



**QUARTERLY STATEMENT
AS OF JUNE 30, 2021
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@scafg.com (212)478-3579
(E-Mail Address) (Fax Number)

OFFICERS

<u>Name</u>	<u>Title</u>
Yadin Rozov	Chief Executive Officer and President
George David Wilkinson	General Counsel and Secretary
Mary Jane Constant	Chief Operating Officer

OTHERS

DIRECTORS OR TRUSTEES

Jan-Michael Guerra	Christopher Bryan Hayward	Joseph Ali Naggar	Deeb Amin Salem
Yadin Rozov			

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)
 Yadin Rozov
(Printed Name)
 1.
 Chief Executive Officer and President
(Title)

(Signature)
 George David Wilkinson
(Printed Name)
 2.
 General Counsel and Secretary
(Title)

(Signature)
 Mary Jane Constant
(Printed Name)
 3.
 Chief Operating Officer
(Title)

Subscribed and sworn to before me this _____ day of _____, 2021

- a. Is this an original filing?
 b. If no, 1. State the amendment number
 2. Date filed
 3. Number of pages attached

Yes[X] No[]

(Notary Public Signature)

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	388,040,101	149,024,203	239,015,898	390,304,705
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	36,275,201		36,275,201	37,228,321
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 (\$.....36,056,294), cash equivalents (\$.....180,361,049) and short-term investments (\$.....0)	216,417,343		216,417,343	145,893,124
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives	67,569		67,569	11,832
8. Other invested assets	49,231		49,231	5,081,047
9. Receivables for securities	2,748,240		2,748,240	586,709
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	643,597,685	149,024,203	494,573,482	579,105,738
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	4,480,499		4,480,499	4,948,016
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,812,073		1,812,073	1,668,535
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	186,481		186,481	1,375,000
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 adjustments in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	448,670		448,670	299,113
24. Health care (\$.....0) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	4,692,633	448,369	4,244,264	4,745,745
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	655,218,041	149,472,572	505,745,469	592,142,147
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	655,218,041	149,472,572	505,745,469	592,142,147
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	3,894,239		3,894,239	3,894,048
2502. U.S. Bank-Escrow	182,506		182,506	739,217
2503. Account receivable	471,683	448,369	23,314	19,781
2598. Summary of remaining write-ins for Line 25 from overflow page	144,205		144,205	92,699
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	4,692,633	448,369	4,244,264	4,745,745

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$.....0)	(120,266,458)	(161,776,966)
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	3,220,670	476,416
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	2,277,300	3,758,772
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	58,900	59,413
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$.....0 and interest thereon \$.....0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....77,394,331 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)	10,566,960	10,982,166
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,623,536	1,479,472
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	7,964,607	5,309,735
20. Derivatives	2,190,885	108,221
21. Payable for securities	61,076	7,312,492
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)	(87,302,524)	(127,290,279)
27. Protected cell liabilities		
28. TOTAL liabilities (Lines 26 and 27)	(87,302,524)	(127,290,279)
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)	463,028,493	589,412,926
36. Less treasury stock, at cost:		
36.10 shares common (value included in Line 30 \$.....0)		
36.21,658 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)	593,047,993	719,432,426
38. TOTALS (Page 2, Line 28, Col. 3)	505,745,469	592,142,147
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 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned			
1.1 Direct (written \$.....3,735,419)	15,311,223	19,099,441	26,259,000
1.2 Assumed (written \$.....160,000)	172,745	161,879	378,365
1.3 Ceded (written \$.....3,415,682)	14,589,024	11,166,769	17,269,377
1.4 Net (written \$.....479,737)	894,944	8,094,551	9,367,988
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0)			
2.1 Direct	9,921,290	(14,463,733)	(15,277,067)
2.2 Assumed	(1,395,529)	(200,022)	(630,218)
2.3 Ceded	8,420,271	(19,417,445)	(18,194,596)
2.4 Net	105,490	4,753,690	2,287,311
3. Loss adjustment expenses incurred	3,027,431	908,724	902,199
4. Other underwriting expenses incurred	6,893,678	7,296,713	15,791,408
5. Aggregate write-ins for underwriting deductions			
6. TOTAL underwriting deductions (Lines 2 through 5)	10,026,599	12,959,127	18,980,918
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(9,131,655)	(4,864,576)	(9,612,930)
INVESTMENT INCOME			
9. Net investment income earned	12,867,524	11,983,984	23,885,777
10. Net realized capital gains (losses) less capital gains tax of \$.....0	24,774,660	(11,907,385)	11,233,724
11. Net investment gain (loss) (Lines 9 + 10)	37,642,184	76,599	35,119,501
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		22,983	22,983
15. TOTAL other income (Lines 12 through 14)		22,983	22,983
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	28,510,529	(4,764,994)	25,529,554
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)	28,510,529	(4,764,994)	25,529,554
19. Federal and foreign income taxes incurred	3,465,426		83,788
20. Net income (Line 18 minus Line 19) (to Line 22)	25,045,103	(4,764,994)	25,445,766
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	719,432,426	685,319,579	685,319,579
22. Net income (from Line 20)	25,045,103	(4,764,994)	25,445,766
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0	(378,407)	(1,975,728)	8,763,471
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			
27. Change in nonadmitted assets	(149,024,203)		
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from Protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	(2,026,926)	(53,961)	(96,390)
38. Change in surplus as regards policyholders (Lines 22 through 37)	(126,384,433)	(6,794,683)	34,112,847
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	593,047,993	678,524,896	719,432,426
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. Default interest forbearance fees and other		22,983	22,983
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)		22,983	22,983
3701. Net unrealized FX on derivatives	(2,026,926)	(53,961)	(96,390)
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	(2,026,926)	(53,961)	(96,390)

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	480,264	829,977	1,395,032	
2. Net investment income	9,668,623	8,817,239	17,099,529	
3. Miscellaneous income		4,272,983	4,272,983	
4. TOTAL (Lines 1 to 3)	10,148,887	13,920,199	22,767,544	
5. Benefit and loss related payments	(41,405,018)	20,985,265	24,853,849	
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts				
7. Commissions, expenses paid and aggregate write-ins for deductions	6,866,212	8,062,083	11,586,757	
8. Dividends paid to policyholders				
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	2,276,907		1,458,788	
10. TOTAL (Lines 5 through 9)	(32,261,899)	29,047,348	37,899,394	
11. Net cash from operations (Line 4 minus Line 10)	42,410,786	(15,127,149)	(15,131,850)	
Cash from Investments				
12. Proceeds from investments sold, matured or repaid:				
12.1 Bonds	204,495,297	590,051,389	777,095,797	
12.2 Stocks	23,454,170	20,621,348	24,677,056	
12.3 Mortgage loans				
12.4 Real estate				
12.5 Other invested assets	5,033,333			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(53,254)	74,148	16,768	
12.7 Miscellaneous proceeds				
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7)	232,929,546	610,746,885	801,789,621	
13. Cost of investments acquired (long-term only):				
13.1 Bonds	186,034,979	561,973,606	728,081,678	
13.2 Stocks	19,280,163	41,210,941	56,331,775	
13.3 Mortgage loans				
13.4 Real estate				
13.5 Other invested assets				
13.6 Miscellaneous applications				
13.7 TOTAL investments acquired (Lines 13.1 to 13.6)	205,315,142	603,184,547	784,413,453	
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)	27,614,404	7,562,338	17,376,168	
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				
16.6 Other cash provided (applied)	499,029	(5,821)	145,592	
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	499,029	(5,821)	145,592	
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)	70,524,219	(7,570,632)	2,389,910	
19. Cash, cash equivalents and short-term investments:				
19.1 Beginning of year	145,893,124	143,503,214	143,503,214	
19.2 End of period (Line 18 plus Line 19.1)	216,417,343	135,932,582	145,893,124	
Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:				
20.0001	Change in net payable for securities	7,251,416	(14,106,847)	(7,312,492)
20.0002	Change in net receivable for securities	(2,161,531)	(10,335,157)	(530,111)

Notes to Financial Statement

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”). Through December 29, 2019, Syncora Guarantee was a wholly-owned subsidiary of Syncora Holdings Ltd. On December 30, 2019 Syncora Holdings Ltd, sold Syncora Guarantee to Syncora FinanceCo LLC., (formerly known as Star Insurance Holdings LLC), an entity organized by GoldenTree Asset Management LP. 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:

	<u>SSAP#</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>Six Months 2021</u>	<u>Year Ended 2020</u>
NET INCOME (LOSS)					
(1) Syncora Guarantee Inc. state basis (Page 4, Line 20, Columns 1 & 3)				\$ 25,045,103	\$ 25,445,766
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:				-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP:					
(c)	60	4	1,2	(18,594,172)	29,535,990
(4) NAIC SAP				\$ 6,450,931	\$ 54,981,756
				June 30, 2021	December 31, 2020
SURPLUS (DEFICIT)					
(5) Syncora Guarantee Inc. state basis (Page 3, Line 37, Columns 1 & 2)				\$ 593,047,993	\$ 719,432,426
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:					
(a)	00	N/A	N/A	-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP:					
(b)	60	3	25	(921,560,918)	(921,560,918)
(c)	60	3	1,9,25	(112,491,848)	(93,897,676)
(d)				149,024,203	-
(8) NAIC SAP				\$ (291,980,570)	\$ (296,026,168)

Permitted or Prescribed Practices

- (a) Pursuant to certain prescribed accounting practices under Articles 14 and 69 of the New York Insurance Law (“NYIL”) that differ with those found in NAIC SAP, the admissible carrying value of a share of an insurer is limited to a stipulated percentage of policyholders’ surplus, and investments in certain securities (including the Uninsured Cash Flow Certificates (see Note 21.G.) are also subject to limitations. In connection with the 2009 Master Transaction Agreement (“2009 MTA”), the NYDFS permitted the Company to admit these assets notwithstanding the otherwise applicable limitations, which resulted in no difference between NAIC SAP and NY basis.
- (b) 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 NYIL, as of June 30, 2021 and December 31, 2020, the Company has de-recognized \$921.6 million and \$921.6 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. The Company previously applied the permitted practice described above to release contingency reserves on an obligation by obligation basis under policies insuring multiple obligations rather than on a policy by policy basis. In addition to the foregoing, the Company released contingency reserves based on a methodology pursuant to a permitted practice granted by the NYDFS.
- (c) 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, 2021, such de-recognized reserves for unpaid losses, unearned premium reserve and contingency reserves (as of the date of the effective defeasance or, in-substance commutations) aggregated \$6.3 billion, \$17.4 million and \$4.9 million, respectively. As of December 31, 2020, such de-recognized reserves for unpaid losses, unearned premium reserve and contingency reserves (as of the date of the effective defeasance or, in-substance commutations) aggregated \$6.3 billion, \$17.4 million and \$4.9 million, respectively.
- (d) Pursuant to certain prescribed accounting practices under Article 14 of the New York Insurance Law that differ with those found in NAIC SAP, the admissible carrying value of investments in certain securities are subject to limitations.

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

Notes to Financial Statement

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, 2021 are not necessarily indicative of the results that may be expected for the year ended December 31, 2021. These interim financial statements of the Company should be read in conjunction with the Company's Annual Statement for the year ended December 31, 2020.

C. Accounting Policies

There has been no significant change in the Company's accounting policies from that disclosed in the Company's 2020 Annual Statement.

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 or corrections of errors as of and for the periods presented herein.

New York State Insurance Law 1407(a)(7) limits the amount of foreign investments that are permitted as admitted assets. In order to comply with the law as required by the NYDFS, the Company increased non-admitted assets by \$149,024,203 and reduced surplus by the same amount.

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 2020 Annual Statement.

D. Loan-Backed and Structured Securities

Notes to Financial Statement

The following table summarizes for the six months ended June 30, 2021 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.

	(1) Amortized Cost before Other-Than Temporary Impairment	(2) Other-Than Temporary Impairment	(3) Fair Value (1)-(2)
OTTI recognized 1st quarter:			
a. Intent to sell	\$ -	\$ -	\$ -
b. Inability or lack of intent to retain investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-
c. Total 1st quarter	\$ -	\$ -	\$ -
OTTI recognized 2nd quarter:			
d. Intent to sell	\$ -	\$ -	\$ -
e. Inability or lack of intent to retain investment in the security for a period of time sufficient to recover the amortized cost basis	48,056	18,039	30,017
f. Total 2nd quarter	\$ 48,056	\$ 18,039	\$ 30,017
m. Aggregate total		<u>\$ 18,039</u>	

The following table summarizes the six months ended June 30, 2021 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.

CUSIP	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
02660YAM4	17,457	13,573	3,885	13,573	13,573	6/30/2021
22944PAH0	555	330	225	330	330	6/30/2021
362631AD5	21,135	14,024	7,110	14,024	14,024	6/30/2021
61764GAK8	8,909	2,091	6,819	2,091	2,091	6/30/2021
Total			<u>\$ 18,039</u>			

Loan-backed and structured securities in unrealized loss positions as of June 30, 2021, 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 \$ 189,573
 2. Twelve months or longer \$ 27
- b. Aggregate fair value of securities with unrealized loss
 1. Less than twelve months \$ 31,158,317
 2. Twelve months or longer \$ 4,888

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

Not applicable.

L. Restricted Assets

As of June 30, 2021, the Company had, in the aggregate, approximately \$20.8 million on deposit to collateralize its contractual obligations under certain agreements, including reinsurance. Of such deposits, \$16.6 million, \$4.1 million, and \$0.1 million are recorded on the Statement of Assets, Liabilities, Surplus

Notes to Financial Statement

and Other Funds in “Bonds”, “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, 2020, the Company had, in the aggregate, approximately \$23.4 million on deposit to collateralize its contractual obligations under certain agreements, including reinsurance. Of such deposits, \$15.7 million, \$4.6 million and \$3.1 million are recorded on the Statement of Assets, Liabilities, Surplus and Other Funds in “Bonds”, “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 2020 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 2020 Annual Statement.

- (3) Detail of other restricted assets

Not applicable.

- 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 2020 Annual Statement.

6. Joint Ventures, Partnerships and Limited Liability Companies:

There has been no significant change from that disclosed in the Company’s 2020 Annual Statement.

7. Investment Income:

The Company has not excluded from policyholders’ surplus any investment income due and accrued as of June 30, 2021 and December 31, 2020.

8. Derivative Instruments:

As of June 30, 2021, the Company recorded derivative assets and liabilities of \$0.1 and \$2.2 million, 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 \$3.5 million current income taxes during the six months ending June 30, 2021 compared to zero current income taxes during the six months ending June 30, 2020.

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, 2021 and December 31, 2020 for \$514.3 million and \$495.8 million, respectively. Tax years 2017 through 2020 are potentially subject to examination by the IRS and state and local authorities.

Notes to Financial Statement

Operating loss carryforwards

- (1) At June 30, 2021, the Company had Federal net operating loss carryforwards of \$2.3 billion available for Federal income tax purposes that will begin to expire from 2028 through 2038.
- (2) At June 30, 2021, the Company had capital loss carryforwards of \$15.4 million expiring from 2022 through 2023.
- (3) Federal income taxes of \$3.7 million are available for recoupment in the event of future net losses.

The Company is utilizing \$955 thousand of NOLs for the period ending June 30, 2021.

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 \$2.3 billion of the Company's NOLs as of June 30, 2021 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.

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, 2021 and 2020, the Company incurred costs under this agreement in the amount of \$1.9 million and zero, 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, 2021 and 2020, the Company charged GTAM under this agreement in the amount of \$0.1 million and zero, 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, 2021 and 2020, the Company incurred costs under this agreement in the amount of \$0.7 million and zero, 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, 2021 and December 31, 2020 were:

Notes to Financial Statement

Related Party	June 30, 2021	December 31, 2020
GoldenTree Asset Management LP	\$ 448,670	\$ 299,113
Less: Non Admitted Receivable	-	-
Total Admitted Related Party Receivable	\$ 448,670	\$ 299,113
GoldenTree Asset Management LP	\$ (7,964,607)	\$ (5,309,735)
Net Receivable/(Payable)	\$ (7,515,937)	\$ (5,010,622)

11. Debt:

There has been no change from that discussed in the Company's 2020 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 2020 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, 2021 and 2020, the Company incurred expenses of \$0.2 million and \$38 thousand, respectively, relating to employer contributions made to the aforementioned plan.

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

There has been no change from that disclosed in the Company's 2020 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.

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. For a period of two years following the December 30, 2019 sale of the Company, the Company has agreed not to declare and pay any dividends without the prior approval of 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, 2021 was \$463.0 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.

- J. As of June 30, 2021, the portion of unassigned funds (surplus) represented by or reduced by each item below is as follows:

a.	unrealized (gains) and losses:	\$ (6,149,626)
b.	non-admitted asset values:	\$ 149,472,572

Notes to Financial Statement

K. As of June 30, 2021, the Company had no surplus notes outstanding.

14. Contingencies:

A. Contingent Commitments

There has been no change from that discussed in the Company's 2020 Annual Statement.

B. Assessments

There has been no change from that discussed in the Company's 2020 Annual Statement.

C. Gain Contingencies

There has been no change from that discussed in the Company's 2020 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 2020 Annual Statement.

E. Product Warranties

There has been no change from that discussed in the Company's 2020 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 2020 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, 2021.

Notes to Financial Statement

The following table sets forth the Company's in-force guaranteed principal and interest exposure by bond sector as of June 30, 2021:

Bond Exposure
(U.S. dollars in millions)

	Retained business		Ceded business	
	PO⁽¹⁾	IO⁽¹⁾	PO⁽¹⁾	IO⁽¹⁾
Public Finance				
Utility	\$ 78	\$ 22	\$ 238	\$ 9
Special Revenue	77	18	1,839	1,592
General Obligation	72	18	265	92
Non Ad Valorem	6	5	22	5
Other	1	-	-	-
Appropriation	-	-	41	9
Total Public Finance	<u>\$ 234</u>	<u>\$ 63</u>	<u>\$ 2,405</u>	<u>\$ 1,707</u>
Asset-Backed Securities				
RMBS	\$ -	\$ -	\$ 258	\$ 16
Total Asset-Backed Securities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 258</u>	<u>\$ 16</u>
Collateralized Debt Obligations				
Cashflow CDO	\$ -	\$ -	\$ 7	\$ 1
Total Collateralized Debt Obligations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 1</u>
Structured Single Risk				
Specialized Risk	\$ 119	\$ -	\$ 50	\$ 3
Global Infrastructure	102	29	1,041	439
Power & Utilities	-	-	2,413	2,090
Total Structured Single Risk	<u>\$ 221</u>	<u>\$ 29</u>	<u>\$ 3,504</u>	<u>\$ 2,532</u>
Total Outstanding	<u><u>\$ 455</u></u>	<u><u>\$ 92</u></u>	<u><u>\$ 6,174</u></u>	<u><u>\$ 4,256</u></u>

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

Notes to Financial Statement

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, 2021:

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

	<u>Retained business</u>		<u>Ceded business</u>	
	<u>Scheduled Net Debt Service</u>	<u>Outstanding⁽¹⁾</u>	<u>Scheduled Net Debt Service</u>	<u>Outstanding⁽¹⁾</u>
2021 Q2	\$ -	\$ 547	\$ -	\$ 10,430
2021 Q3	17	530	325	10,105
2021 Q4	18	512	71	10,034
Total 2021	<u>\$ 35</u>		<u>\$ 396</u>	
2022	\$ 44	\$ 468	\$ 443	\$ 9,591
2023	66	402	395	9,196
2024	42	360	394	8,802
2025	79	281	945	7,857
Total 2022-2025	<u>\$ 231</u>		<u>\$ 2,177</u>	
2026-2030	\$ 207	\$ 74	\$ 1,714	\$ 6,143
2031-2035	66	8	1,709	4,434
2036-2040	8	-	1,791	2,643
2041 and thereafter	-	-	2,643	-
Total 2026-thereafter	<u>\$ 281</u>		<u>\$ 7,857</u>	
Total	<u>\$ 547</u>		<u>\$ 10,430</u>	

⁽¹⁾Outstanding represents principal and interest.

Notes to Financial Statement

The following table sets forth the Company's in-force guaranteed principal exposure by geographic concentration as of June 30, 2021:

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

	<u>Retained business</u>		<u>Ceded business</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
United States				
Puerto Rico	\$ 156	34.3 %	\$ -	- %
New York	77	16.8	494	8.0
Michigan	1	0.3	14	0.2
California	-	-	1,155	18.8
Virginia	-	-	531	8.6
Multi-state ⁽¹⁾⁽²⁾	-	-	397	6.4
Other ⁽³⁾	-	-	290	4.7
Washington	-	-	186	3.0
Ohio	-	-	116	1.9
Total United States	<u>\$ 234</u>	<u>51.4 %</u>	<u>\$ 3,183</u>	<u>51.6 %</u>
International				
Italy	\$ 119	26.3 %	\$ -	- %
Portugal	102	22.3	-	-
United Kingdom	-	-	2,547	41.1
New Zealand	-	-	209	3.4
Chile	-	-	171	2.8
Mexico	-	-	50	0.8
Panama	-	-	10	0.2
Canada	-	-	4	0.1
Other	-	-	-	-
Total International	<u>\$ 221</u>	<u>48.6 %</u>	<u>\$ 2,991</u>	<u>48.4 %</u>
Total Par Outstanding	<u>\$ 455</u>	<u>100.0 %</u>	<u>\$ 6,174</u>	<u>100.0 %</u>

⁽¹⁾Deals with underlying securities in multiple states.

⁽²⁾Consists of \$0 million in Public Finance, and \$0 million in ABS, and \$0 million in CDO net (retained) par.

⁽³⁾Single state with par outstanding < 1% of the total exposure in the current period.

Notes to Financial Statement*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, 2021:

RMBS Exposure
(U.S. dollars in millions)

	Retained business		Ceded business	
	Amount	%	Amount	%
Prime (1st lien)	\$ -	- %	\$ 6	2.5 %
Prime (2nd lien)	-	-	2	0.6
Prime (HELOC)	-	-	22	8.4
Alt-A (1st lien)	-	-	13	5.1
Subprime (1st lien)	-	-	202	78.1
Subprime (2nd lien)	-	-	3	1.3
Subprime (1st lien) - International	-	-	10	4.0
Total RMBS Outstanding	\$ -	- %	\$ 258	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 2020 Annual Statement.
- B. There has been no change from that discussed in the Company's 2020 Annual Statement.
- C. There has been no change from that discussed in the Company's 2020 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 2020 Annual Statement.
- B. There has been no change from that discussed in the Company's 2020 Annual Statement.
- C. There has been no change from that discussed in the Company's 2020 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 2020 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 Statement

The following fair value hierarchy table presents the Company's assets and liabilities measured at fair value at June 30, 2021.

June 30, 2021					
	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
Assets at Fair Value					
Common Stocks:					
Common Stocks	\$ 36,275,201	\$ -	\$ -	\$ -	\$ 36,275,201
Fixed Maturity Investments:					
Special Revenue	-	-	-	-	-
Industrial & Miscellaneous	-	41,151,952	9,703,127	-	50,855,079
Derivatives	-	-	67,569	-	67,569
Other Invested Assets	-	-	49,231	-	49,231
Total Assets at Fair Value	\$ 36,275,201	\$ 41,151,952	\$ 9,819,927	\$ -	\$ 87,247,080
Liabilities at Fair Value					
Derivatives	\$ -	\$ -	\$ 2,190,885	\$ -	\$ 2,190,885
Total Liabilities at Fair Value	\$ -	\$ -	\$ 2,190,885	\$ -	\$ 2,190,885

- (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, 2021.

	Balance at March 31, 2021	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, 2021
Assets:										
Fixed Maturity Investments	\$ 9,268,105	\$ -	\$ -	\$ -	\$ 251,542	\$ 183,480	\$ -	\$ -	\$ -	\$ 9,703,127
Derivatives	1,439,611	-	-	-	(1,372,042)	-	-	-	-	67,569
Other Invested Assets	48,438	-	-	-	793	-	-	-	-	49,231
Total Assets	\$ 10,756,154	\$ -	\$ -	\$ -	\$ (1,119,707)	\$ 183,480	\$ -	\$ -	\$ -	\$ 9,819,927
Liabilities:										
Derivatives	\$ 218,045	\$ -	\$ -	\$ -	\$ 1,972,840	\$ -	\$ -	\$ -	\$ -	\$ 2,190,885
Total Liabilities	\$ 218,045	\$ -	\$ -	\$ -	\$ 1,972,840	\$ -	\$ -	\$ -	\$ -	\$ 2,190,885

- (3) The Company had no transfers into or out of Level 3 or any transfers between Level 1 and Level 2 of the fair value hierarchy for the six months ended June 30, 2021.

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, 2021							
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	\$ 410,129,450 ⁽¹⁾	\$ 239,015,898 ⁽²⁾	\$ 34,193,460	\$ 349,601,521	\$ 26,334,469	\$ -	\$ -
Cash, Cash Equivalents and Short-term Investments	216,417,343	216,417,343	216,417,343	-	-	-	-
Common Stocks	36,275,201	36,275,201	36,275,201	-	-	-	-
Derivatives	67,569	67,569	-	-	67,569	-	-
Other Invested Assets	49,231	49,231	-	-	49,231	-	-
Total Assets	\$ 662,938,794	\$ 491,825,242	\$ 286,886,004	\$ 349,601,521	\$ 26,451,269	\$ -	\$ -

⁽¹⁾ Fair value of the aggregate bond portfolio.

⁽²⁾ Admitted value presented net of the nonadmitted adjustment for certain foreign bonds of \$149.0 million (see Note 2).

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

Not applicable.

Notes to Financial Statement

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 2020 Annual Statement.
- B. There has been no change from that discussed in the Company's 2020 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 2020 Annual Statement.
- E. There has been no change from that discussed in the Company's 2020 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 2020 Annual Statement.

(3) Direct Exposure - Other Investment Classes

There has been no significant change from that discussed in the Company's 2020 Annual Statement.

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

<u>Description</u>	<u>Losses Paid in the Current Year</u>	<u>Losses Incurred in the Current Year</u>	<u>Case Reserves at the End of Current Period</u>	<u>IBNR Reserves at End of Current Period</u>
Financial Guaranty Coverage	\$ (47,080,765)	\$ (3,141,667)	\$ (10,018,305)	\$ -

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, 2021, the Company has \$273.8 million Puerto Rico-related risk (excluding interest outstanding of \$44.6 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 \$160.6 million (excluding interest outstanding of \$21.7 million) and general obligation bonds of the Commonwealth of Puerto Rico (the "Commonwealth") of \$97.5 million (excluding interest outstanding of \$15.6 million) and \$15.7 million of risk related to other obligations of Puerto Rico (excluding interest outstanding of \$7.3 million). As of June 30, 2021, the Company paid approximately \$232.2 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.

Notes to Financial Statement

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 is participating in the mediation process.

The Oversight Board certified a revised fiscal plan for PREPA on May 27, 2021 and for the Commonwealth on April 23, 2021, which are intended to provide the bases for any plans of adjustment in the Title III cases of PREPA and the Commonwealth.

On February 15, 2019, the U.S. Court of Appeals for the First Circuit issued an opinion finding that the members of the Oversight Board were not appointed in compliance with the appointments clause of the U.S. Constitution, but declined to dismiss the Title III petitions previously filed by the Oversight Board and delayed the effectiveness of its ruling for 90 days so as to allow the President and the Senate to validate the current appointments or reconstitute the Oversight Board in accordance with the appointments clause. On June 20, 2019, the U.S. Supreme Court granted the Oversight Board’s petition to review the First Circuit’s decision. On July 2, 2019, the First Circuit granted the Oversight Board’s motion to stay the mandate pending final disposition of the case by the Supreme Court. Oral arguments before the U.S. Supreme Court were held on October 15, 2019. On June 1, 2020, the Supreme Court issued an opinion reversing the First Circuit and finding that the Oversight Board members are not “Officers of the United States” and therefore the appointments clause does not dictate how the Oversight Board’s members must be appointed.

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 has been adjourned to a date to be determined. On August 28, 2020, the Official Committee of Unsecured Creditors filed a motion to terminate the motion to approve the Definitive RSA. On November 4, 2020, the Court denied the motion to terminate the Definitive RSA and declined to disrupt the Definitive RSA which the parties have not yet terminated. The Official Committee of Unsecured Creditors appealed that decision to the U.S. Court of Appeals for the First Circuit. On May 21, 2021, the First Circuit dismissed the appeal. The Oversight Board recently announced that it intends to file PREPA’s plan of adjustment in late 2021 or early 2022.

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.

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 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 more than \$13 billion of general obligation and PBA bonds, including the Company, Assured Guaranty and National Public Finance Guarantee Corp. The Governor of Puerto Rico is not currently a party to the New PSA. The New PSA provides for the treatment of Commonwealth and PBA bonds, including those held or insured by the Company. On March 9, 2021, the Oversight Board announced an agreement in principle with over 70% of ERS bondholders regarding the treatment of their claims. On May 11, 2021, the Oversight Board filed a third amended plan of adjustment for the Commonwealth, PBA and ERS, as well as an amended disclosure statement, which, among other things, incorporates the terms of the New PSA and the settlement with the ERS bondholders. On July 12, 2021, the Oversight Board announced a settlement with the Official Committee of Unsecured Creditors to obtain the Committee’s

Notes to Financial Statement

support for the Commonwealth's plan of adjustment. On July 14, 2021, the Oversight Board announced an agreement in principle 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 (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. Hearings to confirm the Plan for the Commonwealth, PBA and ERS are scheduled for November 2021. The New PSA contemplates that the Plan will be confirmed by December 2021.

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. HTA's plan of adjustment is expected to be filed by January 31, 2022.

Due to the pending Title III cases, 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, 2021, 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 2021 to 2038 of at least approximately \$190.0 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 2020 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) 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, 2021, the insured exposure ceded to Assured Guaranty was approximately \$6.2 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, a prolonged period of low interest rates, along with declining investment balances, 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, as well as the effects of the COVID-19 pandemic. The continued uncertainty over the outcome of the European

Notes to Financial Statement

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, 2021, the Company's in-force guaranteed principal exposure to the European Union was approximately \$221.1 million which was specifically related to certain credits in higher risk countries, such as Portugal and Italy.

- The Financial Conduct Authority of the United Kingdom plans to phase out the London Interbank Offered Rate ("LIBOR") (some tenors by the end of 2021 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, 2021, the Company has LIBOR based gross and net par outstanding insured exposure of \$241.1 million and zero, respectively. An increase in interest rates, the potential phase out of LIBOR and the difference between LIBOR and SOFR could have a material 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, 2021, approximately 49% of the Company's in-force guaranteed net par outstanding exposure of \$0.5 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 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'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 or when 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

Notes to Financial Statement

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.

Furthermore, Syncora Guarantee continues to pursue certain key strategic initiatives in order to continue to deliver enhanced value to stakeholders. These initiatives include (i) actively and continuously focusing on reducing the Company's retained insured 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, including one reinsurance transaction that was executed in January 2021, 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, 2021, 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 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

The COVID-19 pandemic continues to develop and still could have a material adverse impact on our results of operations and financial condition, which in turn could impact our ability to meet our obligations, including under our insurance policies. COVID-19 also continues to pose risks to the global economy, as well as to our vendors and our operations. The outbreak is causing severe economic disruptions globally. Continued or new restrictive measures in the jurisdictions where we operate may have a material adverse impact on our business operations or our financial position. The COVID-19 pandemic has been impacting the global economy and the Company for quite some time now and its ultimate impact and duration remain unknown, as do the governmental and private responses to the pandemic which continue to evolve. No assurance can be 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

Notes to Financial Statement

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

H. Legal Matters:

In the ordinary course of business, the Company may be 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 Syncora Guarantee, 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 Syncora Guarantee, 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 September 9, 2019, the Company became a party to the Definitive RSA to address its PREPA related exposure. Pursuant to the Definitive RSA, upon court approval of the agreement, the renewed motion will be voluntarily withdrawn by all of the movants.

On May 2, 2019, the Oversight Board and the Official Committee of Unsecured Creditors filed a complaint challenging numerous proofs of claims relating to general obligation bonds, including those filed by the Company. Among other things, the complaint disputes the existence, extent, and enforceability of the consensual and statutory liens asserted in the proofs of claim and is seeking to reclassify such claims as unsecured obligations of the Commonwealth. On May 20, 2019, the Oversight Board and the Official

Notes to Financial Statement

Committee of Unsecured Creditors filed a similar complaint challenging numerous proofs of claims relating to bonds issued by the Puerto Rico Highways and Transportation Authority, including the proof of claim filed by the Company. Both of these complaints are currently stayed by the court.

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.

Swap Financial

On October 22, 2019, Principia Partners LLC ("Principia") filed a Complaint in the Supreme Court of New York against Swap Financial Group and several Syncora entities, including the Company. In this litigation, Principia claimed that Swap Financial breached the terms of a contract entered into between Principia and Swap Financial. Principia asserted a breach of contract claim as well as several quasi-contract and tort claims directly against Swap Financial and against various Syncora entities, including the Company, as well as alter ego theory claims against the Syncora entities. Each of Swap Financial and the Syncora parties filed motions to dismiss the Principia Complaint. The Syncora motion to dismiss the Principia Complaint was granted, but Principia filed an appeal of such order. In May 2021, the Appellate Division, First Department, of the Supreme Court of the State of New York upheld the dismissal of Principia's claims against Company.

Licenses

As of June 30, 2021, 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.

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 2020 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

Notes to Financial Statement

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 16, 2021 the date the financial statements were available to be issued. There were no material events occurring subsequent to June 30, 2021 that required recognition or disclosure.

23. Reinsurance:

A. Unsecured Reinsurance Recoverables

There has been no significant change from that disclosed in the Company's 2020 Annual Statement.

B. Reinsurance Recoverable in Dispute

There has been no change from that disclosed in the Company's 2020 Annual Statement.

C. Reinsurance Assumed and Ceded

There has been no significant change from that disclosed in the Company's 2020 Annual Statement.

D. Uncollectible Reinsurance

There has been no change from that disclosed in the Company's 2020 Annual Statement.

E. Commutation of Ceded Reinsurance

There has been no significant change from that disclosed in the Company's 2020 Annual Statement.

F. Retroactive Reinsurance

There has been no change from that disclosed in the Company's 2020 Annual Statement.

G. Reinsurance Accounted for as a Deposit

There has been no change from that disclosed in the Company's 2020 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 2020 Annual Statement.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

Notes to Financial 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, 2021 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 \$3.1 million and \$5.7 million for the six months ended June 30, 2021 and 2020, respectively. The 2021 expense primarily reflected the reinsurance payment for a public finance transaction and loss adjustment expenses, 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 \$(117.0) million as of June 30, 2021 (\$57.0) 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.

26. Intercompany Pooling Arrangements:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

27. Structured Settlements:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

28. Health Care Receivables:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

29. Participating Policies:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

30. Premium Deficiency Reserves:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

31. High Deductibles:

There has been no change from that disclosed in the Company's 2020 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, 2021 and December 31, 2020 was 4.75%. The discount rate is based on the book yield to maturity on the Company's invested assets. At June 30, 2021 and December 31, 2020, the Company's liability for unpaid losses and loss adjustment expenses was \$(117.0) million and \$(161.3) million, respectively. The amount of non-tabular discount at such dates was \$92.0 million and \$89.1 million, respectively.

Notes to Financial Statement

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	\$ 91,997,284	-	-	-

33. Asbestos/Environmental Reserves:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

34. Subscriber Savings Accounts:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

35. Multiple Peril Crop Insurance:

There has been no change from that disclosed in the Company's 2020 Annual Statement.

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, 2021, 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 \$59.1 million (\$7.1 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, 2021, 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 \$2.4 million relating to assumed reinsurance business at June 30, 2021:

Notes to Financial Statement

			<u>Retained business</u>	<u>Ceded business</u>	<u>Total</u>
1.	(a)	3rd Quarter 2021	\$ 154,928	\$ 1,024,296	\$ 1,179,224
	(b)	4th Quarter 2021	145,416	1,273,728	1,419,144
	(c)	1st Quarter 2022	139,923	1,316,982	1,456,905
	(d)	2nd Quarter 2022	141,910	1,487,785	1,629,695
	(e)	3rd Quarter 2022	138,589	976,226	1,114,815
	(f)	4th Quarter 2022	137,330	1,220,063	1,357,393
	(g)	Year 2023	529,947	4,780,835	5,310,782
	(h)	Year 2024	508,028	4,570,703	5,078,731
	(i)	Year 2025	487,222	3,985,886	4,473,108
	(j)	Year 2026	473,125	3,380,164	3,853,289
2.	(a)	2027 through 2031	\$ 2,224,264	\$ 13,673,110	\$ 15,897,374
	(b)	2032 through 2036	1,884,418	9,109,070	10,993,488
	(c)	2037 through 2041	109,133	3,662,438	3,771,571
	(d)	2042 through 2046	-	1,487,097	1,487,097
	(e)	2047 through 2051	-	108,757	108,757
	(f)	2052 through 2056	-	-	-

- 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, 2020 to June 30, 2021:

1. Expected future premiums - Beginning of Year	\$ 61,961,082
2. Less - Premium payments received for existing installment contracts	(3,703,883)
3. Add - Expected premium payments for new installment contracts	-
4. Adjustments to the expected future premium payments	874,174
5. Expected future premiums - End of Period	<u>\$ 59,131,373</u>

(2) Upfront Contracts

- a. The gross earned premium on upfront policies that was recognized on an accelerated basis was \$3.0 million for the six months ended June 30, 2021. 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 \$0.9 million primarily relating to assumed reinsurance business at June 30, 2021:

		<u>Retained business</u>	<u>Ceded business</u>	<u>Total</u>	
1.	(a)	3rd Quarter 2021	\$ 338,374	\$ 3,825,116	\$ 4,163,490
	(b)	4th Quarter 2021	432,900	524,375	957,275
	(c)	1st Quarter 2022	231,221	1,442,436	1,673,657
	(d)	2nd Quarter 2022	127,790	484,394	612,184
	(e)	3rd Quarter 2022	363,198	1,363,368	1,726,566
	(f)	4th Quarter 2022	481,656	499,699	981,355
	(g)	Year 2023	1,314,478	3,735,362	5,049,840
	(h)	Year 2024	1,339,560	3,688,869	5,028,429
	(i)	Year 2025	1,746,629	2,044,486	3,791,115
	(j)	Year 2026	1,742,412	1,947,854	3,690,266
2.	(a)	2027 through 2031	\$ 1,543,794	\$ 8,222,419	\$ 9,766,213
	(b)	2032 through 2036	36,613	6,551,789	6,588,402
	(c)	2037 through 2041	50,908	16,541,143	16,592,051
	(d)	2042 through 2046	-	6,280,340	6,280,340
	(e)	2047 through 2051	-	2,036,116	2,036,116
	(f)	2052 through 2056	-	15,537,824	15,537,824
	(g)	2057 through 2061	-	875,455	875,455

Notes to Financial Statement**(3) Claim Liability**

a. The Company used a rate of 4.75% 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	\$ (2,684,222)
(2) Changes in timing	5,650,563
(3) New reserves for defaults of insured contracts	200,000
(4) Change in deficiency reserves ⁽¹⁾	41,088,421
(5) Change in incurred but not reported claims	-
(6) Total	<u>\$ 44,254,762</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 Statement**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, 2021. 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.

	<u>Total</u>	<u>Loss List</u>	<u>Red Flag List</u>	<u>Yellow Flag List</u>	<u>Special Monitoring List</u>
Insured contractual payments outstanding:					
Principal	\$ 353,155,950	\$ 147,798,950	\$ 9,419,000	\$ 195,938,000	\$ -
Interest	63,720,675	42,506,398	2,299,000	18,915,277	-
Total	<u>\$ 416,876,625</u>	<u>\$ 190,305,348</u>	<u>\$ 11,718,000</u>	<u>\$ 214,853,277</u>	<u>\$ -</u>
Number of policies	63	60	1	2	-
Remaining weighted-average contract period (in years)	<u>6.2</u>	<u>5.5</u>	<u>6.0</u>	<u>6.7</u>	<u>-</u>
Loss and LAE liabilities reported in the balance sheet:					
Gross loss and LAE liability (nominal)	\$ 318,818,332	\$ 315,752,771	\$ -	\$ 3,065,561	\$ -
Gross potential recoveries and ceded reinsurance	343,866,836	343,866,836	-	-	-
Discount, net	91,997,284	91,997,284	-	-	-
Total	<u>\$ (117,045,788)</u>	<u>\$ (120,111,349)</u>	<u>\$ -</u>	<u>\$ 3,065,561</u>	<u>\$ -</u>
Unearned premium reserve, net	<u>\$ 9,529,296</u>	<u>\$ 1,673,026</u>	<u>\$ 162,022</u>	<u>\$ 7,694,248</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[] N/A[X]

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change:

- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[]
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes: Yes[] No[X]
- 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. Yes[] No[X]

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
If yes, complete and file the merger history data file with the NAIC.
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[] No[] N/A[X]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2020
- 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. 12/31/2016
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/26/2018
- 6.4 By what department or departments?
New York Department of Financials 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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
..... No No No No

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[]
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[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

GENERAL INTERROGATORIES (Continued)

INVESTMENT

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

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
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? Yes[X] No []
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[X] No [] N/A []
 If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
 16.3 Total payable for securities lending reported on the liability page \$ 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No []
 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
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? Yes [] No [X]
 17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

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

1 Name of Firm or Individual	2 Affiliation
Wellington Management Company, LLP	U
Yadin Rozov, 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? Yes[X] No []

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
106595	Wellington Management Company, LLP	549300YHP12TEZNLX41	S.E.C.	NO
NA	Yadin Rozov, 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? Yes[X] No []
 18.2 If no, list exceptions:

GENERAL INTERROGATORIES (Continued)

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 - b. Issuer or obligor is current on all contracted interest and principal payments.
 - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5GI securities? Yes[] 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		4.750	91,997,284			91,997,284	(4,023,011)			(4,023,011)
04.2999 Total			91,997,284			91,997,284	(4,023,011)			(4,023,011)

5. Operating Percentages:
- 5.1 A&H loss percent 0.000%
- 5.2 A&H cost containment percent 0.000%
- 5.3 A&H expense percent excluding cost containment expenses 0.000%
- 6.1 Do you act as a custodian for health savings accounts? Yes[] No[X]
- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0
- 6.3 Do you act as an administrator for health savings accounts? Yes[] No[X]
- 6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ 0
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**

States, etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama (AL)	L						
2. Alaska (AK)	N						
3. Arizona (AZ)	L						
4. Arkansas (AR)	L						
5. California (CA)	L	866,019	935,733	(547,929)	(594,004)	20,405,799	12,596,126
6. Colorado (CO)	L						
7. Connecticut (CT)	L						
8. Delaware (DE)	L	27,417	32,891				
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			(284,583)	(267,625)	(974,873)	(1,393,758)
23. Michigan (MI)	L			646,970	632,957	1,298,257	1,917,002
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	1,784,286	1,791,400	(44,223,212)	(3,300,976)	(15,574,445)	(67,604,680)
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	(451,650)	(30,165,680)	(24,216,984)
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	1,057,697	754,687		23,500,000		
59. Totals	X X X	3,735,419	3,514,711	(42,737,279)	19,518,702	(25,010,942)	(78,702,294)
DETAILS OF WRITE-INS							
58001GBR United Kingdom	X X X	1,057,697	754,687		23,500,000		
58002	X X X						
58003	X X X						
58998Summary of remaining write-ins for Line 58 from overflow page	X X X						
58999TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X	1,057,697	754,687		23,500,000		

(a) Active Status Counts:

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

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

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

46

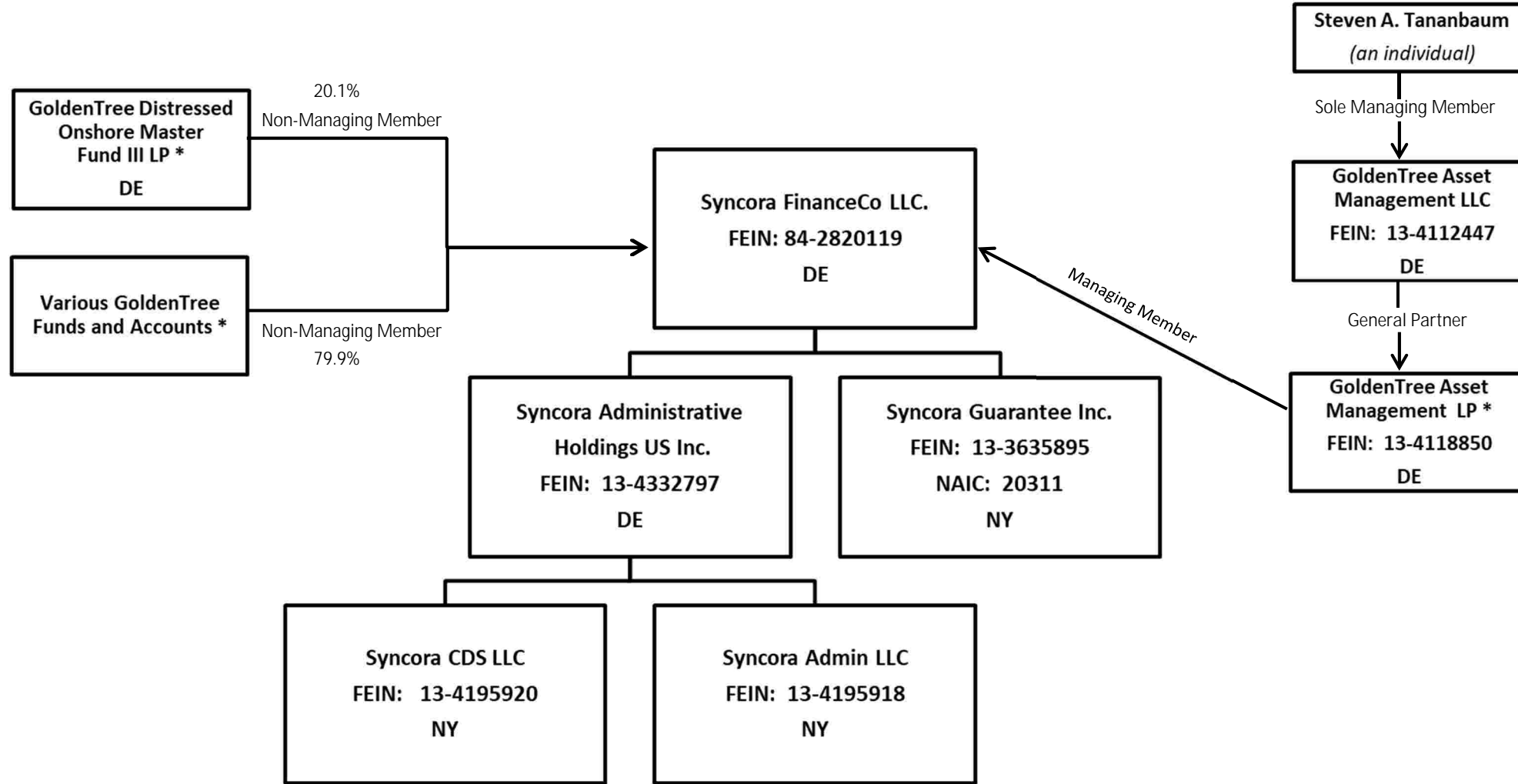
R - Registered - Non-domiciled RRGs

Q - Qualified - Qualified or accredited reinsurer

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

11

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 Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
		00000	84-2820119				Syncora FinanceCo LLC	DE	UIP	GoldenTree Asset Management LP	Board of Directors		Shareholders	N	
		20311	13-3635895				Syncora Guarantee Inc.	NY	RE	Syncora FinanceCo LLC	Ownership	100.0	Syncora FinanceCo LLC	N	
		00000	13-4332797				Syncora Admin Holdings US Inc.	DE	NIA	Syncora FinanceCo LLC	Ownership	100.0	Syncora FinanceCo LLC	N	
		00000	13-4195920				Syncora CDS LLC	NY	NIA	Syncora FinanceCo LLC	Ownership	100.0	Syncora FinanceCo LLC	N	
		00000	13-4195918				Syncora Admin LLC	NY	NIA	Syncora FinanceCo LLC	Ownership	100.0	Syncora FinanceCo LLC	N	
		00000	00-0000000				Steven A. Tananbaum							N	0000001
		00000	13-4112447				GoldenTree Asset Management LLC	DE		Steven A. Tananbaum	Other		Steven A. Tananbaum	N	0000002
		00000	13-4118850				GoldenTree Asset Management LP	DE		GoldenTree Asset Management LLC	Management		Steven A. Tananbaum	N	0000003
		00000	00-0000000				GoldenTree Distressed Onshore Master Fund III LP	DE		GoldenTree Asset Management LP	Other	20.1	Steven A. Tananbaum	N	0000004
		00000	00-0000000				Various Golden Tree Funds and Accounts			GoldenTree Asset Management LP	Other	79.9	Steven A. Tananbaum	N	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%)

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty	15,311,223	9,921,290	64.798	(75.729)
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence				
17.2 Other liability - claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability - occurrence				
18.2 Products liability - claims made				
19.1 19.2 Private passenger auto liability				
19.3 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business				
35. TOTALS	15,311,223	9,921,290	64.798	(75.729)
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty	1,786,033	3,735,419	3,514,711
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability - occurrence			
17.2 Other liability - claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability - occurrence			
18.2 Products liability - claims made			
19.1 19.2 Private passenger auto liability			
19.3 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business			
35. TOTALS	1,786,033	3,735,419	3,514,711
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)	2021 Loss and LAE Payments on Claims Reported as of Prior Year-End	2021 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2021 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. 2018 + Prior	(161,301)		(161,301)	(41,121)		(41,121)	(117,046)			(117,046)	3,134		3,134
2. 2019													
3. Subtotals 2019 + Prior	(161,301)		(161,301)	(41,121)		(41,121)	(117,046)			(117,046)	3,134		3,134
4. 2020													
5. Subtotals 2020 + Prior	(161,301)		(161,301)	(41,121)		(41,121)	(117,046)			(117,046)	3,134		3,134
6. 2021	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	(161,301)		(161,301)	(41,121)		(41,121)	(117,046)			(117,046)	3,134		3,134
8. Prior Year-End Surplus As Regards Policyholders	719,432										Col. 11, Line 7 As % of Col. 1 Line 7 1..... (1.943)	Col. 12, Line 7 As % of Col. 2 Line 7 2.....	Col. 13, Line 7 As % of Col. 3 Line 7 3..... (1.943)
													Col. 13, Line 7 Line 8 4..... 0.436

Q14

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.

1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSES

No
No
No
No

Explanations:

Bar Codes:

Trusteed Surplus Statement



20311202149000002

2021

Document Code: 490

Supplement A to Schedule T



20311202145500002

2021

Document Code: 455

Medicare Part D Coverage Supplement



20311202136500002

2021

Document Code: 365

Director and Officer Supplement



20311202150500002

2021

Document Code: 505

OVERFLOW PAGE FOR WRITE-INS**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1197. Summary of remaining write-ins for Line 11 (Lines 1104 through 1196)				
2504. Premium tax refund	94,205		94,205	92,699
2505. Bank of NY/Mellon-Reserve Deposit	50,000		50,000	
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596)	144,205		144,205	92,699

SCHEDULE A - VERIFICATION**Real Estate**

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

NONE**SCHEDULE B - VERIFICATION****Mortgage Loans**

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

NONE**SCHEDULE BA - VERIFICATION****Other Long-Term Invested Assets**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	5,081,047	5,079,780
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)	1,517	1,267
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	5,033,333	
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)	49,231	5,081,047
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	49,231	5,081,047

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	427,533,026	411,102,442
2. Cost of bonds and stocks acquired	198,063,725	791,725,945
3. Accrual of discount	4,976,176	9,146,568
4. Unrealized valuation increase (decrease)	(377,469)	5,402,580
5. Total gain (loss) on disposals	24,845,956	44,563,876
6. Deduct consideration for bonds and stocks disposed of	230,233,912	802,447,030
7. Deduct amortization of premium	597,074	1,909,971
8. Total foreign exchange change in book/adjusted carrying value		3,344,528
9. Deduct current year's other-than-temporary impairment recognized	18,039	33,539,978
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees	122,913	144,066
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10)	424,315,302	427,533,026
12. Deduct total nonadmitted amounts	149,024,203	
13. Statement value at end of current period (Line 11 minus Line 12)	275,291,099	427,533,026

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	117,941,233	16,044,592	32,162,954	(1,011,761)	117,941,233	100,811,110		120,213,731
2. NAIC 2 (a)	69,722,642	8,022,518	22,071,225	1,943,227	69,722,642	57,617,162		84,714,520
3. NAIC 3 (a)	69,424,143	26,991,031	10,968,671	14,459,272	69,424,143	99,905,775		56,525,783
4. NAIC 4 (a)	67,950,310	26,728,234	17,454,420	1,564,262	67,950,310	78,788,386		64,697,552
5. NAIC 5 (a)	36,519,654	5,016,767	5,200,657	(8,256,075)	36,519,654	28,079,689		25,264,661
6. NAIC 6 (a)	31,527,153	1,098,438	3,231,193	(6,556,418)	31,527,153	22,837,980		40,458,223
7. Total Bonds	393,085,135	83,901,580	91,089,120	2,142,507	393,085,135	388,040,102		391,874,470
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	393,085,135	83,901,580	91,089,120	2,142,507	393,085,135	388,040,102		391,874,470

(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 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals		X X X			

SCHEDULE DA - Verification**Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	40,964	
2. Cost of short-term investments acquired	1,216,461	5,452,401
3. Accrual of discount	3,496	91,434
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	3,114	16,767
6. Deduct consideration received on disposals	1,261,369	5,510,470
7. Deduct amortization of premium	2,666	(2,277)
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		11,445
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		40,964
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		40,964

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)	(96,389)
2.	Cost Paid/(Consideration Received) on additions	(72)
3.	Unrealized Valuation increase/(decrease)	(2,202,717)
4.	SSAP No. 108 adjustments	
5.	Total gain (loss) on termination recognized	(617,240)
6.	Considerations received/(paid) on terminations	(617,313)
7.	Amortization	
8.	Adjustment to the Book/Adjusted Carrying Value of hedged item	
9.	Total foreign exchange change in Book/Adjusted Carrying Value	136,449
10.	Book/Adjusted Carrying Value at End of Current Period (Lines 1 + 2 + 3 + 4 + 5 - 6 + 7 + 8 + 9)	(2,162,656)
11.	Deduct nonadmitted assets	
12.	Statement value at end of current period (Line 10 minus Line 11)	(2,162,656)

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)				39,341
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	(6,306)			
	3.14 Section 1, Column 18, prior year		(6,306)	(6,306)	
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	(6,306)			
	3.24 Section 1, Column 19, prior year plus				
	3.25 SSAP No. 108 adjustments		(6,306)	(6,306)	
3.3	Subtotal (Line 3.1 minus Line 3.2)				
4.1	Cumulative variation margin on terminated contracts during the year		(5,077)		
4.2	Less:				
	4.21 Amount used to adjust basis of hedged item				
	4.22 Amount recognized	(5,077)			
	4.23 SSAP No. 108 adjustments		(5,077)		
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)				39,341
7.	Deduct total nonadmitted amounts				
8.	Statement value at end of current period (Line 6 minus Line 7) .				39,341

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	(2,162,655)	
2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance	39,341	
3. Total (Line 1 plus Line 2)		(2,123,314)
4. Part D, Section 1, Column 6	67,569	
5. Part D, Section 1, Column 7	(2,190,885)	
6. Total (Line 3 minus Line 4 minus Line 5)		2

	Fair Value Check	
7. Part A, Section 1, Column 16	(2,162,655)	
8. Part B, Section 1, Column 13	(1,934)	
9. Total (Line 7 plus Line 8)		(2,164,589)
10. Part D, Section 1, Column 9	28,228	
11. Part D, Section 1, Column 10	(2,192,819)	
12. Total (Line 9 minus Line 10 minus Line 11)		2

	Potential Exposure Check	
13. Part A, Section 1, Column 21	43,807	
14. Part B, Section 1, Column 20		
15. Part D, Section 1, Column 12	83,149	
16. Total (Line 13 plus Line 14 minus Line 15)		(39,342)

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	121,893,624	139,344,140
2.	Cost of cash equivalents acquired	228,141,306	969,886,016
3.	Accrual of discount		5,269
4.	Unrealized valuation increase (decrease)	301,368	(301,368)
5.	Total gain (loss) on disposals	(56,368)	
6.	Deduct consideration received on disposals	169,918,881	987,040,433
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)	180,361,049	121,893,624
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	180,361,049	121,893,624

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 - U.S. Governments									
36179WDR6	GINNIE MAE II POOL		05/04/2021	VARIOUS	X X X	5,265,778	5,060,180	2,317	1.A
36179WFG8	GINNIE MAE II POOL		05/28/2021	BANC/AMERICA SECUR.L	X X X	8,591,198	8,255,868	2,673	1.A
36179WG36	GINNIE MAE II POOL		06/23/2021	JPM SECURITIES-FIXED	X X X	1,733,102	1,675,000	3,141	1.A
0599999	Subtotal - Bonds - U.S. Governments				X X X	15,590,078	14,991,048	8,131	X X X
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
25113PAM7	DETROIT COPS-TAXABLE		05/20/2021	WEDBUSH MORGAN SECUR	X X X	239,811	320,282		6*
25113PAN5	CITY OF DETROIT MI		05/07/2021	WEDBUSH MORGAN SECUR	X X X	857,488	1,145,226		6*
2499999	Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions				X X X	1,097,299	1,465,508		X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)									
004421WR0	ACE SECURITIES CORP HOME EQUITY LOAN TRU		05/25/2021	PAYUP	X X X		1		1.D FM
23332QAS2	DSLA MORTGAGE LOAN TRUST 2006-AR2		09/21/2020	PAYUP	X X X	(157)	(47)		1.D FM
32027NMK4	FIRST FRANKLIN MORTGAGE LOAN TRUST 2004-		06/25/2021	PAYUP	X X X	257	257		5
40390DAC9	HLF FINANCING SARL LLC / HERBALIFE INTER		05/06/2021	CITIGROUP GLOBAL MKT	X X X	962,000	962,000		4.A FE
59020U3Z6	MERRILL LYNCH MORTGAGE INVESTORS TRUST S		06/25/2021	PAYUP	X X X	2,407	2,407		6FM
59020UG33	MERRILL LYNCH MORTGAGE INVESTORS TRUST S		05/27/2021	GOLDMAN SACHS & CO	X X X	451,149	485,106	103	1.D FM
61764GAM4	MORGAN STANLEY RESECURITIZATION TRUST 20		06/01/2021	PAYUP	X X X	1,062	1,062		6*
68389FHE7	OPTION ONE MORTGAGE LOAN TRUST 2005-2		06/25/2021	PAYUP	X X X	427	427		6FM
70069FEP8	PARK PLACE SECURITIES INC ASSET-BACKED P		05/25/2021	PAYUP	X X X	505	505		6FM
83611YAF9	SOUNDVIEW HOME LOAN TRUST 2006-OPT4		06/25/2021	PAYUP	X X X	14	14		1.D FM
071734AD9	BAUSCH HEALTH COS INC	A	06/15/2021	VARIOUS	X X X	1,224,718	1,194,000	33,997	4.B FE
071734AJ6	BAUSCH HEALTH COS INC	A	04/30/2021	VARIOUS	X X X	595,057	591,000	8,102	4.B FE
071734AL1	BAUSCH HEALTH COS INC	A	04/30/2021	MERRILL LYNCH PIERCE	X X X	39,146	39,000	859	4.B FE
00165LAC8	ALM XVIII LTD	D	04/21/2021	JPM SECURITIES-FIXED	X X X	348,688	350,000	442	4.B FE
00177CAA8	AMMC CLO 20 LTD	D	05/18/2021	PERSHING & COMPANY	X X X	247,813	250,000	1,292	3.C FE
02156LAF8	ALTICE FRANCE SA/FRANCE	D	04/13/2021	JPM SECURITIES-FIXED	X X X	547,000	547,000		4.B FE
03329JAA4	ANCHORAGE CAPITAL CLO 4-R LTD	D	05/05/2021	BANC/AMERICA SECUR.L	X X X	603,549	617,000	1,266	3.C FE
03329YAA1	ANCHORAGE CAPITAL CLO 5-R LTD	D	04/20/2021	BAIRD ROBERT W & CO	X X X	534,700	545,000	592	4.A FE
03330BAA8	ANCHORAGE CAPITAL CLO 3-R LTD	D	06/03/2021	BAIRD ROBERT W & CO	X X X	494,063	510,000	3,221	3.C FE
03754WAL5	APEX CREDIT CLO 2016 LTD	D	04/13/2021	CITIGROUP GLOBAL MKT	X X X	874,035	900,000	7,045	2.B FE
04016HAK2	ARES XL CLO LTD	D	06/02/2021	JPM SECURITIES-FIXED	X X X	1,060,740	1,065,000	9,665	4.A FE
04964LAJ8	ATRIUM IX	D	05/05/2021	BAIRD ROBERT W & CO	X X X	382,421	385,000	4,758	4.B FE
04964YAJ0	ATRIUM XII	D	05/13/2021	BNP PARIBAS SEC CORP	X X X	246,875	250,000	943	4.A FE
05363QAA0	AVERY POINT III CLO LTD	D	04/19/2021	PAYUP	X X X	699	699		4.C FE
05509TAG6	B&M CLO 2014-1 LTD	D	04/20/2021	BAIRD ROBERT W & CO	X X X	268,934	270,000	220	4.A FE
06760RAA5	BARINGS CLO LTD 2018-III	D	04/27/2021	BAIRD, ROBERT W & CO	X X X	299,615	310,000	460	4.A FE
09626TAJ0	BLUEMOUNTAIN CLO 2012-2 LTD	D	06/11/2021	VARIOUS	X X X	2,050,890	2,075,000	14,396	4.B FE
12552GAA9	CIFC FUNDING 2014-IV-R LTD	D	06/11/2021	CREDIT SUISSE FIRST	X X X	1,018,275	1,040,000	8,097	4.A FE
12662CAG2	MKS CLO 2017-2 LTD	D	04/13/2021	BAIRD ROBERT W & CO	X X X	696,798	725,000	4,920	2.C FE
143658BL5	CARNIVAL CORP	D	06/24/2021	VARIOUS	X X X	2,768,500	2,524,000	61,230	4.B FE
14900BAA5	CATAMARAN CLO 2016-1 LTD	D	04/22/2021	VARIOUS	X X X	507,350	515,000	596	3.C FE
14918MAU7	CATHEDRAL LAKE CLO 2015-2 LTD	D	05/18/2021	DEUTSCHE BANC/ALEX B	X X X	282,578	285,000	1,187	2.C FE
15137EBJ1	CENT CLO 21 LTD	D	06/02/2021	MITSUBISHI UFJ SECS	X X X	1,344,088	1,360,000	4,854	2.C FE
23076TAG2	CUMBERLAND PARK CLO LTD	D	04/14/2021	BAIRD ROBERT W & CO	X X X	249,138	250,000	3,508	3.C FE
24823EAG9	DENALI CAPITAL CLO XI LTD	D	05/13/2021	INDUSTRIAL/COMMERCIA	X X X	241,406	250,000	1,087	4.A FE
25381VAA5	DIGICEL INTERNATIONAL FINANCE LTD/DIGICE	D	04/20/2021	NON TAXABLE EXCHANGE	X X X	4,980,642	5,321,000	200,461	5.A FE
25381YAD3	DIGICEL GROUP HOLDINGS LTD	D	04/01/2021	PIK BOND	X X X	36,123	36,123		5.C FE
36321GAA8	GALAXY XXIX CLO LTD	D	04/22/2021	INDUSTRIAL/COMMERCIA	X X X	246,875	250,000	2,273	3.C FE
36361VAA6	GALLATIN CLO VIII 2017-1 LTD	D	06/07/2021	BAIRD ROBERT W & CO	X X X	720,741	725,000	4,176	3.C FE
36361XAA2	GALLATIN CLO IX 2018-1 LTD	D	05/04/2021	BAIRD ROBERT W & CO	X X X	785,063	790,000	1,312	3.C FE
36655QAM6	610 FUNDING CLO 1 LTD	D	04/13/2021	INDUSTRIAL/COMMERCIA	X X X	277,550	280,000	1,558	3.A FE
42086QAG6	HAYFIN US XII LTD	D	04/13/2021	MORGAN STANLEY & CO	X X X	958,651	985,000	7,118	2.C FE

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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
46616NAJ7	JFIN CLO 2013 LTD	D	06/03/2021	BAIRD ROBERT W & CO	X X X	292,419	295,000	2,973	3.C FE
47048KAE0	JAMESTOWN CLO IX LTD	D	04/27/2021	PERSHING & COMPANY	X X X	436,700	440,000	784	4.A FE
50189HAC4	LCM XXII LTD	D	06/11/2021	CANTOR FITZGERALD &	X X X	238,338	250,000	2,212	4.A FE
50189PAJ1	LCM XXV LTD	D	04/29/2021	BANC/AMERICA SECUR.L	X X X	946,774	975,000	1,281	3.A FE
55818JAC8	MADISON PARK FUNDING X LTD	D	05/05/2021	BANC/AMERICA SECUR.L	X X X	293,024	295,000	918	4.B FE
55818NAG0	MADISON PARK FUNDING XIII LTD	D	04/27/2021	MORGAN STANLEY & CO	X X X	377,637	390,000	643	4.A FE
55820QAE4	MADISON PARK FUNDING XXIV LTD	D	04/19/2021	JPM SECURITIES-FIXED	X X X	348,250	350,000	72	4.B FE
55822HAA0	MADISON PARK FUNDING XXX LTD	D	04/30/2021	BAIRD ROBERT W & CO	X X X	245,313	250,000	677	4.A FE
55952XAJ8	MAGNETITE VII LTD	D	06/11/2021	CITIGROUP GLOBAL MKT	X X X	289,469	295,000	3,341	4.B FE
56606LAG8	MARBLE POINT CLO XII LTD	D	06/07/2021	MORGAN STANLEY & CO	X X X	879,520	920,000	4,393	2.C FE
56607FAD7	MARBLE POINT CLO XI LTD	D	05/18/2021	BANC/AMERICA SECUR.L	X X X	274,719	295,000	759	3.A FE
62432BAU7	MOUNTAIN VIEW CLO IX LTD	D	04/21/2021	MORGAN STANLEY & CO	X X X	239,000	250,000	184	2.C FE
62432HAG5	MOUNTAIN VIEW CLO 2017-1 LLC	D	04/08/2021	BANC/AMERICA SECUR.L	X X X	315,680	320,000	2,821	2.C FE
62432KAE3	MOUNTAIN VIEW CLO 2017-2 LLC	D	05/06/2021	BAIRD ROBERT W & CO	X X X	381,813	410,000	1,679	3.C FE
65130VAE7	NEWFLEET CLO 2016-1 LTD	D	04/22/2021	INDUSTRIAL/COMMERCIA	X X X	509,363	510,000	513	3.C FE
67092TAE4	OCP CLO 2016-12 LTD	D	04/21/2021	BARCLAYS CAPITAL FIX	X X X	935,468	935,000	534	3.B FE
67108FAU0	OZLM FUNDING IV LTD	D	04/21/2021	CITIGROUP GLOBAL MKT	X X X	567,675	580,000	58	2.C FE
67109XAA4	OZLM XII LTD	D	05/04/2021	BAIRD ROBERT W & CO	X X X	347,900	355,000	330	4.A FE
67110CAA7	OZLM XIII LTD	D	04/30/2021	CANTOR FITZGERALD &	X X X	556,525	565,000	432	3.C FE
674000AU8	OAKTREE CLO 2014-1	D	04/27/2021	CANTOR FITZGERALD &	X X X	999,369	1,015,000	8,310	3.A FE
67590GBQ1	OCTAGON INVESTMENT PARTNERS XVII LTD	D	06/10/2021	BANC/AMERICA SECUR.L	X X X	550,197	565,000	2,058	2.C FE
69915WAA6	PARALLEL 2015-1 LTD	D	06/10/2021	NOMURA SECURITIES/FI	X X X	828,100	845,000	6,892	4.A FE
71654QDB5	PETROLEOS MEXICANOS	D	06/09/2021	VARIOUS	X X X	2,483,963	2,320,000	55,664	3.C FE
75885XAG4	REGATTA FUNDING LP 2013-2A	D	04/12/2021	BNP PARIBAS SEC CORP	X X X	485,100	495,000	8,800	4.C FE
77587AAL0	ROMARK WM-R LTD	D	04/27/2021	MORGAN STANLEY & CO	X X X	629,123	665,000	533	3.A FE
82755QAG2	SILVER CREEK CLO LTD	D	04/28/2021	JPM SECURITIES-FIXED	X X X	493,125	500,000	915	4.A FE
83607HAG0	SOUND POINT CLO VIII-R LTD	D	05/04/2021	VARIOUS	X X X	1,051,024	1,085,000	2,309	3.A FE
83609KAE6	SOUND POINT CLO XI LTD	D	04/29/2021	GOLDMAN SACHS & CO	X X X	245,000	250,000	491	3.C FE
83610EAE7	SOUND POINT CLO XII LTD	D	05/13/2021	CANTOR FITZGERALD &	X X X	246,563	250,000	1,329	4.A FE
83611LAG5	SOUND POINT CLO III-R LTD	D	04/26/2021	CREDIT SUISSE FIRST	X X X	317,955	330,000	373	2.C FE
87154FAA5	SYMPHONY CLO XVIII LTD	D	04/19/2021	CANTOR FITZGERALD &	X X X	286,556	290,000	4,550	3.C FE
87159QAW8	SYMPHONY CLO XIV LTD	D	04/20/2021	BAIRD ROBERT W & CO	X X X	243,750	250,000	266	3.C FE
87165XAL9	SYMPHONY CLO XVII LTD	D	04/19/2021	CANTOR FITZGERALD &	X X X	482,818	485,000	463	3.C FE
87248FAE5	WIND RIVER 2016-1 CLO LTD	D	04/29/2021	CANTOR FITZGERALD &	X X X	2,481,063	2,500,000	4,101	4.A FE
89473MAF9	TREMAN PARK CLO LTD	D	04/14/2021	BAIRD ROBERT W & CO	X X X	631,825	635,000	8,683	3.C FE
92331EAE6	VENTURE XXIX CLO LTD	D	04/21/2021	CITIGROUP GLOBAL MKT	X X X	474,088	485,000	3,640	2.C FE
92912NAA1	VOYA CLO 2014-3 LTD	D	05/13/2021	BAIRD ROBERT W & CO	X X X	248,750	250,000	755	4.A FE
92912VAU9	VOYA CLO 2014-2 LTD	D	05/18/2021	JPM SECURITIES-FIXED	X X X	284,505	290,000	934	2.C FE
986254AE0	YORK CLO 1 LTD	D	04/28/2021	BAIRD ROBERT W & CO	X X X	756,600	780,000	999	3.C FE
98875LAG4	ZAIS CLO 5 LTD	D	06/03/2021	MORGAN STANLEY & CO	X X X	543,123	555,000	3,827	3.B FE
98877EAL7	Z CAPITAL CREDIT PARTNERS CLO 2015-1 LTD	D	04/28/2021	NOMURA SECURITIES/FI	X X X	1,043,040	1,065,000	1,360	3.A FE
98885GAG3	ZAIS CLO 8 LTD	D	06/25/2021	BARCLAYS CAPITAL FIX	X X X	228,438	250,000	1,476	3.C FE
BCC2DYTI7	ST PAUL'S CLO V DAC	B	06/04/2021	CANTOR FITZ AND CO N	X X X	323,924	340,578	1,249	4.C FE
BCC2FHJA0	VENTURE XXII CLO LTD	D	04/15/2021	BANC/AMERICA SECUR.L	X X X	237,750	250,000	81	2.C FE
BCC2RIJ18	ARMADA EURO CLO I DAC	B	04/20/2021	MSIL FIX, LONDON	X X X	296,694	301,212		3.C FE
BCC30LXR2	SCULPTOR EUROPEAN CLO VIII DAC	B	05/28/2021	MERRILL LYNCH INT, L	X X X	859,527	877,068		3.C FE
BCC30MW91	NORTHWOODS CAPITAL 19 EURO DAC	B	06/01/2021	MERRILL LYNCH INT, L	X X X	2,016,017	2,057,160		3.C FE
BCC30MWB6	NORTHWOODS CAPITAL 19 EURO DAC	B	06/01/2021	MERRILL LYNCH INT, L	X X X	734,700	765,312		4.C FE
G0339KAC4	AMMC CLO 16 LTD	D	06/04/2021	BANC/AMERICA SECUR.L	X X X	517,650	525,000	5,010	3.C FE
G19624AA6	CATAMARAN CLO 2016-1 LTD	D	04/20/2021	GOLDMAN SACHS & CO	X X X	499,800	510,000	388	3.C FE
G3337MAF9	ARES XLII CLO LTD	D	06/02/2021	CREDIT SUISSE FIRST	X X X	982,563	995,000	7,409	4.A FE
G4398RBC8	HARVEST CLO XI DAC	B	05/24/2021	PERSHING CLEARANCE,N	X X X	290,583	305,475	3,390	4.C FE
G6160KAD3	MITCHELLS & BUTLERS FINANCE PLC	B	06/16/2021	MSIL FIX, LONDON	X X X	393,895	489,983	1,396	4.A FE
G6160KAE1	MITCHELLS & BUTLERS FINANCE PLC	B	05/27/2021	VARIOUS	X X X	411,881	499,100	1,461	4.A FE

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SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol
G6160KAK7	MITCHELLS & BUTLERS FINANCE PLC	B	04/27/2021	PERSHING SEC STIFEL	X X X	4,748	4,175	33	4.A FE
G6160KAL5	MITCHELLS & BUTLERS FINANCE PLC	B	06/09/2021	VARIOUS	X X X	340,502	308,146	4,442	3.B FE
G6710ZAR4	OAK HILL EUROPEAN CREDIT PARTNERS VI DAC	B	05/20/2021	CGMI PROP CASH AND S	X X X	250,368	262,633	1,141	3.C FE
G67437AA4	OCP CLO 2015-9 LTD	D	04/19/2021	BANC/AMERICA SECUR.L	X X X	485,243	485,000	455	3.B FE
G7048CAA3	PETERBOROUGH PROGRESS HEALTH PLC	B	05/26/2021	UNPUBLISHED EUROClea	X X X	1,349,809	1,092,917	9,256	3.B FE
G81704AD3	SILVER CREEK CLO LTD	D	04/28/2021	BAIRD ROBERT W & CO	X X X	489,209	495,000	906	4.A FE
G8812RAA2	UNIQUE PUB FINANCE CO PLC/THE	B	05/12/2021	MSIL FIX, LONDON	X X X	192,396	180,442	1,645	4.C FE
G8812RAJ3	UNIQUE PUB FINANCE CO PLC/THE	B	06/17/2021	VARIOUS	X X X	2,721,575	2,398,562	15,770	3.A FE
N4851PAU5	JUBILEE CLO 2015-XV BV	B	05/24/2021	CGMI PROP CASH AND S	X X X	593,920	617,059	4,099	4.C FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	64,852,801	65,281,376	591,201	X X X
Bonds - Unaffiliated Bank Loans									
92531HAD9	VERSCEND HOLDING CORP		02/12/2021	NON-BROKER/ *TRADE*	X X X	2,261,925	2,261,925		4.B FE
8299999 Subtotal - Bonds - Unaffiliated Bank Loans					X X X	2,261,925	2,261,925		X X X
8399997 Subtotal - Bonds - Part 3					X X X	83,802,103	83,999,857	599,332	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	83,802,103	83,999,857	599,332	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8999999 Subtotal - Preferred Stocks					X X X		X X X		X X X
Common Stocks - Industrial and Miscellaneous (Unaffiliated) Publicly Traded									
24790A101	DENBURY INC		04/13/2021	VARIOUS		11,945.000	541,956		
629377508	NRG ENERGY INC		05/12/2021	VARIOUS		45,445.000	1,569,572		
99VVCCE89	SUPERIOR ENERGY EQUITY NEW		02/02/2021	NON TAXABLE EXCHANGE		83,196.000	1,287,759		
071734107	BAUSCH HEALTH COS INC		05/05/2021	VARIOUS		107,572.000	3,003,764		
G93882192	VODAFONE GROUP PLC	B	05/21/2021	VARIOUS		1,473,135.000	2,663,918		
9099999 Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated) Publicly Traded					X X X	9,066,969	X X X		X X X
9799997 Subtotal - Common Stocks - Part 3					X X X	9,066,969	X X X		X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9799999 Subtotal - Common Stocks					X X X	9,066,969	X X X		X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	9,066,969	X X X		X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	92,869,072	X X X	599,332	X X X

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SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	F o r e i g n	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	
Bonds - U.S. Governments																						
36178EDL0	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	90,627	90,627	91,226	90,231				396	396	90,627				1,125	05/01/2043	1.A	
36179MK82	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	122,653	122,653	130,702	124,434				(1,781)	(1,781)	122,653				1,968	08/01/2042	1.A	
36179S2N6	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	152,745	152,745	161,719	160,531				(7,785)	(7,785)	152,745				1,861	04/01/2047	1.A	
36179SGK7	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	379,221	379,221	403,100	396,652				(17,431)	(17,431)	379,221				4,632	07/01/2046	1.A	
36179SNV5	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	284,608	284,608	305,709	300,503				(15,894)	(15,894)	284,608				4,092	10/01/2046	1.A	
36179TJX4	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	164,401	164,401	175,395	173,222				(8,822)	(8,822)	164,401				2,349	10/01/2047	1.A	
36179TSL2	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	491,917	491,917	524,307	515,885				(23,968)	(23,968)	491,917				7,004	11/01/2047	1.A	
36179TQP3	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	319,632	319,632	341,531	334,824				(15,192)	(15,192)	319,632				4,550	01/01/2048	1.A	
36179TSG1	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	63,823	63,823	67,892	66,634				(2,811)	(2,811)	63,823				908	02/01/2048	1.A	
36179TV69	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	964,854	964,854	1,035,409	1,010,918				(46,064)	(46,064)	964,854				15,565	04/01/2048	1.A	
36179UKW1	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	293,743	293,743	313,502	308,231				(14,487)	(14,487)	293,743				4,206	01/01/2049	1.A	
36179UWZ1	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	189,780	189,780	195,718	191,840				(2,060)	(2,060)	189,780				2,286	08/01/2034	1.A	
36179V4V9	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	43,184	43,184	45,515	43,184				(2,331)	(2,331)	43,184				282	01/01/2051	1.A	
36179V7E4	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	45,549	45,549	48,026	45,549				(2,477)	(2,477)	45,549				295	02/01/2051	1.A	
36179VMD9	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	891,645	891,645	941,695	935,707				(44,063)	(44,063)	891,645				10,604	09/01/2050	1.A	
36179VME7	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	649,718	649,718	694,893	688,558				(38,840)	(38,840)	649,718				9,056	05/01/2050	1.A	
36179VN30	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	653,126	653,126	692,518	688,198				(35,073)	(35,073)	653,126				7,732	06/01/2050	1.A	
36179VXY1	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	46,602	46,602	48,925	48,889				(2,287)	(2,287)	46,602				502	11/01/2050	1.A	
36179WBV3	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	64,779	64,779	66,851	64,779				(2,072)	(2,072)	64,779				289	03/01/2051	1.A	
36179WDR6	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	22,792	22,792	23,711	22,792				(919)	(919)	22,792				52	04/01/2051	1.A	
36179WFG8	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	18,066	18,066	18,809	18,066				(742)	(742)	18,066				38	05/01/2051	1.A	
36200BZV6	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	11	11	12	11						11						10/01/2032	1.A
36202FMB9	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	69,168	69,168	74,935	69,944				(776)	(776)	69,168				1,268	11/01/2040	1.A	
36202K5J0	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	304	304	311	305				(1)	(1)	304				3	08/01/2026	1.A	
36202KM77	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	1,485	1,485	1,519	1,486				(1)	(1)	1,485				14	08/01/2024	1.A	
36202KY33	GINNIE MAE II POOL		06/01/2021	PAYDOWN	XXX	187	187	190	187						187				2	03/01/2026	1.A	
36203LDU3	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	6	6	6	6						6						08/01/2023	1.A
36203PBX0	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	26	26	28	26						26				1	02/01/2024	1.A	
36203PDP5	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	8	8	9	8						8						04/01/2024	1.A
36203PTR4	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	11	11	12	11						11						08/01/2023	1.A
36203RZ36	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	4	4	4	4						4						09/01/2023	1.A
36206GMA5	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	7	7	8	7						7						12/01/2025	1.A
36206PWY2	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	47	47	51	47						47				1	09/01/2025	1.A	
36207BA42	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	482	482	528	486				(3)	(3)	482				14	02/01/2029	1.A	
36208EUT8	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	16	16	18	16						16				1	01/01/2028	1.A	
36208YN21	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	51	51	56	51						51				2	02/01/2028	1.A	
36209VHV9	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	2,362	2,362	2,580	2,365				(4)	(4)	2,362				68	09/01/2028	1.A	
36209YWP9	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	129	129	140	130				(1)	(1)	129				3	10/01/2031	1.A	
3620A8NH2	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	319	319	333	320						319				7	09/01/2039	1.A	
36210FEM4	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	531	531	580	534				(4)	(4)	531				15	10/01/2028	1.A	
36210SQE1	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	245	245	266	245						245				7	08/01/2029	1.A	
36223Q2T3	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	75	75	83	76						75				2	12/01/2022	1.A	
36225AQ37	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	23	23	25	23						23				1	12/01/2023	1.A	
36291XPV5	GINNIE MAE I POOL		06/01/2021	PAYDOWN	XXX	979	979	1,021	980						979				22	05/01/2035	1.A	
912828WG1	UNITED STATES TREASURY NOTE/BOND		04/30/2021	MATURITY	XXX	8,725,000	8,725,000	8,770,808	8,720,346				4,654	4,654	8,725,000				92,531	04/30/2021	1.A	
0599999	Subtotal - Bonds - U.S. Governments				XXX	14,754,941	14,754,941	15,180,676	14,832,871				(280,839)	(280,839)	14,754,941				173,358	XXX	XXX	
Bonds - U.S. Special Revenue, Special Assessment																						
74529JQH1	PUERTO RICO SALES TAX FINANCING CORP SAL		04/13/2021	JPM SECURITIES-FIXED	XXX	724,601	3,203,000	690,165	410,537	291	6,779		7,070		699,382		25,219	25,219		07/01/2051	6*	
74529JQL2	PUERTO RICO SALES TAX FINANCING CORP SAL		04/15/2021	JPM SECURITIES-FIXED	XXX	127,312	115,000	88,728	88,922		63		63		88,985		38,327	38,327	4,370	07/01/2053	6*	
3199999	Subtotal - Bonds - U.S. Special Revenue, Special Assessment				XXX	851,913	3,318,000	778,893	499,459	291	6,842		7,133		788,367		63,546	63,546	4,370	XXX	XXX	
Bonds - Industrial and Miscellaneous (Unaffiliated)																						
00441QAE9	ACE SECURITIES CORP HOME EQUITY LOAN TRU		06/25/2021	PAYDOWN	XXX	2,418	2,418	1,209	1,340				1,078	1,078	2,418				7	07/25/2036	1.D FM	
00441TAE3	ACE SECURITIES CORP HOME EQUITY LOAN TRU		06/04/2021	VARIOUS	XXX	82,632	93,366	58,857	62,213				3,694	3,694	65,907		16,725	16,725	250	06/25/2036	1.D FM	
004421WR0	ACE SECURITIES CORP HOME EQUITY LOAN TRU		05/27/2021	VARIOUS	XXX	241,178	254,913	126,548	141,504	86	7,413	1	7,498	7,498	149,040		92,138	92,138	774	02/25/2036	5.B FM	
02147FAQ9	ALTERNATIVE LOAN TRUST 2006-18CB		06/25/2021	PAYDOWN	XXX	775	819	1,229	1,164				(345)	(345)	775		(44)	(44)	96	07/25/2036	6FM	

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SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	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 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
02151EAC6	ALTERNATIVE LOAN TRUST 2007-23CB		06/25/2021	PAYDOWN	X X X	211	209	56	78				135		213		(2)	(2)	1	09/25/2037	2 B FM
02151NAF9	ALTERNATIVE LOAN TRUST 2007-18CB		06/25/2021	PAYDOWN	X X X	212	209	397	363				(151)		213		(1)	(1)	36	08/25/2037	6 FM
02660LAB6	AMERICAN HOME MORTGAGE ASSETS TRUST 2006		06/25/2021	PAYDOWN	X X X	1,041	1,041	448	537				504		1,041				1	10/25/2046	1 D FM
02660TEL3	AMERICAN HOME MORTGAGE INVESTMENT TRUST		06/25/2021	PAYDOWN	X X X	338	296	154	173				165		338				1	09/25/2045	1 D FM
02660YAM4	AMERICAN HOME MORTGAGE INVESTMENT TRUST		06/25/2021	PAYDOWN	X X X	1,146	1,146	229	385				762		1,146				3	06/25/2046	1 D FM
05953LAD1	BANC OF AMERICA FUNDING 2007-8 TRUST		06/01/2021	PAYDOWN	X X X	193	311	156	173				138		311		(119)	(119)	11	10/01/2037	1 D FM
06050AAD5	BANC OF AMERICA ALTERNATIVE LOAN TRUST 2		04/14/2021	GOLDMAN SACHS & CO	X X X	141,113	166,505	96,636	106,078				3,533		109,611		31,502	31,502	296	11/25/2036	1 D FM
12587PFN5	BEAR STEARNS STRUCTURED PRODUCTS INC		04/01/2021	PAYDOWN	X X X		(8)	(3)	(7)				(5)		(8)		8	8		06/01/2047	6 FM
12668BXG3	ALTERNATIVE LOAN TRUST 2006-12CB		06/25/2021	PAYDOWN	X X X	344	337	436	407	102			(62)	102	344				38	05/25/2036	5 B FM
12668PAD4	ALTERNATIVE LOAN TRUST 2006-0A17		06/04/2021	VARIOUS	X X X	21,339	26,154	10,467	12,209				937		13,156		8,183	8,183	50	12/20/2046	1 D FM
12668DN61	ALTERNATIVE LOAN TRUST 2003-4CB		04/28/2021	VARIOUS	X X X	9,576	9,896	8,761	8,958				99		9,057		519	519	255	04/01/2033	1 D FM
12669GV81	CHL MORTGAGE PASS-THROUGH TRUST 2005-J2		04/14/2021	GOLDMAN SACHS & CO	X X X	44,603	68,357	43,091	47,906				2,022		49,928		(5,325)	(5,325)	322	08/25/2035	1 D FM
144528AC0	CARRINGTON MORTGAGE LOAN TRUST SERIES 20		04/28/2021	VARIOUS	X X X	105,085	108,825	66,384	70,971				2,542		73,513		31,572	31,572	102	08/25/2036	1 D FM
16165AAB0	CHASEFLEX TRUST SERIES 2007-3		06/25/2021	PAYDOWN	X X X	2,597	3,091	495	970				2,374	254	3,091		(494)	(494)	7	07/25/2037	1 D FM
17310VAC4	CITIGROUP MORTGAGE LOAN TRUST 2006-HE3		04/21/2021	CREDIT SUISSE FIRST	X X X	66,909	83,165	44,109	48,476				1,493		49,969		16,939	16,939	120	12/25/2036	1 D FM
17310VAD2	CITIGROUP MORTGAGE LOAN TRUST 2006-HE3		04/14/2021	GOLDMAN SACHS & CO	X X X	80,487	99,984	53,030	58,277				1,700		59,976		20,511	20,511	178	12/25/2036	1 D FM
17316AAF7	CITIGROUP MORTGAGE LOAN TRUST 2009-10		04/27/2021	VARIOUS	X X X	52,168	55,772	36,809	39,884				2,090		41,974		10,194	10,194	1,344	12/25/2035	1 D FM
17321PAB6	CITIGROUP MORTGAGE LOAN TRUST 2013-8		02/24/2021	GOLDMAN SACHS & CO	X X X	(775)											(775)	(775)		05/01/2035	6*
22944PAH0	CSMC TRUST 2013-TH1		06/01/2021	PAYDOWN	X X X			40	65				(1)		(1)				15	02/01/2043	6*
23332QAS2	DSL A MORTGAGE LOAN TRUST 2006-AR2		06/21/2021	PAYDOWN	X X X	1,133	865	459	505				358		868		265	265	2	10/19/2036	1 D FM
25150XAB8	DEUTSCHE ALT-A SECURITIES MORTGAGE LOAN		06/25/2021	PAYDOWN	X X X	2,358	2,358	1,462	1,540				819		2,358				4	08/25/2047	1 D FM
32027NMK4	FIRST FRANKLIN MORTGAGE LOAN TRUST 2004		04/26/2021	PAYUP	X X X	257											257	257		05/25/2034	1 D FM
32053DAB6	FIRST HORIZON ALTERNATIVE MORTGAGE SECUR		06/07/2021	VARIOUS	X X X	6,578	3,959	10,887	9,535				(701)		8,834		(2,257)	(2,257)	971	03/25/2037	6 FM
36245DAD2	GSAMP TRUST 2006-FM2		06/25/2021	PAYDOWN	X X X	443	443	115	148				295		443				1	09/25/2036	1 D FM
36829JAT8	GE-WMC MORTGAGE SECURITIES TRUST 2006-1		04/28/2021	VARIOUS	X X X	69,897	74,870	44,951	48,201				2,283		50,484		19,413	19,413	124	08/25/2036	1 D FM
40390DAA3	HLF FINANCING SARL LLC / HERBALIFE INTER		05/21/2021	CALL 105.182	X X X	962,415	915,000	942,450	936,121				(2,966)		933,155		(18,155)	(18,155)	98,274	08/15/2026	3 C FE
40390DAC9	HLF FINANCING SARL LLC / HERBALIFE INTER		05/12/2021	CITIGROUP GLOBAL MKT	X X X	122,153	122,000	122,000							122,000		153	153		06/01/2029	4 A FE
41161MAC4	HARBORVIEW MORTGAGE LOAN TRUST 2006-5		04/14/2021	GOLDMAN SACHS & CO	X X X	108,314	176,464	90,064	100,294				4,388		104,681		3,632	3,632	276	07/19/2046	1 D FM
41161PL27	HARBORVIEW MORTGAGE LOAN TRUST 2006-4		06/21/2021	PAYDOWN	X X X	1,711	1,707	597	711				1,006		1,717		(7)	(7)	3	05/19/2046	1 D FM
41161PNQ2	HARBORVIEW MORTGAGE LOAN TRUST 2005-5		06/21/2021	PAYDOWN	X X X	61	61	30	33				28		61					07/19/2045	1 D FM
41161PP98	HARBORVIEW MORTGAGE LOAN TRUST 2006-4		06/21/2021	PAYDOWN	X X X	3,558	3,452	1,243	1,501				2,056		3,557		1	1	7	05/19/2046	1 D FM
45254NLK1	IMPAC CMB TRUST SERIES 2004-10		06/25/2021	PAYDOWN	X X X	68	68	42	45				23		68					03/25/2035	1 D FM
45257VAA4	IMPAC SECURED ASSETS TRUST 2007-3		04/28/2021	VARIOUS	X X X	65,950	79,324	70,629	64,008				7,955	1,171	72,983		(7,033)	(7,033)	53	09/25/2037	1 D FM
45660L3R8	RESIDENTIAL ASSET SECURITIZATION TRUST 2		04/14/2021	GOLDMAN SACHS & CO	X X X	23,420	68,380	17,598	20,029				2,402		22,431		989	989	189	02/25/2036	1 D FM
45660LCM9	INDYMAC INDX MORTGAGE LOAN TRUST 2005-AR		06/25/2021	PAYDOWN	X X X	159	145	62	72				73		145		14	14	1	02/25/2035	1 D FM
45660LWA3	INDYMAC INDX MORTGAGE LOAN TRUST 2005-AR		04/26/2021	VARIOUS	X X X	102,931	174,962	84,048	95,865				6,280		102,146		785	785	1,010	10/25/2036	1 D FM

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SCHEDULE D - PART 4

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

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										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	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 Temporary Impairment Recognized	Total Change in B./A.C.V.	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 and SVO Admini- strative Symbol
75971EAH9	RENAISSANCE HOME EQUITY LOAN TRUST		06/09/2021	VARIOUS	X X X	16,012	28,798	9,791	11,517						12,625		3,386	3,386	930	11/01/2036	1.D FM
761118FJ2	RALI SERIES 2005-QA9 TRUST		02/24/2021	GOLDMAN SACHS & CO	X X X														65	08/01/2035	1.D FM
761118WP9	RALI SERIES 2006-QO3 TRUST		04/28/2021	VARIOUS	X X X	99,874	256,409	91,123	102,716						114,308		(14,434)	(14,434)	477	04/25/2046	1.D FM
78412FAW4	SESI LLC		02/02/2021	NON TAXABLE EXCHANGE	X X X	1,287,759	5,136,000	1,287,759	1,287,759						1,287,759					12/15/2021	6FE
81375WDT0	SECURITIZED ASSET BACKED RECEIVABLES LLC		06/25/2021	PAYDOWN	X X X	457	457	251	280			177	177		457				2	12/25/2034	1.D FM
83611YAF9	SOUNDVIEW HOME LOAN TRUST 2006-OPT4		05/25/2021	PAYDOWN	X X X	14	(235)	(97)	(112)			(153)	(153)		(235)		249	249	(1)	06/25/2036	1.D FM
83613FAC5	SOUNDVIEW HOME LOAN TRUST 2007-OPT5		06/25/2021	PAYDOWN	X X X	1,003	1,003	572	614			390	390		1,003				4	10/25/2037	1.D FM
84751NAD6	SPECIALTY UNDERWRITING & RESIDENTIAL FIN		06/04/2021	VARIOUS	X X X	13,820	19,637	9,532	10,532			631	631		11,163		2,657	2,657	19	11/25/2037	1.D FM
84751PLK3	SPECIALTY UNDERWRITING & RESIDENTIAL FIN		06/25/2021	PAYDOWN	X X X	870	870	244	303			567	567		870				1	02/25/2037	6FM
84752EAC7	SPECIALTY UNDERWRITING & RESIDENTIAL FIN		06/09/2021	VARIOUS	X X X	14,730	18,294	6,586	7,791			882	882		8,673		6,057	6,057	27	04/25/2037	1.D FM
84752EAE3	SPECIALTY UNDERWRITING & RESIDENTIAL FIN		06/09/2021	VARIOUS	X X X	26,009	31,924	11,812	13,885			1,516	1,516		15,401		10,608	10,608	68	04/25/2037	1.D FM
86358EDV5	STRUCTURED ASSET INVESTMENT LOAN TRUST 2		06/25/2021	PAYDOWN	X X X	4,829	4,829	4,160	4,234			595	595		4,829				21	08/25/2033	1.D FM
86359DTE7	STRUCTURED ASSET SECURITIES CORP TRUST 2		04/26/2021	VARIOUS	X X X	23,753	31,651	18,507	20,226			844	844		21,070		2,683	2,683	41	05/25/2031	1.D FM
86359DTG2	STRUCTURED ASSET SECURITIES CORP TRUST 2		03/01/2021	VARIOUS	X X X	(264)						17	17		17		(280)	(280)		05/01/2031	2.B FM
933631AD5	WAMU ASSET-BACKED CERTIFICATES WAMU SERI		06/09/2021	VARIOUS	X X X	13,487	20,990	7,976	9,621			1,105	1,105		10,726		2,761	2,761	26	01/25/2037	1.D FM
933631AE3	WAMU ASSET-BACKED CERTIFICATES WAMU SERI		06/09/2021	VARIOUS	X X X	12,412	19,082	7,251	8,746			1,004	1,004		9,750		2,662	2,662	30	01/25/2037	1.D FM
93363XAD5	WAMU ASSET-BACKED CERTIFICATES WAMU SERI		06/25/2021	PAYDOWN	X X X	317	317	136	147			170	170		317					07/25/2047	1.D FM
93934JAC8	WASHINGTON MUTUAL ASSET-BACKED CERTIFIC		06/09/2021	VARIOUS	X X X	22,381	25,655	13,854	15,152			1,023	1,023		16,175		6,206	6,206	49	05/25/2036	1.D FM
93934JAD6	WASHINGTON MUTUAL ASSET-BACKED CERTIFIC		06/09/2021	VARIOUS	X X X	13,595	15,418	8,326	9,104			614	614		9,718		3,877	3,877	42	05/25/2036	1.D FM
93934MAD9	WASHINGTON MUTUAL ASSET-BACKED CERTIFIC		06/25/2021	PAYDOWN	X X X	947	947	398	454			493	493		947				1	08/25/2036	1.D FM
93934TAC6	WASHINGTON MUTUAL ASSET-BACKED CERTIFIC		06/25/2021	PAYDOWN	X X X	840	840	193	256			584	584		840				5	02/25/2037	1.D FM
071734AJ6	BAUSCH HEALTH COS INC	A	06/09/2021	CREDIT SUISSE FIRST	X X X	523,550	566,000	577,903	576,589			(685)	(685)		575,904		(52,354)	(52,354)	25,645	01/30/2030	4.B FE
071734AK3	BAUSCH HEALTH COS INC	A	06/15/2021	VARIOUS	X X X	1,239,274	1,220,000	1,220,000	1,220,000						1,220,000		19,274	19,274	59,037	02/15/2029	4.B FE
071734AL1	BAUSCH HEALTH COS INC	A	05/04/2021	VARIOUS	X X X	38,613	39,000	39,146							39,146		(534)	(534)	870	02/15/2031	4.B FE
00140RAJ0	AIG CLO 2018-1 LTD	D	05/10/2021	CALL 100	X X X	530,000	530,000	520,195	520,844			9,156	9,156		530,000				12,425	01/20/2032	2.C FE
006278AN5	ADAMS MILL CLO LTD	D	04/23/2021	PERSHING & COMPANY	X X X	1,726,725	1,725,000	1,675,406	1,679,028			5,217	5,217		1,684,245		42,480	42,480	34,726	07/15/2026	2.A FE
01749PAY4	ALLEGRO CLO III LTD	D	06/10/2021	BANC/AMERICA SECUR	X X X	2,268,511	2,265,000	2,196,119	2,200,520			8,769	8,769		2,209,290		59,221	59,221	41,533	07/25/2027	2.C FE
04014WAG0	ARES XXIX CLO LTD	D	04/19/2021	CALL 100	X X X	1,000,000	1,000,000	1,001,600	1,001,447			(1,447)	(1,447)		1,000,000				18,809	04/17/2026	1.B FE
08180NAU8	BENEFIT STREET PARTNERS CLO VI LTD	D	06/29/2021	BARCLAYS CAPITAL FIX	X X X	895,000	895,000	657,992	693,314			22,064	22,064		715,377		179,623	179,623	23,214	10/18/2029	2.C FE
08180TAA9	BENEFIT STREET PARTNERS CLO VII LTD	D	04/08/2021	PAYDOWN	X X X	720,000	720,000	717,660				2,340	2,340		720,000				8,806	07/18/2027	3.C FE
09202LAS9	BLACK DIAMOND CLO 2013-1 LTD	D	04/19/2021	PAYDOWN	X X X	1,047,422	1,047,422	1,039,567	1,040,353			7,070	7,070		1,047,422				19,437	02/06/2026	1.G FE
12518XAL1	CENT CLO 19 LTD	D	04/29/2021	PAYDOWN	X X X	420,000	420,000	386,400	394,290			25,710	25,710		420,000				7,458	10/29/2025	2.B FE
126611AG7	BLUE RIDGE CLO LTD II	D	06/08/2021	PERSHING & COMPANY	X X X	780,780	780,000	781,170	780,839			(135)	(135)		780,704		76	76	20,349	07/18/2026	2.B FE
14311GAP4	CARLYLE GLOBAL MARKET STRATEGIES CLO 201	D	05/12/2021	CALL 100	X X X	350,000	350,000	334,425				15,575	15,575		350,000				4,653	04/27/2027	3.C FE
143658BG6	CARNIVAL CORP	D	06/24/2021	VARIOUS	X X X	2,777,653	2,369,000	2,374,129	2,373,680			(472)	(472)		2,373,207		404,445	404,445	231,842	02/01/2026	4.A FE
22823RAG4	CROWN CITY CLO I	D	05/12/2021	CREDIT SUISSE FIRST	X X X	2,604,731	2,595,000	2,504,175	2,512,364			6,602	6,602		2,518,966		85,766	85,766	113,027	07/20/2030	2.C FE
25381YAD3	DIGICEL GROUP HOLDINGS LTD	D	04/01/2021	NON-BROKER TRADE, BO	X X X		1	1							1		(1)	(1)		04/01/2024	5.C FE
29001RAA6	ELMWOOD CLO II LTD	D	04/20/2021	PAYDOWN	X X X	250,000	250,000	237,500	238,535			11,465	11,465		250,000				8,874	04/20/2031	3.C FE
29915RAJ2	EVANS GROVE CLO LTD	D	04/23/2021	CALL 100	X X X	645,000	645,000	636,293				8,708	8,708		645,000				8,803	05/28/2028	2.B FE
31683YAQ7	FIGUEROA CLO 2014-1 LTD	D	04/15/2021	PAYDOWN	X X X	4,000,000	4,000,000	3,954,900	3,958,047			41,953	41,953		4,000,000				70,556	01/15/2027	1.E FE
40436TAG1	HPS LOAN MANAGEMENT 10-2016 LTD	D	06/21/2021	CALL 100	X X X	1,105,000	1,105,000	819,359	869,916			235,084	235,084		1,105,000				28,930	01/20/2028	2.C FE
413718AA5	HARRIMAN PARK CLO LTD	D	04/27/2021	CALL 100	X X X	560,000	560,000	541,240	542,837			17,163	17,163		560,000				20,962	04/20/2031	3.C FE
46616NAJ7	JFIN CLO 2013 LTD	D	06/11/2021	BAIRD ROBERT W & CO	X X X	292,419	295,000	292,419				14	14		292,433		(14)	(14)	3,468	01/20/2030	3.C FE

QE05.3

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP 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 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	Contractual Maturity Date	NAIC Designation, NAIC Designation and SVO Administrative Symbol	
468367AQ0	JACKSON MILL CLO LTD	D	04/22/2021	CALL 100	X X X	1,175,000	923,903	973,683		201,317		201,317		1,175,000				18,734	04/15/2027	2 B FE	
56606CAG8	MARBLE POINT CLO XVII LTD	D	06/15/2021	BAIRD ROBERT W & CO	X X X	501,500	483,470	484,504		1,237		1,237		485,741		15,759	15,759	13,211	04/20/2033	2 C FE	
566076AJ4	MARBLE POINT CLO XVIII LTD	D	05/11/2021	CREDIT SUISSE FIRST	X X X	1,115,550	1,110,000	1,083,550		1,798		1,798		1,086,448		29,102	29,102	30,969	10/15/2033	2 A FE	
62432FAQ7	MOUNTAIN VIEW CLO 2016-1 LLC	D	04/15/2021	BARCLAYS CAPITAL FIX	X X X	250,348	250,000	218,300		1,459		1,459		223,421		26,927	26,927	3,480	04/14/2031	1 F FE	
62481WAG2	MP CLO VIII LTD	D	05/21/2021	MITSUBISHI UFJ SECS	X X X	865,519	865,000	675,576		17,245		17,245		728,035		137,484	137,484	14,642	10/28/2027	2 C FE	
67054KA7	ALTICE FRANCE SAVFRANCE	D	05/01/2021	CALL 103.688	X X X	625,239	603,000	587,060		512		512		588,887		14,113	14,113	57,569	05/01/2026	4 B FE	
67107UBA1	OZLM FUNDING LTD	D	05/24/2021	NOMURA SECURITIES/FI	X X X	995,000	995,000	986,045		658		658		986,703		8,297	8,297	13,064	07/22/2029	2 C FE	
674000AS3	OAKTREE CLO 2014-1	D	06/01/2021	CANTOR FITZGERALD & CO	X X X	1,103,895	1,105,000	1,105,553		(45)		(45)		1,105,399		(1,504)	(1,504)	18,123	05/13/2029	1 G FE	
67402FAG4	OAKTREE CLO 2020-1 LTD	D	04/15/2021	RBC CAPITAL MARKETS	X X X	1,825,019	1,815,000	1,715,175		1,679		1,679		1,720,638		104,381	104,381	81,811	07/15/2029	2 B FE	
67402GAA5	OAKTREE CLO 2020-1 LTD	D	06/21/2021	CALL 100	X X X	1,120,000	1,120,000	1,080,800		35,588		35,588		1,120,000				70,467	07/15/2029	3 B FE	
67515UAT7	OCEAN TRAILS CLO VI	D	04/06/2021	CALL 100	X X X	530,000	530,000	428,990		101,010		101,010		530,000				9,905	07/15/2028	2 B FE	
67590WCN2	OCTAGON INVESTMENT PARTNERS XXIII LTD	D	05/21/2021	CALL 100	X X X	250,000	250,000	233,438		14,520		14,520		250,000				4,208	07/15/2027	2 B FE	
67591ABJ9	OCTAGON INVESTMENT PARTNERS XXIII LTD	D	05/21/2021	CALL 100	X X X	565,000	565,000	560,409		4,591		4,591		565,000				11,815	07/15/2027	3 C FE	
69700TAG9	PALMER SQUARE CREDIT FUNDING 2019-1 LTD	D	04/20/2021	PAYDOWN	X X X	2,315,000	2,315,000	2,335,256		(19,481)		(19,481)		2,315,000				81,025	04/20/2037	2 C FE	
71654QC86	PETROLEOS MEXICANOS	D	06/09/2021	BARCLAYS BANK PLC LO	X X X	1,777,600	1,600,000	1,579,998		1,220		1,220		1,581,719		195,881	195,881	93,806	08/04/2026	3 C FE	
71654QDE9	PETROLEOS MEXICANOS	D	05/20/2021	JEFFERIES & COMPANY	X X X	709,878	741,000	707,099		436		436		707,535		2,343	2,343	14,207	01/28/2031	3 C FE	
75887TAL0	REGATTA VII FUNDING LTD	D	06/21/2021	PAYDOWN	X X X	345,000	345,000	339,239		5,762		5,762		345,000				9,004	12/20/2028	3 C FE	
77587AL0	ROMARK WM-R LTD	D	04/27/2021	BANC/AMERICA SECUR.L	X X X	314,728	332,500	314,562						314,562		166	166	267	04/20/2031	3 A FE	
81714AA3	SENECA PARK CLO LTD 2014-1	D	04/19/2021	PAYDOWN	X X X	250,000	250,000	248,250		1,750		1,750		250,000				3,077	07/17/2026	3 C FE	
87154FA5	SYMPHONY CLO XVIII LTD	D	06/28/2021	CALL 100	X X X	290,000	290,000	286,556		3,444		3,444		290,000				8,124	01/23/2028	3 C FE	
89640VAL4	TRINITAS CLO III LTD	D	05/27/2021	BANC/AMERICA SECUR.L	X X X	2,500,000	2,500,000	2,427,500		8,447		8,447		2,442,299		57,701	57,701	33,836	07/15/2027	1 D FE	
92329NAU4	VENTURE XIII CLO LTD	D	06/15/2021	JPM SECURITIES-FIXED	X X X	378,860	380,000	372,400		450		450		372,850		6,010	6,010	3,635	09/10/2029	2 B FE	
965249AD7	WHITEHORSE IX LTD	D	04/28/2021	BAIRD ROBERT W & CO	X X X	796,193	795,000	748,294		4,334		4,334		762,395		33,798	33,798	12,440	07/17/2026	1 A FE	
98313RAD8	WYNN MACAU LTD	D	06/02/2021	BNY/SUNTRUST CAPITAL	X X X	735,000	700,000	733,250		(2,206)		(2,206)		731,044		3,956	3,956	25,988	10/01/2027	4 A FE	
98313RAH9	WYNN MACAU LTD	D	06/02/2021	CREDIT SUISSE FIRST	X X X	362,250	345,000	348,795		(198)		(198)		348,597		13,653	13,653	5,283	08/26/2028	4 A FE	
BCC2CZA46	TORO EUROPEAN CLO 3 DAC	B	05/12/2021	CGMI PROP CASH AND S	X X X	302,911	301,900	275,299		1,444		1,444	(10,759)	278,505		24,406	24,406	5,856	04/15/2030	2 B FE	
BCC2EWDY2	NEUBERGER BERMAN CLO XX LTD	D	06/10/2021	CALL 100	X X X	960,000	960,000	947,040		12,960		12,960		960,000				20,320	01/15/2028	3 B FE	
BCC2FDRZ5	MOUNTAIN VIEW CLO X LTD	D	06/04/2021	CANTOR FITZGERALD & CO	X X X	509,745	510,000	491,513		2,022		2,022		496,386		13,359	13,359	6,965	10/13/2027	1 F FE	
BCC2GHB17	CVC CORDATUS LEAN FUND III DAC	B	05/12/2021	CS SECS USA NY	X X X	319,265	320,014	219,548		4,230		4,230	(30,698)	232,989		86,276	86,276	2,710	08/15/2032	1 F FE	
BCC2H5MN2	ACCUNIA EUROPEAN CLO III DAC	B	05/12/2021	CGMI PROP CASH AND S	X X X	242,978	247,558	205,965		2,210		2,210	(11,460)	210,880		32,098	32,098	7,508	01/20/2031	3 C FE	
BCC2HY49	FIGUEROA CLO 2014-1 LTD	D	04/15/2021	PAYDOWN	X X X	1,225,000	1,225,000	1,108,625		94,963		94,963		1,225,000				21,608	01/15/2027	1 E FE	
BCC2H7PR6	GALAXY XXII CLO LTD	D	05/21/2021	CALL 100	X X X	650,000	650,000	414,380		197,887		197,887		650,000				23,390	07/16/2028	4 A FE	
BCC2H8E4	ST PAUL'S CLO VII DAC	B	06/22/2021	CALL 100	X X X	386,718	386,717	358,561		17,056		17,056	(19,859)	377,337		9,381	9,381	9,203	04/30/2030	2 B FE	
BCC2H8F1	ST PAUL'S CLO VII DAC	B	06/22/2021	CALL 100	X X X	481,909	481,909	426,696		26,701		26,701	(38,374)	456,447		25,462	25,462	11,468	04/30/2030	2 B FE	
BCC2H8K2	RICHMOND PARK CLO 1 DAC	B	05/07/2021	ICBCFS	X X X	304,271	303,550	229,656		2,946		2,946	(28,034)	238,177		66,094	66,094	5,340	07/14/2031	2 B FE	
BCC2IS7Y4	AQUEDUCT EUROPEAN CLO 3-2019 DAC	B	06/29/2021	CALL 100	X X X	708,348	708,348	638,901		32,433		32,433	(52,814)	674,335		34,012	34,012	25,894	05/15/2032	3 C FE	
BCC2IVE29	ST PAUL'S CLO X DAC	B	04/22/2021	PAYDOWN	X X X	318,596	318,596	288,264		10,728		10,728	(24,077)	299,974		18,622	18,622	6,483	04/22/2032	2 C FE	
BCC2JQJ46	HAYFIN EMERALD CLO II DAC	B	05/27/2021	PAYDOWN	X X X	469,758	469,758	374,571		47,809		47,809	(41,409)	429,841		40,277	40,277	6,596	05/27/2032	1 F FE	
BCC2JX9W4	RRE 2 LOAN MANAGEMENT DAC	B	06/28/2021	CALL 100	X X X	411,464	411,464	362,352		26,393		26,393	(30,304)	391,164		20,301	20,301	17,077	01/15/2032	3 C FE	
BCC2KGR66	HARVEST CLO XXII DAC	B	05/07/2021	MERRILL LYNCH INT. L	X X X	244,710	242,840	187,485		1,919		1,919	(24,718)	192,843		51,866	51,866	5,568	01/15/2032	2 C FE	
BCC2LJSX9	RRE 3 LOAN MANAGEMENT DAC	B	05/12/2021	JEFFERIES INTL LONDO	X X X	935,059	929,852	710,304		8,088		8,088	(93,035)	736,132		198,928	198,928	8,692	01/15/2032	1 C FE	
BCC2MANH7	TAURUS 2019-4 FIN DAC	B	06/02/2021	NOMURA INTL PLC, LON	X X X	282,985	281,970	238,150		1,194		1,194	(28,358)	241,434		41,551	41,551	2,161	11/18/2031	1 A FE	
BCC2NJ0S8	NORTHWOODS CAPITAL 19 EURO DAC	B	06/16/2021	PAYDOWN	X X X	393,868	393,867	352,154		12,846		12,846	(31,609)	365,917		27,951	27,951	24,289	06/16/2033	3 C FE	
G0702BAE9	AURIUM CLO IV DAC	B	05/12/2021	MIZUHO INTL, LDN	X X X	763,927	766,826	672,340		7,886		7,886	(83,738)	596,492		167,435	167,435	4,914	01/16/2031	1 C FE	
G0R75AE0	BAIN CAPITAL EURO CLO 2018-1 DAC	B	05/12/2021	NOMURA INTL PLC, LON	X X X	252,518	253,596	171,313		3,820		3,820	(19,352)	183,473		69,045	69,045	2,467	04/20/2032	1 F FE	
G2763RAA4	DIGICEL HOLDINGS BERUDA LTD / DIGICEL I	D	04/20/2021	NON TAXABLE EXCHANGE	X X X	4,980,642	5,321,000	4,895,320		27,898		27,898		4,980,642				200,461	05/25/2024	5 A FE	
G6160KAL5	MITCHELLS & BUTLERS FINANCE PLC	B	06/15/2021	SINKING PAYMENT	X X X	3,507	3,507	3,889		(368)		(368)		3,521		(14)	(14)	53	12/15/2028	3 B FE	
G7296DA02	PUNCH TAVERNS FINANCE B LTD	B	06/30/2021	CALL 109.618523	X X X	395,075	360,409	359,772		18,575		18,575	(17,967)	352,970		7,439	7,439	44,122	03/30/2024	4 C FE	
G8812RAA2	UNIQUE PUB FINANCE CO PLC/THE	B	06/30/2021	VARIOUS	X X X	127,474	120,593	129,672		(2,573)		(2,573)		127,099		375	375	2,785	03/28/2024	4 B FE	
G8812RAJ3	UNIQUE PUB FINANCE CO PLC/THE	B	06/30/2021	SINKING PAYMENT	X X X	80,675	80,675	91,598		354		354	(10,257)	80,862		(186)	(186)	1,409	06/30/2027	3 A FE	
Y2188DAB0	EAGLE BULK SHIPCO LLC	D	05/28/2021	CALL 100	X X X	10,727	10,727	7,208		2,											

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation, NAIC Designation Modifier and SVO Admini- strative Symbol		
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Temporary Impairment Recognized	14 Total Change in B./A.C.V.	15 Total Foreign Exchange Change in B./A.C.V.									
92531HAB3	VERSCEND HOLDING CORP	D	04/01/2021	NON-BROKER/ *TRADE*	X X X	2,256,140	2,256,140	2,105,482	2,122,627		6,151		6,151		2,128,778		127,363	127,363	26,453	08/27/2025	4.A FE		
L2968EAB8	ENDO INTERNATIONAL PLC	D	03/25/2021	NON-BROKER/ *TRADE*	X X X													(13,374)	(13,374)		04/27/2024	4.A FE	
P3562BAD4	DIGICEL INTERNATIONAL FINANCE LTD	D	06/30/2021	NON-BROKER TRADE, BO	X X X	7,749	7,749	6,993	6,999		98		98		7,097		652	652		05/10/2024	5.A FE		
8299999	Subtotal - Bonds - Unaffiliated Bank Loans				X X X	9,576,014	9,602,284	9,241,861	9,315,720		32,014		32,014		9,347,734		228,282	228,282	410,737			X X X	
8399997	Subtotal - Bonds - Part 4				X X X	92,084,782	99,120,818	86,916,328	78,931,983		27,844	1,257,691	370	1,285,165	(587,114)	88,765,426		3,215,034	3,215,034	2,577,594			X X X
8399998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X	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
8399999	Subtotal - Bonds				X X X	92,084,782	99,120,818	86,916,328	78,931,983		27,844	1,257,691	370	1,285,165	(587,114)	88,765,426		3,215,034	3,215,034	2,577,594			X X X
8999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X	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
8999999	Subtotal - Preferred Stocks				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
Common Stocks - Industrial and Miscellaneous (Unaffiliated) Publicly Traded																							
02156K103	ALTICE USA INC		06/01/2021	VARIOUS	52,280.000	1,877,976	X X X	1,130,250	1,979,844	(849,593)			(849,593)		1,130,250		747,726	747,726				X X X	
13057Q305	CALIFORNIA RESOURCES CORP		06/25/2021	VARIOUS	48,123.000	1,586,520	X X X	585,002	1,135,222	(550,220)			(550,220)		585,002		1,001,518	1,001,518				X X X	
24790A101	DENBURY INC		06/24/2021	VARIOUS	26,145.000	1,563,391	X X X	549,045	671,665	(122,620)			(122,620)		549,045		1,014,346	1,014,346				X X X	
629377508	NRG ENERGY INC		06/14/2021	VARIOUS	10,072.000	372,315	X X X	364,199							364,199		8,117	8,117	3,273			X X X	
78442P106	SLM CORP		06/16/2021	VARIOUS	114,087.000	2,207,279	X X X	1,211,665	1,413,538	(201,873)			(201,873)		1,211,665		995,614	995,614	3,683			X X X	
92840M102	VISTRA CORP		05/07/2021	VARIOUS	122,904.000	2,079,859	X X X	2,324,799	1,450,200	36,661			36,661		2,324,799		(244,940)	(244,940)	11,065			X X X	
071734107	BAUSCH HEALTH COS INC		06/11/2021	VARIOUS	31,901.000	1,043,327	X X X	605,432	663,541	(58,109)			(58,109)		605,432		437,895	437,895				X X X	
G0756R109	BANK OF IRELAND GROUP PLC	B	04/30/2021	VARIOUS	94,895.000	544,187	X X X	186,044	383,159	(174,147)			(174,147)		186,044		358,142	358,142				X X X	
9099999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated) Publicly Traded				X X X	11,274,854	X X X	6,956,436	7,697,169	(1,919,901)			(1,919,901)	(22,968)	6,956,436		4,318,418	4,318,418	18,021			X X X	
Common Stocks - Industrial and Miscellaneous (Unaffiliated) Other																							
000000000	PACIFIC DRILLING	C	04/15/2021	NON-BROKER/ *TRADE*	44.000		X X X	452							452		(452)	(452)				X X X	
000000000	PACIFIC DRILLING REORGANIZED	D	04/15/2021	NON-BROKER/ *TRADE*	322.000		X X X	27,849							27,849		(27,849)	(27,849)	(113)			X X X	
9199999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated) Other				X X X		X X X	28,301							28,301		(28,301)	(28,301)	(113)			X X X	
9799997	Subtotal - Common Stocks - Part 4				X X X	11,274,854	X X X	6,984,737	7,697,169	(1,919,901)			(1,919,901)	(22,968)	6,984,737		4,290,117	4,290,117	17,908			X X X	
9799998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X	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
9799999	Subtotal - Common Stocks				X X X	11,274,854	X X X	6,984,737	7,697,169	(1,919,901)			(1,919,901)	(22,968)	6,984,737		4,290,117	4,290,117	17,908			X X X	
9899999	Subtotal - Preferred and Common Stocks				X X X	11,274,854	X X X	6,984,737	7,697,169	(1,919,901)			(1,919,901)	(22,968)	6,984,737		4,290,117	4,290,117	17,908			X X X	
9999999	Total - Bonds, Preferred and Common Stocks				X X X	103,359,636	X X X	93,901,065	86,629,152	(1,892,057)	1,257,691	370	(634,736)	(610,082)	95,750,163		7,505,151	7,505,151	2,595,502			X X X	

QE05.5

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)
Swaps - Hedging Other - Interest Rate																						
IRS_GBP_REC_0.803_PAY_GBP SONIA																						
1Y_7/12/2021_7/12/2031_LCH			LCH	F226TOH6YD6XJB17KS62	04/12/2021	07/12/2031	1,692,010	.803 / ()					(30,570)		(30,570)	(30,570)				26,804		
IRS_USD_REC_1.055_PAY_USD LIBOR																						
3M_9/12/2021_9/12/2026_LCH			LCH	F226TOH6YD6XJB17KS62	03/10/2021	09/12/2026	305,000	1.055 / ()					(679)		(679)	(679)				3,479		
IRS_USD_REC_1.365_PAY_USD LIBOR																						
3M_9/12/2021_9/12/2028_LCH			LCH	F226TOH6YD6XJB17KS62	03/10/2021	09/12/2028	222,000	1.365 / ()					(1,792)		(1,792)	(1,792)				2,980		
IRS_USD_REC_1.6413_PAY_USD LIBOR																						
3M_9/12/2021_9/12/2031_LCH			LCH	F226TOH6YD6XJB17KS62	03/10/2021	09/12/2031	160,000	1.641 / ()					(2,797)		(2,797)	(2,797)				2,556		
IRS_USD_REC_1.9763_PAY_USD LIBOR																						
3M_9/12/2021_9/12/2051_LCH			LCH	F226TOH6YD6XJB17KS62	03/10/2021	09/12/2051	64,000	1.976 / ()					(2,155,046)		(2,155,046)	(2,155,046)				1,759		
111999999 Subtotal - Swaps - Hedging Other - Interest Rate													(2,190,884)	XXX	(2,190,884)	(2,190,884)				37,578	XXX	XXX
116999999 Subtotal - Swaps - Hedging Other													(2,190,884)	XXX	(2,190,884)	(2,190,884)				37,578	XXX	XXX
135999999 Subtotal - Swaps - Interest Rate													(2,190,884)	XXX	(2,190,884)	(2,190,884)				37,578	XXX	XXX
140999999 Subtotal - Swaps													(2,190,884)	XXX	(2,190,884)	(2,190,884)				37,578	XXX	XXX
Forwards - Hedging Other																						
USD/GBP FWD 20211215																						
M4165594				BNYM FX FXALL RFQ AS	06/04/2021	12/15/2021	1,088,097	1,088,097	.705				27,897		27,897		27,897			3,691		
USD/GBP FWD 20211215																						
M4165594				BNYM FX FXALL RFQ AS	06/18/2021	12/15/2021	748,139	748,139	.723				332		332		332			2,538		
143999999 Subtotal - Forwards - Hedging Other													28,229	XXX	28,229		28,229			6,229	XXX	XXX
147999999 Subtotal - Forwards													28,229	XXX	28,229		28,229			6,229	XXX	XXX
170999999 Subtotal - Hedging Other													(2,162,655)	XXX	(2,162,655)	(2,190,884)				43,807	XXX	XXX
171999999 Subtotal - Replication														XXX								XXX
172999999 Subtotal - Income Generation														XXX								XXX
173999999 Subtotal - Other														XXX								XXX
174999999 Subtotal - Adjustments for SSAP No. 108 Derivatives														XXX								XXX
175999999 Totals													(2,162,655)	XXX	(2,162,655)	(2,190,884)	28,229			43,807	XXX	XXX

Q06

(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
0000	

SCHEDULE DB - PART B - SECTION 1

Future Contracts Open as of the Current Statement Date

1 Ticker Symbol	2 Number of Contracts	3 Notional Amount	4 Description	5 Description of Item(s) Hedged, Used for Income Generation or Replicated	6 Schedule/ Exhibit Identifier	7 Type(s) of Risk(s) (a)	8 Date of Maturity or Expiration	9 Exchange	10 Trade Date	11 Transaction Price	12 Reporting Date Price	13 Fair Value	14 Book/ Adjusted Carrying Value	Highly Effective Hedges			18 Cumulative Variation Margin for All Other Hedges	19 Change in Variation Margin Gain (Loss) Recognized in Current Year	20 Potential Exposure	21 Hedge Effectiveness at Inception and at Quarter-end (b)	22 Value of One (1) Point									
														15 Cumulative Variation Margin	16 Deferred Variation Margin	17 Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item														
Short Futures - Hedging Effective - Excluding Variable Annuity Guarantees Under SSAP No.108																														
GU1	10	14,124	LONG GILT FUTURE SEP21				09/28/2021	ICF	05/26/2021	177.5943	176.9637	(1,934)					(6,306)	(6,306)			1,000									
1589999999 Subtotal - Short Futures - Hedging Effective - Excluding Variable Annuity Guarantees Under SSAP No.108													(6,306)	(6,306)																
1649999999 Subtotal - Short Futures													(1,934)																	
1689999999 Subtotal - Hedging Effective - Excluding Variable Annuity Guarantees Under SSAP No.108													(1,934)																	
1699999999 Subtotal - Hedging Effective - Variable Annuity Guarantees Under SSAP No.108																														
1709999999 Subtotal - Hedging Other																														
1719999999 Subtotal - Replication																														
1729999999 Subtotal - Income Generation																														
1739999999 Subtotal - Other																														
1749999999 Subtotal - Adjustments for SSAP No. 108 Derivatives																														
1759999999 Totals (Sum of Lines 1689999999, 1699999999, 1709999999, 1719999999, 1729999999, 1739999999 and 1749999999)													(1,934)																	

1 Broker Name	2 Beginning Cash Balance	3 Cumulative Cash Change	4 Ending Cash Balance
GOLDMAN SACHS & CO,		39,341	39,341
9999999999 Total - Net Cash Deposits		39,341	39,341

QE07

(a)

1 Code	2 Description of Hedged Risk(s)

(b)

1 Code	2 Financial or Economic Impact of the Hedge at the End of the Reporting Period
0000	

SCHEDULE DB - PART D - SECTION 1

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1 Description of Exchange, Counterparty or Central Clearinghouse	2 Master Agreement (Y or N)	3 Credit Support Annex (Y or N)	Counterparty Offset		Book/Adjusted Carrying Value			Fair Value			12 Potential Exposure	13 Off-Balance Sheet Exposure	
			4 Fair Value of Acceptable Collateral	5 Present Value of Financing Premiums	6 Contracts With Book/Adjusted Carrying Value > 0	7 Contracts With Book/Adjusted Carrying Value < 0	8 Exposure net of Collateral	9 Contracts With Fair Value > 0	10 Contracts With Fair Value < 0	11 Exposure Net of Collateral			
019999999 Aggregate Sum of Exchange Traded Derivatives					39,341		39,341		(1,934)		39,341	39,341	
NAIC 1 Designation													
BNYM FX FXALL RFQ AS	N	N			28,228		28,228	28,228			28,228	6,229	6,229
029999999 Subtotal - NAIC 1 Designation					28,228		28,228	28,228			28,228	6,229	6,229
039999999 Subtotal - NAIC 2 Designation													
049999999 Subtotal - NAIC 3 Designation													
059999999 Subtotal - NAIC 4 Designation													
069999999 Subtotal - NAIC 5 Designation													
079999999 Subtotal - NAIC 6 Designation													
089999999 Aggregate Sum of Central Clearinghouses							(2,190,885)		(2,190,885)		37,579		
099999999 Gross Total					67,569	(2,190,885)	67,569	28,228	(2,192,819)	28,228	83,149	45,570	
1. Offset per SSAP No. 64													
2. Net after right of offset per SSAP No. 64					67,569	(2,190,885)							

SCHEDULE DB - PART D - SECTION 2

Collateral for Derivative Instruments Open as of Current Statement Date

Collateral Pledged by Reporting Entity

1 Exchange, Counterparty or Central Clearinghouse	2 Type of Asset Pledged	3 CUSIP Identification	4 Description	5 Fair Value	6 Par Value	7 Book/Adjusted Carrying Value	8 Maturity Date	9 Type of Margin (I, V or IV)
LCH	F226TOH6YD6XJB17KS62	CASH	000000000 . CASHUSD	86,385	86,385	86,385		I
CBT	1UAUICTO4EQ4DO6ZH473	CASH	000000000 . CASHUSD	39,341	39,341	39,341		I
LCH	F226TOH6YD6XJB17KS62	CASH	000000000 . CASHUSD	20,007	20,007	20,007		V
0199999999 Total				145,733	145,733	145,733	X X X	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 Exchange, Counterparty or Central Clearinghouse	2 Type of Asset Pledged	3 CUSIP Identification	4 Description	5 Fair Value	6 Par Value	7 Book/Adjusted Carrying Value	8 Maturity Date	9 Type of Margin (I, V or IV)
0299999999 Total						X X X	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 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
Bank of NY Mellon	New York, NY					7,708,519	7,494,893	23,526,848	X X X
U.S. Bank N.A.	Portland, OR	SD				300,457	300,457	300,457	X X X
Bank of NY Mellon Corp	Pittsburgh, PA					21,090,600	15,139,298	12,228,989	X X X
0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories		X X X	X X X						X X X
0199999 Totals - Open Depositories		X X X	X X X			29,099,576	22,934,648	36,056,294	X X X
0299998 Deposits in0 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 Totals - Suspended Depositories		X X X	X X X						X X X
0399999 Total Cash On Deposit		X X X	X X X			29,099,576	22,934,648	36,056,294	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash		X X X	X X X			29,099,576	22,934,648	36,056,294	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		06/23/2021	0.010	X X X	1,016,965	7	24
8599999 Subtotal - Exempt Money Market Mutual Funds - as Identified by SVO						1,016,965	7	24
All Other Money Market Mutual Funds								
. 09248U700	BLCKRCK LIQ FDFND-INST		06/02/2021	0.000	X X X	3,937		8
. 38141W273	GOLDMAN SACHS GOVT-FS		06/02/2021	0.000	X X X	48,217,445		5,907
. 61747C707	MSILF GOVERNMENT-INST		06/30/2021	0.000	X X X	34,590,068		1,956
. 999G51662	JP MORGAN US GOVT MM FUND 3164		06/30/2021	0.000	X X X	48,881,345		
. 316175108	FIDELITY INV MMKT GOVT-I		06/30/2021	0.000	X X X	47,651,289		
8699999 Subtotal - All Other Money Market Mutual Funds						179,344,084		7,871
9999999 Total Cash Equivalents						180,361,049	7	7,895