -	$ 3,945,725	$ 4,576,375	$ (630,650)	$ 27,900	$ 3,917,825	5.33%	5.11%

(2) Not applicable

(3) Details of Other Restricted Assets:

	Gross (Admitted & Non-Admitted) Restricted							Current Year		
	Current Year								Percentage	
	1	2	3	4	5	6	7	8	9	10
Description of Assets	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 (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Security Deposit	27,900	-	-	-	27,900	27,900	-	-	0.04%	0.00%
Total	$ 27,900	$ -	$ -	$ -	$ 27,900	$ 27,900	$ -	$ -	0.04%	0.00%

Included in Other Restricted Assets is a non-admitted receivable relating to a lease security deposit in the amount of $27,900.

NOTES TO FINANCIAL STATEMENTS

(4) Collateral Received & Reflected as Assets Within the Reporting Entity's Financial Statements:

Not applicable

M. Working Capital Finance Investments

The Company has no working capital investments.

N. Offsetting and Netting of Assets and Liabilities

The Company has no offsetting or netting of assets and liabilities related to derivatives, repurchases, reverse repurchases, and securities borrowing or securities lending.

O. NAIC 5GI Self-Designated Securities

The following table summarizes the Company's NAIC 5GI self-designated securities:

Investment	Number of 5GI Securities		Aggregate BACV		Aggregate Fair Value	
	Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year
(1) Bonds - AC	-	3	$ -	$ 1,151,497	$ -	$ 1,177,366
(2) Bonds - FV	-	-	-	-	-	-
(3) LB&SS - AC	-	-	-	-	-	-
(4) LB&SS - FV	-	-	-	-	-	-
(5) Preferred Stock - AC	-	-	-	-	-	-
(6) Preferred Stock - FV	-	-	-	-	-	-
(7) Total (1+2+3+4)	-	3	$ -	$ 1,151,497	$ -	$ 1,177,366

P. Short Sales

The Company had no short sales.

Q. Prepayment Penalty and Acceleration Fees

Not applicable

R. Entity's Share of Cash Pool by Asset Type

Asset Type	Percent Share
(1) Cash	7.0%
(2) Cash Equivalents	93.0%
(3) Short-Term Investments	0.0%
(4) Total	100.0%

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

A. As of June 30, 2023 and December 31, 2022, the Company held an investment in ACA Service L.L.C. ("ACA Service"). The carrying value of such investment as of June 30, 2023 and December 31, 2022 was zero.

On April 1, 2011, the Company formed Tactical Risk Management LLC ("TRM") a wholly owned subsidiary. The Company has committed to capitalize TRM with up to $100 thousand. The Company's equity in TRM has been non-admitted as of June 30, 2023 and, December 31, 2022.

B. Not applicable

7. INVESTMENT INCOME

A. Policyholders' surplus excludes due and accrued investment income if amounts are over 90 days past due.

B. At June 30, 2023, the Company had no accrued investment income over 90 days past due.

See Note 1.C. (3) and Note 1.C. (7) above.

8. DERIVATIVE INSTRUMENTS

The Company has not purchased or sold any derivative financial instruments for hedging or other purposes.

9. INCOME TAXES

NOTES TO FINANCIAL STATEMENTS

A. Components of deferred tax assets (DTAs) and deferred tax liabilities (DTLs):

(1) DTA/DTL Components

	Description	2023 Ordinary	2023 Capital	2023 Total	2022 Ordinary	2022 Capital	2022 Total	Change Ordinary	Change Capital	Change Total
(a)	Gross deferred tax assets	$ 51,393,489	$ 982,554	$ 52,376,043	$ 98,571,564	$ 2,703,247	$ 101,274,811	$ (47,178,075)	$ (1,720,693)	$ (48,898,768)
(b)	Statutory valuation allowance adjustment	51,393,489	982,554	52,376,043	98,571,564	2,703,247	101,274,811	(47,178,075)	(1,720,693)	(48,898,768)
(c)	Adjusted gross deferred tax assets	(0)	-	(0)	(1)	-	(1)	0	-	0
(d)	Adjusted gross deferred tax assets nonadmitted	(2,747,751)	-	(2,747,751)	(4,990,014)	-	(4,990,014)	2,242,262	-	2,242,262
(e)	Sub-total admitted adjusted gross deferred tax asset	2,747,751	-	2,747,751	4,990,013	-	4,990,013	(2,242,262)	-	(2,242,262)
(f)	Gross deferred tax liabilities	1,243,509	1,504,242	2,747,751	1,981,529	3,008,484	4,990,013	(738,020)	(1,504,242)	(2,242,262)
(g)	Net admitted deferred tax asset	$ 1,504,242	$ (1,504,242)	$ -	$ 3,008,484	$ (3,008,484)	$ -	$ (1,504,242)	$ 1,504,242	$ -

(2) Admission calculation components:

	Description	2023 Ordinary	2023 Capital	2023 Total	2022 Ordinary	2022 Capital	2022 Total	Change Ordinary	Change Capital	Change Total
	Admission calculation under ¶11.a.-¶11.c.									
(a)	Federal income taxes paid in prior years recoverable through loss carrybacks.	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b)	Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from a, above) after application of the threshold limitation. (the lesser of b.i. and b.ii.	-	-	-	-	-	-	-	-	-
(i)	Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	-	-	-	-	-	-	-	-	-
(ii)	Adjusted gross deferred tax assets allowed per limitation threshold.	N/A	N/A	-	N/A	N/A	-	N/A	N/A	-
(c)	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from a. and b. above) offset by gross deferred tax liabilities.	2,747,751	-	2,747,751	4,990,013	-	4,990,013	(2,242,262)	-	(2,242,262)
(d)	Deferred tax assets admitted as the result of application of SSAP No. 101.total (a. + b. + c.)	$ 2,747,751	$ -	$ 2,747,751	$ 4,990,013	$ -	$ 4,990,013	$ (2,242,262)	$ -	$ (2,242,262)

(3) Used in ¶11.b. (Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From a, above) After Application of the Threshold Limitation. (The Lesser of b.i. and b.ii.) b.i. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date. b.ii. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.)

		2023	2022
(a)	Applicable ratio for realization limitation threshold table	15.00%	15.00%

(4) Impact of tax planning strategies (TPS) on adjusted gross DTAs and net admitted DTAs:

	Description	2023 Ordinary	2023 Capital	2023 Total	2022 Ordinary	2022 Capital	2022 Total
(a)	Adjusted gross DTAs - Percentage	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(b)	Admitted adjusted gross DTAs - Percentage	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(c)	**Do TPS include a reinsurance strategy? Yes or No.**		**No**			**No**	

B. Temporary differences for which a DTL has not been established:

There are no temporary differences for which deferred tax liabilities are not recognized.

C. Significant components of income taxes incurred.

(1) Current income taxes incurred consist of the following major components:

	Description	2023	2022
(a)	Current federal income tax benefit	$ -	$ -
(b)	Foreign income tax expense	-	-
(c)	Subtotal	-	-
(d)	Tax expense on realized capital gains	-	-
(e)	Utilization of capital loss carryforwards	-	-
(f)	Other, including prior year underaccrual	-	-
(g)	Federal and foreign income taxes incurred	$ -	$ -

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

(2)	DTAs Resulting From Book/Tax Differences In	December 31, 2023	December 31, 2022	Change
(a)	**Ordinary**			
(1)	Salvage and Subrogation	$ 116,693	$ 168,695	$ (52,003)
(2)	Unearned premiums	0	(121,971)	121,971
(3)	Policyholder reserves	-	-	-
(4)	Investments	-	-	-
(5)	Deferred acquisition costs	-	-	-
(6)	Policyholder dividends accrued	-	-	-
(7)	Fixed assets	-	-	-
(8)	Compensation and benefit accruals	1,054,635	893,650	160,985
(9)	Pension accruals	-	-	-
(10)	Nonadmitted assets	-	-	-
(11)	Net operating loss carryforward	50,222,161	97,631,190	(47,409,029)
(12)	Tax credit carryforward	(0)	(1)	0
(13)	Contingency Reserve	-	-	-
(14)	Other (separately disclose items >5%)	-	-	-
(99)	Subtotal - Gross ordinary DTAs	51,393,489	98,571,564	(47,178,075)
(b)	Statutory valuation allowance adjustment - ordinary	51,393,489	98,571,564	(47,178,075)
(c)	Nonadmitted ordinary DTAs	(2,747,751)	(4,990,014)	2,242,262
(d)	Admitted ordinary DTAs	$ 2,747,751	$ 4,990,013	$ (2,242,262)
(e)	**Capital**			
(1)	Investments	$ 0	$ 3,154,652	$ (3,154,652)
(2)	Net capital loss carryforward	982,554	(451,405)	1,433,959
(3)	Real estate	-	-	-
(4)	Other (separately disclose items >5%)	-	-	-
(5)	Unrealized capital losses	0	-	0
(99)	Gross capital DTAs	982,554	2,703,247	(1,720,693)
(f)	Statutory valuation allowance adjustment - capital	982,554	2,703,247	(1,720,693)
(g)	Nonadmitted capital DTAs	-	-	-
(h)	Admitted capital DTAs	$ -	$ -	$ -
(i)	**Admitted DTAs**	**$ 2,747,751**	**$ 4,990,013**	**$ (2,242,262)**

NOTES TO FINANCIAL STATEMENTS

	(3) DTLs Resulting From Book/Tax Differences In	December 31, 2023	December 31, 2022	Change
(a)	**Ordinary**			
(1)	Investments	$ 1,208,721	$ 1,894,560	$ (685,838)
(2)	Fixed assets	-	-	-
(3)	Deferred and uncollected premiums	-	-	-
(4)	Deferred compensation - Bonus	-	-	-
(5)	Loss Reserve Discount	34,788	86,970	(52,182)
(6)	Other (separately disclose items >5%)	-	-	-
(99)	Ordinary DTLs	$ 1,243,509	$ 1,981,529	$ (738,020)
(b)	**Capital**			
(1)	Investments	$ 1,504,242	$ 3,008,484	$ (1,504,242)
(2)	Real estate	-	-	-
(3)	Other (separately disclose items >5%)	-	-	-
(4)	Unrealized capital gains	-	-	-
(99)	Capital DTLs	$ 1,504,242	$ 3,008,484	$ (1,504,242)
(c)	**DTLs**	**$ 2,747,751**	**$ 4,990,013**	**$ (2,242,262)**
(4)	**Net deferred tax assets/liabilities**	**$ -**	**$ -**	**$ -**

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2023	December 31, 2022	Bal. Sheet Change
Total deferred tax assets	$ 52,376,043	$ 101,274,811	$ (48,898,768)
Total deferred tax liabilities	2,747,751	4,990,013	(2,242,262)
Net deferred tax assets/liabilities	49,628,292	96,284,798	(46,656,506)
Statutory valuation allowance adjustment (*see explanation below)	52,376,043	101,274,811	(48,898,768)
Net deferred tax assets/liabilities after SVA	$ (2,747,751)	$ (4,990,014)	2,242,262
Tax effect of unrealized gains			-
Statutory valuation allowance adjustment allocated to unrealized (+)			-
Change in net deferred income tax benefit			$ 2,242,262

***Statutory valuation allowance**
The Company does not forecast enough taxable income in future tax years in order to recover the deferred tax assets. As a result, a full valuation allowance is being utilized against deferred tax assets.

D. **Reconciliation of federal income tax rate to actual effective rate:**
The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes including realized capital gains / losses.

The significant items causing this difference are as follows:

Description	Amount	Statutory Rate 21.00% Tax Effect	Effective Tax Rate
Income Before Taxes (including all realized capital losses)	$ (5,141,886)	$ (1,079,796)	21.00%
Tax-Exempt Interest	(917,149)	(192,601)	3.75%
Equity in Affiliates	7,758	1,629	-0.03%
Proration	229,287	48,150	-0.94%
Meals & Entertainment, Lobbying Expenses, Etc.	695	146	0.00%
Statutory Valuation Allowance Adjustment	(232,851,276)	(48,898,768)	950.99%
LRD Transition Rev Proc -2019-31		-	0.00%
Effect of Sequestration on AMT Credit Refund	-	-	0.00%
Change in Non-Admitted Assets	-	-	0.00%
Change in Contingency Reserve	-	-	0.00%
Prior Year True-up and other	(34,438)	(7,232)	0.14%
Total	$ (238,707,008)	$ (50,128,472)	974.90%
Federal income taxes incurred benefit		-	0.00%
Change in net deferred income tax charge charge		(2,242,262)	43.61%
Total statutory income taxes		$ (2,242,262)	43.61%

E. **Carryforwards, recoverable taxes, and IRC §6603 deposits:**

The Company has net operating loss carryforwards of: $ 239,153,148 expiring through the calendar year 2043.

The Company had capital loss carryforwards of: $ 4,678,830 expiring through the calendar year 2028.

The Company has an AMT credit carryforward of: $ - which does not expire.

The Company received a refund in 2019 and 2022 relating to the AMT tax credit.

Income taxes, ordinary and capital, available for recoupment in the event of future losses include:

Available from tax year	Ordinary	Capital	Total
2021	$ -	$ -	$ -
2022	-	-	-
2023	-	-	-
Total	$ -	$ -	$ -

Deposits admitted under IRC § 6603
None

The Company's Net operating and capital loss carryforwards are limited in its aggregate under Section 382 of the Internal Revenue Code. See Note 21C. This limitation is reflected in the statutory valuation allowance determination. The cumulative remaining balance of net operating loss carryforwards subject to the Section 382 limitation at December 31, 2023 is approximately $150.9 million. The cumulative remaining Section 382 limitation at December 31, 2023 is approximately $16.0 million.

F. **The Company's federal income tax return is not consolidated with any other entities**

The Company's tax return is not consolidated with any other entities.

G. **Income tax loss contingencies**

In November 2015, the Internal Revenue Service ("IRS") concluded its examination of income tax returns for ACA through 2008 tax year. No material adjustments arose as a result of the audit in relation to the financial position or results of operations of the Company for the tax years that were examined. No material adjustments are expected for tax years for which the statute of limitations remains open. In addition, the Company does not have any material income tax loss contingencies.

H. **Repatriation Transition Tax**

Not applicable

I. **Alternative Minimum Tax (AMT) Credit**

The Company received a refund in 2019 relating to the utilization of AMT tax credits in the amount of $389,980. In May, 2022 the Company received a refund for the remaining balance of its AMT credit.

NOTES TO FINANCIAL STATEMENTS

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

A. & B. There were no transactions with parent, affiliates or other related parties in 2023 or 2022.

C. Not applicable.

D. The Company has $79 thousand net payable to subsidiaries at June 30, 2023 and December 31, 2022.

E. The Company has no material management or service contract with any related parties.

F. Except as discussed in Note 6, the Company has no guaranties or undertakings for the benefit of an affiliate or related party.

G. The Company’s common stock is owned 100% by Manifold Capital, LLC (ACACH), a Delaware limited liability company, legal successor to Manifold Capital Corp. (formerly ACA Capital Holdings, Inc.), a Delaware corporation. As of April 7, 2016, ACACH is a wholly owned subsidiary of Broadside Financial Ltd., a British Virgin Island limited company that is also ACACH’s sole member. Effective at the closing of the restructuring transaction entered into on August 8, 2008, ACACH and its wholly owned subsidiaries disclaimed control over the Company. This disclaimer of control was approved by the MIA. See Note 21.C.(2) for a discussion of the restructuring transaction.

H. The Company's majority common shareholder and ultimate parent, ACACH, is not owned directly or indirectly via any of the Company's downstream subsidiaries or controlled or affiliated entities. See Note 21.C.(2) for information regarding the ownership structure of the Company following the closing of its restructuring transaction that took place on August 8, 2008. See Note 21.C.(2) for a discussion of the restructuring transaction.

I. The Company holds no investment in any subsidiary, controlled or affiliated entity that exceeds 10% of its admitted assets.

J. The Company did not impair any subsidiary, controlled or affiliated entity in 2023 or 2022.

K. Not applicable.

L. The Company does not hold an investment in a downstream noninsurance holding company.

M. Not applicable.

N. Not applicable.

O. Not applicable.

11. DEBT

A. As of June 30, 2023 and December 31, 2022, the Company had no capital notes or other debt.

B. As of June 30, 2023 and December 31, 2022, the Company had no Federal Home Loan Bank (FHLB) Agreements.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. The Company has no Defined Benefit Plan.

B. - D. Not applicable.

E. The Company sponsors a qualified defined contribution plan, which covers all full-time employees of the Company as of their start date with the Company. Eligible participants may contribute a percentage of their salary, subject to IRS limitations. The Company's contributions to the plan are based on a fixed percentage of employees' contributions subject to IRS limitations. For the six-month periods ended June 30, 2023 and 2022, the Company recognized expense in the amount of $3.2 million and $68.2 thousand for the defined contribution plan, respectively.

F. The Company has no Multi-employer Plan.

G. The Company has no Consolidated/Holding Company Plan.

H. & I. The Company provides postemployment benefits to its employees. The benefits include severance and temporary continuation of certain benefits, such as healthcare, for terminated employees. Amounts are reflected in the financial statements, as Employee Relations and Welfare expenses, when it is probable that the employee will be entitled to the benefit and the amount can be reasonably estimated.

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATION

A. The Company has 1,000,000 shares of common stock authorized, issued and outstanding with a par value of $15.00 per share. See Note 10.G.

B. The Company has no preferred stock outstanding.

C. As part of the Company’s restructuring discussed in Note 21.C.(2) below, the MIA Order restricts the Company from paying dividends without the prior approval of the Commissioner.

D. No dividends were paid in 2023 or 2022.

E. The Company had negative earned surplus at June 30, 2023 and December 31, 2022; therefore, no dividends can be paid in 2022 pursuant to Maryland Insurance Law. Negative earned surplus represents the amount reported in the Statement of “Assets, Liabilities, Surplus and Other Funds” under the line item entitled, “Unassigned funds (surplus)”.

F. There are no restrictions on unassigned surplus.

G. The Company is not a mutual company.

NOTES TO FINANCIAL STATEMENTS

H. The Company holds no stock for special purposes.

I. The Company holds no special surplus funds.

J. The portion of unassigned surplus represented by cumulative unrealized capital losses is $6,807,545.

K. The Company issued the following surplus debentures or similar obligations:

1 Item Number	2 Date Issued	3 Interest Rate	4 Original Issue Amount of Note	5 Is Surplus Note Holder a Related Party (Y/N)	6 Carrying Value of Note Prior Year	7 Carrying Value of Note Current Year *	8 Unapproved Interest and/or Principal
1	8/8/2008	0.0%	$ 1,000,000,000	NO	$ -	$ -	$ -
Total	XXX	XXX	$ 1,000,000,000	XXX	$ -	$ -	$ -

* Total should agree w ith Page 3, Line 33.

1 Item Number	9 Current Year Interest Expense Recognized	10 Life-To-Date Interest Expense Recognized	11 Current Year Interest Offset Percentage (not including amounts paid to 3rd party liquidity provider).	12 Current Year Principal Paid	13 Life-To-Date Principal Paid	14 Date of Maturity
1	$ -	$ -	$ -	$ 33,400,000	$ 81,000,000	Within 30 days after the expiration, commutation or bulk reinsurance of the last insurance policy issued by the Company
Total	$	$	XXX	$ 33,400,000	$ 81,000,000	XXX

1 Item Number	15 Are Surplus Note payments contractually linked? (Y/N)	16 Surplus Note payments subject to administrative offsetting provisions? (Y/N)	17 Were Surplus Note proceeds used to purchase an asset directly from the holder of the surplus note? (Y/N)	18 Is Asset Issuer a Related Party (Y/N)	19 Types of Assets Received Upon Issuance
1	NO	NO	NO	NO	Please refer to Note 21.C(2) for detailed description
Total	XXX	XXX	XXX	XXX	XXX

As part of the restructuring transaction which took place on August 8, 2008, surplus notes with a face amount of $1 billion were issued. See Note 21.C.(2) for a description of the notes. These notes were recorded in the surplus notes section of the balance sheet along with an offsetting entry to a contra account (see Note 1.A.). All payments made under the surplus notes require advance approval of the MIA.

The Surplus Notes provide that, on or before July 15, 2013 and on every anniversary thereafter, ACA, as obligor, shall seek regulatory approval from the MIA to make a payment on the Surplus Notes to the holders thereof. ACA has made these annual requests to the MIA. For the first time, on June 17, 2019, the MIA approved a one-time payout of $5.6 million relating to the July 2018 request. On November 25, 2020, the MIA approved a payment of $11.0 million relating to ACA's July 2019 and July 2020 requests. ACA recorded an accrued liability at December 31, 2020 for this payment which was made on January 11, 2021. On September 22, 2021, the MIA approved another payment of $11.0 million relating to ACA's July 2021 request which was made on October 21, 2021. On November 17, 2022, the MIA approved a payment of $20.0 million relating to ACA's 2022 request. On March 31, 2023, the Company requested the MIA's approval to make a $33.4 million payment to the Surplus Notes. The MIA approved this request on April 28, 2023.

L.&M. The Company has not gone through any quasi-reorganization.

14. CONTINGENCIES

A. Contingency Commitments

The Company has no contingent commitments.

B. Assessments

The Company has no assessments other than those arising in the normal course of business. Such assessments are not material.

C. Gain Contingencies

The Company has no gain contingencies.

We have from time to time filed for damages, reserved rights and/or delivered notices of potential claims both to private parties and governmental entities, agencies and instrumentalities. We continually seek opportunities to obtain restitution and compensation for losses and related expenses incurred on previously issued financial guaranty insurance policies and on investment losses. The outcome of any such efforts remains uncertain at this time.

D. Claims Related Extra-Contractual Obligations and Bad Faith Contingency Losses Stemming from Lawsuits

No losses were paid or incurred on claims related extra-contractual obligations and bad faith contingency losses stemming from lawsuits during the period of this statement.

The Company is currently not defending itself in any lawsuit that could possibly result in loss payments.

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position or the results of operations of the Company.

E. Product Warranties

Not applicable.

F. Joint and Several Liabilities

Not applicable.

NOTES TO FINANCIAL STATEMENTS

G. All Other Contingencies

Not applicable.

15. LEASES

A. Lessee Operating Lease

(1) The Company has a lease for office space at 555 Theodore Fremd Avenue in Rye, NY with a commencement date of September 1, 2016 and a termination date of November 30, 2021. In April 2021, the Company signed a lease extension for smaller office space within the same building commenced April 15, 2021 until November 30, 2023. The Company's rental expense for the six-month periods ended June 30, 2023 and 2022 was $60.6 thousand and $60.6 thousand, respectively.

(2) ACA executed an agreement to terminate its office lease effective September 15, 2023. The table below of lease obligations includes the termination payment. ACA will be retaining home office in Maryland, which will also become its administrative office.

Year Ending December 31,	Operating Leases
2023	51,915
2024	-
2025	-
2026	-
Beyond 5 Years	-
Total	$ 51,915

B. Lessor Leases

Not applicable.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENT WITH CONCENTRATION OF CREDIT RISK

(1) The table below summarizes the face amount of the Company's financial instruments with off-balance-sheet risk:

	Assets		Liabilities	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
a. Swaps	$ -	$ -	$ -	$ -
b. Futures	-	-	-	-
c. Options	-	-	-	-
c. Total	$ -	$ -	$ -	$ -

(1) – (4) Except for that discussed below, the Company has no financial instruments with off-balance sheet risk.

While the Company establishes reserves for losses on obligations which are in default as to payment (see Note 1.C.(11) and Note 21.C.(1)), the risk of loss under the Company's guaranties extends to the full amount of unpaid principal and interest on all debt obligations it has guaranteed (see description of financial guaranty insurance in Note 21.C.(4)). In-force par outstanding in the tables below reflect only the outstanding principal balance for capital appreciation bond obligations that the Company has insured. The Company reports its remaining obligation, including any accreted values, as an interest obligation.

The tables below reflect certain information regarding the Company's in-force par exposure at June 30, 2023 and December 31, 2022:

	June 30, 2023		**December 31, 2022**	
($ in millions)	**In-force Par Outstanding**	**% of In-force Par Outstanding**	**In-Force Par Outstanding**	**% of In-Force Par Outstanding**
Tax-exempt obligations:				
Healthcare	$ -	0.0%	$ 11	22.4%
Tax backed	-	0.0%	11	22.4%
Higher education	-	0.0%	12	24.5%
Long-term care	-	0.0%	1	2.0%
General obligations	-	0.0%	2	4.1%
Utilities	-	0.0%	1	2.0%
Transportation	11	100.0%	11	22.4%
Total municipal obligations	**11**	**100.0%**	**49**	**100.0%**
Taxable obligations				
Other	-	0.0%	-	0.0%
Total	**$ 11**	**100.0%**	**$ 49**	**100.0%**

For the period ended June 30, 2023, the Company reported a decrease in insured in-force par outstanding of $38 million, of which $.95 million was attributable to Refundings, relating to policy novations (See Note 1.C.(1)).

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PAR EXPOSURE BY STATE *($ in millions)*	June 30, 2023 In-force Par Outstanding	June 30, 2023 % of In-force Par Outstanding	December 31, 2022 In-force Par Outstanding	December 31, 2022 % of In-force Par Outstanding
New York	$ 11	100.0%	$ 12	24.4%
California	-	0.0%	4	8.2%
Ohio	-	0.0%	9	18.4%
Missouri	-	0.0%	11	22.5%
Other states	-	0.0%	13	26.4%
Total municipal obligations	$ 11	100.0%	$ 49	100.0%

IN-FORCE PAR OUTSTANDING BY MATURITY

($ in millions) **Terms of Maturity**	**June 30, 2023** **In-Force Par Outstanding**
0 to 5 years	$ 11
5 to 10 years	-
10 to 15 years	-
15 to 20 years	-
20 and above	-
Total	**$ 11**

17. SALES, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. The Company had no transfer of receivables reported as sales.

B. The Company had no transfer and servicing of financial assets.

C. The Company had no wash sales.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

A. The Company has no Administrative Services Only (ASO) plan.

B. The Company has no Administrative Services Contract (ASC) plan.

C. The Company has no Medicare or other similarly structured cost based retirement contract.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

The Company has no direct premium written through or produced by managing general agents or third party administrators.

20. FAIR VALUE MEASUREMENT

A. Inputs used for Assets and Liabilities Measured at Fair Value

(1) Assets measured at fair value on a non-recurring basis:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					
US Governments	$ -	$ -	$ -	$ -	$ -
Industrial & Misc	-	6,482,950	20,982,479	-	27,465,429
Hybrid Securities	-	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Long Term (D-1)	-	6,482,950	20,982,479	-	27,465,429
Total assets at fair value	$ -	$ 6,482,950	$ 20,982,479	$ -	$ 27,465,429
b. Liabilities at fair value					
Total Liabilities at fair value	$ -	$ -	$ -	$ -	$ -

$0.00 was transferred from Level 1 to Level 2 and $0.00 was transferred from Level 2 to Level 1

(2) Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

Not applicable

(3) The Company's policy is to recognize transfers in and out at the end of the reporting period, consistent with the date of the determination of fair value.

(4) In accordance with SSAP 100, the valuation techniques used in measuring fair values are based on the following:

Level 1: Fair value measurements that are quoted prices (unadjusted) in active markets that the Company has the ability to access for identical assets or liabilities.

Level 2: Fair value measurements, based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable at commonly quoted intervals.

Level 3: Fair value measurements, based on certain inputs which are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

(5) Derivative Fair Value

NOTES TO FINANCIAL STATEMENTS

Not applicable

B. Other Fair Value Disclosures

Not applicable

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

The tables below reflect the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries). The fair values are also categorized into the three-level fair value hierarchy as described above.

June 30, 2023							
Type of Financial Instrument	**Aggregate Fair Value**	**Admitted Assets**	**Level 1**	**Level 2**	**Level 3**	**Net Asset Value (NAV)**	**Not Practicable (Carrying Value)**
Bonds	$ 38,210,402	$ 38,243,231	$ -	$ 4,341,773	$ 33,868,629	$ -	$ -
Cash, Cash Equivalents & Short-Term Investments	34,156,220	34,155,041	34,156,220	-	-	-	-
Other Invested Assets	2,148,907	2,148,907	-	-	2,148,907	-	-
Receivable for Securities	80,000	80,000	80,000	-	-	-	-
Total	$ 74,595,528	$ 74,627,179	$ 34,236,220	$ 4,341,773	$ 36,017,536	$ -	$ -

December 31, 2022							
Type of Financial Instrument	**Aggregate Fair Value**	**Admitted Assets**	**Level 1**	**Level 2**	**Level 3**	**Net Asset Value (NAV)**	**Not Practicable (Carrying Value)**
Bonds	$ 57,946,731	$ 57,919,005	$ -	$ 31,265,965	$ 26,680,766	$ -	$ -
Cash, Cash Equivalents & Short-Term Investments	42,715,599	42,710,151	41,880,399	-	835,200.00	-	-
Other Invested Assets	4,740,065	4,740,065	-	-	4,740,065	-	-
Receivable for Securities	130,000	130,000	130,000	-	-	-	-
Total	$ 105,532,395	$ 105,499,221	$ 42,010,399	$ 31,265,965	$ 32,256,031	$ -	$ -

D. Financial Instruments for which Not Practicable to Estimate Fair Values

Not applicable

E. Investments Measured using Net Asset Value

Not applicable

21. OTHER ITEMS

A. Extraordinary items

The Company had no extraordinary items during 2023 and 2022.

B. Troubled Debt Restructurings: Debtors

The Company had no troubled debt restructurings during 2023 and 2022. See also Note 5.B.

D. Other Disclosures

(1) Description of Significant Risks and Uncertainties

- As discussed in Note 1.C. (11), ACA recognizes losses and establishes related loss reserves on bond obligations it has insured upon the initial payment default by the issuer of such bond obligations (under the Company's accounting policy, the initial payment default is generally considered the incident which gives rise to a claim and triggers loss recognition relating to the incident) or when an IBNR reserve component is established. The loss recognized by ACA upon a payment default or an IBNR component represents the Company's best estimate of its ultimate loss over the life of the policy, discounted to reflect the time value of money.

- The Company is exposed to economic and political risks associated with its insurance guaranties (see Note 16). The extent and duration of any future deterioration in economic or political factors is unknown, as is the effect, if any, on potential claim payments and the ultimate amount of losses the Company may incur on obligations it has guaranteed. As discussed in Note 36, the Company classifies its insured in-force portfolio in one of four credit quality categories. As noted therein, as of June 30, 2023, the Company had insured obligations with outstanding principal totaling $10.8 million classified in Category 4, which means that it either has paid claims on such exposures or expects to pay claims on such exposures in the future. As discussed in Note 16, the risk of loss under the Company's guaranties extends to the full amount of unpaid principal and interest on all debt obligations it has guaranteed. No assurance can be provided that further deterioration in ACA's insured guaranties will not occur resulting in a further migration of insured exposure to category 4 or that ACA will not incur losses that may be materially in excess of what it currently estimates. The Company believes that its policyholders' surplus will be in excess of Maryland's required minimum policyholders' surplus over the twelve months succeeding the date of the accompanying statement of Assets, Liabilities, Surplus and Other Funds and, that it has sufficient liquidity resources to satisfy its financial obligations as they come due for the foreseeable future.

- Losses incurred and reserves for losses are reported by the Company net of estimated recoveries from salvage and subrogation. Estimated salvage and subrogation are a material component of the Company's incurred losses and reserves for losses (both on-balance sheet and off-balance sheet). Pursuant to the Company's policies of insurance, should the Company pay a claim under a policy, subrogation rights enable the Company to pursue the obligor for recovery of all claims paid or losses incurred. In other cases, the Company may be assigned the rights to certain salvage as reimbursement for any claims paid or losses incurred. An important characteristic to recognize with respect to estimated salvage and subrogation recoveries is that such estimates are subject to both timing and credit risk. In many instances the timing of such recoveries is expected to occur significantly later than the associated claim payments the Company is trying to recover. In addition, in regard to subrogation, credit risk exists with respect to the obligor's ability to ultimately honor the insurer's claim for recoveries, and in respect of salvage, risk exists as to whether such salvage will ultimately be sufficient to recover all of the insurer's claims for recoveries. No assurance can be provided that estimated salvage and subrogation recoveries will be fully collected and any uncollected amount may be material to the Company's financial position and results of operations.

NOTES TO FINANCIAL STATEMENTS

- Establishment of case basis reserves for unpaid losses, loss adjustment expenses and IBNR on the Company's insured guaranties requires the use and exercise of significant judgment by management, including estimates regarding the severity of loss and the amount and timing of claim payments and recoveries on a guaranteed obligation. Case basis and IBNR reserves reflect management's best estimate of the present value of the Company's ultimate loss and not the worst possible outcome. Actual experience may, and likely will, differ from those estimates and such difference may be material due to the fact that the ultimate dispositions of claims are subject to the outcome of events that have not yet occurred and, in certain cases, will occur over many years in the future. Examples of these events include changes in the level of interest rates, credit deterioration of guaranteed obligations, changes in the value of specific assets supporting guaranteed obligations, willingness of the obligor or sponsor to honor its commitments, changes in the expected timing of claims payments and recoveries, and changes in the amounts of expected claims payments and recoveries. Both qualitative and quantitative factors are used in making such estimates. Each quarter, in connection with the preparation of its financial statements, the Company reevaluates all such estimates. Changes in these estimates may be material and may result in material changes in the Company's policyholders' surplus. Any estimate of future costs is subject to the inherent limitation on management's ability to predict the aggregate course of future events. It should, therefore, be expected that the actual emergence of losses and claims will vary, perhaps materially, from any estimate. The risk of loss under the Company's guaranties extends to the full amount of unpaid principal and interest on all debt obligations it has guaranteed (see Note 16).

- The Company is involved from time to time in a number of legal proceedings, both as plaintiff and defendant, as well as regulatory inquiries and investigations. Management cannot predict the outcomes of any proceedings and other contingencies with certainty. In addition, it is not possible to predict whether additional suits will be filed or whether additional inquiries or investigations will be commenced. The outcome of some of these proceedings and other contingencies could require the Company to take or refrain from taking actions which could have a material adverse effect on its business, financial position or cash flows or could require the Company to pay (or fail to receive) substantial amounts of money. Additionally, prosecuting and defending lawsuits and proceedings has caused the Company to incur significant expenses.

- ACA has experienced and likely will continue to experience substantial tax losses in the conduct of its business.

  Section 382 of the Internal Revenue Code ("Section 382") contains rules that limit the ability of a corporation that experiences an "ownership change" to utilize its net operating loss carryforwards ("NOLs") and certain built-in losses recognized in periods following the ownership change. An ownership change is generally any change in ownership of more than 50 percentage points of a corporation's stock over a rolling 3-year period. Accordingly, the aggregate ownership change ("Aggregate Ownership Change") at any particular date represents the summation of the amount of ownership change resulting from all transactions in a corporation's stock occurring during the three year period ended on such date. These rules generally operate by focusing on ownership changes among shareholders owning directly or indirectly 5% or more of the stock of a corporation or any change in ownership arising from a new issuance of stock by the corporation. For purposes of the aforementioned test, ACA's surplus notes are considered stock and ACA's surplus note holders are considered shareholders.

  Under Section 382, the transfer of ACA's surplus notes can cause an ownership change that would limit ACA's ability to utilize its NOLs and recognize certain built-in losses. Depending on the resulting limitation, a significant portion of ACA's NOLs could be deferred or could expire before ACA would be able to use them to offset positive taxable income in current or future tax periods.

  ACA experienced an ownership change for purposes of Section 382 in 2014. As a consequence of the ownership change, ACA's ability to use its NOLs will be limited to approximately $5.3 million on an annual basis.

  Since the ownership change mentioned above, the Company has generated significant net operating losses in 2014, 2015, 2016, 2019, 2021 and 2022. Another ownership change may further limit the initial NOL limitation and could impact the ability to fully utilize NOLs generated in 2014, 2015, 2016, 2019, 2021, and 2022.

- As a result of the COVID-19 pandemic and related governmental actions to curtail social and economic activity, uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Company. The Company has observed material financial impacts to a number of our insured obligations, particularly in hospitality, student housing and toll road sectors as well as certain investment securities, particularly airline corporate obligations. The duration of these uncertainties and the ultimate financial effects, including impacts on additional sectors, credits and investment securities cannot fully be determined at this time.

(2) Restructuring Transaction

As a result of adverse developments in the credit markets generally and the mortgage market specifically that began in the second half of 2007 and continued to deepen in 2008 and thereafter, the Company experienced material adverse effects on its business, results of operations, and financial condition, which resulted in significant downgrades of the Company's financial strength ratings by Standard & Poor's Ratings Services ("S&P") and, ultimately, a restructuring of the Company to avoid a regulatory proceeding (the "Restructuring Transaction"). The Restructuring Transaction, which was consummated on August 8, 2008, was comprised of three main components (see also Note 10.G.).

The first component of the Restructuring Transaction consisted of a Global Settlement Agreement whereby insured credit swap counterparties' claims were settled in consideration for a cash payment of approximately $209 million and surplus notes with a face value of approximately $950 million. In the aggregate $1 billion face amount of surplus notes were issued in connection with the Restructuring Transaction. Of such amount, the aforementioned insured credit swap counterparties received $950 million as previously discussed and the balance of $50 million was issued to ACACH. While certain of the surplus notes issued to the insured credit swap counterparties were issued to be non-voting at the request of certain of such counterparties, the surplus notes issued to the counterparties, in the aggregate, represent a 100% voting interest in the Company. The surplus notes issued to ACACH are all non-voting.

The second component of the Restructuring Transaction provided for the settlement of a $100 million medium term note guaranteed by the Company. This obligation was settled by a cash payment of approximately $48 million to the note holders in 2008 and the relinquishment by the Company of investments in CDO equity with an estimated value of $2.5 million. Of the total cash settlement, approximately $32 million was paid out of a cash collateral account supporting the issued note while the remaining amount of approximately $16 million was funded by cash from the Company and its other subsidiaries.

The third component of the Restructuring Transaction centered on the Intercompany Agreement which treated ACACH and its non-ACA FG subsidiaries as one sub-group and ACA FG and its subsidiary as a separate sub-group. By its terms, the Intercompany Agreement provided for the cancellation of a previously issued intercompany surplus note as well as intercompany balances between the Company's sub-group and the ACACH sub-group. It also provided for a global release

NOTES TO FINANCIAL STATEMENTS

of liability among the two sub-groups. In general, the release discharges the entities from any and all actions, cause of action, suits, debts, liens, contracts, rights and other legal obligations against each other, except those provided for in the Intercompany Agreement.

Subsequent to the closing of the Restructuring Transaction, the Company is required to and has operated under an order issued by the MIA, Case No.: MIA: 2008-08-011 dated August 7, 2008 (the "Order"). The Order provides, among other things, that the Company operate as a run-off company. In connection with the Order, following the Restructuring Transaction, the Company wound down all subsidiaries no longer necessary for the conduct of its ongoing business, including 73 special purpose entities created for the insured credit swap and CDO asset management businesses.

(3) Description of the Company's On-Going Strategic Plan

Management is actively seeking to (i) remediate deteriorated insured exposures to minimize claim payments, maximize recoveries and mitigate ultimate losses, (ii) increase the Company's capital, surplus, liquidity and claims paying resources, (iii) realize maximum value from various legal proceedings described in Note 14.C. and from any other rights and remedies the Company may have, and (iv) take other actions to enhance its financial position (hereafter collectively referred to as "Strategic Actions"). In regard to the Strategic Actions, the Company is actively pursuing or exploring a number of options available to it to enhance the Company's policyholders' surplus or liquidity position or address other challenges that the Company faces. The Company has taken steps to reduce operating expenses and expects to take further steps in the future as the insured portfolio and remediation activities decrease. No assurances can be given that the Company will be successful in completing any of the aforementioned actions. Furthermore, certain of the Strategic Actions contemplated by the Company may be outside the ordinary course of the Company's operations or its control and may require consents or approvals of parties outside of the Company, including the MIA.

(4) Description of Financial Guaranty Insurance

Financial guaranty insurance provides an unconditional and irrevocable guaranty to the holder of a valid debt obligation with an enforceable guaranty of full and timely payment of the guaranteed principal and interest thereon when due. Financial guaranty insurance adds another potential source of repayment of principal and interest for an investor, namely the credit quality of the financial guarantor. Generally, in the event of any default on an insured debt obligation, payments made pursuant to the applicable insurance policy may not be accelerated by the holder of the insured debt obligation without the approval of the insurer. While the holder of such an insured debt obligation continues to receive guaranteed payments of principal and interest on schedule, as if no default had occurred, and each subsequent purchaser of the obligation generally receives the benefit of such guaranty, the insurer normally retains the option to pay the debt obligation in full at any time. Also, the insurer generally has recourse against the issuer of the defaulted obligation and/or any related collateral for amounts paid under the terms of the insurance policy as well as pursuant to general rights of subrogation. The issuer of an insured debt obligation generally pays the premium for financial guaranty insurance, either in full at the inception of the policy, as is the case in most public finance transactions, or in periodic installments funded by the cash flow generated by related pledged collateral, as is the case in most structured finance and international transactions. Typically, premium rates paid by an issuer are stated as a percentage of principal and interest (in the case of public finance transactions) or the total principal (in the case of structured finance and international transactions) of the insured obligation. Premiums are almost always non-refundable and are invested upon receipt. See Note 1.C.(1) for a description of NAIC SAP for premium revenue recognition.

D. Business Interruption Insurance Recoveries

Not applicable.

E. State Transferable and Non-transferable Tax Credits

Not applicable.

F. Subprime Exposure Related Risk

(1) The Company has no exposure to subprime mortgages among its in-force guaranties.

(2) The Company has no investments consisting of direct exposure to subprime mortgages.

(3) The Company has no sub-prime mortgage holdings as of June 30, 2023.

(4) The Company has no outstanding loss reserve related to subprime mortgages.

G. Insurance-linked Securities

Not applicable.

22. EVENTS SUBSEQUENT

The Company reviewed all transactions and other matters that have occurred from July 1st, 2023 through August 10th, 2023 (the date the financial statements were available to be issued) to assess whether such transactions and matters qualify as "subsequent events" and require adjustment to or disclosure in the financial statements as of and for the period ended June 30, 2023. No additional items came to management's attention that would require adjustment to or disclosure in the financial statements.

As of June 30, 2023 the insured portfolio consisted of 1 policy with in-force par exposure of $11 million and net unearned premium of $510,000. ACA has accelerated the remaining policy in August 2023.

23. REINSURANCE

A. Unsecured Reinsurance Recoverables

The Company does not have an unsecured aggregate recoverable for losses paid and unpaid, including IBNR, loss adjustment expenses and unearned premium with any individual reinsurers, authorized or unauthorized, that exceed 3% of the Company's policyholder surplus.

B. Reinsurance Recoverable in Dispute

The Company has no reinsurance recoverable in dispute.

NOTES TO FINANCIAL STATEMENTS

C. Reinsurance Assumed and Ceded

(1) The Company has entered into a 100% Quota-Share and Assumption Reinsurance agreement whereby ACA Financial Guaranty will cede all of its credits that are not in default to Build America Mutual for a payment of $2.5 million. In addition, ACA made a payment of $1.5 million to serve as collateral for one credit. As a result, ACA's gross outstanding par exposure and the amount reinsured to BAM will be reduced.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
b. All other	0	0	-	0	0	0
c. TOTAL	$ 0	$ 0	$ -	$ 0	$ 0	$ 0
d. Direct Unearned Premium Reserve			$ 510,197			

(2) There are no contingent commission or profit sharing arrangements.

(3) Not applicable

D. Uncollectible Reinsurance

The Company has no uncollectible reinsurance balances.

E. Commutation of Ceded Reinsurance

The Company made a $1.5 million payment for commutation in 2022. In March 2023, the Company novated several insured exposures, $33.4 million of par, to Build America Mutual (BAM). In June, the Company novated an additional $3.6 million of par.

F. Retroactive Reinsurance

The Company has no retroactive reinsurance contracts.

G. Reinsurance Accounted for as a Deposit

The Company did not account for any reinsurance as deposits.

H. Not applicable.

I. Not applicable.

J. Not applicable.

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

The Company has not entered into any retrospectively rated contracts or contracts subject to redetermination, including any provisions of the Affordable Care Act.

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

For the six month period ended June 30, 2023, the Company recorded a net provision for losses incurred of $0, which consisted of $11,328 of net unfavorable loss development on accident years prior to 2022 ("prior accident year claims"), and ($11,328) of discount accretion. The Company reflects loss remediation bond buybacks as loss payments and reflects a corresponding modeled reduction to estimated future losses. Loss remediation bond purchases may relate to policies where case basis reserves have already been established in the statutory financial statements or for policies related to IBNR. See footnote 21C(1). During the six month period ended June 30, 2023, the Company did not purchase any bonds for loss remediation purposes. As of June 30, 2023, the Company's recoverable for unpaid losses was $1.38 million, which related to one insured transaction, with a remaining aggregate in-force par outstanding of $10.8 million, excluding the aforementioned case reserves. The aggregate in-force par outstanding of $10.8 million represents the remaining maximum amount of par exposure subject to loss in regard to the one insured transactions. See Note 36A.(3) b for additional information regarding the Company's reserves for losses and loss adjustment expenses.

As discussed in Note 21.C.(1), the Company's estimate of its ultimate Off-Balance Sheet Losses at June 30, 2023 was zero.

For the six month period ended June 30, 2022, the Company recorded a net provision for losses incurred of $5.0 million, which consisted of $4.6 million of net loss development on accident years prior to 2021 ("prior accident year claims"), and $.37 million of discount accretion. The Company reflects loss remediation bond buybacks as loss payments and reflects a corresponding modeled reduction to estimated future losses. Loss remediation bond purchases may relate to policies where case basis reserves have already been established in the statutory financial statements or for policies related to IBNR. See footnote 21C(1). During the six month period ended June 30, 2022, the Company did not purchase any bonds for loss remediation purposes. As of June 30, 2022, the Company's liability for unpaid losses was $14.0 million, which related to seven insured transactions, with a remaining aggregate in-force par outstanding of $30.9 million, excluding the aforementioned case reserves. The aggregate in-force par outstanding of $30.9 million represents the remaining maximum amount of par exposure subject to loss in regard to these seven insured transactions. See Note 36A.(3) b for additional information regarding the Company's reserves for losses and loss adjustment expenses.

As discussed in Note 21.C.(1), the Company's estimate of its ultimate Off-Balance Sheet Losses at June 30, 2022 was zero.

Refer to Note 1.C.(11) and Note 21.C.(1) for further information regarding the Company's reserves for losses and loss adjustment expenses.

26. INTERCOMPANY POOLING ARRANGEMENTS

The Company has no intercompany pooling arrangements.

NOTES TO FINANCIAL STATEMENTS

27. STRUCTURED SETTLEMENTS

A. The Company has not entered into any structured settlements for reserves no longer being carried.

B. The Company does not hold any annuities under which the Company is the payee and the recorded asset balance due exceeds 1% of surplus.

28. HEALTH CARE RECEIVABLE

A. The Company has no pharmaceutical rebate receivables as of June 30, 2023 and December 31, 2022.

B. The Company has no risk sharing receivables as of June 30, 2023 and December 31, 2022.

29. PARTICIPATING POLICIES

The Company never issued participating policies.

30. PREMIUM DEFICIENCY RESERVE

The Company has no premium deficiency reserves. The Company includes anticipated investment income as a factor in the premium deficiency calculation.

31. HIGH DEDUCTIBLES ON UNPAID CLAIMS

The Company has no high deductibles on unpaid claims.

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

A. Not applicable

B.&C. The Company's case reserves for unpaid losses are discounted on a non-tabular basis. The discount rate used at June 30, 2023 and December 31, 2022 was 3.3%. The discount rate is based on the average rate of return on the Company’s admitted assets determined at the end of each year. The net amount of discount associated with the Company’s loss reserves at June 30, 2023 was ($.57) million. Loss adjustment expenses are not discounted.

33. ASBESTOS/ENVIRONMENTAL RESERVES

The Company does not write this line of business and therefore has no asbestos/environmental reserves.

34. SUBSCRIBER SAVINGS ACCOUNTS

The Company has no subscriber savings accounts.

35. MULTIPLE PERIL CROP INSURANCE

The Company has never written this line of business.

36. FINANCIAL GUARANTY INSURANCE

A.

(1) a. The Company has not recorded unearned premiums related to installment payments.

Premiums charged in connection with the issuance of financial guaranty insurance are received either upfront at the inception of an insurance contract or in installments (usually monthly, quarterly, semi-annually or annually) over the life of the underlying insured obligation. All of the Company’s remaining in-force business was written on an upfront basis.

b. + c. The Company has not recorded premiums receivable on installment contracts.

(2) a. The amount of premium revenue that has been accelerated during the six-month periods ended June 30, 2023 and 2022 was $.95 million and $1.63 million, respectively.

b. Schedule of the future expected direct earned premium revenue on contracts written on an upfront basis as of June 30, 2023:

1.	3rd Quarter 2023	$ -
	4th Quarter 2023	86,063
	Year 2024	97,989
	Year 2025	96,304
	Year 2026	123,603
	Year 2027	106,238
	Subtotal	510,197
2.	2028 through 2031	-
	Total	$ 510,197

(3) Claim liability:

a. The Company used a rate of 3.3% to discount the claim liability.

b. Significant components of the change in the claim liability for the period:

NOTES TO FINANCIAL STATEMENTS

Reserves for losses at December 31, 2022	$	(1,378,687)
Accretion of the discount		(11,328)
New reserves for defaults of insured contracts		-
Development on prior accident years reserves		11,328
Change in deficiency reserves		-
Change in incurred but not reported claims		-
Total change in reserves		-
Reserves for losses at June 30, 2023	$	(1,378,687)

(4) The Company's credit quality classifications are:

a. Category 1: Fully Performing
Credits are fully performing. Covenants have been met, financial reporting is timely and complete, and there have been no significant negative deviations from expected performance.

Category 2: Watch
Credits are performing below expected levels. Some covenants have been violated, projected budget and/or cash flow has not been achieved, operating performance or financial position is weakened. Although operating results are below underwriting expectations, current and projected revenues are adequate to service debt.

Category 3: Deteriorating
Credits show significant performance declines. Covenant violations are recurring and material; cashflow is significantly below projections, operating results are materially impaired. Corrective action is required to arrest credit deterioration and avert a longer-term risk of payment default.

Category 4: Paid or Expected Claim
Credits show material decline in creditworthiness and ability to pay. Operating results are increasingly negative, unreimbursed draws on debt service reserves have been made; payment defaults have occurred or are expected, and loss reserves have been established or are expected to be established in the financial statements.

b. & c. Risk management activities are performed by ACA's portfolio management department. Portfolio analysts monitor all insured transactions in the portfolio to determine whether their financial performance is consistent with underwriting expectations and to identify any deterioration in the obligor's ability or willingness to pay insured debt service. Portfolio management staff are also responsible for recommending and undertaking remedial actions to prevent or mitigate losses. Expenses related to risk management activities are recorded as either loss adjustment expenses or other underwriting expenses in the statement of income and the related liabilities are recorded as loss adjustment expenses or other expenses in the statement of financial position.

All transactions in the insured portfolio are assigned one of four internal credit quality classifications that reflect the current and expected performance of the obligor. Credit quality classifications of insured transactions are reviewed and updated on a regular basis as analysts obtain more current financial and market information from the obligor, the trustee, or from public sources such as rating agencies and fixed income analysts. The frequency with which individual obligors are reviewed is based on ACA's judgment of potential performance volatility and varies according to credit classification, sector, geography, size of exposure, and exogenous events.

B. The risk of loss under the Company's guaranties extends to the full amount of unpaid principal and interest on all debt obligations it has guaranteed. Net par outstanding in the table below reflects only the outstanding principal balance for capital appreciation bond obligations that the Company has insured. The Company reports its remaining obligation, including any accreted values, as an interest obligation.

Schedule of net insured financial obligations at the end of the period:

	Credit Quality Categories				
	1	2	3	4	Total
Number of policies	0	0	0	1	1
Remaining weighted-average contract period (in years)	0	0	0	3	
Insured contractual payments outstanding:					
Principal	$ -	$ -	$ -	$ 10,845,000	$ 10,845,000
Interest	-	-	-	1,834,844	1,834,844
Total	$ -	$ -	$ -	$ 12,679,844	$ 12,679,844
Gross claim and LAE liability	$ -	$ -	$ -	$ 2,043,973	$ 2,043,973
Less:					
Gross potential recoveries	-	-	-	3,624,386	3,624,386
Discount, net	-	-	-	(513,498)	(513,498)
Net claim and LAE liability	$ -	$ -	$ -	$ (1,066,915)	$ (1,066,915)
Unearned premium revenue	$ -	$ -	$ -	$ 510,197	$ 510,197
Reinsurance recoverables	$ -	$ -	$ -	$ -	$ -

The Company purchases ACA insured bonds periodically in the marketplace when available and the price meets internal prescribed limits for Category 4 rated credits. For accounting purposes, the Company reflects the purchase as a loss payment

NOTES TO FINANCIAL STATEMENTS

and carries the bond at a zero value. Unless the bond is cancelled with the trustee, the par value remains outstanding. At June 30, 2023, all Category 4 bonds purchased have been either cancelled or sold.

As of June 30, 2023, the insured portfolio consisted of 1 policy with in-force par exposure of $10.8 million and unearned premium of $510 thousand.

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 [ ]

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 [ ] No [X]

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.

3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [ ] No [X]

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

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 [X] NA [ ]

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. 12/31/2017

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. 12/31/2017

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). 06/27/2019

6.4 By what department or departments?
Maryland Insurance Administration

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 [ ] NA [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] NA [X]

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

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: $

GENERAL INTERROGATORIES

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 [ ] No [X]

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $

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

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	$ 0	$
14.22 Preferred Stock	$ 0	$
14.23 Common Stock	$ 0	$
14.24 Short-Term Investments	$ 0	$
14.25 Mortgage Loans on Real Estate	$	$
14.26 All Other	$	$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 0	$ 0
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? Yes [ ] No [ ] NA [ ]
If no, attach a description with this statement.

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
US Bank, National Association	1025 Connecticut Avenue, Suite 517, Washington , DC 20036

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 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["…that have access to the investment accounts"; "…handle securities"]

1 Name of Firm or Individual	2 Affiliation

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes [X] No [ ]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes [X] No [ ]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107038	JP Morgan Asset Management	549300W78QHV4XMM6K69	Securities and Exchange Commission	DS

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No [ ]
18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
b. Issuer or obligor is current on all contracted interest and principal payments.
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes [X] No [ ]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
a. The security was purchased prior to January 1, 2018.
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

GENERAL INTERROGATORIES

c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.

d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities? Yes [X] No [ ]

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

a. The shares were purchased prior to January 1, 2019.

b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.

d. The fund only or predominantly holds bonds in its portfolio.

e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.

f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [ ] No [X]

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? Yes [ ] No [X] NA [ ]

   If yes, attach an explanation.

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? Yes [ ] No [X]

   If yes, attach an explanation.

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 [X] No [ ]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1 Line of Business	2 Maximum Interest	3 Discount Rate	4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
Financial Guaranty	3.300		(571,321)			(571,321)	81,691			81,691
TOTAL			(571,321)	0	0	(571,321)	81,691	0	0	81,691

5. Operating Percentages:

   5.1 A&H loss percent %

   5.2 A&H cost containment percent %

   5.3 A&H expense percent excluding cost containment expenses %

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. $

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. $

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No [ ]

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [ ] No [ ]

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

NONE

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 (a)	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	N		0		0		0
2. Alaska AK	N		0		0		0
3. Arizona AZ	N		0		51,073		5,871,782
4. Arkansas AR	N		0		1,440,140		10,158,001
5. California CA	L		0		0		0
6. Colorado CO	N		0		0		0
7. Connecticut CT	N		0		0		0
8. Delaware DE	N		0		0		0
9. Dist. Columbia DC	N		0		0		0
10. Florida FL	N		0		0		0
11. Georgia GA	L		0		0		0
12. Hawaii HI	N		0		0		0
13. Idaho ID	N		0		0		0
14. Illinois IL	N		0		0		0
15. Indiana IN	N		0		0		0
16. Iowa IA	N		0		0		0
17. Kansas KS	N		0		0		0
18. Kentucky KY	N		0		0		0
19. Louisiana LA	N		0		0		0
20. Maine ME	L		0		0		0
21. Maryland MD	L		0		0		0
22. Massachusetts MA	N		0		0		0
23. Michigan MI	N		0		0		0
24. Minnesota MN	N		0	(10,844)	(10,461)		0
25. Mississippi MS	N		0		0		0
26. Missouri MO	L		0		0		0
27. Montana MT	N		0		0		0
28. Nebraska NE	N		0		0		0
29. Nevada NV	N		0		0		0
30. New Hampshire NH	L		0		0		0
31. New Jersey NJ	N		0		0		0
32. New Mexico NM	N		0		0		0
33. New York NY	L		0		0	(1,378,687)	(680,842)
34. No. Carolina NC	N		0		0		0
35. No. Dakota ND	N		0		0		0
36. Ohio OH	L		0		0		0
37. Oklahoma OK	N		0		0		0
38. Oregon OR	N		0		0		0
39. Pennsylvania PA	L		0		0		0
40. Rhode Island RI	N		0		0		0
41. So. Carolina SC	N		0		0		0
42. So. Dakota SD	N		0		0		0
43. Tennessee TN	N		0		0		0
44. Texas TX	N		0		6,489,333		0
45. Utah UT	N		0		0		0
46. Vermont VT	N		0		0		0
47. Virginia VA	N		0		4,961,608		(1,313,662)
48. Washington WA	N		0		0		0
49. West Virginia WV	N		0		0		0
50. Wisconsin WI	N		0		0		0
51. Wyoming WY	N		0		0		0
52. American Samoa AS	N		0		0		0
53. Guam GU	L		0		0		0
54. Puerto Rico PR	L		0		0		0
55. U.S. Virgin Islands VI	N		0		0		0
56. Northern Mariana Islands MP	N		0		0		0
57. Canada CAN	N		0		0		0
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0
59. Totals	XXX	0	0	(10,844)	12,931,693	(1,378,687)	14,035,279
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0

(a) Active Status Counts

1. L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG 11
2. R – Registered – Non-domiciled RRGs 0
3. E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) 0
4. Q – Qualified – Qualified or accredited reinsurer 0
5. D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile 0
6. N – None of the above – Not allowed to write business in the state 46

Schedule Y - Part 1

NONE

Schedule Y - Part 1A

NONE

PART 1 - LOSS EXPERIENCE

	Line of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1.	Fire			0.0	0.0
2.1	Allied lines			0.0	0.0
2.2	Multiple peril crop			0.0	0.0
2.3	Federal flood			0.0	0.0
2.4	Private crop			0.0	0.0
2.5	Private flood			0.0	0.0
3.	Farmowners multiple peril			0.0	0.0
4.	Homeowners multiple peril			0.0	0.0
5.1	Commercial multiple peril (non-liability portion)			0.0	
5.2	Commercial multiple peril (liability portion)			0.0	
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine			0.0	0.0
10.	Financial guaranty	1,799,899	(10,844)	(0.6)	355.6
11.1	Medical professional liability -occurrence			0.0	0.0
11.2	Medical professional liability -claims made			0.0	0.0
12.	Earthquake			0.0	0.0
13.1	Comprehensive (hospital and medical) individual			0.0	0.0
13.2	Comprehensive (hospital and medical) group			0.0	0.0
14.	Credit accident and health			0.0	0.0
15.1	Vision only			0.0	0.0
15.2	Dental only			0.0	0.0
15.3	Disability income			0.0	0.0
15.4	Medicare supplement			0.0	0.0
15.5	Medicaid Title XIX			0.0	0.0
15.6	Medicare Title XVIII			0.0	0.0
15.7	Long-term care			0.0	0.0
15.8	Federal employees health benefits plan			0.0	0.0
15.9	Other health			0.0	0.0
16.	Workers' compensation			0.0	0.0
17.1	Other liability occurrence			0.0	0.0
17.2	Other liability-claims made			0.0	0.0
17.3	Excess Workers' Compensation			0.0	0.0
18.1	Products liability-occurrence			0.0	0.0
18.2	Products liability-claims made			0.0	0.0
19.1	Private passenger auto no-fault (personal injury protection)			0.0	0.0
19.2	Other private passenger auto liability			0.0	0.0
19.3	Commercial auto no-fault (personal injury protection)			0.0	0.0
19.4	Other commercial auto liability			0.0	0.0
21.1	Private passenger auto physical damage			0.0	0.0
21.2	Commercial auto physical damage			0.0	0.0
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft			0.0	0.0
27.	Boiler and machinery			0.0	0.0
28.	Credit			0.0	0.0
29.	International			0.0	0.0
30.	Warranty			0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	1,799,899	(10,844)	(0.6)	355.6
	DETAILS OF WRITE-INS				
3401.					
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

NONE

	Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0		0
2.1	Allied lines	0		0
2.2	Multiple peril crop	0		0
2.3	Federal flood	0		0
2.4	Private crop	0		0
2.5	Private flood	0		0
3.	Farmowners multiple peril	0		0
4.	Homeowners multiple peril	0		0
5.1	Commercial multiple peril (non-liability portion)	0		0
5.2	Commercial multiple peril (liability portion)	0		
6.	Mortgage guaranty	0		0
8.	Ocean marine	0		0
9.	Inland marine	0		0
10.	Financial guaranty	0		0
11.1	Medical professional liability-occurrence	0		0
11.2	Medical professional liability-claims made	0		0
12.	Earthquake	0		0
13.1	Comprehensive (hospital and medical) individual	0		0
13.2	Comprehensive (hospital and medical) group	0		0
14.	Credit accident and health	0		0
15.1	Vision only	0		0
15.2	Dental only	0		0
15.3	Disability income	0		0
15.4	Medicare supplement	0		0
15.5	Medicaid Title XIX	0		0
15.6	Medicare Title XVIII	0		0
15.7	Long-term care	0		0
15.8	Federal employee health benefits plan	0		0
15.9	Other health	0		0
16.	Workers' compensation	0		0
17.1	Other liability occurrence	0		0
17.2	Other liability-claims made	0		0
17.3	Excess Workers' Compensation	0		0
18.1	Products liability-occurrence	0		0
18.2	Products liability-claims made	0		0
19.1	Private passenger auto no-fault (personal injury protection)	0		0
19.2	Other private passenger auto liability	0		0
19.3	Commercial auto no-fault (personal injury protection)	0		0
19.4	Other commercial auto liability	0		0
21.1	Private passenger auto physical damage	0		0
21.2	Commercial auto physical damage	0		0
22.	Aircraft (all perils)	0		0
23.	Fidelity	0		0
24.	Surety	0		0
26.	Burglary and theft	0		0
27.	Boiler and machinery	0		0
28.	Credit	0		0
29.	International	0		0
30.	Warranty	0		0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	TOTALS	0	0	0
	DETAILS OF WRITE-INS			
3401.				
3402.				
3403.				
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2023 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2023 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2023 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2020 + Prior			0	(1)		(1)				0	(1)	0	(1)
2. 2021	(1,107)		(1,107)	10		10	(1,067)			(1,067)	50	0	50
3. Subtotals 2021 + prior	(1,107)	0	(1,107)	9	0	9	(1,067)	0	0	(1,067)	49	0	49
4. 2022			0	1		1				0	1	0	1
5. Subtotals 2022 + prior	(1,107)	0	(1,107)	9	0	9	(1,067)	0	0	(1,067)	49	0	49
6. 2023	XXX	XXX	XXX	XXX	1	1	XXX			0	XXX	XXX	XXX
7. Totals	(1,107)	0	(1,107)	9	1	10	(1,067)	0	0	(1,067)	49	0	49
8. Prior Year-End Surplus As Regards Policy-holders	104,775												

Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
1. (4.5)	2. 0.0	3. (4.5)
		Col. 13, Line 7 Line 8
		4. 0.0

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.

		Response
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
	AUGUST FILING	
5.	Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? The response for 1st and 3rd quarters should be N/A. A NO response resulting with a bar code is only appropriate in the 2nd quarter.	NO

Explanation:

5.

Bar Code:

1. 2 2 8 9 6 2 0 2 3 4 9 0 0 0 0 0 2

2. 2 2 8 9 6 2 0 2 3 4 5 5 0 0 0 0 2

3. 2 2 8 9 6 2 0 2 3 3 6 5 0 0 0 0 2

4. 2 2 8 9 6 2 0 2 3 5 0 5 0 0 0 0 2

5. 2 2 8 9 6 2 0 2 2 2 2 2 0 0 1 0 0

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

NONE

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other-than-temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

NONE

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other-than-temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	4,819,522	2,485,256
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		2,148,907
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount	34,070	185,558
5. Unrealized valuation increase (decrease)	(799)	(199)
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals	2,625,228	0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other-than-temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	2,227,565	4,819,522
12. Deduct total nonadmitted amounts	78,658	79,457
13. Statement value at end of current period (Line 11 minus Line 12)	2,148,907	4,740,064

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	57,919,005	141,199,888
2. Cost of bonds and stocks acquired	835,200	22,042,924
3. Accrual of discount	1,573,510	253,726
4. Unrealized valuation increase (decrease)	(53,357)	(6,337,074)
5. Total gain (loss) on disposals	579,480	2,256,738
6. Deduct consideration for bonds and stocks disposed of	21,184,893	96,179,412
7. Deduct amortization of premium	1,425,714	60,393
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other-than-temporary impairment recognized		5,257,393
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)	38,243,231	57,919,005
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	38,243,231	57,919,005

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	57,137,789	45,719,552	84,986,156	370,699	57,137,789	18,241,883	0	58,579,741
2. NAIC 2 (a)	0				0	0	0	0
3. NAIC 3 (a)	0				0	0	0	0
4. NAIC 4 (a)	0				0	0	0	0
5. NAIC 5 (a)	1,153,931		1,156,035	2,104	1,153,931	0	0	1,151,497
6. NAIC 6 (a)	33,963,683	835,200	835,200	(95,054)	33,963,683	33,868,629	0	33,921,209
7. Total Bonds	92,255,403	46,554,752	86,977,391	277,749	92,255,403	52,110,513	0	93,652,447
PREFERRED STOCK								
8. NAIC 1	0				0	0	0	0
9. NAIC 2	0				0	0	0	0
10. NAIC 3	0				0	0	0	0
11. NAIC 4	0				0	0	0	0
12. NAIC 5	0				0	0	0	0
13. NAIC 6	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	92,255,403	46,554,752	86,977,391	277,749	92,255,403	52,110,513	0	93,652,447

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 $ 13,867,281 ; NAIC 2 $;
NAIC 3 $; NAIC 4 $; NAIC 5 $; NAIC 6 $

SCHEDULE DA - PART 1

Short-Term Investments

NONE

	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
7709999999 Totals		XXX			

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	835,200	2,198,286
2. Cost of short-term investments acquired	4,905,271	835,200
3. Accrual of discount	94,729	491,903
4. Unrealized valuation increase (decrease)		357,861
5. Total gain (loss) on disposals		178,361
6. Deduct consideration received on disposals	5,835,200	2,734,508
7. Deduct amortization of premium		491,903
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other-than-temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	0	835,200
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	0	835,200

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E – PART 2 – VERIFICATION

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	39,025,115	5,665,351
2. Cost of cash equivalents acquired	266,820,598	448,928,483
3. Accrual of discount	609,986	475,991
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals	2,150	78
6. Deduct consideration received on disposals	274,696,601	416,044,789
7. Deduct amortization of premium		0
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other-than-temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	31,761,249	39,025,115
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	31,761,249	39,025,115

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	2	Location		5	6	7	8	9	10	11	12	13
		3	4									
CUSIP Identification	Name or Description	City	State	Name of Vendor or General Partner	NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol	Date Originally Acquired	Type and Strategy	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Amount of Encumbrances	Commitment for Additional Investment	Percentage of Ownership
NONE												
6099999 – Subtotals - Unaffiliated								0	0	0	0	XXX
6199999 – Subtotals - Affiliated								0	0	0	0	XXX
6299999 Totals								0	0	0	0	XXX

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/ Adjusted Carrying Value Less Encumbrances Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
Any Other Class of Assets - Unaffiliated																			
000000-00-0	LOMBARD PUBLIC FACILITIES CORP SENIOR	LOMBARD	IL	PAYDOWN	05/04/2021	06/30/2023	2,591,158		34,070			34,070		2,625,228	2,625,228			0	
5899999 - Any Other Class of Assets - Unaffiliated							2,591,158	0	34,070	0	0	34,070	0	2,625,228	2,625,228	0	0	0	0
6099999 – Subtotals - Unaffiliated							2,591,158	0	34,070	0	0	34,070	0	2,625,228	2,625,228	0	0	0	0
6199999 – Subtotals - Affiliated							0	0	0	0	0	0	0	0	0	0	0	0	0
6299999 Totals							2,591,158	0	34,070	0	0	34,070	0	2,625,228	2,625,228	0	0	0	0

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, NAIC Designation Modifier and SVO Administrative Symbol
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions									
453419-AX-1	INDEP CTY AR HYDRO SENIOR		05/01/2023	VARIOUS	XXX	549,600	1,145,000		6.Z
453419-BW-2	INDEP CTY AR HYDRO SUB B		05/01/2023	VARIOUS	XXX	182,400	380,000		6.Z
453419-CG-6	INDEP CTY AR HYDRO SUB A		05/01/2023	VARIOUS	XXX	103,200	215,000		6.Z
0909999999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						835,200	1,740,000	0	XXX
Bonds - Hybrid Securities									
00083M-AG-6	ACA ABS LTD 2007-3A A5L		05/20/2023	VARIOUS	XXX	0	69,398		6.Z
00083M-AH-4	ACA ABS LTD 2007-3A B1L		05/20/2023	VARIOUS	XXX	0	87,867		6.Z
00083M-AJ-0	ACA ABS LTD 2007-3A B2L		05/20/2023	VARIOUS	XXX	0	96,896		6.Z
1309999999 - Bonds - Hybrid Securities						0	254,161	0	XXX
2509999997 - Bonds - Subtotals - Bonds - Part 3						835,200	1,994,161	0	XXX
2509999999 - Bonds - Subtotals - Bonds						835,200	1,994,161	0	XXX
6009999999 Totals						835,200	XXX	0	XXX

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi-fication	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation, NAIC Desig. Modifier and SVO Administrative Symbol
Bonds - U.S. Governments																					
36200A-BE-8	GNMA POOL 595037		06/14/2023	VARIOUS	XXX	397	386	397	393		(1)		(1)		393		5	5	12	10/15/2032	1.A
36200A-CW-7	GNMA POOL 595085		06/14/2023	VARIOUS	XXX	8,858	8,604	8,860	8,836		(23)		(23)		8,813		45	45	277	10/15/2032	1.A
36200E-TY-7	GNMA POOL 599167		06/14/2023	VARIOUS	XXX	36,512	35,446	36,498	36,125		(49)		(49)		36,076		436	436	1,147	12/15/2033	1.A
36200M-AT-0	GNMA POOL 604018		04/05/2023	VARIOUS	XXX	84,910	82,829	85,230	84,645		(98)		(98)		84,546		363	363	1,631	02/15/2033	1.A
36200M-EN-9	GNMA POOL 604141		06/14/2023	VARIOUS	XXX	5,771	5,603	5,770	5,771		(13)		(13)		5,758		13	13	181	03/15/2033	1.A
36200Q-2R-4	GNMA POOL 569684		06/14/2023	VARIOUS	XXX	9,359	9,090	9,359	9,285		(18)		(18)		9,267		92	92	293	02/15/2032	1.A
36200R-LX-8	GNMA POOL 570142		06/14/2023	VARIOUS	XXX	3,804	3,698	3,808	3,785		(10)		(10)		3,774		30	30	119	12/15/2031	1.A
36200R-XT-4	GNMA POOL 570490		06/14/2023	VARIOUS	XXX	574	557	573	568		(1)		(1)		567		6	6	18	12/15/2031	1.A
36200S-US-7	GNMA POOL 571293		06/14/2023	VARIOUS	XXX	122	118	122	123		(3)		(3)		120		2	2	4	11/15/2031	1.A
36201A-PF-9	GNMA POOL 577422		06/14/2023	VARIOUS	XXX	1,897	1,848	1,903	1,881		(7)		(7)		1,874		22	22	59	01/15/2032	1.A
36201D-AX-0	GNMA POOL 579722		06/14/2023	VARIOUS	XXX	15,573	15,123	15,572	15,392		(24)		(24)		15,368		206	206	488	08/15/2032	1.A
36201E-AG-5	GNMA POOL 580607		06/14/2023	VARIOUS	XXX	2,580	2,514	2,588	2,572		(10)		(10)		2,562		19	19	78	02/15/2033	1.A
36201F-AF-4	GNMA POOL 581506		06/14/2023	VARIOUS	XXX	405	394	405	407		(1)		(1)		406		0	0	13	04/15/2033	1.A
36201Y-FD-3	GNMA POOL 606864		06/14/2023	VARIOUS	XXX	844	820	844	841		(2)		(2)		839		5	5	26	10/15/2033	1.A
36207E-ND-2	GNMA POOL 429788		06/14/2023	VARIOUS	XXX	1,748	1,699	1,749	1,753		(6)		(6)		1,748		0	0	55	12/15/2033	1.A
36210J-HW-1	GNMA POOL 493545		06/14/2023	VARIOUS	XXX	303	294	303	300		(1)		(1)		300		4	4	10	03/15/2031	1.A
36213F-U4-3	GNMA POOL 553303		06/14/2023	VARIOUS	XXX	507	492	507	500		(1)		(1)		499		8	8	16	06/15/2033	1.A
36213R-2A-4	GNMA POOL 562469		04/05/2023	VARIOUS	XXX	56,300	55,340	55,623	55,525		(12)		(12)		55,513		787	787	991	02/15/2034	1.A
36213T-GW-7	GNMA POOL 563713		06/14/2023	VARIOUS	XXX	6,960	6,761	6,962	6,910		(13)		(13)		6,896		64	64	218	01/15/2033	1.A
36213V-GN-2	GNMA POOL 565505		06/14/2023	VARIOUS	XXX	367	357	367	366		(1)		(1)		365		2	2	11	09/15/2032	1.A
36290X-PT-1	GNMA POOL 620634		06/14/2023	VARIOUS	XXX	13,755	13,353	13,749	13,528		(13)		(13)		13,515		239	239	432	09/15/2033	1.A
36291C-PV-1	GNMA POOL 624236		06/14/2023	VARIOUS	XXX	1,393	1,352	1,392	1,391		(3)		(3)		1,388		4	4	44	12/15/2033	1.A
36291E-AD-3	GNMA POOL 625604		06/14/2023	VARIOUS	XXX	51	50	51	50		0		0		50		1	1	2	12/15/2033	1.A
36291E-AV-3	GNMA POOL 625620		06/14/2023	VARIOUS	XXX	426	414	426	425		(1)		(1)		425		2	2	13	12/15/2033	1.A
0109999999 - Bonds - U.S. Governments						253,416	247,141	253,060	251,372	0	(311)	0	(311)	0	251,061	0	2,355	2,355	6,138	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
3132DW-AW-3	FHLMC POOL SD8121		04/05/2023	VARIOUS	XXX	2,018,658	2,392,745	1,956,117	1,956,117		6,826		6,826		1,962,943		55,715	55,715	17,141	01/01/2051	1.A
31387C-M3-2	FNMA POOL 580078		06/14/2023	VARIOUS	XXX	1,760	1,696	1,744	1,719		(2)		(2)		1,717		43	43	64	09/01/2031	1.A
31407U-EK-9	FNMA POOL 840838		06/14/2023	VARIOUS	XXX	18,016	17,646	17,420	17,393		9		9		17,402		614	614	523	11/01/2035	1.A
3140KQ-VE-8	FNMA POOL BQ5112		04/05/2023	VARIOUS	XXX	2,000,496	2,370,619	1,937,246	1,937,246		6,205		6,205		1,943,451		57,045	57,045	16,981	11/01/2050	1.A
31418D-V7-4	FNMA POOL MA4237		04/05/2023	VARIOUS	XXX	3,365,662	3,989,244	3,260,888	3,260,888		11,789		11,789		3,272,677		92,985	92,985	28,578	01/01/2051	1.A
641345-CP-6	NEVADA MO HOSP REV		06/14/2023	PERSHING LLC	XXX	590,112	590,000	555,250	573,484		1,829		1,829		575,312		14,800	14,800	17,970	10/01/2026	5.B GI
641345-CQ-4	NEVADA MO HOSP REV		06/14/2023	PERSHING LLC	XXX	44,896	45,000	44,100	44,414		41		41		44,455		441	441	1,387	10/01/2028	5.B GI
641345-CR-2	NEVADA MO HOSP REV		06/14/2023	PERSHING LLC	XXX	597,660	600,000	506,481	533,599		2,669		2,669		536,268		61,392	61,392	18,594	10/01/2031	5.B GI
0909999999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						8,637,260	10,006,950	8,279,246	8,324,859	0	29,365	0	29,365	0	8,354,225	0	283,035	283,035	101,239	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
000000-00-0	BANK OF HAWAII		06/30/2023	MATURITY @ 100.00	XXX	50,000	50,000	50,000	50,000				0		50,000			0		06/30/2023	1.A
1109999999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						50,000	50,000	50,000	50,000	0	0	0	0	0	50,000	0	0	0	0	XXX	XXX
2509999997 - Bonds - Subtotals - Bonds - Part 4						8,940,675	10,304,091	8,582,306	8,626,231	0	29,055	0	29,055	0	8,655,286	0	285,390	285,390	107,377	XXX	XXX
2509999999 - Bonds - Subtotals - Bonds						8,940,675	10,304,091	8,582,306	8,626,231	0	29,055	0	29,055	0	8,655,286	0	285,390	285,390	107,377	XXX	XXX
6009999999 Totals						8,940,675	XXX	8,582,306	8,626,231	0	29,055	0	29,055	0	8,655,286	0	285,390	285,390	107,377	XXX	XXX

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DB - Part E

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
JPMorganChase, NA New York, NY					2,040,725	2,482,006	2,392,546	XXX
US Bank Washington, DC							1,247	XXX
0199998 Deposits in ... depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Total Open Depositories	XXX	XXX	0	0	2,040,725	2,482,006	2,393,792	XXX
0399999 Total Cash on Deposit	XXX	XXX	0	0	2,040,725	2,482,006	2,393,792	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total	XXX	XXX	0	0	2,040,725	2,482,006	2,393,792	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 CUSIP	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Amount Received During Year
Bonds - U.S. Governments - Issuer Obligations								
XXX	U.S. TREASURY BILL		06/20/2023		09/14/2023	8,904,656		12,713
XXX	U.S. TREASURY BILL		06/30/2023		08/24/2023	4,962,625		
0019999999 - Bonds - U.S. Governments - Issuer Obligations						13,867,281	0	12,713
0109999999 - Bonds - U.S. Governments - Subtotals - U.S. Government Bonds						13,867,281	0	12,713
2419999999 - Bonds - Total Bonds - Subtotals - Issuer Obligations						13,867,281	0	12,713
2509999999 - Bonds - Total Bonds - Subtotals - Bonds						13,867,281	0	12,713
Exempt Money Market Mutual Funds — as Identified by SVO								
31846V-80-7	FIRST AMERICAN FUNDS TREASURY OBLIG		06/30/2023	4.720	XXX	17,836,143	56,512	351
94975H-29-6	WELLS FARGO ADV TR PL MM INS		06/02/2023	4.960	XXX	57,825	236	1,252
8209999999 - Exempt Money Market Mutual Funds — as Identified by SVO						17,893,968	56,748	1,602
8609999999 Total Cash Equivalents						31,761,249	56,748	14,315