

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
Riverpoint, Ltd.

Opinions

We have audited the condensed financial statements of Riverpoint, Ltd. (the “Company”), which comprise the condensed balance sheets and condensed statements of capital and surplus as of December 31, 2023 and 2022, and the related condensed statements of income for the years then ended, including the related notes (collectively referred to as the “condensed financial statements”).

Unmodified opinion on regulatory basis of accounting

In our opinion, the accompanying condensed financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations for the years then ended in accordance with the financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 with respect to condensed general purpose financial Statements (the “Legislation”).

Adverse opinion on accounting generally accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States Of America section of our report, the accompanying condensed financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2023 and 2022, or the results of its operations for the years then ended.

Basis for opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the condensed financial statements* section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for adverse opinion on U.S. generally accepted accounting principles

As described in Note 3 to the condensed financial statements, the condensed financial statements are prepared by the Company on the basis of the financial reporting provisions of the Legislation, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Bermuda Monetary Authority.

The effects on the condensed financial statements of the variances between the regulatory basis of accounting described in Note 3 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of management for the condensed financial statements

Management is responsible for the preparation and fair presentation of the condensed financial statements in accordance with the financial reporting provisions of the Legislation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the condensed financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the condensed financial statements are available to be issued.

Auditor's responsibilities for the audit of the condensed financial statements

Our objectives are to obtain reasonable assurance about whether the condensed financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the condensed financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the condensed financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the condensed financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the condensed financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte Ltd.

April 30, 2024

CONDENSED BALANCE SHEET

Riverpoint, Ltd.

As at

expressed in ['000s]

December 31, 2023

United States Dollars

| LINE No. | | 2023 | 2022 |
|----------|--|-------|-------|
| 1. | CASH AND CASH EQUIVALENTS | 5,133 | 4,076 |
| 2. | QUOTED INVESTMENTS: | | |
| (a) | Bonds and Debentures | | |
| | i. Held to maturity | | |
| | ii. Other | | |
| (b) | Total Bonds and Debentures | - | - |
| (c) | Equities | | |
| | i. Common stocks | | |
| | ii. Preferred stocks | | |
| | iii. Mutual funds | | |
| (d) | Total equities | - | - |
| (e) | Other quoted investments | | |
| (f) | Total quoted investments | - | - |
| 3. | UNQUOTED INVESTMENTS: | | |
| (a) | Bonds and Debentures | | |
| | i. Held to maturity | | |
| | ii. Other | | |
| (b) | Total Bonds and Debentures | - | - |
| (c) | Equities | | |
| | i. Common stocks | | |
| | ii. Preferred stocks | | |
| | iii . Mutual funds | | |
| (d) | Total equities | - | - |
| (e) | Other unquoted investments | | |
| (f) | Total unquoted investments | - | - |
| 4. | INVESTMENTS IN AND ADVANCES TO AFFILIATES | | |
| (a) | Unregulated entities that conduct ancillary services | | |
| (b) | Unregulated non-financial operating entities | | |
| (c) | Unregulated financial operating entities | | |
| (d) | Regulated non-insurance financial operating entities | | |
| (e) | Regulated insurance financial operating entities | | |
| (f) | Total investments in affiliates | - | - |
| (g) | Advances to affiliates | | |
| (h) | Total investments in and advances to affiliates | - | - |
| 5. | INVESTMENTS IN MORTGAGE LOANS ON REAL ESTATE: | | |
| (a) | First liens | | |
| (b) | Other than first liens | | |
| (c) | Total investments in mortgage loans on real estate | - | - |
| 6. | POLICY LOANS | | |
| 7. | REAL ESTATE: | | |
| (a) | Occupied by the company (less encumbrances) | | |
| (b) | Other properties (less encumbrances) | | |
| (c) | Total real estate | - | - |
| 8. | COLLATERAL LOANS | | |
| 9. | INVESTMENT INCOME DUE AND ACCRUED | | |
| 10. | ACCOUNTS AND PREMIUMS RECEIVABLE: | | |
| (a) | In course of collection | 2,757 | 1,672 |
| (b) | Deferred - not yet due | | |
| (c) | Receivables from retrocessional contracts | | |
| (d) | Total accounts and premiums receivable | 2,757 | 1,672 |
| 11. | REINSURANCE BALANCES RECEIVABLE: | | |
| (a) | Foreign affiliates | | |
| (b) | Domestic affiliates | | |
| (c) | Pools & associations | | |
| (d) | All other insurers | | |
| (e) | Total reinsurance balance receivable | - | - |
| 12. | FUNDS HELD BY CEDING REINSURERS | 175 | |

CONDENSED BALANCE SHEET

Riverpoint, Ltd.

As at

expressed in ['000s]

December 31, 2023

United States Dollars

| LINE No. | | 2023 | 2022 |
|----------|--|-------|-------|
| 13. | SUNDRY ASSETS: | | |
| (a) | Derivative instruments | | |
| (b) | Segregated accounts companies - long-term business - variable annuities | | |
| (c) | Segregated accounts companies - long-term business - other | | |
| (d) | Segregated accounts companies - general business | | |
| (e) | Deposit assets | | |
| (f) | Deferred acquisition costs | | |
| (g) | Net receivables for investments sold | | |
| (h) | Prepaid Assets | | 7 |
| (i) | Other Sundry Assets (Specify) | | |
| (j) | Other Sundry Assets (Specify) | | |
| (k) | Total sundry assets | - | 7 |
| 14. | LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS | | |
| (a) | Letters of credit | | |
| (b) | Guarantees | | |
| (c) | Other instruments | | |
| (e) | Total letters of credit, guarantees and other instruments | - | - |
| 15. | TOTAL | 8,065 | 5,755 |
| | TOTAL INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS | | |
| 16. | UNEARNED PREMIUM RESERVE | | |
| (a) | Gross unearned premium reserves | | |
| (b) | Less: Ceded unearned premium reserve | | |
| | i. Foreign affiliates | | |
| | ii. Domestic affiliates | | |
| | iii. Pools & associations | | |
| | iv. All other insurers | | |
| (c) | Total ceded unearned premium reserve | - | - |
| (d) | Net unearned premium reserve | - | - |
| 17. | LOSS AND LOSS EXPENSE PROVISIONS: | | |
| (a) | Gross loss and loss expense provisions | 165 | 182 |
| (b) | Less : Reinsurance recoverable balance | | |
| | i. Foreign affiliates | | |
| | ii. Domestic affiliates | | |
| | iii. Pools & associations | | |
| | iv. All other reinsurers | | |
| (c) | Total reinsurance recoverable balance | - | - |
| (d) | Net loss and loss expense provisions | 165 | 182 |
| 18. | OTHER GENERAL BUSINESS INSURANCE RESERVES | | |
| 19. | TOTAL GENERAL BUSINESS INSURANCE RESERVES | 165 | 182 |
| | LONG-TERM BUSINESS INSURANCE RESERVES | | |
| 20. | RESERVE FOR REPORTED CLAIMS | | |
| 21. | RESERVE FOR UNREPORTED CLAIMS | | |
| 22. | POLICY RESERVES - LIFE | | |
| 23. | POLICY RESERVES - ACCIDENT AND HEALTH | | |
| 24. | POLICYHOLDERS' FUNDS ON DEPOSIT | | |
| 25. | LIABILITY FOR FUTURE POLICYHOLDERS' DIVIDENDS | | |
| 26. | OTHER LONG-TERM BUSINESS INSURANCE RESERVES | | |
| 27. | TOTAL LONG-TERM BUSINESS INSURANCE RESERVES | | |
| (a) | Total Gross Long-Term Business Insurance Reserves | - | - |
| (b) | Less: Reinsurance recoverable balance on long-term business | | |
| | (i) Foreign Affiliates | | |
| | (ii) Domestic Affiliates | | |
| | (iii) Pools and Associations | | |
| | (iv) All Other Insurers | | |
| (c) | Total Reinsurance Recoverable Balance | - | - |

CONDENSED BALANCE SHEET

Riverpoint, Ltd.

As at

December 31, 2023

expressed in ['000s]

United States Dollars

| LINE No. | | 2023 | 2022 |
|----------|---|-------|-------|
| (d) | Total Net Long-Term Business Insurance Reserves | - | - |
| | OTHER LIABILITIES | | |
| 28. | INSURANCE AND REINSURANCE BALANCES PAYABLE | 561 | 123 |
| 29. | COMMISSIONS, EXPENSES, FEES AND TAXES PAYABLE | 580 | 223 |
| 30. | LOANS AND NOTES PAYABLE | | |
| 31. | (a) INCOME TAXES PAYABLE | (42) | 188 |
| | (b) DEFERRED INCOME TAXES | | |
| 32. | AMOUNTS DUE TO AFFILIATES | | |
| 33. | ACCOUNTS PAYABLE AND ACCRUED LIABILITIES | 61 | 54 |
| 34. | FUNDS HELD UNDER REINSURANCE CONTRACTS: | | |
| 35. | DIVIDENDS PAYABLE | | |
| 36. | SUNDRY LIABILITIES: | | |
| (a) | Derivative instruments | | |
| (b) | Segregated accounts companies | | |
| (c) | Deposit liabilities | | |
| (d) | Net payable for investments purchased | | |
| (e) | Other sundry liabilities (specify) | | |
| (f) | Other sundry liabilities (specify) | | |
| (g) | Other sundry liabilities (specify) | | |
| (h) | Total sundry liabilities | - | - |
| 37. | LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS: | | |
| (a) | Letters of credit | | |
| (b) | Guarantees | | |
| (c) | Other instruments | | |
| (d) | Total letters of credit, guarantees and other instruments | - | - |
| 38. | TOTAL OTHER LIABILITIES | 1,160 | 588 |
| 39. | TOTAL INSURANCE RESERVES AND OTHER LIABILITIES | 1,325 | 770 |
| | CAPITAL AND SURPLUS | | |
| 40. | TOTAL CAPITAL AND SURPLUS | 6,740 | 4,985 |
| 41. | TOTAL | 8,065 | 5,755 |

TRUE

TRUE

CONDENSED STATEMENT OF INCOME

Riverpoint, Ltd.

As at

expressed in ['000s]

December 31, 2023

United States Dollars

| LINE No. | | 2023 | 2022 |
|----------|---|-------|-------|
| | GENERAL BUSINESS UNDERWRITING INCOME | | |
| 1. | GROSS PREMIUMS WRITTEN | | |
| | (a) Direct gross premiums written | 7,199 | 4,345 |
| | (b) Assumed gross premiums written | | |
| | (c) Total gross premiums written | 7,199 | 4,345 |
| 2. | REINSURANCE PREMIUMS CEDED | | |
| 3. | NET PREMIUMS WRITTEN | 7,199 | 4,345 |
| 4. | INCREASE (DECREASE) IN UNEARNED PREMIUMS | | |
| 5. | NET PREMIUMS EARNED | 7,199 | 4,345 |
| 6. | OTHER INSURANCE INCOME | | |
| 7. | TOTAL GENERAL BUSINESS UNDERWRITING INCOME | 7,199 | 4,345 |
| | GENERAL BUSINESS UNDERWRITING EXPENSES | | |
| 8. | NET LOSSES INCURRED AND NET LOSS EXPENSES INCURRED | 489 | 318 |
| 9. | COMMISSIONS AND BROKERAGE | 1,515 | 542 |
| 10. | TOTAL GENERAL BUSINESS UNDERWRITING EXPENSES | 2,004 | 860 |
| 11. | NET UNDERWRITING PROFIT (LOSS) - GENERAL BUSINESS | 5,195 | 3,485 |
| | LONG-TERM BUSINESS INCOME | | |
| 12. | GROSS PREMIUMS AND OTHER CONSIDERATIONS: | | |
| | (a) Direct gross premiums and other considerations | | |
| | (b) Assumed gross premiums and other considerations | | |
| | (c) Total gross premiums and other considerations | - | - |
| 13. | PREMIUMS CEDED | | |
| 14. | NET PREMIUMS AND OTHER CONSIDERATIONS: | | |
| | (a) Life | | |
| | (b) Annuities | | |
| | (c) Accident and health | | |
| | (d) Total net premiums and other considerations | - | - |
| 15. | OTHER INSURANCE INCOME | | |
| 16. | TOTAL LONG-TERM BUSINESS INCOME | - | - |
| | LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES | | |
| 17. | CLAIMS - LIFE | | |
| 18. | POLICYHOLDERS' DIVIDENDS | | |
| 19. | SURRENDERS | | |
| 20. | MATURITIES | | |
| 21. | ANNUITIES | | |
| 22. | ACCIDENT AND HEALTH BENEFITS | | |
| 23. | COMMISSIONS | | |
| 24. | OTHER | | |
| 25. | TOTAL LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES | - | - |
| 26. | INCREASE (DECREASE) IN POLICY RESERVES (ACTUARIAL LIABILITIES): | | |
| | (a) Life | | |
| | (b) Annuities | | |
| | (c) Accident and health | | |
| | (d) Total increase (decrease) in policy reserves | - | - |

CONDENSED STATEMENT OF INCOME

Riverpoint, Ltd.

As at

expressed in ['000s]

December 31, 2023**United States Dollars**

| LINE No. | | 2023 | 2022 |
|-----------------|--|--------------|--------------|
| 27. | TOTAL LONG-TERM BUSINESS EXPENSES | - | - |
| 28. | NET UNDERWRITING PROFIT (LOSS) - LONG-TERM BUSINESS | - | - |
| 29. | COMBINED NET UNDERWRITING RESULTS BEFORE THE UNDERNOTED ITEMS | <u>5,195</u> | <u>3,485</u> |
| | UNDERNOTED ITEMS | | |
| 30. | COMBINED OPERATING EXPENSE | | |
| | (a) General and administration | 561 | 472 |
| | (b) Personnel cost | | |
| | (c) Other | | |
| | (d) Total combined operating expenses | <u>561</u> | <u>472</u> |
| 31. | COMBINED INVESTMENT INCOME - NET | | |
| 32. | COMBINED OTHER INCOME (DEDUCTIONS) | | |
| 33. | COMBINED INCOME BEFORE TAXES | <u>4,634</u> | <u>3,013</u> |
| 34. | COMBINED INCOME TAXES (IF APPLICABLE): | | |
| | (a) Current | 879 | 633 |
| | (b) Deferred | | |
| | (c) Total | <u>879</u> | <u>633</u> |
| 35. | COMBINED INCOME BEFORE REALIZED GAINS (LOSSES) | 3,755 | 2,380 |
| 36. | COMBINED REALIZED GAINS (LOSSES) | | |
| 37. | COMBINED INTEREST CHARGES | | |
| 38. | NET INCOME | <u>3,755</u> | <u>2,380</u> |

CONDENSED STATEMENT OF CAPITAL AND SURPLUS

Riverpoint, Ltd.

As at **December 31, 2023**
expressed in ['000s] **United States Dollars**

| LINE No. | | 2023 | 2022 |
|----------|--|-----------------|-------|
| 1. | CAPITAL: | | |
| (a) | Capital Stock | | |
| | (i) Common Shares | | |
| | authorized | 120,000 | |
| | value | \$ 1,000 | |
| | fully paid | 120,000 | |
| | | shares of par | |
| | | each issued and | |
| | | shares | |
| | (ii) | | |
| | (A) Preferred shares: | | |
| | authorized | | |
| | value | | |
| | fully paid | | |
| | | shares of par | |
| | | each issued and | |
| | | shares | |
| | aggregate liquidation value for – | | |
| | 2023 | | |
| | 2022 | | |
| | (B) Preferred shares issued by a subsidiary: | | |
| | authorized | | |
| | value | | |
| | fully paid | | |
| | | shares of par | |
| | | each issued and | |
| | | shares | |
| | aggregate liquidation value for – | | |
| | 2023 | | |
| | 2022 | | |
| | (iii) Treasury Shares | | |
| | repurchased | | |
| | value | | |
| | | shares of par | |
| | | each issued | |
| (b) | Contributed surplus | 2,272 | 2,272 |
| (c) | Any other fixed capital | | |
| | (i) Hybrid capital instruments | | |
| | (ii) Guarantees and others | | |
| | (iii) Total any other fixed capital | - | - |
| (d) | Total Capital | 2,392 | 2,392 |
| 2. | SURPLUS: | | |
| (a) | Surplus - Beginning of Year | 2,593 | 213 |
| (b) | Add: Income for the year | 3,755 | 2,380 |
| (c) | Less: Dividends paid and payable | (2,000) | |
| (d) | Add (Deduct) change in unrealized appreciation (depreciation) of investments | | |
| (e) | Add (Deduct) change in any other surplus | | |
| (f) | Surplus - End of Year | 4,348 | 2,593 |
| 3. | MINORITY INTEREST | | |
| 4. | TOTAL CAPITAL AND SURPLUS | 6,740 | 4,985 |

RIVERPOINT, LTD.
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023
(expressed in U.S. dollars)

General Note to the Financial Statements

1. Organization

Riverpoint, Ltd. (“the Company”) was incorporated under the laws of Bermuda on June 26, 2017 and is a wholly owned subsidiary of Harrison Street Real Estate Capital, LLC (“the Parent”), which is ultimately owned by Colliers International Group Inc. (“Colliers”), a Canadian corporation. The Company was licensed as a Class 1 insurer under the Bermuda Insurance Act, 1978 and Related Regulations. The Company applied for re-registration as a Class 3 Insurer. On June 5, 2020 the Company was given Class 3 Insurer license under the Bermuda Insurance Act, 1978 and Related Regulations. The company applied for re-registration as a Class 3A insurer with the expansion of the 3rd party business and was approved on December 22nd, 2023, under the Bermuda Insurance Act, 1978 and Related Regulations.

During 2023 the Company insured a portion of an unrelated business through Foxen as property administrators. The unrelated business represented 51% of the total business written for the year ended December 31, 2023. (2022 – 33%)

2. Description of business

The Company provides property damage protection to the Parent as well as 3rd party properties in connection with any losses resulting from the tenant damage liability waiver program operated by those parties. As at December 31, 2023, the Company has more than 300 properties that are covered with a limit of liability assumed of \$100,000 per accident and an aggregate limit of two accidents per loss waiver policy. Therefore, the total limit of liability assumed per policy is \$200,000.

3. Basis of preparation

The accompanying condensed financial statements have been prepared in conformity with the financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 with respect to Condensed General Purpose Financial Statements (the "Legislation"). The condensed general purpose financial statements are based upon accounting principles generally accepted in the United States of America ("US GAAP") but are in accordance with the reporting requirements of the Legislation, which varies in certain respects from US GAAP. The significant variances are as follows:

- A statement of cash flows is not included;
- A statement of comprehensive income is not included;
- The presentation and classification of financial statement line items is in accordance with Schedules IX and XI of the Insurance Account Rules 2016 and differ from the expected presentation and classification under US GAAP; and
- The notes included in the condensed general purpose financial statements have been prepared in accordance with Schedule X of the Insurance Account Rules 2016 and exclude certain information required under US GAAP.

4. Accounting policies

a) Premiums

RIVERPOINT, LTD.
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023
(expressed in U.S. dollars)

Premiums written are recorded on the accruals basis and are included in income on a monthly basis. These are calculated based on the number of tenants with an active policy at each property involved in the program.

b) Cash and cash equivalents

Cash and time deposits consists only of cash amounts held in banks.

c) Loss and Loss expenses

Losses and loss expenses are recorded when advised by the claims adjuster. Outstanding losses will comprise of estimates of the amount of reported losses and loss expenses as and when received from the claims adjuster.

Although management believes, that the provision for outstanding losses and loss expenses will be adequate to cover the ultimate cost of losses incurred to the balance sheet date, the provision is an estimate and may ultimately be settled for a materially greater or lesser amount. These estimates are reviewed regularly and, as experience develops and new information becomes known, the reserves are adjusted as necessary. Such adjustments, if any, are reflected in results of operations in the period in which they become known and are accounted for as changes in estimates.

d) Commissions and brokerage

Underwriting commissions are proportionate with premiums written and the expense is recognized as incurred.

e) Taxation

The Company has made an election under the Internal Revenue Code Section 953(d) to be subject to U.S. income taxes as a domestic U.S. insurance company. As a result of the election, the Company was liable to a tax expense of \$878,608 for the year ended December 31, 2023. During the year, total tax payments of \$1,300,000 were made to the IRS and prior year's reallocation of \$190,782, therefore resulting in a net tax receivable of \$42,339 at December 31, 2023.

5. Recognition of income

The basis for recognition of premium income is as noted in 4 above.

6-14. N/A

16. Subsequent Events

The company declared a dividend during March 2024 to the amount of \$1,200,000.

17. N/A

RIVERPOINT, LTD.
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023
(expressed in U.S. dollars)

Notes to the Statement of Capital and Surplus

1. (a) Capital Stock

The Company's authorized share capital consists of 120,000 shares of \$1 each par value. At December 31, 2023, 120,000 (2022 – 120,000) all shares have been issued and fully paid.

The Parent Company has previously provided \$Nil (2022: \$2,271,921) in contributed surplus to the Company.

(b) N/A

(c) Dividends in the amount \$2,000,000 were declared and paid during the year.

Notes to the Balance Sheet

1-9. N/A

10. Accounts and Premiums Receivable

The Company has premiums receivable of \$2,757,175 (2022: \$1,672,300) in relation to business written in the normal course of business not yet settled.

11-14. N/A

16. N/A

17. Loss and loss expense provision

See General Note to the Financial Statements – 4. Loss and Loss Expenses.

Activity in the liability for loss and loss expense is summarized as follows:

| | 2023 | 2022 |
|--|-------------|-------------|
| Gross loss and loss expense provisions at beginning of year | 181,910 | 150,266 |
| Less: Reinsurance recoverable at beginning of year | - | - |
| | <hr/> | <hr/> |
| Net loss and loss expense provisions at beginning of year | 181,910 | 150,266 |
| | <hr/> | <hr/> |
| Add: Net loss and loss expenses reserve movement related to: | | |
| Current year | 357,974 | 335,728 |
| Prior years | 130,932 | (18,169) |
| | <hr/> | <hr/> |
| Total net incurred losses and loss expenses | 488,906 | 317,559 |
| | <hr/> | <hr/> |

RIVERPOINT, LTD.
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023
(expressed in U.S. dollars)

| | | |
|---|----------------|----------------|
| Less: Net losses and loss expenses paid related to: | | |
| Current year | (153,929) | (168,429) |
| Prior years | (351,825) | (117,486) |
| | <hr/> | <hr/> |
| Total losses and loss expenses paid or payable | (505,755) | (285,915) |
| | <hr/> | <hr/> |
| Foreign exchange and other | - | - |
| Net loss and loss expense provisions at end of year | 165,062 | 181,910 |
| Add: Reinsurance recoverable at end of year | - | - |
| Gross loss and loss expense provisions at end of year | <u>165,062</u> | <u>181,910</u> |

The Company's incurred activity is primarily due to current year's policy due to the short tail nature of the risk. As a result of a change in the estimate of insured events in the prior year, the loss and loss expense provisions decreased by \$130,932 (2022: decreased by \$18,169).

22-30. N/A

31. (a) Income taxes payable

U.S. income taxes payable

Refer to note 4 (e) above

Bermuda Corporate Income Tax does not apply to the Company as the entity a 953(D)-electing Company.

32. N/A

33. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities includes payable amounts of \$60,851 (2022: \$53,576) relating to sundry expenses accrued.

34-37. N/A

Notes to the Statement of Income

6-36. N/A