



QUARTERLY STATEMENT
AS OF JUNE 30, 2023
OF THE CONDITION AND AFFAIRS OF THE
SYNCORA GUARANTEE INC.

NAIC Group Code	0000	0000	NAIC Company Code	20311	Employer's ID Number	13-3635895
	(Current Period)	(Prior Period)				
Organized under the Laws of	New York		State of Domicile or Port of Entry		NY	
Country of Domicile	United States of America					
Incorporated/Organized	07/25/1991		Commenced Business	01/01/1992		
Statutory Home Office	485 Lexington Avenue - 15th Floor		New York, NY, US 10017			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	485 Lexington Avenue - 15th Floor					
	(Street and Number)					
	New York, NY, US 10017			(212)478-3400		
	(City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)		
Mail Address	485 Lexington Avenue - 15th Floor		New York, NY, US 10017			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	485 Lexington Avenue - 15th Floor					
	(Street and Number)					
	New York, NY, US 10017			(212)478-3400		
	(City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)		
Internet Web Site Address						
Statutory Statement Contact	Anthony Corrado			(212)478-3400		
	(Name)			(Area Code)(Telephone Number)(Extension)		
	anthony.corrado@scafsg.com			(212)478-3579		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title
Christopher Bryan Hayward	Chief Executive Officer and President
George David Wilkinson	General Counsel and Secretary

OTHERS

DIRECTORS OR TRUSTEES

Christopher Bryan Hayward Joseph Ali Naggar George David Wilkinson

State of New York
County of New York ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Christopher Bryan Hayward	George David Wilkinson	Wei Zhong
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
Chief Executive Officer and President	General Counsel and Secretary	Authorized Signatory
(Title)	(Title)	(Title)

Subscribed and sworn to before me this	a. Is this an original filing?	Yes[X] No[]
day of , 2023	b. If no:	
	1. State the amendment number	
	2. Date filed	
	3. Number of pages attached	

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	218,134,013		218,134,013	192,650,120
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks	10,343,308		10,343,308	9,461,379
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....13,099,762), cash equivalents (\$.....72,954,423) and short-term investments (\$.....82,848,094)	168,902,279		168,902,279	173,369,691
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives	179,311		179,311	337,249
8.	Other invested assets	159		159	15,642
9.	Receivables for securities	2,953,693		2,953,693	4,622,180
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	400,512,763		400,512,763	380,456,261
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	2,351,511		2,351,511	2,799,647
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	709,228		709,228	712,882
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers				
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset				
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	278,152		278,152	
24.	Health care (\$.....0) and other amounts receivable				
25.	Aggregate write-ins for other-than-invested assets	3,968,436	448,369	3,520,067	3,544,947
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	407,820,090	448,369	407,371,721	387,513,737
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	407,820,090	448,369	407,371,721	387,513,737
DETAILS OF WRITE-INS					
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Bank of NY/Mellon-Indemnification	3,238,735		3,238,735	3,250,723
2502.	U.S. Bank-Escrow	187,387		187,387	183,770
2503.	Account receivable	470,504	448,369	22,135	18,588
2598.	Summary of remaining write-ins for Line 25 from overflow page	71,810		71,810	91,866
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	3,968,436	448,369	3,520,067	3,544,947

LIABILITIES, SURPLUS AND OTHER FUNDS

		1	2
		Current Statement Date	December 31, Prior Year
1.	Losses (current accident year \$.....0)	22,857,186	(44,778,356)
2.	Reinsurance payable on paid losses and loss adjustment expenses		
3.	Loss adjustment expenses	2,543,873	1,916,672
4.	Commissions payable, contingent commissions and other similar charges		
5.	Other expenses (excluding taxes, licenses and fees)	1,829,914	3,169,909
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	54,000	55,420
7.1	Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))	6,517,012	6,517,012
7.2	Net deferred tax liability		
8.	Borrowed money \$.....0 and interest thereon \$.....0		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....52,355,215 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act)	6,658,568	6,944,901
10.	Advance premium		
11.	Dividends declared and unpaid:		
11.1	Stockholders		
11.2	Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	548,693	557,815
13.	Funds held by company under reinsurance treaties		
14.	Amounts withheld or retained by company for account of others		
15.	Remittances and items not allocated		
16.	Provision for reinsurance (including \$.....0 certified)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	2,389,286	1,530,634
20.	Derivatives	263,518	172,646
21.	Payable for securities	12,242,280	4,149,587
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes \$.....0 and interest thereon \$.....0		
25.	Aggregate write-ins for liabilities	5,000,000	5,000,000
26.	TOTAL liabilities excluding protected cell liabilities (Lines 1 through 25)	60,904,330	(14,763,760)
27.	Protected cell liabilities		
28.	TOTAL liabilities (Lines 26 and 27)	60,904,330	(14,763,760)
29.	Aggregate write-ins for special surplus funds		
30.	Common capital stock	15,000,000	15,000,000
31.	Preferred capital stock	200,000,000	200,000,000
32.	Aggregate write-ins for other-than-special surplus funds		
33.	Surplus notes		
34.	Gross paid in and contributed surplus		
35.	Unassigned funds (surplus)	216,447,891	272,257,997
36.	Less treasury stock, at cost:		
36.1	.....0 shares common (value included in Line 30 \$.....0)		
36.2	.....1,658 shares preferred (value included in Line 31 \$.....165,804,000)	84,980,500	84,980,500
37.	Surplus as regards policyholders (Lines 29 to 35, less 36)	346,467,391	402,277,497
38.	TOTALS (Page 2, Line 28, Col. 3)	407,371,721	387,513,737
DETAILS OF WRITE-INS			
2501.	Mandatory contingency reserve for adverse losses	5,000,000	5,000,000
2502.	.....	
2503.	.....	
2598.	Summary of remaining write-ins for Line 25 from overflow page		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	5,000,000	5,000,000
2901.	.....	
2902.	.....	
2903.	.....	
2998.	Summary of remaining write-ins for Line 29 from overflow page		
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.	.....	
3202.	.....	
3203.	.....	
3298.	Summary of remaining write-ins for Line 32 from overflow page		
3299.	TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

		1	2	3
		Current Year to Date	Prior Year to Date	Prior Year Ended December 31
UNDERWRITING INCOME				
1.	Premiums earned			
1.1	Direct (written \$.....1,885,227)	1,202,712	16,122,116	20,421,090
1.2	Assumed (written \$.....136,111)	141,653	603,359	756,485
1.3	Ceded (written \$.....1,616,499)	653,194	15,267,737	17,612,439
1.4	Net (written \$.....404,839)	691,171	1,457,738	3,565,136
DEDUCTIONS:				
2.	Losses incurred (current accident year \$.....0)			
2.1	Direct	54,818,735	31,965,308	6,142,452
2.2	Assumed	6,773,923	5,268,594	5,463,385
2.3	Ceded	(5,653,029)	13,598,604	(26,401,128)
2.4	Net	67,245,687	23,635,298	38,006,965
3.	Loss adjustment expenses incurred	1,638,668		427,413
4.	Other underwriting expenses incurred	4,645,860	6,256,395	10,571,455
5.	Aggregate write-ins for underwriting deductions			
6.	TOTAL underwriting deductions (Lines 2 through 5)	73,530,215	29,891,693	49,005,833
7.	Net income of protected cells			
8.	Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(72,839,044)	(28,433,955)	(45,440,697)
INVESTMENT INCOME				
9.	Net investment income earned	14,499,946	9,379,656	21,395,353
10.	Net realized capital gains (losses) less capital gains tax of \$.....0	(1,315,892)	(7,189,976)	(8,519,707)
11.	Net investment gain (loss) (Lines 9 + 10)	13,184,054	2,189,680	12,875,646
OTHER INCOME				
12.	Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)			
13.	Finance and service charges not included in premiums			
14.	Aggregate write-ins for miscellaneous income	60,044	86,239	147,126
15.	TOTAL other income (Lines 12 through 14)	60,044	86,239	147,126
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(59,594,946)	(26,158,036)	(32,417,925)
17.	Dividends to policyholders			
18.	Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(59,594,946)	(26,158,036)	(32,417,925)
19.	Federal and foreign income taxes incurred			(1,409,391)
20.	Net income (Line 18 minus Line 19) (to Line 22)	(59,594,946)	(26,158,036)	(31,008,534)
CAPITAL AND SURPLUS ACCOUNT				
21.	Surplus as regards policyholders, December 31 prior year	402,277,497	741,503,485	741,503,485
22.	Net income (from Line 20)	(59,594,946)	(26,158,036)	(31,008,534)
23.	Net transfers (to) from Protected Cell accounts			
24.	Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0	1,546,851	(13,141,722)	(7,753,794)
25.	Change in net unrealized foreign exchange capital gain (loss)			
26.	Change in net deferred income tax			
27.	Change in nonadmitted assets			
28.	Change in provision for reinsurance			
29.	Change in surplus notes			
30.	Surplus (contributed to) withdrawn from Protected cells			
31.	Cumulative effect of changes in accounting principles			
32.	Capital changes:			
32.1	Paid in			
32.2	Transferred from surplus (Stock Dividend)			
32.3	Transferred to surplus			
33.	Surplus adjustments:			
33.1	Paid in			
33.2	Transferred to capital (Stock Dividend)			
33.3	Transferred from capital			
34.	Net remittances from or (to) Home Office			
35.	Dividends to stockholders		(301,001,943)	(301,001,943)
36.	Change in treasury stock			
37.	Aggregate write-ins for gains and losses in surplus	2,237,989	1,213,812	538,283
38.	Change in surplus as regards policyholders (Lines 22 through 37)	(55,810,106)	(339,087,889)	(339,225,988)
39.	Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	346,467,391	402,415,596	402,277,497
DETAILS OF WRITE-INS				
0501.				
0502.				
0503.				
0598.	Summary of remaining write-ins for Line 5 from overflow page			
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401.	Other income	60,044	86,239	147,126
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	60,044	86,239	147,126
3701.	Net unrealized FX on derivatives	(248,810)	1,213,812	538,283
3702.	Prior year correction on realized gains on derivatives	2,486,799		
3703.				
3798.	Summary of remaining write-ins for Line 37 from overflow page			
3799.	TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	2,237,989	1,213,812	538,283

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	399,370	568,102	976,024
2.	Net investment income	12,747,299	8,917,997	17,234,913
3.	Miscellaneous income	60,044	86,239	147,126
4.	TOTAL (Lines 1 to 3)	13,206,713	9,572,338	18,358,063
5.	Benefit and loss related payments	(389,855)	(50,921,138)	(47,528,078)
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	6,422,867	9,414,694	12,349,987
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		(1,375,000)	(5,875,000)
10.	TOTAL (Lines 5 through 9)	6,033,012	(42,881,444)	(41,053,091)
11.	Net cash from operations (Line 4 minus Line 10)	7,173,701	52,453,782	59,411,154
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds	81,043,221	135,150,289	190,972,455
12.2	Stocks	6,082,644	27,141,893	30,113,153
12.3	Mortgage loans			
12.4	Real estate			
12.5	Other invested assets	15,119	33,333	33,333
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		62,338	62,338
12.7	Miscellaneous proceeds			
12.8	TOTAL investment proceeds (Lines 12.1 to 12.7)	87,140,984	162,387,853	221,181,279
13.	Cost of investments acquired (long-term only):			
13.1	Bonds	96,878,909	42,104,485	145,234,281
13.2	Stocks	3,849,387	12,809,573	15,957,607
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets			
13.6	Miscellaneous applications	457,819		
13.7	TOTAL investments acquired (Lines 13.1 to 13.6)	101,186,115	54,914,058	161,191,888
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(14,045,131)	107,473,795	59,989,391
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes			
16.2	Capital and paid in surplus, less treasury stock			
16.3	Borrowed funds			
16.4	Net deposits on deposit-type contracts and other insurance liabilities			
16.5	Dividends to stockholders		301,001,943	301,001,943
16.6	Other cash provided (applied)	2,404,018	40,953	571,928
17.	Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	2,404,018	(300,960,990)	(300,430,015)
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)	(4,467,412)	(141,033,413)	(181,029,470)
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	173,369,691	354,399,161	354,399,161
19.2	End of period (Line 18 plus Line 19.1)	168,902,279	213,365,748	173,369,691
Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:				
20.0001	Change in net payable for securities	(8,092,693)	(9,981,672)	(4,088,510)
20.0002	Change in net receivable for securities	1,668,487	(10,007,589)	(3,853,758)

Notes to Financial Statements

1. Summary of Significant Accounting Policies and Going Concern:

A. Accounting Practices

Syncora Guarantee Inc. (the “Company” or “Syncora Guarantee”), a New York domiciled financial guarantee insurance company, prepares its statutory basis financial statements in accordance with accounting practices prescribed or permitted by the New York State Department of Financial Services (the “NYDFS”). The NYDFS recognizes only statutory accounting practices prescribed or permitted by the State of New York for determining and reporting the financial condition and results of operations of an insurance company 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 New York. The State of New York has adopted certain prescribed accounting practices that differ with those found in NAIC SAP. The NYDFS has the right to permit other specific practices which deviate from prescribed practices.

Reconciliations of net income (loss) and policyholders’ surplus (deficit) between the amounts reported in the financial statements (NY Basis) and NAIC SAP follow:

	SSAP#	F/S Page	F/S Line #	Six Months 2023	Year Ended 2022
NET INCOME (LOSS)					
(1) Syncora Guarantee Inc. state basis (Page 4, Line 20, Columns 1 & 3)				\$ (59,594,946)	\$ (31,008,534)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:				-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP:					
(b)	60	4	1,2	(36,766,548)	24,846,416
(4) NAIC SAP				<u>\$ (96,361,494)</u>	<u>\$ (6,162,118)</u>
				June 30, 2023	December 31, 2022
SURPLUS (DEFICIT)					
(5) Syncora Guarantee Inc. state basis (Page 3, Line 37, Columns 1 & 2)				\$ 346,467,391	\$ 402,277,497
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:				-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP:					
(a)	60	3	25	(550,318,993)	(684,803,844)
(b)	60	3	1,9,25	(174,814,871)	(133,333,451)
(8) NAIC SAP				<u>\$ (378,666,473)</u>	<u>\$ (415,859,798)</u>

Permitted or Prescribed Practices

- (a) In connection with the reinsurance agreement with Assured Guaranty Corp., which closed on June 1, 2018 (see Note 21), the NYDFS permitted the Company to set a fixed contingency reserve balance of \$5 million. This fixed reserve balance will not increase through accretion nor decrease through releases. Pursuant to prior approvals granted by the NYDFS in accordance with section 6903 of the New York Insurance Law (“NYIL”), as of June 30, 2023 and December 31, 2022, the Company has de-recognized \$550.3 million and \$684.8 million, respectively, in the aggregate, of contingency reserves on terminated policies, and policies on which the Company has established case reserves, whereas under NAIC SAP the Company would still be required to carry such reserves.
- (b) The NYDFS granted the Company a permitted practice to de-recognize reserves for unpaid losses, unearned premium reserve and contingency reserves relating to, and expense payments (which are reflected in “Losses incurred” on the Statement of Income) made to effect, certain transactions executed in connection with its continued remediation efforts described in Note 21.G. which effectively defeased or, in-substance, commuted, in whole or in part, the policies relating thereto, whereas under NAIC SAP such reserves would continue to be carried until such time the underlying contracts were legally extinguished and the payments made to effect the transactions would have resulted in the recording of an asset, as such payments were made in exchange for the assignment to the Company or an affiliate of the Company of all rights under the aforementioned policies. As of June 30, 2023 such de-recognized reserves for unpaid losses, unearned premium reserve and contingency reserve aggregated \$152.6 million, \$17.5 million and \$4.7 million, respectively. As of December 31, 2022 such de-recognized reserves for unpaid losses aggregated \$133.1 million.

B. Use of Estimates

The preparation of financial statements in conformity with NAIC SAP 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. These interim notes to financial statements do not include all disclosures required in connection with annual financial statements included in the Company’s Annual Statement. In addition, the results of operations for the interim period ended June 30, 2023 are not necessarily indicative of the results that may be expected for the year ended December 31, 2023. These interim financial statements of the Company should be read in conjunction with the Company’s Annual Statement for the year ended December 31, 2022.

C. Accounting Policies

There has been no significant change in the Company’s accounting policies from that disclosed in the Company’s 2022 Annual Statement.

Notes to Financial Statements

Bonds and loan-backed securities with an NAIC designation of 1 or 2 (highest-quality and high-quality) are valued at cost, adjusted for amortization of premium and accretion of discount which is calculated using the constant yield method. Bonds and loan-backed securities with an NAIC designation of 3 through 6 (medium quality, low quality, lowest quality and in or near default) are valued at the lower of amortized cost, adjusted for amortization of premium and accretion of discount which is calculated using the constant yield method, or market value. The prospective method is used to value loan-backed securities. The Company employs Bank of New York Mellon Asset Servicing as its third party investment accounting service provider. Prepayment assumptions for loan-backed and structured securities are obtained from Bloomberg or determined using the Company's internal estimates.

- D. Going Concern
- Not applicable.

2. Accounting Changes and Corrections of Errors:

The Company has had no changes in accounting principles for the periods presented herein.

During the first quarter of 2020, the Company’s investment portfolio turned over to include derivative positions and foreign currencies. These positions were new to the Company’s portfolio. The policy of carrying the derivative assets and liabilities at fair value with unrealized gains and losses through surplus was adopted in the March 31, 2020 quarterly statutory filing. Upon settlement, any termination payments or receipts due to the sale or maturity on the derivatives as well as foreign currency settlements were not recorded to realized gains or losses for the periods 2020 to 2022, resulting in a misstatement in the following line items.

(U.S. Dollars in thousands)	Total Capital and Surplus	Total Admitted Assets
Balance at December 31, 2022	\$ 402,277	\$ 387,514
Adjustments to Capital and Surplus		
Assets	-	2,487
Net Realized Gains	2,487	-
Total Adjustments to beginning Capital and Surplus	2,487	2,487
Balance at January 1, 2023	\$ 404,764	\$ 390,001

3. Business Combinations and Goodwill:

- A. Statutory Purchase Method
- There were no business combinations accounted for under the statutory purchase method as of and for the periods presented herein.
- B. Statutory Merger
- There was no statutory merger for the periods presented herein.
- C. Impairment Loss
- There was no impairment loss as a result of business combinations for the periods presented herein.

4. Discontinued Operations:

The Company had no discontinued operations as of or for the periods presented herein.

5. Investments:

Except as discussed below, there has been no change from that disclosed in the Company’s 2022 Annual Statement.

- D. Loan-Backed and Structured Securities
- The following table summarizes for the six months ended June 30, 2023 other-than-temporary impairments for loan-backed and structured securities because the Company had either the intent to sell the securities or the inability, or lack of intent to retain the securities for a period of time sufficient to recover the amortized cost basis.

Notes to Financial Statements

(1)	(2)	(3)
Amortized Cost before Other-Than Temporary Impairment	Other-Than Temporary Impairment	Fair Value (1)-(2)

None

The following table summarizes the six months ended June 30, 2023 other-than-temporary impairments for loan-backed and structured securities recorded based on the present value of projected cash flows expected to be collected was less than the amortized cost of these securities and deemed that it was probable that the Company will be unable to collect all amounts due according to the contractual terms of the security.

	Amortized Cost Before Other-Than- Temporary Impairment	Present Value of Projected Cash Flows	Other-Than- Temporary Impairment	Amortized Cost After Other-Than- Temporary Impairment	Fair Value at Time of Other- Than- Temporary Impairment	Date of Financial Statement Where Reported
CUSIP						

None

Loan-backed and structured securities in unrealized loss positions as of June 30, 2023, based on length of time continuously in these unrealized loss positions are as follows:

- a.

Aggregate amount of unrealized loss

1.

Less than twelve months

\$

669

2.

Twelve months or longer

\$

-
- b.

Aggregate fair value of securities with unrealized loss

1.

Less than twelve months

\$

24,077

2.

Twelve months or longer

\$

-

E. to I. Information about Repurchase Agreements and/or Lending Transactions

Not applicable.

L. Restricted Assets

As of June 30, 2023, the Company had, in the aggregate, approximately \$22.0 million on deposit to collateralize its contractual obligations under certain agreements, including reinsurance. Of such deposits, \$3.5 million and \$18.5 million are recorded on the Statement of Assets, Liabilities, Surplus and Other Funds in “Aggregate write-ins for other than invested assets” and “Cash, cash equivalents and short-term investments”, respectively.

In connection with the reinsurance agreement with Assured Guaranty, the Company agreed to maintain a minimum of \$15.6 million, based on aggregate fair value, on deposit through June 1, 2023, which reduces the Company’s share of loss reserves under this reinsurance agreement.

As of December 31, 2022, the Company had, in the aggregate, approximately \$21.5 million on deposit to collateralize its contractual obligations under certain agreements, including reinsurance. Of such deposits, \$3.5 million and \$18.0 million are recorded on the Statement of Assets, Liabilities, Surplus and Other Funds in “Aggregate write-ins for other than invested assets” and “Cash, cash equivalents and short-term investments”, respectively.

- (1)

Restricted assets (including pledged) summarized by restricted asset category

There has been no significant change from that disclosed in the Company’s 2022 Annual Statement.
- (2)

Detail of assets pledged as collateral not captured in other categories

There has been no significant change from that disclosed in the Company’s 2022 Annual Statement.
- (3)

Detail of other restricted assets

Not applicable.

Notes to Financial Statements

- M.

Working Capital Finance Investments

Not applicable.
- N.

Offsetting and Netting of Assets and Liabilities

Not applicable.
- O.

5GI Securities

Not applicable.
- P.

Short Sales

Not applicable.
- Q.

Prepayment Penalty and Acceleration Fees

There has been no significant change from that disclosed in the Company’s 2022 Annual Statement.
- R.

Reporting Entity’s Share of Cash Pool by Asset Type

Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies:

There has been no significant change from that disclosed in the Company’s 2022 Annual Statement.

7. Investment Income:

The Company has not excluded from policyholders’ surplus any investment income due and accrued as of June 30, 2023 and December 31, 2022.

8. Derivative Instruments:

As of June 30, 2023, the Company recorded derivative assets and liabilities of \$179.3 thousand and \$263.5 thousand, which are included in “Derivatives” on the accompanying Statement of Assets and Statement of Liabilities, Surplus and Other Funds.

9. Income Taxes:

The Company recorded zero current income taxes during the six months ending June 30, 2023 compared to zero current income taxes during the six months ending June 30, 2022.

Management has concluded that future income forecasted to be generated is insufficient to support realization of Syncora Guarantee’s net deferred tax assets, thus a full valuation allowance has been established against the deferred tax assets of Syncora Guarantee at June 30, 2023 and December 31, 2022 for \$504.0 million and \$491.5 million, respectively. Tax years 2019 through 2022 are potentially subject to examination by the IRS and state and local authorities.

Operating loss carryforwards

- (1)

At June 30, 2023, the Company had Federal net operating loss carryforwards of \$2.34 billion available for Federal income tax purposes that will begin to expire from 2028 through 2043.
- (2)

At June 30, 2023, the Company had capital loss carryforwards of \$22.1 million expiring from 2023 through 2027.
- (3)

Federal income taxes of \$7.75 million are available for recoupment in the event of future net losses.

The Company is utilizing zero NOLs for the period ending June 30, 2023.

In connection with the sale of the Company to Syncora FinanceCo LLC., completed on December 30, 2019, the Company’s NOLs will be limited under Section 382, as described below. Approximately \$2.29 billion of the Company’s NOLs as of June 30, 2023 are subject to limitation under Section 382 of the Internal Revenue Code (“Section 382”) as a result of an ownership change, as defined under that code section. An ownership change, as defined under Section 382 generally occurs if the percentage stock ownership of shareholders owning (or deemed under Section 382 to own) 5% or more in the aggregate, increases by more than 50 percentage points over the lowest percentage of stock owned by such shareholders during a defined period of time.

Notes to Financial Statements

10. Information Concerning Parent, Subsidiaries and Affiliates:

Ownership of the Company

All outstanding shares of the Company are owned by Syncora FinanceCo LLC., a Delaware limited liability company.

Other Agreements with Affiliates

Agreements with or in respect of various New York trusts

The Company is a party to insurance and indemnity agreements with various New York trusts formed by Syncora CDS LLC and Syncora Admin LLC, both affiliates of the Company. The Company guarantees timely payment of each trust’s obligations under structured CDS contracts issued by the related trust.

Agreements with GoldenTree Asset Management LP

- Effective January 1, 2020 the Company is a party to a Services Agreement, whereby GoldenTree Asset Management LP (“GTAM”) provides the Company with general services, certain office overhead and expenses, information technology services, legal services, human resource service and other items. Under the terms of such agreement, the costs of the aforementioned services are charged to the Company. For the six months ended June 30, 2023 and 2022, the Company incurred costs under this agreement in the amount of \$0.9 million and \$0.9 million, respectively.
- Effective January 1, 2020 the Company is a party to a Services Agreement, whereby the Company provides GTAM with surveillance services, risk management services, liability management services and other items. Under the terms of such agreement, the costs of the aforementioned services are charged to GTAM. For the six months ended June 30, 2023 and 2022, the Company charged GTAM under this agreement in the amount of \$0.3 million and \$0.3 million, respectively.
- Effective January 1, 2020 the Company is a party to an Investment Management Agreement, whereby GTAM manages certain assets of the Company. Under the terms of such agreement, the Company will pay an annual management fee. For the six months ended June 30, 2023 and 2022, the Company incurred costs under this agreement in the amount of \$0.3 million and \$0.8 million, respectively.

Tax Sharing Agreement

Syncora FinanceCo LLC. maintains a tax sharing agreement with its subsidiaries, whereby the consolidated tax liability is allocated among affiliates in the ratio that each affiliate’s separate return liability bears to the sum of the separate return liabilities of all affiliates that are members of the consolidated group. In addition, a complementary method is used which results in reimbursement by profitable affiliates to loss affiliates for tax benefits generated by loss affiliates.

Amounts due from / (to) related parties as of June 30, 2023 and December 31, 2022 were:

Related Party	June 30, 2023	December 31, 2022
GoldenTree Asset Management LP	\$ 278,152	\$ -
Less: Non Admitted Receivable	-	-
Total Admitted Related Party Receivable	\$ 278,152	\$ -
GoldenTree Asset Management LP	\$ (2,389,286)	\$ (1,530,634)
Net Receivable/(Payable)	\$ (2,111,134)	\$ (1,530,634)

11. Debt:

There has been no change from that discussed in the Company’s 2022 Annual Statement.

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

There has been no change from that discussed in the Company’s 2022 Annual Statement except as discussed below.

Beginning April 1, 2020 employees of Syncora Guarantee could participate in a qualified defined contribution retirement plan for the benefit of all eligible employees. This plan is maintained by Syncora Guarantee. Employer contributions to the plan are based on a fixed percentage of employee contributions and compensation as defined by the plan. For the six months ended June 30, 2023 and 2022, the Company incurred expenses of \$0.2 million and \$0.2 million, respectively, relating to employer contributions made to the aforementioned plan.

Notes to Financial Statements

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations:

There has been no change from that disclosed in the Company’s 2022 Annual Statement with regard to disclosures 13.A. D. E. F. G. H. I. and L. in such Annual Statement. However, in regard to disclosures required by 13.B, 13.C, 13.J. and 13.K. see the updates below.

B. The Company has 2,000 Series B Preferred shares authorized, all of which are issued. During 2019, the Company purchased from third parties \$100.3 million of aggregate face amount of Pass-Through Trust Preferred Securities issued by the Twin Reefs Pass-Through Trust, in which the Twin Reefs Securities purchased correspond to 1,003 shares of the Company’s Series B Preferred shares. As a result of these purchases, the Company currently holds 1,658 shares of its Series B Preferred shares as treasury stock, which includes the 655 shares previously held by the Company. These shares have a par value of \$120 per share and a liquidation preference of \$100,000 per share. Holders of these preferred shares shall be entitled to receive, in preference to the holders of common shares, non-cumulative cash dividends at a variable rate equal to one-month LIBOR plus 2.00% per annum, calculated on an actual/360 day basis, when and if declared by the Board of Directors of the Company. On December 30, 2021, the Company paid a one-time dividend to holders of the Twin Reefs Pass-Through Certificates equal to one-year’s interest. On May 20, 2022, the Company paid a one-time dividend to holders of the Twin Reefs Pass-Through Certificates equal to one-year’s interest.

The holders of the preferred shares are not entitled to any voting rights and their consent is not required for taking any corporate action with certain limitations. Subject to certain requirements, the preferred shares may be redeemed, in whole or in part, at the option of Syncora Guarantee at any time or from time to time for cash at a redemption price equal to the liquidation preference per share plus any accrued and unpaid dividends thereon to the date of redemption without interest on such unpaid dividends.

C. The ability of the Company to declare and pay a dividend to shareholders is governed by applicable New York law, including the NYIL. Under Section 4105 of the NYIL, the Company is permitted to pay dividends to shareholders in any 12-month period, without the prior approval of the NYDFS in an amount equal to the lesser of 10% of its policyholders’ surplus as of the last financial statement filed with the NYDFS (annual or quarterly) or their adjusted net investment income for the 12-month period, as determined in accordance with Statutory Accounting Practices prescribed or permitted by the NYDFS. The NYIL also provides that the Company may distribute dividends to shareholders in excess of the aforementioned amount only upon approval thereof by the NYDFS. Even if these tests are satisfied, New York Insurance Law provides a further test in that the Company may not declare or distribute any dividends to shareholders except out of “earned surplus” (an amount equal to “unassigned funds” as shown on its statutory balance sheet, which as of June 30, 2023 was \$216.4 million, less “unrealized appreciation of assets”). The NYDFS may disapprove such dividends to shareholders if it finds that the Company will retain insufficient surplus to support its obligations and writings. On December 22, 2021, the Company declared an ordinary dividend of \$21,607,259 and the dividend was paid on December 30, 2021. On May 16, 2022, the Company declared an extraordinary dividend of \$300,000,000 and the dividend was paid on May 20, 2022.

J. As of June 30, 2023, the portion of unassigned funds (surplus) represented by or reduced by each item below is as follows:

a.	unrealized (gains) and losses:	\$	775,227
b.	non-admitted asset values:	\$	448,369

K. As of June 30, 2023, the Company had no surplus notes outstanding.

L. The Company has never been party to a quasi-reorganization.

14. Contingencies:

A. Contingent Commitments

There has been no change from that discussed in the Company’s 2022 Annual Statement.

B. Assessments

There has been no change from that discussed in the Company’s 2022 Annual Statement.

C. Gain Contingencies

There has been no change from that discussed in the Company’s 2022 Annual Statement.

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

There has been no change from that discussed in the Company’s 2022 Annual Statement.

Notes to Financial Statements

E. Product Warranties

There has been no change from that discussed in the Company’s 2022 Annual Statement.

F. All Other Contingencies

All of the CDS contracts insured by the Company have mark-to-market termination payments following a failure by the Company to pay a claim related to the CDS contract or the occurrence of events that are outside the Company’s control, such as the Company being placed into receivership or rehabilitation by the NYDFS or the NYDFS taking control of the Company. Mark-to-market termination payments for which the Company would have to pay a termination payment are generally calculated either based on “market quotation” or “loss” (each as defined in the ISDA Master Agreement). “Market quotation” is calculated as an amount (based on quotations received from dealers in the market) that the counterparty would have to pay another party (other than monoline financial guarantee insurance companies) to have such party takeover the Company’s position in the CDS contract. “Loss” is an amount that a counterparty reasonably determines in good faith to be its total losses and costs in connection with the CDS contract, including any loss of bargain, cost of funding or, at the election of such counterparty, but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or reestablishing any hedge or related trading position. If the Company failed to pay claims related to all of its insured CDS contracts or were placed into receivership or rehabilitation by the NYDFS or the NYDFS took control of the Company, the aggregate termination payments that the Company would be required to pay would significantly and adversely affect the Company’s financial liquidity and, accordingly, such events would have a material adverse effect on the Company’s financial position and results of operations. The Company’s reserves for unpaid losses and loss adjustment expenses do not consider the effect of mark-to-market termination payments. In connection with the Company’s reinsurance agreement with Assured Guaranty, substantially all of the CDS contracts insured by the Company have been reinsured by Assured Guaranty. However, the reinsurance agreement does not generally cover any mark-to-market termination payments.

As described in Note 21.G, the Company entered into a Credit Agreement and related Security Agreement with Assured Guaranty, pursuant to which Assured Guaranty agreed to make loans to the Company to fund its claims payments on remediated RMBS. To secure its obligations thereunder, the Company pledged as collateral certain of its insurance cash flow certificates.

In the ordinary course of business, Syncora Guarantee is subject to litigation or other legal proceedings. See also Note 21.G. and H. for certain other contingencies.

15. Leases:

There has been no significant change from that discussed in the Company’s 2022 Annual Statement.

16. Information About Financial Instruments with Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk:

While the Company establishes reserves for losses and loss adjustment expenses on obligations it has guaranteed or reinsured to the extent it determines that losses are probable and reasonably estimable, the risk of loss under the Company’s guarantees extends to the full amount of unpaid principal and interest on all debt obligations it has guaranteed (see description of financial guarantee insurance and reinsurance in Note 21.H.). The tables below reflect certain information regarding the Company’s in-force principal and interest exposure at June 30, 2023.

Notes to Financial Statements

The following table sets forth the Company’s in-force guaranteed principal and interest exposure by bond sector as of June 30, 2023:

Bond Exposure
(U.S. dollars in millions)

	Retained business		Ceded business	
	PO⁽¹⁾	IO⁽¹⁾	PO⁽¹⁾	IO⁽¹⁾
Public Finance				
Utility	\$ 77	\$ 14	\$ 138	\$ 1
Special Revenue	61	10	895	709
General Obligation	6	2	211	62
Non Ad Valorem	-	-	19	3
Appropriation	-	-	20	3
Total Public Finance	<u>\$ 144</u>	<u>\$ 26</u>	<u>\$ 1,283</u>	<u>\$ 778</u>
Asset-Backed Securities				
RMBS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220</u>	<u>\$ 119</u>
Total Asset-Backed Securities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220</u>	<u>\$ 119</u>
Collateralized Debt Obligations				
Cashflow CDO	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>
Total Collateralized Debt Obligations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>
Structured Single Risk				
Specialized Risk	\$ 100	\$ 20	\$ 50	\$ 1
Global Infrastructure	-	-	285	100
Power & Utilities	-	-	2,268	2,098
Total Structured Single Risk	<u>\$ 100</u>	<u>\$ 20</u>	<u>\$ 2,603</u>	<u>\$ 2,199</u>
Total Outstanding	<u><u>\$ 244</u></u>	<u><u>\$ 46</u></u>	<u><u>\$ 4,107</u></u>	<u><u>\$ 3,096</u></u>

⁽¹⁾PO and IO represent Principal Outstanding and Interest Outstanding, respectively.

Notes to Financial Statements

The following table sets forth the number of years to maturity of the Company’s in-force guaranteed principal and interest exposure as of June 30, 2023:

Years to Maturity - Debt Service Amortization
(U.S. dollars in millions)

	Retained business		Ceded business	
	Scheduled Net		Scheduled Net	
	Debt Service	Outstanding ⁽¹⁾	Debt Service	Outstanding ⁽¹⁾
2023 Q2	\$ -	\$ 290	\$ -	\$ 7,203
2023 Q3	5	285	119	7,084
2023 Q4	3	282	57	7,027
Total 2023	\$ 8		\$ 176	
2024	\$ 24	\$ 258	\$ 263	\$ 6,764
2025	43	215	870	5,894
2026	49	166	238	5,656
2027	49	117	236	5,420
Total 2024-2027	\$ 165		\$ 1,607	
2028-2032	\$ 80	\$ 37	\$ 1,018	\$ 4,402
2033-2037	37	-	1,493	2,909
2038-2042	-	-	840	2,069
2043 and thereafter	-	-	2,069	-
Total 2028-thereafter	\$ 117		\$ 5,420	
Total	\$ 290		\$ 7,203	

⁽¹⁾Outstanding represents principal and interest.

Notes to Financial Statements

The following table sets forth the Company’s in-force guaranteed principal exposure by geographic concentration as of June 30, 2023:

Geographic Distribution - Par Exposure
(U.S. dollars in millions)

	Retained business		Ceded business	
	Amount	%	Amount	%
United States				
Puerto Rico	\$ 83	34.1 %	\$ -	- %
New York	61	24.8	247	6.0
California	-	-	1,029	25.1
Multi-state ⁽¹⁾	-	-	221	5.4
Other ⁽²⁾	-	-	220	5.3
Washington	-	-	180	4.4
Total United States	\$ 144	58.9 %	\$ 1,897	46.2 %
International				
Italy	\$ 100	41.1 %	\$ -	- %
United Kingdom	-	-	2,071	50.4
Chile	-	-	85	2.1
Mexico	-	-	50	1.2
Canada	-	-	4	0.1
Total International	\$ 100	41.1 %	\$ 2,210	53.8 %
Total Par Outstanding	\$ 244	100.0 %	\$ 4,107	100.0 %

⁽¹⁾Deals with underlying securities in multiple states.
⁽²⁾Single state with par outstanding < 1% of the total exposure in the current period.

Notes to Financial Statements

Exposure to Residential Mortgage Market

The Company is exposed to residential mortgages directly through its insurance guarantees of RMBS.

The following table presents the principal outstanding for the Company’s insured RMBS portfolio by type⁽¹⁾ of collateral as of June 30, 2023:

RMBS Exposure
(U.S. dollars in millions)

	Retained business		Ceded business	
	Amount	%	Amount	%
Prime (1st lien)	\$ -	- %	\$ 4	1.8 %
Prime (2nd lien)	-	-	-	0.1
Prime (HELOC)	-	-	9	4.0
Alt-A (1st lien)	-	-	10	4.4
Subprime (1st lien)	-	-	194	88.4
Subprime (2nd lien)	-	-	3	1.3
Total RMBS Outstanding	\$ -	- %	\$ 220	100.0 %

⁽¹⁾ Collateral type is defined as follows: Prime (1st lien) mortgage loans are secured by first liens on one-to-four family residential properties. The underwriting standards used to underwrite prime mortgage loans are the standards applied to the most creditworthy borrowers and are generally acceptable to Fannie Mae and Freddie Mac. Prime (2nd lien) mortgage loans are secured by 2nd liens on one-to-four family residential properties. The underwriting standards used to underwrite prime mortgage loans are the standards applied to the most creditworthy borrowers and are generally acceptable to Fannie Mae and Freddie Mac. This category also includes Alt-A (2nd lien) loans. HELOC is an adjustable rate line of credit secured by a second lien on residential properties. An Alt-A loan means a mortgage loan secured by first liens on residential properties, which is ineligible for purchase by Fannie Mae or Freddie Mac. Subprime (1st lien) mortgage loans are secured by first liens on residential properties to non-prime borrowers. The underwriting standards used to underwrite subprime mortgage loans are less stringent than the standards applied to the most creditworthy borrowers and less stringent than the standards generally acceptable to Fannie Mae and Freddie Mac with regard to the borrower’s credit standing and repayment ability. Subprime (2nd lien) mortgage loans are secured by second liens on residential properties to non-prime borrowers. See Subprime (1st lien) for a description of the underwriting standards. Subprime (1st lien) – International mortgage loans are secured by first liens on residential properties to non-prime borrowers located outside the United States.

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

- A. There has been no change from that discussed in the Company’s 2022 Annual Statement.
- B. There has been no change from that discussed in the Company’s 2022 Annual Statement.
- C. There has been no change from that discussed in the Company’s 2022 Annual Statement.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans:

- A. There has been no change from that discussed in the Company’s 2022 Annual Statement.
- B. There has been no change from that discussed in the Company’s 2022 Annual Statement.
- C. There has been no change from that discussed in the Company’s 2022 Annual Statement.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators:

There has been no change from that discussed in the Company’s 2022 Annual Statement.

20. Fair Value Measurement:

- A. Inputs Used for Assets and Liabilities Measured at Fair Value

- (1) Assets and Liabilities measured at fair value

The Company has categorized its assets that are measured at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

Level 1- Quoted prices for identical instruments in active markets.

Level 2- Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs and valuation drivers are observable in active markets.

Level 3- Model-derived valuations in which one or more significant inputs or significant value drivers are unobservable.

Notes to Financial Statements

The following fair value hierarchy table presents the Company’s assets and liabilities measured at fair value at June 30, 2023.

June 30, 2023					
	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
Assets at Fair Value					
Common Stocks:					
Common Stocks	\$ 10,343,307	\$ -	\$ -	\$ -	\$ 10,343,307
Fixed Maturity Investments:					
Special Revenue	-	474,831	-	-	474,831
Industrial & Miscellaneous	-	61,793,525	23,807,172	-	85,600,697
Derivatives	-	179,311	-	-	179,311
Other Invested Assets	-	-	159	-	159
Total Assets at Fair Value	<u>\$ 10,343,307</u>	<u>\$ 62,447,667</u>	<u>\$ 23,807,331</u>	<u>\$ -</u>	<u>\$ 96,598,305</u>
Liabilities at Fair Value					
Derivatives	\$ -	\$ 263,518	\$ -	\$ -	\$ 263,518
Total Liabilities at Fair Value	<u>\$ -</u>	<u>\$ 263,518</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 263,518</u>

(2) The following table presents information about changes in assets and liabilities measured at fair value using significant unobservable inputs (Level 3) as of June 30, 2023.

	Balance at March 31, 2023	Transfers into Level 3	Transfers out of Level 3	Total Gains and (Losses) included in Net Income	Total Gains and (Losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Balance at June 30, 2023
Assets:										
Fixed Maturity Investments	\$ 16,941,708	\$ -	\$ -	\$ -	\$ 415,558	\$ 7,915,504	\$ -	\$ (1,465,598)	\$ -	\$ 23,807,172
Derivatives	33,122	-	(33,122)	-	-	-	-	-	-	-
Other Invested Assets	301	-	-	-	(142)	-	-	-	-	159
Total Assets	<u>\$ 16,975,131</u>	<u>\$ -</u>	<u>\$ (33,122)</u>	<u>\$ -</u>	<u>\$ 415,416</u>	<u>\$ 7,915,504</u>	<u>\$ -</u>	<u>\$ (1,465,598)</u>	<u>\$ -</u>	<u>\$ 23,807,331</u>
Liabilities:										
Derivatives	\$ 405,377	\$ -	\$ (405,377)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>\$ 405,377</u>	<u>\$ -</u>	<u>\$ (405,377)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(3) For the three months ended June 30, 2023, the Company had \$33.1 thousand transfers out of Level 3 Assets and \$405.4 thousand transfers out of Level 3 Liabilities. The transfers were made upon a review of the records of the Company's investment custodian.

B. Other Fair Value Disclosures

Not applicable.

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

The table below reflects the fair values and admitted values of all admitted assets that are financial instruments excluding those accounted for under the equity method. 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)
Financial Instruments - Assets							
Bonds	\$ 216,571,090	\$ 218,134,013	\$ 9,938,687	\$ 142,829,958	\$ 63,802,445	\$ -	\$ -
Cash, Cash Equivalents and Short-term Investments	168,902,279	168,902,279	164,825,812	538,867	3,537,600	-	-
Common Stocks	10,343,308	10,343,308	10,343,308	-	-	-	-
Derivatives	179,311	179,311	-	179,311	-	-	-
Other Invested Assets	159	159	-	-	159	-	-
Total Assets	<u>\$ 395,996,147</u>	<u>\$ 397,559,070</u>	<u>\$ 185,107,807</u>	<u>\$ 143,548,136</u>	<u>\$ 67,340,204</u>	<u>\$ -</u>	<u>\$ -</u>

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

Not applicable.

Notes to Financial Statements

21. Other Items:

For a Description of Significant Risks and Uncertainties and Description of the Company’s On-Going Strategic Plan, see item G. below.

- A. There has been no change from that discussed in the Company’s 2022 Annual Statement.
- B. There has been no change from that discussed in the Company’s 2022 Annual Statement.
- C. Other disclosures

For Regulatory and Legal Matters, see item H. below.

- D. There has been no change from that discussed in the Company’s 2022 Annual Statement.
- E. There has been no change from that discussed in the Company’s 2022 Annual Statement.
- F. Subprime Mortgage Related Risk Exposure

(1) Subprime Mortgage Exposures

The Company has exposure to the U.S. subprime mortgage market through its financial guarantee insurance policies and investments in RMBS. See below and refer to Notes 16 and 25 for additional information regarding the Company's insured portfolio.

(2) Direct Exposure - Mortgage Loans

There has been no change from that discussed in the Company’s 2022 Annual Statement.

(3) Direct Exposure - Other Investment Classes

There has been no significant change from that discussed in the Company’s 2022 Annual Statement.

(4) Underwriting Exposure to subprime mortgage risk through Financial Guaranty insurance coverage

Description	Losses		Case Reserves at the End of Current Period	IBNR Reserves at End of Current Period
	Losses Paid in the Current Year	Incurred in the Current Year		
Financial Guaranty Coverage	\$ (1,931,963)	\$ (1,205,594)	\$ (4,392,408)	\$ -

G. Description of Significant Risks and Uncertainties, and Description of the Company’s On-Going Strategic Plan:

The Company is exposed to significant risks and uncertainties that may materially affect its operations, financial and liquidity position. These relate to, among other things, (i) the potential for future adverse loss and claims development on its insured obligations or salvage and (ii) the amount or timing of anticipated recoveries of salvage on Puerto Rico - related claims payments, and (iii) the performance of Assured Guaranty under the reinsurance and related agreements. These risks and uncertainties are discussed more fully below and could materially and adversely affect the Company’s results of operations, financial condition and liquidity.

Description of Significant Risks and Uncertainties Related to Puerto Rico Exposures

- As of June 30, 2023, the Company has \$115.0 million Puerto Rico-related risk (excluding interest outstanding of \$15.5 million), which includes direct insurance and reinsurance of bond policies, direct investments by the Company solely as a result of remediation transactions and salvage and subrogation rights on the Puerto Rico related claims payments. The risk relates primarily to bonds issued by the Puerto Rico Electric Power Authority (“PREPA”) of \$109.0 million (excluding interest outstanding of \$14.0 million) and \$6.0 million of risk related to other obligations of Puerto Rico (excluding interest outstanding of \$1.5 million). As of June 30, 2023, the Company paid approximately \$292.1 million in net claims, representing principal and interest due related to Commonwealth, PREPA and other obligation of Puerto Rico exposures. Given that the Puerto Rico proceedings under PROMESA (as detailed below) may continue for an extended period, the Company may be required to make further material claims payments and therefore further increase the proportion of its assets that are comprised of salvage and subrogation rights. Recoveries relating to these rights and interests could be long-dated, which could have a material adverse effect on the Company’s short-term liquidity needs.

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On June 30, 2016, President Obama enacted the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), which provides Puerto Rico and its instrumentalities with both an in-court (Title III) and out-of-court (Title VI) process to restructure debts and bind holdouts. PROMESA provides for the establishment of an Oversight Board, which President Obama appointed on August 31, 2016, with the authority to approve adjustments of debt of Puerto Rico and its instrumentalities, including PREPA. In December 2020, President Trump appointed four new members to the Oversight Board and in January 2021, reappointed three of the prior members of the Oversight Board.

On May 3, 2017, the Oversight Board filed a petition under Title III on behalf of the Commonwealth. On July 2, 2017, the Oversight Board filed a petition under Title III on behalf of PREPA. The Commonwealth’s and PREPA’s Title III proceedings increase the risk and uncertainty relating to the ultimate recovery on the Commonwealth’s general obligations bonds and of PREPA’s power revenue bonds.

On June 14, 2017, the judge overseeing the Title III proceedings entered an order appointing a team of mediators to facilitate confidential settlement negotiations of any issues arising in those proceedings. The Company participated in the initial mediation process, which terminated on January 19, 2022.

The Oversight Board certified a revised fiscal plan for PREPA on June 23, 2023 and for the Commonwealth on April 3, 2023.

On July 30, 2018, the Oversight Board announced that it entered into a preliminary restructuring support agreement with the ad hoc group of PREPA bondholders, PREPA and the Commonwealth. This agreement contemplates the exchange of outstanding uninsured PREPA bonds for two classes of new securitization bonds and does not address the treatment of insured PREPA bonds. On April 9, 2019, the Oversight Board, PREPA and the Commonwealth announced that they had reached an agreement in principle for a definitive restructuring support agreement (the “Definitive RSA”) with Assured Guaranty Corp., Assured Guaranty Municipal Corp. and the ad hoc group of PREPA bondholders, which supersedes the July 2018 preliminary restructuring support agreement. On September 9, 2019, the Company became a party to the Definitive RSA pursuant to an Amendment that governs the treatment of bonds held or insured by the Company. In light of the COVID-19 pandemic, the hearing to approve the Definitive RSA was adjourned to a date to be determined. The Oversight Board announced on January 19, 2022, that it remains committed to pursuing the Definitive RSA, although it is also evaluating all alternatives. However, on March 8, 2022, the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) announced that it terminated the Definitive RSA stating that the Definitive RSA was “neither feasible nor in the best interests of Puerto Rico” in light of the significantly changed circumstances. Thereafter, the Court entered an order requiring the Oversight Board to (i) disclose by March 18, 2022, whether there is an agreement regarding mediation and (ii) file a plan of adjustment for PREPA, or a detailed plan term sheet, by May 2, 2022 (which was subsequently extended by the Court to June 1, 2022). On March 17, 2022, the Oversight Board disclosed that it has reached an agreement with AAFAF, the Company and certain other creditors regarding engaging in a mediation process to achieve a confirmable PREPA plan of adjustment. On April 8, 2022, the Court entered an order appointing a team of judicial mediators for the PREPA Title III case and directing that the mediation shall terminate on June 1, 2022. The Court subsequently entered several orders extending both of these June 1 deadlines to September 16, 2022 in order to allow the mediation to continue. On September 16, 2022, the Oversight Board disclosed that the parties were unable to reach a mediated agreement and it sought to resume litigation of certain disputes whose resolutions can help facilitate plan confirmation. On September 29, 2022, the Court entered an order establishing a litigation schedule for certain disputes focused on the scope of the PREPA bondholders’ liens as well as the bonds’ nonrecourse nature. The Court also directed the Oversight Board to file a plan of adjustment for PREPA by December 1, 2022, as well as a proposed confirmation schedule contemplating a June 2023 confirmation hearing. After receiving certain extensions, on December 16, 2022, the Oversight Board filed a plan of adjustment for PREPA, as well as a corresponding disclosure statement. The PREPA plan of adjustment and disclosure statement were subsequently amended. On March 3, 2023, the Court overruled the various objections filed and entered an order approving the adequacy of the PREPA disclosure statement and solicitation procedures. In addition, the Court scheduled hearings to confirm the PREPA plan of adjustment to commence on July 17, 2023. However, on June 21, 2023, in response to a motion by the Oversight Board disclosing that PREPA’s 2023 fiscal plan will require modifications to the proposed plan of adjustment, the Court suspended all confirmation related deadlines. The Oversight Board is required to file an amended plan of adjustment for PREPA by August 18, 2023, which will reflect the changes to the PREPA 2023 fiscal plan and recent settlement discussions. In addition, there is an ongoing Court appointed PREPA mediation process, which is now set to terminate on October 30, 2023.

In accordance with the Court approved litigation schedule, on September 30, 2022, the Oversight Board filed an amended complaint objecting to and challenging, among other things, the validity, enforceability, and extent of the PREPA bondholders’ prepetition security interests, including the PREPA bonds held or insured by the Company. On October 7, 2022, the Court entered an order allowing the Company, as well as certain other monoline insurers and bondholders, to intervene as defendants with full participation rights in the litigation. On October 17, 2022, the defendants, including the Company, collectively filed their answer, affirmative defenses and counterclaims to the amended complaint. In addition, on October 24, 2022, the defendants, including the Company, filed a motion for summary judgment seeking, among other things, declaratory judgment with respect to certain of the claims and counterclaims concerning the recourse, validity and perfection of the defendants’ PREPA bonds. Also on October 24, 2022, the Oversight Board filed a motion for summary judgment with respect to its amended complaint and certain of the counterclaims asserted by the Company. On March 22, 2023, the Court issued an opinion granting in part and denying in part

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each of the summary judgment motions. In particular, the Court found, among other things, that the bondholders (i) only have a secured claim with respect to specific funds set aside for bond repayments, (ii) have no security interest in the trust agreement’s “covenants and remedies,” and (iii) have an unsecured deficiency claim in the form of an unsecured net revenue claim, which is to be calculated by reference to the value of future net revenues that would have become collateral upon being deposited in the sinking funds and thus payable to the bondholders over the remaining life of the bonds. Several parties, including the Company, filed motions for leave to appeal the ruling. On May 3, 2023, the Court denied the requests for an interlocutory appeal. A hearing to estimate the amount of the bondholders’ unsecured deficiency claim was held on June 6, 2023. On June 26, 2023, the Court estimated the bondholders’ unsecured deficiency claim at \$2.388 billion as of the July 3, 2017.

On February 23, 2021, the Oversight Board announced that it entered into a new Plan Support Agreement (the “New PSA”) with certain bondholders and monoline insurers, including the Company, which will be incorporated into an amended plan of adjustment (the “Proposed Plan”) for the Commonwealth, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) and the Puerto Rico Public Buildings Authority (the “PBA”). The New PSA has the support of holders of more than \$13 billion of general obligation and PBA bonds, including the Company, Assured Guaranty and National Public Finance Guarantee Corp. The New PSA provides for the treatment of Commonwealth and PBA bonds, including those held or insured by the Company. Subsequently, the Oversight Board entered into an agreement with over 70% of ERS bondholders regarding the treatment of their claims a settlement with the Official Committee of Unsecured Creditors to obtain the Committee’s support for the Commonwealth’s plan of adjustment and a settlement with Ambac Assurance Corp. and Financial Guaranty Insurance Company regarding the treatment of their insured bonds. On July 27, 2021, the Oversight Board filed a sixth amended plan of adjustment (as may be further amended, the “Plan”) for the Commonwealth, PBA and ERS, as well as a further amended disclosure statement, which incorporated the recent settlements. On July 29, 2021, the Court approved the disclosure statement and commencement of solicitation of votes for the Plan, subject to certain modifications. On October 26, 2021, the Commonwealth of Puerto Rico enacted legislation that authorized the issuance of new securities that are contemplated to be issued under the Plan. Hearings to confirm the Plan for the Commonwealth, PBA and ERS were held during November 2021. On January 18, 2022, the Court issued an order confirming the Plan (the “Confirmation Order”), which provides a combination of cash and new bonds in exchange for the bonds held or insured by the Company. On March 15, 2022, the Plan was substantially consummated and became effective. Certain creditors have appealed the Confirmation Order to the United States Court of Appeals for the First Circuit, with one appeal still pending before the First Circuit.

On May 5, 2021, the Oversight Board, Assured Guaranty and National Public Finance Guarantee Corp. entered into another plan support agreement that provides a framework to restructure the debts of the Puerto Rico Highway and Transportation Authority (“HTA”) and the Puerto Rico Convention Center District Authority (“CCDA”). On July 16, 2021, the Oversight Board announced that Ambac Assurance Corp. and Financial Guaranty Insurance Company have signed joinders to the HTA/CCDA plan support agreement. The Oversight Board filed HTA’s plan of adjustment on May 2, 2022. On June 22, 2022, the Court entered an order approving the disclosure statement for the HTA plan of adjustment and the Oversight Board commenced solicitation of votes for the HTA plan shortly thereafter. On October 12, 2022, the Court entered an order confirming HTA’s plan of adjustment, which governs the treatment of HTA bonds held of insured by the Company. On December 6, 2022, the HTA plan of adjustment was substantially consummated and became effective. On July 12, 2023, the United States Court of Appeals for the First Circuit affirmed the HTA confirmation order and overruled a challenge by certain HTA employees.

Due to the pending PREPA Title III case, the Company may experience further losses on these insured obligations which could have a material adverse effect on the Company’s surplus, liquidity and financial position.

- As of June 30, 2023, in respect of its Puerto Rico-related exposure, the Company has made substantial claim payments and anticipates that it may be requested to make further payments in the period 2023 to 2031 of at least approximately \$91.7 million, followed in later years (in some cases significantly later years) by recoveries of these claims payments. The amount and timing of this salvage and recoveries related to all of these payments are subject to greater uncertainty than the amount and timing of such future claims payments themselves. Pursuant to the Company’s accounting policy and guidance under SSAP, the net present value of estimated claims and recoveries (including salvage and subrogation) are reflected in the Company’s loss reserves (see the Company’s accounting policy on reserves in Note 1.C. of the Company’s 2022 Annual Statement). Because of the inherent uncertainty in estimating future claim payments and recoveries, no assurance can be given that the amount or timing of claims payments, related recoveries, or ultimate losses match the Company’s estimates, and such differences could materially and adversely affect the Company’s results of operations, financial condition and liquidity. The Company may also experience significant adverse development on its insured obligations that may place further demands on the Company’s liquidity and financial position. See Note 36.B “*Schedule of Insured Financial Obligations with Credit Deterioration*” caption for further discussion.

Description of Other Significant Risks and Uncertainties and Other Matters

- Effective June 1, 2018, the Company entered into with Assured Guaranty (i) a reinsurance agreement, pursuant to which the Company ceded \$12.1 billion of its insured exposure to Assured Guaranty, (ii)

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an administrative services agreement with Assured Guaranty pursuant to which Assured Guaranty provide certain administrative services with respect to the reinsured policies, including reporting and making claims payments, and (iii) a credit agreement and related security agreement, pursuant to which Assured Guaranty agreed to make loans to the Company to fund its claims payments on remediated RMBS. As a result of the reinsurance transaction, the Company is exposed to reinsurance counterparty credit risk that the reinsurer may default in its financial obligations with respect to the terms of reinsurance agreement. This credit risk could cause increased losses and loss reserves and a reduction in reinsurance recoverables. In addition, the failure of Assured Guaranty to perform under the administrative services agreement or the credit agreement could cause a disruption to the Company's insurance operations and could increase operational costs and the Company's liquidity needs. As of June 30, 2023, the insured exposure ceded to Assured Guaranty was approximately \$4.1 billion.

- The Company and its financial position will continue to be subject to risk of global financial and economic conditions, including the impact of the COVID-19 pandemic, that could materially and adversely affect the amount of potential losses (including the timing and amount of potential claims and subsequent recoveries) incurred on transactions it guarantees, the value of its investment portfolio, and otherwise materially and adversely affect the Company. With respect to the Company's investment portfolio, may adversely affect the Company's ability to generate sufficient investment income to fund its future obligations. Issuers or borrowers whose securities or loans the Company insures or holds as well as the Company's counterparties under swaps and other derivative contracts may default on their obligations to the Company due to bankruptcy, insolvency, lack of liquidity, adverse economic conditions, operational failure, fraud or other reasons. Additionally, the underlying assets supporting securities that the Company has guaranteed may deteriorate further, causing these securities to incur losses. At this time, it is not possible to determine the ultimate impact that the global pandemic, and any resulting economic issue, will have on the Company.
- The Company has direct insurance and reinsurance exposure to certain credits within European countries. Global economic conditions have been negatively affected with concerns about the continued sovereign debt crisis within the European region and the possibility that certain European Union member states will default on their debt obligations or leave the European Union, the effects of the COVID-19 pandemic, as well as the current military actions in Ukraine. The continued uncertainty over the outcome of the European Union governments' efforts to provide financial support for sovereigns and sub-sovereigns and the possibility of further deteriorating conditions in Europe could have a material adverse effect on the Company's financial and liquidity position. As of June 30, 2023, the Company's in-force guaranteed principal exposure to the European Union was approximately \$100.3 million which was specifically related to a credit in a higher risk country, such as Italy. The Company does not insure any obligations in Ukraine, but general global economic conditions may continue to be negatively impacted by the Russian invasion of Ukraine and the resulting sanctions and export controls targeting Russia.
- The Financial Conduct Authority of the United Kingdom plans to phase out the London Interbank Offered Rate ("LIBOR") (some tenors at the end of 2022 and other tenors in 2023). LIBOR is the benchmark rate that many banks and issuers use to set interest rates in loan documents. United States' authorities recognizing the need for a LIBOR replacement, convened the Alternative Reference Rate Committee ("ARRC") in 2014 to find a replacement. After three years of study the ARRC identified the Secured Overnight Financing Rate ("SOFR") – the broadest of three existing Repo rates, as its preferred alternative to LIBOR. As of June 30, 2023, the Company has LIBOR based gross and net par outstanding insured exposure of \$212.1 million and zero, respectively. An increase in interest rates, the potential phase out of LIBOR and the difference between LIBOR and SOFR could have an adverse effect on the Company's surplus, liquidity and financial position. The Company has formed an internal working group to review its LIBOR exposure and the possible impact from the cessation of LIBOR as a means of understanding and managing this possible risk.
- The Company is materially exposed to foreign exchange risk as the Company's insured debt obligations are denominated in a number of foreign currencies and the U.S. dollar. The principal currency creating foreign exchange risk is the European Union euro. At June 30, 2023, approximately 41% of the Company's in-force guaranteed net par outstanding exposure of \$0.2 billion was denominated in such currency. The Company translates foreign currencies into U.S. dollars at the current market exchange rates. Changes in the exchange rates between foreign currencies and U.S. dollars may have an adverse effect on the settlement of potential claims or the value of salvage/recoveries and therefore could have a material adverse effect on the Company's liquidity and surplus position.
- Establishment of case basis reserves for unpaid losses and loss adjustment expenses on the Company's in-force business requires the use and exercise of significant judgment and is based on certain assumptions by management, including estimates regarding the likelihood of occurrence, timing and amount of a loss on a guaranteed obligation. Changes in such assumptions could materially adversely affect such reserve estimates, including the amount and timing of any claims. Under certain conditions, many of which are event-driven and outside the control of the Company, these exposures may result in significant increases in claims beyond those assumed in the Company's reserve estimate (that may or may not result in an increase in such loss reserves) in the near to medium term. A material portion of the Company's case basis reserves reflects certain assumptions that affect salvage and reimbursements in the remainder of its insured and reinsured portfolio. Actual experience may, and likely will, differ from those estimates and such difference may be material due to the fact that the ultimate dispositions

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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, recoveries in bankruptcy proceedings, changes in the value of specific assets supporting guaranteed obligations, changes in the level of investment yield and the effects of the COVID-19 pandemic. Both qualitative and quantitative factors are used in making such estimates. From time to time 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 guarantees extends to the full amount of unpaid principal and interest on all debt obligations it has guaranteed.

- The Company has sought, and may in the future seek, the NYDFS's approval of permitted accounting practices and other regulatory relief which have, and if granted may have, a material effect on the Company's policyholders' surplus. Once granted, these permitted accounting practices have been subject to an annual approval or confirmation. No assurance can be given that the NYDFS will continue to grant approval of the Company's past or any future permitted accounting practices or requested regulatory relief. Failure to obtain continuing approval of the past or future permitted accounting practices or requested regulatory relief could have a material adverse effect on the Company's policyholders' surplus. See Note 1.A. for discussion of permitted accounting practices.
- The Company may request, from time to time, a payment of dividends on its common shares. The Company's ability to pay dividends on its preferred and common shares is subject to risks and uncertainties, including, without limitation, prior regulatory approval by the NYDFS. See Note 13.C for further discussion. No assurance can be given as to whether, when or in what amounts the Company may be able to pay any dividends on its preferred and/or common shares. As discussed in Note 13.C. the Company's ability to pay dividends is subject to regulatory constraints.
- The Company is involved in legal proceedings. Management cannot predict the outcomes of these legal proceedings with certainty. Prosecuting these legal proceedings involves expense and diversion of management's attention and resources from other matters.
- The Company relies upon information technology and systems, including those of third parties, to support a variety of its business processes and activities. In addition, the Company has collected and stored confidential information. The Company's data systems and those of third parties on which it relies may be vulnerable to security breaches from external and internal factors. Problems in, or security breaches of, these systems could result in, among other things, reputational harm, the disclosure or misuse of confidential or proprietary information, inaccurate loss projections, legal costs and regulatory penalties. As the Company's business operations rely on the continuous availability of its computer systems, as well as those of certain third parties, a failure to maintain business continuity in the wake of disruptive events could prevent the timely completion of critical processes across its operations, including, for example, claims processing and investment operations. These failures could result in additional costs, fines and litigation.
- The Company's success substantially depends upon its ability to retain qualified employees and upon the ability of its senior management and other key employees to implement its strategic plan. The Company relies substantially upon the services of its executive team and other key employees. The loss of the services of any of these individuals or other key members of the Company's management team or the inability to hire talented personnel could adversely affect the implementation of its strategic plan or business operations.
- The Company may be unable to execute any or all of the elements of its on-going strategic plan on a timely basis or at all as described below.

Risks related to Strategy

On December 30, 2019, Syncora Holdings Ltd. ("Syncora Holdings") and its subsidiary, Syncora Holdings US Inc. sold their entire ownership interest in Syncora Guarantee to Syncora FinanceCo LLC. ("Syncora FinanceCo"), an entity organized by GoldenTree Asset Management LP ("GoldenTree") on behalf of GoldenTree's managed funds and accounts. Upon sale, the Company retained certain of its employees in an effort to provide a smooth transition to its new ownership structure.

Syncora Guarantee's parent, Syncora FinanceCo, is a holding company with no independent operations or assets and is dependent on dividends from Syncora Guarantee, if any, to fund its liquidity needs. Syncora FinanceCo has advised Syncora Guarantee that it may request that Syncora Guarantee pay one or more dividends for this purpose in the future. Syncora Guarantee's ability to pay any dividend would be subject to compliance with applicable legal and other requirements, including any required approval of the NYDFS. On May 20, 2022, Syncora Guarantee paid an extraordinary dividend of \$300 million to Syncora FinanceCo.

Furthermore, Syncora Guarantee continues to pursue certain key strategic initiatives in order to continue to deliver enhanced value (including the potential to declare and pay dividends) to stakeholders. These initiatives include (i) actively and continuously focusing on reducing the Company's retained insured

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exposures (through their purchase on the open market or otherwise, commutation, defeasance, reinsurance or other restructuring) to minimize potential claim payments, maximize recoveries and mitigate potential losses, some of which may result in a material decrease in our retained exposure, if consummated, which further reduced the Company’s net par outstanding significantly, (ii) seeking to realize the maximum value of its assets, and from any other rights and remedies the Company may have, (iii) seeking to novate or, itself or its affiliates, purchase with a view towards novating to Assured Guaranty, the policies reinsured to Assured Guaranty that have not yet been novated to Assured Guaranty as of June 30 2023, which novation may lead to a change in the credit ratings of the related securities, (iv) further reducing operating expenses and improving operational efficiencies, and (v) the ongoing performance of Assured Guaranty of the services provided by it in respect of the reinsurance agreement and the administrative services agreement.

Any or all of these actions may be outside the ordinary course of the Company’s operations or its control and may require consents, approvals or cooperation of third parties, including the NYDFS, and there can be no assurance that any such consents, approvals or cooperation will be obtained on a timely basis or at all. In addition, while the parties to the reinsurance agreement agreed to use commercially reasonable efforts to cooperate on novations for three years after the closing date of June 1, 2018, that period ended June 1, 2021.

Risks related to COVID-19

While the COVID-19 pandemic has subsided, it still remains impossible to predict the long-term impact of the pandemic on the global economy, our vendors and our operations. There were severe economic disruptions globally that may continue to be felt for some time. Although the direct impact on the Company from the pandemic has been non-material thus far, there can be no assurance given at this time as to the ultimate impact of COVID-19 on the Company and its operations.

Reinsurance Transaction

On June 1, 2018, Syncora Guarantee closed the previously announced reinsurance transaction with Assured Guaranty Corp. (“Assured Guaranty”) pursuant to which Assured Guaranty agreed to provide reinsurance, generally on a 100% quota share basis, to Syncora Guarantee of approximately \$12.1 billion of net par outstanding of Syncora Guarantee-insured financial guaranty insurance policies, representing approximately 92% of Syncora Guarantee’s outstanding insured exposure. As consideration for the transaction, which also involved a commutation of a small book of business ceded to Syncora Guarantee by an Assured Guaranty affiliate which is included in the par outstanding numbers above, Syncora Guarantee paid approximately \$360 million (which amount includes ceded reserves) and assigned over future installment premium for the reinsured policies. In addition, Syncora Guarantee exercised its option to cede certain debt service reserve fund surety and interest rate swap policies for an additional premium payment of \$2.3 million. In addition, in connection with the reinsurance, Syncora Guarantee entered into an administrative services agreement with Assured Guaranty pursuant to which Assured Guaranty would provide certain administrative services with respect to the reinsured policies, including the obligation to administer and pay claims on behalf of the Company. The Company entered into with Assured Guaranty a credit agreement and related security agreement, pursuant to which Assured Guaranty agreed to make loans to the Company to fund its claims payments on remediated RMBS.

Effective Commutation or Defeasance of the Company’s Exposure to Insured RMBS Securities

In connection with the 2009 MTA, the Company invested in a fund (the “RMBS Fund”) that executed certain transactions designed to effectively defease or, in-substance, commute the Company’s exposure on certain of its financial guarantee insurance policies written on RMBS. The RMBS Fund purchased certain of such RMBS in return for a trust certificate of an owner trust representing the uninsured cash flows of such RMBS (“Uninsured Cash Flow Certificate”) plus a cash payment. In general, the RMBS Fund contributed any such purchased RMBS (and certain of the Company’s reimbursement rights) to separate owner trusts in return for certificates representing the cash flows consisting of insurance payments made on the policies insuring such RMBS (“Insurance Cash Flow Certificates”). In return for such investments, the Insurance Cash Flow Certificates were distributed to the Company. The Company will, should the cash flows from the underlying RMBS transaction be sufficient, receive certain reimbursement payments in respect of insurance payments previously made by the Company on such RMBS. The Company also entered into several alternative transactions effectively replicating the economics of the RMBS Offer.

In addition to the RMBS Offer, as part of its on-going strategic plan, the Company directly purchased certain RMBS that it had insured. Such directly purchased RMBS were exchanged by the Company for Insurance Cash Flow Certificates and Uninsured Cash Flow Certificates using the mechanics described above. The Uninsured Cash Flow Certificate may either be held or resold by the Company.

In connection with the reinsurance transaction as discussed above, the Company has substantially ceded all of its RMBS exposure to Assured.

See “(b)” to the table in Note 1.A. above for a description of the accounting for such effective defeasances or, in-substance, commutations.

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H. Legal Matters:

In the ordinary course of business, the Company is subject to litigation or other legal proceedings as plaintiff and defendant. The Company intends to vigorously defend against any actions in which it is a defendant and vigorously prosecute any action in which it is a plaintiff, and the Company does not expect the outcome of any such matters to have a material adverse effect on the Company’s financial position, results of operations or liquidity. The Company can provide no assurance that the ultimate outcome of these actions will not cause a loss nor have a material adverse effect on the Company’s financial position, results of operations or liquidity.

Set forth below is a description of certain legal proceedings to which Syncora Guarantee is a party.

Puerto Rico

On July 18, 2017, certain creditors of PREPA, including the Company, filed a motion in PREPA’s Title III case seeking relief from the automatic stay in order to commence an action to enforce their statutory right to appoint a receiver. On September 14, 2017, this motion was denied by Judge Swain. On September 28, 2017, the Company and the other creditors appealed the decision to the United States Court of Appeals for the First Circuit. On August 8, 2018, the First Circuit issued an opinion vacating Judge Swain’s decision and holding that sections 305 and 306 of PROMESA do not preclude the court from granting the requested relief to appoint a receiver. The First Circuit remanded the case back to Judge Swain and allowed the creditors to file a renewed motion to seek relief from the automatic stay.

On October 3, 2018, certain monoline insurers, including the Company, filed a renewed motion in PREPA’s Title III case for relief from the automatic stay in order to commence an action to enforce their statutory right to appoint a receiver. On March 27, 2019, the Official Committee of Unsecured Creditors filed an objection to the renewed motion disputing, among other things, the collateral securing the PREPA bonds. On March 31, 2023, the Court entered an order administratively terminating the renewed motion, without prejudice.

On September 19, 2022, certain creditors of PREPA, including the Company, filed a motion to dismiss PREPA’s Title III case, or in the alternative relief from the automatic stay to enforce their rights to appoint a receiver (the “Motion to Dismiss”). The Court entered an order staying the Motion to Dismiss.

On May 20, 2019, the Oversight Board and the Official Committee of Unsecured Creditors filed a similar complaint challenging numerous proofs of claims relating to bonds issued by HTA, including the proof of claim filed by the Company. Upon the effectiveness of the HTA plan of adjustment and the settlements contained therein, this complaint was deemed resolved and dismissed.

On September 30, 2019, certain Fuel Line Lenders of PREPA filed an amended complaint against several parties, including the Oversight Board, PREPA and the Company. Among other things, the complaint is seeking priority payment for the plaintiffs’ claims against PREPA prior to any payments to the PREPA bondholders and to limit the lien securing the PREPA power revenue bonds. On November 11, 2019, the Company, together with certain other defendants, filed a motion to dismiss the amended complaint. The hearing on the motion to dismiss has been adjourned to a date to be determined.

Rational Special Situations Income Fund v. The Bank of New York Mellon et al.

On May 26, 2022, Rational Special Situations Income Fund (“RSSIF”) sued The Bank of New York Mellon (“BNY”) in New York State Court alleging a breach of certain contractual duties as trustee under trust agreements relating to certain cash flow certificates and underlying securities. RSSIF also alleged that the Company was unjustly enriched by the trustee’s actions. On July 8, 2022, each of BNY and the Company filed its own motion to dismiss RSSIF’s claims. These motions are fully briefed and were argued in January 2023. The Court has not yet rendered its decision on these motions.

Licenses

As of June 30, 2023, in 25 states or jurisdictions the Company’s license to conduct insurance business in such states or jurisdictions was suspended, revoked, had an order of impairment placed against it, expired, was voluntarily surrendered by the Company, or the Company agreed to cease writing business in such states or jurisdictions, or Syncora Guarantee opted not to renew its license in such states or jurisdictions. Management anticipates that Syncora Guarantee will be able to continue to collect premiums on existing business in such states or jurisdictions. Additional states or jurisdictions may suspend the Company’s license, place an order of impairment against it or, in lieu of a suspension or order, Syncora Guarantee may voluntarily agree to cease writing business and let such licenses expire or opt not to renew its licenses in additional states or jurisdictions.

Notes to Financial Statements

Description of Financial Guarantee Insurance

Financial guarantee insurance provides an unconditional and irrevocable guarantee to the holder of a debt obligation of full and timely payment of the guaranteed principal and interest thereon when due. Financial guarantee 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 guarantee, 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 guarantee 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 the total principal (in the case of structured finance and international transactions) or principal and interest (in the case of public finance transactions) of the insured obligation. Premiums are almost always non-refundable and are invested upon receipt. See Note 1.C.(1) of the Company’s 2022 Annual Statement for a description of NAIC SAP for premium revenue recognition.

Description of Financial Guarantee Reinsurance

Reinsurance indemnifies a primary insurance company against part or all of the loss that it may sustain under a policy that it has issued. All of the reinsurance protection purchased or provided by the Company is quota share reinsurance. Quota share reinsurance involves one or more reinsurers taking a stated percent share of each policy that an insurer produces (“writes”). This means that the reinsurer will receive that stated percentage of each dollar of premiums and will pay that percentage of each dollar of losses. In addition, the reinsurer will allow a “ceding commission” to the insurer to compensate the insurer for the costs of writing and administering the business.

Reinsurance does not relieve a primary insurance company of its obligations under an insurance policy. While Assured Guaranty has a contractual obligation to the Company pursuant to the reinsurance agreement and administrative services agreement to administer and pay claims on the financial guaranty insurance policy, Assured Guaranty has no direct obligations to any beneficiary or holder of the financial guaranty insurance policy. Accordingly, Assured Guaranty’s financial strength ratings will not be conferred on such policy.

I. Insurance-Linked Securities (ILS) Contracts

Not applicable.

22. Events Subsequent:

The Company has evaluated all subsequent events through August 14, 2023 the date the financial statements were available to be issued. There were no material events occurring subsequent to June 30, 2023 that required recognition or disclosure.

23. Reinsurance:

A. Unsecured Reinsurance Recoverables

There has been no significant change from that disclosed in the Company’s 2022 Annual Statement.

B. Reinsurance Recoverable in Dispute

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

C. Reinsurance Assumed and Ceded

There has been no significant change from that disclosed in the Company’s 2022 Annual Statement.

D. Uncollectible Reinsurance

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

Notes to Financial Statements

E. Commutation of Ceded Reinsurance

There has been no significant change from that disclosed in the Company’s 2022 Annual Statement.

F. Retroactive Reinsurance

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

G. Reinsurance Accounted for as a Deposit

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

H. Run-off Agreements

In connection with the reinsurance agreement with Assured Guaranty Corp., as discussed in Note 21.G., the Company sought “run-off” accounting treatment from the NYDFS as required under Statements of Statutory Accounting Principles No. 62R, Property and Casualty Reinsurance (“SSAP No. 62R”) “Accounting for the Transfer of Property and Casualty Run-off Agreements”. SSAP No. 62R provides that property and casualty run-off agreements are those reinsurance or retrocession agreements that are intended to transfer essentially all the risks and benefits of a specific line of business or market segment that is no longer actively marketed by the transferring insurer or reinsurer. Under SSAP No. 62R, the accounting treatment for property and casualty run-off agreement must be approved by the domiciliary regulators of the transferring entity and the assuming entity. Assured Guaranty Corp. as assuming insurer, sought the same accounting treatment from its domiciliary regulator, the State of Maryland. Based on the NYDFS review of the reinsurance agreement and the analysis of the Company’s request, in addition to the conditioned approval from the State of Maryland approving Assured Guaranty Corp.’s run-off accounting treatment, the NYDFS approved the Company’s request for run-off accounting treatment.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

25. Changes in Incurred Losses and Loss Adjustment Expenses:

The Company’s reserves for unpaid losses and loss adjustment expenses represent its best estimate of: (i) the net present value of claims to be paid subsequent to the balance sheet date, less (ii) the net present value of recoveries subsequent to the balance sheet date and the net present value of installment premiums due from the counterparties to such guarantees subsequent to the balance sheet date. The Company’s best estimate of claims and recoveries was based on assumptions and estimates extending over many years into the future. Such assumptions and estimates are subject to the inherent limitation on the Company’s ability to predict the aggregate course of future events and, as a result, differences between estimated and actual results may be material. Reference should be made to Note 21 for information regarding the effect on the Company’s reserves for unpaid losses resulting from transactions which effectively defeased or, in-substance, commuted (in whole or in part) substantially all its guarantees on which it previously carried case reserves. Amounts disclosed below relating to the provision for losses for the six months ended June 30, 2023 reflect the effect, as previously disclosed, of certain elements of the 2009 MTA.

The Company recorded a provision for losses and loss adjustment expenses of \$68.9 million and \$23.6 million for the six months ended June 30, 2023 and 2022, respectively. The 2023 expense primarily reflected the expense for certain public finance transactions partially offset by positive development of certain RMBS transactions. Reserves for unpaid losses and loss adjustment expenses on such guarantees, after giving effect to reinsurance, were \$25.4 million as of June 30, 2023 (\$83.0 million before giving effect to reinsurance).

The Company’s estimates of reserves are determined based on an analysis of results of cash flow models. The models project expected cash flows from the underlying mortgage notes. The model output is dependent on, and sensitive to, key assumptions regarding default rates, draw rates, draw periods, recoveries and prepayment rates, among others. The cash flow from the mortgages is then run through the payment “waterfall” as set forth in the indenture for each transaction. Claims in respect of principal generally result when the outstanding principal balance of the mortgages is less than the outstanding principal balance of the insured notes, except when the principal balance is due for payment on the scheduled maturity date. Recoveries result when cash flow from the mortgages is available for repayment, typically after the insured notes are paid off in full.

The Company bases its default assumptions for the second lien transactions (HELOCs and CESs) in large part on recent observed default rates and the current pipeline of delinquent loans. The losses for the second lien transactions (HELOCs and CESs) are estimated based on a model using a constant default rate curve. The Company’s default assumptions for the first lien transactions are based on current delinquent loans and analysis of historical defaults for loans with similar characteristics.

Notes to Financial Statements

26. Intercompany Pooling Arrangements:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

27. Structured Settlements:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

28. Health Care Receivables:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

29. Participating Policies:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

30. Premium Deficiency Reserves:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

31. High Deductibles:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

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

The Company's case basis reserves for unpaid losses are discounted on a non-tabular basis. The discount rate used at June 30, 2023 and December 31, 2022 was 5.97%. The discount rate is based on the book yield to maturity on the Company's invested assets. At June 30, 2023 and December 31, 2022, the Company's liability for unpaid losses and loss adjustment expenses was \$25.4 million and \$(42.9) million, respectively. The amount of non-tabular discount at such dates was \$74.1 million and \$77.9 million, respectively.

A. Tabular Discount

Not applicable.

B. Non-tabular Discount

Schedule P Line of Business	Case	IBNR	Defense & Cost Containment Expense	Adjusting & Other Expense
21. Financial Guaranty	\$ 74,089,039	-	-	-

33. Asbestos/Environmental Reserves:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

34. Subscriber Savings Accounts:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

35. Multiple Peril Crop Insurance:

There has been no change from that disclosed in the Company’s 2022 Annual Statement.

Notes to Financial Statements

36. Financial Guaranty Insurance:

Premiums charged in connection with the issuance of the Company’s guarantees are received either upfront at the inception of an insurance contract or in installments (usually monthly or quarterly) over the life of the underlying insured obligation. Such premiums are only recognized as written when due. In accordance with prescribed statutory accounting practices, future installment premiums on in-force policies not yet due are not recorded on the Company’s Statement of Assets, Liabilities, Surplus and Other Funds as premiums receivable.

A. (1) Installment Contracts

- a. As of June 30, 2023, the aggregate amount of installment premium to be collected in the future on the Company’s in-force policies, determined based on the contractual maturity of the underlying insured obligations, was \$25.5 million (\$6.0 million net of ceded reinsurance). The aforementioned amount of installment premium to be collected in the future may differ from the ultimate actual amount of installment premiums collected in the future on such in-force obligations for the reasons discussed above, and such difference may be material.
- b. The following table presents, as of June 30, 2023, the Company’s installment premiums on direct in-force business (on an undiscounted basis) expected to be collected in the future and the periods in which such collections are expected to occur. In addition to that presented in the table below, the Company had installment premiums of \$1.7 million relating to assumed reinsurance business at June 30, 2023:

		Retained business	Ceded business	Total
(a)	3rd Quarter 2023	\$ 132,900	\$ 500,917	\$ 633,817
(b)	4th Quarter 2023	131,737	383,806	515,543
(c)	1st Quarter 2024	128,874	736,504	865,378
(d)	2nd Quarter 2024	128,632	715,777	844,409
(e)	3rd Quarter 2024	127,601	468,722	596,323
(f)	4th Quarter 2024	126,332	335,996	462,328
(g)	Year 2025	491,860	2,051,154	2,543,014
(h)	Year 2026	477,744	1,841,798	2,319,542
(i)	Year 2027	464,364	1,625,752	2,090,116
(j)	Year 2028	455,616	1,410,692	1,866,308
(a)	2029 through 2033	\$ 2,168,760	\$ 4,835,293	\$ 7,004,053
(b)	2034 through 2038	1,171,284	2,787,579	3,958,863
(c)	2039 through 2043	4	1,335,291	1,335,295
(d)	2044 through 2048	-	466,725	466,725

- c. The following table presents a roll forward of the aggregate amount of gross installment premium to be collected in the future on the Company’s in-force policies for the period from December 31, 2022 to June 30, 2023:

1. Expected future premiums - Beginning of Year	\$ 27,229,063
2. Less - Premium payments received for existing installment contracts	(1,984,159)
3. Add - Expected premium payments for new installment contracts	-
4. Adjustments to the expected future premium payments	256,809
5. Expected future premiums - End of Period	<u>\$ 25,501,713</u>

(2) Upfront Contracts

- a. The gross earned premium on upfront policies that was recognized on an accelerated basis was \$78 thousand for the six months ended June 30, 2023. Such accelerations are recognized 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 and/or as a result of the Company’s remediation transactions.
- b. The following table presents the expected future premium earnings of the Company’s direct in-force business (on an undiscounted basis) as of and for the periods presented. In addition to the premium earnings presented in the table below, the Company had unearned premium revenue of \$0.2 million primarily relating to assumed reinsurance business at June 30, 2023:

Notes to Financial Statements

		Retained business	Ceded business	Total
1.	(a) 3rd Quarter 2023	\$ 352,816	\$ 280,985	\$ 633,801
	(b) 4th Quarter 2023	490,094	488,521	978,615
	(c) 1st Quarter 2024	207,723	387,733	595,456
	(d) 2nd Quarter 2024	66,537	443,473	510,010
	(e) 3rd Quarter 2024	383,081	284,754	667,835
	(f) 4th Quarter 2024	541,352	474,639	1,015,991
	(g) Year 2025	1,458,164	1,565,309	3,023,473
	(h) Year 2026	1,507,958	1,544,493	3,052,451
	(i) Year 2027	1,257,456	1,453,761	2,711,217
	(j) Year 2028	160,604	1,306,938	1,467,542
2.	(a) 2029 through 2033	\$ -	\$ 3,999,383	\$ 3,999,383
	(b) 2034 through 2038	-	7,552,474	7,552,474
	(c) 2039 through 2043	-	8,071,111	8,071,111
	(d) 2044 through 2048	-	3,389,766	3,389,766
	(e) 2049 through 2053	-	1,115,164	1,115,164
	(f) 2054 through 2058	-	14,551,360	14,551,360
	(g) 2059 through 2063	-	127,648	127,648

(3) Claim Liability

- a. The Company used a rate of 5.97% to discount the claim liability. The discount rate is based on the book yield to maturity on the Company's invested assets.
- b. Significant components of the change in the claim liability for the period:

Components	Amount
(1) Accretion of the discount	\$ (807,507)
(2) Changes in timing	(21,522)
(3) New reserves for defaults of insured contracts	-
(4) Change in deficiency reserves ⁽¹⁾	69,091,772
(5) Change in incurred but not reported claims	-
(6) Total	<u>\$ 68,262,743</u>

⁽¹⁾ Represents development in prior year reserves

(4) Risk Management Activities

The Company’s surveillance department is responsible for monitoring the performance of its in-force portfolio. The surveillance department maintains a list of credits that it has determined need to be closely monitored and, for certain of those credits, the department undertakes remediation activities it determines to be appropriate in order to mitigate the likelihood and/or amount of any loss that could be incurred by the company with respect to such credits. The department also looks to maximize recoveries from claims that have already been paid.

The surveillance department focuses its review on monitoring lower rated bond sectors and potentially troubled sectors. In addition, the surveillance department is monitoring the impact on the in-force portfolio from the COVID-19 outbreak to evaluate potential risk to the Company.

The Company estimates claims based on its surveillance department’s best estimate of net cash outflows under a contract, on a present value basis. In some cases, the surveillance department will engage an outside consultant with appropriate expertise in the underlying collateral assets and respective industries to assist management in examining the underlying collateral and determining the projected loss frequency and loss severity. In such cases, the surveillance department will use that information to run a cash flow model that includes enhancement levels and debt service to determine whether a claim is probable, possible or not likely.

The activities of the Company’s surveillance department are integral to the identification of specific credits that have experienced deterioration in credit quality and the assessment of whether losses on such credits are probable, as well as any estimation of the amount of loss expected to be incurred with respect to such credits. Closely monitored credits are divided into four categories: (i) Loss List—credits where a loss is probable and reasonably estimable and a case reserve is established; (ii) Red Flag List—credits where a loss is possible but not probable or reasonably estimable, including credits where claims may have been paid or may be paid but full recovery is in doubt; (iii) Yellow Flag List—credits that the Company determines to be non-investment grade but a loss is unlikely, including credits where claims may have been paid or may be paid but reimbursement is likely; and (iv) Special Monitoring List—low investment grade credits where a material covenant or trigger may be breached and closer monitoring is warranted. Credits that are not closely monitored credits are considered to be fundamentally sound, normal risk.

Notes to Financial Statements

B. Schedule of Insured Financial Obligations with Credit Deterioration

The following table sets forth certain information in regard to the Company’s closely monitored credits as of June 30, 2023. The number of policies, remaining weighted-average contract period, and insured contractual payments outstanding in the table below excludes exposures that were effectively defeased or, in-substance, commuted through the acquisition of Insurance Cash Flow Certificates and related alternative structures.

	Total	Loss List	Red Flag List	Yellow Flag List	Special Monitoring List
Insured contractual payments outstanding:					
Principal	\$ 143,720,000	\$ 77,223,000	\$ 6,017,000	\$ 60,480,000	\$ -
Interest	26,185,448	14,032,325	1,526,000	10,627,123	-
Total	<u>\$ 169,905,448</u>	<u>\$ 91,255,325</u>	<u>\$ 7,543,000</u>	<u>\$ 71,107,123</u>	<u>\$ -</u>
Number of policies	22	20	1	1	-
Remaining weighted-average contract period (in years)	<u>3.2</u>	<u>3.3</u>	<u>7.1</u>	<u>2.6</u>	<u>-</u>
Loss and LAE liabilities reported in the balance sheet:					
Gross loss and LAE liability (nominal)	\$ 214,227,331	\$ 213,683,458	\$ -	\$ 543,873	\$ -
Gross potential recoveries and ceded reinsurance	114,737,233	114,737,233	-	-	-
Discount, net	74,089,039	74,089,039	-	-	-
Total	<u>\$ 25,401,059</u>	<u>\$ 24,857,186</u>	<u>\$ -</u>	<u>\$ 543,873</u>	<u>\$ -</u>
Unearned premium reserve, net	<u>\$ 6,625,722</u>	<u>\$ 822,623</u>	<u>\$ 104,298</u>	<u>\$ 5,698,801</u>	<u>\$ -</u>
Reinsurance recoverables on paid losses and LAE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:

.....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[]
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 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	2	3
Name of Entity	NAIC Company Code	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?

If yes, attach an explanation.

Yes[] No[] N/A[X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2020.....
- 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.

.....12/31/2020.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....04/29/2022.....
- 6.4 By what department or departments?

New York State Department of Financial Services
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

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

Yes[X] No[] N/A[]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	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?

(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.

Yes[X] No[]
- 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[X] No[]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

The Company's policy is that confidential information is not to be e-mailed to personal or other such accounts because of relative lack of security on these e-mail accounts. Employees are required to use a third party software security package which permits direct access to the Company's network drive from employees' home computers. Occasionally, this third party software security package malfunctions and an exception needs to be made for urgent matters on a one-off basis.

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] 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:

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

\$.....0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

14.2 If yes, please complete the following:

Yes[] No[X]

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
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?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[X] No[]
Yes[X] No[] N/A[]

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

16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.3 Total payable for securities lending reported on the liability page

\$ 0
\$ 0
\$ 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?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[]

1 Name of Custodian(s)	2 Custodian Address
Bank of New York Mellon Corporation	One Mellon Bank Center, Pittsburgh, PA 15258

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

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

Yes[] No[X]

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
Wellington Management Company, LLP .....	..... U
Christopher Hayward, CEO & President of SGI .....	..... A
GoldenTree Asset Management LP .....	..... A

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?

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?

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.

Yes[X] No[]
Yes[] No[X]

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
106595	Wellington Management Company, LLP	549300YHP12TEZNLCX41	S.E.C. ....	..... NO
NA	Christopher Hayward, CEO & President of SGI .....	.....	Not a registered investment advisor	..... NO
112753	GoldenTree Asset Management LP	PUBZ8X9O2VZN0WHEH824 ..	S.E.C. ....	..... DS

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

18.2 If no, list exceptions:

Yes[X] No[]

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

GENERAL INTERROGATORIES (Continued)

- 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[] No[X]

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.
 - 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[] No[X]

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?
If yes, attach an explanation.

Yes[] No[] N/A[X]
2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?
If yes, attach an explanation.

Yes[] No[X]
- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled?

Yes[] No[X]
- 3.2 If yes, give full and complete information thereto
- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero?

Yes[X] No[]
- 4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
Financial Guaranty 5.970	. 74,089,039	.....	.....	... 74,089,039	. (4,264,740)	.....	.....	.. (4,264,740)
04.2999 Total .....			. 74,089,039	.....	.....	... 74,089,039	. (4,264,740)	.....	.....	.. (4,264,740)

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

..... 0.000%

..... 0.000%

..... 0.000%
- 6.1 Do you act as a custodian for health savings accounts?

Yes[] No[X]
- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date.

\$ 0
- 6.3 Do you act as an administrator for health savings accounts?

Yes[] No[X]
- 6.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$ 0
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[X]

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)	L						
2.	Alaska (AK)	N						
3.	Arizona (AZ)	L						
4.	Arkansas (AR)	L						
5.	California (CA)	L	723,846	796,024	(283,634)	(1,490,147)	21,061,329	41,223,408
6.	Colorado (CO)	L						
7.	Connecticut (CT)	L						
8.	Delaware (DE)	L		14,332				
9.	District of Columbia (DC)	L						
10.	Florida (FL)	N						
11.	Georgia (GA)	L						
12.	Hawaii (HI)	L						
13.	Idaho (ID)	L						
14.	Illinois (IL)	L						
15.	Indiana (IN)	L						
16.	Iowa (IA)	L						
17.	Kansas (KS)	L						
18.	Kentucky (KY)	L						
19.	Louisiana (LA)	L						
20.	Maine (ME)	L						
21.	Maryland (MD)	L						
22.	Massachusetts (MA)	L			(92,406)	(245,560)	(535,982)	(761,225)
23.	Michigan (MI)	L			679,292	663,040		682,041
24.	Minnesota (MN)	L						
25.	Mississippi (MS)	N						
26.	Missouri (MO)	L						
27.	Montana (MT)	L						
28.	Nebraska (NE)	L						
29.	Nevada (NV)	L						
30.	New Hampshire (NH)	L						
31.	New Jersey (NJ)	L						
32.	New Mexico (NM)	L						
33.	New York (NY)	L	1,038,385	1,190,363	(2,398,617)	(9,974,968)	21,604,053	25,205,018
34.	North Carolina (NC)	L						
35.	North Dakota (ND)	L						
36.	Ohio (OH)	N						
37.	Oklahoma (OK)	L						
38.	Oregon (OR)	L						
39.	Pennsylvania (PA)	L						
40.	Rhode Island (RI)	L						
41.	South Carolina (SC)	L						
42.	South Dakota (SD)	L						
43.	Tennessee (TN)	N						
44.	Texas (TX)	L						
45.	Utah (UT)	L						
46.	Vermont (VT)	L						
47.	Virginia (VA)	L						
48.	Washington (WA)	L						
49.	West Virginia (WV)	L						
50.	Wisconsin (WI)	L						
51.	Wyoming (WY)	L						
52.	American Samoa (AS)	N						
53.	Guam (GU)	N						
54.	Puerto Rico (PR)	N			1,671,475	1,671,497	40,874,539	(9,952,351)
55.	U.S. Virgin Islands (VI)	N						
56.	Northern Mariana Islands (MP)	N						
57.	Canada (CAN)	N						
58.	Aggregate other alien (OT)	X X X ..	122,996	5,470,498	(205,128)	(198,195)	(8,413,872)	(8,997,032)
59.	Totals	X X X ..	1,885,227	7,471,217	(629,018)	(9,574,333)	74,590,067	47,399,859
DETAILS OF WRITE-INS								
58001	GBR United Kingdom	X X X ..	122,996	5,470,498	(205,128)	(198,195)	(8,413,872)	(8,997,032)
58002	.....	X X X ..						
58003	.....	X X X ..						
58998	Summary of remaining write-ins for Line 58 from overflow page	X X X ..						
58999	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X ..	122,996	5,470,498	(205,128)	(198,195)	(8,413,872)	(8,997,032)

(a) Active Status Counts:

1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG

2. R - Registered - Non-domiciled RRGs

3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI)

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4. Q - Qualified - Qualified or accredited reinsurer

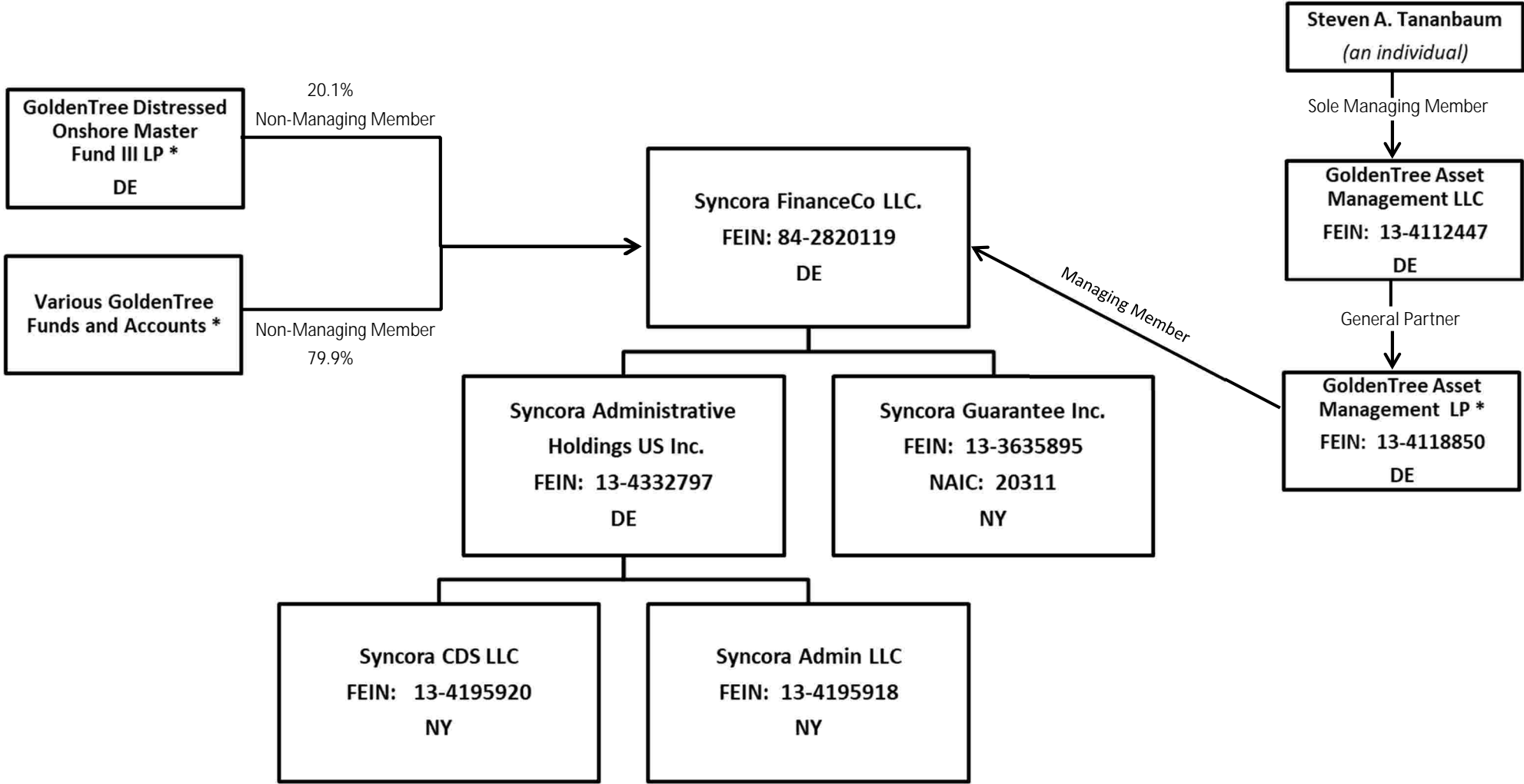
5. D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile.

6. N - None of the above - Not allowed to write business in the state

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Q10

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



* All non-managing members of Syncora FinanceCo LLC. are funds and accounts managed by GoldenTree Asset Management LP. With the exception of GoldenTree Distressed Onshore Master Fund III LP, each such fund and account owns less than 10% of the equity securities of Syncora FinanceCo LLC.

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Comp-any Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domic-iliary Loca-tion	Rela-tion-ship to Report-ing Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Yes/No)	*
.....	00000	84-2820119	.....	.....	.....	Syncora FinanceCo LLC	DE	UIP	GoldenTree Asset Management LP	Board of Directors	.....	Shareholders	No	.....
.....	20311	13-3635895	.....	.....	.....	Syncora Guarantee Inc.	NY	RE	Syncora FinanceCo LLC	Ownership	100.0	Syncora FinanceCo LLC	No	.....
.....	00000	13-4332797	.....	.....	.....	Syncora Admin Holdings US Inc.	DE	NIA	Syncora FinanceCo LLC	Ownership	100.0	Syncora FinanceCo LLC	No	.....
.....	00000	13-4195920	.....	.....	.....	Syncora CDS LLC	NY	NIA	Syncora FinanceCo LLC	Ownership	100.0	Syncora FinanceCo LLC	No	.....
.....	00000	13-4195918	.....	.....	.....	Syncora Admin LLC	NY	NIA	Syncora FinanceCo LLC	Ownership	100.0	Syncora FinanceCo LLC	No	.....
.....	00000	00-0000000	.....	.....	.....	Steven A. Tananbaum	.....	.....	.....	.....	.....	.....	No	0000001
.....	00000	13-4112447	.....	.....	.....	GoldenTree Asset Management LLC	DE	.....	Steven A. Tananbaum	Other	.....	Steven A. Tananbaum	No	0000002
.....	00000	13-4118850	.....	.....	.....	GoldenTree Asset Management LP	DE	.....	GoldenTree Asset Management LLC	Management	.....	Steven A. Tananbaum	No	0000003
.....	00000	00-0000000	.....	.....	.....	GoldenTree Distressed Onshore Master Fund III LP	DE	.....	GoldenTree Asset Management LP	Other	20.1	Steven A. Tananbaum	No	0000004
.....	00000	00-0000000	.....	.....	.....	Various Golden Tree Funds and Accounts	.....	.....	GoldenTree Asset Management LP	Other	79.9	Steven A. Tananbaum	No	0000005

Asterisk	Explanation
0000001	An individual - Sole Managing Member of GoldenTree Asset Mgmt LLC
0000002	General Partner of GoldenTree Asset Mgmt LP
0000003	Managing Member of Syncora FinanceCo LLC
0000004	Non-Managing Member of Syncora FinanceCo LLC. (20.1%)
0000005	Non-Managing Member of Syncora FinanceCo LLC. (79.9%)

STATEMENT AS OF **June 30, 2023** OF THE **SYNCORA GUARANTEE INC.**

PART 1 - LOSS EXPERIENCE

		Current Year to Date			4
		1	2	3	Prior Year to Date
Line of Business		Direct Premiums Earned	Direct Losses Incurred	Direct Loss Percentage	Direct Loss Percentage
1.	Fire				
2.1	Allied lines				
2.2	Multiple peril crop				
2.3	Federal flood				
2.4	Private crop				
2.5	Private flood				
3.	Farmowners multiple peril				
4.	Homeowners multiple peril				
5.1	Commercial multiple peril (non-liability portion)				
5.2	Commercial multiple peril (liability portion)				
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine				
10.	Financial guaranty	1,202,712	54,818,735	4,557.927	198.270
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims made				
12.	Earthquake				
13.1	Comprehensive (hospital and medical) individual				
13.2	Comprehensive (hospital and medical) group				
14.	Credit accident and health				
15.1	Vision only				
15.2	Dental only				
15.3	Disability income				
15.4	Medicare supplement				
15.5	Medicaid Title XIX				
15.6	Medicare Title XVIII				
15.7	Long-term care				
15.8	Federal employees health benefits plan				
15.9	Other health				
16.	Workers' compensation				
17.1	Other liability - occurrence				
17.2	Other liability - claims made				
17.3	Excess Workers' Compensation				
18.1	Products liability - occurrence				
18.2	Products liability - claims made				
19.1	Private passenger auto no-fault (personal injury protection)				
19.2	Other private passenger auto liability				
19.3	Commercial auto no-fault (personal injury protection)				
19.4	Other Commercial auto liability				
21.1	Private passenger auto physical damage				
21.2	Commercial auto physical damage				
22.	Aircraft (all perils)				
23.	Fidelity				
24.	Surety				
26.	Burglary and theft				
27.	Boiler and machinery				
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
32.	Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
33.	Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	1,202,712	54,818,735	4,557.927	198.270
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

STATEMENT AS OF **June 30, 2023** OF THE **SYNCORA GUARANTEE INC.**

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire			
2.1	Allied lines			
2.2	Multiple peril crop			
2.3	Federal flood			
2.4	Private crop			
2.5	Private flood			
3.	Farmowners multiple peril			
4.	Homeowners multiple peril			
5.1	Commercial multiple peril (non-liability portion)			
5.2	Commercial multiple peril (liability portion)			
6.	Mortgage guaranty			
8.	Ocean marine			
9.	Inland marine			
10.	Financial guaranty	963,011	1,885,227	7,471,217
11.1	Medical professional liability - occurrence			
11.2	Medical professional liability - claims made			
12.	Earthquake			
13.1	Comprehensive (hospital and medical) individual			
13.2	Comprehensive (hospital and medical) group			
14.	Credit accident and health			
15.1	Vision only			
15.2	Dental only			
15.3	Disability income			
15.4	Medicare supplement			
15.5	Medicaid Title XIX			
15.6	Medicare Title XVIII			
15.7	Long-term care			
15.8	Federal employees health benefits plan			
15.9	Other health			
16.	Workers' compensation			
17.1	Other liability - occurrence			
17.2	Other liability - claims made			
17.3	Excess Workers' Compensation			
18.1	Products liability - occurrence			
18.2	Products liability - claims made			
19.1	Private passenger auto no-fault (personal injury protection)			
19.2	Other private passenger auto liability			
19.3	Commercial auto no-fault (personal injury protection)			
19.4	Other Commercial auto liability			
21.1	Private passenger auto physical damage			
21.2	Commercial auto physical damage			
22.	Aircraft (all perils)			
23.	Fidelity			
24.	Surety			
26.	Burglary and theft			
27.	Boiler and machinery			
28.	Credit			
29.	International			
30.	Warranty			
31.	Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
32.	Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
33.	Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
34.	Aggregate write-ins for other lines of business			
35.	TOTALS	963,011	1,885,227	7,471,217
DETAILS OF WRITE-INS				
3401.	.....		
3402.	.....		
3403.	.....		
3498.	Summary of remaining write-ins for Line 34 from overflow page			
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)			

PART 3 (000 omitted)
LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

		1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred		Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2023 Loss and LAE Payments on Claims Reported as of Prior Year-End	2023 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2023 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 11 + 12)
1.	2020 + Prior	(42,862)		(42,862)	622		622	25,401			25,401	68,885		68,885
2.	2021													
3.	Subtotals 2021 + Prior	(42,862)		(42,862)	622		622	25,401			25,401	68,885		68,885
4.	2022													
5.	Subtotals 2022 + Prior	(42,862)		(42,862)	622		622	25,401			25,401	68,885		68,885
6.	2023	X X X	X X X	X X X	X X X			X X X				X X X	X X X	X X X
7.	Totals	(42,862)		(42,862)	622		622	25,401			25,401	68,885		68,885
8.	Prior Year-End Surplus As Regards Policyholders											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
		402,277										1..... (160.714)	2.....	3..... (160.714)
														Col. 13, Line 7 Line 8
	.....													4..... 17.124

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.

	RESPONSES
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.

Explanations:

Bar Codes:

Trusted Surplus Statement



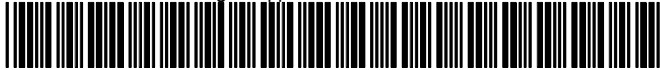
20311202349000002 2023 Document Code: 490

Supplement A to Schedule T



20311202345500002 2023 Document Code: 455

Medicare Part D Coverage Supplement



20311202336500002 2023 Document Code: 365

Director and Officer Supplement



20311202350500002 2023 Document Code: 505

Communication of Internal Control Related Matters Noted in an Audit



20311202322200002 2023 Document Code: 222

OVERFLOW PAGE FOR WRITE-INS

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1197. Summary of remaining write-ins for Line 11 (Lines 1104 through 1196)				
2504. Premium tax refund	21,810		21,810	41,866
2505. Bank of NY/Mellon-Reserve Deposit	50,000		50,000	50,000
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596)	71,810		71,810	91,866

STATEMENT AS OF **June 30, 2023** OF THE **SYNCORA GUARANTEE INC.**

SCHEDULE A - VERIFICATION

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

SCHEDULE B - VERIFICATION

Mortgage Loans

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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	15,642	49,530
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals	(364)	(555)
7. Deduct amounts received on disposals	15,119	33,333
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	159	15,642
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	159	15,642

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	202,111,499	274,282,938
2. Cost of bonds and stocks acquired	108,820,990	165,280,398
3. Accrual of discount	2,433,648	5,174,611
4. Unrealized valuation increase (decrease)	1,637,087	(7,758,515)
5. Total gain (loss) on disposals	(271,393)	(6,671,387)
6. Deduct consideration for bonds and stocks disposed of	85,517,912	225,164,676
7. Deduct amortization of premium	228,241	1,331,443
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized	568,890	1,925,737
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees	60,533	225,310
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10)	228,477,321	202,111,499
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	228,477,321	202,111,499

QS102

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)	117,940,050	81,495,013	78,126,279	1,464,466	117,940,050	122,773,250		116,381,235
2.	NAIC 2 (a)	9,441,662	2,683,989	4,148,198	2,023,270	9,441,662	10,000,723		8,189,425
3.	NAIC 3 (a)	42,420,766	15,231,194	12,965,569	96,035	42,420,766	44,782,426		30,114,140
4.	NAIC 4 (a)	55,074,377	27,834,684	18,171,052	466,246	55,074,377	65,204,255		55,665,618
5.	NAIC 5 (a)	9,589,911	5,271,479	4,467,648	(390,662)	9,589,911	10,003,080		11,234,943
6.	NAIC 6 (a)	51,448,251	9,538,959	11,827,736	(941,101)	51,448,251	48,218,373		47,046,837
7.	Total Bonds	285,915,017	142,055,318	129,706,482	2,718,254	285,915,017	300,982,107		268,632,198
PREFERRED STOCK									
8.	NAIC 1								
9.	NAIC 2								
10.	NAIC 3								
11.	NAIC 4								
12.	NAIC 5								
13.	NAIC 6								
14.	Total Preferred Stock								
15.	Total Bonds & Preferred Stock	285,915,017	142,055,318	129,706,482	2,718,254	285,915,017	300,982,107		268,632,198

(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 \$.....78,771,628; NAIC 2 \$.....538,867; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....3,537,600

SCHEDULE DA - PART 1

Short - Term Investments					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
7709999999. Totals	82,848,094	X X X	82,641,753	4,136	10,690

SCHEDULE DA - Verification

Short-Term Investments			1	2
			Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		75,982,077	
2.	Cost of short-term investments acquired		159,163,472	222,817,574
3.	Accrual of discount		1,743,304	1,174,503
4.	Unrealized valuation increase (decrease)		(90,369)	
5.	Total gain (loss) on disposals			62,338
6.	Deduct consideration received on disposals		153,950,000	148,072,338
7.	Deduct amortization of premium		390	
8.	Total foreign exchange change in book/adjusted carrying value			
9.	Deduct current year's other-than-temporary impairment recognized			
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		82,848,094	75,982,077
11.	Deduct total nonadmitted amounts			
12.	Statement value at end of current period (Line 10 minus Line 11)		82,848,094	75,982,077

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

1.	Book/Adjusted Carrying Value, December 31, prior year (Line 10, prior year)	164,604
2.	Cost Paid/(Consideration Received) on additions	
3.	Unrealized Valuation increase/(decrease)	(34,694)
4.	SSAP No. 108 adjustments	
5.	Total gain (loss) on termination recognized	(457,819)
6.	Considerations received/(paid) on terminations	(457,819)
7.	Amortization	
8.	Adjustment to the Book/Adjusted Carrying Value of hedged item	
9.	Total foreign exchange change in Book/Adjusted Carrying Value	(214,117)
10.	Book/Adjusted Carrying Value at End of Current Period (Lines 1 + 2 + 3 + 4 + 5 - 6 + 7 + 8 + 9)	(84,207)
11.	Deduct nonadmitted assets	
12.	Statement value at end of current period (Line 10 minus Line 11)	(84,207)

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1.	Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year)				
2.	Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column)				
3.1	Add: Change in variation margin on open contracts - Highly Effective Hedges				
3.11	Section 1, Column 15, current year to date minus				
3.12	Section 1, Column 15, prior year				
	Change in variation margin on open contracts - All Other				
3.13	Section 1, Column 18, current year to date minus				
3.14	Section 1, Column 18, prior year				
3.2	Add: Change in adjustment to basis of hedged item				
3.21	Section 1, Column 17, current year to date minus				
3.22	Section 1, Column 17, prior year				
	Change in amount recognized				
3.23	Section 1, Column 19, current year to date minus				
3.24	Section 1, Column 19, prior year plus				
3.25	SSAP No. 108 adjustments				
3.3	Subtotal (Line 3.1 minus Line 3.2)				
4.1	Cumulative variation margin on terminated contracts during the year				
4.2	Less:				
4.21	Amount used to adjust basis of hedged item				
4.22	Amount recognized				
4.23	SSAP No. 108 adjustments				
4.3	Subtotal (Line 4.1 minus Line 4.2)				
5.	Dispositions gains (losses) on contracts terminated in prior year:				
5.1	Total gain (loss) recognized for terminations in prior year				
5.2	Total gain (loss) adjusted into the hedged item(s) for terminations in prior year				
6.	Book/Adjusted Carrying Value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2)				
7.	Deduct total nonadmitted amounts				
8.	Statement value at end of current period (Line 6 minus Line 7) .				

NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SCHEDULE DB - VERIFICATION

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

		Book/Adjusted Carrying Value Check	
1.	Part A, Section 1, Column 14 .....	..... (84,208)	
2.	Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance .....	.....
3.	Total (Line 1 plus Line 2) .....		..... (84,208)
4.	Part D, Section 1, Column 6 .....	..... 179,311	
5.	Part D, Section 1, Column 7 .....	..... (263,518)	
6.	Total (Line 3 minus Line 4 minus Line 5) .....		..... (1)

		Fair Value Check	
7.	Part A, Section 1, Column 16 .....	..... (84,208)	
8.	Part B, Section 1, Column 13 .....	.....
9.	Total (Line 7 plus Line 8) .....		..... (84,208)
10.	Part D, Section 1, Column 9 .....	..... 179,311	
11.	Part D, Section 1, Column 10 .....	..... (263,518)	
12.	Total (Line 9 minus Line 10 minus Line 11) .....		..... (1)

		Potential Exposure Check	
13.	Part A, Section 1, Column 21 .....	..... 149,407	
14.	Part B, Section 1, Column 20 .....	.....
15.	Part D, Section 1, Column 12 .....	..... 149,407	
16.	Total (Line 13 plus Line 14 minus Line 15) .....		.....

SCHEDULE E - PART 2 - VERIFICATION
(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	89,981,808	287,225,704
2.	Cost of cash equivalents acquired	202,984,767	317,204,938
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals	220,012,152	514,448,834
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other-than-temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	72,954,423	89,981,808
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	72,954,423	89,981,808

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol
Bonds - Industrial and Miscellaneous (Unaffiliated)									
02156BAG8	ALTERYX INC		05/24/2023	JEFFERIES & COMPANY	X X X	887,040	924,000	17,967	4.C FE
05606FAN3	BX TRUST 2019-OC11		05/23/2023	VARIOUS	X X X	57,776	70,000	97	3.C FE
05608RAJ4	BX TRUST 2021-ARIA		06/15/2023	VARIOUS	X X X	47,675	50,000	57	2.C FE
05608RAL9	BX TRUST 2021-ARIA		04/18/2023	GOLDMAN SACHS & CO	X X X	23,313	25,000	25	1.G FE
05608RAN5	BX TRUST 2021-ARIA		04/26/2023	WELLS FARGO SECS LLC	X X X	36,900	40,000	109	2.C FE
06051GKG3	BANK OF AMERICA CORP		05/03/2023	BANC/AMERICA SECUR.L	X X X	2,300,830	2,369,000	10,681	1.F FE
126307BM8	CSC HOLDINGS LLC		04/18/2023	GOLDMAN SACHS & CO	X X X	751,000	751,000		4.B FE
128786AA8	CALDERYS FINANCING LLC		05/10/2023	BANC/AMERICA SECUR.L	X X X	1,675,000	1,675,000		4.B FE
161175BA1	CHARTER COMMUNICATIONS OPERATING LLC / C		04/12/2023	BARCLAYS CAPITAL FIX	X X X	215,833	229,000	7,053	2.C FE
171484AJ7	CHURCHILL DOWNS INC		04/11/2023	JPM SECURITIES-FIXED	X X X	477,000	477,000		4.A FE
17888HAA1	CIVITAS RESOURCES INC		06/22/2023	BANC/AMERICA SECUR.L	X X X	140,000	140,000		3.C FE
17888HAB9	CIVITAS RESOURCES INC		06/22/2023	BANC/AMERICA SECUR.L	X X X	697,000	697,000		3.C FE
18912UAA0	CLOUD SOFTWARE GROUP INC		04/04/2023	GOLDMAN SACHS & CO	X X X	1,104,420	1,398,000		5.B FE
20754BAB7	CONNECTICUT AVENUE SECURITIES TRUST 2022		05/31/2023	CITIGROUP GLOBAL MKT	X X X	97,750	100,000	177	2.A
20754DAB3	CONNECTICUT AVENUE SECURITIES TRUST 2022		05/03/2023	BANC/AMERICA SECUR.L	X X X	14,794	15,000	33	2.C FE
20754JAC8	CONNECTICUT AVENUE SECURITIES TRUST 2019		04/27/2023	INTL FCSTONE FINCL I	X X X	24,644	24,675	36	6*
20754KAB7	FANNIE MAE CONNECTICUT AVENUE SECURITIES		06/09/2023	VARIOUS	X X X	19,350	20,000	72	2.B
20754QAB4	CONNECTICUT AVENUE SECURITIES TRUST 2023		05/24/2023	BANC/AMERICA SECUR.L	X X X	35,000	35,000		2.B FE
207942AB9	CONNECTICUT AVENUE SECURITIES TRUST 2023		06/28/2023	WELLS FARGO SECS LLC	X X X	20,000	20,000		2.B FE
22003BAM8	CORPORATE OFFICE PROPERTIES LP		04/05/2023	GOLDMAN SACHS & CO	X X X	63,550	82,000	1,096	2.C FE
25259KAA8	OLYMPUS WATER US HOLDING CORP		06/28/2023	VARIOUS	X X X	3,668,065	3,693,000	6,179	4.C FE
26884UAD1	EPR PROPERTIES		04/19/2023	MERRILL LYNCH PIERCE	X X X	446,545	506,000	8,855	2.C FE
26884UAG4	EPR PROPERTIES		04/06/2023	JEFFERIES & COMPANY	X X X	725,423	977,000	14,214	2.C FE
27034RAC7	EARTHSTONE ENERGY HOLDINGS LLC		06/27/2023	WELLS FARGO SECS LLC	X X X	1,275,543	1,302,000		4.A FE
30303M8R6	META PLATFORMS INC		06/09/2023	BANC/AMERICA SECUR.L	X X X	594,643	590,000	3,769	1.E FE
35564KBS7	FREDDIE MAC STACR REMIC TRUST 2021-HQA1		05/19/2023	CITIGROUP GLOBAL MKT	X X X	4,830	4,945	27	1.A
35564KEL9	FREDDIE MAC STACR REMIC TRUST 2021-DNA3		04/04/2023	BMOCM/BONDS	X X X	19,375	20,000	37	1.A
35564KJA8	FREDDIE MAC STACR REMIC TRUST 2021-DNA5		06/06/2023	MORGAN STANLEY & CO	X X X	14,611	15,000	47	3.B FE
35564KMH9	FREDDIE MAC STACR REMIC TRUST 2021-DNA7		04/03/2023	PIERPONT SECURITIES	X X X	19,050	20,000	32	2.B
35564KT66	FREDDIE MAC STRUCTURED AGENCY CREDIT RIS		04/19/2023	WELLS FARGO SECS LLC	X X X	20,000	20,000		2.C
35564XBD2	FREDDIE MAC STACR 2019-HQA3		04/14/2023	CITIGROUP GLOBAL MKT	X X X	49,656	50,000	240	3.A
35908MAE0	FRONTIER COMMUNICATIONS HOLDINGS LLC		06/21/2023	WELLS FARGO SECS LLC	X X X	598,378	622,000	11,964	4.B FE
38431AA44	GRAFTECH GLOBAL ENTERPRISES INC		06/21/2023	JPM SECURITIES-FIXED	X X X	1,592,431	1,634,000		4.A FE
39152TAN0	GREAT WOLF TRUST 2019-WOLF		06/21/2023	VARIOUS	X X X	58,338	60,000	53	3.C FE
55342UAJ3	MPT OPERATING PARTNERSHIP LP / MPT FINAN		04/10/2023	VARIOUS	X X X	207,290	280,000	2,357	3.A FE
55342UAL8	MPT OPERATING PARTNERSHIP LP / MPT FINAN		04/11/2023	VARIOUS	X X X	278,479	422,739	13,341	3.A FE
55342UAM6	MPT OPERATING PARTNERSHIP LP / MPT FINAN		04/10/2023	BARCLAYS CAPITAL FIX	X X X	81,795	123,000	323	3.A FE
576485AF3	MATADOR RESOURCES CO		06/14/2023	MORGAN STANLEY & CO	X X X	80,595	81,000	1,005	3.C FE
629377CR1	NRG ENERGY INC		05/25/2023	VARIOUS	X X X	1,225,395	1,566,000	15,994	3.B FE
76680RAF4	RINGCENTRAL INC		06/13/2023	VARIOUS	X X X	2,975,273	3,272,000		4.A
87422VAK4	TALEN ENERGY SUPPLY LLC		04/28/2023	CITIGROUP GLOBAL MKT	X X X	921,000	921,000		3.B FE
87901JAH8	TEGNA INC		05/23/2023	GOLDMAN SACHS & CO	X X X	579,550	670,000	6,467	3.C FE
BR5786222	MPT OPERATING PARTNERSHIP LP / MPT FINAN		06/14/2023	HSBC BK TC MKT,LONDO	X X X	337,179	439,607	2,918	3.A FE
ZJ0482175	TIDEWATER INC		06/23/2023	12338 ECLR UNPUBLISH	X X X	1,188,000	1,200,000		6*
02156LAH4	ALTICE FRANCE SA/FRANCE	D	05/22/2023	GOLDMAN SACHS & CO	X X X	171,113	234,000	1,394	4.B FE
12674TAA4	C&W SENIOR FINANCING DAC	D	04/14/2023	VARIOUS	X X X	630,010	704,000	12,277	4.A FE
50201DAD5	LCPR SENIOR SECURED FINANCING DAC	D	06/27/2023	VARIOUS	X X X	263,375	317,000	7,401	4.A FE
92676XAF4	VIKING CRUISES LTD	D	06/29/2023	VARIOUS	X X X	2,360,784	2,751,000	35,375	5.B FE
92676XAG2	VIKING CRUISES LTD	D	06/26/2023	WELLS FARGO SECS LLC	X X X	414,000	414,000		5.A FE
A0997CAB3	BAWAG GROUP AG	B	06/30/2023	MSIL FIX, LONDON	X X X	201,835	218,200	1,416	2.B FE
BQ1812982	VMED O2 UK FINANCING I PLC	B	06/21/2023	VARIOUS	X X X	927,892	1,241,369	24,517	3.C FE
G10248AA3	BERKELEY GROUP PLC/THE	B	04/04/2023	MSIL FIX, LONDON	X X X	105,535	155,198	2,530	2.C FE
EZBMZNCP2	BANK OF IRELAND GRO 7.5 31DEC49 FRN	B	06/01/2023	MSIL FIX, LONDON	X X X	857,299	869,252	3,012	3.C FE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP				Name of	Number of			Paid for Accrued	NAIC Designation,
Identification	Description	Foreign	Date Acquired	Vendor	Shares of Stock	Actual Cost	Par Value	Interest and Dividends	NAIC Designation Modifier and SVO
ZL3198757	TEVA PHARMACEUTICAL FINANCE NETHERLANDS	B	04/25/2023	VARIOUS	X X X	354,969	346,311	3,612	3.C FE
1109999999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	31,937,131	34,881,297	216,759	X X X
Bonds - Hybrid Securities									
29273VAM2	ENERGY TRANSFER LP		06/01/2023	VARIOUS	X X X	2,437,825	2,885,000	71,703	3.B FE
29336UAH0	ENLINK MIDSTREAM PARTNERS LP		06/07/2023	PERSHING & COMPANY	X X X	743,969	895,000	19,352	3.C FE
55261FAL8	M&T BANK CORP		06/26/2023	BANC/AMERICA SECUR.L	X X X	104,145	131,000	2,675	2.C FE
T9T20LGF9	UNICREDIT SPA	D	05/16/2023	CGMI PROP CASH AND S	X X X	851,473	875,000	32,083	3.C FE
1309999999	Subtotal - Bonds - Hybrid Securities				X X X	4,137,412	4,786,000	125,813	X X X
Bonds - Unaffiliated Bank Loans									
00187GAD1	AP CORE HOLDINGS II LLC		05/15/2023	NON-BROKER/ *TRADE*	X X X	477,591	495,000		4.B FE
00241YAU8	AVSC HOLDING CORP		06/16/2023	NON-BROKER/ *TRADE*	X X X	928,201	941,232		5.A FE
00435UAB4	WORLDWIDE EXPRESS INC		06/16/2023	NON-BROKER/ *TRADE*	X X X	608,104	647,391		4.C FE
172442AT2	CINEMARK USA INC		06/23/2023	EXCHANGE OFFER	X X X	1,201,809	1,220,000		3.B FE
29279UAB2	NEWFOLD DIGITAL HOLDINGS GROUP INC		05/15/2023	NON-BROKER/ *TRADE*	X X X	1,645,863	1,765,000		4.B FE
50179JAB4	LBM ACQUISITION LLC		05/19/2023	NON-BROKER/ *TRADE*	X X X	1,442,214	1,563,375		4.C FE
53226GAK7	LIGHTSTONE HOLDCO LLC		02/22/2023	NON-BROKER/ *TRADE*	X X X	2,469	2,713		4.C FE
53226GAL5	LIGHTSTONE HOLDCO LLC		02/22/2023	NON-BROKER/ *TRADE*	X X X	140	153		4.C FE
58503UAC7	MEDLINE BORROWER LP		05/15/2023	NON-BROKER/ *TRADE*	X X X	1,201,038	1,235,000		4.A FE
64069JAC6	NEPTUNE BIDCO US INC		05/11/2023	NON-BROKER/ *TRADE*	X X X	433,470	484,324		4.B FE
64069JAF9	NEPTUNE BIDCO US INC		06/15/2023	NON-BROKER/ *TRADE*	X X X	633,180	732,000		4.B FE
68163YAE5	OLYMPUS WTR US HLDG CORP		05/24/2023	NON-BROKER TRADE, BO	X X X	603,250	635,000		4.C FE
69346EAG2	PMHC II INC		06/28/2023	NON-BROKER/ *TRADE*	X X X	601,130	682,870		4.C FE
87422LAU4	TALEN ENERGY SUPPLY LLC		05/25/2023	EXCHANGE OFFER	X X X	440,039	453,438		3.C FE
87422LAV2	TALEN ENERGY SUPPLY LLC		05/25/2023	EXCHANGE OFFER	X X X	543,027	559,562		3.C FE
90372AAJ7	US RADIOLOGY SPECIALISTS INC		05/12/2023	NON-BROKER/ *TRADE*	X X X	1,818,777	1,940,000		4.C FE
87422LAV2	TALEN ENERGY 4/23 C 0.000% DUE 12/31/26		04/28/2023	NON-BROKER/ *TRADE*	X X X	542,775	559,562		3.C FE
99AAL6102	LIFE TIME 5/23 COV- 0.0000% DUE 01/15/2		05/05/2023	NON-BROKER/ *TRADE*	X X X	845,750	850,000		6*
99AAN9096	AVALARA 1L REVOLVER 0.0000% DUE 08/12/2		03/13/2023	VARIOUS	X X X	(316,805)	(316,805)		6*
99AAN9096	AVALARA 10/22 TL		10/20/2022	EXCHANGE OFFER	X X X	3,088,850	3,168,051		6*
99AAP6033	AVALARA 10/22 RC		10/19/2022	NON-BROKER/ *TRADE*	X X X	316,805	316,805		6*
87422LAU4	TALEN ENERGY 4/23 C 0.000% DUE 12/31/26		04/28/2023	NON-BROKER/ *TRADE*	X X X	439,835	453,438		3.C FE
172442AT2	CINEMARK USA 5/23 T 0.0000% DUE 05/22/3		05/22/2023	NON-BROKER/ *TRADE*	X X X	1,201,700	1,220,000		3.B FE
C9413PBD4	BAUSCH HEALTH AMERICAS INC		06/27/2023	NON-BROKER/ *TRADE*	X X X	464,074	596,408		5.A FE
99AAH3385	ROYAL CARIBBEAN CRU 0.0000% DUE 04/05/24	C	03/03/2023	NON-BROKER/ *TRADE*	X X X	(53,200)	(53,200)		6*
36649XAE8	GARRETT LX I SARL	D	04/27/2023	NON-BROKER/ *TRADE*	X X X	2,393,200	2,480,000		4.A FE
D7001LAC7	SCUR-ALPHA 1503 GMBH	D	05/25/2023	EXCHANGE OFFER	X X X	1,010,032	1,120,000		4.A FE
DY9020019	AI SILK HOLDCO 5/23 0.0000% DUE 05/19/2	B	06/07/2023	NON-BROKER TRADE, BO	X X X	825,709	851,246		6*
1909999999	Subtotal - Bonds - Unaffiliated Bank Loans				X X X	23,339,027	24,602,563		X X X
2509999997	Subtotal - Bonds - Part 3				X X X	59,413,570	64,269,860	342,572	X X X
2509999998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
2509999999	Subtotal - Bonds				X X X	59,413,570	64,269,860	342,572	X X X
4509999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
4509999999	Subtotal - Preferred Stocks				X X X		X X X		X X X
Common Stocks - Industrial and Miscellaneous (Unaffiliated) - Publicly Traded									
000000000	ENDO RIGHTS BACKSTOP		05/12/2023	NON-BROKER TRADE, BO	2,570.000		X X X		
071734107	BAUSCH HEALTH COS INC		06/09/2023	VARIOUS	12,168.000	93,847	X X X		
92857W308	VODAFONE GROUP PLC	C	06/29/2023	MORGAN STANLEY & CO	19,089.000	180,036	X X X		
G93882192	VODAFONE GROUP PLC	B	05/16/2023	VARIOUS	2,300,000.000	2,414,274	X X X		
5019999999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated) - Publicly Traded				X X X	2,688,157	X X X		X X X

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol
5989999997	Subtotal - Common Stocks - Part 3 .....				..... X X X .....	..... 2,688,157	..... X X X .....	.....	..... X X X
5989999998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly) .....				..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X
5989999999	Subtotal - Common Stocks .....				..... X X X .....	..... 2,688,157	..... X X X .....	.....	..... X X X
5999999999	Subtotal - Preferred and Common Stocks .....				..... X X X .....	..... 2,688,157	..... X X X .....	.....	..... X X X
6009999999	Total - Bonds, Preferred and Common Stocks .....				..... X X X .....	..... 62,101,727	..... X X X .....	..... 342,572	..... X X X

Q405

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22 NAIC Designation, NAIC Designation Modifier and SVO Admini- strative Symbol
										11	12	13	14	15							
CUSIP Identification	Description		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 Modifier and SVO Admini- strative Symbol
Bonds - U.S. Governments																					
912828VB3	UNITED STATES TREASURY NOTE/BOND		05/15/2023	MATURITY	X X X	600,000	600,000	557,161	597,766		2,234		2,234		600,000				5,250	05/15/2023	1 A
010999999	Subtotal - Bonds - U.S. Governments				X X X	600,000	600,000	557,161	597,766		2,234		2,234		600,000				5,250	X X X	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
026375AR6	AMERICAN GREETINGS CORP		04/15/2023	CALL 100	X X X	266,000	266,000	257,889			8,111		8,111		266,000				11,638	04/15/2025	5 A FE
126307BM8	CSC HOLDINGS LLC		04/19/2023	GOLDMAN SACHS & CO	X X X	752,878	751,000	751,000							751,000		1,878	1,878		05/15/2028	4 B FE
161175BA1	CHARTER COMMUNICATIONS OPERATING LLC / C		04/19/2023	JPM SECURITIES-FIXED	X X X	212,169	229,000	215,833			9		9		215,842		(3,673)	(3,673)	7,342	10/23/2045	2 C FE
161175CL6	CHARTER COMMUNICATIONS OPERATING LLC / C		04/19/2023	BANC/AMERICA SECUR.L	X X X	217,255	277,000	211,678	211,711		106		106		211,816		5,439	5,439	8,464	04/01/2063	2 C FE
171484AJ7	CHURCHILL DOWNS INC		04/11/2023	JPM SECURITIES-FIXED	X X X	478,193	477,000	477,000							477,000		1,193	1,193		05/01/2031	4 A FE
17888HAA1	CIVITAS RESOURCES INC		06/22/2023	BANC/AMERICA SECUR.L	X X X	140,998	140,000	140,000							140,000		998	998		07/01/2028	3 C FE
17888HAB9	CIVITAS RESOURCES INC		06/23/2023	BANC/AMERICA SECUR.L	X X X	701,356	697,000	697,000							697,000		4,356	4,356		07/01/2031	3 C FE
20754JAC8	CONNECTICUT AVENUE SECURITIES TRUST 2019		06/26/2023	PAYDOWN	X X X	511	511	510			1		1		511				6	09/25/2039	6*
22944PAH0	CSMC TRUST 2013-TH1		06/01/2023	PAYDOWN	X X X		(2)		5		4		4						1	02/01/2043	6*
25259KAA8	OLYMPUS WATER US HOLDING CORP		05/24/2023	CITIGROUP GLOBAL MKT	X X X	147,630	148,000	148,000							148,000		(370)	(370)		11/15/2028	4 C FE
27034RAA1	EARTHSTONE ENERGY HOLDINGS LLC		06/15/2023	VARIOUS	X X X	1,128,750	1,153,000	1,120,344	1,101,196	20,571	2,808		23,379		1,124,574		4,176	4,176	61,606	04/15/2027	4 A FE
27034RAC7	EARTHSTONE ENERGY HOLDINGS LLC		06/28/2023	VARIOUS	X X X	442,613	451,000	441,836							441,836		777	777		07/15/2031	4 A FE
345397C68	FORD MOTOR CREDIT CO LLC		06/28/2023	JEFFERIES & COMPANY,	X X X	41,769	41,000	41,615			(43)		(43)		41,572		197	197	1,457	03/06/2030	3 A FE
345397ZR7	FORD MOTOR CREDIT CO LLC		06/28/2023	JPM SECURITIES-FIXED	X X X	496,470	536,000	485,225	196,625		2,631		2,631		488,280		8,190	8,190	18,042	05/03/2029	3 A FE
35564KBS7	FREDDIE MAC STACR REMIC TRUST 2021-HQA1		06/26/2023	PAYDOWN	X X X	1,092	1,092	1,053			39		39		1,092				13	08/25/2033	1 A
35906ABG2	FRONTIER COMMUNICATIONS HOLDINGS LLC		06/21/2023	VARIOUS	X X X	604,355	776,000	639,203	269,897	480	5,162		5,642		645,964		(41,609)	(41,609)	30,091	05/01/2029	5 A FE
35908MAB6	FRONTIER COMMUNICATIONS HOLDINGS LLC		05/12/2023	WELLS FARGO SECS LLC	X X X	202,245	278,000	220,176			1,360		1,360		221,536		(19,291)	(19,291)	5,606	01/15/2030	5 A FE
46591DBA6	JP MORGAN MORTGAGE TRUST 2019-INV1		06/01/2023	PAYDOWN	X X X	174	174	155			19		19		174				3	10/01/2049	1 A
501797AL8	BATH & BODY WORKS INC		06/09/2023	VARIOUS	X X X	1,440,830	1,572,000	1,375,493			2,298		2,298		1,377,790		63,040	63,040	62,407	11/01/2035	3 B FE
52524PAH5	LEHMAN XS TRUST 2007-6		06/01/2023	PAYDOWN	X X X	3,907	3,907	3,127	3,456		451		451		3,907				76	05/01/2037	1 A FM
52524PAK8	LEHMAN XS TRUST 2007-6		05/01/2023	PAYDOWN	X X X	1,490	1,490	612	966		524		524		1,490				27	05/01/2037	1 A FM
52524PAY8	LEHMAN XS TRUST 2007-6		05/01/2023	PAYDOWN	X X X	1,124	1,124	630	833		291		291		1,124				20	05/01/2037	1 A FM
52524PAZ5	LEHMAN XS TRUST 2007-6		05/25/2023	PAYDOWN	X X X	1,239	1,239	521	814		425		425		1,239				22	05/25/2037	1 A FM
52525LAS9	LEHMAN XS TRUST 2007-14H		06/26/2023	PAYDOWN	X X X	7,714	7,714	6,174	6,670		1,044		1,044		7,714				148	07/25/2047	1 A FM
55616XAM9	MACY'S RETAIL HOLDINGS LLC		04/20/2023	BANC/AMERICA SECUR.L	X X X	1,124,000	1,600,000	1,116,000	1,113,552	9,337	7,301		16,638		1,130,190		(6,190)	(6,190)	25,800	12/15/2034	3 A FE
674599ED3	MARCUS GROUP		06/29/2023	VARIOUS	X X X	2,200,529	2,393,000	2,245,568	2,242,797	13,918	14,552		28,470		2,271,266		(70,738)	(70,738)	109,680	04/01/2026	5 A FE
68403BAA3	OCCIDENTAL PETROLEUM CORP OPTION ONE MORTGAGE LOAN TRUST 2007-FXD2		05/18/2023	BANC/AMERICA SECUR.L	X X X	358,620	344,000	344,000							344,000		14,620	14,620	16,523	09/01/2030	3 A FE
853496AD9	STANDARD INDUSTRIES INC/NJ		06/01/2023	PAYDOWN	X X X	57,717	57,717	45,596	50,328		7,389		7,389		57,717				859	03/01/2037	1 A FM
87422VAF5	TALEN ENERGY SUPPLY LLC		06/02/2023	JEFFERIES & COMPANY,	X X X	11,100	12,000	10,530	10,597		100		100		10,697		403	403	508	01/15/2028	3 B FE
92556VAF3	VIATRIS INC		05/17/2023	CA_CASH_CLOSE	X X X	220,165	210,000	185,850	188,727		1,527		1,527		190,254		19,746	19,746	16,509	05/15/2027	2 C FE
98981BAA0	VARIOUS		06/29/2023	VARIOUS	X X X	121,142	185,000	107,393	107,525		428		428		107,953		13,188	13,188	3,870	06/22/2050	2 C FE
071734AC1	ZOOMINFO TECHNOLOGIES LLC/ZOOMINFO FINAN		06/13/2023	VARIOUS	X X X	885,773	1,020,000	836,910			5,597		5,597		842,507		43,266	43,266	13,792	02/01/2029	4 A FE
071734AQ0	BAUSCH HEALTH COS INC	A	05/22/2023	BARCLAYS CAPITAL FIX	X X X	14,950	23,000	16,560	15,682		391		1,172		17,245		(2,295)	(2,295)	1,025	08/15/2027	5 A FE
25381VAA5	BAUSCH HEALTH COS INC DIGICEL INTERNATIONAL	A	06/27/2023	VARIOUS	X X X	222,174	315,000	247,669	245,653		3,561		2,055		251,269		(29,095)	(29,095)	25,552	09/30/2028	5 A FE
50201DAA1	DIGICEL LTD/DIGICE LCPR SENIOR SECURED	D	06/29/2023	UBS SECURITIES LLC	X X X	49,488	54,000	50,546	46,440	5,843	581		6,424		52,864		(3,377)	(3,377)	2,980	05/25/2024	6 FE
50201DAD5	FINANCING DAC LCPR SENIOR SECURED	D	04/06/2023	JPM SECURITIES-FIXED	X X X	631,475	670,000	619,195			729		729		619,924		11,551	11,551	22,110	10/15/2027	4 A FE
92676XAD9	FINANCING DAC	D	04/13/2023	VARIOUS	X X X	1,204,229	1,414,000	1,102,920	1,111,700		9,314		9,314		1,121,015		83,214	83,214	53,630	07/15/2029	4 A FE
92676XAG2	VIKING CRUISES LTD	D	06/29/2023	WELLS FARGO SECS LLC	X X X	384,671	429,000	350,708	349,704	1,395	6,015		7,410		357,114		27,558	27,558	19,023	09/15/2027	5 B FE
BT4891235	VIKING CRUISES LTD	D	06/27/2023	WELLS FARGO SECS LLC	X X X	414,690	414,000	414,000							414,000		690	690		07/15/2031	5 A FE
F0265PBQ0	PROSUS NV	B	06/02/2023	VARIOUS	X X X	421,291	538,965	412,992	429,519		4,559		4,559	(10,216)	423,862		(2,571)	(2,571)	14,904	01/19/2030	2 C FE
F0265PCE6	ALTICE FRANCE SA/FRANCE	B	04/25/2023	MERRILL LYNCH INT, L	X X X	83,841	109,775	76,188	80,060	4,623	1,167		5,790	(7,632)	78,218		5,622	5,622	1,966	01/15/2028	4 B FE
F0265PCE6	ALTICE FRANCE SA/FRANCE	B	05/22/2023	GOLDMAN SACHS AND CO	X X X	165,350	218,140	155,025	163,844	6,204	2,359		8,563	(13,603)	158,804		6,546	6,546	6,192	01/15/2029	4 B FE

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22 NAIC Designation, NAIC Designation and SVO Admini- strative Symbol
										11	12	13	14	15							
CUSIP Identification	Description		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 and SVO Admini- strative Symbol
G021A3AF8 G7048CAA3	ALBA 2007-1 PLC PETERBOROUGH PROGRESS HEALTH PLC	B B B	06/19/2023	PAYDOWN	X X X	1,948	1,948	1,650			172		172		1,822		126	126	19	03/17/2039	1.E FE
G8812RAA2 G8812RAJ3	UNIQUE PUB FINANCE CO PLC/THE UNIQUE PUB FINANCE CO PLC/THE	B B	05/18/2023 05/18/2023	VARIOUS JPMC ITS SPLG CITADE	X X X X X X	830,160 148,800	915,782 150,303	908,107 180,414	805,871 144,397	280,384 5,813	3,160 (1,408)	379,816	(96,272) 4,405	190,628 23,929	900,227 172,731		(70,067) (23,930)	(70,067) (23,930)	32,405 4,349	10/02/2042 03/28/2024	3.B FE
G9460GAA9 N2R74EAH5	VALARIS LTD DUFURY ONE BV	D B	05/23/2023 05/03/2023	VARIOUS CALL 104	X X X X X X	1,681,027 1,248,000	1,689,475 1,200,000	2,158,274 1,203,000	1,604,648 1,202,534	196,962 (38)	(16,927) (38)		180,035 (38)	298,571 (2,496)	2,086,272 1,202,496		(405,245) (2,496)	(405,245) (2,496)	39,228 98,050	06/30/2027 04/30/2028	3.A FE 4.B FE
			06/30/2023	VARIOUS	X X X	1,246,923	1,394,997	1,381,789	1,126,136	178,420	4,089		182,509	85,591	1,394,236		(147,313)	(147,313)	28,052	04/15/2028	3.C FE
1109999999	Subtotal - Bonds - Industrial and Miscellaneous		(Unaffiliated)		X X X	21,018,825	23,169,353	21,405,956	13,175,887	727,177	79,858	379,816	427,219	567,268	21,472,144		(511,486)	(511,486)	743,995	X X X	X X X
Bonds - Hybrid Securities																					
629377CU4 539439AU3	NRG ENERGY INC LLOYDS BANKING GROUP PLC	D D	04/25/2023 05/31/2023	VARIOUS VARIOUS	X X X X X X	524,020 1,085,225	532,000 1,150,000	532,000 1,051,343							532,000 1,051,313		(7,980) 33,912	(7,980) 33,912	7,170 30,975	01/01/9999 01/01/9999	3.C FE 2.C FE
780099CK1 F1067PAD8	NATWEST GROUP PLC BNP PARIBAS SA	D D	06/19/2023 06/01/2023	MORGAN STANLEY & CO MORGAN STANLEY & CO	X X X X X X	994,850 1,205,525	1,010,000 1,160,000	959,500 1,178,420	959,545		(29) (15)		(29) (15)		959,530 1,177,881		58,804 27,644	35,320 27,644	58,804 58,655	01/01/9999 01/01/9999	2.C FE 2.C FE
1309999999	Subtotal - Bonds - Hybrid Securities				X X X	3,809,620	3,852,000	3,721,263	959,545		(583)		(583)		3,720,724		88,896	88,896	155,604	X X X	X X X
Bonds - Unaffiliated Bank Loans																					
00130MAJ3 00187GAC3	AHP HEALTH PARTNERS INC AP CORE HOLDINGS II LLC		06/30/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	3,098 6,497	3,098 6,497	3,001 6,173	3,005 5,859		7 28		7 359		3,013 6,217		86 280	86 280	130 339	08/23/2028 09/01/2027	4.B FE 4.B FE
00217XAB2 00241YAU8	HEXION HOLDINGS CORP AVSC HOLDING CORP		06/30/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	604,034 641	650,566 641	600,148 632	556,885	44,656	3,147		47,803		604,687		(653)	(653)	30,262	03/15/2029 10/15/2026	4.C FE 5.A FE
02639DAM8 03021BAL8	AMERICAN GREETINGS 0.0000% AMERICAN TIRE DISTRIBUTORS		05/31/2023 05/25/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	3,063 1,167,055	3,063 1,374,483	2,971 1,275,754			5		5		2,976 1,282,908		87 (115,853)	87 (115,853)	44 52,914	04/06/2028 10/22/2028	4.A FE 4.C FE
12568YAD6 16115EAAQ0	CHARLOTTE BUYER INC CHART INDUSTRIES INC		06/30/2023 01/26/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	6,313	6,313	5,885	5,893		34		34		5,927		386	386	317 (2,048)	02/11/2028 12/08/2029	4.B FE 4.A FE
172442AT2 22304EAC0	CINEMARK USA INC COVETRUS INC		06/30/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	3,050 431,449	3,050 456,279	3,005 428,902							3,005 430,463		45 986	45 986	17	05/24/2030 10/13/2029	3.B FE 4.C FE
25460HAB8 29279UAB2	DIRECTV FINANCING LLC NEWFOLD DIGITAL HOLDINGS GROUP INC		06/30/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	27,110	27,110	26,025	26,124		92		92		26,216		894	894		08/02/2027	3.B FE
44157YAE4	HOUGHTON MIFFLIN HARCOURT CO		06/30/2023	NON-BROKER/ *TRADE*	X X X	6,567	6,567	5,483	5,517		84		84		5,600		967	967	58	02/10/2028	4.B FE
50179JAB4 53226GAK7	LBM ACQUISITION LLC LIGHTSTONE HOLDCO LLC		06/30/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	244,009 2,361	285,484 2,361	274,421 2,178	270,585	4,164	718		4,882		275,466		(31,457)	(31,457)	14,564	04/07/2029 12/18/2027	4.B FE 4.C FE
53226GAL5 55910RAB9	LIGHTSTONE HOLDCO LLC MAGENTA BUYER LLC		06/30/2023 06/22/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	7,147 405	7,147 405	6,618 375	6,525 370	156 10	48 3		204 13		6,728 382		418 23	418 23	121 7	01/30/2027 01/30/2027	4.C FE 4.C FE
55910RAF0 58503UAC7	MAGENTA BUYER LLC MEDLINE BORROWER LP		05/05/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	1,851,774 3,119	2,469,067 3,119	2,312,401 3,033	2,101,793	220,863	9,653		230,516		2,332,310		(480,536)	(480,536)	110,100	07/27/2028 07/27/2028	4.B FE 4.B FE
68163YAE5 76133MAC5	OLYMPUS WTR US HLDG CORP RH		06/29/2023 04/24/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	611,188 87,622	635,000 93,215	603,250 85,758			260 330		260 330		603,510 86,347		7,677 1,275	7,677 1,275	21 15,334	11/09/2028 10/20/2028	4.C FE 3.C FE
88632NAV2 90372AAJ7	CLOUD SOFTWARE GROUP INC US RADIOLOGY SPECIALISTS INC		05/31/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	2,613 4,911	2,613 4,911	2,377 4,568	2,328	55	12 8		67 8		2,396 4,575		217 336	217 336	69	03/30/2029 12/15/2027	4.B FE 4.C FE
000000000 000000000	TALEN ENERGY 12/21 RC LHS BORROWER/LEAF HOME 2/22 CO 0.000% 0		05/17/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	5,550,000 7,181	5,550,000 7,181	5,550,000 6,319	5,550,000		8		8		5,550,000				1,479,677	09/30/2024	6*
000000000 000000000	TALEN ENERGY 4/23 C 0.000% DUE 12/31/26		06/30/2023 05/25/2023	NON-BROKER/ *TRADE* EXCHANGE OFFER	X X X X X X				5,843	513	63		576		6,420		761	761		02/17/2029	4.B FE
000000000 000000000	PROFRAC SERVICES 3/22 TL 0.000%		06/02/2023	NON-BROKER/ *TRADE*	X X X	543,027	559,562	542,775			252		252		543,027					12/31/2026	3.C FE
000000000 000000000	BAUSCH & LOMB 5/22 0.0000% DUE 05/05/2		06/30/2023	NON-BROKER/ *TRADE*	X X X	27,655	27,655	27,102			88		88		27,190		465	465	626	03/04/2025	4.B FE
000000000 000000000	DISCOVERY PURCHASER 0.0000% DUE 08/04/2		06/30/2023	NON-BROKER/ *TRADE*	X X X	1,765,595	1,813,107	1,761,556	1,721,219	46,113	4,458		50,571		1,771,790		(6,195)	(6,195)		05/05/2027	4.A FE
000000000 000000000	AVALARA 1L TL 0.0000% DUE 08/12/2		06/30/2023 10/20/2022	NON-BROKER/ *TRADE* EXCHANGE OFFER	X X X X X X	5,557	5,557	5,113	5,053	71	31		102		5,156		402	402	97	08/04/2029	4.C FE
000000000 000000000	AVALARA 1L REVOLVER 0.0000% DUE 08/12/2		03/17/2023 06/30/2023	VARIOUS NON-BROKER/ *TRADE*	X X X X X X				(123,744)	4,467			4,467						588	08/12/2028	6*
000000000 000000000	HANGER 10/22 DELAYED TL HANGER 10/22 TL		06/30/2023 06/30/2023	NON-BROKER/ *TRADE* NON-BROKER/ *TRADE*	X X X X X X	235 3,690	235 3,690	235 3,598	229 3,598	6			6		235 3,598		92	92	13 206	10/03/2028 10/03/2028	6* 6*
000000000 000000000	PREMIUM APPAREL/PREMIUM BRANDS 0.0000% 0		05/05/2023	NON-BROKER/ *TRADE*	X X X	417,996	417,996	417,996	409,218	8,778			8,778		417,996				2,075	09/01/2027	6*
000000000	TALEN ENERGY 4/23 C 0.000% DUE 12/31/26		05/25/2023	EXCHANGE OFFER	X X X	440,039	453,438	439,835			204		204		440,039					12/31/2026	3.C FE

QE05.1

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

1	2	3 F o r e i g n	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 Identification	Description		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 Designation Modifier and SVO Admini- strative Symbol		
000000000 ...	CINEMARK USA 5/23 T 0.0000%																						
000000000 ...	DUE 05/22/3		06/23/2023	EXCHANGE OFFER	X X X	1,201,809	1,220,000	1,201,700				109	109		1,201,809					05/22/2030	3.B FE		
C9413PBD4	THRYV INC		06/30/2023	NON-BROKER/ *TRADE*	X X X	3,511,966	3,519,408	3,543,564	3,446,099	88,372	(1,315)		87,057		3,533,156		(21,190)	(21,190)	112,463		03/01/2026	4.C FE	
000000000 ...	BAUSCH HEALTH AMERICAS INC		06/30/2023	NON-BROKER/ *TRADE*	X X X	24,655	23,728	18,686		17,954	541		1,489		19,443		5,212	5,212		02/01/2027	5.A FE		
000000000 ...	SVF II FINCO 12/21 TL		04/21/2023	NON-BROKER/ *TRADE*	X X X	24,779	24,779	24,779	24,204	575			575		24,779				(230)	12/22/2023	6*		
000000000 ...	ROYAL CARIBBEAN CRU 0.0000%																						
	DUE 04/05/24	C	04/19/2023	NON-BROKER/ *TRADE*	X X X	1,075,864	1,075,864	981,925	993,259	3,346	17,805		21,151		1,011,084		64,780	64,780	19,121	04/05/2024	6*		
000000000 ...	DSM ENGINEERING																						
	MATERIAL/CHAMP 0.000% 03	D	05/25/2023	EXCHANGE OFFER	X X X	1,010,032	1,120,000	1,008,000			2,032		2,032		1,010,032					03/28/2030	6*		
D7001LAC7	SCUR-ALPHA 1503 GMBH	D	06/30/2023	NON-BROKER/ *TRADE*	X X X	2,800	2,800	2,525			2		2		2,527		273	273	40	04/03/2030	4.B FE		
P3562BAD4	DIGICEL INTERNATIONAL																						
	FINANCE LTD	D	06/30/2023	NON-BROKER/ *TRADE*	X X X	181,037	196,675	182,416	164,814	25,564	2,267		27,831		192,645		(11,608)	(11,608)	9,842	05/10/2024	6FE		
000000000	CARNIVAL CORP	D	06/30/2023	NON-BROKER/ *TRADE*	X X X	1,525,091	1,572,191	1,515,199	1,467,640	51,952	3,273		55,225		1,522,865		2,226	2,226	52,738	10/18/2028	3.C FE		
1909999999 Subtotal - Bonds - Unaffiliated Bank Loans					X X X	25,596,160	26,932,581	26,091,839	21,639,017	531,298	50,889		582,187		26,178,728		(582,567)	(582,567)	1,834,130	X X X		X X X	
2509999997 Subtotal - Bonds - Part 4					X X X	51,024,605	54,553,934	51,776,219	36,372,215	1,258,475	132,398	379,816	1,011,057	567,268	51,971,596		(1,005,157)	(1,005,157)	2,738,979	X X X		X X X	
2509999998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		X X X
2509999999 Subtotal - Bonds					X X X	51,024,605	54,553,934	51,776,219	36,372,215	1,258,475	132,398	379,816	1,011,057	567,268	51,971,596		(1,005,157)	(1,005,157)	2,738,979	X X X		X X X	
4509999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		X X X
4509999999 Subtotal - Preferred Stocks					X X X		X X X													X X X		X X X	
Common Stocks - Industrial and Miscellaneous (Unaffiliated) - Publicly Traded																							
69327R101	PDC ENERGY INC		05/23/2023	VARIOUS		4,890,000	344,329	284,194							284,194		60,135	60,135		X X X			
A0997C107	BAWAG GROUP AG	B	06/21/2023	VARIOUS		19,478,000	940,386	817,060	1,035,237	(198,700)			(198,700)	(19,478)	817,060		123,326	123,326	76,538	X X X			
5019999999 Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated) - Publicly Traded					X X X	1,284,715	X X X	1,101,254	1,035,237	(198,700)			(198,700)	(19,478)	1,101,254		183,461	183,461	76,538	X X X		X X X	
5989999997 Subtotal - Common Stocks - Part 4					X X X	1,284,715	X X X	1,101,254	1,035,237	(198,700)			(198,700)	(19,478)	1,101,254		183,461	183,461	76,538	X X X		X X X	
5989999998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		X X X
5989999999 Subtotal - Common Stocks					X X X	1,284,715	X X X	1,101,254	1,035,237	(198,700)			(198,700)	(19,478)	1,101,254		183,461	183,461	76,538	X X X		X X X	
5999999999 Subtotal - Preferred and Common Stocks					X X X	1,284,715	X X X	1,101,254	1,035,237	(198,700)			(198,700)	(19,478)	1,101,254		183,461	183,461	76,538	X X X		X X X	
6009999999 Total - Bonds, Preferred and Common Stocks					X X X	52,309,320	X X X	52,877,473	37,407,452	1,059,775	132,398	379,816	812,357	547,790	53,072,850		(821,696)	(821,696)	2,815,517	X X X		X X X	

QE05.2

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule/ Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate or Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Undiscounted Premium (Received) Paid	Current Year Initial Cost of Undiscounted Premium (Received) Paid	Current Year Income	Book/ Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase/ (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization)/ Accretion	Adjustment to Carrying Value of Hedged Item	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Quarter-end (b)
QE06	Swaps - Hedging Other - Interest Rate																					
	IRS_GBP_PAY_3.885_REC_GBP SONIA 1D_12/21/2022_12/21/2027_LCH IRS_GBP_PAY_4.135_REC_GBP SONIA 1D_2/17/2023_2/17/2025_LCH IRS_USD_PAY_3.018_REC_USD SOFR 1D_11/2/2023_11/2/2030_LCH IRS_USD_PAY_3.031_REC_USD SOFR 1D_10/13/2023_10/13/2033_LCH IRS_USD_PAY_3.074_REC_USD SOFR 1D_7/11/2023_7/11/2033_LCH IRS_USD_PAY_3.091_REC_USD SOFR 1D_7/18/2023_7/18/2033_LCH IRS_USD_PAY_3.13_REC_USD SOFR 1D_7/10/2023_7/10/2033_LCH IRS_USD_PAY_3.134_REC_USD SOFR 1D_12/13/2023_12/13/2053_LCH IRS_USD_PAY_3.16_REC_USD SOFR 1D_11/3/2023_11/3/2030_LCH IRS_USD_PAY_3.294_REC_USD SOFR 1D_11/25/2023_11/25/2030_LCH IRS_USD_PAY_3.4074_REC_USD SOFR 12M_11/02/2022_11/02/2052_LCH IRS_USD_PAY_3.4575_REC_USD SOFR 1D_8/22/2023_8/22/2033_LCH IRS_USD_PAY_3.524_REC_USD SOFR 12M_11/10/2022_11/10/2052_LCH IRS_USD_PAY_3.574_REC_USD SOFR 1D_8/23/2023_8/23/2033_LCH IRS_USD_PAY_4.045_REC_USD SOFR 12M_10/28/2023_10/28/2026_LCH			LCH	F226TOH6YD6XJB17KS62	09/21/2022	12/21/2027	969,976	/(3.885)			882	60,047		60,047	50,472				10,265		
				LCH	F226TOH6YD6XJB17KS62	01/17/2023	02/17/2025	2,594,658	/(4.135)			861	83,437		83,437	83,437				16,606		
				LCH	F226TOH6YD6XJB17KS62	04/28/2023	11/02/2030	15,000	/(3.018)				511		511	511				203		
				LCH	F226TOH6YD6XJB17KS62	04/11/2023	10/13/2033	54,000	/(3.031)				2,025		2,025	2,025				866		
				LCH	F226TOH6YD6XJB17KS62	01/09/2023	07/11/2033	128,000	/(3.074)				5,060		5,060	5,060				2,028		
				LCH	F226TOH6YD6XJB17KS62	01/13/2023	07/18/2033	17,000	/(3.091)				642		642	642				270		
				LCH	F226TOH6YD6XJB17KS62	01/06/2023	07/10/2033	720,000	/(3.130)				25,164		25,164	25,164				11,404		
				LCH	F226TOH6YD6XJB17KS62	06/09/2023	12/13/2053	499,000	/(3.134)				(793)		(793)	(793)				13,774		
				LCH	F226TOH6YD6XJB17KS62	05/01/2023	11/03/2030	6,000	/(3.160)				153		153	153				81		
				LCH	F226TOH6YD6XJB17KS62	05/23/2023	11/25/2030	21,000	/(3.294)				334		334	334				286		
				LCH	F226TOH6YD6XJB17KS62	10/31/2022	11/02/2052	42,000	/(3.407)			302	(1,583)		(1,583)	133				1,138		
				LCH	F226TOH6YD6XJB17KS62	02/17/2023	08/22/2033	300,000	/(3.458)				1,641		1,641	1,641				4,780		
				LCH	F226TOH6YD6XJB17KS62	11/08/2022	11/10/2052	95,000	3.524 / ()			(625)	(5,644)		(5,644)	326				2,575		
				LCH	F226TOH6YD6XJB17KS62	02/21/2023	08/23/2033	300,000	/(3.574)				(1,259)		(1,259)	(1,259)				4,780		
				LCH	F226TOH6YD6XJB17KS62	10/26/2022	10/28/2026	41,000	/(4.045)			164	296		296	510				374		
	1119999999 Subtotal - Swaps - Hedging Other - Interest Rate											1,584	170,031	X X X	170,031	168,356				69,430	X X X	X X X
	1169999999 Subtotal - Swaps - Hedging Other											1,584	170,031	X X X	170,031	168,356				69,430	X X X	X X X
	1359999999 Subtotal - Total Swaps - Interest Rate											1,584	170,031	X X X	170,031	168,356				69,430	X X X	X X X
	1409999999 Subtotal - Total Swaps											1,584	170,031	X X X	170,031	168,356				69,430	X X X	X X X
Forwards - Hedging Other																						
USD/CAD FWD 20231220 XIY				FX- GOLDMAN SACHS, N	06/08/2023	12/20/2023	102,816	102,816	1.332				(1,023)		(1,023)		(1,023)			354		
USD/CAD FWD 20231220 XIY				FX- GOLDMAN SACHS, N	06/22/2023	12/20/2023	5,332	5,332	1.313				26		26		26			18		
USD/EUR FWD 20231220 M0775126				FXALL NONHEDGE NYC	06/08/2023	12/20/2023	645,797	645,797	0.920				(8,350)		(8,350)		(8,350)			2,223		
USD/EUR FWD 20231220 XIY				FX- GOLDMAN SACHS, N	06/08/2023	12/20/2023	12,269,816	12,269,816	0.920				(160,068)		(160,068)		(160,068)			42,236		
USD/GBP FWD 20231220 M4165594				BNYM FX FXALL RFQ AS	06/09/2023	12/20/2023	3,205,845	3,205,845	0.794				(30,559)		(30,559)		(30,559)			11,035		
USD/GBP FWD 20231220 XIY				FX- GOLDMAN SACHS, N	06/09/2023	12/20/2023	6,134,822	6,134,822	0.794				(55,897)		(55,897)		(55,897)			21,118		
USD/GBP FWD 20231220 XIY				FX- GOLDMAN SACHS, N	06/22/2023	12/20/2023	869,502	869,502	0.786				1,632		1,632		1,632			2,993		
1439999999 Subtotal - Forwards - Hedging Other													(254,239)	X X X	(254,239)		(254,239)			79,977	X X X	X X X
1479999999 Subtotal - Forwards													(254,239)	X X X	(254,239)		(254,239)			79,977	X X X	X X X

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule/ Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate or Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Undiscounted Premium (Received) Paid	Current Year Initial Cost of Undiscounted Premium (Received) Paid	Current Year Income	Book/ Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase/ (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization)/ Accretion	Adjustment to Carrying Value of Hedged Item	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Quarter-end (b)
1709999999 Subtotal - Hedging Other												1,584	(84,208)	X X X	(84,208)	168,356	(254,239)			149,407	X X X	X X X
1719999999 Subtotal - Replication														X X X							X X X	X X X
1729999999 Subtotal - Income Generation														X X X							X X X	X X X
1739999999 Subtotal - Other														X X X							X X X	X X X
1749999999 Subtotal - Adjustments for SSAP No. 108 Derivatives														X X X							X X X	X X X
1759999999 Total (Sum of Lines 1689999999, 1699999999, 1709999999, 1719999999, 1729999999, 1739999999 and 1749999999)												1,584	(84,208)	X X X	(84,208)	168,356	(254,239)			149,407	X X X	X X X

(a)

1	2
Code	Description of Hedged Risk(s)
.....

(b)

1	2
Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
.....

SCHEDULE DB - PART B - SECTION 1
Future Contracts Open as of the Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Highly Effective Hedges			18	19	20	21	22
														15	16	17					
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule/ Exhibit Identifier	Type(s) of Risk(s) (a)	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/ Adjusted Carrying Value	Cumulative Variation Margin	Deferred Variation Margin	Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item	Cumulative Variation Margin for All Other Hedges	Change in Variation Margin Gain (Loss) Recognized in Current Year	Potential Exposure	Hedge Effectiveness at Inception and at Quarter-end (b)	Value of One (1) Point
1759999999 Totals (Sum of Lines 1689999999, 1699999999, 1709999999, 1719999999, 1729999999, 1739999999 and 1749999999) .....																				... X X X ..	... X X X ..

1	2	3	4
Broker Name	Beginning Cash Balance	Cumulative Cash Change	Ending Cash Balance
9999999999 Total - Net Cash Deposits			

(a)	
1	
Code	

N O N E

(b)	
1	2
Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period

QE07

SCHEDULE DB - PART D - SECTION 1

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1	2	3	Counterparty Offset		Book/Adjusted Carrying Value			Fair Value			12	13
			4	5	6	7	8	9	10	11		
Description of Exchange, Counterparty or Central Clearinghouse	Master Agreement (Y or N)	Credit Support Annex (Y or N)	Fair Value of Acceptable Collateral	Present Value of Financing Premiums	Contracts With Book/Adjusted Carrying Value > 0	Contracts With Book/Adjusted Carrying Value < 0	Exposure Net of Collateral	Contracts With Fair Value > 0	Contracts With Fair Value < 0	Exposure Net of Collateral	Potential Exposure	Off-Balance Sheet Exposure
0199999999 Aggregate Sum of Exchange Traded Derivatives												
NAIC 1 Designation												
BNYM FX FXALL RFQ AS	N	N				(30,559)			(30,559)		11,035	11,035
FX- GOLDMAN SACHS, N	N	N				(215,329)			(215,329)		66,719	66,719
FXALL NONHEDGE NYC	N	N				(8,350)			(8,350)		2,223	2,223
0299999999 Total - NAIC 1 Designation						(254,238)			(254,238)		79,977	79,977
0399999999 Total - NAIC 2 Designation												
0499999999 Total - NAIC 3 Designation												
0599999999 Total - NAIC 4 Designation												
0699999999 Total - NAIC 5 Designation												
0799999999 Total - NAIC 6 Designation												
0899999999 Aggregate Sum of Central Clearinghouses (Excluding Exchange-Traded)			168,836		179,311	(9,280)	1,196	179,311	(9,280)	1,196	69,430	69,430
0999999999 Gross Totals			168,836		179,311	(263,518)	1,196	179,311	(263,518)	1,196	149,407	149,407
1. Offset per SSAP No. 64												
2. Net after right of offset per SSAP No. 64					179,311	(263,518)						

SCHEDULE DB - PART D - SECTION 2
Collateral for Derivative Instruments Open as of Current Statement Date

Collateral Pledged by Reporting Entity

1	2	3	4	5	6	7	8	9
Exchange, Counterparty or Central Clearinghouse	Type of Asset Pledged	CUSIP Identification	Description	Fair Value	Par Value	Book/Adjusted Carrying Value	Maturity Date	Type of Margin (I, V or IV)
LCH	F226TOH6YD6XJB17KS62	CASH .....	. 000000000 .	CASHUSD .....	..... 198,765	..... 198,765	..... 198,765	..... I
0199999999 Total .....					..... 198,765	..... 198,765	..... 198,765	.. X X X ..

SCHEDULE DB - PART D - SECTION 2
Collateral for Derivative Instruments Open as of Current Statement Date

Collateral Pledged to Reporting Entity

1	2	3	4	5	6	7	8	9
Exchange, Counterparty or Central Clearinghouse	Type of Asset Pledged	CUSIP Identification	Description	Fair Value	Par Value	Book/Adjusted Carrying Value	Maturity Date	Type of Margin (I, V or IV)
LCH	F226TOH6YD6XJB17KS62	CASH .....	. 000000000 .	CASHUSD .....	..... 168,836	..... 168,836	..... X X X .....	..... V
0299999999 Total .....					..... 168,836	..... 168,836	..... X X X .....	.. X X X ..

E10 Schedule DB Part E NONE

E11 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E12 Schedule DL - Part 2 - Securities Lending Collateral Assets 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
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
Open Depositories										
Bank of NY Mellon	New York, NY						2,137,948	1,832,633	4,784,480	X X X
U.S. Bank N.A.	Portland, OR		SD				300,457	300,457	300,457	X X X
Bank of Oklahoma C/D	Tulsa, OK		SD				10,000		10,000	X X X
Bankof NY Mellon Corp	Pittsburgh, PA						3,765,693	8,583,074	8,004,825	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories			X X X	... X X X ..						X X X
0199999 Total - Open Depositories			X X X	... X X X ..			6,214,098	... 10,716,164	... 13,099,762	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories			X X X	... X X X ..						X X X
0299999 Total - Suspended Depositories			X X X	... X X X ..						X X X
0399999 Total Cash On Deposit			X X X	... X X X ..			6,214,098	... 10,716,164	... 13,099,762	X X X
0499999 Cash in Company's Office			X X X	... X X X ..	X X X	X X X				X X X
0599999 Total			X X X	... X X X ..			6,214,098	... 10,716,164	... 13,099,762	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Exempt Money Market Mutual Funds - as Identified by SVO								
. 261941108 .	DREYFUS TREASURY SECURITIES CASH MANAGEM		06/02/2023	4.964	X X X	2,009,864	61,566	39,737
. 262006208 .	DREYFUS GOVT CASH MGMT-I		06/28/2023	0.000	X X X	940,019		2,428
8209999999 Subtotal - Exempt Money Market Mutual Funds - as Identified by SVO						2,949,883	61,566	42,165
All Other Money Market Mutual Funds								
. 09248U700 .	BLCKRCK LIQ FDFND-INST		06/02/2023	0.000	X X X	12,479,472		271,145
. 38141W273 .	GLDMN SCHS FIN SQ GV-FST		06/02/2023	0.000	X X X	14,789,215		325,244
. 61747C707 .	MSILF GOVERNMENT-INST		06/28/2023	0.000	X X X	864,286		
. 825252885 .	INVESCO GVT & AGNCY-INST		06/28/2023	0.000	X X X	940,019		2,450
. 999G51662 .	JP MORGAN US GOVT MM FUND 3164		06/30/2023	0.000	X X X	20,898,508		
. 316175108 .	FIDELITY INV MMTT GOVT-I		06/30/2023	0.000	X X X	20,033,040		
8309999999 Subtotal - All Other Money Market Mutual Funds						70,004,540		598,839
8609999999 Total Cash Equivalents						72,954,423	61,566	641,004